

MINUTES OF THE SOLANO COUNTY PLANNING COMMISSION

Meeting of September 18, 2008

The regular meeting of the Solano County Planning Commission was called to order at 7:00 p.m. in the Board of Supervisors' Chambers, Fairfield, California.

PRESENT: Commissioners Moore, Barnes, McAndrew and Chairperson Barton

EXCUSED: Commissioner Mahoney

STAFF PRESENT: Birgitta Corsello, Director; Mike Yankovich, Planning Program Manager; Matt Walsh; Principal Planner; Stan Schram, County Surveyor; Jim Laughlin, Deputy County Counsel; Kristine Letterman, Planning Commission Clerk

Items from the floor - none

1. **PUBLIC HEARING** to consider Use Permit Application No. U-08-10 of **Campbell Soup Supply Company** to allow processing equipment to be installed which exceeds the 50' height limit in the "MG-3" General Manufacturing Zoning District. The project is located at 8380 Pedrick Road, approximately 1/2 mile northeast of the downtown area of the City of Dixon, APN: 111-050-11. The Planning Commission will also be considering adoption of a mitigated Negative Declaration of Environmental Impact as recommended by the Solano County Department of Resource Management. (Project Planner: Matt Walsh) **Staff Recommendation:** Approval

Matt Walsh gave a brief presentation of the written staff report. He stated that the applicant is proposing an expansion to its existing tomato processing facility on Pedrick Road. The expansion will allow the processing of other vegetables and juice concentrating systems in addition to the current tomato processing. The project will include installation of bulk vegetable unloading systems, vegetable processing equipment, a juice evaporator and cooler, and a bulk product filling building and supporting infrastructure. The expansion is permitted by-right in the "M-G" zoning district. The proposed expansion includes installation of a 67 ft. high evaporator. The height limit in the "M-G" zoning district is 50 feet, however additional height may be granted pursuant to approval of a conditional use permit. This use permit application request allows the proposed expansion to exceed the 50' height limit and be constructed to 67'.

Mr. Walsh explained that because there is a minor increase in truck traffic on Pedrick Road as a result of the expansion, there is minor corresponding wear and tear to the road. The applicant, City, and County have been in discussions concerning the feasibility of enacting a road maintenance agreement, which would have the applicant contribute its fair share of ongoing maintenance cost to the City. This cost would be based on its proportional and incremental increase in truck traffic as a result of the proposed expansion.

Mr. Walsh stated that calculations made by city and county engineers show that an annual payment of \$919 would match the minimal impact that the expansion would have on Pedrick Road. As conditioned, the applicant would enter into an agreement with Solano County agreeing to pay this amount to the City

of Dixon upon receipt of an invoice from the city. Mr. Walsh stated that this information was put together by staff in the past few days. He noted that the applicant has voiced some concern with the added condition. He stated that there were also discussions about making a one time lump sum payment. He said this is something that can be negotiated, but at this time a specific dollar figure has not been arrived at that would be suitable to all parties involved. He said the condition, as worded, is left open where either the \$919 annual payment or a mutually agreeable lump sum payment would be acceptable. Mr. Walsh stated that staff is recommending this condition be incorporated into the project conditions of approval.

Commissioner McAndrew inquired about water usage and increased impacts. Mr. Walsh stated that the usage would be increased, but the operation reuses a lot of its water. They also irrigate with wastewater to nearby farming operations so there is a large reuse and recycle program in effect. He stated that it was not determined to be a significant impact

Commissioner McAndrew spoke to Condition No. 4 regarding the limitation of idling time for commercial vehicles and felt the condition was left somewhat opened ended. She wanted to know if this was going to be the responsibility of the applicant, or if the commission was suppose to make suggestions. Mr. Walsh stated that the condition is intended to be somewhat general. It is a standard operating procedure and is meant to help address energy use. He said it is encouraged by almost any industrial or service type of use, and is recommended by the Attorney General's Office and other environmental groups that these type of general operation standards are incorporated into permits and into CEQA documents. He stated that it is just a reminder to the applicant that the county would like them to continue to operate in an environmentally friendly manner.

The applicant's representative, Ethan Walsh, 555 Capitol Mall, 9th Floor, Sacramento, 95618, stated that the applicant has concerns about the additional condition regarding the road maintenance agreement. He stated that this project is before the commission because one of the buildings they are building exceeds the height limitation by 17 feet. He stated that the proposal is consistent with the County General Plan designation and zoning for that region. He said it is a processing facility that will assist the local agricultural community and give them the opportunity to sell to Campbells and limit their transport cost, and will inject tens of millions of dollars into the local economy. Mr. Walsh noted that the structure that will exceed the height limit is going to be obscured by a building that is only 2 feet shorter, and based on the environmental document and staff report, it does not seem to have an aesthetic impact. Mr. Walsh commented that it does not have an impact on traffic beyond what is already allowable, and if not for this height limitation, the applicant would not have to deal with this issue at all. He stated that the applicant is willing to make a contribution to deal with the cost of road maintenance that may be incurred by this slight increase in truck traffic as a result of this expansion, however, the condition of approval that is before the commission was not received by the applicant until late this afternoon so they have not collectively as a business been able to review the condition.

Ethan Walsh stated that the applicant is very eager to move forward with this project because they have a construction schedule that they are undertaking in an effort to have the plant up and running for the spring, so that they can begin processing product and purchasing from local farmers based on that opening. Due to time constraints, the applicant has offered a one time contribution to assist the city and the county with the cost of road maintenance, and based on the \$919 figure that was proposed by staff, they are offering a one time payment of \$7,500. Mr. Walsh stated that there are several areas, especially on the other side of Pedrick Road that are slated for development in the future, and as traffic increases, their proportionate share of the cost would go down, and they believe if they make a

significant contribution toward road maintenance at this point that they would be doing their fair share to contribute to this issue, notwithstanding the fact that this project injects a lot of money into the local economy, helps businesses, has widespread support, and is generally a good project.

Ethan Walsh stated that in the event the commission decides to go forward with an annual contribution, the way the condition is drafted is of somewhat of a concern. He stated that the way it reads is that the applicant is required to enter into a road maintenance agreement with Solano County for its proportionally incremental impact. They would prefer to have it drafted in a form where it simply imposes a payment, but does not require additional agreements that have to be developed and negotiated over time, since time is of the essence. Mr. Walsh stated that in a logical and legal sense it is more appropriate for the county to impose conditions on the applicant that require the applicant to make payments or to have obligations to them specifically.

In response to Chairperson Barton's inquiry about the company's community activity, the applicant stated that the applicant has made several contributions to help the City of Dixon with setting up their farmer's market, they have supported youth sports and activities in the area, and work very closely with local businesses.

A spokesperson for the applicant stated that out of the 180 Campbell Company employees, 155 live within the City of Dixon. He stated that the business it is a 24 hour, 7 day a week operation. He said that currently the plant has approximately 95 days of annual production and they are increasing that to approximately 145 days. He noted that there will be a seasonal increase in employment during the 90 day conventional window, and then an incremental increase because of business activity for the remaining days.

Commissioner Barnes wanted to know why this maintenance agreement was provided to the commission at such a late date. Matt Walsh stated that staff has been working for several weeks to try and come up with a number or condition that would work for all three parties involved. He stated that originally the condition was more open ended, it did not have a specific dollar amount associated with it, and the applicant was very hesitant to go forward with something that was open ended. Mr. Walsh noted that city staff did perform traffic counts for large trucks to get a base line reading for what is currently happening on Pedrick Road. Over the past few days staff has been working to come up with a specific number that represents a proportional and incremental maintenance cost to reflect the number of trucks that the company is proposing.

Mike Yankovich noted that this has not been the only issue staff has been reviewing over the past several months. He indicated there were a number of other items that were brought up by the City of Dixon, and staff has been working with the applicant in addressing these issues. The road maintenance concern is the last matter that staff has been reviewing and it has taken a good amount of time. He said staff was trying to process the application and concurrently take care of this item.

Birgitta Corsello provided the commission with a little history as to why this issue is before the commission. She explained that this is a situation where the encroachment permit to the road is currently a county encroachment because of a title snafu as to who owns the land. The actual driveway connects to a city road because the road was detached from the county and annexed to the city a number of years as part of an annexation. She stated that currently there is no mechanism in any of the cities where there is an existing business that is being serviced by a city street, as to how to address the cumulative impact of traffic in that area. Typically a city would be doing this as part of either a

development agreement or an encroachment permit. In this particular case this it is an existing business and predates the county's general plan and predates the city actually having ownership. She noted that Pedrick Road is a truck and agricultural hauling route. What is happening is the City of Dixon is not going to benefit from an apportionment of the property taxes from the increased value at Campbells. They do benefit from the employment because most of Campbell's employees reside in Dixon or in the area. However, the issue of wear and tear on the roads still exists. She stated that roads are typically funded through either gas tax or an apportionment of property tax. The gas tax would be based on situs, and unless they are buying all their fuel in Dixon, the gas tax could be going to Solano County or another community.

Ms. Corsello stated that in the future staff will have a better approach when the county deals with an annexation of a road that has an existing business. She said that what staff does know is that there is an increase in wear and tear every time additional trucks are added to a roadway, and it has to be figured out what the potential increased exposure or increased damage to the road will be. She gave an example where the Planning Commission and Board of Supervisors supported a road maintenance agreement similar to this one for landfill operators. She stated that the operator was required to pay an additional incremental cost to the county annually for the additional wear and tear on the haul road. When staff looked at how to address the City of Dixon's concern about increased wear and tear on Pedrick Road, she asked staff to go back and review the best option which will also not impede the applicant.

Ms. Corsello stated that the commission has already approved in the general plan a commitment that the county require development agreements in that area in the future, and that there is some kind of a mechanism for funding fire, law enforcement, and/or road circulation needs. She said that those pieces are not yet in place, and this project needs to move forward. She said that ordinarily staff might wait, but this project needs to move forward for the sake of agriculture and for the sake of the applicant.

Commissioner Barnes stated that this is very awkward for the commission to approve something that is open ended. He asked if staff agreed to the applicant's proposal of a one time payment of \$7,500.

Ms. Corsello stated that staff would agree. She stated that it is a contribution towards the maintenance of the road and the funding would go to the City of Dixon. She said it gives the applicant a finite amount, it gives the City of Dixon some additional funding for road maintenance over the next few years, and it allows the county to come up with a better solution in the future.

Commissioner McAndrew questioned why the county is in the business of negotiating this matter. She stated that it seems that the City should be negotiating any fees with the applicant, and the county should not be put in the middle. She stated that the maintenance and upkeep of this road is the responsibility of the City of Dixon, and she did not believe the county has any bearing on the issue.

Jim Laughlin explained that the reason the county is involved is because this is the county's use permit. The city does not have any authority to approve or disapprove the project, but they can make staff aware of their concerns or oppose the project. He said they are basically opposing the project due to their concerns with potential road impacts. The county has worked in the middle to try and reach an agreement between the project applicant and the city to resolve their concerns.

Commissioner McAndrew stated that the permit proposal is a request for the 67 foot tower. She agreed that there are going to be more trucks, more produce, and more people working at the site, but she did

not see where it is the county's responsibility to dictate a part of the use permit to a city road. She inquired if there was any way the county could be extricated from this part of the negotiation so that it is not the county's burden, and the applicant can move forward with their use permit.

Jim Laughlin stated that staff has tried to come up with a condition that meets the needs of both the project applicant and project opponent. It puts the county in a situation of being a negotiator.

Commissioner Moore stated that he would offer a motion to approve the permit without the condition as proposed by staff regarding the road maintenance agreement. He stated that if the City of Dixon were the authority in allowing this permit they would in fact be extorting this applicant, and the county is being forced to do the dirty work. He stated that he understands this is a dilemma that staff is going to have to face in the future. He spoke to the example Ms. Corsello referred to where staff applied this approach with the landfill owners, and he wanted to know if that requirement was applied to Highway 12. Ms. Corsello stated that the county does not have jurisdiction over Highway 12, but the requirement was applied on all the local roads. Mr. Moore stated that he believed this to make sense because there are few residents out there who are impacting the road as much as the heavy landfill trucks. Ms. Corsello noted that this has also been done for haul routes down Midway and Fry Roads. She said it is strictly for local streets and roads carrying truck traffic.

Commissioner Moore commented that the Campbell Soup Company is not the only company that uses Pedrick Road.

Chairperson Barton stated that she believed the applicant has shown themselves to be a good neighbor and obviously want to continue with their business and have proposed to help with the road issue because they acknowledge that they use the roads.

Chairperson Barton opened the public hearing.

Lawrence Clement, 2155 Pomona Place, Fairfield, 94534, spoke on behalf of the Solano County Farm Bureau. He stated that the Campbell's facility in Dixon is an institution in the area and the City of Dixon will have some long term economic benefit from the facility. He believed that the applicant was being very generous in offering the \$7,500 one time payment. Mr. Clement commented that there are about 15 other companies that use a portion of Pedrick Road. He stated that the farm bureau likes to think of the Campbell facility as a poster child for what the General Plan is trying to accomplish for agricultural business in Solano County. He said it shows that with a small investment there can be tremendous economic advancement for everyone concerned. He stated that there will be opportunities in the future to deal with the road with more industrial development and more businesses coming to the area where participation can take place in maintaining the road and to reduce the cost for everyone. He said that considering all the benefit that the proposed expansion will provide for farmers, the Citizens of Dixon, and the surrounding area, it is a very cheap investment in allowing the permit. Mr. Clement encouraged the commission to address the application and postpone anything else until more information is available.

Dave Dowswell, City of Dixon, 600 East "A" Street, Dixon, 95620, referred to a letter dated August 21, 2008 from the Mayor of the City of Dixon which listed the city's concern about the long term maintenance of Pedrick Road. He stated that city staff has met with the applicant on a number of occasions and were not able to get them to commit to a dollar amount on the concept of providing a fee for the proportional cost of the maintenance of the road. He agreed that this is somewhat of an odd

matter because the road is located within the city, the project is located within the county, and the road was annexed into city after the project was built. He stated that they are not asking the applicant to contribute more than their proportional share. If their proportional share drops over time, then he believed their fee should drop as well. He stated that the city is supportive of the project and there is no question that they contribute to the city's economy both directly and indirectly. Mr. Dowswell stated that the county is planning to add a lot of industrial ag related uses adjacent to the City of Dixon, and it was discussed during the General Plan Update process the concern about how to mitigate impacts on portions of roadways that are within the city vs. portions that are located in the county. He stated that the city cannot collect a traffic impact fee because the facility is not located within the city so they have no leverage with the applicant because the applicant does not need any city entitlements. He stated that the city depends upon the county to help in this situation. Mr. Dowswell stated that the city is looking for an annual contribution and not a one time lump sum payment.

Commissioner McAndrew asked if the city has made this type of request to the other businesses located along Pedrick Road. Mr. Dowswell stated that if those businesses were to ask to expand and they were located outside of the city limits city staff would make the same request of the county. If the project were located inside the city limits they would be able to collect a traffic impact fee and would get benefit from the property tax revenue that they would gain. He stated that if any of the businesses on Sparling Road were to come before the county for an expansion and it was demonstrated that they were using Pedrick Road as a primary access, they the would again make the same request.

Commissioner McAndrew wanted to know if the city has collected traffic impact fees from any of those other businesses that are not located within the city limits. Mr. Dowswell responded that he believed that Campbell Soup Company would be the first. He stated that they would hope to, in the long term, come up with a better solution that would be much more defined so that it did not have to be negotiated before the commission at public hearing.

Derrick Lum, 2506 Mankas Corner Road, Suisun Valley, 94534, compared the impact on Pedrick Road to that of Suisun Valley Road. He explained how the Rancho Solano subdivision traffic was originally figured to travel down Oliver Road to get to the freeway, but instead, travel down Abernathy Road which is a county road and is now heavily impacted. He said the Campbell Soup facility is important to agriculture and it is extremely important to keep the facility in operation.

Since there we no further speakers, Chairperson Barton closed the public hearing.

A motion was made by Commissioner Barnes and seconded by Chairperson Barton to adopt the Mitigated Negative Declaration, the mandatory and suggested findings, and approve Use Permit Application No. U-08-10 subject to the recommended conditions of approval, with the inclusion of a one-time fee payment of \$7,500 for road maintenance.

Commissioner McAndrew stated that she was having trouble with the commission imposing the road maintenance fee. She stated that if the applicant wants to voluntarily agree to the payment when no other business in the area has had that imposition is one thing, but she felt it incumbent upon the county and the surrounding communities to develop some kind of a plan for future use permits and businesses because right now it seems like the county is playing hindsight and imposing a penalty on the applicant because this has not come up before and there is no set ordinance or guidelines. Commissioner McAndrew stated that she believed this to be unfair to the applicant, but if the applicant

is willing to pay the fee she would not object. She stated that in the future this should be worked out ahead of time before coming before the commission.

Chairperson Barton asked the applicant to clarify their intention with regard to the road maintenance fee.

Ethan Walsh stated that the applicant is willing to pay the fee because they would like to move forward with their project, but they would prefer this not be included as a condition of approval. He stated that they do acknowledge their trucks have some impact to the road, and they want to be good neighbors. He said this is something that is relatively new and that they were not anticipating, but nevertheless they are willing to move forward.

Commissioner Moore stated that he was upset with staff putting the commission in this position. He said the negotiations at the staff level in preparing this report were totally out of line. He said this is an issue between the City of Dixon and a business in the County of Solano, and the commission should not be placed in a position of leveraging the city's concerns. He stated that he understands the company's desire to proceed, but he cannot be a part of this extortion. He stated that if more of this type of negotiation comes forward to the commission in the future he will continue to provide this same kind of testimony. Mr. Moore stated that he cannot support the motion, and the reason being this is pure unadulterated extortion. He said the fact that the applicant has proceeded to agree is the lesser of two evils. He said this is something the commission should not be involved in.

Chairperson Barton stated that the commission is in this position whether they want to be or not. It has come before the commission, it is something that the county has seen before, it is something that staff is working on in the future to change, and the commission does need to address it.

Chairperson Barton called for a roll call vote on the motion which passed 3-1 with Commissioner Moore dissenting and Commissioner Mahoney being absent. (Resolution No. 4504)

Mike Yankovich explained that in the 2008 General Plan there are a number of areas in the county, one of which involves the area where Campbell Soup company now resides, that is anticipated to have other commercial agricultural operations. He said it is known that there are going to be some types of impacts that those operations will have in the area so it is anticipated that staff will be negotiating prior to any type of activity taking place that would cause impacts, including transportation. He stated that hopefully staff will have the negotiations taken care of prior to any new development taking place. Mr. Yankovich stated that the commission will still be reviewing this and will still be providing a recommendation to the Board with regards to those types of agreements. Even though this is an exception, staff will still be coming before the commission, probably next year with regard to future agreements in terms of how to proportion the assessments that take place with regard to impacts that future operations may have in this area, as well as in the area north of Vacaville.

Commissioner Moore stated that he hopes when it does come before the commission that staff has done a better job in establishing the criteria for the assessment. He stated that he would like to see something more definitive that says a company is going to in fact impose damage to the road and it is going to cost a certain amount of money and it is evidenced by specific factors, and it is not just guess work.

Commissioner Barnes stated that he offered the motion for expedience, but that he agreed with Commissioner Moore. He asked staff to be more specific in the future and no more last minute changes. He said it gives a bad impression to the commission and to the people in the audience.

2. **PUBLIC HEARING** to consider revisions to the **Solano County Housing Element**. The purpose of the Housing Element is to provide a comprehensive plan to address housing needs in the unincorporated area of Solano County, with a focus on meeting the housing needs of all economic segments of the community, including low- and moderate-income households who may have trouble affording market rate housing and populations with special housing needs that may not necessarily be met through conventional housing products. The County's Housing Element was adopted in October 2005. The proposed revisions relate primarily to: a clarification of the allowances for emergency shelters, transitional housing, and farm worker housing; description of local housing programs; and an update of the site inventory of residential housing. A Negative Declaration of Environmental Impact was previously adopted by the Board of Supervisors. The proposed revisions do not require additional environmental review. (Project Planner: Matt Walsh) **Staff Recommendation:** Recommend adoption to the Board of Supervisors

Matt Walsh stated that the Housing Element is one of seven elements mandated under state law to be included in the General Plan. The purpose of the Housing Element is to establish a comprehensive plan to address housing needs in the unincorporated area of Solano County. The Element addresses the housing needs of all economic segments of the county including low and moderate income households and populations with special housing needs. He stated that the revisions before the commission are revisions to the element that were adopted by the Board of Supervisors in October of 2005. He indicated that most of the revisions are clean-up and technical updates. He stated that in 2005 after the Board adopted the element it was submitted to the State Department of Housing and Community Development (HCD) for final certification. Due to some minor issues in the document, as well as issues concerning the HCD and Association of Bay Area Governments (ABAG) housing unit allocation numbers, there was direction from the State to go back and update it further, one issue being to come to an agreement with the cities to take on the county's share of housing units. Mr. Walsh noted that the county's share at the time was approximately 2,700 units, and for a county that does not provide city services to its residents and encourages development upon being incorporated into the cities, that was quite a large number for the county to meet, and as such, the county entered into agreement with all the cities to take on that share and this was incorporated into the revisions.

Mr. Walsh stated that there are also some minor clarifications because the State asked for clarification and elaboration regarding certain special needs housing such as emergency shelters and transitional housing and farm labor quarters. He stated that this has been reflected in the county's zoning code. Mr. Walsh noted that the State wanted future information on what the county was doing as far housing rehab programs, and the county agreed to update their zoning and permit process to future accommodate persons with disabilities. He indicated that these items have been addressed and staff has received a conditional letter of approval from the State, a copy of which was distributed to the commission. Mr. Walsh explained that the process, if the commission approves the recommended changes, is to take this to the Board of Supervisors on October 7th. The document will then be forwarded to HCD and hopefully be certified by the State. Once done, staff will move forward with the next round of updating the Housing Element which is due next year.

Commissioner McAndrew inquired about the length of the planning period for the Housing Element. Mr. Walsh stated that the last update ended in 2007, and the next round will run from 2007 to 2014. Ms. McAndrew referred to page 21, Section C, with regard to affordable housing assistance and the reference to an increase in the cost of housing in Solano County and the limited number of affordable homes, and she wondered if this is still true in the current economic conditions or is it an average. Mr. Walsh stated that it is an average over multiple years. He said it was written and authorized approximately 1 year ago, so in the next round of housing updates staff will do an analysis and inventory of what is out there and will reflect current market conditions.

Commissioner Moore pointed out a typo on page 27, 4th paragraph, 5th line down, the word “the” should be “them”.

A motion was made by Commissioner McAndrew and seconded by Commissioner Barnes to recommend to the Board of Supervisors adoption of the proposed revisions to the Housing Element. The motion passed 4-0 with Commissioner Mahoney being absent. (Resolution No. 4505)

3. ANNOUNCEMENTS and REPORTS

4. Since there was no further business, the meeting was **adjourned**.