



CITY OF MENIFEE

SUBJECT: Menifee Industrial Warehouse and Logistics Development

MEETING DATE: July 7, 2021

TO: Mayor and City Council

PREPARED BY: Orlando Hernandez, Planning Manager

REVIEWED BY: Cheryl Kitzerow, Community Development Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Provide direction to staff as it relates to industrial warehouse and logistics development in the City.

DISCUSSION

Background

Over the last two decades, the Inland Empire has seen a significant increase in industrial development including warehouse, distribution, fulfillment centers, and manufacturing. CBRE labor analytics estimates approximately 110,000 people are employed in the warehouse industry in the Inland Empire and it is expected to grow by 25% by 2030. Currently there is 359 million square feet total supply in the Inland Empire and 11.2 million square feet is under construction.

While there are economic benefits to the growth of this sector there are also challenges that must be considered as we evaluate land use issues in the City moving forward which include traffic and safety, infrastructure, environmental and health issues.

In recent months, the City has seen an increased interest in proposed industrial development in the northern portion of the City, which encompasses the Menifee North Specific Plan, Economic Development Corridor (EDC) – Northern Gateway, and Business Park zoning classifications. Additionally, there have been inquiries about industrial development in the Economic Development Corridor – Southern Gateway, where the General Plan envisions up to 70 percent of business park development. The General Plan envisions this area predominantly with light industrial and office uses with limited supportive commercial uses. However, the development code allows “general warehousing, distribution centers, and storage (except noxious, explosives, or dangerous materials)” in the EDC Northern and Southern Gateway and with approval of a conditional use permit in EDC-McCall Boulevard. The code does not have restrictions on the size

of the building but generally business park development is designed with smaller scale buildings. There has been an increase in pre-application submittals proposing industrial building developments ranging from 300,000 square feet to over 1-million square feet of building area.

The City Council requested that staff bring back a discussion item regarding industrial development. Since the City is currently processing several industrial warehouse projects throughout the City, a discussion regarding existing development standards, performance standards and design guidelines is appropriate to ensure that quality development is achieved and that development is compatible with surrounding land uses. There are some benefits in providing industrial facilities in the City, including potential sales tax revenue, increase in real estate values, jobs, and developer funded infrastructure improvements. However, the health, welfare, and safety of the community is a high priority for the City Council as the City continues to grow.

Cities in the Inland Empire have updated or adopted new standards aimed to protect residents, as well as providing consistency in the project review process for future development. Some of the policies and/or standards are listed below:

- Environmental Consideration
The construction and operation of warehouse projects can come with significant environmental and public health impacts for nearby sensitive receptors, such as noise, and air quality. To ensure that impacts are properly disclosed and mitigated, it is important that environmental studies are completed and regulated through review under the California Environmental Quality Act (CEQA).
- Good Neighbor Policies
These policies include larger setbacks, buffers from sensitive receptors and orientation of the building to reduce noise, light and glare, visual and other potential conflicts. For example, loading areas will be positioned so noise from such operations will not adversely impact adjacent sensitive receptors.
- Sustainable Design Strategies
Sustainable practices can lessen the environmental impacts of development in many ways using certain design techniques. These techniques can include reduced pervious surfaces, improved water detention and conservation, preservation of habitat areas, water-efficient irrigation, and improved pedestrian and bicycle amenities which reduce reliance on smog-generating vehicles.
- Street Frontage and Parking Lots
Smaller scale buildings preferred along property frontages. Parking lots should be designed to minimize impact to pedestrian walkways and service access. Large parking lots should be avoided, however, if necessary, a landscaped pedestrian walkway should be provided for safe access to buildings.

- Street Access
Street design and site access will be configured to provide trucks with easy, unobstructed access to parking and off-street loading areas.
- Physical Barriers
Screen walls and berms are necessary to reduce noise, light, and glare impacts to surrounding residential communities that may be in proximity or abutting this type of uses.
- Street Maintenance
Deterioration of City streets as a result of truck traffic needs to be considered as part of the process.

As staff continues to review and process current and future applications for industrial development, we want to ensure that consistent direction is provided to the development community that is aligned with the City Council's vision for industrial development.

STRATEGIC PLAN OBJECTIVE

Safe and Attractive Community

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

ATTACHMENTS

None.