



**PORT OF OAKLAND**

**MEMO**

**TO:** Omar Benjamin, Executive Director  
**FROM:** Chris Chan, Acting Director of Engineering  
**DATE:** May 18, 2011  
**SUBJECT:** EXECUTIVE DIRECTOR'S PERMIT APPROVAL  
for Work on Private Property

*Chris Chan 5/18/11*

The Port Permits Section has reviewed the subject Building Permit Application and conducted design review, and finds the proposal generally meets the applicable standards and restrictions. The proposal will require no variance from the Oakland Airport Business Park Standards and Restrictions (P.O. 2832, as amended.) Detailed analysis and findings are set forth in the attachments.

It is recommended that the Executive Director approve the Addendum to the 2010 Environmental Impact Report, approve the permit (including environmental findings, conditions of approval, general plan conformity, and related findings described below), and adopt the Mitigation Monitoring and Reporting Program. Through acceptance of this permit, and the provisions therein, the Project Sponsors agree to build and operate the facility in compliance with the assumptions made in the Addendum and to implement the mitigation measures and the Mitigation Monitoring and Reporting Program, therefore, potential environmental impacts will be less than significant. If you concur, please date and approve at bottom.

Port Permit No: 4920  
Property Owner: ExStra - Horizon LLC  
Permit Tenant: Horizon Beverage Company, Ces Buttner  
Project Location: Pardee Drive at Swan Way, Oakland, CA  
Parcel Number: 42-4415-3-11  
Estimated Value: \$12,000,000  
Environ. Assessment: 2010 Environmental Impact Report (and Addendum)

**Summary Description:**

The applicant proposes to develop a beverage distribution warehouse facility at the northern end of Pardee Drive, on a site previously used for an off-airport fee parking lot. The original proposal for this site was to construct a truck freight transfer terminal and office building as previously approved for R+L Trucking, along with the 2010 Final Environmental Impact Report. Horizon is in contract to purchase the property and proposes an approximately 160,000 square foot warehouse and distribution facility in place of the approved truck transfer facility. Landscaping will be installed along the perimeter fencing to provide better separation between the facility and the adjacent park lands. Further details are contained in the attachments as follows:

- Attachment 1- Project Description, Design Review, and Findings
- Attachment 2- Conditions of Approval
- Attachment 3- General Plan Conformity
- Attachment 4- 2010 Environmental Impact Report including Mitigation Monitoring and Reporting Program (and Addendum)

**RECOMMENDED:**

Environmental Division: *[Signature]* Date: 5/18/11  
Port Permit Coordinator: *[Signature]* Date: 5/18/11

**APPROVED:**

Executive Director: *[Signature]* Date: 5/18/11

### **Project Description**

The Port of Oakland Executive Director approved the permit and certified the environmental impact report (EIR) for the R+L Carriers Freight Terminal (the "Original Project") in October 2010. The Original Project consisted of the development of a 61-dock door truck terminal located in the southwestern portion of the City of Oakland, in the vicinity of Oakland International Airport and I-880 and within the Oakland Airport Business Park. The project site is located at the northern terminus of Pardee Drive, near Swan Way. The site is 8.4 acres and generally bounded by an extended line of Pardee Drive, Martin Luther King, Jr. Regional Shoreline Park ("MLK Park"), FastTrack Airport Parking ("FastTrack") at 8350 Pardee Drive, Old Dominion Freight Terminal at 8300 Pardee Drive, and the United Parcel Service (UPS) facility at 8400 Pardee Drive. The previous owner, PCA Parking, subdivided their site into three parcels, including this site, APN # 42-4415-3-11. The other parcels are the Old Dominion site, 8.4 acres, and the FastTrack site, 18.6 acres. PCA previously occupied the entire site for off-airport parking.

The New Project sponsor, Horizon Beverage Company (Horizon), proposes to construct an approximately 156,782 square-foot (sq. ft.) beverage distribution warehouse on the 8.5-acre project site located at the northern terminus of Pardee Drive. The warehouse would receive beverage shipments from beer companies via Port of Oakland marine terminals and large-scale trucks and sort and deliver them to local supermarkets, liquor stores, restaurants, and similar establishments. The warehouse would relocate from an existing operation on 20<sup>th</sup> Street in West Oakland.

The distribution building footprint would occupy 42% of the project parcel and would extend up to 39 feet in height above finished floor (FAR =.42). The building would include a driver check-in area with a break room (1,759 sq. ft.), a draught cooler (9,597 sq. ft.), a two-story office (15,697 sq. ft.), a Point-of-Sale area that would store items that are taken to retailers (5,916 sq. ft.), a truck maintenance area (3,073 sq. ft.), and warehouse storage space (107,682 sq. ft.). The 20 truck docks would be located along its southern façade, in addition to four loading canopy spaces. Security fencing and gates would be installed around the truck dock area and the proposed buildings. A fueling station at the southeastern corner of the parcel would service Horizon's vehicles. The fueling station would utilize a 15,000 gallon above-ground fuel tank (capacity for 5,000 gallons of unleaded gasoline and 10,000 gallons of diesel fuel), and one fueling dispenser for each type of fuel.

Access to the project site would be provided from the terminus of Pardee Drive. Circulation and parking aisles are proposed along the perimeter of the entire project site, with the main building located in the middle of the site.

Figures 3-2 (Vicinity Map), 3-3 (Site Plan), and 3-4 (Elevations) are attached at the end of this section. Additional drawings are included in the Addendum to the 2010 FEIR ("Addendum").

### **Surrounding Uses**

The project site is located in the southwestern portion of the City of Oakland, in the vicinity of Oakland International Airport (“OAK”) and Interstate 880. The parcel is located at the northern terminus of Pardee Drive and is generally bounded by the UPS Distribution Center to the south, off-site airport parking to the west, the MLK Park to the north, and an existing truck freight transfer facility to the east.

Land uses in the project site vicinity consist of a mix of visitor-serving retail uses, including hotels and restaurants, as well as land uses that complement the nearby airport. UPS and Federal Express have distribution centers located on Pardee Drive, south of the project site, as does the Oakland Station branch of the United States Postal Service. There are also several privately-owned parking lots providing short-term and long-term airport parking, including the FastTrack located west of the northern terminus of Pardee Drive and Park n’ Fly and Air Park located on Airport Access Road. Other commercial uses in the immediate project vicinity include the Comcast Cable Company headquarters, a Harley Davison Motorcycle showroom, and teamster union offices.

Building heights in the project area range from one- to six-stories, and buildings are generally contemporary in design and are limited in height by FAA height restrictions. In most instances, structures are setback and buffered from the street by landscaping.

The project site is within Port of Oakland (“Port”) land use jurisdiction, within the Oakland Airport Business Park, in the area south of San Leandro Channel historically known as the “Distribution Center.” The Oakland Airport Business Park consists of mostly one and two-story structures on large lots with surface parking areas. It includes office, business service, warehouse, distribution, and research uses. Commercial and hotel uses are allowed along Hegenberger Road and portions of Oakport Street, where a number of multi-story office buildings and a hotel exist. MLK Park runs adjacent to the business park and along Damon Slough at the end of Edgewater Drive. San Leandro Creek and the Arrowhead Marsh are located in MLK Park near the site. Located to the northeast of Oakland International Airport, land uses in the vicinity of the project consist of distribution, warehousing, office, hotel and commercial. The Oakland Airport Business Park Standards and Restrictions allow office, light industrial and warehouse uses on this site.

### **Findings**

Port staff has reviewed the proposal within the context of the Oakland Airport Business Park Standards and Restrictions, the California Environmental Quality Act (“CEQA”), the City of Oakland General Plan, and other applicable standards, and suggests the following findings in support of the recommended approval by the Executive Director.

- The Port finds that the proposal is in compliance and conformance with the Oakland Airport Business Park Standards and Restrictions, which is the current land use standard for the area; and,
- The Port finds that the proposal conforms to the City of Oakland General Plan; and,
- The Port finds that the design of the project is compatible with the surrounding buildings; and,

- The Port finds that the use of the property will not conflict with other surrounding uses; and,
- The Port finds that the use and operations will not conflict with, or be impacted by, operations at the Oakland International Airport; and,
- The Port finds that the Draft Environmental Impact Report Addendum (“Addendum”) to the 2010 FEIR adequately covers the impacts of the project in compliance with CEQA and the adopted Environmental Findings as described below.

### **Environmental Review Findings**

The Addendum to the 2010 FEIR has been prepared for the Project and assesses the significant environmental impacts, mitigation measures, and alternatives. In accordance with CEQA, the Executive Director is required to make a finding under Title 14 Cal. Code Regs §15091 for each significant effect shown in the 2010 FEIR. The Executive Director finds that no significant, unavoidable environmental impacts have been identified in the 2010 FEIR and Addendum related to the proposed project. The general findings are defined below. Detailed findings are described in the 2010 FEIR and clarified in the Addendum and are incorporated here by reference.

#### **1. Aesthetics**

The 2010 FEIR concludes in Impact AES-1 that construction of the proposed project would result in a significant impact by creating temporary aesthetic nuisances associated with the temporary exposure of graded surfaces, exposure of soil, construction debris, and the presence of construction equipment and heavy truck traffic that could be viewed by the public or adjacent users. To minimize this impact, the 2010 FEIR identifies Mitigation Measure AES-1, which requires that additional construction staging and storage areas occur in the interior of the project site and away from adjacent properties, and that the project site be clear of all debris.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with this mitigation measure and as clarified in the Addendum.

The 2010 FEIR concludes in Impact AES-2 that implementation of the proposed project would not have a substantial adverse effect on a scenic vista or substantially damage scenic resources. The 2010 FEIR concludes that the proposed project would change the visual character of the site; however it would be consistent with existing development in the vicinity in terms of scale and use, and therefore would not result in a significant impact on the visual quality of the site. There are no designated scenic vista points in the area of the project site.

**Finding:** The Executive Director finds that these impacts are less than significant, therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact AES-3 that although the proposed project would alter the visual character of the site with the new main building and accessory structures, this effect is not significant or adverse, because the surrounding urban context is of varying building height, bulk, mass, and scale. In addition, nearby views of the site would consist primarily of the proposed project's building roofs and a new fence or visual barrier that would continue to surround the site. Specifically, starting in the north west corner of the site, the barrier wall will begin with a 12ft masonry wall for approximately 188 feet, then will be a 10 ft vinyl slatted fence on a 2 ft berm for approximately 394 feet, then will end with 12 feet masonry wall for the remaining 60 ft of their project site. These views would be consistent with other views of similar structures in the project vicinity.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact AES-4 that the proposed project would not result in an increase in light and glare at the project site. According to the 2010 FEIR, the proposed project will remove existing luminars and erect a fewer number of newer light fixtures and poles with medium luminars with spill light eliminators. In addition, the 12-foot barrier that will be installed along the MLK Park border would eliminate vehicle headlights from directly illuminating MLK Park. Therefore, the 2010 FEIR concludes that the proposed lighting and barrier will minimize spillover light, and ensure that any potential impacts related to light and glare remain at less than significant levels.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact AES-5 that the proposed project would not result in impacts that would be cumulatively considerable, as the project would be consistent with the character and scale of the existing nearby development, the visual barriers and proposed lighting would minimize spillover light.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

## **2. Air Quality and Climate Change**

The 2010 FEIR identifies a potentially significant impact in Impact AQ-1, concluding that the construction of the proposed project would generate short-term emissions of criteria pollutants, including suspended and inhalable particulate matter and equipment exhaust emissions. To reduce this impact to a less than significant level, the 2010 FEIR identifies Mitigation Measure AQ-1, which requires the construction contractor to implement Bay Area Air Quality Management District's ("BAAQMD") basic and enhanced dust control procedures to maintain project construction-related impacts at acceptable levels.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with this mitigation measure and as clarified in the Addendum.

The 2010 FEIR concludes in Impact AQ-2 that the operations of the proposed project would result in an increase in operational emissions of criteria air pollutants as a result of routine delivery of freight by truck fleet fitted with exhaust gas recirculation emissions control technology; personnel commuting; natural gas combustion for space and water heating; and landscaping. The operational emissions of CO, NO<sub>x</sub>, PM<sub>10</sub> and ROG were calculated in the 2010 FEIR, and the study concluded that the emissions would be below BAAQMD's significance thresholds and would be considered a less than significant air quality impact.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR observes in Impact AQ-3 that the proposed project would have the potential to affect CO concentrations along surface streets and near stagnation points such as major highways and heavily traveled and congested roadways. BAAQMD's CO screening analysis was performed for two intersections in the project vicinity: Hegenberger Road at Edgewater and Hegenberger Road at Pardee Road. The study concluded that these intersections would be

less than BAAQMD CEQA thresholds; therefore the impact would be less than significant and as clarified in the Addendum.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact AQ-4 that the proposed project would not generate diesel particulate matter (a toxic air contaminant) emissions in amounts that would exceed significance thresholds for exposure of sensitive receptors to pollutants.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact AQ-5 that the greenhouse gas (“GHG”) emissions resulting from this project do not represent a significant contribution to global climate change because total operational GHG emissions from the project are below BAAQMD CEQA thresholds. Therefore, there are no significant impacts from GHG emissions resulting from this project.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact AQ-6 that the proposed project would not exceed BAAQMD significance thresholds, does not require an amendment to the General Plan and is otherwise consistent with the General Plan, and that the General Plan is consistent with the regional Clean Air Plan, and that therefore the project would have a less than significant impact on cumulative air quality conditions.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

### **3. Biological Resources**

The 2010 FEIR observes in Impact BIO-1 that special-status species plants do not occur at the project site. In addition, special-status animals are not expected to occur at the project site due to its current uses and lack of habitat. Therefore, the 2010 FEIR concludes that the proposed project would not have a substantial, adverse effect on any species identified as a candidate, sensitive, or special-status species in local, regional, or federal regulations or policies.

**Finding:** The Executive Director finds that these impacts are less than significant, therefore no mitigation measures are required.

According to the 2010 FEIR in Impact BIO-2, there are no sensitive natural communities within the proposed project site. Therefore there is no substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations. The 2010 FEIR does note that sensitive communities exist within the larger study area, including tidal marsh and seasonal wetlands, and that those are discussed in Impact BIO-3.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR identifies a potentially significant impact in Impact BIO-3. The 2010 FEIR observes that although there are no jurisdictional wetlands or other waters of the US present within the project site (and therefore no direct impacts are expected), there are several jurisdictional wetlands in proximity to the project including San Leandro Bay. The project site has existing non-jurisdictional bioswales designed to capture storm water runoff from the parking lot, along the northern and southern boundaries. Runoff from the project site could potentially increase the transmittal of oil, diesel, and other contaminants from freight terminal construction and operations. To minimize the impact, the 2010 FEIR identifies Mitigation Measure BIO-3, which requires the contractor to reduce construction-related water quality impacts, requires operation and performance standards to ensure all necessary maintenance of drainage facilities including bioswales is performed properly and timely, during truck terminal operations.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with this mitigation measure and as clarified in the Addendum.

The 2010 FEIR identifies a potentially significant impact in Impact BIO-4, which concludes that the proposed project could interfere substantially with the movement of native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites. According to the 2010 FEIR, no migratory wildlife corridors or native wildlife nursery sites are present on site, although there are migratory bird corridors and breeding bird sites present in the undeveloped study area in the vicinity of the project site. The 2010 FEIR determined that the project could create conditions that would attract predators to the area or that could degrade foraging and nesting habitat for migratory and breeding birds. To minimize the impact, the 2010 FEIR and clarified in the Addendum identifies four mitigation measures: BIO-4a, BIO-4b, BIO-4c, and BIO-4d. These mitigation measures will prohibit open refuse containers that contain food waste; require anti-roosting bird spikes on potential perches in the project as described in the Addendum; raise awareness with the truck drivers and other staff of the adjacent natural habitat and wildlife; and control and eradicate invasive plant species.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with these mitigation measures and as clarified in the Addendum.

The 2010 FEIR concludes in Impact BIO-5 that the proposed project would not fundamentally conflict with provisions of any adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan; or result in cumulative biological impacts. There are no adopted plans that apply to this project.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR in Impact BIO-6 concludes that the proposed project when combined with past, present, and other foreseeable development in the vicinity, would not result in cumulative biological impacts. Existing conditions in the project area reflect the results of past development in the area, which has filled or otherwise eliminated much of the original extent of the marshes and grasslands once present and resulted in loss and fragmentation of original habitat, as well as the introduction of night lighting and increased noise. If left unmitigated, the significant noise and lighting impacts of the proposed project and all past, present, and reasonably foreseeable

development in the vicinity could be considered cumulatively significant. However, the 2010 FEIR concludes that any impacts can be minimized to less than significant levels through mitigation. When considered relative to all past, present, and reasonably foreseeable similar projects within the vicinity, the incremental contribution of the proposed project to an already existing cumulative impact is not cumulatively considerable. Therefore the cumulative effect of the proposed project on biological resources would be less than significant.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

#### **4. Hazards and Hazardous Materials**

According to the 2010 FEIR in Impact HAZ-1, construction of the proposed project could create a significant hazard to the public or environment through the routine transport, use, or disposal of hazardous materials, such as contaminated sub-surface soil.

Contaminated soils were detected at this project site based on previous site assessments. In addition, the Regional Water Quality Control Board ("Regional Water Board") issued a covenant that restricts land use and requires notification prior to any ground breaking activities.

Project construction activities would include excavation of subsurface soils and construction of the proposed building. Improper handling, storage, or disposal of potentially contaminated soil during construction could pose health hazards to the public. To minimize the impact, the 2010 FEIR identifies Mitigation Measures HAZ-1a and HAZ-1b which requires notification to the Regional Water Quality Control Board prior to construction activities and adequate profiling of excavated soils to establish proper classification for waste disposal.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with these mitigation measures and as clarified in the Addendum.

The 2010 FEIR identifies a potentially significant impact in Impact HAZ-2, finding that in the absence of mitigation the construction of the proposed project could create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions of hazardous materials used during construction, since minor amounts of hazardous materials would be handled at the project area. To minimize the impact, the 2010 FEIR identifies Mitigation Measure HAZ-2 which requires hazardous materials and spill prevention measures to be incorporated into the storm water pollution prevention plan.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with this mitigation measure and as clarified in the Addendum.

The 2010 FEIR concludes in Impact HAZ-3 that the storage, use, and disposal of hazardous material associated with building and vehicle maintenance as well the operation of a fueling station and maintenance of an above ground storage tank ("AST") would not create a significant hazard to the public or the environment through a reasonably foreseeable upset or accident conditions involving the release of hazardous materials into the environment. The AST must comply with the City of Oakland Fire Department's requirements as well as the requirements of AB1130. Adherence to these requirements would make the potential impact from use of hazardous materials during project operation less than significant.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR identifies a potentially significant impact in Impact HAZ-4, concluding that the project could result in a safety hazard people residing or working in the project area due to the proximity to Oakland International Airport. To minimize the potential impacts, the 2010 FEIR identifies Mitigation Measures HAZ-4a and HAZ-4b which requires the contractor to submit design plans for airspace analysis to determine whether any of the proposed project components or proposed construction equipment would protrude into protected airspace and also requires review by the Airport Land Use Commission ("ALUC").

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with these mitigation measures and as clarified in the Addendum.

According to the 2010 FEIR in Impact HAZ-5, the impacts related to hazardous materials are site specific and not cumulatively additive. Other past, present, and foreseeable development within the area would be required to comply with the same regulatory measures as the project. The project's incremental effect would not be cumulatively considerable. Therefore the project would not result in cumulative hazardous materials impact.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

## **5. Hydrology and Water Quality**

The 2010 FEIR identifies a potentially significant impact in Impact HYD-1, observing that unmitigated construction-related activities during project development could result in adverse impacts to water quality. The project is required to adhere to the State Water Resources Control Board's ("State Water Board") General Storm Water Permit related to construction activities. Excavation could expose site soils, and could lead to erosion and potentially contaminated runoff. In addition, the Regional Water Board requires post construction controls. To minimize the impact, the 2010 FEIR identifies Mitigation Measure HYD-1 which requires development of a storm water pollution prevention plan, and which, in conjunction with HAZ-1c (above) would reduce construction-related water quality impacts to less-than-significant levels.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with this mitigation measure and as clarified in the Addendum.

The 2010 FEIR concludes in Impact HYD-2 that the dewatering activities associated with project construction activities and long term operation of the trucking facility would not substantially reduce groundwater supplies, nor would they interfere substantially with groundwater recharge that would result in a net deficit in aquifer volume or a lowering of the local groundwater table.

**Finding:** The Executive Director finds that these impacts are less than significant, therefore no mitigation measures are required.

The 2010 FEIR identifies a potentially significant impact in Impact HYD-3, noting the potential for the project to necessitate improvements to the drainage infrastructure to accommodate the project and calculated flows from 10-year and 100-year storm events. Post-construction runoff

would be conveyed by a drainage infrastructure designed to accommodate the proposed project. To reduce any potential flooding impact, the 2010 FEIR identifies Mitigation Measure HYD-3 which requires demonstration that the existing drainage infrastructure surrounding the project site is capable of handling post-project flows from the site, or otherwise requires the project sponsor to make all required infrastructure improvements in compliance with Alameda County Flood Control District's Hydrology and Hydraulics criteria. The proposed project will not result in a significant change in impervious surfaces (because the site is already paved) and would actually result in a slight decrease in impervious surfaces with the addition of landscaped areas. Therefore, no increase in peak discharge is expected.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with this mitigation measure and as clarified in the Addendum.

The 2010 FEIR identifies a potentially significant impact in Impact HYD-4, concluding that the changes to the site layout would have the potential to create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff, or otherwise substantially degrade water quality. Stormwater pollutants typical of parking lots include sediment, oil and grease, petroleum hydrocarbons, and metals. To minimize the potential impact from contaminants discharging offsite, the 2010 FEIR identifies Mitigation Measure HYD-4, which would require the project to prepare a drainage plan to ensure, among other things, that stormwater runoff is contained on the project site and cannot enter the neighboring MLK Park.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with this mitigation measure and as clarified in the Addendum.

The 2010 FEIR concludes in Impact HYD-5 that implementation of the project, combined with other past, present, and reasonably foreseeable future projects in the vicinity, would not result in significant adverse cumulative effects to hydrology and water quality. This project and future projects in the vicinity would be required to comply with the same standards for local drainage and grading requirements and the State Water Board's General Storm Water Permit related to construction activities. The net decreases in impervious surfaces at the project site would decrease the total amount of runoff, and the drainage improvements required by the regulatory measures would limit potential pollutant loading.

**Finding:** The Executive Director finds that these impacts are less than significant, therefore no mitigation measures are required.

## **6. Noise**

The 2010 FEIR identifies a potentially significant noise impact in Impact NOI-1. The 2010 FEIR concludes that the proposed project could result in construction noise levels which would exceed Oakland Planning Code Section 17.120.050 construction noise standards during the weekend. To minimize the potential impact, the 2010 FEIR identifies Mitigation Measure NOI-1, which prohibits any construction during weekends and federal holidays that would generate an hourly noise level in MLK park in excess of 60 dBA.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with this mitigation measure and as clarified in the Addendum.

The 2010 FEIR concludes in Impact NOI-2 that the proposed project would not result in noise levels that would violate the Oakland Code Section 8.18.020 regarding nuisance of persistent construction-related by prohibiting the emission because the provisions under this code are legally required conditions of approval and must be incorporated into the project by the applicant.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

According to the 2010 FEIR in Impact NOI-3, the vibration-generating activities associated by the proposed project would result from project construction and potentially, loading and unloading of freight. Because both of these activities would occur over 200 feet from the nearest occupied structure, they would not significantly impact local residents or businesses.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR observes in Impact NOI-4 that although the proposed project will result in marginal increases in the ambient noise environment, those increases will result in a noise level within the “normally acceptable” range. Noise monitoring was conducted for this project. The 2010 FEIR concludes that the proposed project would not expose persons to or generate noise levels in excess of City of Oakland or State of California standards.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact NOI-5 that the proposed project would contribute to increased traffic volumes on the local roadway network, but that no measurable increase in roadway noise would occur. A traffic analysis was performed and the study indicated that the project would generate additional vehicle trips on Hegenberger Road and 98th Avenue. For the noise modeling effort, the study concluded the project would contribute no measurable increases in roadway noise levels on either street.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact NOI-6 that although the proposed project would be located within the vicinity of OAK, monitoring and noise contours indicate that noise impacts from the airport on the employees and visitors to the proposed project would be less than significant.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR in Impact NOI-7 concludes that the proposed project when combined with past, present, and other foreseeable development in the vicinity, would not result in significant cumulative noise impacts. Cumulative construction and operational noise impacts would be less than significant, as would cumulative roadway noise. Additionally, the modeling indicates that the project by itself would not be cumulatively considerable.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

## **7. Transportation and Traffic**

The 2010 FEIR identifies a potentially significant impact in Impact TRAN-1, concluding that the project construction activities would generate off-site traffic that would include the initial delivery of construction vehicles and equipment to the project site, construction employee trips, and the delivery of materials. However, this impact would be temporary and therefore not result in a long-term degradation in operating conditions on roadways in the project locale. To reduce the temporary impact, the 2010 FEIR identifies Mitigation Measure TRAN-1 that requires the construction contractor to develop a management plan to reduce, to the maximum extent feasible, traffic congestion during construction.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with this mitigation measure and as clarified in the Addendum.

The 2010 FEIR concludes in Impact TRAN-2 that the operation of the proposed project would increase traffic on roadways and at intersections in the project vicinity under existing conditions but would have a less than significant impact on the roadway system in the project vicinity based upon the traffic analysis.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

According to the 2010 FEIR in Impact TRAN-3, the project would not be expected to generate public transit trips because of the proposed land use. Therefore, the operation of the proposed project would not significantly increase the demand for public transit service.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR identifies a potentially significant impact in Impact TRAN-4, concluding that the proposed project would generate additional traffic that would access and circulate within the project site. Based on the expected types and numbers of vehicles that would use the site there are no design features that would create a traffic safety hazard or significantly increase the potential for conflicts between vehicles. However, in order to assure that the final plans for the project meet standard design to avoid safety hazards, the 2010 FEIR identifies Mitigation Measure TRAN-4, which ensures that all types of vehicles can safely maneuver within the site.

**Finding:** The Executive Director finds that the identified impact is reduced to less than significant with this mitigation measure and as clarified in the Addendum.

The 2010 FEIR concludes in Impact TRAN-5 that the proposed project would generate increased traffic volumes, but not to a level that would significantly conflict with bicyclists and pedestrians. The project will not alter the configuration of the road network in the project area and will not generate pedestrian and bicycle trips. Therefore, there are no significant impacts to traffic volume.

**Finding:** The Executive Director finds that these impacts are less than significant, therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact TRAN-6 that the proposed project would not generate a substantial demand for parking spaces. The project will have sufficient on-site parking and will not require off-site parking.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact TRAN-7 that the proposed project's contribution to cumulative increases in traffic volumes in the project's vicinity would be less than significant.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

## **8. Land Use and Planning**

The 2010 FEIR concludes in Impact LU-1 that the proposed project would not physically divide an established community. The proposed project would be consistent with the character of the area and would be similar in scale and building configuration to the freight terminal that was recently completed on the parcel east of the project site (Old Dominion Freight Terminal). Therefore, the project would not physically divide an established community and would result in a less than significant impact.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact LU-2 that the proposed project would not conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project adopted for the purpose of avoiding or mitigating an environmental effect. The project will comply with all jurisdictional agencies and their applicable policies.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

The 2010 FEIR concludes in Impact LU-3 that the proposed project would not result in adverse cumulative impacts related to land use. While the additional developments in the project area may have the potential to increase the use on those development sites, future projects would be subject to development guidance to ensure land use compatibility. Therefore, it is not anticipated that the proposed project would result in significant cumulative impact with respect to land use, plans and policies.

**Finding:** The Executive Director finds that these impacts are less than significant; therefore no mitigation measures are required.

## **9. Growth-Inducing Effects**

The proposed project does not involve construction of new housing, nor does it require a large number of new employees – permanent or during construction – that warrants new housing be constructed. Employees of the proposed project would be moving over from the existing San Leandro facility (which would be vacated once the project is constructed) or one of the other two local facilities, and it is not expected that the proposed project would require employees to relocate their residences as a result of the change in worksite.

The project would not remove any obstacle to additional growth because the project will be developing a truck terminal on an existing paved property.

The proposed project does not propose new infrastructure that would induce substantial growth in the project vicinity that was not previously considered for development. The project will be connecting to existing utilities and occur within a largely built-out urban area.

**Finding:** The Executive Director finds that the project would not result in growth-inducing effects on the environment, either directly or indirectly.

#### **10. Significant Irreversible Changes**

The proposed project would change the current use of the site from a vacant parking lot to an approximately 160,000 SF warehouse and distribution facility.

**Finding:** The Executive Director finds that the project will not commit future generations to similar uses because the project does not introduce a land use that could not be changed or reversed in the future.

#### **11. Significant and Unavoidable Impacts**

As detailed in the findings above, all impacts created by the project can be eliminated or reduced to a less than significant level through implementation of mitigation measures and as clarified in the Addendum.

**Finding:** The Executive Director finds that implementation of the proposed project would not result in any significant and unavoidable impacts.

#### **Alternatives**

The 2010 FEIR identified and analyzed a reasonable range of project alternatives, including: (1) a No Project/Existing Conditions Alternative; (2) a No Project/Light Industrial Use Alternative; and (3) a Reduced Intensity Alternative. The Port also considered an offsite alternative, which was rejected as infeasible due to a lack of available properties in the region that could accommodate the project objectives.

The No Project/Existing Conditions Alternative would result in no change to the subject site, which is a vacant paved parking lot. This alternative would eliminate or substantially reduce all impacts associated with the project, except those associated with light and glare related to the four existing luminars at the northern boundary with MLK Park. However, this no-project

alternative would not meet any of the objectives of the proposed project, namely to develop and operate a distribution hub.

The No Project/Light Industrial Use Alternative contemplates that if the proposed project was not constructed on the site, then another project would be proposed and developed in its place. Based on the current zoning, general Plan land use designation, and surrounding land use context, it is reasonable to assume that the site would be developed with a light industrial land use. This alternative would result in similar impacts to the proposed project. However, this no-project alternative would not meet any of the objectives of the proposed project, namely to develop and operate a distribution hub on land that is owned by the applicant.

The Reduced Intensity Alternative contemplates a smaller version of the proposed project, with only 44 doors (instead of 61), and no fueling facility. This alternative would eliminate or reduce impacts associated with the project. However, this alternative would not meet the primary objectives of the proposed project, namely to operate an economically viable truck freight transfer facility that provides management and freight-handling efficiencies, including at least 60 truck bays, and that provides safe and cost-effective fleet maintenance and fueling facilities onsite.

### **Mitigation Monitoring and Reporting Program**

The Project Sponsors agree to build and operate the facility in compliance with the assumptions made in the Addendum and to the implementation of the mitigation measures and the Final Mitigation Monitoring and Reporting Program ("FMMRP") as described in the 2010 FEIR and clarified in the Addendum, therefore, potential environmental impacts will be less than significant. A detailed analysis of the potential impacts and recommended mitigation measures are provided in the 2010 FEIR and Addendum, which includes the FMMRP. The Executive Director has made a determination that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made to or agreed to by the project proponent.

### **Effect of Findings**

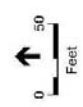
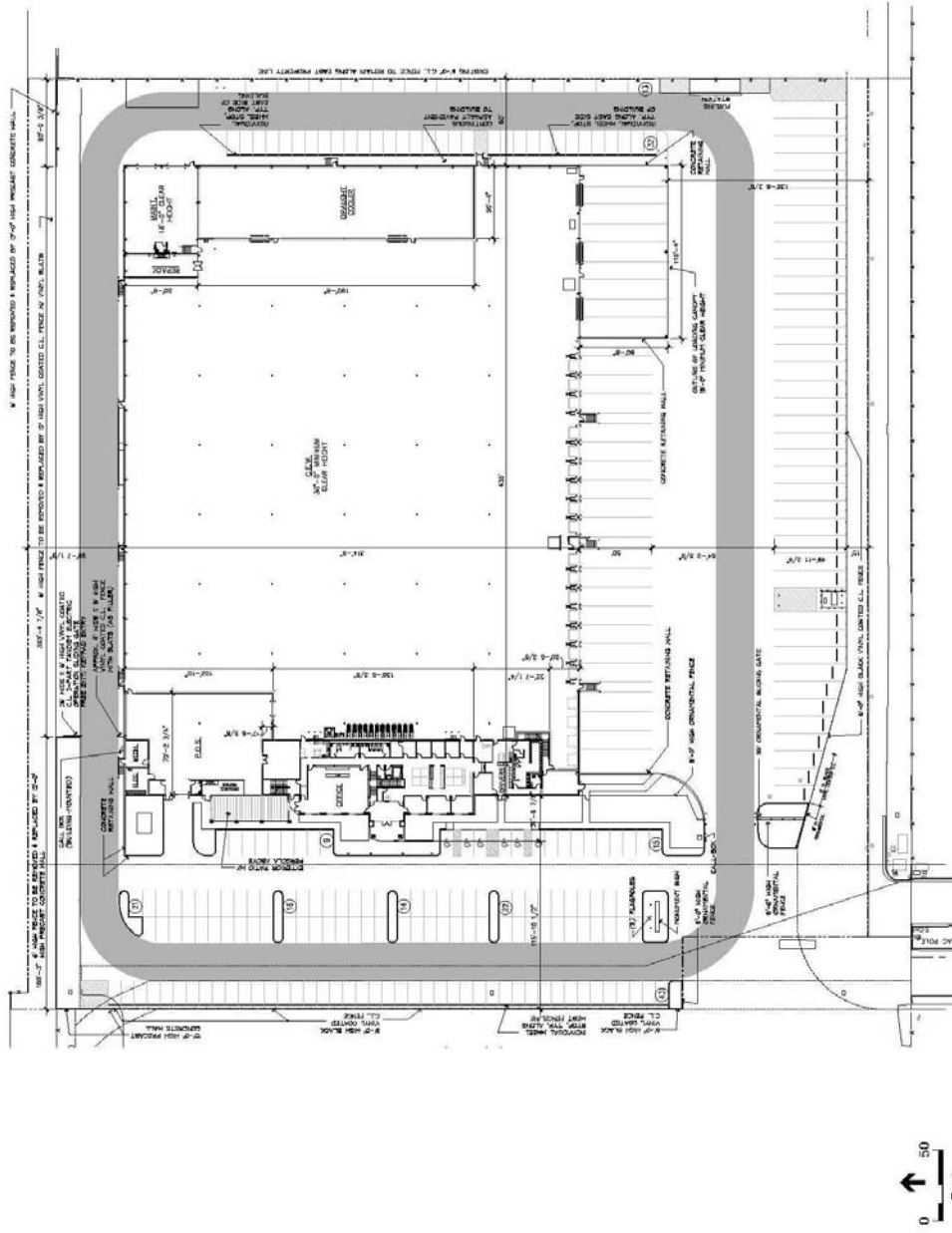
To the extent that these findings conclude that various proposed mitigation measures outlined in the 2010 FEIR and clarified in the Addendum are feasible and have not been modified, superseded, or withdrawn, the Port hereby requires the implementation of these mitigation measures and incorporates these measures into the permit to be granted by the Port for the project. The mitigation measures identified as feasible and within the Port's authority to implement for the project are express conditions of approval of the 2010 FEIR and Addendum and the project. Other requirements are referenced in the 2010 FEIR's FMMRP and clarified in the Addendum and are adopted concurrently with these findings, and become effective upon project implementation.



R+L Carriers, 206437

**Figure 3-2**  
Aerial View of the Project Site

SOURCE: GlobeXplorer, ESA



Horizon Beverage Distribution Facility - 211042  
**Figure 3**  
 Project Site Plan

SOURCE: GMA



**Permit Conditions of Approval:**

1. The Project's Port Development Permit will be valid for 365 days from the date of approval. Commencement of construction or grading must occur within that period and continue with a valid City of Oakland building permit until completion. If the work is discontinued at any time after the 365-day term of the permit for more than 365 days, a new Port of Oakland Development Permit will be required for any additional work.
2. The Project Applicant shall be responsible for obtaining all other development-related permits required from other agencies, and is to be solely responsible for any conditions of such permits unless otherwise specified and agreed to by the Port.
3. The Project Applicant shall comply with all of the mitigation measures identified in the Addendum and Mitigation Monitoring and Report Program (MMRP), included in the 2010 2010 FEIR, for the Project, and incorporated herein as a condition of approval of the Development Permit.
4. Final construction details, including landscaping plans, paving details, and building material samples, shall be submitted to the Port Permit Coordinator for review and approval prior to release of drawings for a City of Oakland application for a building permit for the Project, or any portion of the Project. Such review will insure consistency with this approval, including Design Review Conditions.
5. The Project Applicant shall obtain, at the Project Applicant's expense, all City of Oakland building permits required for the Project.
6. The Project Applicant shall maintain the Project site in a clean and orderly condition during the entire term of the Development Permit. If there is a work stoppage at any time after construction has commenced for a period of more than 30 days, the Project Applicant shall secure any completed or uncompleted work and remove or screen any stored materials. The Chief Engineer of the Port may provide a 30-day notice and order to the Project Applicant to comply with this condition. If the Project Applicant fails to comply during that time period, or fails to present and implement an acceptable plan for compliance, the Port maintains the right at Port's discretion, to complete the necessary work and bill the Project Applicant for all related costs, or impose reasonable fines for violation of this condition of approval and/or the Port Chief Engineer's order. Any such fine shall be reasonably related to the nature of the violation and/or the cost of correcting it.
7. To the maximum extent permitted by law, the Project Applicant shall defend, hold harmless, and indemnify the Port and its respective officers, agents and employees (whether the action is on behalf of the Port, or otherwise) (the "Indemnified Parties") against any and all liability, damages, claims, demands, judgments or other losses (including, without limitation, attorneys fees, expert witness and consultant fees and other litigation expenses), referendum or initiative relating to, resulting from or caused by, or alleged to have resulted from or caused by any action or approval associated with the Project. This indemnity includes, without limitation, any legal or administrative challenge, referendum or initiative filed or prosecuted to overturn, set-aside, stay or otherwise rescind any or all approvals granted in connection with the Project, any

environmental determination made for the Project, and granting any permit issued in accordance with the Project. This indemnity includes, without limitation, payment of all direct and indirect costs associated with any action specified herein. Direct and indirect costs as used herein shall include, without limitation, any attorneys' fees, expert witness and consultant fees, court costs and other litigation fees, Port Attorney time and overhead costs, and other Port Staff overhead costs and normal day-to-day business expenses incurred by the Port ("Litigation Expenses"). The Indemnified Parties shall have the right to select counsel to represent the Indemnified Parties, at the Project Applicant's expense, in the defense of any action specified in this condition of approval. The Indemnified Parties shall take all reasonable steps to promptly notify the Project Applicant of any claim, demand, or legal actions that may create a claim for indemnification under these conditions of approval.

8. The parking provided on the Project site shall be used only by employees, patrons, and visitors to the Project.
9. Any work to modify the streets, including driveway cuts and/or modifications will be subject to further review by the City of Oakland. Pardee Drive is dedicated City of Oakland street.
10. Mature landscaping shall be used to the extent feasible to provide benefits as soon as possible.
11. The final lighting plan is subject to approval by the Port, and must be in compliance with the Port's adopted Dark Skies policy as well as mitigation measures identified in the Addendum and 2010 FEIR.
12. Fencing and landscaping between the facility and MLK Park is to be designed, installed, and maintained to provide maximum screening from headlights at the earliest possible time. The applicant is encouraged to install this fencing and landscaping as soon as possible. The final agreement for landscape maintenance on the park side of the wall shall be submitted to the Port.
13. Final details for landscaping and the entry sign shall be submitted to the Port for final approval prior to submitting to the City of Oakland Building Department.
14. These conditions of approval shall be printed on the first page of the Project plans submitted for grading and building permits to the City of Oakland. A copy of the final building permit plans shall be submitted to the Port Permit Coordinator for review for consistency with the Port Development Permit for the Project.
15. In addition to the conditions set forth above, the project shall conform to all assertions made by the applicant in its descriptions and justifications for the project, including operational representations in the CEQA documents.
16. The applicant shall confirm that an aviation easement in favor of Oakland International Airport in a form approved by the Port Attorney has been recorded on the subject property. If not, the applicant shall grant and record an aviation easement.

This General Plan Conformity Report will be delivered to the City of Oakland's Director of Planning upon approval of this permit. The City will have 10 days to concur or reject the conformity finding. If rejected, the applicant may appeal to the Oakland City Council.

**Project and Property Description:** [See Attachment 1]

**General Plan Land Use Designation:**

The project site is designated as Business Mix by the Oakland General Plan and is located within the Port of Oakland land use jurisdiction. Per Table 2 of the "Guidelines for Determining Project Conformity With the General Plan," this activity and facility type (Transport/Warehouse) conforms with the General Plan Business Mix land use classification.

The Floor to Area Ratio (FAR) for the proposed project is 0.42. The maximum allowable FAR for this classification is 4.0.

The General Plan states that the Business Mix classification is intended to create, preserve and enhance areas of the City that are appropriate for a wide variety of business and related commercial and industrial establishments. There are no residential uses near this site. The surrounding area currently has a mix of uses, including a 100,000 s.f. UPS sorting facility adjacent to the site, and a multi-story office building across the street. Under the Port of Oakland land use jurisdiction, this site is designated as part of the Oakland Airport Business Park. The proposed use is allowed under that policy.

**Applicable General Plan Policies:**

The following General Plan policies further support the Port's conformity determination.

Policy I/C 1.2: Existing businesses and jobs within Oakland which are consistent with the long-range objectives of this Plan should, whenever possible, be retained.

Policy I/C 2.3: Development in older industrial areas should be encouraged through the provision of an adequate number of vacant or buildable sites for future development.

Policy I/C4.1: Existing industrial...activities and areas which are consistent with the long term land use plans for the City should be protected from the intrusion of potentially incompatible land uses.

Policy T1.4: Encourage, promote, and support region-serving business, tourism industries, and businesses related to the transportation industry, to locate or relocate to Oakland.

Policy T1.5: Truck services should be concentrated in areas adjacent to freeways and near the seaport and airport, while ensuring the attractiveness of the environment for visitors, local business, and nearby neighborhoods.

Policy W6.2: Development of sites proximate to airport flight paths should be in conformance with Federal and State standards, as articulated in Federal Aviation Regulation, Part 77 and Part 150 Airport Land Use Commission (ALUC) planning guidelines, and any other applicable regulations and amendments.

Policy W7.2: Other commercial and industrial uses should be encouraged at appropriate locations (Port owned or not) where they can provide economic opportunity to the community at large.

**General Plan Conformity Analysis and Determination:**

The proposed project conforms to the General Plan per Table 2 of the Guidelines. It also meets each of the policies listed above. The project site is currently underutilized due to decreasing demand for off airport parking. The previous owner of the off-airport parking lot, PCA Parking, subdivided the original 35-acre parcel into three lots. Two 8.4-acre parcels were sold to freight companies, one of which has been developed and is now operated by Old Dominion. Horizon is proposing to develop the second 8.4-acre parcel. The remaining 18.6-acre parcel is now operated by FastTrack Parking, and has been listed for sale for other development.

Horizon development will include approximately 156,782 square-foot (sq. ft.) beverage distribution warehouse which will include a driver check-in area with a break room (1,759 sq. ft.), a draught cooler (9,597 sq. ft.), a two-story office (15,697 sq. ft.), a Point-of-Sale area that would store items that are taken to retailers (5,916 sq. ft.), a truck maintenance area (3,073 sq. ft.), and warehouse storage space (107,682 sq. ft.). The 20 truck docks would be located along its southern façade, in addition to four loading canopy spaces. The warehouse would receive beverage shipments from beer companies via Port of Oakland marine terminals and large-scale trucks and sort and deliver them to local supermarkets, liquor stores, restaurants, and similar establishments. The warehouse would relocate from an existing operation on 20<sup>th</sup> Street in West Oakland.

The business is an important part of the chain of delivery of goods in the region. The location is not incompatible with the Aviation uses in this area, and is subject to final approval by the Federal Aviation Administration and the ALUC. The use is similar to the neighboring Old Dominion, USPS, and UPS facilities. The area was originally planned by the Port as a Distribution Center, with easy access to major streets and the freeway, and continues to be a good area for these uses. This development will finish the block of distribution uses formed by UPS and Old Dominion with this site, and assure compatibility between the three neighboring sites.

The original environmental documents are included in the original submittal for Executive Director Approval. A summary of the findings is in Attachment 1, page 3. A copy of the documents will be kept in the permit file, see the Port Permit Coordinator for a copy.