

June 18, 2020

**CHAIR AND PLANNING COMMISSIONERS**

City of Long Beach  
California

**RECOMMENDATION:**

Recommend that the City Council find the project exempt from the California Environmental Quality Act in accordance with Article, Section 15061, and approve Zoning Code Amendment ZCA20-011 to amend language within the PD-32 North and South Development Standards relating to allowable uses within the Planned District. (District 5)

**APPLICANT:** Derek Burnham for Sares Regis Group  
3350 E. 7<sup>th</sup> Street, #412  
Long Beach, CA 90804  
(Application No. 2004-28)

**DISCUSSION**

Background

In December 2004, the Long Beach City Council approved the establishment of the Douglas Park Planned Development District (PD-32), which included PD-32 Development Standards, Design Guidelines, and a Development Agreement, for the build-out of the 261-acre former aircraft production site centered at Lakewood Boulevard and Cover Street, north of the Long Beach Airport (Exhibit A - Location Map). PD-32 aimed to integrate a variety of land uses including light industrial, office, retail, hotels and residences.

Amendments sought by the Boeing Company to the Development Standards, Design Guidelines, and the Development Agreement were approved by the City Council in October 2008. The amendments split PD-32 into North and South segments and converted the planned uses in the North segment – the area north of Cover Street – from residential to office, light industrial, and retail uses. Specifically, the 1,400 residential units originally approved in this area were eliminated in exchange for an additional 650,000 square feet of commercial-light industrial use and 50,000 additional square feet of retail use.

As a result of the 2008 amendments, PD-32 North and South are each further delineated into three subareas as follows: PD-32 North – Subarea 1, Subarea 2, Subarea 3; PD-32 South –



Subarea 7, Subarea 8A, Subarea 8B (Exhibit B – PD-32 Subarea Maps). The table below further explains the intent of each Subarea following the 2008 amendment.

Table 1:

Subarea	General Use Classification
<b>Subarea 1</b>	Mixed-Use: Office; Hotel; “Main Street” Commercial & Retail; Community Open Space
<b>Subarea 2</b>	Office; Retail (expansion); Community Open Space
<b>Subarea 3</b>	Office; Research & Development; Light Industrial; Community Open Space
<b>Subarea 7</b>	Office & “Main Street” Commercial, Hotel, Light Industrial, Aviation-related Uses
<b>Subarea 8A</b>	Office, Commercial, Light Industrial, Aviation-Related Uses
<b>Subarea 8B</b>	Continued Aircraft Manufacturing Support, Light Industrial

The location of each Subarea in relation to Lakewood Boulevard, Carson Street, and the Long Beach Airport was influential in determining the appropriate intensity of uses allowed within them. Overall, the Subareas of PD-32 North (North) were intended to offer less intense uses featuring more retail, office and lighter industrial uses while the Subareas of PD-32 South (South) were intended to offer more intense uses (largely due to PD-32 South’s proximity to the airport and away from Carson Street) featuring aviation-related, and certain manufacturing uses.

Introduction to Proposed Changes

The nature of uses and technologies have generally evolved since the 2008 amendments, reflecting changes in the market and affecting the demand of production for certain industries. The City of Long Beach has recently experienced a renewed interest in the aerospace and aircraft manufacturing industry, particularly in the Planned Development Districts surrounding the Long Beach Airport.

With PD-32 located directly to the north of the Long Beach Airport, it has been at the forefront of this renewed interest with several aerospace rocket manufacturing companies continually looking to establish locations in Douglas Park. The City of Long Beach has been in the process of comprehensively updating many sections of the Long Beach Municipal Code (LBMC). Included in this comprehensive effort was the amendment of portions of North and South pertaining to aerospace and aircraft manufacturing, mainly to accommodate the growing interest in companies looking to locate in Douglas Park. These amendments were adopted by City Council on May 12, 2020.

In consideration of the City's efforts to accommodate aircraft manufacturing in PD-32, the Master Developer holding the majority ownership interest in Douglas Park (Sares Regis) has consulted with city staff to also examine other amendments that would allow additional manufacturing uses that are less intense than aircraft manufacturing. The following is a discussion of proposed amendments, to which city staff and Sares Regis has reached a consensus.

#### Warehouse / Distribution / Fulfillment Centers

Under the existing North and South Ordinances, businesses are limited to a maximum of 50% for floor area allocated to warehousing and distribution within a facility. The intent of this initial restriction was to preclude the establishment of warehouses or distribution centers as principal uses. However, it has also presented challenges to some tenants who would typically have more than 50% of their space allocated to warehousing, but also had other components within their business model. These components would usually include office space, order fulfillment, assembly areas, staging areas, quality control, material handling, repair and testing, manufacturing, shipping, receiving and packaging. While these facilities would usually have more than 50% of their floor area designated for warehousing, they are not considered warehouses as a primary use. The proposed amendment would eliminate this 50% restriction on warehouse or distribution space and also impose a performance standard on the number of jobs required per acre (Exhibit C - Proposed PD-32 North Amendments, Exhibit D - Proposed PD-32 South Amendments). This change is intended to allow greater flexibility with respect to floor space allocation, while simultaneously safeguarding against uses that have a low employment density (such as warehouses as principal uses).

In tandem with the proposal to eliminate the 50% restriction on warehouse/distribution space is the addition of a definition for Fulfillment Center. As the proposed definition suggests, fulfillment centers are typically characterized as having warehousing and distribution components, but also including order processing, returns, packaging, marketing, and other uses associated with orders being shipped directly to customers or other businesses. The proposed definition also elucidates that fulfillment centers include larger office components than traditional warehousing and distribution uses, and generally utilize smaller delivery vehicles such as delivery vans and box trucks. Additionally, related changes to Table 2: Uses by Sub Area (Table 2) (PD-32 North and South) are proposed. These changes classify fulfillment centers under wholesale trade uses and further distinguish them from third-party logistics (3PL) uses that have a Standard Industrial Classification (SIC) Code 4212 – "Local Trucking Without Storage". The importance of this distinction is to clearly rule out 3PL uses, which are still undesirable in Douglas Park.

#### Manufacturing Uses

Proposed amendments to Table 2 are aimed predominantly at the PD-32 North Ordinance. These changes are meant to allow more flexibility in the uses permitted north of Cover Street. As the build-out of Douglas Park has commenced over the last several years, a noticeable trend has occurred. The overall similarities in the types of tenants/uses that have located in North and South are readily evident. Also, general design characteristics have shaped how

these uses impact the surrounding area. These characteristics include high-quality architecture, high-quality materials that meet Green Building Standards, large building setbacks in certain places, and effective buffering with the use of landscaping and bike paths. Although South allows more intense industrial uses, the differences between the built environment of North and South and the impacts of their uses is very minimal. Therefore, the intent of the changes to Table 2 are to allow North to more closely align with South, in terms of allowable uses in certain Subareas.

The majority of changes proposed for Table 2 pertain to manufacturing uses, including leather, furniture and fixtures, paper and allied products, rubber and miscellaneous plastics, textile mill products, lumber and wood products, fabricated metal products and tobacco products. These proposed changes follow the example of allowing aircraft manufacturing in North, to mimic South. While some manufacturing uses will be allowed by right, other more intense uses would require a Conditional Use Permit (CUP) in North, particularly in Subareas 2 and 3.

#### Aviation-Related / Courier-Delivery / Miscellaneous Uses

Other proposed amendments to Table 2 relate to aviation-related, courier/delivery, and other miscellaneous uses, all meant to allow more flexibility of uses in North.

Aviation-related uses include maintenance and storage, pilot/passenger amenities, charter operations, aircraft rentals, aircraft storage, commercial aviation services, and special events. These aviation-related uses are currently prohibited in each Subarea of North. Proposed amendments would change the prohibition of these uses to a CUP requirement within Subarea 3, while Subareas 1 and 2 remain prohibited. Due to Subarea 1's role as a retail hub, allowing the more intense aviation-related uses within Subareas 1 and 2 would not be consistent.

Parcel delivery services such as FedEx and UPS facilities are currently classified in the same manner as 3PL uses. Changes to Table 2 would reclassify such uses to fit under "Courier Service Except by Air (SIC Code 4215)", which is already listed within the use table. Courier Services with a SIC Code of 4215 includes letter delivery, mail delivery, package delivery and parcel delivery, with contents usually weighing less than 100 pounds. They currently require a CUP within Subareas 2 and 3. Reclassifying FedEx, UPS, and similar facilities under Courier Services would allow a CUP requirement, instead of an outright prohibition within Subareas 2 and 3.

Miscellaneous uses that will be amended in Table 2 are as follows: 1) allowing the wholesale of alcohol in Subarea 3 (currently all alcohol sales are prohibited); 2) allowing Communications uses (SIC 48) in Subarea 3. SIC 48 includes establishments furnishing point-to-point communications services, engaged in providing paging and beeper services, or in leasing telephone lines. Currently, Communications uses are prohibited in Subarea 3; 3) allowing Communication Facilities such as electrical distribution stations in Subarea 2. Currently, they are prohibited in Subarea 2 and allowed by right in Subarea 3.

### Clarity of General Use Permitted

Within the North and South Ordinances, before Table 2 is introductory section labeled "Permitted Uses". This section provides an overview of the classes of uses shown in Table 2 and definitions. An additional paragraph is proposed for the Permitted Uses section of North and South. This paragraph acknowledges the fact that uses, and technologies evolve over time and may occasionally require further interpretation above and beyond what is included in Table 2. Section 21.33.010 of the LBMC has similar introductory language that precedes Table 33-1, Industrial Uses. The incorporation of additional language in the Permitted Uses section is meant to mimic Section 21.33.010 of the LBMC while also providing clarity on the process required for interpreting certain uses that are not specifically identified in Table 2.

### Conclusion

Although the LBMC does not require or have findings for amendments to the zoning code, consistent with state law, the proposed amendments are congruent with the General Plan (Exhibit E – Findings). Specifically, the proposed changes are consistent with the Land Use Element's goals for Douglas Park and the surrounding area. Douglas Park has a Land Use Element Place Type Designation of Regional-Serving Facilities (RSF). RSF emphasizes the goal of servicing regional needs for a variety of uses having a unique role beyond the local level. Expanding the variety of uses that will be allowed in PD-32 North is consistent with this goal. PD-32 was last amended in 2008. Since that time, changes have occurred in the demand of production for certain industries. The proposed amendments are meant to bridge the gap in the differences between certain uses allowed in PD-32 North and PD-32 South. Staff recommends that the Planning Commission recommend that the City Council approve Zoning Code Amendment No. ZCA20-011.

### **PUBLIC HEARING NOTICE**

The required 412 public hearing notices were provided in accordance with the Long Beach Municipal Code. A public hearing notice was published in the Long Beach Press Telegram and a public hearing notice was posted online. Due to Covid-19 related facility closures, notices were not posted at libraries. No comments have been received as of the preparation of this report.

### **ENVIRONMENTAL REVIEW**

Pursuant to the California Environmental Quality Act (CEQA), Article 5, Section 15061 and the State CEQA Guidelines, it can be seen with certainty that the subject modifications to the City's Municipal Code noted above will not have the potential for having a significant effect upon the environment, and therefore the activity is not subject to CEQA. The proposed amendments modify the approval process for certain uses but do not modify the total amount of development nor the characteristics of that development beyond what was previously studied for the Douglas Park area.

CHAIR AND PLANNING COMMISSIONERS

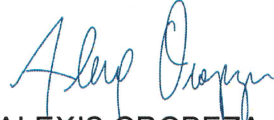
June 18, 2020

Page 6 of 6

Respectfully submitted,



CUENTIN JACKSON  
PROJECT PLANNER



ALEXIS OROPEZA  
CURRENT PLANNING OFFICER



CHRISTOPHER KOONTZ, AICP  
PLANNING BUREAU MANAGER



LINDA F. TATUM, FAICP  
DIRECTOR OF DEVELOPMENT SERVICES

LFT:CK:AO:cj

- Attachments:
- Exhibit A – Location Map
  - Exhibit B – PD-32 Subarea Map
  - Exhibit C – Proposed PD-32 North Amendments
  - Exhibit D – Proposed PD-32 South Amendments
  - Exhibit E – Findings