

SUBJECT

CONTINUED HEARING to consider Supplemental Environmental Impact Report (SEIR) No. 10151 (State Clearinghouse (SCH) No. 2017031030), Rezone Application No. R-17-021, Development Permit No. D-16-088 and Variance Application No. V-17-01 for the Producers Dairy Project located on the south side of E. Belmont Avenue between N. Ferger and N. Roosevelt Avenues in the City of Fresno. (Council District 3)

1. RESOLUTION -Certifying Supplemental Final EIR No. 10151 (SCH No. 2017031030), for the Producers Dairy Project located at 450 E. Belmont Avenue; and,
 - a. ADOPT Findings of Fact as required by Public Resources Code Section 21081(a) and CEQA Guidelines, Section 15091; and
 - b. ADOPT the Statement of Overriding Considerations as required by Public Resources Code, Section 21081(b) and CEQA Guidelines, Section 15093.
 - c. APPROVE a Mitigation Monitoring and Reporting Program as required by Public Resources Code Section 21081.6 and CEQA Guidelines Section 15097; and,
2. BILL-(for Introduction and Adoption) - Approving Rezone Application No. R-17-021 requesting to rezone the subject property from IL/cz (conditions of zoning) to IL/cz (conditions of zoning).
3. APPROVE Development Permit Application No. D-16-088 (subject to the attached Conditions of Approval dated October 4, 2017).
4. APPROVE Variance Application No. V-17-001.

RECOMMENDATION

The appropriateness of the proposed Project has been examined with respect to its consistency with goals and policies of the Fresno General Plan and the Tower District Specific Plan; its compatibility with surrounding existing or proposed uses, and its avoidance or mitigation of potentially significant adverse environmental impacts. These factors have been evaluated as described above and by accompanying SEIR No. 10151. Upon consideration of this evaluation, it can be concluded that proposed Rezone Application No. R-17-021, Development Permit Application No. D-16-088 and Variance Application No. V-17-001 are appropriate for the project site, subject to the conditions of approval and mitigation measures outlined.

EXECUTIVE SUMMARY

Supplemental Environmental Impact Report No. 10151 (SCH No. 2017031030), "SEIR" has been prepared to address the environmental impacts of the proposed project as requested by Rezone Application No. R-17-021, Development Permit Application No. D-16-088 and Variance Application No. V-17-001.

The purpose of the Project is to expand delivery trailer parking on the project site. As outlined in Development Permit No. D-16-088, Producers proposes to remove two boarded-up buildings at 450 East Belmont Avenue site. The project applicant also proposes to build a commemorative monument onsite reusing brick from the existing buildings and replace the existing Concrete Masonry Unit (CMU) wall and chain link fence situated on the north half of the parcel facing East Belmont Avenue business on the North, Northeast, and Northwest portion of the parcel with a decorative iron security fence supported by brick pilasters of appropriate spacing. The Project will incorporate bricks from the existing buildings into the pilasters if reusable brick is still available after construction of the commemorative monument. Additionally, Producers proposes to construct a 12-foot-high Concrete Masonry Unit sound wall situated on the south side of the parcel facing residential properties on the South, Southeast, and Southwest portion of the parcel. The sound wall assists in mitigating noise to

the surrounding area.

Variance Application No V-17-001 has been filed with the City of Fresno to address the 8-foot decorative wall on the subject site. The proposed hours of operations will be 24 hours a day, though a majority of vehicle trips will occur between 7:00 am to 10:00 pm.

Rezone Application No. R-17-021 proposes to amend the conditions zoning of the subject property to remove specific conditions which no longer apply based on the project description for D-16-088. There will remain 3 conditions of zoning on the subject site. The zoning of the property will now be IL, (Industrial Light, conditions of zoning). The three remaining conditions of zoning are as follows:

- F. The owner shall provide and maintain street trees in tree wells in the sidewalk on the west side of the property south to the entry driveway. These trees and major trees planted along the remainder of the west and south sides of the property shall be a species that attain a minimum height of thirty feet (30'0") at maturity.
- H. All noise producing equipment on the building shall meet the standards of the City of Fresno. Truck noise shall not exceed the level of forty-five decibels (45db) inside adjacent residences between the hours of 10:00 p.m. and 6:00 a.m. If noise levels exceed that criteria, mediation measures shall be imposed by the City of Fresno which could include restrictions on hours of operation.
- I. All truck maneuvering and parking shall take place on site and shall be subject to the requirements of the City of Fresno

Producers Dairy has engaged the services of a professional firm, Soar Environmental Consulting, to prepare the Supplemental EIR and all related environmental findings. The components of this Supplemental Environmental Impact Report (SEIR) and the SEIR process are described in detail later in this staff report. Despite the private agreement arrangement, the City of Fresno does retain the authority to determine if the CEQA documents are adequate and can proceed forward through the public hearing process. The City has made such a determination.

BORDERING PROPERTY INFORMATION

Direction	Planned Land Use	Existing Zoning	Existing Land Use
North	Commercial Main Street	CMS (Commercial - Main Street)	Commercial buildings
South	Medium Density Residential	RS-5 (Residential Single Family, Medium Density)	Single Family Residential
East	Commercial Main Street and Medium Density Residential	CMS and RS-5 (Commercial - Main Street and Residential Single Family, Medium Density)	Office and Single Family Residential
West	Commercial General and Medium Density Residential	CG and RS-5 (Commercial General and Residential Single Family, Medium Density)	Parking Lot and Single Family Residential

BACKGROUND

On February 25, 2016, the Fresno City Council denied a request to list the subject property at 450

East Belmont on the local Historic Register. The Council then directed staff to provide alternatives for the next steps involved in the event the property owners, Producers Dairy, desired to move forward with future development of that site. Upon further evaluation, DARM determined that development of the site would require the preparation of a SEIR be prepared given that the subject site contained adopted mitigation measures from the Tower District Specific Plan. Since the project was dealing with site specific mitigation measures, A SEIR could be prepared if only minor changes could be made to make the previous EIR adequately apply to the revised project.

As noted above, the purpose of the Project is to expand delivery trailer parking on the project site.

The Revised Draft SEIR is intended to address all potential environmental impacts under CEQA that are within the parameters of the Proposed Project.

PLANNING COMMISSION ACTION:

On October 4, 2017, The Fresno City Planning Commission considered SEIR NO. 10151. Development Permit No. D-16-088, and Variance Application No. V-17-001. There were 4 citizens present to speak in opposition to the matter. The issues raised dealt with traffic, preservation of the façade, plan consistency, and noise. After a full and complete hearing the Commission resolved to recommend approval to the City Council of the aforementioned items by a vote of 5 to 0.

Prior to the Council hearing of November 2, 2017, the City determined that a rezone application was necessary to complete this project. As such, this request to add a rezone application necessitated a recirculation of the SEIR and would require reconsideration by the Planning Commission. Testimony at the subsequent Planning Commission meeting will be limited to new information up as a result of the rezone application.

On January 3, 2018, the Planning Commission reconsidered this project and resolved to recommend certification of the SEIR No 10151, and Rezone Application No. R-17-021 by a vote of 5 to 1.

ENVIRONMENTAL FINDING

Environmental Impact Report Process

The City, as the lead agency under the CEQA determined that an SEIR was required for the proposed project. The firm of SOAR Environmental was hired by the project applicant, Producers Dairy to prepare the SEIR. The SEIR was assigned City of Fresno EIR No. 10151 and State Clearinghouse No. 2017031030, respectively.

Community Outreach Meeting: On September 20, 2016, the City held a publicly noticed community outreach meeting at Marlo's Club and Mexican Restaurant located at 468 N. Palm Ave, Fresno, CA 93701, to which interested members of the public were invited, and which had been duly advertised in advance. Seventeen individuals attended the

meetings. Minutes of the meeting, including responses to spoken questions, are contained in Appendix B of the Revised Draft SEIR.

The review and certification of the EIR involves the following procedural steps:

Notice of Preparation (NOP) and Initial Study: Upon the City's determination that an SEIR was required for this project, a NOP was made available to the general public and responsible trustee agencies to solicit input on issues of concern that should be addressed in the SEIR. The NOP was

issued on November 30, 2016 and the 30-day comment period on the NOP closed on December 31, 2016. The NOP included a project description, project location, and a brief overview of the topics to be covered in the SEIR, and a copy of the Initial Study. The Initial Study found the potentially significant impacts of the Project were confined to the area of cultural resources. The Initial Study and NOP were made electronically available via posting on the City's website. One comment letter was received December 30, 2016 from a private party in response to the NOP & Initial Study. The Initial Study is contained in Appendix A of the Revised Draft SEIR.

Public Scoping Meeting: On December 19, 2016, a project scoping meeting to which the Responsible and Trustee agencies as well as interested members of the public were invited, and which had been duly advertised in advance. Comments were received and these comments helped frame what environmental issues were addressed in the SEIR. Appendix E of the Revised Draft SEIR provided responses to questions raised at that particular meeting. In addition prior to any public scoping session, the applicant did conduct a public outreach meeting on September 20, 2016, which first informed the public of the proposed project and essentially outlined the process that would be undertaken. Meeting minutes of this effort are provided in Appendix B of the Revised Draft SEIR.

Notice of Completion (NOC): Upon completion of the Draft SEIR, the City filed a NOC with the State Clearinghouse, Office of Planning and Research, to begin the public and agency review period.

Public Notice/Public Review: Concurrent with filing the NOC, the City provided public notice of the availability of the Draft SEIR for public review, (by posting on the website and mailing to surrounding property owners and interested parties, and filing with the County Clerk on March 10, 2016), and invited comment from the general public, agencies, organizations, and other interested parties. The length of the public review period was 45 days, (from March 10, 2016 through April 24, 2016) during which time written comments on the Draft SEIR were submitted to the City of Fresno.

Response to Comments: After the close of the public review period, the City prepared formal responses to the written comments received. A total of one written comment was received from individuals regarding the Draft SEIR. As required by CEQA Guidelines, 15088(b), City responses were sent to public agencies that submitted comments 10 days prior to Planning Commission consideration. The responses to comments were also made available on the City website 10 days prior to Planning Commission consideration.

However, during the analysis of the initial set of comments, it was discovered that an operational aspect (idling of vehicles) was not clearly clarified as part of the environmental document. Pursuant to CEQA, the specific matter clarified and a new 30-day re-circulation period commenced on July 30, 2017 and ended on August 30, 2017. During this re-circulation period one comment was received on the re-circulated Draft SEIR.

Final EIR (SEIR): A SEIR was prepared that includes the comment letters and responses to comments and errata (which clarifies/corrects language contained in the SEIR). The SEIR consists of one bound volume and a compact disc of the Appendices, which are incorporated as part of the FEIR.

Certification of the EIR: The Planning Commission held public hearings on October 4, 2017 and January 3, 2018 to consider the adequacy and completeness of the SEIR under CEQA. The Planning Commission resolved to recommend approval of the certification of the SEIR and recommends adoption of the necessary Findings of Fact and Statement of Overriding Considerations. The Planning Commission also recommends approval to the City Council for Rezone Application No. R-

17-021, Development Permit No. D-16-088 and Variance Application No. V-17-01.

Mitigation Monitoring and Reporting Program (MMRP): The Planning Commission also recommended approval of a program to implement the SEIR's recommended mitigation measures to mitigate, avoid, or substantially lessen the significant impacts of the project. These measures will be fully enforceable through the conditions of approval for Development Permit Application D-16-088, Variance Application No. V-17-01, and Rezone Application R-17-021. The City of Fresno and the applicant will be responsible for ensuring that implementation of the mitigation measures occurs as required in the MMRP (Exhibit "ii" of this staff report).

Environmental Impact Report Analysis and Conclusions

Project Objectives

The proposed project is guided by several major project objectives identified in the EIR. Knowing these objectives will aid decision makers in their review of the project and associated environmental impacts. These objectives are as follows:

The primary objectives of the Proposed Project are as follows:

1. Secure additional parking for Producers Dairy delivery trailers, which will necessitate demolition of the two existing buildings on the site.
2. Systematically remove the two existing buildings on site to expand delivery trailer parking on the Proposed Project site.
3. Reuse, to extent feasible, the remaining portions of the buildings and architecturally incorporate the material into an aesthetically appealing wall along the subject property.
4. Reduce public safety hazards by eliminating the risk of fire, structural collapse, personal injury to trespassers, vandalism and crime, and by demolishing structurally unsound buildings that have been abandoned, deteriorated and damaged.
5. Foster economic development in the local area.

Summary of Significant Impacts and Mitigation Measures

The existing mitigation measures 1 and 2 for Cultural Resources from Table B of the Tower District Specific Plan FEIR, entitled "Mitigation Measures for 144 E. Belmont" are not consistent with the Proposed Project objectives. Thus, the mitigation measures 1 and 2 will be deleted and replaced.

1. The project shall retain the existing building at the southwest corner of East Belmont and North Roosevelt Avenues as depicted on attached Exhibit "L-1".
2. Retention and renovation of the facade of the existing building immediately south of the building at the southwest corner, as shown on Exhibit "L-1", as is physically possible and economically practical. If the facade fails due to structural distress it should be rebuilt to resemble the existing historical structure as closely as possible, using the remnant bricks from the fallen facade. All precautions in concert with common practices standard to the industry shall be taken to save the facade intact. However, no implicit guarantee can be given that the facade will not fail during the demolition and renovation process.

The SEIR identified Cultural Resources as having significant impacts. The SEIR identified

Noise/Vibrations, and Transportation and Traffic as Less than Significant with Project Mitigation.

Cultural Resources

The revised mitigation measures below are identified as mitigation measures for the Proposed Project and will help minimize the significant effects by commemorating the history of the buildings, reusing the bricks from the existing buildings, photo documenting the architectural significance of the buildings, requiring any potential future buildings to maintain the same architectural style and to retain the historic materials from the buildings for reuse.

The demolition of the two historic buildings would still be a significant impact to historical resources. While mitigation measures are required to reduce this impact, the measures cannot reduce this impact to a less-than-significant level. Therefore, the impact will still be significant and unavoidable regarding historic preservation.

Mitigation Measures CUL 1:

The Proposed Project will include an installation of a commemorative monument with a plaque explaining the history of the buildings on the property, the character-defining features of the Mission Revival style and the importance of the style within the City of Fresno. The monument will be located on the east side of the site on N. Roosevelt Avenue. In addition to this, the measurements are a 2'-6" base foundation with an 8'-0" long x 5'-0" high x 6" thick wall. This work will require some demolition of existing buildings at strategic locations to allow for the construction of the commemorative monument. Brick from the existing buildings shall be incorporated into the construction of the commemorative monument. Efforts will be taken in designing the commemorative monument to incorporate the curved parapet and Spanish tile overhang of the Mission Revival style currently present in the North building.

Mitigation Measure CUL 2:

The Proposed Project will include an installation of a decorative iron fence with brick pilasters of appropriate spacing along the northwest, north, and northeast boundaries of the project site. Brick from the existing buildings will be incorporated into the pilasters if any reusable brick remains after construction of the commemorative monument.

Mitigation Measure CUL 3:

The Proposed Project will include an installation of a sound wall. The wall will be along the southwest southern and southeast border of the property. Brick from the existing buildings shall be incorporated into the wall if any reusable brick remains after construction of the commemorative monument and the brick pilasters.

Mitigation Measure CUL 4:

Retain a photographer qualified in large format architectural photography to perform a photo documentation of the north building in order to provide a proper public record of the site's architectural significance. Any photo documentation would then be provided to a local library.

Mitigation Measure CUL 5:

Salvage building materials to be reused for educational purposes or to be incorporated into other buildings through donation of materials to interested local government entities.

All the mitigation measures stated above are in compliance with the City of Fresno General Plan, Tower District Specific Plan and Historic Preservation Ordinance of Fresno.

Noise and Vibration

As set forth in Section 4.2.4, Impact Discussion, the Proposed Project will have a Less than Significant Impact with Project Mitigation. The following four mitigation measures will ensure the Proposed Project will not have a significant impact on Noise and Vibration.

Mitigation Measure NOI 1: The Proposed Project will include an installation of a 12-foot-high Concrete Masonry Unit (CMU) sound wall. The wall will be along the southwest, southern, and southeast border of the property.

Mitigation Measure NOI 2: The Proposed Project will not operate Refrigeration Trailer Units on the Project Site at any time.

Mitigation Measure NOI 3: The Proposed Project will not utilize the project site area south of the project access locations for vehicle movements or operations between the hours of 10:00 p.m. and 7:00 a.m.

Mitigation Measure NOI 4: Truck noise shall not exceed the level of forty-five decibels (45db) inside adjacent residences between the hours of 10:00 p.m. and 6:00 a.m. If noise levels exceed that criterion, mediation measures shall be imposed by the City of Fresno which could include further restrictions on hours of operation.

All the mitigation measures stated above are compliance with the City of Fresno General Plan, Tower District Specific Plan and Historic Preservation Ordinance of Fresno.

Transportation and Traffic

As set forth in Section 4.3.4, Impact Discussion, the Proposed Project will have a Less than Significant Impact with Project Mitigation. The following three mitigation measures will ensure the Proposed Project will not have a significant impact on Transportation and Traffic.

Mitigation Measure TRA 1:

The frequency of truck trips (loaded or empty) shall be no greater than (a) one every 10 minutes (six truck trips per hour) during the a.m. and p.m. peak commute hours, and (b) one every five minutes (12 truck trips per hour) during periods other than the a.m. and p.m. peak commute hours.

Mitigation Measure TRA 2:

The Contractor will restrict project-related vehicle traffic, within the construction area, to established roads, construction areas, and other designated areas.

Mitigation Measure TRA 3:

Observe a 5-mph speed limit for construction areas.

Mitigation Measure TRA 4:

All truck maneuvering and parking shall take place on site and shall be subject to the requirements of the City of Fresno.

Project Alternatives

Pursuant to CEQA, the EIR considered a reasonable range of potentially feasible alternatives to the Project that could attain most of the basic objectives of the Project but would avoid or substantially lessen any of the significant effects of the Project and evaluated the comparative merits of those alternatives.

The specific alternatives analyzed were the following:

A. No Development/No Project Alternative

This alternative would not achieve the petitioner's goals for the site. The current project site represents an attractive nuisance and the demolished portions of the buildings which have been boarded up for 30 years are an eyesore to the community. If the current buildings were to remain unutilized, they would eventually be condemned. In addition, preservation of the site would require long-term maintenance, substantial financial investment for clean-up, and subsequent retrofitting of the buildings to bring the structures to current code standards for wind and seismic load resistance, thus imposing an undue burden on the project proponent.

B. Preservation of the North Building Alternative

Preservation of the North Building Alternative is discussed in the Tower District FEIR; however, this alternative would not achieve the petitioner's goals for the site because it would secure only 61% of the delivery trailer parking needed by the petitioner. In addition, preservation of the North Building would require long-term maintenance, substantial financial investment for clean-up, and subsequent retrofitting of the building to bring the structure to current code standards for wind and seismic load resistance. The estimated cost of this alternative exceeds the estimated cost of the Proposed Project, as demonstrated by an estimate for building preservation and reinforced by a Structural Engineering Evaluation included as an attachment to this document. Specific issues evaluated by a 3rd Party Registered Professional Engineer specializing in structural engineering are listed by building below (See Appendix A of the Initial Study):

C. On-Site Re-Use (Facade) Alternative

Under the On-Site Re-use Alternative, activities called out in the Project Description would remain the same with the exception of activities related to the façade of the large building. In this alternative, the North and South Building wall façades would be brought up to code, shored and a parking lot would be constructed in the remaining open areas.

D. North Building Relocation Alternative

Under the North Building Relocation Alternative, activities called out in the Project Description would remain the same with the exception of activities related to demolition. Plans for demolition of the southern building would be the same as described in the project description. However, the north building would be relocated off-site by a professional building moving company to a yet-to-be determined location. For estimate purposes, it was assumed that a new site for the north building could be found within one mile of the project site.

E. North and South Building Preservation/Rehabilitation Alternative

Preservation of the North Building is discussed in the Tower District FEIR. Additionally,

preservation of the South Building’s façade is discussed in the Tower District FEIR. Preservation and rehabilitation of both buildings is herein analyzed as a project alternative based upon public comments. This project alternative would not achieve the petitioner’s goals for the site because it would secure only 61% of the delivery trailer parking needed by the petitioner. In addition, preservation of both buildings would require long-term maintenance, substantial financial investment for clean-up, and subsequent retrofitting of the building to bring the structure to current code standards for wind and seismic load resistance.

F. Proposed Project

The Proposed Project would meet the goals of the petitioner for the site and is the most feasible alternative.

In addition to the discussion and comparison of impacts of the Proposed Project and the four project alternatives, Section 15126.6 of the State CEQA Guidelines requires that an “environmentally superior” alternative be selected and the reasons for such a selection be disclosed. In general, the environmentally superior alternative is the alternative that would be expected to generate the least amount of significant impacts. Identification of the environmentally superior alternative is an informational procedure and the alternative selected may not be the alternative that best meets Project objectives. The No Project Alternative analyzed in Section 5.2 would have the fewest environmental impacts as compared to the other alternatives, and would therefore be considered the environmentally superior alternative. However, in accordance with State CEQA Guidelines Section 15126.6(e)(2), if the Environmentally Superior Alternative is the “No Project” alternative, the EIR shall also identify an environmentally superior alternative among the other alternatives. In this case, the North Building Relocation Alternative would be considered the environmentally superior alternative.

Table 1 below provides a summary of the project alternatives measured against the project objectives. As shown on this table, the proposed project meets all of the objectives. The North Building Relocation Alternative meets four of the five objectives but is economically infeasible and does not have a designated destination for the relocation of the existing building.

Table 1 - Project Objectives Summary for Each Alternative - Met by Alternative

Objectives	No Project Alternative	Preservation of North Building Alternative	On-Site Reuse (Facade) Alternative	North Building Relocation Alternative	North and South Building Preservation/ Rehabilitation Alternative	Proposed Project
Secure additional parking for Producers Dairy delivery trailers, which will necessitate demolition of the two existing buildings on the site.	No	No	No	Yes	No	Yes

Systematically remove the two existing buildings on site to expand delivery trailer parking on the Proposed Project site.	No	No	No	Yes	No	Yes
Reuse, to extent feasible, the remaining portions of the buildings and architecturally incorporate the material into an aesthetically appealing wall along the subject property.	No	No	Yes	No	No	Yes
Reduce public safety hazards by eliminating the risk of fire, structural collapse, personal injury to trespassers, vandalism and crime, and by demolishing structurally unsound buildings that have been abandoned, deteriorated and damaged.	No	Yes	Yes	Yes	Yes	Yes
Foster economic development in the local area.	No	Yes	Yes	Yes	Yes	Yes

Comments on Revised SEIR

As mentioned, staff received one letter in response the Revised SEIR, dated August 30, 2017, Exhibit F of the staff report. A total of 19 comments were mentioned with each response being addressed in the Responses to Comments letter dated September, 2017. The concerns center on the Process, Plan Consistency (Tower District Specific Plan), Project Description, Noise, Air Quality, Traffic Impacts, Alternative Analysis. Exhibit also shows responses to these specific comments.

The process has been duly noticed with interested parties given the opportunity to engage and comment on all documents. The concern regarding Plan consistency has been addressed as part of the initial study. In this document, the proposed project was measured against numerous goals and objectives of the General Plan and found to be consistent. The Project description is detailed in Section 3.1 of the SEIR. The current use as a parking facility is noted and is proposed to be increased up to 67 spaces with the removal of the two buildings on site. Other than additional parking, the use does not expand to include repairs or heavy maintenance. With respect to noise, a mitigation measure will be in place to attenuate noise from the residents to the south via a 12-foot

masonry wall. The Air quality analysis does not trigger a health risk assessment. As noted earlier, traffic will only increase by 20 round trips per day from 50 to 70 round trips per day. Regarding project alternatives, CEQA requires an examination of project alternatives with the fewest potential environmental impacts that meet the majority of the basic Project Objectives. The North Building Relocation Alternative is analyzed in the Revised Draft SEIR as a possible alternative which may preserve the potential culturally significant building, but may also allow for the full use of the Project site for delivery trailer parking.

Staff received a comment letter dated December 27, 2017, from Bruce Owdum, Michael Birdsong, and Robert Boro. This letter reflected the following concerns regarding the rezone application:

1. The Tower District Specific Plan also needs to be amended.

Response: The subject site is planned for light industrial uses and is zoned IL, Industrial Light (conditions of zoning). The proposed removal of the conditions of zoning can only be done through the rezone application process which is the subject of this application.

2. The project intends to further industrialize a historic residential neighborhood with all the attendant pollutants and risks of environmental and social harm.

Response: The subject site is not a historically designated site nor is the residential neighborhood in the immediate area a historic district. The SEIR did examine air quality impacts as part of the proposed project and determined that a Health Risk Assessment was not required.

3. The application simply swaps out conditions of zoning that favor the project applicant and that there is no factual basis that the conditions in the covenant are no longer equitable.

Response: The conditions of zoning that are proposed to be eliminated would no longer be applicable should the proposed project be approved. These conditions centered on the preservation of the existing structures. The proposed project will facilitate additional parking through the systematic removal of the current buildings. Furthermore, the SEIR addressed the feasibility of retaining the existing structures as part of the Alternatives analysis.

4. Negotiations between the principals of Producers Dairy and the neighbors to come to a resolution.

Response: While this remains an option, DARM staff has not been a part of any discussions regarding a resolution.

Overriding Considerations

Pursuant to CEQA requirements, the City Council, as the decision making body, will be required to adopt a statement of overriding consideration to approve the SEIR, Development Permit and Variance applications because the project will result in significant unavoidable impacts. Staff recommends that the overriding considerations as depicted in Exhibit H be considered in approving the project despite its unavoidable significant impacts. These include: removal of attractive nuisance; improve public safety; reduced air quality emissions; aesthetic screening; sound wall

installation; economic development, and neighborhood improvements.

PROJECT ANALYSIS

Fresno General Plan

As proposed, the project would be consistent with the Fresno General Plan goals and objectives related to industrial land use. Section 6.10 of the Initial Study provides a list of goals, objectives and policies regarding plan consistency such as promoting economic development and job creation. Below is a brief listing of consistent objectives the project would support

- Objective ED-1: Support economic development by maintaining a strong working relationship with the business community and improving the business climate for current and future businesses.
- Objective UF-1: Emphasize the opportunity for a diversity of districts.
- Objective LU-1: Establish a comprehensive citywide land use planning strategy to meet economic development objectives, achieve efficient and equitable use of resources and infrastructure, and create an attractive living environment.
- Objective LU-7: Plan and support industrial development to promote job growth.

The purpose of the Project is to expand delivery trailer parking on the project site. As outlined in Development Permit No. D-16-088, Producers proposes to remove two boarded-up buildings at 450 E. Belmont Avenue site. The project applicant also proposes to build a commemorative monument onsite reusing brick from the existing buildings and replace the existing Concrete Masonry Unit (CMU) wall and chain link fence situated on the north half of the parcel facing E. Belmont Avenue business on the North, Northeast, and Northwest portion of the parcel with a decorative iron security fence supported by brick pilasters of appropriate spacing. The Project will incorporate bricks from the existing buildings into the pilasters if reusable brick is still available after construction of the commemorative monument. Additionally, Producers proposes to construct a 12-foot-high Concrete Masonry Unit sound wall situated on the south side of the parcel facing residential properties on the South, Southeast, and Southwest portion of the parcel. The sound wall assists in mitigating noise to the surrounding area.

Variance Application No V-17-001 has been filed with the City of Fresno to address the 8-foot decorative fence on the subject site. The proposed hours of operations will be 24 hours a day, though a majority of vehicle trips will occur between 7:00 am to 10:00 pm.

Rezone Application No. R-17-021 proposes to amend the conditions zoning of the subject property to remove specific conditions which no longer apply based on the project description for D-16-088. There will remain 3 conditions of zoning on the subject site. The zoning of the property will now be IL, Industrial Light, conditions of zoning. The conditions of zoning for the subject property are listed as follows:

- A. The project shall retain the existing building at the southwest corner of East Belmont and North Roosevelt Avenues as depicted on attached Exhibit "L-1".
- B. Retention and renovation of the facade of the existing building immediately south of the building at the southwest corner, as shown on Exhibit "L-1", as is physically possible and economically practical. If the facade fails, due to structural distress, it should be rebuilt to

resemble the existing historical structure as closely as possible using the remnant bricks from the fallen facade. All precautions in concert with common practices standard to the industry shall be taken to save the facade intact. However, no implicit guarantee can be given that the facade will not fail during the demolition and renovation process.

- C. The new construction in the infill areas on the east - side of the property shall be compatible with the existing structure as shown on Exhibit "L-2".
- D. The new construction contemplated immediately west of the facade described above shall be no higher than the height of the facade for a minimum of twenty feet west of the facade.
- E. The new building to be constructed immediately west of the 30' existing building at the northwest corner of the site as shown on Exhibit "L-1" shall be of a height equal to or slightly greater than the westerly portion of said building, but in no case higher than forty feet and shall be compatible with the existing structure to the east as shown on Exhibit "L-2".
- F. The owner shall provide and maintain street trees in tree wells in the sidewalk on the west side of the property south to the entry driveway. These trees and major trees planted along the remainder of the west and south sides of the property shall be a species that attain a minimum height of thirty feet (30'0") at maturity.
- G. The future high density frozen storage building proposed for phase three shall be set back a minimum of fifty feet (50'-0") east of Ferger Avenue to the height of: sixty feet (60'-0"), or sixty-six feet with a minor deviation as provided by the Fresno Municipal Code.
- H. All noise producing equipment on the building shall meet the standards of the City of Fresno. Truck noise shall not exceed the level of forty-five decibels (45db) inside adjacent residences between the hours of 10:00 p.m. and 6:00 a.m. If noise levels exceed that criteria, mediation measures shall be imposed by the City of Fresno which could include restrictions on hours of operation.
- I. All truck maneuvering and parking shall take place on site and shall be subject to the requirements of the City of Fresno.

These nine Statement of Covenants and Zoning Restrictions were previously analyzed in Section 6.10 of the Initial Study. These Statement of Covenants are also the same as the nine original mitigation measures for the Project site in the Tower District FEIR (Appendix F). The original mitigation measures were updated in Section 1.7 of the Revised Draft SEIR. Three of the original mitigation measures were kept and incorporated into the new Project mitigation measures. Therefore, in order to maintain consistency between the Conditions of Zoning, Statement of Covenants, and the new mitigation measures, the following changes shall be made to the Conditions of Zoning and Statement of Covenants affecting Land Development:

1. Statement of Covenants A and B shall be removed as they do not fit the current Project description as stated in Section 3.0 of the Revised Draft SEIR.
2. Statement of Covenants C, D, E, and G shall be removed as they only apply to new building construction, which is not proposed under the current Project.
3. Statement of Covenants F, H, and I shall be retained.

Statement of Covenants F corresponds with Project Mitigation Measure (MM) LUP 1. Statement of Covenants H corresponds with Project MM NOI 4. Statement of Covenants I corresponds with MM TRA 4.

Staff received comment letters dated December 27, 2017. These letters reflected similar comments per previous circulations. As such, staff is of the opinion that there was no new information presented that has not been previously addressed by staff during the previous Planning Commission meeting of October 4, 2017.

FRESNO MUNICIPAL CODE FINDINGS

Based upon analysis of the applications, staff concludes that the required findings of Section 15-5812, Section 15-5812, Section 15-5206 and Section 15-5506 of the FMC can be made.

Rezone Application Findings

Finding A: The change is consistent with the General Plan (GP) goals and policies, any operative plan, or adopted policy; and

As outlined in "Project Analysis Section" of the staff report, the application is consistent with the Fresno General Plan and the Tower District Specific Plan goals and policies.

Finding B: The change is consistent with the purpose of the Development Code to promote the growth of the city in an orderly and sustainable manner, and to promote and protect the public health, safety, peace, comfort, and general welfare, and.

The proposed project is consistent with the purpose of the Development Code to promote growth in an orderly and sustainable manner, support infill development, and to promote and protect the public health, safety, peace, comfort, and general welfare. The proposed mitigation measures for this project were designed to meet the intent of this finding;

Finding C: The change is necessary to achieve the balance of land uses desired by the City and to provide sites for needed housing or employment-generating uses consistent with the GP, any applicable operative plan, or adopted policy, and to increase the inventory of land within a zoning district to meet market demand.

The amendments to the conditions of zoning were measured against the goals and objectives of the Fresno General Plan and Tower District Specific Plan and were found to be consistent. The amended conditions of zoning will assure development of the subject site is in keeping with character of the area while allowing existing businesses to meet their economic growth potential.

Development Permit Application Findings

A Development Permit shall only be granted if the Review Authority determines that the project as submitted or as modified conforms to all of the following criteria. If the decision-maker determines

that it is not possible to make all of the required findings, the application shall be denied.

Findings per Fresno Municipal Code Section 15-5206

Finding A: The applicable standards and requirements of this Code.

Development Permit Application No. D-16-088 complies with all the applicable code requirements of the Citywide Development Code for the Light Industrial land use and IL zone district. The development of the trailer parking area shall conform to parking lot standards. The proposed project is subject to the Conditions of Approval dated August 2, 2017.

Finding B: The General Plan and any operative plan or policies the City has adopted.

The proposed development is consistent with the Fresno General Plan, Fresno-High-Roeding Community Plan and Tower District Specific Plan designation of Light Industrial land use and IL zone district.

Finding C: Any applicable design guidelines adopted by the City Council.

Development Permit Application No. D-17-088 complies with all applicable design guidelines of the IL (Light Industrial) zone district and standards for Private Parking Lot.

Finding D: Any approved Tentative Map, Conditional Use Permit, Variance, or other planning or zoning approval that the project required.

The proposed project requires a Variance to permit a fence greater than seven feet. A Variance Application No. V-17-001 is submitted with this Development Permit. Furthermore, the applicant is required to comply with Exhibits A, E and D dated August 2, 2017, Operational Statement dated December 5, 2016, and with Conditions of Approval dated August 2, 2017.

Variance Application Findings

A Variance, including variances from the terms of open-space zoning, shall only be granted if the Review Authority determines that the project as submitted or as modified conforms to all of the following criteria. If the Review Authority determines that it is not possible to make all of the required findings, the application shall be denied.

Findings per Fresno Municipal Code Section 15-5506

Finding A: There are exceptional or extraordinary circumstances or conditions applicable to the property involved that do not apply generally to property in the vicinity and identical zoning classification, and that the granting of a Variance will not constitute a granting of a special privilege inconsistent with the limitations on the property in the vicinity and identical zone classifications;

Granting of this variance will not constitute a granting of special privilege for the subject project. The applicant has stated in the Operational Statement dated December 5, 2016, that a minimum 8 foot fence is required by State and Federal Safety Regulations and that placement along the property line will provide additional buffering to

surrounding uses.

Finding B: The granting of the application is necessary to prevent a physical hardship which is not of the applicant's own actions or the actions of a predecessor in interest;

The subject property is located near the primary facility, which is affected by the High-Speed Rail. Producers Dairy is securing additional parking for their delivery trailers due to the loss of trailer parking at 302 North Thorne Avenue to the High-Speed Rail. The loss of parking is a physical hardship which is not a result of the applicant's own actions.

Finding C: The granting of the application will not be detrimental or injurious to property or improvements in the vicinity, and will not be detrimental to the public health, safety, general welfare, or convenience, nor the preservation and conservation of open space lands; and

The Development and Resource Management Department has determined that the proposed use will not be detrimental to the public welfare or be injurious to property or improvements in the area in which the property is located if developed in accordance with the various conditions/requirements established through the related Development Permit process and related mitigation measures from the SEIR.

Finding D: The granting of the Variance will be consistent with the general purposes and objectives of this Code, any applicable operative plan, and of the General Plan.

The subject site is located near Producers Dairy primary facility, which will provide trailer parking while they are moved to the facility for loading. The proposed project is being developed in accordance with the Fresno General Plan Light Industrial land use and IL (Light Industrial) zone district.

LOCAL PREFERENCE

Local preference was not considered because this ordinance does not include a bid or award of a construction or service contract.

FISCAL IMPACT

Affirmative action by the Council will result in timely deliverance of the review and processing of the application as is reasonably expected by the applicant. Prudent financial management is demonstrated by the expeditious completion of this land use application inasmuch as the applicant has paid to the city a fee for the processing of this application and that fee is, in turn, funding the respective operations of the Development and Resource Management Department.

Attachments:

- Exhibit A: Vicinity Map
- Exhibit B: General Plan Land Use Map
- Exhibit C: Site Plan

- Exhibit D: Site Plan with Current Buildings
- Exhibit E: Side Profiles: Monument, Fence, Sound Wall
- Exhibit F: Aerial Photos of Site
- Exhibit G: Responses to Public Comments (Including Letter Dated 12/27/17)
- Exhibit H: Supplemental Environmental Impact Report No. 10151(SCH No. 2017031030), which includes the following:
 - Final EIR dated September, 2017
 - Draft SEIR dated July, 2017
 - Changes to Final SEIR - Appendix L
- Exhibit I: Draft Mitigation Monitoring and Reporting Program
- Exhibit J: Noticing Area
- Exhibit K: Conditions of Approval for Development Permit No. D-16-088
- Exhibit L: Planning Commission Resolution Nos. 13487, 13488, 13489
- Exhibit M: Resolution Certification of SEIR No 10151 which include Findings of Fact and Statement of Overriding Considerations
- Exhibit N: PowerPoint Presentation
- Exhibit O: Ordinance Bill R-17-021

Note: The SEIR and all related documents are available for public review at the following website Click on Producers Dairy Icon:

<http://www.fresno.gov/Government/DepartmentDirectory/DARM/DevelopmentServices/MajorProjects.htm>