



## PLANNING COMMISSION STAFF REPORT

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<b>DATE:</b>	November 30, 2022
<b>APPLICATION NO:</b>	Site Plan Review No. SPR-22-64
<b>LOCATION:</b>	1101 D'Arcy Parkway Lathrop, CA 95330 APN: 198-130-54, -55, -56, -57, -58
<b>REQUEST:</b>	<p>Planning Commission to Consider:</p> <ol style="list-style-type: none"> <li>1. A Resolution Adopting the Initial Study and Mitigated Negative Declaration for the Lathrop Crossroads Industrial Project.</li> <li>2. A Resolution Approving the Site Plan Review for the Lathrop Crossroads Industrial Project to Construct the following development options: <ul style="list-style-type: none"> <li><b>Option 1:</b> One (1) 448,904 square foot warehouse building consisting of 251 total parking stalls (243 standard, 8 ADA), 144 trailer parking stalls, 13 bicycle spaces, 50 truck dock stations, and 12,000 square feet of office space.</li> <li><b>Option 2:</b> Three (3) warehouse buildings totaling 386,179 square feet consisting of 423 parking stalls (411 standard, 12 ADA), 62 trailer parking stalls, 13 bicycle spaces, 74 truck dock stations, and 20,000 square feet of office space.</li> </ul> </li> </ol>
<b>APPLICANT:</b>	<p>Richland Developers Attn: Julieann Martin 601 University Avenue, STE 125 Sacramento, CA 95825</p>
<b>OWNER:</b>	<p>Richland Crossroads, L.P. 3161 Michelson Drive, STE 425 Irvine, CA 92612</p>
<b>GENERAL PLAN:</b>	GI, General Industrial
<b>ZONING:</b>	IG, General Industrial (General Manufacturing Crossroads Overlay District)

**CEQA STATUS:** An Initial Study and Mitigated Negative Declaration (IS/MND) was prepared for the Lathrop Crossroads Industrial Project to disclose potential significant environmental effects of the proposed project and identifies feasible mitigation measures that would reduce the potential significant environmental effects to a less than significant level. The IS/MND was prepared in compliance with the California Environmental Quality Act (CEQA).

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**SUMMARY:**

The applicant is requesting approval of a Site Plan Review to construct the following development options on an approximately 25-acre project site:

**Option 1:** One (1) 338,904 square foot warehouse building consisting of 251 total parking stalls (243 standard, 8 ADA), 144 trailer parking stalls, 13 bicycle spaces, 50 truck dock stations, and 12,000 square feet of office space.

**Option 2:** Three (3) warehouse buildings totaling 386,179 square feet consisting of 423 parking stalls (411 standard, 12 ADA), 62 trailer parking stalls, 13 bicycle spaces, 74 truck dock stations, and 20,000 square feet of office space.

The property currently serves as percolation pond(s) for treated wastewater within the City. The project will include various improvements such as installation of paving, striping, landscaping, lighting, and fencing. Staff recommends the Planning Commission adopt a Resolution adopting the Initial Study and Mitigated Negative Declaration and approve the Site Plan Review for the Lathrop Crossroads Industrial Project, subject to the attached Consolidated Conditions of Approval.

**SITE DESCRIPTION:**

The project site is located at the intersection of D'Arcy Parkway and Christopher Way. The subject property is located within the Crossroads Commerce Center which is mostly developed and has been heavily disturbed by current and past land use activities. Surrounding land uses include: warehouse, outdoor storage, manufacturing, and assembly plants. The proposed project includes five parcels totaling approximately 25-acres. The 2-acre parcel along the southwest corner of D'Arcy Parkway and Christopher Way will be used as a storm drain basin for the project. The site is currently undeveloped and is used as percolation pond(s) for treated wastewater within the City. The property has a General Plan land use designation of GI, General Industrial and IG, General Industrial (General Manufacturing Crossroads Overlay District) Zoning designation.

**BACKGROUND:**

The subject site is located in the Crossroads Commerce Center (formerly referred to as Crossroads Industrial Park) which was included in the City Limits of Lathrop at the time of its incorporation on July 1, 1989. The subject site is included as part of the environmental analysis that was performed for the Crossroads Industrial Park Environmental Impact Report (EIR) in 1989 and Supplemental EIR, prepared in 2001. The approximately 528-acre Crossroads Industrial Park project includes industrial and commercial uses, as well as a wastewater treatment facility. Development of Crossroads has proceeded over the years with installation of street improvements and utilities in conjunction with construction of new buildings. To date, approximately 90 percent of the Crossroads project is built out.

Crossroads is home to a variety of commercial development including restaurants, offices and hotel; manufacturing such as Tesla, Berry Global, and Simwon; and logistics and distribution centers such as In-N-Out, Ashley Furniture, Del Monte, and Home Depot.

As previously stated the property currently serves as percolation pond(s) for treated wastewater within the City. In May of this year, the reversionary process for this property was initiated. Richland Crossroads, L.P. entered into a lease agreement with the City that will allow the City to retain an easement on the property for use of the percolation pond(s) until the Regional Water Quality Control Board revises the City's discharge permit to no longer require the land to be used for percolation. At that time Richland Crossroads, L.P. will be able to develop and/or sell the property.

According to the applicant, there is no tenant commitment for the project at this time.

**ANALYSIS:**

Site Plan & Onsite Circulation

As previously stated, the proposed project includes two (2) different development options:

**Option 1:** One (1) 338,904 square foot warehouse building consisting of 251 total parking stalls (243 standard, 8 ADA), 144 trailer parking stalls, 13 bicycle spaces, 50 truck dock stations, and 12,000 square feet of office space.

**Option 2:** Three (3) warehouse buildings totaling 386,179 square feet consisting of 423 parking stalls (411 standard, 12 ADA), 62 trailer parking stalls, 13 bicycle spaces, 74 truck dock stations, and 20,000 square feet of office space.

Approximately 13% of the site (131,389 sq. ft.) would be covered in landscaping. Additionally, there will be a 10' landscaping buffer around the boundary of the project site (approximately 25-acres) as required by the Lathrop Municipal Code (LMC).

There are three (3) proposed driveways for ingress/egress illustrated on both site plans. They are designed to accommodate truck traffic and turning movements and will provide access to the internal circulation system necessary to access dock bays and truck/trailer and vehicle parking areas.

The parking lot is also designed to accommodate the safe movement of emergency vehicles and passenger vehicles. In regards to pedestrian access, connections through the parking lots to the office portions of the buildings and public streets are clear and conveniently located. Additionally, the site plan for Option 1 will provide an ingress/egress location directly across from the existing Christopher Way stop sign.

#### Architecture and Elevation

The building's exterior walls will be constructed of concrete tilt-up panels. Dock bays with sectional overhead doors 9 feet wide and 10 feet high would be installed along the east side of the building for Option 1 and the north side of Building 1 (Option 2), the east side of Building 2 (Option 2), and the west side of Building 3 (Option 2). A combined total of 50 truck trailers will be accommodated for loading and unloading through the dock doors for Option 1 and 74 for Option 2. Additionally, Option 1 will include 144 overall trailer parking stalls and Option 2 will include 62 overall trailer parking stalls.

The exterior of the building(s) will be painted in white and gray colors. The office area exterior will have gray color schemes with white accents and the windows will have blue reflective glazing. The office spaces would include aluminum storefront framing with tempered glass at all doors and metal canopy.

#### Landscaping and Lighting

According to the landscape plan, landscaping will occupy approximately 131,389 square feet of the project site - approximately 13% of the total area. This exceeds the LMC requirement of 10% landscaping for industrial projects. Large shade trees will be planted around employee parking area and a variety of shade and accent trees will also be planted along the primary access driveways. Shrubs, groundcover, mulch, and cobble will be planted throughout the site for aesthetic value. Trees would be placed adjacent to the employee/customer parking area, near the driveway entrances, around the proposed building(s), and a 10-foot wide landscaping corridor would surround the entire project site. Landscaping would be selected based on suitability for the local climate, site conditions, and reduced water needs. All landscape elements would be installed according to the project's Landscape Plan and the City of Lathrop's Landscape Standards for Planting and Irrigation.

Lighting fixtures will be installed on the exterior of the buildings for general security and to provide lighting for walkways and parking areas. Light poles will be distributed appropriately throughout the site to provide sufficient lighting coverage. The project is conditioned to prevent lights from reflecting to adjacent properties.

Utilities

The project proposes to connect to the City's water and sewer system through existing connections on D'Arcy Parkway and will have storm water retention basins onsite and directly across on the parcel at the southwest corner of D'Arcy Parkway and Christopher Way. The storm drain will be designed to comply with the Crossroads Storm Drain Master Plan. Electric and natural gas service will be provided by PG&E to the project site. Additionally, PG&E has an existing easement on the proposed project site along D'Arcy Parkway and Howland Road for an overhead transmission line, which the applicant has illustrated on both site plans (Attachment 5).

General Plan and Zoning Consistency

As currently designed and conditioned, the project is a reasonable request that is consistent with the goals and policies of the General Plan and will comply with the requirements of the Zoning Ordinance of the IG (General Industrial) District and General Manufacturing Crossroads Overlay District upon development.

Conditions of Approval

Planning staff routed the project plans on May 12, 2022 to the Building Department, Public Works Department, Lathrop Police Services, and Lathrop-Manteca Fire District to ensure compliance with applicable codes and regulations. In addition Planning staff routed external referral to outside agencies and departments for review and comment on July 13, 2022. The City received comments from the following agencies:

- San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)
- San Joaquin County Environmental Health Department (SJC EHD)
- San Joaquin Valley Air Pollution Control District (SJVAPCD)
- Pacific Gas & Electric (PGE)

The SJMSCP letter states that the project is subject to SJMSCP and is required to participate prior to ground disturbance. Conditions of Approval # 2 (Planning), required the applicant to contact SJCOG for participation in the SJMSCP prior to ground disturbance. For reference, SJMSCP letter dated July 13, 2022, is attached to the Conditions of Approval (Attachment 3).

The SJC EHD letter includes recommended Conditions of Approval related to wells and septic tanks may be located at the project site. For reference, the SJC EHD letter, dated July 26, 2022, is attached to the Conditions of Approval (Attachment 3).

The SJVAPCD letter includes the District's requirements and recommendation for the project, including consistency with the requirements of the District Rule 9510 (Indirect Source Assessment), and to conduct a Health Risk Screening to identify potential Toxic Air Contaminants (TACs) impact on surrounding sensitive receptors such as hospitals, daycare centers, schools, work-sites, and residences. Condition of Approval # 3 (Planning), required the applicant to contact SJVAPCD prior to ground disturbance to comply with various district rules and regulations. For reference the SJVAPCD letter dated, July 28, 2022 is attached to the Conditions of Approval (Attachment 3).

The PGE letter included standard development comments in regards to potential easements PGE located within the project site.

Public Notice

The Planning Commission agenda is posted at the Council Chambers bulletin board, City website, and three other locations accessible to the public on Tuesday, November 22, 2022.

**CEQA REVIEW:**

Staff sent a formal notification to the Northern Valley Yokuts Tribe, Buena Vista Rancheria Me-Wuk Indians, and California Valley Miwok Tribe to determine if a consult is needed as required by Government Code Section 21080.3.1(d). A consultation was requested by the Northern Valley Yokuts Tribe chairperson, Katherine Perez. On September 15, 2022, City staff met with Katherine Perez to discuss her concerns, after the meeting, City staff and Katherine Perez agreed to close the consultation. City staff provided a letter to document this to Katherine Perez on September 16, 2022.

In accordance with Public Resource Code Section 21000 et. seq. and State CEQA Guidelines Section 15000 et. seq., the City of Lathrop prepared and circulated an Initial Study/Mitigated Negative Declaration for a 20-day public review period beginning September 28, 2022 and ending October 18, 2022, that evaluated the potential environmental effects of the proposed project. It was determined that although the proposed project could have a significant effect on the environment, required mitigation measures will be implemented to reduce these effects to a less than significant level. Mitigation measures are incorporated and included as part of the Conditions of Approval for the project (Attachment 3).

The City received four comments during the 20-day public review period from the San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP), San Joaquin County Environmental Health Department (SJC EHD), San Joaquin Valley Air Pollution Control District (SJVAPCD), and the Golden State Environmental Justice Alliance (GSEJA). The comments are attached to the staff report (Attachment 6). The comments received from SJMSCP, SJC EHD, and SJVAPCD were similar to those referenced above and are incorporated into the standard Conditions of Approval. In regards to the GSEJA comment, City staff has prepared the following:

During the public review period, the San Joaquin Valley Air Pollution Control District submitted a comment on the Initial Study/Mitigated Negative Declaration (IS/MND) for the Lathrop Crossroads Industrial Project. The SJVAPCD letter addressed a range of subjects including potentially applicable District rules and regulations. The air quality and GHG analysis used SJVAPCD recommended methodologies; criteria pollutant emissions were estimated using the latest available CalEEMod modeling program, and the potential health risks of the project were screened using SJVAPCD's Facility Prioritization methodology identified in the comment letter. Using accepted assumptions also used for similar projects in San Joaquin County, the analysis found the project's criteria pollutant emissions and health risks to be less than significant. The IS/MND found the project would involve no conflict with the applicable SJVAPCD requirements.

The City's proposed conditions of approval require project compliance with all applicable SJVAPCD rules and regulations; with required compliance, including participation in Rule 9510 Indirect Source Rule, the project's less than significant impacts would be further reduced.

All of the SJVAPCD's concerns were addressed in the City's IS/MND. The IS/MND conforms with applicable CEQA guidelines. Staff believes the IS/MND is sufficient in that it properly disclosed all of the potential environmental impacts of the project and includes enforceable and meaningful mitigations for the environmental impacts found to be potentially significant.

Additionally, staff notes that the comment letter is incorrect in one respect concerning the trip generation rate used in the project analysis – the rate used in the IS/MND analysis was 2.12 trips per 1,000 square feet, rather than the 0.12 trips figure incorrectly identified in the letter.

On November 14, 2022, the City received a follow up email with a letter expressing concerns with the project's environmental documents from GSEJA. On November 16, 2022, the City received another letter from GSEJA rescinding their previous comments and concerns. Both of these documents are included as Attachment 7 to this staff report.

**RECOMMENDATION:**

Staff recommends the Planning Commission Adopt the following Resolutions:

1. Resolution No. 22-15 adopting the Initial Study and Mitigated Negative Declaration for the Lathrop Crossroads Industrial Project.
2. Resolution No. 22-16 approving the Site Plan Review for the Lathrop Crossroads Industrial Project to construct the following development options:

**Option 1:** One (1) 448,904 square foot warehouse building consisting of 251 total parking stalls (243 standard, 8 ADA), 144 trailer parking stalls, 13 bicycle spaces, 50 truck dock stations, and 12,000 square feet of office space.

**Option 2:** Three (3) warehouse buildings totaling 386,179 square feet consisting of 423 parking stalls (411 standard, 12 ADA), 62 trailer parking stalls, 13 bicycle spaces, 74 truck dock stations, and 20,000 square feet of office space.

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**Approvals:**

  
Trent DaDalt, Assistant Planner

11/21/22  
Date

  
Rick Caguiat, Assistant Community Development Director

11/21/22  
Date

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Mark Meissner, Community Development Director

11/21/22  
Date

  
Salvador Navarrete, City Attorney

11/21/22  
Date

**Attachments:**

1. PC Reso No. 22-15 for IS/MND
2. PC Reso No. 22-16 for Site Plan Review
3. Conditions of Approval for the Lathrop Crossroads Industrial Project (with MMRP)
4. Vicinity Map
5. Project Plans
6. Initial Study and Mitigated Negative Declaration
7. Golden State Environmental Justice Alliance Communications dated November 14, 2022 and November 16, 2022