

STAFF REPORT 6/4/2025

To: Planning Commission Chair and Commissioners

FROM: Adrian Moreno, Associate Planner

SUBJECT: AR 25-02 CUP 389 EA 25-01 Artmec Expansion Master Plan for the design review of Phase 2 and the environmental review of Phase 2 and 3 of the Armtec Expansion Master Plan at 85901 Avenue 53 (APN: 778-420-013 and 778-390-008) and the determination that the project is compliant with California Environmental Quality Act (CEQA) Guidelines Section 15073 - Public Review of a Proposed Negative Declaration or Mitigated Negative Declaration. Phase 2 includes the construction of a new 15,000 SF storage warehouse, a \pm 73,200 truck staging area and retention basin on the northern parcel, and a new 3,000 SF research and development (R&D) and production facility and two retention basins. Phase 3 includes a new 15,000 SF production facility, a new 15,000 SF storage warehouse, two new 900 SF storage structures, and a 6,000 SF expansion of an existing storage warehouse, all located on the southern parcel. Applicant: Armtec Defense Products Co.

STAFF RECOMMENDATION:

Staff recommends that the Planning Commission approve Resolution No. PC2025-10 approving the Architectural Review No. 25-02, Conditional Use Permit No. 389, and Environmental Assessment No. 25-01 <u>approving</u> the design review of Phase 2 and the environmental review of Phase 2 and 3 of the Armtec Expansion Master Plan at 85901 Avenue 53 (APN: 778-420-013 and 778-390-008).

BACKGROUND:

On February 29, 2024, Phase 1 of the Armtec Expansion Master Plan was approved for the construction of (1) ground mount solar grid on the northern parcel (APN: 778-420-013) and (7) solar canopies on the southern parcel (APN: 778-390-008). Phase 1 construction is expected to complete construction before the end of June. On February 10, 2025, the applicant submitted a planning application for the proposed project.



DISCUSSION/ANALYSIS:

The surrounding land uses and zoning designations are as follows:

North: Rancho Cielo residential community (S-N, Suburban Neighborhood).
South: Farm land (U-E Urban Employment).
East: Vacant land, Castro Mobile Home Park, and vacant mini-market (M-S, Manufacturing Services, R-MH Mobile Home, U-E Urban Employment)
West: Soccer fields and farm land (U-E Urban Employment).

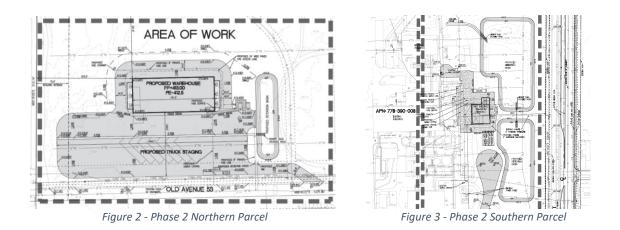
Master Plan

The exhibit below shows the proposed master plan for Phases 1 - 3 of the proposed Armtec Expansion Master Plan. Phase 1 includes the construction of (1) ground mount solar grid on the northern parcel (APN: 778-420-013) and (7) solar canopies on the southern parcel (APN: 778-390-008). Phase 1 is not part of the proposed project, and was approved on February 29, 2024.



Figure 1 - Armtec Expansion Master Plan (Phase 1 - 3)

Phase 2 includes the construction of a new 15,000 SF storage warehouse, a \pm 73,200 truck staging area and 9,900 SF retention basin on the northern parcel, and a new 3,000 SF research and development (R&D) and production facility and two retention basins totaling 65,750 SF on the southern parcel. Phase 2 includes an Architectural Review (AR 25-02) and a Conditional Use Permit (CUP 389) to allow the storage warehouse building and truck staging area on the northern parcel zoned U-E Urban Employment and to allow the R&D and production facility on the southern parcel zoned M-H Heavy Industrial.



Phase 3 includes the construction of a new 15,000 SF production facility, a new 15,000 SF storage warehouse, two new 900 SF storage structures, and a 6,000 SF expansion of an existing storage warehouse, all located on the southern parcel. The timing for construction of Phase 3 is currently undetermined. Future site plans for the Phase 3 portion of the Project will be required to undergo a separate Architectural Review prior to approval, and a CUP will be required to allow the production facility on the southern parcel zoned M-H.

Phase 2 Facilities Operation:

Storage Warehouses: The storage warehouses are designed to house finished goods which consist of a Hazard Class 1.4 explosive material, which present no significant blast hazard. These are explosives that contain no more than 0.9 oz. (25 g) of a detonating material and where the effects are mainly confined to the package, and no projection fragments of substantial size or range are expected. Specifically, these warehouses will store empty combustible cartridge cases of various sizes with no propellant. The storage warehouse will remain unoccupied except when goods are moved in and out of the structure.

R&D Facilities: The R&D facility will be used to develop small quantities of combustible materials in various configurations. Hazardous materials will consist primarily of nitro-cellulose. No hazardous materials will be stored in the building. Occupancy of the Phase 2, 3,000 SF building will be strictly regulated, and occupancy is expected to be limited to approximately 8 persons. Ancillary storage containers measuring 40' x 8' x 8' may be placed in proximity to the Phase 2 R&D facility, however these storage containers would be for non-hazardous materials including tooling, spare parts, and packing materials.

Materials placed in the warehouses will be finished goods produced at the onsite production facilities. Finished materials are placed in approved cardboard containers, boxes, and placed on a pallet. These pallets are then transferred from the production buildings located on the south lot via forklift. The forklift travels within the Project site avoiding public access and exposure. The physical security of proposed facilities and access points shall be in accordance with the Department of Defense Manual (DoDM 5100.76) specific to AA&E security (Arms, Ammunition, and Explosives). Finished goods are transferred from the warehouse to commercial carriers for final delivery to the customer. The project would be required to comply with federal regulations that govern the handling and transportation of these materials.

Architecture

The project includes the Architectural review of the proposed 15,000 SF storage warehouse on the northern parcel at 28-foot height, and the proposed 3,000 SF research and development (R&D) and production facility on the southern parcel at 26-foot height. The proposed buildings provide a "Navajo White" traditional sand stucco finish with light grey vertical corrugated metal siding at the exterior façade elevations. Mechanical equipment will be ground-mounted and screened by 6-foot-high block walls. The research and development facility provides an attached canopy structure at the rear of the building not facing the public right-of-way. Exterior lighting is provided by small wall-mount fixtures.



Landscaping

Phase 1

Phase 1 construction included the completion of off-site landscape improvements on the northern portion of the northern parcel at APN: 778-420-013. Landscape included ³/₄ inch gravel and plant varieties to be compatible with existing landscape on the eastern portion of the northern parcel. The applicant entered into a landscape maintenance agreement with the city to maintain site off-site landscaping.

Phase 2

The applicant provided Phase 2 preliminary landscape plans that show landscape at the northern and western perimeter of the proposed 15,000 SF warehouse on the northern parcel that includes a combination of decomposed granite and 1" - 4" decorative rock with landscape groundcover. The project includes a condition of approval to require gravel materials at the proposed southern retention basins to be landscaped with 3/4-inch gravel material only with no plants. Phase 2 only includes new on-site landscaping, and would not require amendment of the existing landscape maintenance agreement.

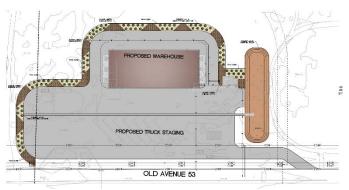


Figure 4 Phase 2 On-site Landscaping

Phase 3

As a condition of approval of this project, the applicant is required to install the following improvements in the future Phase 3 of the proposed project, including landscaping of a future median on Tyler Street adjacent to the project, landscaping of the site entrance up to the fence line behind the guard shack, landscaping of the west side of Tyler Street along the southern parcel (APN: 778-390-008), and the landscaping along the southern edge of Avenue 53 to complete the incomplete pedestrian connection between Shady Lane and Tyler Street. The applicant would be required to revise landscape maintenance agreement to include new landscape areas. The planning commission or city council may approve any modifications to deferred phase 3 improvements.

Off-Site Improvements

Phase 2 includes the following off-site improvements, including the installation of separated sidewalk, curb and gutter along the entire eastern edge of Tyler Street along the entire property frontage. As a condition of approval, the Development Services Director, and City Engineer shall have the discretion to request an alternative design for the sidewalk along the eastern side of Tyler Street, due to any impacts related to city or outside agency easements along Tyler Street. The applicant shall install a curb up to the fence line behind the guard shack, and install a new raised median between Avenue 53 and the southernly project driveway. These improvements are to complete pedestrian connection along Tyler Street adjacent to the project site. No off-site landscaping is required as part of Phase 2.

Phase 3 landscape improvements are described in the above landscape section. Future Phase 3 deferred improvements include completion of landscape improvements at the site entrance up to the fence line behind the guard shack, replacement of the existing chain-link fence for the installation of a new wrought-iron fence along Avenue 53, and along Tyler Street. The project would also be required to move a water meter outside of the site perimeter fence line per Utilities Director direction. The project would also be required to complete the incomplete pedestrian connection between Shady Lane and Tyler Street.

Parking

The applicant submitted a parking analysis for the proposed project, and staff found that the proposed project is consistent with the Parking Ordinance of the City of Coachella Municipal Code. The site currently provides 320 existing parking spaces, the proposed project would maintain sufficient parking with at least 42 surplus parking spaces.

Consistency with General Plan and Zoning

The project site is located on two separate parcels, the northern parcel at (APN 778-420-013) is zoned (U-E) Urban Employment and has a general plan designation of Urban Employment Center, and the southern parcel at (APN 778-390-008) is zoned (M-H) Heavy Industrial and has a general plan designation of Industrial District. The proposed warehouse located on the northern parcel is permitted in the U-E zone, as light industrial uses as permitted in the (M-S) Manufacturing Service zone and as standalone uses operating indoors, would be permitted with the approval of a conditional use permit. The Urban Employment Center general plan designation promotes the development of research and development uses. The proposed project is a warehouse that will be

accessory to existing research and development uses at the project site, and as such the approval of the project would be within the guidelines of the Urban Employment Center general plan designation. The proposed R&D and production facility on the southern parcel is permitted in the M-H zone, as explosive or fireworks manufacture would be permitted in the M-H zone with the approval of a conditional use permit. The Industrial District general plan designation promotes the development of research and development uses. The proposed project is compliant with the development standards of the U-E and M-H zone per the attached development standard analysis (**Attachment 7**). Within the M-H zone, projects are required to meet Manufacturing Service (M-S) zone development standards.

Hazards

The proposed project is compliant with Goal 5 Hazardous Materials Management of the City of Coachella General Plan Safety Element Policy 5.3 prohibits the placement of proposed new facilities that will be involved in the production, use, storage, transport or disposal of hazardous materials near existing land uses that may be adversely affected by such activities. The proposed project would provide a large setback from streets adjacent to residential uses. The proposed warehouse located on the northern parcel would be setback approximately ±230 feet south of Avenue 53, and setback ±220 feet east of the soccer field. The R&D production facility would be setback approximately ±169 feet west of Tyler Street. The applicant submitted a truck route plan that complies with General Plan policy 5.5, as there are no existing schools, medical facilities, child-care centers or other facilities with special evacuation needs along the proposed project truck routes within the city. The project Hazards and Hazardous Material section of the Initial Study Mitigated Negative Declaration for the project finds that the project would result in a less than significant impact with mitigation measure HAZ-1 which is included as a condition of approval for the project. Implementation of Mitigation Measures HAZ-1 would ensure the Project would not create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving hazardous materials.

City records show that more than 30 years ago (pre-1992) accidental explosions and fires have occurred at the existing Armtec facilities and project site. However, no such accidents have occurred since, and the likelihood of similar accidents occurring is significantly reduced with adherence to local, state, and federal regulations regarding the routine transport, use, storage or disposal of hazardous materials as described in the Hazards and Hazardous Material section of the Initial Study Mitigated Negative Declaration for the project. The letter that describes a previous accident is attached to this report (**Attachment 6**).

<u>CEQA</u>

Pursuant to CEQA, an initial study was prepared for the Armtec Expansion Master Plan Project. The Initial Study concluded that the project would result in less than significant impacts to Aesthetics, Agriculture and Forestry Resources, Air Quality, Energy, Greenhouse Gas Emissions, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Population and Housing, Public Services, Recreation, Transportation/Traffic, Utilities and Service Systems and Wildfire. The Initial Study concluded that the project would result in a less than significant impact with mitigation incorporated to Biological Resources, Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, Transportation, and Tribal Cultural Resources. A 30-day public review period ran from April 22, 2025, to May 22, 2025. Staff did receive correspondence from the California Department of Fish and Wildlife, and the U.S Fish and Wildlife inquiring about special study documents which Staff responded. See 30-day review period comments attached to this report (Attachment 1 - Exhibit E). A Mitigation Monitoring and Reporting Program (MMRP) has been prepared and is attached to this report (Attachment 1 - Exhibit D).

ENVIRONMENTAL REVIEW:

The Planning Division has determined that the proposed project is compliant with California Environmental Quality Act (CEQA) Guidelines Section 15073 - Public Review of a Proposed Negative Declaration or Mitigated Negative Declaration.

ALTERNATIVES

- 1) Adopt Resolution No. PC2025-10 approving Architectural Review No. 25-02 Conditional Use Permit No. 389, and Environmental Assessment No. 25-01 with the findings as recommended by Staff.
- 2) Adopt Resolution No. PC2025-10 with the findings and conditions as recommended by Staff with <u>modifications</u> as proposed by the Planning Commission.
- 3) Not approve Resolution No. PC 2025-10 and request that staff prepare a Planning Commission Resolution for denial of Architectural Review No. 25-02 Conditional Use Permit No. 389, and Environmental Assessment No. 25-01.
- 4) Continue this item and provide staff and the applicant with direction.

Attachments:

- 1. Resolution PC 2025-10
 - a. Exhibit A Conditions of Approval
 - b. Exhibit B Development Plan Set
 - c. Exhibit C Phasing Plan
 - d. Exhibit D- Initial Study MND and Mitigation Monitoring Program
 - e. Exhibit E EA No. 25-01 Comments
- 2. Vicinity Map
- 3. Off-Site Improvements Preliminary Plan
- 4. Hazardous Truck Route Plan
- 5. Armtec Parking Analysis
- 6. 1991 Letter
- 7. Development Standard Analysis