

Agenda Items: ID#19-11046 (10:30 AM#1)

Date: 8/15/2019

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## FRESNO CITY COUNCIL



### Late Submission Information Packet

Agenda Related Item(s) – ID#19-11046 (10:30 AM#1)

#### Item(s)

CONTINUED HEARING to consider Plan Amendment and Rezone Application No. P18-03582, Conditional Use Permit Application No. P18-03583 and Environmental Impact Report (EIR) State Clearinghouse (SCH) No. 2018111043 as part of a City-initiated Plan Amendment and Rezone pursuant to Fresno Municipal Code (FMC) Section 15-5803: (Council District 3)

**Contents: Late Submission – UPDATED PowerPoint Presentation**

#### **Supplemental Information:**

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2)). In addition, Supplemental Packets are available for public review at the City Council meeting in the City Council Chambers, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

#### **Americans with Disabilities Act (ADA):**

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, sign language interpreters, assistive listening devices, or translators should be made one week prior to the meeting. Please call City Clerk's Office at 621-7650. Please keep the doorways, aisles and wheelchair seating areas open and accessible. If you need assistance with seating because of a disability, please see Security.

# **Darling Rendering Plant Relocation**

**PLAN AMENDMENT NO. P18-03582;  
REZONE APPLICATION NO. P18-03582;  
CONDITIONAL USE PERMIT APPLICATION NO.  
128-03583; DISPOSITION AGREEMENT AND  
DEVELOPMENT AGREEMENT  
AND  
ENVIRONMENTAL IMPACT REPORT  
SCH No. 2018111043**

Filed By: City of Fresno

# Overview

- Darling plant will relocate near wastewater treatment facility and Darling will permanently decommission existing plant
- Approved by Council in 2017, but delayed due to the Quist CEQA litigation. As a result of the litigation, the project has been relocated and the City has completed an EIR.

# Council is being asked to approve:

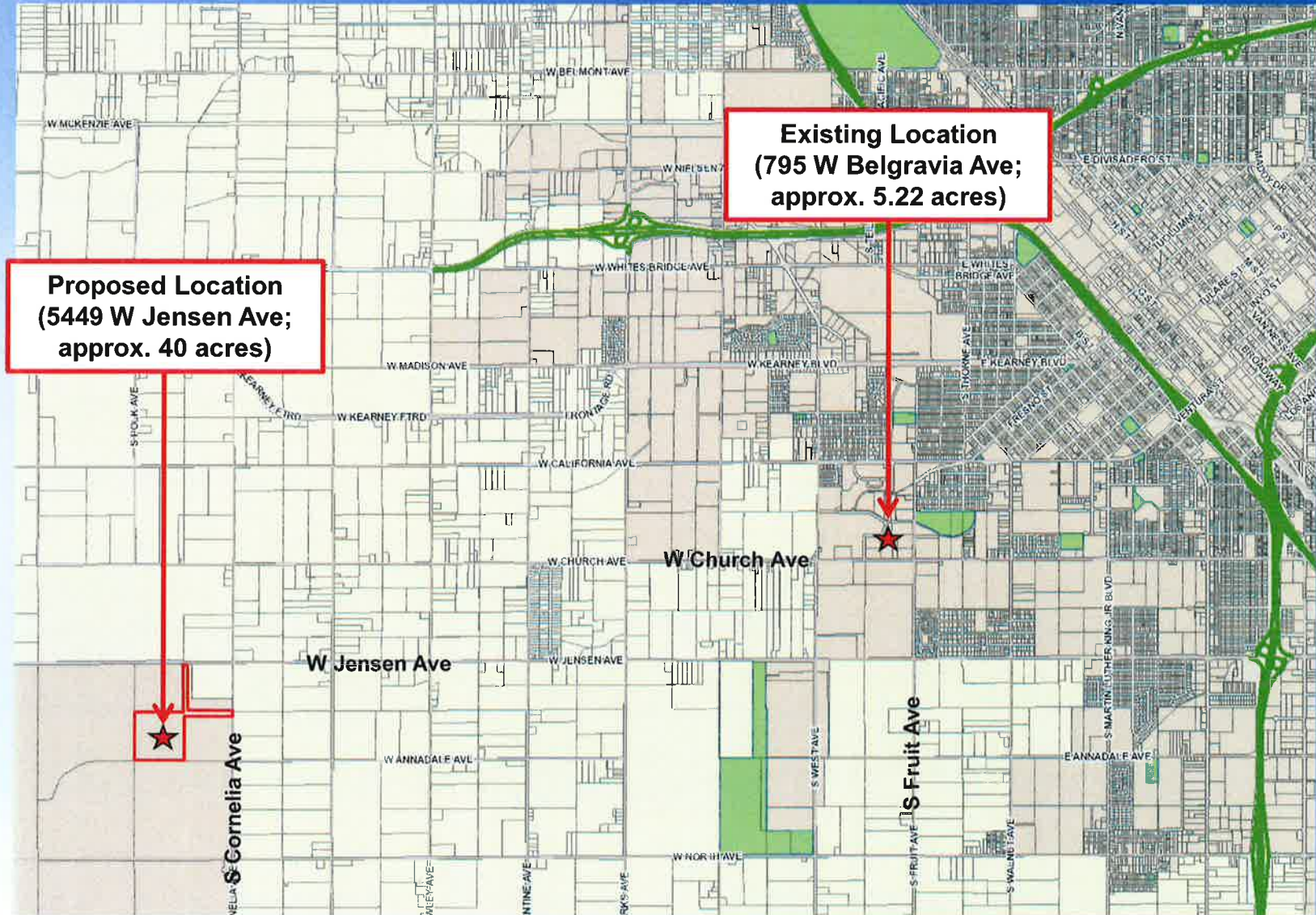
- City to provide the land and entitlements, utility infrastructure and service commitments (PG&E and methane gas, potable and non-potable water), property and sales tax rebates, and impact fee waivers for the new location.
- Darling will construct a new plant, decommission the existing facility, and place a deed restriction on the property of the existing facility prohibiting future use as a rendering plant.
- Escrow is expected to close by the end of 2019 with construction to be completed 2.5 years following close of escrow.

One Time Inputs		Darling	NMTC	City
Cash	\$35,000,000	\$35,000,000		
New Markets Tax Credit (NMTC)	\$9,000,000		\$9,000,000	
Methane Gas Line	\$649,591			\$649,591
New Site (Land) Appraisal Underway	\$400,000			\$400,000
New Well	\$1,347,111			\$1,347,111
New Well - Water Capacity Fee	\$53,076			\$53,076
Non-Potable Water Supply Line	\$319,855			\$319,855
PG&E Gas Line	\$6,000,000			\$6,000,000
Sales Tax Rebate Commitment	\$50,000			\$50,000
Waste Water Facility Impact Fees - Capacity Fee	\$8,400,000			\$8,400,000
Impact Fees (other than DPU fees)	\$68,211			\$68,211
Entitlement & Permit Fees	\$600,000			\$600,000
<b>SUBTOTAL</b>	<b>\$61,887,843</b>	<b>\$35,000,000</b>	<b>\$9,000,000</b>	<b>\$17,887,843</b>
<b>Annual Contributions</b>				
Methane Gas Service Commitment - Annual	\$733,824			\$18,445,055
New Well - Water Annual Consumption	\$55,627			\$1,398,214
Non-Potable Water Service Commitment Annual	\$12,516			\$317,587
Property Tax Rebate	\$183,000			\$4,599,802
BOD current	\$300,000			\$7,540,659
<b>SUBTOTAL</b>	<b>\$1,284,967</b>			<b>\$32,301,317</b>
<b>TOTAL Investment</b>	<b>\$122,912,689</b>	<b>\$35,000,000</b>	<b>\$9,000,000</b>	<b>\$50,189,160</b>
*All numbers are approximate				

# What still needs to happen?

- Darling seeking \$9,000,000 target in New Markets Tax Credits
  - City has budgeted up to \$1,000,000 if Darling does not receive 95% of target, per Agreement
  - Darling expects to receive its target amount, but still negotiating
- Darling also seeking property tax rebate from County
  - On County agenda for August 20
- Darling will seek a permit from the Air District

# LOCATION - VICINTY

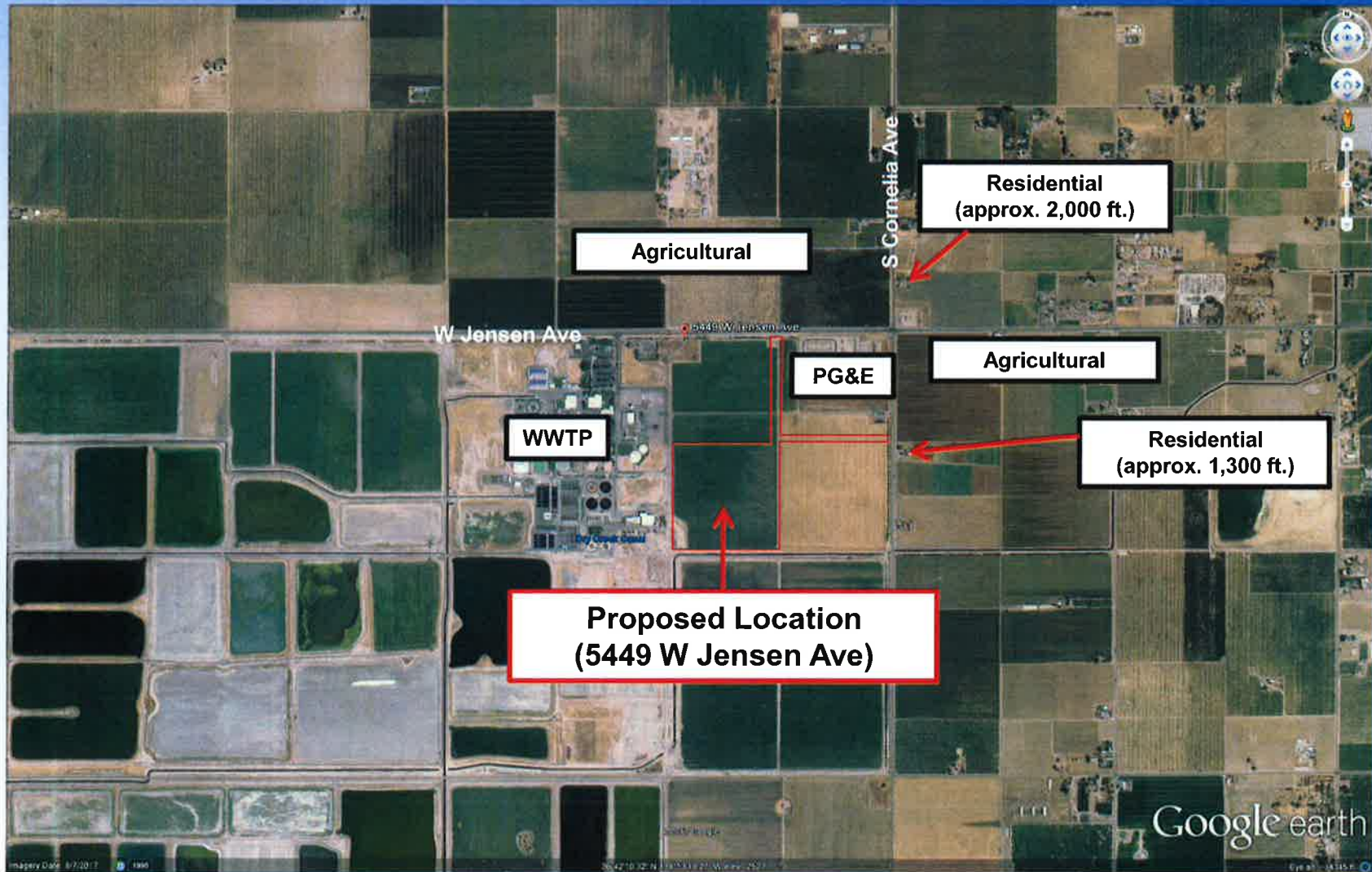


# LOCATION (Aerial) – EXISTING





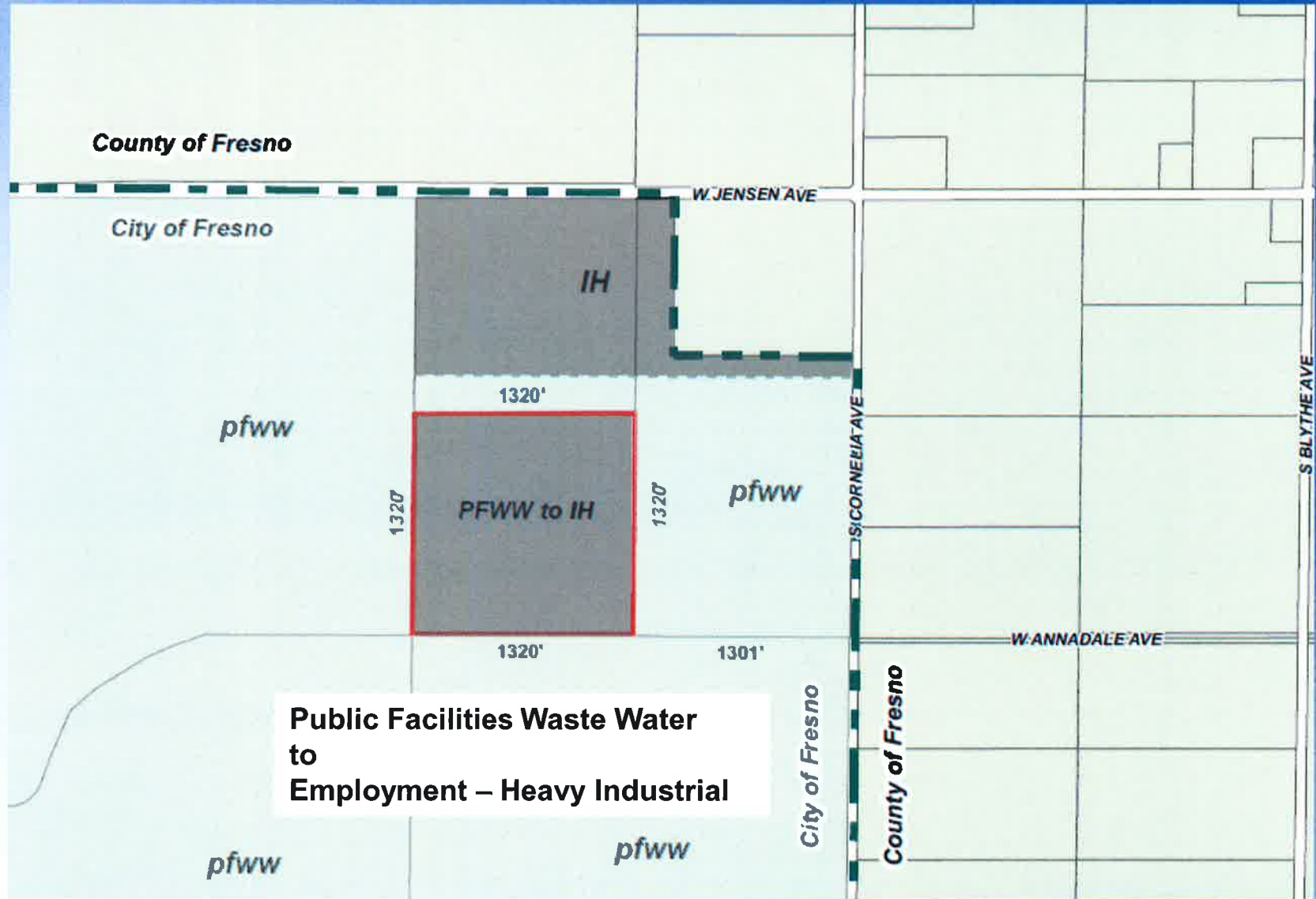
# LOCATION (Aerial) - PROPOSED



# PROJECT SUMMARY

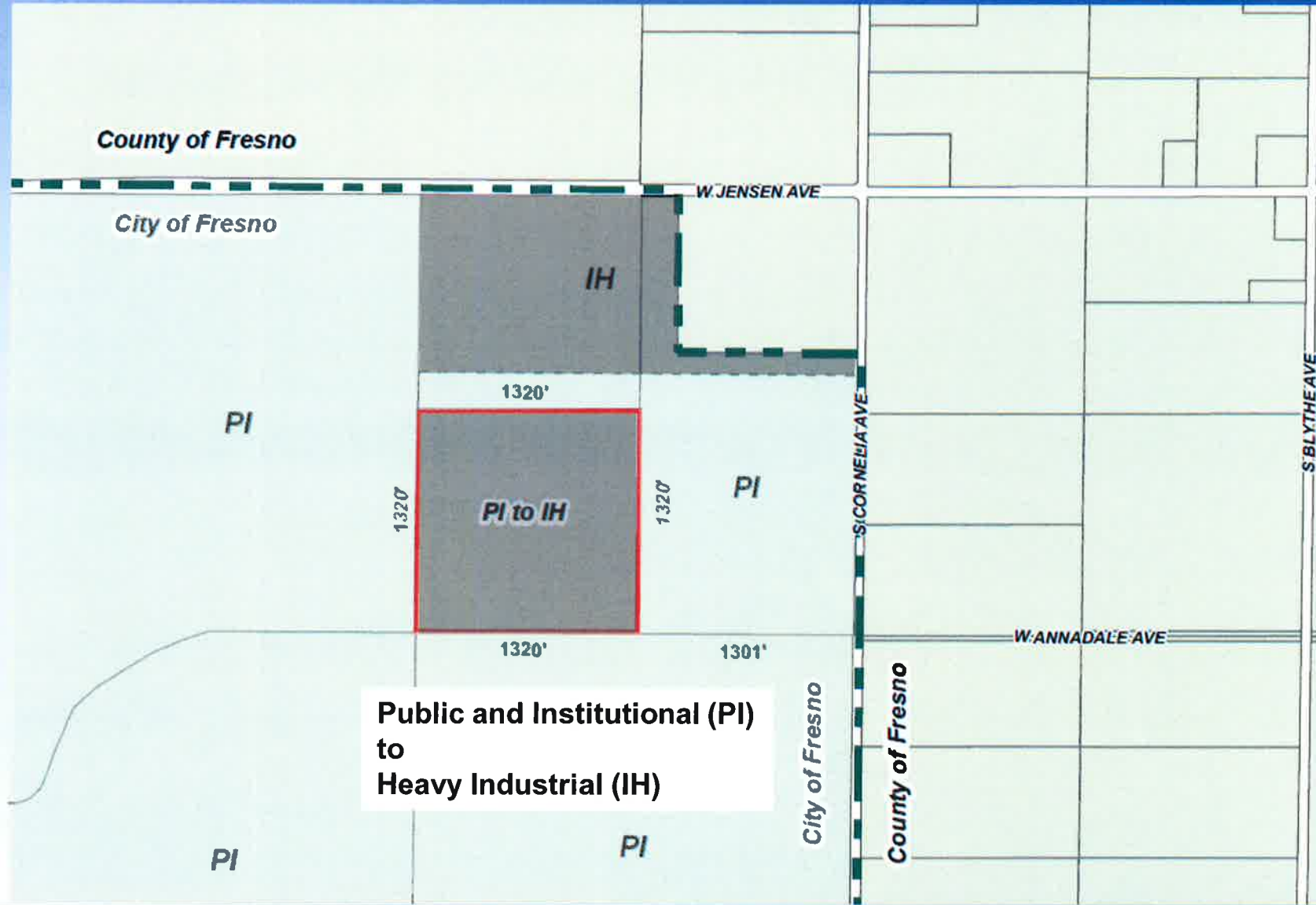
- **PLAN AMENDMENT APPLICATION No. P18-03582** proposes to amend the Fresno General Plan
  - **FROM:** Public Facilities
  - **TO:** Heavy Industrial
- **REZONE APPLICATION No. P18-03582** proposes to amend the Official Zone Map
  - **FROM:** PI/UGM (*Public and Institutional/Urban Growth Boundary*)
  - **TO:** IH (*Heavy Industrial*)
- **CONDITIONAL USE PERMIT APPLICATION No. P18-03583** proposes the construction of a new rendering facility on a vacant portion of the 40 acre property.
- **DISPOSTION AGREEMENT AND DEVELOPMENT AGREEMENT**
  - Agreement between the City of Fresno and Darling Ingredients Inc., pertaining to the relocation and the transfer and development of real property on the southwest corner of Jensen and Cornelia Avenues.

# PROPOSED PLANNED LAND USE



**Public Facilities Waste Water  
to  
Employment – Heavy Industrial**

# PROPOSED ZONING



Public and Institutional (PI)  
to  
Heavy Industrial (IH)

# PROPOSED SITE PLAN



# Environmental Assessment

## CEQA Process Timeline

NOP Circulated	November 20, 2018
Public Scoping Meeting	November 28, 2018
NOP Review Ended	December 19, 2018
Draft EIR Released	May 14, 2019
Draft EIR Review Ends	June 27, 2019
Final EIR/Responses Submitted	July 12, 2019
Planning Commission	August 7, 2019
City Council Decision/EIR Certification	August 15, 2019

# Environmental Assessment

## Key Impact Conclusions

### **Impacts reduced to less-than-significant with mitigation**

- Light and glare
- Odors
- Unknown archaeological resources
- Unknown paleontological resources
- Burrowing owl
- Swainson's hawk
- California horned lark
- Unknown hazardous materials
- Drainage
- Operational noise

# Environmental Assessment

## Key Impact Conclusions

### **Significant and unavoidable impacts**

- Conversion of Important Farmland
  - Protection of off-site farmland does not replace lost farmland
- Cumulative traffic impacts
  - County intersections
  - Intersection improvements reduce the impact
  - City does not have jurisdiction
  - Implementation cannot be ensured



# Environmental Assessment

## Alternatives Evaluated in the EIR

- **Alternative 1: No Project Alternative.** The project site would not be developed.
- **Alternative 2: Off-Site Alternative.** Relocate the rendering plant to an industrial-zoned parcel.
- **Alternative 3: No Expansion Alternative.** Relocate to proposed site but with no expansion.

# Environmental Assessment

## Comment Letters Received on Draft EIR

- County of Fresno
- San Joaquin Valley Air Pollution Control District

Responses are included in Final EIR

# Environmental Assessment

## Changes to the Draft EIR

- Text changes are shown in the Final EIR
- Revisions did not result in new or more severe significant impacts
- Odor mitigation revised based mostly on SJVAPCD comments
- Toxic air contaminant analysis revised
  - More specific equipment information available
  - Revised in coordination with SJVAPCD
  - Updated results eliminated the need for a mitigation measure (impact is less than significant)
- Other minor text changes (shown in Final EIR)

# Environmental Assessment

## Statement of Overriding Considerations

The City finds that any one of the benefits set forth below is sufficient by itself to warrant approval of the proposed project and justify the unavoidable adverse environmental impacts from the project.

- *Social Benefits*: Relocates rendering plant farther away from schools and existing residential communities.
- *Environmental Benefits*. Reduces exposure of sensitive receptors to existing air pollution emissions and odors.
- *Economic Benefits*. Creates construction jobs and 23 new long-term positions.

# STAFF RECOMMENDATION

- **CERTIFY** Final Environmental Impact Report SCH No. 2018111043.
- **RESOLUTION - Approving** Plan Amendment Application No. P18-03582 proposing to amend the Fresno General Plan from the Public Facilities planned land use designation to the Heavy Industrial planned land use designation.
- **BILL – (for introduction and adoption)** – Rezone Application No. P18-03582 proposing to amend the Official Zone Map to reclassify the subject property from the PI/UGM (Public and Institutional/Urban Growth Management) zone district to IH (Heavy Industrial) zone district.
- **APPROVE** Conditional Use Permit Application No. P18-03583 proposing the construction of a new rendering facility.
- **BILL – (for introduction)** – Approving the Disposition Agreement and Development Agreement between the City of Fresno and Darling Ingredients, Inc., pertaining to relocation and the transfer and development of real property on the southwest corner of Jensen and Cornelia Avenues, including staff revisions.

# SUMMARY

Relocation of the Darling rendering plant has been one of the highest priority projects in the City's recent history. The relocation is extremely important to the surrounding area of Southwest Fresno and the community generally. The City has committed a variety of substantial resources in the effort to see the relocation through.

The City appreciates and thanks Concerned Citizens of West Fresno, Leadership Counsel for Justice and Accountability, Darling Ingredients, the County of Fresno, dozens of City officials, Lee Jacobson, and the City Council for all the difficult work necessary to bring this project forward for final approval.