

**RESOLUTION NUMBER 5300**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DENYING CERTIFICATION OF ENVIRONMENTAL IMPACT REPORT 17-05100/SCH NO. 2017081059, SPECIFIC PLAN AMENDMENT 17-05074, TENTATIVE PARCEL MAP 17-05060/TPM 37304 AND DEVELOPMENT PLAN REVIEW 17-00002 FOR THE DUKE WAREHOUSE AT PERRIS BLVD & MARKHAM STREET PROJECT LOCATED ON PERRIS BOULEVARD BETWEEN MARKHAM STREET AND PERRY STREET, SUBJECT TO THE FINDINGS CONTAINED HEREIN.**

**WHEREAS**, the Duke Project (“Project”) is a proposal to construct a warehouse building totaling 1,189,860 square feet with associated parking and other site improvements, and on and off-site infrastructure improvements on 55 acres located on the west side of Perris Boulevard between Markham Street and Perry Street; and

**WHEREAS**, applications for Specific Plan Amendment 17-05074, Tentative Parcel Map 17-05060, and Development Plan Review (DPR 17-00002) were submitted to facilitate the construction of a 1.2 million square foot warehouse building on 55 acres at the southeast corner of Markham Street and Perris Blvd; and

**WHEREAS**, the proposed applications collectively are considered a “project” as defined by the California Environmental Quality Act (“CEQA”), and the Duke Warehouse at Perris Blvd and Markham Street Project is the project title; and

**WHEREAS**, a scoping meeting was conducted for the proposed project on September 20, 2017 by the Planning Commission to hear from both public agencies and the public on the potential environmental impacts, site planning and building architecture; and

**WHEREAS**, on May 9, 2018, the Planning Commission conducted a duly noticed special public hearing on the project, and recommended denial of the project after considering public testimony and materials in the staff report and accompanying documents, for the following reasons:

1. Need to retain prime Business-Professional Office zoning along Perris Boulevard;
2. Added truck traffic to the Perris Valley Commerce Center (PVCC) Specific Plan area, including Perris Boulevard and Ramona Expressway;
3. Project should be developed on existing industrially-zoned land west of Perris Boulevard and north of Ramona Expressway.

**WHEREAS**, on May 29, 2018, the City Council conducted a duly noticed public hearing on the Project, at which time all interested persons were given full opportunity to be heard to present evidence; and

**WHEREAS**, prior to taking action, the City Council has heard, been presented with, and/or reviewed all of the information and data which constitutes the administrative record for the above-mentioned approvals, including all oral and written evidence presented to the City during all Project meetings and hearings; and

**WHEREAS**, pursuant to California Environmental Quality Act (Public Resources Code Section 21000, et seq. (“CEQA”)), Pub. Res. Code Sec. 21080(b)(5) and the

State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000, et seq.) Section 15270, a project that is denied or rejected is exempt from the requirements of CEQA; and

**WHEREAS**, based on recommendations, testimony and evidence in the record and provided at the public hearings, the City Council makes the following factual findings:

SPECIFIC PLAN AMENDMENT 17-05074

1. ***The Specific Plan is consistent with the General Plan Land Use Map and applicable General Plan objectives, policies, and programs.***

The proposed Specific Plan Amendment to the Perris Valley Commerce Center Specific Plan is inconsistent with the PVCCSP because it does not promote the goals to achieving the vision established by the Perris General Plan Policy III.A which states, “Commerce and industry to provide jobs for residents at all economic levels” with Policy III.A adding: “Accommodate diversity in the local economy”. The proposed Light Industrial land use and operation will facilitate the construction of a 1.2 million square foot warehouse with very few high-paying jobs, and many low-wage warehouse jobs to the residents of Perris. In addition, many warehouse jobs are seasonal or part-time with no employee benefits, and even full-time warehouse jobs may not provide health insurance and other important benefits to their employees. Thus warehouse jobs primarily employ less educated workers with lower level skill sets and thus do not contribute to the General Plan goal of providing good jobs to residents at all economic levels, nor do they support diversity in the local economy for Perris.

2. ***The Specific Plan Amendment provides adequate text and diagrams to address the following issues in detail:***

a. ***The distribution, location, and extent of the uses of land, including open space, within the area covered by the Plan.***

The proposed Specific Plan Amendment is inconsistent with the PVCCSP because it would interrupt the transitional pattern of land uses along Perris Blvd as envisioned by the PVCCSP. The proposal would replace Business-Professional Office zoning with Light Industrial zoning, placing LI zoning adjacent to Commercial zoning south of the project site. Although Light Industrial zoning and development is located east and west of the proposed Project, the remaining BPO zoning to the north of the project site is too small to effectively provide a transition from Industrial to Commercial development, especially along Perris Blvd, where office development is suitable and aesthetically desirable. The provision for open space is not applicable to industrial or business park development, and no land has been set aside for parks in the PVCCSP. However, park fees have been adopted for BPO development, and will be collected at issuance of building permits to pay for renovation and expansion of parks that, through their attraction of workers, may indirectly contribute to population growth in the City and necessitate additional park construction in other areas of the City of Perris.

b. ***The proposed distribution, location, and extent and intensity of major components of public and private transportation, sewage, water, drainage, solid waste disposal, energy, and other essential facilities proposed to be located within the Plan area and needed to support the land uses described in the Plan.***

The proposed Specific Plan Amendment is inconsistent with the PVCCSP because it would change the PVCCSP Infrastructure Plan for major components of public and private transportation, sewage, water, drainage, solid waste disposal, energy, and other essential facilities. The Infrastructure Plan identifies necessary improvements for development, and has been designed to accommodate Business Professional Office. The proposed land use change would require changes to the Infrastructure Plan to accommodate a Light Industrial land use on 35 acres, including modifications to Figure 2.0-1 Specific Plan Land Use Designation, and Table 2.0-1, Land Use Comparison to reflect the proposed land use change from BPO to LI for the properties bound by Perry Street to the south, Perris Boulevard to the west, and Markham Street to the north. Regarding the proposed street vacations, these three unimproved paper streets (Goldenvue Drive, Johnson Avenue, and Via Verona Street) between Markham Street to the north and Perry Street to the south could be useful access for future BPO office development clustering.

- c. *Standards and criteria by which development will proceed, and standards for the conservation, development, and utilization of natural resources, where applicable.*

The proposed Specific Plan Amendment is inconsistent with the PVCCSP because it would contribute to more environmental impacts as a result of the Project than if the existing PVCCSP zoning were to be retained for development of a smaller project. The Specific Plan contains standards and criteria by which development will proceed and standards for the conservation, development, and utilization of natural resources. The Specific Plan Amendment to convert BPO to Light Industrial zoning will not provide as many opportunities to expand green building, energy conservation, and water conservation. In addition, BPO development standards require more landscaping than warehouse development in the Light Industrial zone, and moreover, large truck and trailer parking areas are devoid of trees and thus these concrete areas contribute to the urban heat island effect. The Project EIR determined that significant impacts to people would occur as a result of the project, even with implementation of mitigation measures, as follows:

- Air Quality – Long-term NO<sub>x</sub> emission in excess of SCAQMD’s regional significance threshold.
- GHG Emissions – GHG Emissions in excess of SCAQMD’s recommended screening thresholds of 10,000 MTCO<sub>2</sub>e/yr.
- Traffic – Exceeding a level of service on freeway segments on I-215 in the Year 2040 condition.

These impacts are considered significant and unavoidable, and require the adoption of a Statement of Overriding Considerations if the Specific Plan Amendment and Project are to be approved.

- d. *A program of implementation measures including regulation, programs, public works projects, and financing measures necessary to carry out the provisions contained in paragraphs a, b, and c above.*

Development under the proposed land use change will require implementation measures including regulation, programs, public works projects, and financing

measures necessary to carry out the provisions contained in paragraphs a, b, and c above.

DEVELOPMENT PLAN REVIEW 17-00002

***1. The proposed map is consistent with applicable general and specific plans.***

The proposed tentative parcel map is inconsistent with the goals of the Perris General Plan and the Perris Valley Commerce Center Specific Plan because it does not promote orderly development, and would remove 35 acres of important Business-Professional Office zoning that provides a buffer between industrial and commercial uses along Perris Blvd. The associated Specific Plan Amendment proposes to amend the PVCCSP by changing 35 of the 55-acre site from Business Professional Office to Light Industrial to build a 1.2 million square foot warehouse project. Orderly development would include a mix of land use designations to promote a variety of desirable land uses, with transitional zoning between distinctly different uses to protect their operations. The proposed map would consolidate fourteen smaller parcels into one large 55-acre parcel that would eliminate the underlying BPO zoning that supports Business Park and office development and further increase land within the PVCCSP for industrial development, thus creating an imbalance between land uses. In addition, BPO land uses are more appropriate to a commercial corridor such as Perris Blvd., where heavy truck traffic is incompatible with passenger vehicles.

***2. The site is physically suitable for the type and density of the proposed development.***

The proposed tentative parcel map is inconsistent with the goals of the Perris General Plan and the Perris Valley Commerce Center Specific Plan because office and business park development was determined to be appropriate for this site, not a large-scale industrial warehouse. The PVCCSP designated 35 acres of the Project's 55 acres for Business Professional Office use along Perris Blvd as a transitional zone between industrial land uses to the north and commercial land uses to the south. The proposed project site is close to the commercial intersection of Perris Blvd and Ramona Expressway. To approve the proposed parcel map and convert 35 acres on Perris Blvd to Light Industrial warehousing use would reduce the overall density and intensity of the use on the Project site, but lose an important land use transition zone and future office development in a prime location.

***3. That the design of the map or the type of improvements will not cause substantial environmental damage or substantially and unavoidably injure fish or wildlife or their habitat.***

The proposed tentative parcel map is inconsistent with the goals of the Perris General Plan and the Perris Valley Commerce Center Specific Plan because the proposed project would have more significant impacts to the environment than if the site were to be developed to BPO standards of the PVCCSP. The tentative map would consolidate 55 acres rezoned from BPO to Light Industrial to build a 1.2 million s.f. warehouse building with 187 truck docks in two large truck courts on the north and south sides of the building. Most of the remaining property is paved for car and truck access, parking, and trailer storage. Due to the size of the building, there is limited area for landscaping, and much of the project landscaping is located within large water quality retention basins along Markham Street. Pursuant to CEQA and the Guidelines for Implementation of the California Environmental Quality Act, an EIR was prepared for the Project that determined that less than significant impacts to

wildlife and their habitat would occur as a result of the Project with implementation of the MMRP. However, some environmental impacts cannot be mitigated and have potential to cause environmental harm to air quality and add greenhouse gases to the atmosphere.

**4. *That the design of the map or the type of improvements will not cause serious public health problems.***

The Project EIR determined that the project would generate environmental impacts to public health from the construction and operation of the proposed Project, primarily as a result of the truck traffic it will generate, even with implementation of mitigation measures. These impacts are the following:

- Air Quality – Long-term NO<sub>x</sub> emission in excess of SCAQMD’s regional significance threshold.
- GHG Emissions – GHG Emissions in excess of SCAQMD’s recommended screening thresholds of 10,000 MTCO<sub>2</sub>e/yr.
- Traffic – Exceeding a level of service on freeway segments on I-215 in the Year 2040 condition.

The environmental impact of transport is significant because transportation is a major user of energy, and burns most of the world's petroleum. This creates air pollution, including nitrous oxides and particulates, and is a significant contributor to global warming through emission of carbon dioxide. Within the transport sector, trucking is one of the largest contributors to global warming. These impacts to public health are considered significant and unavoidable, and require the adoption of a Statement of Overriding Considerations if the project is to be approved.

TENTATIVE PARCEL MAP 37304 (TPM No. 17-05060)

**1. *The location, size, design, density and intensity of the proposed development and improvements are consistent with the City's General Plan, any applicable Specific Plans, the purposes and provisions of this Title, the purposes of the Zone in which the site is located, and the development policies and standards of the City.***

The location, size, design, and use of the proposed development and improvements are inconsistent with the PVCCSP because site development under Light Industrial PVCCSP development standards and BPO development standards differs in terms of use, setbacks, architecture, and landscaping. The most significant difference between BPO and LI zoning is the front building setback, onsite landscaping coverage, and compatibility with adjacent zoning. The proposed project under LI zoning has less landscaping, less architectural street appeal, and both the building and passenger parking lots are located closer to the street than BPO development requirements. BPO development with nodes of offices surrounded with landscaping and small parking areas would have a more pleasing aesthetic along Perris Blvd., and be more compatible with the existing and future commercial businesses in this location.

**2. *The subject site is physically suitable, including but not limited to parcel size, shape, access, and availability of utilities and services, for the type of development proposed.***

See Finding No. 2 under Tentative Parcel Map 37304.

- 3. *The proposed development and the conditions under which it would be operated or maintained is compatible with abutting properties and will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity.***

The proposed Duke Warehouse at Perris Blvd. and Markham Street Project and its operations would be physically compatible with the abutting property, however the impacts from the proposed use were not anticipated by the PVCCSP, and the EIR prepared for the Project identifies environmental impacts from the construction and operation of the Project that will be detrimental to the public health, safety or welfare. See Findings under Specific Plan Amendment, 2.c, above. The land use as a large warehouse building is not permitted in BPO zoning due to the traffic impacts from trucks. The use as a 1.2 million square foot distribution warehouse facility will increase truck traffic in the vicinity, and could negatively impact traffic circulation on Perris Blvd and Ramona Expressway. Although trucks are required to avoid the commercial areas south from the site on Perris Blvd. and are required to travel west and north along PVCCSP industrial corridors to Harley Knox Blvd. and the I-215 Freeway, there is no way to insure that they will do so. Therefore, the Project as proposed has the potential to be detrimental to the public health, safety or welfare.

- 4. *The architecture proposed is compatible with community standards and protects the character of adjacent development.***

The proposed 1.2 million square foot warehouse building is out of scale with the existing and anticipated development on Perris Blvd, for which the site has been designated by the PVCCSP for office use. The proposed Light Industrial development consists of a 1.2 million square foot building immediately north of existing small-scale commercial development on Perris Blvd. The proposed Project will impact the character of adjacent development, including the remaining remnant of BPO zoning to the north, and future commercial development to the south. Moreover, the requested zone change from BPO to LI will likely contribute to the loss of the limited remaining land zoned for BPO development. The proposed warehouse is adjacent to similar zoning and development to the west and east, thereby increasing the public view of unrelenting mass with little visual relief along this section of Perris Blvd. The location is close to small commercial businesses near the intersection of Perris Blvd and Ramona Expressway, which will be overwhelmed by the visual effect of a 1.2 million s.f. building immediately to the north. Even the best architecture cannot reduce the impact of a building this size and make it compatible with community standards, nor can it protect the character of adjacent development.

- 5. *The landscaping plan ensures visual relief and provides an attractive environment for the public's enjoyment.***

The PVCCSP requires landscaping to be provided at a minimum rate of 15% for the Business Professional Office zone and 12% for the Light Industrial zone. Deeper setbacks are also required for the BPO zone, which generally are treated with landscaping. Due to the proposed Specific Plan Amendment, less landscaping is required under Light Industrial zoning. The conceptual landscape plan proposes a total of 12.9% onsite landscaping for the Project. Much of this landscape area is contained in the large water quality detention basins along Markham Street. Thus the landscaping plan is not adequate to ensure the public will have visual relief from the sight of a large warehouse on Perris Blvd.

**6. *The safeguards necessary to protect the public health, safety and general welfare have been required for the proposed project.***

The City of Perris standard project review practices, compliance with state and local best planning practices, and preparation of the EIR, the safeguards necessary to protect the public health, safety and general welfare have been provided for the proposed project.

**WHEREAS**, all other legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Perris, as follows:

**Section 1.** The above recitals are all true and correct and incorporated herein by reference.

**Section 2.** The City Council hereby denies certification of the EIR (State Clearinghouse No. 2017081059), and denies approval of Specific Plan Amendment 17-05074, Tentative Parcel Map 17-05060 (TPM 37304), and Development Plan Review 17-00002 that would facilitate the construction of a 1,189,860 square foot high cube warehouse building on 55 acres at the southeast corner of Perris Blvd. and Markham Street, based on the information presented in the staff report and supporting exhibits, the findings presented herein, and all written and oral testimony presented at the public hearing.

**Section 3.** The City Council declares that should any provision, section, paragraph, sentence, or word of this Resolution be rendered or declared invalid by any court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this Resolution shall remain in full force and effect.

**Section 4.** The Mayor shall sign this Resolution and the City Clerk shall certify to the adoption of this Resolution.

***ADOPTED, SIGNED and APPROVED this 29<sup>th</sup> day of May, 2018.***

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Mayor, Michael M. Vargas

ATTEST:

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City Clerk, Nancy Salazar

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) §  
CITY OF PERRIS )

I, **Nancy Salazar**, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number 5300 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 29<sup>th</sup> day of May 2018, by the following called vote:

AYES: CORONA, BURKE, VARGAS

NOES: RABB, ROGERS

ABSENT: NONE

ABSTAIN: NONE

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City Clerk, Nancy Salazar