



# CARSON PLANNING COMMISSION STAFF REPORT

**DATE:** July 9, 2024  
**FROM:** Christopher Palmer, AICP - Planning Manager  
**BY:** McKina Alexander, Senior Planner  
**SUBJECT:** Avocet Battery Energy Storage System (BESS) – Mitigated Negative Declaration, Design Overlay Review (DOR) No. 1887-22, Conditional Use Permit (CUP) No. 1115-21, and Development Agreement (DA) No. 32-22

## PROJECT/APPLICANT INFORMATION

**Project Summary:** A request to consider approval of DOR No. 1887-22 and CUP No. 1115-21, contingent upon City Council approval, and recommendation of City Council adoption of Mitigated Negative Declaration and DA No. 32-22 for the development of an approximately 200-megawatt battery energy storage system (BESS) and project-related offsite improvements (as described in the Final Mitigated Negative Declaration for the project and in the Development Agreement).

**Project Location:** 23320 Alameda Street (APN: 7315-020-022)

**Zoning:** Manufacturing Heavy and Design Overlay Review (MH-D)

**Project Applicant/Owner:** Avocet Energy Storage, LLC c/o John Meinecke for Arevon Energy, Inc.

## I. OVERVIEW

### A. Introduction and History

The approximately 6.96-acre project site includes one parcel, APN 7315-020-022, and is in the eastern portion of the city, east of South Alameda Street and north of East Sepulveda Boulevard. The proposed project includes an on-site approximately 200-megawatt battery energy storage system (BESS) development and project-related offsite improvements that traverse the cities of Carson, Los Angeles, and Long Beach. The applicant/prospective permittee and contracting party under DA No. 32-22 and the aerial easement agreement for the project is Avocet Energy Storage, LLC (“Avocet”), which holds an option to lease the property from its owner. Avocet is managed by Arevon Energy, Inc.

The project site was vacant and undeveloped from as early as 1896 to 1963. Around 1964, The project site was partially developed with several structures associated with hydrogen gas plant operations being conducted on the northern adjoining property. The hydrogen plant operated until the 1990's and all structures on the project site were demolished, with the exception of the existing single-story building. As part of the hydrogen plant closure, the present-day project site parcel was subdivided from the adjoining northerly parcel.

The project site has operated as an aggregate recycling center on an unpaved area since approximately 2003.

The applicant's requested entitlements consist of the following:

- Initial Study/Mitigated Negative Declaration, including Mitigation Monitoring and Reporting Program, for environmental review pursuant to CEQA;
- DOR No. 1887-22, to approve the development plan for the project pursuant to Section 9113.2 which designates the requirement for properties within a Design overlay zone to be subject to Section 9172.23 for Site Plan and Design Review for any development that is \$50,000 or more;
- CUP No. 1115-21, to approve the proposed BESS use involving hazardous materials pursuant to Section 9141.1; and
- DA No. 32-22, to grant specified development rights in exchange for provision of specified community benefits.

No previously approved entitlements for this project site were found.

## **B. Project Description**

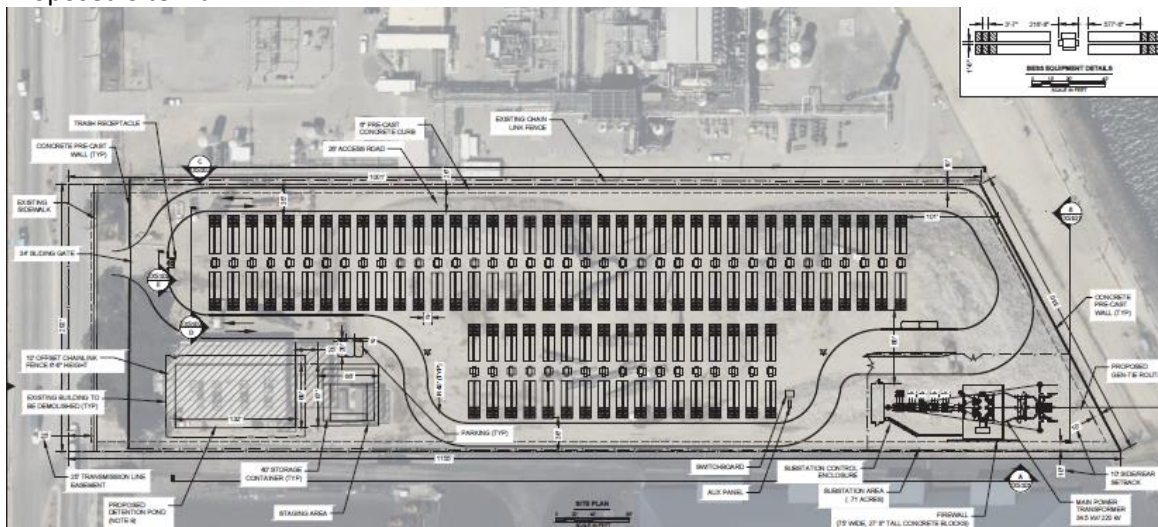
The proposed project is an approximately 200-megawatt BESS consisting of lithium-ion batteries installed in racks, inverters, medium-voltage transformers, switchgear, a collector substation, and other associated equipment to interconnect into the Southern California Edison (SCE) Hinson Substation. The enclosures would have battery storage racks, with relay and communications systems for automated monitoring and management of the batteries to ensure design performance. A battery management system would be provided to control the charging/discharging of the batteries, along with temperature monitoring and control of the individual battery cell temperature with an integrated cooling system. Power inverters to convert between AC and DC, along with transformers to step up the voltage, would also be included.

A single 220kV generation transmission line (gen-tie line) would interconnect the proposed project to the existing SCE Hinson Substation to transfer power. The proposed gen-tie line route would extend approximately 1.1 miles from the project site, crossing three jurisdictions: the City of Carson, the City of Los Angeles, and the City of Long Beach, as shown in Exhibit C to the Development Agreement. The overhead portion of the gen-tie line will span from the project site to the east for approximately 0.45-mile, crossing over the Dominguez Channel, a City of Carson right-of-way known as Intermodal Way (for which developer will be

granted an easement from the City in exchange for \$3,000 pursuant to an aerial easement agreement, the form of which is attached as Exhibit D to the Development Agreement) and is Attachment 7 to this report, and Union Pacific Railroad properties in the City of Los Angeles to reach the transition point, from which it will run underground to the SCE Hinson Substation located approximately 0.62 miles to the northeast in the City of Long Beach. Two transmission poles up to 175 feet in height would be required for the overhead portion. The proposed project would provide a service to the regional electric grid by receiving energy (charging) from the SCE electric transmission system, storing energy on site, and then later delivering energy (discharging) back to the point of interconnection (SCE Hinson Substation). The facilities are intended to operate year-round and would be available to receive or deliver energy 24 hours a day and 365 days a year.

For the Hinson Substation, SCE would install one tubular steel pole (TSP) approximately 130 feet tall with approximately a 12-foot wide by 30-foot-deep foundation. SCE would install a conductor from the Hinson Substation rack position to the new SCE-owned TSP and span to the customer-owned point of change of ownership (POCO) TSP. The gen-tie line and SCE features and upgrades to the existing SCE Hinson Substation are collectively referred to as project-related offsite improvements.

Proposed Site Plan:



Gen-tie line Route from the Project Site to the SCE Hinson Substation:



**C. Existing Conditions**

**1. Zoning and General Plan Land Use Information**

The project site is approximately 0.95 miles south of Interstate 405 within a MH-D zoned area and is bordered by Alameda Street to the west, with heavy industrial uses to the north and south, and the Dominguez Flood Control Channel (Dominguez Channel) to the east.

The 6.96-acre project site and the project-related offsite improvements located in the City are within the Manufacturing, Heavy – with Site Plan and Design Review Overlay (MH-D) zone with a General Plan land use designation of Heavy Industrial (HI) and cross over an open space area (the Dominguez Channel) and a City-owned public right-of-way (Intermodal Way) and other heavy industrial-zoned areas located in the City of Carson. The remaining run of the project-related offsite improvements is outside of Carson, crossing through a portion of the City of Los Angeles in its Heavy Industrial Zone (M3-1) zone with a General Plan land use designation of Industrial – Light Manufacturing and ending at the SCE Hinson Substation in the City of Long Beach in its Public Right-of-Way (PR) zone with a General Plan land use designation of Open Space (OS). Attachment No. 6.C.

The following table summarizes the surrounding land uses, zoning, and general plan designations:

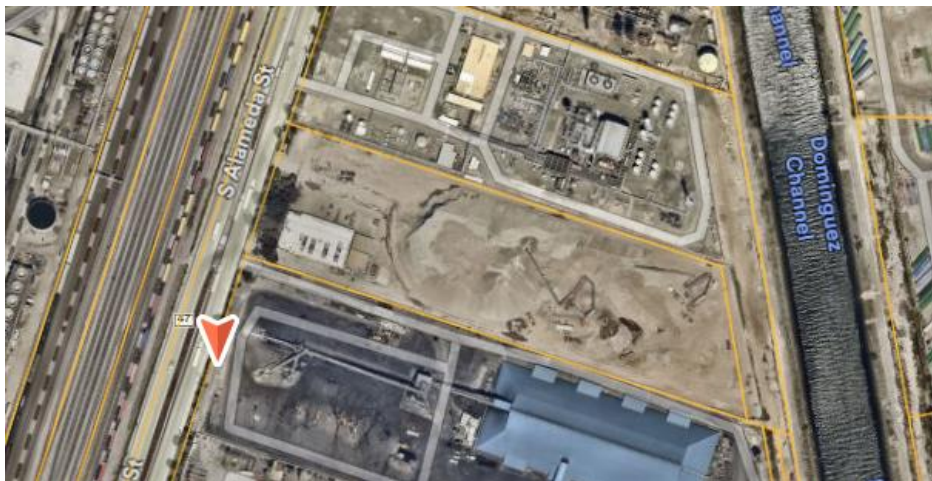
Land Use Summary Table			
	Existing Use	Zoning	General Plan

<b>Subject Site</b>	Aggregate recycling center	MH-D (Manufacturing, Heavy - Design Overlay)	Heavy Industrial
<b>North of Subject Site</b>	Air Products (hydrogen facility)	MH-D (Manufacturing, Heavy - Design Overlay)	Heavy Industrial
<b>South of Subject Site</b>	Coke (petroleum) storage facility: Marathon Refining	MH-D (Manufacturing, Heavy - Design Overlay)	Heavy Industrial
<b>West of Subject Site</b>	Alameda Street adjoins the project site to the west. West of Alameda Street is Union Pacific Railroad and Marathon Los Angeles Refinery (former ARCO refinery)	MH-D (Manufacturing, Heavy - Design Overlay)	Heavy Industrial
<b>East of Subject Site</b>	Dominguez Channel	Open Space	Open Space

2. Site Conditions

As shown in the aerial below, the project site is currently developed as an aggregate recycling center, consisting of a single-story, approximately 11,600-square-foot administrative building and an equipment storage building, with the remainder of the site being used for concrete and asphalt crushing, shipping, and receiving activities.

Vegetation consisting of shade trees and low-lying shrubs and grasses are located in planted areas within the frontage of the project site.



II. ANALYSIS

A. General Plan Consistency

The project site and project-related offsite improvements in Carson are located within a heavy industrial, urbanized area and cross above an open space area (Dominguez Channel) .

Development of the proposed project and project-related offsite improvements would not physically divide or be incompatible with the established industrial community as the proposed project would develop one parcel surrounded by similar heavy industrial uses.

The General Plan land use designation for the project site is Heavy Industrial (HI). The Heavy Industrial designation is intended to provide for the full range of industrial uses that are acceptable within the community, but whose operations are more intensive and may have nuisance or hazardous characteristics, which for reasons of health, safety, environmental effects, or general welfare, are best segregated from other uses, and uses handling hazardous materials would be permitted only with proper safeguards and a conditional use permit. The proposed use involves lithium-ion batteries, which are a hazardous material, and is best segregated from other uses due not only to the batteries themselves but to the amount of energy they will be storing and the associated blast and fire hazards. However, the conditional use permit requirement and proper safeguards (including the conditions of approval) are in place for this project, as discussed in the remainder of this report.

The proposed development project is consistent with the General Plan, including the following General Plan policies:

POLICY	PROJECT CONSISTENCY
LUR-G-1: Maintain a balanced land use program that promotes a diversified economic base and capitalizes on Carson’s location and assets - strong industrial economy, access to major freeways, rail corridors, airports, and the ports of Long Beach and Los Angeles, and the presence of California State University, Dominguez Hills.	The Project adds regionally serving industrial use which will generate tax revenue and community benefits for the City (See Development Agreement, Article 3). The proposed project capitalized on the presence of the nearby SCE Hinson Substation.
LUR-G-15: Prioritize uses that provide services to the community, generate sales tax, generate good paying jobs, or provide other benefits to the community.	<p>The Project would provide a service to the regional electric grid and will generate sales tax revenue and community benefits for the City (See Development Agreement, Article 3).</p> <p>The Project construction would employ 70-100 good paying union labor jobs. In operation, the Project would be remotely monitored and would only require intermittent on-site maintenance, meaning there will be very few employees on-site (and frequently none) and the Project operation will not involve heavy trucking. Tesla, the battery manufacturer, would employ labor for Project operations and maintenance. The Project complements the other land uses in the area and is in keeping with their character, design, and use.</p>

<p>LU-6: A sustainable balance of residential and non-residential development and a balance of traffic circulation throughout the City</p>	<p>The Project would be developed on a site that was previously developed with industrial uses. The proposed use includes a BESS facility which would be in keeping with the previous uses on the project site as well as the surrounding existing industrial uses along Alameda Street. Furthermore, the Project operation will involve very few traffic trips and will not involve heavy trucking activities.</p>
<p>LU-7: Adjacent land uses that are compatible with one another.</p>	<p>The Project would be developed on a site that was previously developed with industrial uses. The proposed use includes a BESS facility which would be in keeping with the previous uses on the project site as well as the surrounding existing industrial uses along Alameda Street. As such, development of the proposed project would advance this policy.</p>
<p>CIR-G-5: Manage parking demand and supply through the provision of adequate and convenient facilities.</p>	<p>The Project would have insignificant traffic impact and parking demands, and provides off-street parking (five spaces) for the occasional maintenance visits.</p>
<p></p>	<p></p>
<p>CSES-P-27 Minimize the threat of a release of hazardous materials through strict enforcement of rules and regulations, monitoring business operations which handle hazardous materials through the permitting process, and identifying emergency procedures and evacuation routes.</p> <p>CSES-P-34 Continue coordination efforts with the LACFD to ensure their capability to address fires and other emergencies at refineries, tank farms, and other heavy industrial facilities within the City.</p> <p>SAF-4: Minimize the threat to the public health and safety and to the environment posed by a release of hazardous materials.</p>	<p>The Project would comply with applicable federal, State, and local standards would ensure that no potentially significant impacts related to an accidental release of hazardous materials during construction would occur. During operation, the proposed BESS components would be enclosed (lithium-ion (or similar technology available at the time of construction) batteries would be fully contained within the storage containers, and battery fluids or substances would not be susceptible to spills or release as runoff). Appropriate spill containment and cleanup kits would be maintained during operation of the proposed project. In addition to the Hazardous Materials Business Plan (HMBP) that would be prepared for the proposed project pursuant to the California Hazardous Materials Release Response Plans and Inventory Law of 1985, an SPCC plan and material disposal and solid waste management plan would also be developed for site operations. Additionally, the proposed project would be required to comply with federal, State, and local requirements, including the City's Hazardous materials land use</p>

	<p>regulations, CMC 9141.1, and all LA County Fire Department conditions and requirements, further minimizing the potential for an accidental release of hazardous materials. (See Mitigated Negative Declaration, Chapter 3, Section IX; Conditions of Approval No’s 5, 25, 105-110). As such, development of the proposed project would not conflict with this policy.</p>
<p>CSES-P-33: Strictly enforce federal, State, and local laws and regulations relating to the use, storage, and transportation of toxic, explosive, and other hazardous and extremely hazardous materials to prevent unauthorized discharges.</p>	<p>The Project would comply with: (i) the recommendations of the Phase I Environmental Site Assessments that were prepared for the project site and gen-tie line route; (ii) prepare and adhere to a HMBP which includes disclosure of hazardous materials inventories, plans showing where hazardous materials are stored, an emergency response plan, and provisions for employee training in safety and emergency response procedures; and (iii) implement BMPs for handling hazardous materials during construction activities, which would ensure impacts related to the routine transport, use, or disposal of hazardous materials during construction of the proposed project, would be less than significant. Appropriate spill containment and cleanup kits would be maintained during operation of the proposed project. A SPCC plan and material disposal and solid waste management plan would also be developed for site operations. In addition, the project would be required to comply with federal, State, and local requirements, including the City’s Hazardous materials land use regulations, CMC 9141.1 and all LA County Fire Department requirements and the associated project conditions of approval to minimize health and safety risks to people or structures associated with hazardous materials stored or used for proposed project operations. The MND found the project impacts associated with hazards and hazardous materials to be less than significant. (See Mitigated Negative Declaration, Chapter 3, Section IX; Conditions of Approval No’s 5, 25, 105-110). As such, development of the proposed project would not conflict with this policy.</p>
<p>SAF-5: Minimize the public hazard from fire emergencies.</p>	<p>The Project includes battery packs that would be NFPA 855 Code compliant, UL Certified, and</p>



	<p>include built-in failsafe and cooling systems designed to prevent thermal runaway and the spread of fire. A fire protection system would be installed to automatically shut down any affected battery storage components and prevent the spread of the fire to the other battery storage modules in the event of an emergency. Per the Fire Department’s recommendation, as Fire AMMR review has been conditioned to completed after CUP issuance but prior to City issuance of any demolition, grading or building permits, a condition of approval has been included and agreed to in the DA providing that the battery enclosures shall be equipped with internal, failsafe heat and gas detection and alarm systems, which shall provide audio and visual early warnings of increases in heat or gas in any battery enclosure to a third-party reporting station that actively monitors for such warnings on a 24/7/365 basis. Other conditions have also been included in such manner to address the blast hazard associated with the project, including a requirement that none of the battery enclosures be located within 25’ of any property line and that prior to City issuance any certificate of occupancy, Developer must construct a perimeter reinforced CMU block wall 10’ high, which shall be a containment wall engineering to withstand the blast hazard, as detailed below (See Condition No. 25). In addition, LACFD would review and approve the facility fire protection and suppression plans prior to issuance of any demolition, grading or building permits for the proposed project, which would cover all applicable design, construction, and testing requirements of the NFPA 855 Code. As such, development of the proposed project would not conflict with this policy.</p>
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**B. Zoning Ordinance Compliance**

1. Site Plan and Design Review (DOR No. 1887-22)

Section 9172.23 (Site Plan and Design Review) states that Planning Commission shall approved said project if the Commission is able to make affirmative findings based on criteria that includes General Plan consistency, compatibility in architecture and design with the surrounding area and anticipated development, convenience and safety of circulation pf

pedestrian and vehicles, attractiveness, effectiveness and restraint in graphics and color, and conformance with design standards.

Affirmative findings can be made, with the inclusion of the proposed conditions of approval, for the proposed site plan and design review pursuant to CMC Section 9172.23 based on the following:

The proposed project and project-related offsite improvements includes the development of energy storage facilities and associated infrastructure within a Heavy Industrial zoned corridor. With the inclusion of the conditions of approval, the proposed project is designed to be compatible with zoning and design regulations and would adhere to allowable building height and setbacks.

The proposed development placement is located more than approximately 50 feet from the front property line, behind landscaped areas and a decorative concrete 10-foot-high block perimeter wall around the perimeter of the site with an access gate for the Alameda St. driveway. The proposed development plan is compatible in architecture and design with existing and anticipated development in the vicinity, including the aspects of site planning, land coverage, landscaping, appearance and scale of structures and open spaces, and other features relative to a harmonious and attractive development of the area.

#### Architecture and Design

The proposed BESS development plan includes the following facilities and project-related off-site improvements.

##### *BESS Enclosures*

The enclosures would be approximately 8 feet in height, with equipment placed on a 6-inch concrete pad. The proposed BESS would be designed and installed in conformance with the nationally recognized National Fire Protection Association (NFPA) 855 Standard for the Installation of Stationary Energy Storage Systems, along with all applicable State and City fire protection requirements. The BESS would be unstaffed, with remote operational control and periodic on-site inspections and maintenance performed as necessary.

##### *Batteries and Racks*

The proposed lithium-ion batteries would be housed on racks, similar to common computer server racks. The racks are typically made of aluminum but may be composed of steel. The battery racks would be designed and installed in accordance with local seismic design requirements. The batteries/battery enclosures would be manufactured by/purchased from Tesla, and are a product known as the Tesla Megapack XL2.

##### *Outdoor Electric Equipment*

The proposed project includes transformers and additional electrical equipment that would be installed outside the BESS enclosures. The collector substation would be located to the southeast of the BESS facility components, and would be surrounded by an internal chain link

fence which would not be visible from outside the property. Components would include a main power transformer, control house, and switchgear. Underground wires and cabling would run from the battery cable collection box (inside the enclosure) to a concrete pad housing the inverter and transformer. From the transformer, cabling would be run to the collector substation. All outside electrical equipment would be housed in the appropriate National Electrical Manufacturers Association (NEMA) rated enclosures and screened from view to the extent possible, on all sides. All outside electrical cabling on the site will be run underground.

#### *Power Inverters and Transformers*

Industry-standard nationally recognized equipment would be installed as part of the proposed project and project-related offsite improvements. The power inverters would be unattended stand-alone units that operate in all conditions. Inverters operate in both a charge mode and a discharge mode and are monitored and controlled remotely. In the event of an emergency or unscheduled maintenance, on-site disconnects would be utilized. Power inverters and transformers are designed to be robust with an anticipated life-span of approximately 30 years with proper maintenance.

#### *Collector Substation*

The proposed collector substation would include an open rack, air-insulated switch gear, and the main power transformer to step up voltage from 34.5 kV to 220 kV. The substation area is anticipated to be located in the southeast corner of the BESS area.

#### *Generation Transmission Line (Gen-tie Line)*

A proposed gen-tie line would be constructed to transfer power to and from the proposed project and the existing SCE Hinson Substation. The proposed gen-tie route would extend approximately 1.10 miles, originating from the eastern side of the project site, crossing over the Dominguez Channel and UPRR facilities, then turning north and connecting to the northwest corner of the SCE Hinson Substation. The proposed gen-tie line will be partially overhead and partially underground. The overhead portion of the gen-tie line will span from the project site to the east for approximately 0.45-mile, crossing over Dominguez Channel and UPRR facilities to the transition point. Two on the site 75-foot-high transmission poles (and additional set of three transmission poles up to 175 feet in height, located in Carson east of the Dominguez Channel, would be required for the overhead portion, which would not exceed Federal Aviation Administration Part 77 notification requirements which require notifying the Federal Aviation Administration for any construction or alteration exceeding 200 feet above ground level.



Figure 1b – East View of Project Transmission Poles and Substation



Figure 2 West View of the Proposed Project Site

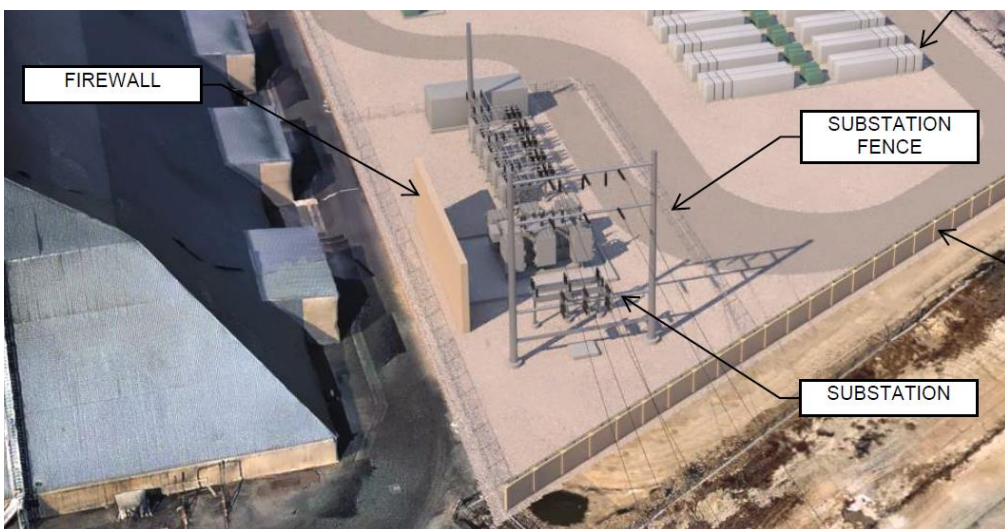


Figure 2a – West View of Transmission Poles and Substation



Figure 2b – Southwest View of Transmission Poles and Substation

At the transition point, the proposed gen-tie line would transition underground, which would require another set of three transition poles each up to 175 feet in height located in the City of Los Angeles. The underground portion of the line would be located within a duct bank which is an underground reinforced concrete container used for laying utility lines such as electric and telecommunication cables. The cables themselves are enclosed in PVC conduits. Reinforced concrete placed around PVC conduits protects electrical cables from weather, seismic stress, corrosion, temperature extremes, and vandalism to prevent breakage and failure. The proposed underground gen-tie line would run north from the transition point for approximately 0.65-mile and terminate at the Hinson Substation. The maximum trench widths and depths for the underground gen-tie line would vary. Maximum trench width would be approximately 2'4" and maximum trench depth would be approximately 6'0" from existing grade.

Per the Conditions of Approval, the proposed development's above-ground gen-tie line transmission poles will be designed, stealthed, and/or concealed so to be aesthetically compatible with the surrounding built and/or natural environment to the extent technically feasible. The materials used in constructing the transmission poles will not be unnecessarily bright, shiny, garish, or reflective and must be painted with flat/neutral colors subject to the approval of the Planning Division before any City issuance of permits, and shall be repainted upon request of the Planning Division as necessary to maintain the quality of the paint and avoid fading, chipping, peeling, cracking, etc.

#### *Landscape*

Approximately 10,073 square feet of the existing front yard landscaping would remain. In addition, approximately 4,019 square feet of the existing front yard planting beds would be rehabilitated with low water use climate adapted plants and five (5) new trees would be

planted to improve the streetscape and provide additional screening for the proposed project.

The existing and proposed landscaping shall be used to visually soften blank surfaces and to deter graffiti.

The existing street tree wells will be replaced and restored with proposed new parkway Brisbane trees as part of the BESS development. The project's landscaping would comply with all City and State requirements.

#### *Operations and Maintenance Storage Area (O&M) and Detention Pond*

A proposed 4,500-square-foot O&M storage area consisting of three 40-foot-long storage containers would be located in the western portion of the project site. The area would house equipment and materials necessary to complete O&M activities. The O&M storage area would be unmanned with no personnel facilities such as restrooms, showers, etc.

A detention pond is proposed adjacent to the O&M storage area in the southwestern corner of the BESS area. The detention pond would temporarily store stormwater runoff to reduce runoff and erosion.

#### *Signage*

Although signage is not proposed at this time, future identifying signage along Alameda Street shall comply with all City requirements pursuant to CMC Sections 9146.7 (Industrial Signs) and 9172.23 (Site Plan and Design Review).

#### *Site Access, Parking, Traffic and Security*

Access to the project site would be provided via the existing South Alameda Street. No new roads would be required to provide access to the project site. A paved 26-foot-wide internal access road would surround the BESS portion of the project site. The proposed project includes 5 parking spaces on site near the proposed operations & maintenance (O&M) storage area in compliance with the Zoning Ordinance parking requirements.

The project would generate very few traffic trips, as the BESS facility would not be open to the public and would not involve daily employee staffing or truck servicing. The proposed project and project-related offsite improvements would be unoccupied and monitored remotely. Minimal periodic employee visits would be conducted for on-site equipment inspections, monitoring, and testing.

Permanent motion-sensitive, directional security lights would be installed to provide adequate illumination around the substation area and points of ingress/egress. Pursuant to City of Carson Municipal Code (CMC) Section 9127.1, all exterior lighting installed on the project site would be shielded and directed downward to minimize the potential for glare or spillover onto adjacent properties. Security cameras would be placed throughout the project

site and monitored 7 days a week and 24 hours per day as deemed appropriate by the Los Angeles County Sheriff Department.

#### *Telecommunication Facilities*

The proposed project would require telecommunication facilities to meet the communication requirements for interconnecting and communicating with the SCE/ California Independent System Operator (CAISO) facilities and to support remote project operations monitoring. To provide for communication with SCE facilities, a fiber-optic cable would be used to connect the project site switchyard with the SCE point of interconnection. Utility interconnection regulations require the installation of a second, separate, redundant fiber-optic cable. The redundant fiber-optic cable would also be installed within the project footprint.

The project would use local exchange carrier services for telecommunication to support remote monitoring requirements. The project would connect to telecommunication fiber-optic lines owned and managed by local telecommunication providers.

#### *Trash Enclosure*

A three-sided trash enclosure with a swing gate is proposed near the project's northwestern boundary and would be approximately 4 feet, 6 inches in height and 5 feet, 4 inches in width. Design standards are pursuant to CMC Sections 9164.3-9164.5.

#### *Wall*

Per the DA and Conditions of approval, a reinforced, 10-foot-high, decorative CMU block wall would be installed around the perimeter of the project site for safety and security purposes. The wall shall be a containment wall, engineered to withstand and contain the blast hazard associated with the Project, to the reasonable satisfaction of the City Engineer and the Los Angeles County Fire Marshal or designee. A wrought iron fence and access gate at the driveway entrance are proposed along the project frontage on South Alameda Street. All gates would be equipped with Knox boxes for emergency access.

The decorative CMU block wall will be a natural, muted color designed in such a way that provides an aesthetically visual enhancement from the street view, public places, and adjacent properties.

The City Traffic Engineer and the Los Angeles County Fire Department, Fire Prevention Land Development reviewed and approved of the proposed conditions of approval, but additional Fire Department review and approval will be required to be completed prior to City issuance of any demolition, grading, or building permits.

#### *Other Project Components- SCE Hinson Substation*

SCE identified a need for the proposed project to contribute its fair-share payment toward utility grid system upgrades that are planned to be completed within SCE's service territory, as well as the interconnection facilities at the SCE Hinson Substation needed to connect the proposed project. The proposed 220 kV gen-tie line would interconnect at the SCE Hinson

substation: Avocet would install a 130-foot-tall 220kV tubular steel pole (TSP), with an approximately 12-foot-wide by 30-foot-deep foundation, located north-west of the SCE Hinson Substation that would span overhead to an SCE-owned TSP, which would terminate at a rack position within the SCE Hinson Substation.

Below are renderings illustrating the BESS development:

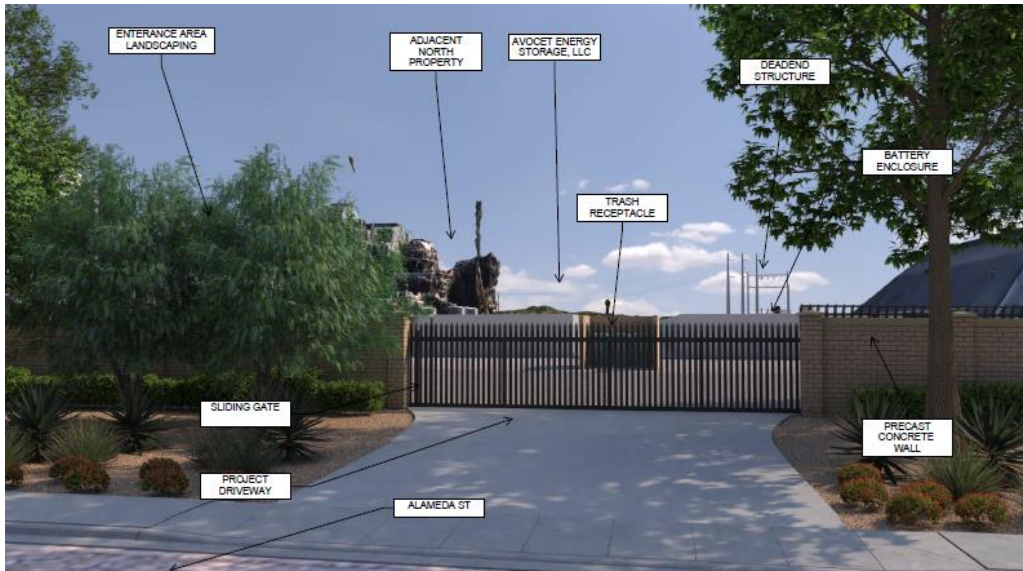


Figure 3. East View (Front) – Alameda Street

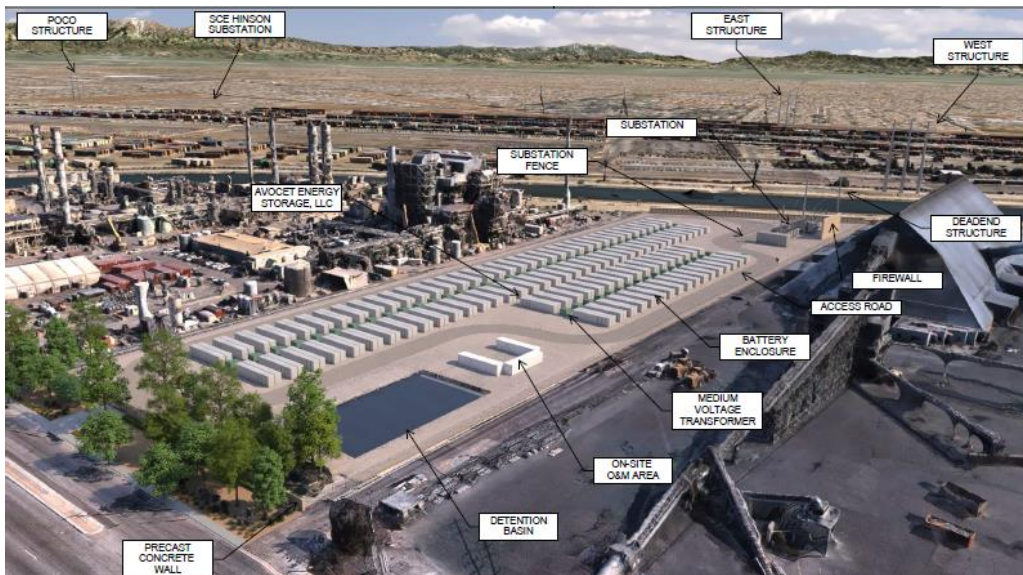


Figure 4. Northeast Aerial View of Site and Project-Related Off-Site Improvements





Figure 5. BESS Enclosures

## 2. Conditional Use Permit (CUP No. 1115-21)

Carson Municipal Code Section 9172.21 (Conditional Use Permit) states that the Commission shall approve a CUP if it is able to make affirmative findings based on criteria that includes General Plan consistency, ability of the site to accommodate the proposed development, adequacy of street access, traffic capacity, and water supply for fire protection, and compatibility with the character of the area.

Affirmative findings can be made with the inclusion of conditions of approval for the proposed conditional use permit pursuant to CMC Section 9172.21.

The 6.96-acre site adequately accommodates the proposed BESS use and development, which is compatible with the predominantly Heavy Industrial character of the area. Fire Department conditions of approval have been included requiring fire hydrants for adequate water supply. Adequate street access is provided via Alameda Street as discussed above.

The lithium-ion batteries, which are hazardous materials, are on racks in battery enclosures. As conditioned, the proposed development will be properly segregated from other surrounding industrial uses and had been subjected to proper safeguards, including a reinforced 10-foot-high CMU block wall to be built around the entire perimeter of the Property, except for the access driveway on Alameda Street, as discussed above. Additionally, per the Conditions, none of the battery enclosures shall be within 25' of any property line, and the battery enclosures shall be equipped with internal, failsafe heat and gas detection and alarm systems, which shall provide audio and visual early warnings of increases in heat or gas in any battery enclosure to a third-party reporting station that actively monitors for such warnings on a 24/7/365 basis. Furthermore, whenever any of

the batteries fail, reach the end of their useful life, or need to be disposed of due to a legal requirement or due to their continued presence posing an added risk to public health or safety, Developer shall promptly discontinue use and dispose of such batteries in accordance with all applicable laws and regulations, including but not limited to those related to hazardous materials and hazardous waste.

As described above, per the General Plan, uses handling hazardous materials on properties designated Heavy Industrial cannot be permitted without proper safeguards and a conditional use permit. Those protections are in place with respect to the proposed project. Accordingly, the project is consistent with the General Plan Heavy Industrial land use classification. Additionally, the project is consistent with the General Plan policies as discussed above.

The required conditions of approval set forth in CMC 9141.1 associated with issuance of conditional use permits for uses that involve hazardous materials have been incorporated into the Conditions, and additional health and safety measures have been incorporated into the Conditions as discussed above, in addition to the required Fire Department review and approval which must occur prior to issuance of any City permits, per the Conditions.

### 3. Development Agreement (DA No. 32-22)

The proposed DA is in compliance with the procedures established by the City Council as required by Government Code Section 65865(c) and in compliance with the provisions of Government Code Sections 65864 through 65869.5, the State development agreement law.

The applicant applied for a Development Agreement (DA) detailing the obligations of both the Applicant and City of Carson, and specifying standards and conditions that will govern the project for the term of the DA, which is 20 years, subject to tolling as provided in Section 2.6 of the DA for occurrences such as any litigation challenging the project approvals. The DA, for its term, confers vested rights to the Developer as described in Articles 4-5 of the DA in exchange for the provision of public/community benefits to the City as provided in Article 3 of the DA. The proposed DA with the inclusion of the Conditions is consistent with the City's General Plan and will further the overall public health, safety, and welfare in the City.

The applicant has entered into a contract giving it an option to lease the Property for a period of twenty (20) years from the time the option is exercised, and as such, possesses the requisite legal or equitable interest in the Property under Government Code §65865 that allows the City and Avocet to enter into the DA. However, the DA will not go into effect until after Avocet exercises its option and secures a leasehold interest in the Property, as detailed in DA Sections 1.19 and 7.8.

### *Public Benefits*

Article 3 of the DA outlines the public benefits that the project will contribute towards community public benefits to the City. The community benefits include: payment of Interim Development Impact Fees (IDIF) per the City's Municipal Code (anticipated to be \$372,227.20 if paid during FY 24-25); payment of a "CFD Payment" as set forth in Section 3.2 (anticipated to be \$137,825 if paid during FY 24-25) in lieu of annexing the Property into the Citywide CFD No. 2018-01; and payment of a "Battery Fee" as set forth in Section 3.3 (in an amount that could be anywhere from \$100,000 to \$3,067,400, depending on whether and to what extent the project batteries are purchased in a way that generates sales tax revenue for the City), in addition to likely generating significant sales tax revenue to the City from the purchase of project batteries. If the project battery purchase generates no sales tax (including applicable Bradley Burns sales and use tax and City transaction and use tax) revenue for the City, the Battery Fee amount will be the maximum of \$3,067,400 amount; for every dollar of tax revenue generated to the City by the purchase of project batteries, the Battery Fee amount will be reduced by a dollar, to a minimum Battery Fee of \$100,000. The City will receive the applicable Battery Fee amount in addition to any and all sales tax revenue generated for the City by the project.

Approval of the DA will allow for the orderly development of the project on a 6.96-acre parcel which is suitable for the proposed use, is in conformity with public convenience and good land use practices, will not adversely affect the orderly development of property, and will not adversely affect property values.

The proposed DA provides for a public convenience through significant monetary benefits which will contribute to programs and services designed to provide for the health, safety, and welfare of the public, thereby exhibiting good land use practices.

The proposed project will also provide additional health & safety features as outlined in DA Section 3.4 and detailed in the Conditions.

### **C. Public Hearing Notice**

Notice of this public hearing was given in accordance with Chapter 9173.22 of the CMC. The Planning Division mailed notification to property owners and occupants within a 750-foot radius of the site, other agencies (cities of Los Angeles and Long Beach, and County/Flood Control) and to each local agency expected to provide water, sewage, streets, roads, schools, or other essential facilities or services to the project, whose ability to provide those facilities and services may be significantly affected, published notice in a newspaper of general circulation, and posted notices on-site by June 29, 2024.

### **D. Environmental Analysis**

Planning Staff, working with the City's Environmental Consultant, has reviewed the potential environmental impacts of the proposed project pursuant to the California Environmental Quality Act (CEQA). Following an initial study, a Draft Mitigated Negative Declaration (State

Clearinghouse No. SCH No. 2024040695) was prepared and made available for a public review and comment pursuant to CEQA Guidelines Section 15070. A Notice of Intent was issued on April 16, 2024. The public review period was from April 16, 2024, through May 16, 2024. Two (2) comment letters were received: one from the State of California Department of Fish and Wildlife dated May 13, 2024, and one from the County of Los Angeles Fire Department, dated May 16, 2024.

Although the CEQA Guidelines do not require a Lead Agency to prepare written responses to comments received, the City, via its Planning staff and environmental consultant, prepared written responses with the intent of conducting a comprehensive and meaningful evaluation of the proposed project, as shown in the Final Initial Study/Mitigated Negative Declaration. An Errata to the Draft IS/MND was included in the Final MND, incorporating text changes resulting from public comments on the Draft IS/MND, or additional information received during the public review period. These changes do not affect the Draft IS/MND's overall conclusions, rather, provide clarification, amplification, and/or insignificant modifications. The public comments did not warrant, and the text changes do not constitute, substantial revisions to the Draft IS/MND, and therefore did not require Draft IS/MND recirculation pursuant to CEQA Guidelines Section 15073.5.

The Draft Mitigated Negative Declaration found potentially significant impacts to biological resources, cultural resources, geology and soils, and tribal cultural resources. With the inclusion of the mitigation measures set forth in the MND, which are included as enforceable project conditions of approval as set forth in Exhibit "B" to the proposed resolution, all potential environmental impacts of the proposed project, as assessed and mitigated pursuant to the MND and MMRP and the project conditions of approval, will be mitigated to the maximum extent feasible and below a level of significance.

Based on the entire record, there is no substantial evidence that the project will have a significant effect on the environment. The Mitigated Negative Declaration has been prepared and considered in compliance with CEQA and contains all required contents pursuant to CEQA Guidelines Section 15071, and reflects the independent judgment and analysis of the City. Accordingly staff recommends that the Planning Commission make a recommendation to the City Council to adopt the Final Mitigated Negative Declaration. The Planning Commission's recommended action on the CUP and DOR would be contingent on City Council adoption of the same, and on City Council approval of Development Agreement No. 32-22 via an appropriate adopting ordinance to be prepared by staff.

### **III. CONCLUSION AND RECOMMENDATION**

That the Planning Commission Adopt Resolution No. 24-\_\_\_, entitled "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CARSON CONDITIONALLY APPROVING SITE PLAN AND DESIGN REVIEW NO. 1887-22 AND CONDITIONAL USE PERMIT NO. 1115-21 CONTINGENT UPON CITY COUNCIL ADOPTION AND APPROVAL OF, AND RECOMMENDING THAT THE CITY COUNCIL ADOPT AND APPROVE, MITIGATED NEGATIVE DECLARATION AND

MITIGATION MONITORING AND REPORTING PROGRAM AND DEVELOPMENT AGREEMENT  
NO. 32-22 FOR A PROPOSED BATTERY ENERGY STORAGE SYSTEM (BESS) FACILITY LOCATED  
AT 23320 ALAMEDA STREET, APN 7315-020-022”

**ATTACHMENTS**

- 1) Development Plans
- 2) Radius Map
- 3) Draft Resolution
  - A. Legal Description
  - B. Conditions of Approval
- 4) Mitigation Monitoring and Reporting Program (MMRP)
- 5) Mitigated Negative Declaration (IS/MND)
- 6) Development Agreement
  - a. Legal Description
  - b. Depiction of the Property
  - c. Gen-tie Line Route and Number and Height of Associated Transmission Poles
  - d. Transmission Easement Agreement
    - Exhibit A Legal Description
    - Exhibit B Description and Depiction of Aerial Easement
- 7) Comment Letters: Boys & Girls Clubs of Carson and The Carson Chamber of Commerce