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Napa County Planning, Building
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SPECIAL JOINT PLANNING COMMISSION/
CITY COUNCIL AGENDA
STAFF REPORT
December 15, 2015
Public Hearing Item

SUBJECT

Approve the Napa Logistics Park Phase 2 Project by taking the following actions:

For the Planning Commission:

1. Adopt a Resolution recommending to the City Council that the Council adopt findings pursuant to the California Environmental Quality Act (CEQA) certifying the Final Environmental Impact Report (EIR) (SCH #2014082033), for the Napa Logistics Park Phase 2 Project as sufficient CEQA review to approve the proposed development, adopting Findings of Overriding Consideration, and adopting a Mitigation Monitoring and Reporting Program; and
2. Adopt a Resolution recommending to the City Council that the Council approve the Napa Logistics Park Phase 2 Conditional Use Permit subject to the findings and conditions contained therein.

For the City Council:

1. Adopt a Resolution making findings pursuant to the California Environmental Quality Act certifying the Final Environmental Impact Report (EIR) (SCH #2014082033), for the Napa Logistics Park Phase 2 Project as sufficient CEQA review to approve the proposed development, adopting Findings of Overriding Consideration, and adopting a Mitigation Monitoring and Reporting Program; and
2. Adopt a Resolution to approve the Napa Logistics Park Phase 2 Conditional Use Permit subject to the findings and conditions contained therein.

SUBMITTED BY

Brent Cooper, AICP, Community Development Director, and
Colette Meunier, AICP, Contract Planner

REQUESTED ACTIONS

1. Receive staff report.
2. Open Public Hearing.
3. Receive public testimony.
4. Close Public Hearing.
5. Commission Member and City Council Member comments and questions.
6. Planning Commission adopt Resolutions to recommend that the City Council:
 - a. Adopt findings pursuant to the California Environmental Quality Act certifying the Final Environmental Impact Report (EIR) (SCH #2014082033), for the Napa Logistics Park Phase 2 Project as sufficient CEQA review to approve the proposed development, adopting Findings



of Overriding Consideration, and adopting a Mitigation Monitoring and Reporting Program;
and

b. Approve the Conditional Use Permit for the Napa Logistics Park Phase 2 Project subject to the findings and conditions contained therein.

7. City Council adopt Resolutions to:

a. Adopt findings pursuant to the California Environmental Quality Act certifying the Final Environmental Impact Report (EIR) (SCH #2014082033), for the Napa Logistics Park Phase 2 Project as sufficient CEQA review to approve the proposed development, adopting Findings of Overriding Consideration, and adopting a Mitigation Monitoring and Reporting Program;
and

b. Approve the Conditional Use Permit for the Napa Logistics Park Phase 2 Project subject to the findings and conditions contained therein.

ORGANIZATION OF THIS STAFF REPORT

This staff report is organized into the following sections:

- A. Project Description
- B. Environmental Review of the Project
- C. Evaluation of the Requested Conditional Use Permit

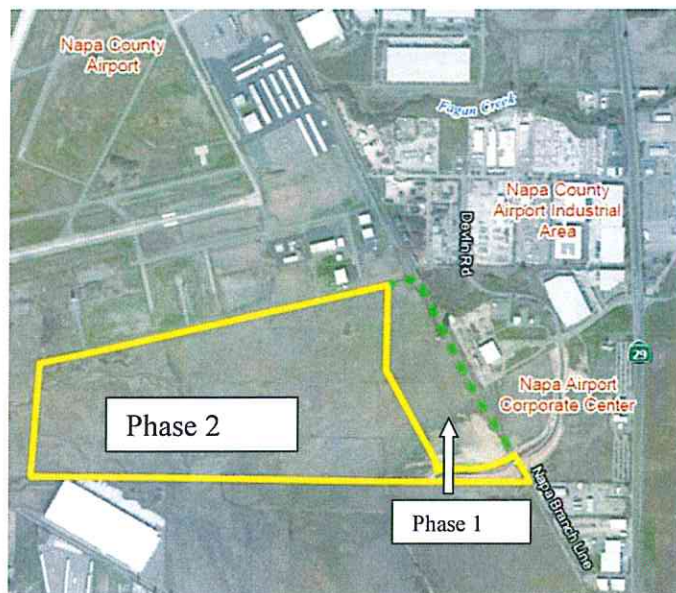
A. PROJECT DESCRIPTION

Napa Logistics Park is located south of the Napa County Airport and west of State Route 29 (SR 29). The first phase of Napa Logistics Park was approved by Napa County in 2009 before the property was annexed to the City in 2010. The approval was for a 646,000 square foot single story warehouse, which is currently under construction and expected to be finished by early 2016.

In 2014, Orchard Partners LLC, the project applicant, applied for a Conditional Use Permit for Napa Logistics Park Phase 2. The Phase 2 site is 173 acres and the application requested the following approvals:

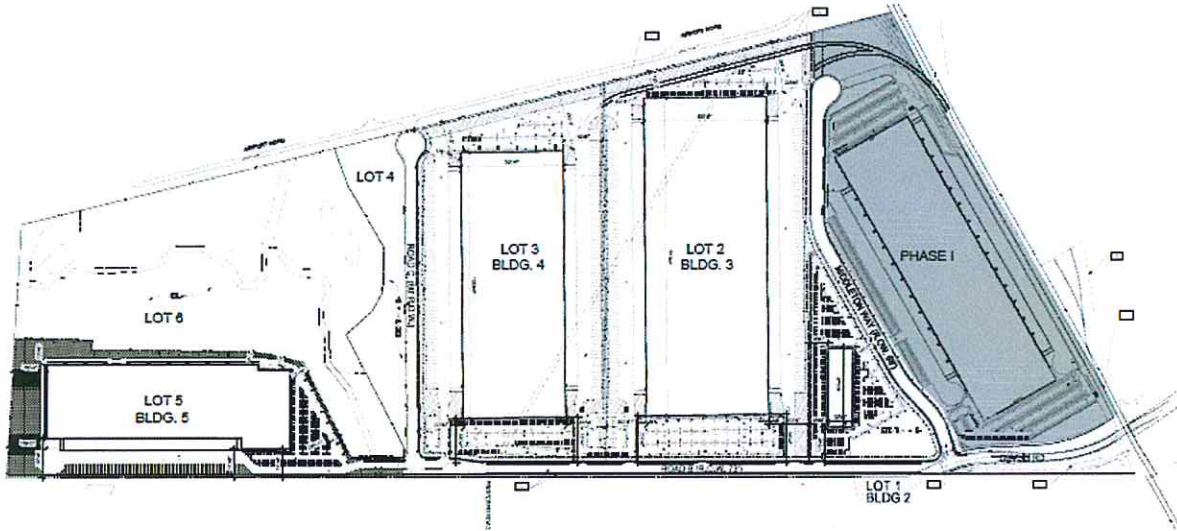
- up to 2,271,000 square feet of industrial development;
- allow building heights greater than 35 feet (up to a maximum of 100 ft. for a portion of the buildings);
- allow flexibility in the widths of required front and side landscape areas.

Vicinity Plan



In support of this application, the applicant submitted project plans showing how the site may be improved to accommodate the proposed development. Below is the Site Plan to provide a general idea of the proposed development. The project plans are included as Attachment 6 to this staff report and are shown for illustrative purposes only.

Site Plan



Proposed development would occur on the eastern and southern portion of the site with the northwest portion of the site reserved for wetland conservation and stormwater retention purposes. Plan Sheet A1.1 of Attachment 6 shows the conceptual location and distribution of proposed buildings, open spaces and roadways. The plan shows four parcels on which buildings would be developed, and three parcels which contain stormwater detention basins or the existing Wetland Preserve. Because the future tenants and their facility needs are not yet fully known, the applicant has not yet submitted a Design Permit application for site and building design, and has not submitted a Tentative Map to create the individual lots. The applicant intends to submit these applications once the Use Permit is approved. However, the maximum building square footage, and the amount of office and manufacturing use would not exceed the figures shown in the following table.

Table 1: Proposed Uses by Square Footage

Use	Square Feet
Warehouse, at least	1,171,000
Manufacturing, Not to exceed	1,000,000
Office, not to exceed	100,000
Total	2,271,000

Uses and activities on the Project site are proposed to operate up to 24 hours per day, seven days per week. Assuming that 1,000,000 square feet of manufacturing use is developed, the estimated maximum build-out employment is 5,800 full time employees operating two shifts per day of 2,500 employees per shift. The Use Permit would allow a greater amount of the development to be warehouse only, but the

transportation advantages of the location will make the site attractive to other types of users, and the cost of development will require that the developers seek out tenants who will pay higher lease rates.

Table 2 (which was included in the Draft EIR as Table 2-1) summarizes the proposed development:

Table 2: Napa Logistics Park Phase 2 Project Summary

Building/Use	Characteristics		
	Square Feet	Lot Size (Acres)	Floor Area Ratio
2	100,000	9.10	0.25
3	1,000,000	49.62	0.46
4	703,040	38.27	0.41
5	467,600	24.40	0.44
Building Subtotal (Actual)	2,270,640	121.39	0.42
Square Footage to be Evaluated in EIR	2,271,000	121.39	0.43
Existing Wetland Preserve	37.22 acres*		
Detention Basins	7.47 acres		
Roads/Off-site Landscape	6.62 acres		
Total	172.70 Gross Acres**		
<p>Notes:</p> <p>The applicant is seeking flexibility on the number of lots and the allocation of building square footage to each lot to be able to accommodate the needs of potential tenants; however, the maximum square footage of buildings and manufacturing use evaluated in this EIR (2,271,000) would not be exceeded for the overall project.</p> <p>FAR = Floor Area Ratio (Building Square Footage/Lot Square Footage)</p> <p>* The wetland preserve currently exists and would be further enhanced by the proposed project. For the purposes of convenience and simplicity, this EIR rounds the Wetland Preserve acreage up to 37 acres</p> <p>** For the purposes of convenience and simplicity, this EIR rounds the gross acreage of the project site to 173 acres</p> <p>Source: Orchard Partners, 2014.</p>			

Design Features

Access, circulation and parking. Access to the Project site would be via the Devlin Road overpass. In the future, Devlin Road will be extended south to connect with Green Island Road. Until Devlin Road is extended, the development would connect to the existing Devlin Road terminus. This is shown in the Preliminary Site Plan (see Sheet A1.1 of Attachment 6). The ultimate roadway configuration including the future realignment of the site access road to the future extension of Devlin Road is shown as a fainter set of lines adjacent to Building 2 and the detention area on Sheet A1.1.

The applicant is offering to provide funding to accelerate the completion of Devlin, subject to reimbursement. As soon as the City and the applicant can enter into a mutually acceptable agreement, the applicant will provide \$4.7 million which is the estimated funding gap for Devlin Road. The

agreement would provide that this money would be repaid on an interest fee basis by credits for the Traffic Impact Fees that the project would otherwise pay at the time of issuance of each building permit. Once the last building permit has been issued for construction of new buildings on the project site, the City would reimburse the applicant for any remaining funds that had not been offset by TIF credits, out of TIF paid by other development, or such other funds as may be specified in the agreement.

Buildings 3 and 4 would be served by rail spurs to allow direct loading and unloading of railroad cars to the buildings.

Circulation within project site would be served by Middleton Way, a north-south road which is being constructed as part of Phase 1. Road B, an east-west road would extend along the southern boundary of the project site. Road C, is a second north-south roadway on the west side of the project site. Middleton Way would provide an emergency connection to Airport Boulevard in the near term as required by the Phase 1 approval. The Middleton Road connection to Airport Road has the disadvantage that it requires vehicles to cross future railroad spur lines. As a result, the applicant proposes to relocate the Airport Road connection to the north terminus of Road C to eliminate rail spur/vehicle conflicts.

The ultimate number of parking spaces will be determined based on the actual uses within the Project. Driveways and parking areas may include reciprocal easements to allow for shared use of roadways and parking facilities.

Building design. The conditional use permit includes design guidelines for all future buildings. Plan Sheets 3-7 and 3-8 depict the design guideline standards by providing colored elevations of the conceptual buildings. Buildings would consist of concrete tilt-up panel construction with stone and wood detailing with anodized aluminum window frames and green tinted insulated glazing. Building 2 is proposed to be a two-story office building. For Buildings 3 and 4, the facades oriented to Road B would have the entrances, tenant signs, and stone and wood detailing. The sides of the buildings facing east and west may have truck loading docks. For Building 5, the facade oriented to Road C would have the entrances, tenant signs, and stone and wood detailing. The sides of the buildings facing north and south may have truck loading docks.

Building height would vary between 40 feet with screening parapets and a maximum of 100 feet above finished grade for some portion of development where it may be necessary to accommodate manufacturing processes.

Open space/wetland area. Approximately 37 acres of the site would remain as a permanent non-buildable open space and wetland preservation area in the western portion of the site. The open space area would be owned by Napa Logistics Park owners association with an irrevocable conservation easement dedicated to the Napa Land Trust or other similar agency as may be approved to hold such an easement. This Wetland Preserve may also be used to mitigate wetlands disturbed by construction of Phase 2, the extension of Devlin Road, the development of adjacent properties, and on-site stormwater retention.

Grading. There is a soil stockpile on the project site which would be graded to create flat building pads for the proposed buildings, roads, parking areas and related improvements. A precise grading plan will be prepared for each building consistent with an approved Design Permit prior to construction of individual buildings.

Landscaping. Plan Sheets L1.1 through L1.5 provide a Conceptual Landscape Plan. Landscaping would be installed along the north, west and south lot boundaries as well adjacent to buildings. Landscaping would consist of drought tolerant trees, shrubs and groundcover to the fullest extent possible. Ornamental landscaping is not proposed within the Wetland Preserve.

Infrastructure. Recycled water and sewer lines would be extended to the site from Green Island Road to serve the proposed development. Two alignments for the utility lines extensions were shown in Draft EIR Exhibits 29a and 2-9b: (1) is an existing public utilities easement that extends north of Commerce Blvd.; and (2) is the proposed alignment of Devlin Road as it extends from the project site to Green Island Road. The City's has selected the alignment within the future right of way of Devlin Road extending south from the project site to Green Island Road. Recycled water would be for landscape irrigation, flushing toilets, and activities such as vehicle washing.

Zero Water Footprint Policy The proposed project must comply with the Zero Water Footprint (ZWF) Policy. At buildout, the project is anticipated to use 41 acre-feet per year. The NLP Phase 2 Project will offset this potable water demand by providing recycled water to adjacent industrial uses who now use potable water for landscaping or dust control.

Drainage. The drainage concept for the Project implements standard Engineering designs, such as:

- 1) Sloping the grade away from the building to facilitate drainage and protection of the loading docks and finished floor;
- 2) Stormwater quality would be improved by running it along grass lined swales which help remove pollutants. The swales connect to an underground storm drain system; and
- 3) The storm drain system would discharge treated stormwater into detention basins. The basins are designed to control the stormwater flow into No Name Creek at the same rate that stormwater flowed before the site was developed.

Discretionary and Ministerial Actions Required

To allow for development of the project, several discretionary actions are required. These include the following:

Use Permit: Approval of the Use Permit would allow development of the site plan with up to 2,271,000 square feet of buildings and related improvements. The Use Permit would establish the maximum amount of development allowed on the site, the mix of uses, allow building heights over 35 feet and relaxation of the width of the required landscape areas on site.

Airport Land use Plan Consistency Determination: Because the Use Permit includes a request to increase building heights above 35 feet, the Use Permit requires a determination by the Napa County Airport Land Use Commission that the application is consistent with the Napa County Airport Land Use Plan (ALUP). See Section 1.3.3 of the ALUP which provides that "[a]ny request for variance from a local agency's height limitation ordinance with an airport's planning area" requires a compatibility determination by the Napa County Airport Land Use Commission. The project will be scheduled for consideration by the ALUC after the Planning Commission and City Council take action on the project in the special joint meeting. The applicant submitted a *Land Use Compatibility and Airspace Analysis Report*, prepared by Mead and Hunt dated June 2015 which found that the increased building height was compatible with the operations at the Napa County Airport. Based on preliminary discussions with County staff, there does not appear to be any issues with the consistency determination.

The following discretionary applications are required subsequent to the Use Permit approval and EIR Certification.

Design Permit: The development of each building is subject to a Design Permit to determine the details of building design, materials, site layout, landscaping, etc.

Tentative and Final Subdivision Map: The applicant proposes to subdivide the Project site into seven parcels of land: four of which would be developed and three of which would contain detention basins or the Wetland Preserve. However, the conceptual lotting may change depending on the facility needs of future tenants. For this reason, the applicant has not filed a tentative map application and has asked that the Use Permit approve the conceptual site plan but allow the applicant to propose alternative lotting to be considered as part of a subsequent Tentative Map application.

Sign Program: A Sign Program would be submitted with the first Design Permit and provide requirements to ensure that all on-site signs are high quality, tasteful, consistent and functional for the purpose of identifying the overall Napa Logistics Park complex and individual tenants within the Center.

Subsequent Ministerial Actions: Subsequent ministerial actions would be required to implement the proposed project, including approval of the final map(s), issuance of grading and building permits, improvement plans, landscape plans, encroachment permits, and will serve letters for potable water.

Responsible and Trustee Agencies

A number of other agencies in addition to the City of American Canyon will serve as Responsible and Trustee Agencies in reviewing the project. These agencies include but are not limited to the following:

- United States Army Corps of Engineers
- California Department of Fish and Wildlife
- California Department of Transportation
- California Public Utilities Commission
- San Francisco Bay Regional Water Quality Control Board
- Bay Area Air Quality Management District
- Napa County Airport Land Use Commission

The Final EIR provides environmental information to these agencies and other public agencies, which may be required to grant approvals or coordinate with other agencies, as part of project implementation.

B. ENVIRONMENTAL REVIEW

CEQA Milestones

- Notice of Preparation Release: August 12, 2014
- Scoping Meeting: August 21, 2014
- Draft EIR Release: September 14, 2015
- Draft EIR Planning Commission Presentation: September 24, 2015
- End of Public Review Period: October 28, 2015
- Publication of the Final EIR: December 4, 2015

EIR Documents

The EIR documents for the NLP 2 project include the Draft EIR which was published in September 2015 for a 45-day public comment period. In response to its circulation, the City received comments from:

- California Department of Fish and Wildlife (CDFW)
- California Department of Transportation (Caltrans)
- Larry Atkins (2 letters), owner of property to the west of the project site
- Dynacraft (2 letters), a business located at 89 South Kelly Road

Copies of the letters of comments together with written responses to the comments are included in Section 3 of the *Final Environmental Impact Report for Napa Logistics Park Phase 2 Project* (Final EIR) which was published on December 4, 2015. The Final EIR is included as Attachment 5 to this staff report.

The CDFW letter reviews the protected resources in the general project vicinity and identifies the mitigations necessary if the project involves site disturbance within certain critical distances from a resource. The response to these comments did not identify any changes in potential impacts but two mitigation measures were reworded to provide a more detailed description of the mitigation actions (BIO 2a and BIO 5a).

The Caltrans letter addresses transportation impacts to Caltrans facilities that will be impacted by the project including State Route 29, 12, 121 and 221, the need for traffic control plans during construction, and that any work within the Caltrans right-of-way requires a State encroachment permit. The comments are consistent with the transportation impacts evaluated in the Draft EIR and no further impacts were identified.

The comments from Mr. Atkins are primarily concerned about stormwater impacts on his property which is located west of the project site. Mr. Atkins suggests that the project does not provide access and utility connections to this adjacent property. The Final EIR contains detailed responses to his concerns.

The comments from Dynacraft are primarily concerned about the impacts of new trip generation on the business operations at 89 South Kelly Road. The Dynacraft owner suggested that the project not provide sufficient measures to mitigate transportation impacts. Response to these comments identify transportation improvements to the South Kelly/SR 29 intersection, that the City is actively seeking funding and design of the Devlin Road segment from the project site south to Green Island Road, and a specific response to the business owner's concerns about the impacts on his driveway access. On page 3-59 of the Final EIR, the queuing analysis for South Kelly Road is summarized showing that the proposed improvements to the intersection will provide sufficient vehicle queuing without blocking Dynacraft's driveway access. Additionally, the applicant is offering to provide funding to accelerate the completion of Devlin, subject to reimbursement. As soon as the City and the applicant can enter into a mutually acceptable agreement, the applicant will provide \$4.7 million which is the estimated funding gap for Devlin Road. The agreement would provide that this money would be repaid on an interest fee basis by credits for the Traffic Impact Fees that the project would otherwise pay at the time of issuance of each building permit. Once the last building permit has been issued for construction of new buildings on the project site, the City would reimburse the applicant for any remaining funds that had not been offset by TIF credits, out of TIF paid by other development, or such other funds as may be specified in the agreement.

Because no new or significantly increased mitigation measure was identified by the comments on the Draft EIR, the City can consider certification of the EIR.

Summary of Impacts and Mitigations

Table ES-1 in the Draft EIR summarizes the impacts, mitigation measures, and level of significance after mitigation each environmental issue. The table shows that all significant environmental impacts were reduced to a less than significant level, except for some Transportation and Air Quality impacts which discussed in the following section.

Please note that there are wording changes in mitigation measures BIO 2a, BIO 5a, TRANS 1e, and TRANS 1f. The wording changes are shown in Section 5, *Errata*, of the Final EIR, and the revised wording is also used in the Mitigation Measures Monitoring and Reporting Program (MMRP) included as Attachment 1.B. to this staff report.

Significant and Unavoidable Impacts

Transportation Impacts

The Draft EIR traffic study studied 25 roadway intersections in the vicinity of Napa Logistics Park. The traffic study evaluates traffic for three scenarios:

- Existing
- Existing Plus Background Plus Project
- Cumulative Without Project
- Cumulative With Project

The traffic study shows that the project generates 1,310 vehicles during the AM peak hour and 1,243 vehicles during the PM peak hour. The applicant has committed to implementing a Travel Demand Management (TDM) Program. Such a program will include having businesses change their worker shifts to a time that does not coincide with the AM or PM peak period. This “off-peak shift change” (among other strategies) will significantly reduce peak hour trip generation and reduce project-related traffic impacts.

The table below summarizes the Draft EIR traffic study findings (before any mitigation measures are implemented). Four locations (Intersection #2, 3, 15, & 16) were found to operate at unacceptable levels of service under existing conditions. A **bolded X** indicates a potential impact caused by existing or cumulative traffic, **bolded, shaded X** indicates a potential impact caused by the NLP Phase 2 Project in the respective scenario.

Table 3: Study Intersections and Potential Impacts

No.	Intersection	Peak Hour	Existing	Existing Plus Background Plus Project	Cumulative without Project	Cumulative Plus Project
1	South Kelly Road/ Devlin Road	AM		X		X
		PM		X		X
2	South Kelly Road/SR-29	AM		X	X	X
		PM	X	X	X	X

No.	Intersection	Peak Hour	Existing	Existing Plus Background Plus Project	Cumulative without Project	Cumulative Plus Project
3	Napa Junction Road/SR-29	AM		X	X	X
		PM	X	X	X	X
4	Eucalyptus Drive/SR-29	AM				
		PM			X	X
6	South Napa Junction Road/Poco Way/SR-29	AM		X	X	X
		PM			X	X
7	Donaldson Way/SR-29	AM		X	X	X
		PM		X	X	X
8	American Canyon Road/SR-29	AM		X	X	X
		PM		X	X	X
15	SR-12-29/SR-221-Soscol Ferry Road	AM	X	X	X	X
		PM	X	X	X	X
16	Airport Boulevard/SR-12-29	AM	X	X	X	X
		PM	X	X	X	X
19	SR-12/North-South Kelly Road	AM			X	X
		PM			X	X
22	Mini Drive/SR-29	AM		X	X	X
		PM		X	X	X
23	Meadows Drive/SR-29	AM			X	X
		PM		X	X	X
24	SR-37 Westbound Off-Ramp/SR-29	AM			X	X
		PM			X	X

The Final EIR includes the following mitigation measures to reduce transportation impacts:

- a. Implementation of an effective TDM Program, including “off-peak shift change” for future employees to ensure that trip generation does not exceed 780 vehicles during the AM peak hour and 704 vehicles during the PM peak hour.
- b. Requirements to provide financial contributions if the TDM Program targets are not met. These contributions would be used to fund additional roadway improvements in American Canyon.
- c. Payment of the City’s Traffic Impact Fee (TIF) to fund City-wide roadway improvements.
- d. Construction of the ultimate configuration of the SR 29 / South Kelly Road intersection, including accommodating the future widening of SR-29 to 6-lanes, and various side street turn lanes.

- e. Payment of a fair share contribution towards the following regional improvements:
- i. Airport Boulevard/SR 12-29 Interchange Project,
 - ii. SR 12-29/SR 221 – Soscol Ferry Road Flyover Ramp
 - iii.

Although not a mitigation measure, the applicant is offering to provide funding to accelerate the completion of Devlin, subject to reimbursement

While the proposed mitigation measures will help address the project's potential traffic impacts, many of the intersections will continue to operate at an unacceptable level of service until SR-29 is widened from 4-lanes to 6-lanes. Once SR-29 is widened, intersections on SR-29 through the City would operate acceptably. However, SR-29 is under the jurisdiction of Caltrans and there is uncertainty on timing and funding for these improvements. Planning for these improvements is in the initial stages and identification of funding sources is not complete. Because of this uncertainty, traffic impacts are considered significant and unavoidable.

Air Quality/Greenhouse Gas Emissions (GHG)

Significant unavoidable impacts were identified for the following four Air Quality/Greenhouse gas factors:

AIR 1. Conflict with Air Quality Plan; and AIR 3. Cumulatively considerable increase of any criteria pollutant for which the project region is nonattainment: Although AIR 1 and AIR 3 are two different significance criteria, for this project they address essentially the same issue. The project would comply with all of the Bay Area Air Quality Management District's (BAAQMD) applicable rules and regulations, and its air quality impacts during construction can be mitigated to a less than significant level. The Project results in an unavoidable significant impact because:

1. Given the large size of the project, its operational emissions exceed the Air District's CEQA significance thresholds for Reactive Organic Gases (ROG) and nitrogen oxides (NOx) which are the components that combine to create ozone, and
2. The San Francisco Bay Area is a non-attainment area for ozone which means that the regional does not meet State and Federal Air Quality standards for ozone.

AIR 4: Expose sensitive receptors to pollution concentrations: The project would not have a significant impact from construction or operations. The Project does not exceed BAAQMD CEQA Guidelines for a potential adverse cumulative impact. However, there is an existing exposure of people to pollution concentrations in the project vicinity because there are existing nearby sources of a toxic air contaminant (TACs) – Particulate Matter 2.5 microns or less in size (PM_{2.5}). Three existing businesses each emit PM 2.5 above the maximum allowed concentration level.

- Napa Recycling and Waste Services
- Devlin Road Transfer and Recycling
- Hydro Conduit Corporation.

Because there is already an existing problem, and the project emits a small amount of PM 2.5 which contributes to this existing adverse condition, the project would have an unavoidable significant impact for this factor.

Air 7. Greenhouse gas emissions: Because of the large size of the project, its operational emissions exceed the Air District's thresholds. The Project would annually emit 28,396 Metric Tons of Carbon Dioxide Equivalents (MTCO_{2e}) and the Bay Area Air Quality Management Board (BAAQMD) threshold is 1,100 MTCO_{2e}. Even when looked at on a service population/year (based on 5,000 employees) the project is at 5.7 MTCO_{2e}, and BAAQMD threshold is 4.6 MTCO_{2e}. Therefore, the project has a significant and unavoidable impact.

This analysis does not take into the account that the project would bring jobs into a part of the Bay Area which has many more housing units than it has jobs for workers in those units. The project may have the potential to reduce the length of commutes by providing jobs closer to where people live which would reduce GHG.

Statements of Overriding Considerations

In order to approve a project which has significant unmitigated impacts, the Planning Commission and the City Council will have to make Findings of Overriding Considerations. This is a determination that although there are significant impacts, there are other considerations including legal, economic, social technological, environmental or other benefits which when considered render the adverse impacts acceptable (CEQA Guidelines Section 15093).

The recommended conditions of approval include all of the identified mitigations. Attachment 1.A. includes Exhibit A, the draft CEQA findings, including Findings of Overriding Considerations because not all the impacts can be reduced to a less than significant level. Attachment 1.B. is Exhibit B, the Mitigation Measure Monitoring and Reporting Program which indicates when each mitigation measure will be implemented and the entity that will ensure that it is implemented.

Exhibits A and B as referenced both in Attachment 1, the Planning Commission's Resolution recommending to the City Council adopt the necessary CEQA findings, and approve the MMRP; and in Attachment 3, the City Council's Resolution adopting the necessary CEQA findings, and approving the MMRP.

C. EVALUATION OF THE REQUESTED CONDITIONAL USE PERMIT

As discussed earlier in this report, the project application is for a Conditional Use Permit (CUP) approval and the detailed site and building design and the subdivision of the project site will be the subject of subsequent applications. The CUP would describe a maximum amount of development that could occur on the site, and the conditions to be satisfied through the subsequent application submissions and approvals. The required findings for approval of a CUP are set out in American Canyon Municipal Code (ACMC) Section 19.42.020 (D) and each finding is addressed in this section.

1. The proposed use is consistent with the policies and programs of the general plan and any applicable master or specific plan.

Basis for the Finding: The Napa County Airport Industrial Area Specific Plan (NCAIASP) is the basis for land use and development regulations within the project vicinity. The project site is designated for Light Industrial/Business Park uses and the proposed project is consistent with those uses. The Draft EIR in Table 8.3.2 starting on page 3.8-8 provides an evaluation of each General Plan goal, objective, policy and how the proposed project is consistent with them. On page 3.8-51 of the Draft EIR, the proposed uses and amount of development is found consistent with the Specific Plan. When the detailed project plans for site and building development are submitted, they will be reviewed for compliance with the individual development regulations on setbacks, etc. Therefore, the proposed use is consistent with the General Plan and Specific Plan.

2. The proposed use is consistent with the purpose(s) and standards of the applicable zoning district(s).

Basis for the Finding: The proposed uses are consistent with the Specific Plan (SP 2) zoning, and the proposed development as shown in the project plans are consistent with the development standards, having to do with setbacks, height, lot coverage, etc. The applicant has asked for two areas of relaxation of the development standards through the Use Permit process, as provided for in the NCAIASP: an increase in building height to 100 feet from the 35 feet allowed as a matter of right in the Specific Plan, and the reduction in the front and side yard landscaping requirements.

The increase in building height is to accommodate contemporary warehouse design and the potential needs of a manufacturing use. The applicant submitted a *Land Use Compatibility and Airspace Analysis Report*, prepared by Mead and Hunt dated June 2015 which found that the increased building height was compatible with the operations at the Napa County Airport.

The area of the required front and side yards that must be landscaped is 25 feet wide for front yard landscaping and 10 feet wide for the side yard landscaping. As the project undergoes detailed site and building design, the applicant has requested flexibility in order to accommodate shared parking and driveways between adjacent buildings, and to accommodate any unusual site configuration or conditions, such as Lot 5. The Specific Plan allows for such relaxation through the Use Permit. The relaxations will be shown on the plans submitted for a Design Permit which will be reviewed by the Planning Commission. The Commission will determine that there is sufficient landscaping for the site, even with the relaxations, and whether a relaxation is necessary.

3. The proposed use complies with applicable policies of the Napa County Airport land use compatibility plan.

Basis for the Finding: The Draft EIR evaluated the proposed project for consistency with the Airport Land Use Plan and found that the project is consistent, with one area of concern (see pages 3.8-51 through 3.8-65). The project includes a conserved wetland area, drainage basins, and landscaping which may have the potential to attract birds and wildlife which could pose a threat to aircraft operations. The Draft EIR includes a Mitigation Measure LU-3 which requires the preparation and implementation of a wildlife management plan to ensure that these areas do not serve as attractants for wildlife or large flocks of birds which could be incompatible with aviation operations. With this mitigation measure the proposed development is consistent with the Airport Land Use Plan.

4. The project site is physically suitable for the type and intensity of land use being proposed.

Basis for the Finding: The project site, with the conditions for offsite transportation and utility improvements will be suitable for the type and intensity of industrial development proposed. The Western Napa Fault crosses the western portion of the site and is mapped as an Alquist-Priolo Special Study Area. See Exhibit 3.5-1 in the Draft EIR. Mitigation Measure GEO-1 requires that a fault study be prepared to identify the location of the fault and recommend appropriate setbacks and construction requirements. With this mitigation measure and the off-site improvements, the site is physically suited for the proposed development.

5. The proposed use will not be a nuisance or materially detrimental to the general health, safety, and welfare of the public or to property and residents in the vicinity.

Basis for the Finding: The proposed uses are consistent with the other adjacent industrial uses and the conditions of approval, particularly those related to required off-site roadway and utility improvements, will ensure that the proposed development will not create any nuisance or be materially detrimental to the public, or property in the area. There are no residents in the

immediate vicinity of the project. The closest ones are along Green Island Road and there is a residence adjacent to SR 29 to the south of South Kelly Road.

6. The site for the proposed use has adequate access, and meets parking and circulation standards and criteria.

Basis for the Finding: The proposed development includes the provision of roadway extensions to provide access to all the proposed buildings within the project site. Through the Design Permit review process before the Planning Commission, the specific site design will be reviewed to ensure that there is adequate parking provided for each building.

7. There are adequate provisions for water and sanitary services, and other public utilities to ensure that the proposed use would not be detrimental to public health and safety.

Basis for the Finding: Water is already available to the project site. Conditions of approval include the construction of a new sewer line and recycled water line from Green Island Road to the project site. With these improvements the site will be adequately services and will not be detrimental to public health and safety.

COUNCIL PRIORITY PROGRAMS AND PROJECTS

Approving the NLP 2 projects would contribute to achieving the City Council's strategies by providing diverse employment opportunities, provide for enhancement of the City's sewer and recycled water facilities in the industrial area, and through the Traffic Improvement Fee program, provide resources to improve the City's transportation network.

FINANCIAL IMPACTS

There would not be a financial impact on the city's budget because the applicant will be responsible to pay consultant costs, plus an additional 15 percent overhead in accordance with the City's Fee Schedule. The overhead covers the City's staff and administrative costs that are not directly recoverable through the fees on development projects.

The project is projected to have an increased assessed value once developed and would generate increased property tax revenues to the City. Also, the increased number of jobs would have an indirect effect on sales tax revenues when the new businesses and their employees shop and dine in our community.

ALTERNATIVES

The Planning Commission and the City Council may make changes in the findings and in the recommended conditions of approval. Minor changes can be made as part of the meeting; more substantial changes may require that the item be continued in order to allow City staff to prepare alternative language.

RECOMMENDATION

Based on the analysis in the staff report, public testimony, and the findings outlined in the Resolutions and Ordinance, staff recommends the following actions:

For the Planning Commission:

1. Adopt a Resolution recommending to the City Council that the Council adopt findings pursuant to the California Environmental Quality Act certifying the Final Environmental Impact Report (EIR) (SCH #2014082033), for the Napa Logistics Park Phase 2 Project as sufficient CEQA review

to approve the proposed development, adopting Findings of Overriding Consideration, and adopting a Mitigation Monitoring and Reporting Program; and

2. Adopt a Resolution recommending to the City Council that the Council approve the Conditional Use Permit for the Napa Logistics Park Phase 2 Project subject to the findings and conditions contained therein.

For the City Council:

3. Adopt a Resolution making findings pursuant to the California Environmental Quality Act certifying the Final Environmental Impact Report (EIR) (SCH #2014082033), for the Napa Logistics Park Phase 2 Project as sufficient CEQA review to approve the proposed development, adopting Findings of Overriding Consideration, and adopting a Mitigation Monitoring and Reporting Program; and
4. Adopt a Resolution to approve the Conditional Use Permit for the Napa Logistics Park Phase 2 Project subject to the findings and conditions contained therein.

Attachments

1. Planning Commission Resolution recommending to the City Council that the Council adopt findings pursuant to the California Environmental Quality Act certifying the Final Environmental Impact Report (EIR) (SCH #2014082033), for the Napa Logistics Park Phase 2 Project as sufficient CEQA review to approve the proposed development, adopting Findings of Overriding Consideration, and adopting a Mitigation Monitoring and Reporting Program.

Exhibit A – CEQA Findings, Including Certification Of The Final EIR, Rejection of Alternatives as Infeasible and Adoption of a Statement of Overriding Considerations

Exhibit B – Mitigation Monitoring and Reporting Program for NLP 2.

2. Planning Commission Resolution recommending to the City Council that the Council approve the Conditional Use Permit for the Napa Logistics Park Phase 2 Project subject to the findings and conditions contained therein.

3. City Council Resolution making findings pursuant to the California Environmental Quality Act certifying the Final Environmental Impact Report (EIR) (SCH #2014082033), for the Napa Logistics Park Phase 2 Project as sufficient CEQA review to approve the proposed development, adopting Findings of Overriding Consideration, and adopting a Mitigation Monitoring and Reporting Program.

Exhibit A – CEQA Findings, Including Certification Of The Final EIR, Rejection of Alternatives as Infeasible and Adoption of a Statement of Overriding Considerations

Exhibit B – Mitigation Monitoring and Reporting Program for NLP 2.

4. City Council Resolution approving the Conditional Use Permit for the Napa Logistics Park Phase 2 Project subject to the findings and conditions contained therein.
5. Final EIR for NLP 2
6. Project Plans

Copies (notification sent electronically):

Ernie Knodel, Orchard Partners LLC