

A Commitment to Service

Agenda Date: 1/16/2019 Agenda Placement: 7B

Napa County Planning Commission **Board Agenda Letter**

TO: Napa County Planning Commission

FROM: Charlene Gallina for David Morrison - Director

Planning, Building and Environmental Services

REPORT BY: Sean Trippi, Principal Planner - 299-1353

SUBJECT: Innova Gateway Speculative Industrial Building - Use Permit P18-00117

RECOMMENDATION

INNOVA FUND II, LLC (ANDREW KILPATRICK) / INNOVA GATEWAY SPECULATIVE INDUSTRIAL BUILDING / USE **PERMIT P18-00117-UP**

CEQA Status: Consideration and possible adoption of a Mitigated Negative Declaration. According to the proposed Mitigated Negative Declaration, the proposed project would have potentially significant effects on Biological Resources unless mitigation measures are adopted. The project site is not on any of the lists of hazardous waste sites enumerated under Government Code Section 65962.5.

Request: The project consists of a request to construct a new speculative building with approximately 68,677 square feet of floor area which includes approximately 61,809 sq. ft. of warehouse space and 6,868 sq. ft. of office space. No tenants have been identified. Access would be provided from two new driveways on Gateway Road East. The two parcels would be merged to create the project site. On-site parking for 73 vehicles, landscaping, and signage are also included with the proposal. The project will connect to municipal water and sewer services provided by the City of American Canyon and the Napa Sanitation District, respectively. The project is proposed on a 4.36 acre site on the east side of Gateway Road East and the west side of State Route 29, within the Industrial Park: Airport Compatibility (IP:AC) zoning district. APN's: 057-200-002 & 003. Napa.

Staff Recommendation: Adopt the Mitigated Negative Declaration and approve the Use Permit with the proposed conditions of approval.

Staff Contact: Sean Trippi (707) 299-1353, or sean.trippi@countyofnapa.org

Applicant Contact: Todd Bethke, Innova (800) 704-3890, or todd@innova.build

EXECUTIVE SUMMARY

Proposed Actions:

That the Planning Commission:

- 1. Adopt the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Innova Gateway Speculative Industrial Building based on Findings 1-6 of Attachment A; and
- 2. Approve Use Permit P18-00117, based on Findings 7-11 of Attachment A and subject to the conditions of approval (Attachment B).

Discussion:

The project consists of a request to construct a new speculative building with approximately 68,677 square feet of floor area which includes approximately 61,809 sq. ft. of warehouse space and 6,868 sq. ft. of office space. The building has been designed to accommodate multiple tenants. When a tenant is identified, the applicant will be required to provide a tenant profile for review by County staff to confirm that the use(s) proposed by the tenant are in compliance with zoning and the approved use permit. The project is compatible in design use with other projects located in the Napa Valley Business Park Specific Plan (NVBPSP) area and staff supports grant of the use permit and variation to development standards, subject to the recommended conditions of approval.

FISCAL IMPACT

Is there a Fiscal Impact?

No

ENVIRONMENTAL IMPACT

Consideration and possible adoption of a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program. According to the proposed Mitigated Negative Declaration, the proposed project would have potentially significant effects on Biological Resources unless mitigation measures are adopted. In accordance with Section 15073 of the California Environmental Quality Act (CEQA) Guidelines, Napa County submitted the initial proposed IS/MND to the State Clearinghouse for a 30-day review period beginning on December 14, 2018. In addition, Napa County circulated a Notice of Intent to adopt the initial proposed IS/MND to interested agencies and individuals. The project is not included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.

BACKGROUND AND DISCUSSION

Owner: Innova Fund II, LLC, Attn: Andrew Kilpatrick, 8605 Santa Monica Blvd., Suite 75763, Los Angeles, CA 90069

Applicant/Representative: Todd Bethke, 8605 Santa Monica Blvd., Suite 75763, Los Angeles, CA 90069

Zoning: IP:AC - Industrial Park: Airport Compatibility

General Plan Designation: Industrial

Application filed: March 29, 2018

Resubmittal(s): August 28, 2018, October 8, 2018 and November 28, 2018

Application complete: November 28, 2018

Parcel size: Two lots totaling 4.36 acres which will be merged as part of this project

Proposed building size: 68,677 square feet of floor area (including approximately 61,809 sq. ft. of warehouse space and 6,868 sq. ft. of office space)

Number of employees: The proposed facility expects to employ 25 or more; however, the exact number of employees is unknown at this time.

Hours of operation: Days and hours of operation are expected to be 7:00 AM to 5:00 PM, five days a week.

Parking: 73 off-street spaces

Airport Compatibility: Zone D - Common Traffic Zone - area of routine overflight at low elevations. Warehousing, light manufacturing, and ancillary office space uses are compatible with this zone.

Adjacent Zoning / Land Use:

There are existing office/warehousing complexes and a winery to the west, across SR 29. The property across Gateway Road East is a cork stopper company. A site bordering the site to the north is undeveloped, but includes an entitled project, and south of the project site is an existing hotel. All surrounding land is zoned IP:AC - Industrial Park: Airport Compatibility Combination District.

North: IP:AC - Adjoining the project site to the north is a 4.33 acre site, comprised of two properties under the same ownership, with an approved, but not yet constructed, 67,930 sq. ft. three story office building.

South: IP:AC - Adjoining the project site to the south is the Marriott Springhill Suites.

East: IP:AC - Across SR 29 is the Rang Dong winery and office and light industrial development.

West: IP:AC - Across Gateway Road East to the west is the recently constructed Portocork facility. North of Portocork is a pending application for a 83,136 sq. ft. winery with an annual production capacity of 230,000 gallons on a 5.52 acre site.

North of the project site is a 4.33 acre site adjoining Sheehy Creek and State Highway 29 with an approved, but not yet constructed, 67,930 sq. ft. three story office building. South of the project site is the Marriott Springhill Suites. Across SR 29 is the Rang Dong winery, office and light industrial development.

Parcel History:

The site is currently vacant, has been previously graded and is located within a partially developed industrial/business park. The site has been designated for industrial development for over 30 years. Grade elevations on the site range from approximately 52 to 68 feet above mean seal level, from east to west. The site is dominated by ruderal grasses with a smattering of bushes. There are no trees on the site. There is a 15-foot wide waterline easement along the south property line. Adjoining streets and public improvements have been completed, including street paving, curb, gutter, and public utilities, when improvements were installed for the Napa Valley Gateway Business Park.

The Planning Commission approved a use permit (P14-00297-UP) on March 18, 2015, to construct a single-story,

shell building with approximately 38,614 square feet of floor area for warehousing, distribution, light manufacturing, and ancillary office space. The project was approved on the southerly of the two parcels (APN 057-200-003) that comprise the current project site. The building was not constructed and the property was subsequently purchased by the current property owner.

Code Compliance History:

There are no open or pending code violations for the subject site.

Discussion Points:

- 1. Building Design, Layout & Materials Exterior building materials include tex-coat concrete tilt-up wall panels with a multi-color paint scheme and multiple score lines/reveals. The west elevation (facing Gateway Road East) includes glass storefront entries at each corner of the building and at the midpoint. The entries feature low-sloping metal roofs, stone veneer, and windows above the roof element. This design treatment is also utilized on the east elevation (facing State Route 29) at the south end of the building and the midpoint. The northeast corner of the building is clipped or angled and also includes the same design treatment. This design treatment also extends onto the south elevation at each corner as well as the northwest corner of the building. The west elevation includes eight depressed loading docks, three at-grade overhead roll-up doors and three man-doors. The east elevation includes five at-grade overhead roll-up doors and 2 man-doors. Above each at-grade overhead roll-up door is a metal awning, perpendicular to the building, with metal angle-irons. The sloped metal roofs and metal awning extend 4'-6" from the building wall. The overall design is equivalent to other similar more recent industrial projects approved and/or constructed within the NVBPSP boundaries, and meets the minimum design requirements for the NVBPSP industrial park area.
- 2. Access Access to the building is proposed from two new driveways on Gateway Road East. On-site drive aisles are designed to County standards and wrap around the building providing Fire Department and emergency vehicle access to all areas of the building. The project has been reviewed by the County Fire Department and Engineering Services Division and found acceptable as conditioned.
- 3. Parking The NVBPSP requires one parking space per 1,000 square feet for the first 20,000 square feet of floor area and one parking space per 2,000 square feet of floor area thereafter for storage/warehousing use. The Specific Plan also requires one parking space per 250 square feet of floor area for office use. Based on the preliminary floor plan of the proposed 68,677 sq. ft. building, which includes approximately 61,809 sq. ft. of warehouse and 6,868 sq. ft. of office floor area, 68 parking spaces are required. The site plan includes 73 parking spaces, more than meeting the minimum parking requirements which would also provide some flexibility when it comes to attracting potential tenants occupying the building.
- 4. Building Setbacks/Landscaping The NVBPSP requires a building setback with a 40-foot average, and a minimum of 25-feet, from Gateway Road East and a 55-foot average, 45-foot minimum from State Route (SR) 29. The 25-feet and 45-feet adjoining Devlin Road and SR 29, respectively, are required to be landscaped. The building is generally setback 95 to 30 feet from Gateway Road East and 70 feet from the SR 29. The proposal provides 25 feet of landscaping along Gateway Road East and 45 feet of landscaping adjoining SR 29. Water quality detention and treatment basins, planted with water tolerant grasses, as well as shrubs and trees, are proposed along the street frontage within the landscape setback.

The NVBPSP also requires 10-foot building and landscaping setbacks from property lines that do not adjoin a street. The building is setback a minimum of approximately 35-feet from the north property lines with a minimum 10-foot wide landscaped area and 85-feet from the south north property with a minimum 20-ffot wide landscape planter. There is a 15-foot wide water line easement along the south property line that precludes the planting of trees or other deep rooting plant materials. Only shrubs and ground cover can be planted in this area.

6. Greenhouse Gas Reduction Strategies - The applicant team has completed the Best Management Practices Checklist for Development Projects, which is attached to this report as part of the application materials. The applicant proposes to incorporate GHG reduction methods including: generation of on-site renewable energy, energy conserving lighting; energy star/cool roofing; bicycle route improvements; connection to recycled water; water efficient fixtures; water efficient landscaping; and, site design that is oriented to optimize conditions for natural heating, cooling, and day lighting of interior spaces, and to maximize winter sun exposure. GHG Emission reductions from local programs and project level actions, such as application of the CalGreen Building Code, tightened vehicle fuel efficiency standards, and project-specific on-site programs including those features noted above would combine to further reduce emissions below the thresholds of significance. The project is in compliance with the County's efforts to reduce emissions as described above.

7. Public Utilities - Water services will be provided by the City of American Canyon and will be required to meet the City's Zero Water Footprint (ZWF) Policy, which may include contributing to the City's water conservation fund. Sewer services will be provided by Napa Sanitation District (NSD). The applicant will also connect to NSD's recycled water system for irrigation. Annexation to NSD will be required prior to the provision of services.

Consistency with Standards:

All reviewing departments/agencies have found the project as proposed and conditioned to be consistent with their respective requirements and regulations.

- 1. Zoning The IP:AC (Industrial Park: Airport Compatibility) allows warehousing and offices with the approval of a use permit. Site layout, building design, coverage, parking, and landscape and building setbacks comply with all applicable NVBPSP and zoning regulations, provided the Commission approves the requested variation.
- 2. Building/Fire Code The project has been designed to comply with all applicable building and fire codes. Access to the buildings is excellent. It is anticipated that the applicant will submit for building permits shortly after receiving approval.
- 3. Engineering Services Engineering Services finds the project, as conditioned, complies with industrial park development standards. An encroachment permit will be required for the new driveway. Engineering Services has included conditions addressing compliance with regulations regarding grading, drainage, stormwater control, erosion, access, and parking lot standards.
- 4. Environmental Health Conditions are required that address businesses generating and/or storing hazardous materials, solid waste, and recyclable materials.
- 5. Airport Land Use Compatibility (ALUC) Plan The application was reviewed by the County Airport Land Use Commission staff liaison. Staff determined that the project, with the incorporation of the proposed conditions of approval, complies with the ALUC Plan.
- 6. Other Agencies The project has a will-serve letter from the City of American Canyon and a conditional will-serve Napa Sanitation District regarding the provision of and connecting to municipal water and sewer services, respectively. Napa Sanitation District has also conditioned the project for compliance with applicable District requirements and annexation to their district.

Decision Making Options:

As noted in the Executive Summary Section above, Staff is recommending approval of the project with conditions of approval as described in Option 1 below. Decision making options including the following:

Option 1 – Approve Applicant's Proposal

Discussion - This option would result in construction of the proposed approximately 68,677 sq. ft. building. Building and landscape setbacks, on-site parking, and building design meet or exceed the requirements of the NVBPSP. No exceptions or variations to the development standards of the NVBPSP have been requested. The proposal includes "green measures" noted above and is intended to provide storage services to the wine industry. Staff recommends approval of the applicant's request as conditioned.

Action Required – Follow proposed action listed in Executive Summary. If conditions of approval are amended, specify conditions to be amended at time motion is made.

Option 2 – Reduced Project Alternative

Discussion - Generally development in the business park area does not lend itself to a reduced project alternatives such as floor area reductions or restrictions on the number of employees, hours of operation or business operations.

Based on the administrative record as of the issuance of this staff report, there does not appear to be any evidence that suggests such limits on the proposed development of this industrial park-zoned property are warranted. Development limitations as noted herein may impact viability of the intended use of the building.

Action Required – Follow proposed action listed in Executive Summary and amend scope and project specific conditions of approval to place limits on development. If major revisions of the conditions of approval are required, item will need to be continued to a future date.

Option 3 – Deny Proposed Use Permit

Discussion - In the event the Commission determines that the project does not, or cannot meet the required findings for grant of a use permit, Commissioners should articulate what aspect(s) of the project is in conflict with required findings, and either deny the request or continue the item to allow the applicant an opportunity to redesign the project.

Action Required – Commission would take tentative motion to deny project and remand the matter to staff for preparation of required finding to return to the Commission on specified date.

Option 4 - Continuance Option

Discussion - The Commission may continue an item to a future hearing date at its own discretion.

SUPPORTING DOCUMENTS

- A . Recommended Findings
- B . Recommended Conditions of Approval and Final Agency Approval Memos
- C. Initial Study/Mitigated Negative Declaration & MMRP
- D. Use Permit Application Packet
- E . Stormwater Control Plan
- F . Biological Study

G . Graphics

Napa County Planning Commission: Approve

Reviewed By: Charlene Gallina