

## PUBLIC PARTICIPATION NOTICE

Public Participation Accessibility for the Paramount City Council meeting scheduled for **April 11, 2022**.

### **In-person Attendance:**

The public may attend the City Council meeting in-person.

### **View the City Council meeting live stream:**

- YouTube Channel <https://www.youtube.com/user/cityofparamount>
- Spectrum Cable TV Channel 36

### **Public Comments:**

Members of the public wanting to address the City Council, either during public comments or for a specific agenda item, or both, may do so by the following methods:

- **In-Person**

If you wish to make a statement, please complete a Speaker's Card prior to the commencement of the Public Comments period of the meeting. Speaker's Cards are located at the entrance. Give your completed card to a staff member and when your name is called, please go to the podium provided for the public.

- **E-mail:** [crequest@paramountcity.com](mailto:crequest@paramountcity.com)

E-mail public comments must be received by **4:45 p.m. on Monday, April 11, 2022**. The e-mail must specify the following information: 1) Full Name; 2) City of Residence; 3) Phone Number; 4) Public Comment or Agenda Item No; 5) Subject; 6) Written Comments.

- **Teleconference: (562) 220-2225**

Participants wishing to address the City Council by teleconference should call City Hall at **(562) 220-2225** by **4:45 p.m. on Monday, April 11, 2022** and provide the following information: 1) Full Name; 2) City of Residence; 3) Phone Number; 4) Public Comment or Agenda Item No; 5) Subject. Teleconference participants will be logged in, placed in a queue and called back during the City Council meeting on speaker phone to provide their comments.

All public comments are limited to a maximum of three minutes unless an extension is granted. Please be mindful that the meeting will be recorded as any other person is recorded when appearing before the City Council, and all other rules of procedure and decorum will apply when addressing the City Council by teleconference.

# AGENDA

Paramount City Council  
April 11, 2022



Adjourned Meeting  
City Hall Council Chambers  
5:00 p.m.

City of Paramount

16400 Colorado Avenue ♦ Paramount, CA 90723 ♦ (562) 220-2000 ♦ [www.paramountcity.com](http://www.paramountcity.com)

**Public Comments:** If you wish to make a statement, please complete a Speaker's Card prior to the commencement of the Public Comments period of the meeting. Speaker's Cards are located at the entrance. Give your completed card to a staff member and when your name is called, please go to the podium provided for the public. Persons are limited to a maximum of three (3) minutes unless an extension of time is granted. No action may be taken on items not on the agenda except as provided by law. For additional ways to participate and provide public comments, see the preceding Public Participation Notice.

**Americans with Disabilities Act:** In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's office at (562) 220-2225 at least 48 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**Note:** Agenda items are on file in the City Clerk's office and are available for public inspection during normal business hours. Materials related to an item on this Agenda submitted after distribution of the agenda packet are also available for public inspection during normal business hours in the City Clerk's office. The office of the City Clerk is located at City Hall, 16400 Colorado Avenue, Paramount.

## Notes

CALL TO ORDER:

Mayor Vilma Cuellar Stallings

ROLL CALL OF  
COUNCILMEMBERS:

Councilmember Laurie Guillen  
Councilmember Peggy Lemon  
Councilmember Brenda Olmos  
Vice Mayor Isabel Aguayo  
Mayor Vilma Cuellar Stallings

**PUBLIC COMMENTS**

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## NEW BUSINESS

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1. PUBLIC HEARING      AltAir Paramount, LLC – Refinery Conversion to Renewable Fuels
  - A) [RESOLUTION NO. 22:021](#)      Setting forth its findings of fact and decision relative to an amendment to Conditional Use Permit No. 757, a request by AltAir Paramount, LLC to complete the conversion of the refinery to manufacture only renewable fuels; certify the Final Subsequent Environmental Impact Report; approve the Mitigation Monitoring and Reporting Program; and adopt the statement of overriding considerations at 14700 Downey Avenue in the M-2 (heavy manufacturing) zone
  - B) [RESOLUTION NO. 22:022](#)      Setting forth its findings of fact and decision relative to Zone Variance No. 409, a request by AltAir Paramount, LLC for a variance to exceed the 55- foot height limit in the M-2 (heavy manufacturing) zone to allow the installation of various pieces of equipment related to the AltAir Paramount, LLC refinery conversion project at 14700 Downey Avenue

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## COMMENTS/COMMITTEE REPORTS

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- Councilmembers
- Staff

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## ADJOURNMENT

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To a meeting on April 19, 2022 beginning at 5:00 p.m.

APRIL 11, 2022

PUBLIC HEARING

RESOLUTION NO. 22:021

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT SETTING FORTH ITS FINDINGS OF FACT AND DECISION RELATIVE TO AN AMENDMENT TO CONDITIONAL USE PERMIT NO. 757, A REQUEST BY ALTAIR PARAMOUNT, LLC TO COMPLETE THE CONVERSION OF THE REFINERY TO MANUFACTURE ONLY RENEWABLE FUELS; CERTIFY THE FINAL SUBSEQUENT ENVIRONMENTAL IMPACT REPORT; APPROVE THE MITIGATION MONITORING AND REPORTING PROGRAM; AND ADOPT THE STATEMENT OF OVERRIDING CONSIDERATIONS AT 14700 DOWNEY AVENUE IN THE M-2 (HEAVY MANUFACTURING) ZONE”

- A. HEAR STAFF REPORT.
- B. OPEN THE PUBLIC HEARING.
- C. HEAR TESTIMONY IN THE FOLLOWING ORDER:
  - (1) THOSE IN FAVOR
  - (2) THOSE OPPOSED
- D. MOTION TO CLOSE THE PUBLIC HEARING.

<u>MOTION:</u>	<u>ROLL CALL VOTE:</u>
MOVED BY: _____	AYES: _____
SECONDED BY: _____	NOES: _____
[ ] APPROVED	ABSENT: _____
[ ] DENIED	ABSTAIN: _____

CONTINUED... PLEASE TURN PAGE

E. MOTION IN ORDER:

READ BY TITLE ONLY AND ADOPT RESOLUTION NO. 22:021.

<u>MOTION:</u>	<u>ROLL CALL VOTE:</u>
MOVED BY: _____	AYES: _____
SECONDED BY: _____	NOES: _____
[ ] APPROVED	ABSENT: _____
[ ] DENIED	ABSTAIN: _____



**To:** Honorable City Council  
**From:** John Moreno, City Manager  
**By:** John Carver, Planning Director  
**Date:** April 11, 2022

**Subject: RESOLUTION NO. 22:021  
ALTAIR RENEWABLE FUELS CONVERSION PROJECT**

## **BACKGROUND**

This application is a request from AltAir Paramount, LLC for an amendment to Conditional Use Permit (CUP) No. 757 for the Renewable Fuels Conversion Project at 14700 Downey Avenue in the M-2 (Heavy Manufacturing) zone. The Planning Commission, at a special meeting held on March 14, 2022, recommended approval of this item to the City Council. The City Council does not ordinarily review conditional use permits. However, because the project has several impacts that cannot be mitigated, the City Council must adopt a Statement of Overriding Considerations in order to certify the Subsequent Environmental Impact Report (SEIR) and approve the project. Later this evening, the City Council will also review an associated application, Zone Variance No. 407, regarding the height of various proposed pieces of equipment. This item was continued from the April 5, 2022 City Council meeting.

AltAir Paramount, LLC has been in partnership with Paramount Petroleum since 2013, when the Paramount Refinery (refinery) began the process of converting portions of their oil refinery into renewable fuels production, under the Original Paramount Petroleum AltAir Renewable Fuels Project (Original Renewable Fuels Project). In 2018, World Energy purchased AltAir and the refinery, and AltAir became a wholly owned subsidiary of World Energy. Under World Energy, AltAir proposes to complete the conversion of the refinery to manufacturing only renewable fuels at a higher throughput level than the Original Renewable Fuels Project.

The initial California Environmental Quality Act (CEQA) and permitting efforts for the Original Renewable Fuels Project were approved by the City under CUP No. 757 and Zone Variance (ZV) No. 401, and new and modified air permits were issued by the South Coast Air Quality Management District (AQMD). The CEQA review for the previously approved project included a Mitigated Negative Declaration for the Paramount Petroleum AltAir Project adopted December 30, 2013 and revised per an addendum May 14, 2014. Construction of the initial modifications to the refinery to produce renewable fuels occurred between 2014 and 2015, and the refinery began producing renewable fuels in 2016.

The Original Renewable Fuels Project allowed the refinery to convert up to 3,500 barrels per day (BPD) of non-edible vegetable oils and beef tallow into renewable fuels, including aviation (jet), diesel, naphtha (gasoline), and fuel gas. The project involved the modification of certain existing refinery equipment, including the addition of new vessels and reactors, while continuing to operate as a crude oil refinery. The current and original renewable fuels operation has been in continuous production since January 2016.

## **PROJECT DESCRIPTION**

The Project would convert the remainder of the crude oil refinery into a 25,000 BPD renewable fuels production facility. This conversion would: eliminate the refining of crude oil, including byproducts such as asphalt, and support use of renewable jet fuel, diesel, gasoline, and propane.

The Project would make renewable fuels out of a variety of raw materials from technical-grade tallows and vegetable oils, to lower-grade fats, greases, and oils.

The Project modifications would include a new Pretreat Unit, modifications to the existing Renewable Fuels Unit A, a new Renewable Fuels Unit B, a new Hydrogen Generation Unit, a new Hydrogen Recovery Unit, a new Propane Recovery Unit, upgrades to the existing wastewater treatment system, a new Hydrogen Sulfide Recovery Unit, a second Sour Water Stripper, a new flare, modifications to the truck and rail loading/unloading racks, and new pipelines within the refinery. In addition, some existing tanks would be upgraded/repared and be permitted to handle different products (e.g., non-edible vegetable oils and beef tallow). The Project would also include utilizing two existing 55,000-barrel storage tanks at the Lakewood Tank Farm, which is located at 2920 East 56<sup>th</sup> Street, Lakewood, California, approximately 2.8 miles south of the refinery. The Lakewood Tank Farm is zoned by the City of Lakewood as M-1 (Light Manufacturing). The Project would also relocate several buildings onsite and provide temporary buildings for the demolition and construction process.

The Project is expected to require up to 50 railcars per day on two trains and 312 trains per year as well as three barges per month coming into the Port of Los Angeles with associated truck trips to the refinery to supply the Project with feedstock, blend materials, and products. Most refinery products (gasoline, diesel, jet fuel, and propane) will be transported from the refinery by truck. Renewable jet fuel can be transferred from the refinery via existing pipeline to the Lakewood Tank Farm. If transferred by pipeline, the jet fuel would go to the Lakewood Tank Farm, where conventional jet fuel will also be transferred via pipeline from other suppliers to the Lakewood Tank Farm, where it would be blended with renewable jet fuel. The final blended product would be transferred via pipeline to tankage in Carson, California, where it would be delivered via other pipelines to Los Angeles International Airport.

As discussed below, an SEIR was prepared for this project. The SEIR evaluated the refinery operating at full capacity 24 hours per day, 365 days per year. This analysis indicated that at full capacity, the refinery would produce 540 one-way truck trips per day (1,080 total trips). While CEQA requires that an analysis look at a project at highest

output, the refinery would operate at this full capability only very rarely. A whole host of factors, such as facility maintenance and availability of feedstock (animal fat and vegetable oil), will normally prevent the refinery from operating at full capacity. The refinery has agreed to operate at an average of 300 one-way truck trips (600 total trips) per day, 60-day running average, and this level is a more realistic estimate of normal operations. Given an average of 300 trucks per day over a 60-day running average, there is a 44% reduction in NOx emissions compared to 540 trucks per day; however, on a regional basis, NOx emissions will still exceed a threshold set by the AQMD.

### **Environmental Assessment**

Acting as the lead agency, the City of Paramount retained an outside consultant, MRS Environmental, Inc., to conduct the environmental assessment of the AltAir Renewable Fuels Conversion Project. An SEIR was prepared for the Project. Below is a summary of the environmental analysis contained in the SEIR.

#### Aesthetics and Visual Resources

The Project includes modifications in multiple areas within the existing refinery to complete the conversion of the refinery to a renewable fuels production facility. Many existing columns visible from the neighborhood would remain, and some would be removed, particularly in the southeast portion of the refinery. Many process vessels would be added with the majority being less than 30 feet tall and not visible from off-site, with approximately 35 new process vessels 55 feet tall and a new 135-foot-tall flare being installed. The new Hydrogen Generation Unit and the associated heater stack are expected to be approximately 100 feet tall, and the new Pretreat Unit is expected to be 76 to 84 feet tall. Two Selective Catalytic Reduction (SCR) stacks are expected to remain at approximately the same height at 100 feet but will be relocated to different areas of the refinery. Some existing units are as tall as 150 feet in height.

The Applicant provided a photo simulation, included in Section 4.1 of the Final SEIR, which shows current and post-Project views of the Project site from several locations around the refinery. The removal of existing equipment and the installation of new equipment would alter the skyline of the refinery, but would not change the visual character, which is an industrial facility surrounded by landscaping and a six-foot-high wall. Landscape vegetation obscures large portions of the refinery. Although the Project modifications would require a Zone Variance for height limits, the new structures are consistent with existing equipment at the refinery, some of which are 150 feet tall; therefore, the new structures would not make a significant change to the existing industrial view of the Project site.

The Final SEIR includes the following mitigation measure from the Original Renewable Fuels Project.

- MM A-4a: Light Shielding. The Applicant must ensure that appropriate light shielding is provided for any new lighting equipment as a means to limit glare and light trespass.



### Air Quality

The environmental analysis also evaluated the impact of the Project on air quality. Emissions thresholds established by the South Coast Air Quality Management District (AQMD) were evaluated for both construction and operational activity. The emissions studied for this environmental analysis include:

- Volatile Organic Compounds (VOC): contributes to ozone formation;
- Carbon Monoxide (CO): a colorless, odorless toxic gas that is produced as exhaust from carbon-containing fuels;
- Nitrogen Oxide (NOx): combustion produced pollutant;
- SOx: produced when a hydrocarbon is burned; and
- PM10 and PM2.5: particulate matter less than ten microns and two and one-half microns in diameter, respectively.

The SEIR found that NO<sub>2</sub> emissions during construction would exceed thresholds established by the South Coast AQMD. Operational emissions were also found to exceed South Coast AQMD thresholds. The table below indicates emission levels from the Project operation and South Coast AQMD thresholds:

Sources	VOC (lbs/day)	NOx (lbs/day)	SOx (lbs/day)	CO (lbs/day)	PM10 (lbs/day)	PM2.5 (lbs/day)
Total Project Emissions Increase from 2011 After Compliance	32.1	1,055.4	15.8	424.0	47.5	15.8
South Coast AQMD Significance Thresholds	55	55	150	550	150	55
Significant?	No	Yes	No	No	No	No

As mentioned previously, given that the refinery will operate with fewer trucks than analyzed in the SEIR, 300 trucks per day versus 540 trucks, NOx emissions will be lower.

To address potential air quality impacts, the following mitigation measures are required:

- MM AQ-1a: Construction Management Program. The Applicant must develop and maintain a Construction Management Program for the Project that shall incorporate the mitigation measures and Best Management Practices AQ-1a-1 through AQ-1a-12 in Section 4.2.4.1 of the SEIR.
- MM AQ-2a: Newer Trucks. The Applicant shall require that all contracts with trucking companies for the use of heavy-duty trucks (as per Department of Transportation gross vehicle weight rating greater than 26,000 pounds) specify the required use of 2017 model year trucks or newer in order to reduce NOx emissions.
- MM AQ-2b: NOx Reduction Program. The Applicant shall implement a plan to fund NOx reduction measures in the community both locally and regionally.

- MM AQ-5a: Recordkeeping. The Applicant shall monitor and maintain records on fuel usage, Higher Heating Values, data on truck and rail trips, and other metrics required to estimate emissions on an annual basis for at least three years.

#### Greenhouse Gases

Greenhouse gas (GHG) emissions were also examined for the Project. The South Coast AQMD has a threshold of 10,000 metric tons per year of GHG emissions from industrial sources. As summarized in Table 4.3.2 of the SEIR, the incremental change in GHG emissions for the Project, including the Project operational emissions (both stationary and mobile sources) and amortized GHG emissions from construction activities would be less than the South Coast AQMD significance threshold. The Project is expected to produce a net GHG increase of 4,367 metric tons per year. Based on this analysis, Project emissions will not have an adverse impact on air quality as it relates to GHG emissions.

#### Hazardous Materials and Risk of Upset

The Project transportation of materials by truck, rail, marine barge, and pipeline could create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. Significant impacts are associated with operation of the natural gas pipeline. The natural gas pipeline would be installed by Southern California Gas Company (SoCalGas) and would be subject to a number of regulatory requirements detailed in Section 4.4.4.2 of the SEIR.

Because of the extensive state and federal requirements on new (and existing) natural gas pipelines and the extensive regulation of ports and shipping, all feasible mitigation measures are expected to be implemented and enforced for pipelines and marine operations. Implementation of these extensive requirements is expected to minimize the severity of potential hazard impacts of natural gas pipeline or marine barge releases, should they occur.

The operational impacts associated with the new natural gas pipeline or marine barges would remain significant as a release could potentially impact receptors, including residents, and would be a new or intensified hazard.

#### Hydrology and Water Quality

Project impacts to hydrology and water quality were evaluated in the SEIR. The existing refinery and Lakewood Tank Farm are largely developed and urbanized, and the Project would not require the construction of additional impervious surfaces. There are no streams, rivers, or other natural drainage within the confines of the existing refinery or tank farm property. Rainwater and surface runoff within the existing refinery Process Areas are controlled, collected, and treated within the refinery wastewater treatment plant, if needed. The Project is not expected to result in an increase in surface water, degrade surface or groundwater quality, or impact stormwater drainage facilities.

However, the Project would result in an increase in water demand compared to the Original Renewable Fuels Project. The current allotment for groundwater pumping rights from the Central Basin is insufficient to meet the total Project water demand. The Central Basin Municipal Water District has reported to the City of Paramount that there is sufficient recycled water supply contracted and available through the Los Angeles County Sanitation District (LACSD) and the Los Coyotes Water Reclamation Plant (WRP) to supply additional water to the Project. With the use of reclaimed water, the refinery is expected to have sufficient water supplies available to serve the Project.

#### Land Use and Planning

The refinery is located in the Somerset Ranch Area Plan and is zoned M-2 (Heavy Manufacturing) under the City of Paramount zoning codes. The Project would continue the use of the site as an industrial facility, i.e., a renewable fuels production facility, although crude oil would no longer be used. This would be consistent with the zoning and existing land use, and no zone change or general plan amendment would be required to accommodate the Project. A CUP and a Zone Variance would be required for equipment that would exceed the height limit of 55 feet in a heavy industrial zone.

The Project would continue the use of the existing Lakewood Tank Farm for storage and blending of jet fuel in addition to onsite tankage at the refinery. The Lakewood Tank Farm is zoned by the City of Lakewood as M-1 (Light Manufacturing); this zoning is compatible with the operation of storage tanks.

The Project is consistent with the site land use and zoning designations; however, noise generated from the construction and operation of the Project may be inconsistent with certain land use policies and municipal codes of Los Angeles County and the cities of Paramount, Lakewood, and Bellflower due to nighttime construction. Section 4.7, Noise, concludes the Project may generate nighttime construction noise levels related to pipeline construction activities and nighttime construction at the refinery that could exceed the Paramount Municipal Code standards. Section 4.7 also concluded that noise levels from the operation of the Project may produce substantial increases in Community Noise Equivalent Level (CNEL) noise levels related to rail movements. The potential to exceed noise thresholds may also be inconsistent with the cities of Lakewood and Bellflower Municipal Code as noted in Section 4.6.5 for nighttime noise construction along the pipeline route.

Mitigation Measure N-1a prohibits the nighttime construction at the refinery along the pipeline route in areas that could affect residential areas. Therefore, the Project would be consistent with the respective jurisdiction's municipal codes. Ultimate determination of consistency and inconsistency is left to the City Council.

#### Noise and Vibration

To address potential impacts from Project construction and operational noise, the following mitigation measures are required:

- MM N-1a: Daytime Limits. The Applicant shall perform construction activities only between the hours of 7:00 a.m. and 8:00 p.m. Place signage with the restriction at the construction site.

- MM N-1b: Noise Monitoring and Management Plan. The Applicant shall produce a Noise Monitoring and Management Plan for construction.
- MM N-2a: Noise Assessment. The Applicant shall provide a detailed noise assessment indicating that Project operational noise will not exceed a 3 dBA increase at the areas to the north of the refinery.
- MM N-2b: Noise Monitoring and Management Plan. The Applicant shall submit to the City a Noise Monitoring and Management Plan prior to permit issuance.
- MM N-2c: Railroad Noise Reduction Measures. The Applicant shall work with the railroad operator to ensure that there are limits on delivery times.

#### Transportation and Circulation

To address any potential impact to transportation, the following mitigation measures are required:

- MM T-1a: Lakewood Boulevard Restriping. The Applicant shall provide funding and coordination to the cities of Paramount and Bellflower to restripe the Lakewood Boulevard southbound lane to have a dedicated right turn lane on to Somerset Boulevard.
- MM T-3a: Traffic Management Plan. The Applicant shall prepare and implement Construction and Operations Traffic Management Plan.

#### Tribal Cultural Resources

To address any potential impact to tribal cultural resources, the following mitigation measures are required:

- MM TC-1a: Retain a Native American Monitor/Consultant. The Applicant shall retain a tribal monitor/consultant, or qualified archaeologist if the tribal monitor is unavailable, for the duration of ground disturbing construction activities.
- MM TC-1b: Unanticipated Discovery of Tribal Cultural or Archaeological Resources Procedures. The Applicant shall cease work in the vicinity of the find until the find is assessed by archaeologist and tribal monitor.
- MM TC-3a: Unanticipated Discovery of Human Remains Procedures. The Applicant shall divert work and establish an exclusion zone around the discovery location and report to the County Coroner. Follow Public Resources Code (PRC) 5097.98 if required.

#### Utilities and Service Systems

The Project would result in an increase in electricity, natural gas, and water use as well as an increase in wastewater and solid waste generation at the refinery over levels evaluated for the Original Renewable Fuels Project.

The overall increase in electricity use associated with the Project modifications is estimated to be 29 megawatts (MW). To supply this additional requirement, power supplied by Southern California Edison (SCE) would be upgraded and enhanced with a

new onsite electrical substation, which would include new transformers to feed three new power distribution centers. SCE has indicated that supplying the additional electricity is within their ability to provide.

Natural gas demand for the Project is expected to increase over previous use, primarily because it would be used as a raw material for the new Hydrogen Generation Unit. An estimated use of 28 million standard cubic feet per day of natural gas is expected to be required for the Project. Under the Project, a new connection to a SoCalGas transmission line would be made to provide natural gas that would feed and fuel the Hydrogen Generation Unit. The potential pipeline route provided by SoCalGas would be approximately 3.7 miles of new pipeline that would extend north along Lakewood Boulevard from Del Amo Boulevard to Somerset Boulevard and enter the refinery from the east on Somerset Boulevard.

The Project would result in an increase in water demand compared to the Original Renewable Fuels Project. The current allotment for groundwater pumping rights from the Central Basin is insufficient to meet the total Project water demand. The Central Basin Municipal Water District has reported to the City of Paramount that there is sufficient recycled water supply contracted and available through the LACSD and the Los Coyotes WRP to supply additional water to the Project. With the use of reclaimed water, the refinery is expected to have sufficient water supplies available to serve the Project.

While the refinery has existing wastewater treatment equipment, the equipment would be modified to treat an increase in wastewater generated by the Project. The installation of new treatment facilities must be reviewed and approved by the LACSD as part of modifications to the existing Industrial Wastewater Discharge Permit. The permit review includes review of the new equipment to assure it would provide sufficient treatment of the wastewater and be in compliance with wastewater discharge standards, as well as water quality standards. In addition, the permit review confirms that the LACSD sewer systems have sufficient capacity to transport and treat the additional wastewater.

The amount of solid or hazardous waste that may be generated during construction is expected to be well within the available landfill waste disposal capacity. While operation of the Project may generate solid or hazardous waste streams, those waste streams are not expected to exceed the disposal capacity of any landfills where the waste would likely be sent, or the waste would be reused or recycled.

#### Environmental Justice

The Project would result in significant and unavoidable impacts to minority and low-income populations in the Project area. These significant impacts are associated with air quality, transportation of hazardous materials, and noise. Mitigation Measures AQ-1a, AQ-2a, AQ-2b, and N-2c would be required, as well as regulatory requirements detailed in Section 4.4.2 of the SEIR. However, Project impacts related to environmental justice would remain significant.

## **SUMMARY**

Based on the SEIR prepared for the Project, the Renewable Fuels Conversion Project will result in an impact to: one (NOx) of the six categories of air quality; a potential impact to the hazardous materials category from a new natural gas pipeline; potential impacts to noise from construction and operations; and environmental justice.

However, the Mitigation Monitoring and Reporting Program; the Construction Management Program; the NOx Reduction Program; and the Noise Monitoring and Management Plan will ensure that the adopted mitigation measures for the Project are implemented as defined in the SEIR. The proposed measures will mitigate significant and unavoidable impacts to the maximum extent feasible; there are no other feasible mitigation measures that could be required that will further reduce these significant impacts.

Finally, as discussed before in this report, the number of daily truck trips will be substantially lower than analyzed in the SEIR, thus reducing NOx emissions significantly.

## **VISION, MISSION, VALUES, AND STRATEGIC OUTCOMES**

The City's Vision, Mission, and Values set the standard for the organization; establish priorities, uniformity, and guidelines; and provide the framework for policy decisionmaking. The Strategic Outcomes were implemented to provide a pathway to achieving the Vision of a city that is safe, healthy, and attractive. This item aligns with Strategic Outcomes No. 2: Community Health; No. 3: Economic Health; and No. 4: Environmental Health.

## **RECOMMENDED ACTION**

It is recommended that the City Council read by title only, waive further reading, and adopt Resolution No. 22:021 approving the amendment to Conditional Use Permit No. 757, subject to the following conditions:

1. Except as set forth in conditions, development shall take place substantially as shown on the approved site plans and elevations. The Planning Director must approve any deviations before construction.
2. It is hereby declared to be the intent that if any provision of this Conditional Use Permit is held or declared to be invalid, the exception shall be void and the privileges granted hereunder shall lapse.
3. It is further declared and made a condition that this Conditional Use Permit that if any condition hereof is violated or if any law, statute or ordinance is violated, the exception shall be suspended and the privileges granted hereunder shall lapse, provided that the Applicant has been given written notice to cease such violation and has failed to do so within thirty (30) days of receipt of said notification.

4. The Applicant understands that an Unclassified Use Permit, Conditional Use Permit, and/or Variance granted under the Zoning Ordinance, or any section thereof, is granted and accepted by all parties with the express understanding that the Planning Commission may hold a public hearing, notice of time and place of which shall be given to the Applicant, if one or more of the following conditions exists:
  - a. That the approval was obtained by fraud;
  - b. That the need for which such approval was granted has ceased to exist or has been suspended for one year or more;
  - c. That the Unclassified Use Permit, Conditional Use Permit, and/or Variance is being, or recently has been, exercised contrary to the terms or conditions of such approval or in violation of any statute, provision of the Code, ordinance, law, or regulation;
  - d. That the need for which the approval was granted was so exercised as to be detrimental to the public health or safety or so as to constitute a nuisance (Section 17.48.070, Paramount Municipal Code).

If after such hearing, the Planning Commission finds that any grounds of modification, suspension, or revocation exist, the Planning Commission may modify, suspend, or revoke or suspend such Unclassified Use Permit, Conditional Use Permit, and/or Variance.

5. Any future tenant improvements require permits from the Building and Safety Division of the Planning Department.
6. No exterior structural alteration or building color change shall be permitted without the prior approval of the Planning Department.
7. Rail deliveries and pick-ups shall be limited to Monday through Saturday, from 9:00 a.m. to 6:00 p.m. Rail deliveries and pick-ups shall be further limited to the non-peak hour traffic periods after 9:00 a.m. and before 6:00 p.m., and times when students are not going to or leaving school. The applicant currently receives rail deliveries and pick-ups of up to 25 rail cars once a day, Monday through Friday.

The authorization for an increase in rail car deliveries and pick-ups over what the applicant currently receives is expressly contingent upon applicant's demonstration of its reasonable best efforts, including coordinating with third parties (including property owners, the Joint Ports of Long Beach and Los Angeles, Union Pacific, Metro) regarding real property rights and/or agency approvals, in coordination with the City of Paramount, to construct a sound wall on or adjacent to eastern edge of the rear yards of the homes on the east side of Façade Avenue, north of Rosecrans Avenue as contemplated by the Metro EIR for the WSAB. With City approval, applicant shall contract with a consultant(s) to

develop a report analyzing and identifying the reasonable best efforts for the construction of a sound wall, inclusive of 3<sup>rd</sup> party coordination, planning, design work that would be needed. Such report shall be approved by the Planning Department prior to implementation.

In a circumstance where Applicant is legally unable to secure the necessary property rights, permits, or approvals from private property owners, or governing or coordinating agencies within two years from the approval of this CUP, Applicant shall notify the City that it has exhausted its reasonable best efforts to construct the sound wall, and City will deem Applicant to have satisfied this condition; provided, however, that to ensure Applicant is making reasonable best efforts to secure the necessary property rights, permits or approvals from private property owners, or governing or coordinating agencies, Applicant will be required to submit a progress report to City Planning Staff on a quarterly basis detailing Applicant's efforts to construct the wall. The Planning Commission will review all quarterly reports. Costs incurred by applicant associated with compliance with this condition, including preliminary investigatory work, will be netted from a portion of the proceeds of the Community Benefits Agreement, as described in Condition # 19 of this CUP (below). The sound wall shall be both constructed in accordance with City of Paramount specifications and the specifications contemplated in the Metro WSAB EIR.

Applicant shall commence efforts in compliance with this condition within 60 days of the approval date. Applicant's request for an increase in the number of train deliveries from what Applicant is currently receiving so long as Applicant has demonstrated its reasonable best efforts to diligently comply with this condition, and such increase, having already been analyzed in the FSEIR, shall not be unreasonably withheld by the City. The Applicant expressly acknowledges that failure to exhaust its reasonable best efforts to cause to have the sound wall constructed under the terms of this condition of approval will prohibit any increase in rail car deliveries and pick-ups over what the applicant currently receives.

8. The length of an individual train is limited to not more than 25 railcars. In the event more cars are required, the Planning Department must be notified 24-hours in advance. The refinery operators will also be required to notify the Paramount Sheriff's station of the approximate delivery time. The applicant is limited to two train deliveries per day of not more than 25 railcars per delivery. The applicant may receive train deliveries of more than 25 railcars once per month.
9. Construction shall commence within one year from the date of final determination. If construction has not commenced within one year, this approval shall terminate and shall be null and void.



10. A sound wall shall be constructed at the north end of the refinery plant, adjacent to the Cinderella Mobile Home Park. Planning Department approval shall be obtained for the exact location, materials, and height prior to construction of the sound wall.
11. The landscaping along Lakewood Boulevard shall be refurbished to include drought tolerant planting material in compliance with Chapter 17.96 (Water-Efficient Landscape Provisions) of the Paramount Municipal Code. A landscape plan shall be approved by the Planning Department prior to installation of the landscaping.
12. To the greatest extent possible, the applicant shall divert diesel trucks away from the Paramount facility to pick up finished product from other locations outside of the City of Paramount. On an annual basis, the applicant shall check on the loading capabilities at the loading and tank facility in the City of Carson to determine if loading capabilities are available, and if so, the applicant shall utilize the capacity that is available at this facility.
13. All finished product that can be delivered by underground pipeline shall be delivered by underground pipeline, thus reducing the dependency on diesel trucks to deliver finished product.
14. The applicant shall work with the Union Pacific Railroad to encourage implementation of tier 4 locomotive engines for all rail deliveries to and from the applicant's property.
15. The applicant shall work with the Union Pacific Railroad to encourage the installation of continuously welded tracks in the neighborhood on the east side of Façade Avenue, north of Rosecrans Avenue, and along the rail connection, in connection with the West Santa Ana Branch light rail project. This requirement is conditioned upon the commencement of construction of the light rail project.
16. The applicant shall work with the Union Pacific Railroad to encourage the installation of "under ballast mats" in the neighborhood on the east side of Façade Avenue, north of Rosecrans Avenue, and along the rail connection, in connection with the West Santa Ana Branch light rail project. This requirement is conditioned upon the commencement of construction of the light rail project.
17. This application is subject to the Mitigation Monitoring and Reporting Program for the AltAir Refinery Conversion Project, as provided for in the Final Subsequent Environmental Impact Report. The Construction Management Program detailed in Mitigation Measure AQ-1a shall be produced and submitted for City review and approval prior to the start of construction. The NOx Reduction Program detailed in Mitigation Measure AQ-2b shall be developed, submitted for City review and approval, implemented, and monitored prior to the start of expanded

operations. The Noise Monitoring and Management Plan detailed in Mitigation Measure N-1b shall be produced and submitted for City review and approval prior to construction. The Traffic Management Plan – Construction – detailed in Mitigation Measure T-3a shall be prepared, submitted for City review and approval prior to construction. The Traffic Management Plan – Operations – detailed in Mitigation Measure T-3a shall be prepared, submitted for City review and approval prior to operations.

18. Construction may take place between the hours of 7:00 a.m. and 8:00 p.m., Monday through Saturday. Construction is prohibited on Sunday.
19. Applicant must enter into a separate Community Benefits Agreement (CBA) with City within one year of approval of this Conditional Use Permit. The terms of the CBA, including payment amounts, shall be fairly and duly negotiated between applicant and City. Failure to come to terms on the CBA by the prescribed deadline shall necessitate a review of this CUP by the Planning Commission. It shall be noted that the CBA may include a provision that would allow Applicant to offset the payment terms of the CBA with equal amounts of sales and use tax received by City, as a direct result of Applicant designating the City of Paramount as the Applicant's point of sale. The CBA shall last five to seven years, and shall not exceed \$1,000,000 per year.
20. The refinery shall operate at a maximum of an average of 300 one-way truck trips (600 total trips) per day, on a 60-day running average.
21. The applicant, together with the City of Bellflower and the City of Paramount, shall share the cost of installing asphalt to the approaches and intersection of Lakewood Boulevard and Somerset Boulevard. Applicant's share is 46% of the cost; the City of Bellflower's share is 42% of the cost, and the City of Paramount's share is 12% of the cost.
22. At no time may traffic on Downey Avenue be halted more than 5 minutes during any single delivery or pick-up. In the event of a longer train (a train consisting of more than 25 cars), multiple maneuvers by the train operators may be required to stay under the 5-minute limit.
23. When the conversion project is complete, the refinery will not be permitted to process petroleum-based products.

CITY OF PARAMOUNT  
LOS ANGELES COUNTY, CALIFORNIA

**RESOLUTION NO. 22:021**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT SETTING FORTH ITS FINDINGS OF FACT AND DECISION RELATIVE TO AN AMENDMENT TO CONDITIONAL USE PERMIT NO. 757, A REQUEST BY ALTAIR PARAMOUNT, LLC TO COMPLETE THE CONVERSION OF THE REFINERY TO MANUFACTURE ONLY RENEWABLE FUELS; CERTIFY THE FINAL SUBSEQUENT ENVIRONMENTAL IMPACT REPORT; APPROVE THE MITIGATION MONITORING AND REPORTING PROGRAM; AND ADOPT THE STATEMENT OF OVERRIDING CONSIDERATIONS AT 14700 DOWNEY AVENUE IN THE M-2 (HEAVY MANUFACTURING) ZONE

WHEREAS, the Planning Department of the City of Paramount has received an application from AltAir Paramount, LLC to modify Conditional Use Permit (CUP) No. 757 to complete the conversion of the refinery to manufacturing only renewable fuels at a higher throughput level (25,000 barrels per day) than the Original Renewable Fuels Project, to produce renewable jet fuel and diesel fuel from non-edible beef tallow and vegetable oils, at 14700 Downey Avenue in the M-2 (Heavy Manufacturing) zone; and

WHEREAS, on December 6, 2021, pursuant to the California Environmental Quality Act (CEQA), a Draft Subsequent Environmental Impact Report (DSEIR) was prepared and made available for public review from December 6, 2021 to February 3, 2022. A Notice of Completion and Availability of a DSEIR was posted with the State Clearing House, City Clerk, LA County Clerk, Paramount Library, on-site, and sent to responsible agencies. An electronic copy of the document was also posted on the City's website: <http://www.paramountcity.com/government/planning-department/planning-division/environmental-documents>

WHEREAS, on December 13, 2021, the City hosted a community workshop to present the findings of the Draft SEIR to members of the public. And, on January 5, 2022, the City hosted a meeting to receive oral comments on the Draft SEIR.

WHEREAS, on February 17, 2022, a Notice of Planning Commission public hearing was published in a newspaper of general circulation, and posted onsite and mailed to property owners and properties within a 500-foot radius of the project site.

WHEREAS, on February 23, 2022, the Final Subsequent Environmental Impact Report (FSEIR) and Mitigation Monitoring and Reporting Program (MMRP) for the project, incorporating comments received on the DSEIR, was published on the City's website.

WHEREAS, on March 2, 2022 the Planning Commission conducted a duly noticed public hearing and continued the item to a Planning Commission meeting on March 14, 2022; and

WHEREAS, at a meeting on March 14, 2022 the Planning Commission took additional public testimony on the application, and considered the FSEIR, MMRP, statement of overriding considerations, staff report, proposed conditions of approval, and public comment and other testimony submitted at the hearing; and

WHEREAS, the Planning Commission recommended that the City Council certify the Final SEIR and approve the amendment to the CUP.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARAMOUNT AS FOLLOWS:

**SECTION 1.** The above recitations are true and correct.

**SECTION 2.** The City Council finds that it has conducted all the public hearings necessary and in compliance with State Law and the Municipal Code of the City of Paramount.

**SECTION 3.** The City Council finds that all requirements of notice have been complied with pursuant to State Law and the Municipal Code.

**SECTION 4.** The City Council finds that the evidence presented does justify certification of the Final SEIR and recommends that the City Council adopt the following Findings for Approval of the AltAir Renewable Fuels Conversion Project:

1. The Final Subsequent Environmental Impact Report (Final SEIR State Clearing House [SCH]# 2020069013) dated February 2022 were presented to the City of Paramount City Council. All voting members of the City Council have reviewed and considered the information contained in the Final SEIR (SCH# 2020069013) and its appendices. All voting members of the City Council have reviewed and considered testimony at the City Council hearing and additional information presented at or prior to the public hearings. Pursuant to Public Resource Code § 21082.1(c)(3), the FSEIR reflects the independent judgment and analysis of the City as lead agency. The DSEIR and FSEIR were prepared by a consultant hired by the City and were reviewed and analyzed independently by the Planning staff and the Planning Commission. The City Council, which is the decision-making body of the City for the Project, has reviewed and considered the information contained in the FSEIR. Publication and public circulation of the DSEIR complied with the requirements of CEQA. Comments were received during the public review period, all of which have been addressed and responded to in the FSEIR. No “significant new information,” within the meaning of CEQA Guidelines Section 15088.5, was added to the DSEIR after the public comment period, and as such, no recirculation was required pursuant to Public Resources Code Section 21092.1. The City Council certifies the Final SEIR for the purpose of approving the modification to CUP No. 757.

2. The City of Paramount City Council finds that the Final SEIR (SCH# 2020069013), dated February 2022, constitutes a complete, accurate, adequate, and good faith effort at full disclosure under CEQA. The City of Paramount City Council further finds that the Final SEIR and appendices dated February 2022 have been completed in compliance with CEQA.
3. The documents and other materials which constitute the record of proceedings upon which this decision is based are in the custody of the City Clerk of the City of Paramount, located at 16400 Colorado Avenue, Paramount, California 90723.

**SECTION 5.** The Final SEIR (SCH# 2020069013) for the AltAir Renewable Fuels Conversion Project identifies the following five environmental impacts which cannot be fully mitigated to a level of insignificance and are therefore considered unavoidable (Class I):

- i) Impact AQ.1: The Project would generate emissions during construction that could exceed the South Coast Air Quality Management District (AQMD) thresholds;
- ii) Impact AQ.2: The Project would generate operational emissions that could exceed the South Coast AQMD thresholds;
- iii) Impact HM.3. The Project transportation of materials by truck, rail, marine barge and pipeline could create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment;
- iv) Impact N.2: Operation: The Project would result in the generation of an increase in ambient noise levels in the vicinity of the Project; and
- v) Impact EJ.1: The Project would disproportionately affect minority and low-income populations at levels exceeding the corresponding median for the County in which the Project is located.

While impacts will be somewhat lessened because the Applicant has agreed to incorporate into the Project a number of measures that would reduce the impact, and a number of mitigation measures are included in the Final SEIR that would further mitigate the impact, they will remain significant and unavoidable.

To the extent the impacts remain significant and unavoidable with mitigation, such impacts are acceptable when weighed against the overriding social, economic, legal, technical, and other considerations set forth in the Statement of Overriding Considerations included herein. Feasible changes or alterations have been required in, or incorporated into, the approved Project which avoid or substantially lessen the significant environmental effects to the maximum extent feasible, as discussed below.

Air Quality. Impact AQ.1 is generated due to the large numbers of construction equipment and the intensity of the work effort to modify the refinery. The South Coast AQMD has thresholds associated with pollutant emissions for both regional and local impacts. The Project would exceed both regional and localized thresholds even with mitigation of the cleanest construction equipment available. Impact AQ.2 is generated due to the large increase in truck and rail transportation required under the Project. Historically, crude oil supplied to the refinery was transported in pipelines, and product produced by the refinery was transported in pipelines. With the Project, the amount of materials transported by truck and rail would substantially increase, thereby exceeding the South Coast AQMD thresholds for regional impacts. The South Coast AQMD thresholds for localized impacts would not be exceeded.

Mitigation Measure AQ-1a requires that the Applicant develop and maintain a Construction Management Program for the Project that shall, at a minimum, incorporate the mitigation measures and Best Management Practices (BMPs) AQ-1a-1 through AQ-1a-12 detailed in Section 4.2.4.1 of the Final SEIR.

Mitigation Measure AQ-2a requires that the Applicant require that all contracts with trucking companies for the use of heavy-duty trucks (as per Department of Transportation gross vehicle weight rating greater than 26,000 lbs) specify the required use of 2017 model year trucks or newer in order to reduce NOx emissions.

Mitigation Measure AQ-2b requires that the Applicant fund a program to address the potential health effects of localized and regional NOx and VOC emissions in coordination and approval by the City of Paramount and the City of Bellflower. This effort shall include the performance measures AQ-2b-1 through AQ-2b-3 detailed in Section 4.2.4.2 of the Final SEIR.

Hazardous Materials and Risk of Upset. Under impact HM.3, the installation of a large natural gas pipeline 3.7 miles in length through heavily populated areas would introduce an additional hazard to the area and would be a significant and unavoidable Class I impact. Hazards associated with marine barge spills to the environment would also be a significant and unavoidable Class I impact. Hazards at the refinery would be slightly less than the hazards presented by the 2011 crude oil refinery.

No additional mitigation measures for hazards are required beyond regulatory requirements detailed in Section 4.4.2 of the Final SEIR.

Noise and Vibration. Impact N.2 is generated due to Project operation activities that produce an increase in daily and annual train traffic along the connection to the rail mainline located about one mile to the west of the refinery site. This increase in rail traffic would result in a substantial noise increase. Noise increases

along the rail connection in daily Community Noise Equivalent Level (CNEL) and average annual CNEL levels would be substantial and potentially significant and unavoidable.

Mitigation Measure N-2a requires that the Applicant provide a detailed noise assessment indicating that Project operational noise will not exceed a 3 dBA increase at the areas to the north of the refinery.

Mitigation Measure N-2b requires that the Applicant submit to the City a Noise Monitoring and Management Plan prior to permit issuance. The Applicant shall conduct noise monitoring within one month of operations commencing and report the results to the City.

Mitigation Measure N-2c requires that the Applicant work with the railroad operator to implement limited train operations along the one-mile connection.

Environmental Justice. The Project would result in significant and unavoidable impacts to minority and low-income populations near the refinery and along the proposed natural gas pipeline route. These significant impacts are associated with air quality, transportation of hazardous materials, and noise. Mitigation Measures AQ-1a, AQ-2a, AQ-2b, AQ-5a, N-1a, N-1b, N-2a, N-2b, N-2c would be required, as well as regulatory requirements detailed in Section 4.4.2 of the SEIR. However, Project impacts to environmental justice communities would remain significant and unavoidable.

**SECTION 6.** The Final SEIR (SCH# 2020069013), dated February 2022, identified subject areas for which the Project is considered to cause or contribute to significant, but mitigable environmental impacts (Class II). For each of these Class II impacts identified in the Final SEIR, feasible changes or alterations have been required in, or incorporated into, the Project in the form of conditions of approval which avoid or substantially lessen the significant environmental effects to insignificance, as summarized below. The impacts and mitigation measures are more fully described below:

- i) Aesthetics and Visual Resources. The removal of existing equipment and the installation of new equipment would alter the skyline of the refinery, but would not change the visual character, which is an industrial facility surrounded by landscaping and a six-foot wall. Although the Project modifications would require a Zone Variance for height limits, the new structures would be consistent with existing equipment at the refinery.

Mitigation Measure A-4a, which was also required for the Original Renewable Fuels Project, requires that the Applicant ensure that appropriate light shielding is provided for any new lighting equipment as a means to limit glare and light trespass. With implementation of this mitigation measure, potential impacts related to aesthetics and light trespass would be less than significant with mitigation (Class II).

- ii) Air Quality. Consistency with rules, plans and policies promulgated by the South Coast AQMD are specifically determined through the application of the emissions thresholds, which define if a project has the potential to exceed an air quality standard. The Project could exceed both the construction and operational thresholds and produce a significant and unavoidable impact, which implies impacts AQ.1 and AQ.2 are not consistent with plans and policies. Therefore, the following mitigation measure is required to ensure the Project would not diminish an existing air quality rule or future compliance requirement.

Mitigation Measure AQ-5a requires that the Applicant monitor and maintain records on fuel usage, Higher Heating Values, data on truck and rail trips, and other metrics required to estimate emissions on an annual basis for at least three years. With implementation of this mitigation measure, potential impacts related to air quality rules would be less than significant with mitigation (Class II).

Maintaining information on the activities and emissions in parallel with the Final SEIR emissions calculations and ensuring that they agree will help to ensure that South Coast AQMD rules and regulations are followed and complied with.

- iii) Noise and Vibration. Project construction would result in the generation of a temporary increase in ambient noise levels in the vicinity of the Project.

Mitigation Measure N-1a requires the Applicant only perform construction activities at the refinery during the daytime between the hours of 7:00 a.m. and 8:00 p.m., including material and equipment delivery loading/unloading. This restriction shall be a note placed on all construction plans with signage placed at the construction site. For pipeline construction, no nighttime construction shall be allowed within 300 feet of a residence unless approved by the local jurisdiction.

Mitigation Measure N-1b requires that the Applicant produce a Noise Monitoring and Management Plan for construction, which is detailed in Section 4.7.4 of the Final SEIR.

- iv) Transportation and Circulation. The Project would generate heavy truck and rail trips in an area with a variety of land uses, including schools. Truck and rail activities have the potential to conflict with students walking to school as well as create additional congestion, cueing on area streets (backing up of trucks) and potential hazardous turning situations for trucks exiting/entering the refinery along Lakewood Boulevard or Somerset Boulevard. Both truck and rail traffic are anticipated to increase with the Project.



The Traffic Impact Analysis (Appendix F of the Final SEIR) indicates that restriping of the Lakewood Boulevard southbound lane would ensure that vehicles turning right onto Somerset Boulevard would not impede trucks continuing straight southbound on Lakewood Boulevard. Currently, the southbound Lakewood Boulevard is two southbound lanes (and one dedicated left turn lane onto Somerset Boulevard.) which prevents two full lanes of traffic continuing in the southbound direction without interference from vehicles turning right onto Somerset Boulevard. This mitigation (T-1a) would reduce the Intersection Capacity Utilization (ICU) of this intersection to acceptable levels.

Mitigation Measure T-1a requires that the Applicant provide funding and coordination to the City of Paramount and the City of Bellflower to ensure that the Lakewood Blvd. southbound lane is restriped to have a dedicated right turn lane on to Somerset Blvd. prior to the start of construction. Funding would be directed to the City of Bellflower as the intersection is owned and maintained by the City of Bellflower. With implementation of this mitigation measure, potential impacts to vehicle and pedestrian access would be less than significant with mitigation (Class II).

Mitigation Measure T-3a requires that the Applicant prepare and implement a Construction and Operations Traffic Management Plan. The plan shall address the issues and performance standards detailed in Section 4.8.4.3 to the satisfaction of the City of Paramount and the City of Bellflower Public Works Directors. With implementation of this mitigation measure, potential impacts related to traffic hazards would be less than significant with mitigation (Class II).

- v) Tribal Cultural Resources. The Project is not expected to cause a substantial change in the significance of a historical, archaeological, or tribal cultural resource. No existing structures at the Paramount Refinery or Lakewood Tank Farm are listed or eligible for listing in the California Register of Historical Resources or local register of historical resources, nor are they considered significant, as defined under PRC Section 5024.1(c). The potential for archaeological or tribal cultural resources at the Project site is low due to the character of subsurface soils (recent alluvium) and the fact that the entire refinery site has been previously graded and developed. Furthermore, the previous grading and development of the site for industrial uses did not result in any archaeological findings.

Mitigation Measure TC-1a requires the Project Applicant retains and compensates for the services of a Tribal Monitor/Consultant who is both approved by the Gabrieleño Band of Mission Indians-Kizh Nation Tribal Government and is listed under the Native American Heritage Commission's Tribal Contact list for the area of the Project location.

Mitigation Measure TC-1b provides the protocol to be followed in the event that construction activities result in the discovery of an unanticipated tribal cultural or archaeological resource. With implementation of these mitigation measures, potential impacts to historical, archaeological, and tribal cultural resources would be less than significant with mitigation (Class II).

Mitigation Measure TC-3a provides the protocol to be followed in the event that human remains are discovered during construction activities. With implementation of these mitigation measures, potential impacts to historical, archaeological, and tribal cultural resources would be less than significant with mitigation (Class II).

**SECTION 7.** The Final SEIR concluded that, even with application of feasible mitigation measures, five impacts cannot be entirely avoided or reduced to less than significant levels. Adoption of a Statement of Overriding Considerations would be necessary to approve the staff-recommended AltAir Renewable Fuels Conversion Project. The Final SEIR (State Clearinghouse No. SCH 2020069013) identifies impacts in Air Quality, Hazardous Materials and Risk of Upset, Noise and Vibration, and Environmental Justice as significant environmental effects which are considered unavoidable. The identified significant and unavoidable impacts are described above.

Several mitigation measures adopted as conditions of approval will serve to reduce these impacts, but even with the inclusion of these conditions, the impacts cannot be reduced to less than significant levels. The City of Paramount Planning Commission recommends that the City Council therefore make the following Statement of Overriding Considerations which warrants approval of the AltAir Renewable Fuels Conversion Project notwithstanding that all identified effects on the environment are not fully mitigated.

With respect to the significant environmental effect of the Project noted above, the City finds that the stated benefits of the AltAir Renewable Fuels Conversion Project outweigh the significant effects on the environment. Pursuant to Public Resources Code Section 21081(b) and CEQA Guidelines Sections 15043, 15092 and 15093, any remaining significant effects on the environment are acceptable due to these overriding considerations:

1. **Substantial mitigation has been provided to further reduce impacts.** Impacts have been mitigated to the maximum extent feasible and the analysis conducted is conservative to provide for the maximum level of scrutiny and disclosure. Mitigation Measure AQ-1a would be applicable to reduce air quality impacts that would result from construction of the Project. However, the Project would exceed both regional and localized thresholds for construction emissions even with mitigation of the cleanest construction equipment available. Mitigation Measures AQ-2a and AQ-2b would be applicable to mitigate air quality impacts associated with Project operations. With the Project, the amount of materials transported by truck and rail would substantially increase, thereby exceeding the South Coast

AQMD thresholds for regional impacts. The South Coast AQMD thresholds for localized impacts would not be exceeded. Therefore, MM-AQ-2a requires the use of newer trucks, and MM-AQ-2b requires that the Applicant implement a NOx Reduction Program for operational emissions.

Regarding impact HM.3, no additional mitigation is required beyond the regulatory requirements detailed in Section 4.4.2 in the Final SEIR.

Mitigation Measure N-2c would be applicable and would reduce significant noise levels associated with the rail connection at the Project site. Mitigation Measures N-2a and N-2b would also be applicable to reduce Project operational noise to a level of less than significant with mitigation. Noise levels associated with the rail connection would remain significant and unavoidable.

Due to the significant and unavoidable Class I impacts in air quality, hazards, and noise, and the location of high-density minority and low-income areas near the refinery and along the pipeline route, the Project would disproportionately affect minority and low-income populations at levels exceeding the corresponding median for the area in which the Project is located. Mitigation Measures AQ-1a, AQ-2a, AQ-2b, and N-2c would be required, as well as regulatory requirements detailed in Section 4.4.2 of the SEIR. However, Project impacts related to environmental justice would remain significant.

2. **The Project would use local labor and improve a locally depressed labor market.** At the peak of construction, approximately 1,312 temporary construction jobs would be created by the Project. Because of the large size of the construction work force available in the Southern California area, the 1,312 temporary construction jobs are expected to be filled from the existing regional labor pool. The construction would take place over a period of approximately 22 months, which could produce some short-term economic growth. The number of refinery workers for Project operations is expected to be less than peak employment in 2011. The refinery conversion would eliminate the refining of crude oil and support the use of renewable jet fuel, diesel, gasoline, and propane. AltAir currently supplies renewable gasoline, diesel, and jet fuel to fleet services such as UPS, United Airlines, Boeing, the Department of Defense, and several California municipalities and school systems.
3. **The Project would support production of clean, renewable fuels.** AltAir has been in partnership with Paramount Petroleum since 2013 when the refinery began the process of converting portions of their crude oil refinery into renewable fuels production under the Original Renewable Fuels Project. AltAir's renewable products support California and Federal Low Carbon Fuel Standards (LCFS). The goals of the standards are to reduce carbon intensity of transportation fuels, complement other state measures for reducing greenhouse gases (GHGs), transform and diversify the transportation fuel pool, reduce petroleum dependency, and reduce overall air emissions. The renewable products provide a cleaner

source of energy by reducing full life-cycle greenhouse gas emissions by over 60 percent relative to fossil fuels. The current renewable fuels process produces up to 50 million gallons per year of renewable fuels, equating to a reduction of approximately 365,000 metric tons (MT) carbon dioxide (CO<sub>2</sub>). AltAir currently supplies renewable gasoline, diesel, and jet fuel to fleet services such as UPS, United Airlines, Boeing, the Department of Defense, and several California municipalities and school systems, reducing both truck and airline emissions. AltAir's renewable products meet regulatory and commercial specifications without requiring engine modifications, while securing a renewable alternative energy source.

The Project would also support the production of clean, renewable fuels by producing fuels consistent with the City of Paramount's Climate Action Plan (CAP). The City's CAP is tailored to address climate needs as a community and ensure that Paramount reduces GHG emissions to 40 percent below 1990 levels by 2030.

The Project would be consistent with the City's CAP in the following manner:

Local Measure RE1: Increase Local Renewable Energy Generation – Renewable energy resources reduce GHG emissions by replacing fossil fuels. The Project would produce green renewable gasoline, diesel and jet fuels to be used within the local and regional communities, thereby supporting the CAP goal RE1;

Local Measure TR1: Support Fuel Efficient and Alternative Fuel Vehicles – as per the CAP, “the cars we drive must transition away from petroleum-based fuels”. The Project would produce green renewable gasoline, diesel, and jet fuels and therefore would support the CAP measure TR1 by making green renewable fuels available, particularly in areas where other measures, such as electric vehicles, may not be practical or affordable; and

Local Measure GB2: Grow Green Economy/Increase Green Jobs – By producing green renewable fuels, the Project would be part of the “Cleantech” promoted by the CAP and the Project would promote the use of clean energy, thereby promoting the measures in the CAP. The Project would also provide opportunities for incorporating green technology education and job training into local schools' curriculum and course offerings.

4. **Supports California energy independence (economic considerations and region-wide or statewide environmental benefits).** Production of crude oil has been substantially reduced in California over the past decades resulting in the need to import oil to produce fuels. The Project would continue the Original Renewable Fuels Project started in 2013 to manufacture renewable fuels in compliance with CARB's LCFS (Title 17, California Code of Regulations, Sections 95480–95490), which reduces GHG emissions by reducing the carbon intensity of transportation fuels used in California. The refinery has been repurposed to allow for refining non-edible vegetable oils and beef tallow into renewable diesel and jet

fuels that would be used in the Southern California area instead of oil produced elsewhere. These clean fuels would supplant the use of local crude oil production and/or will likely displace some imported foreign crude due to the demand for this commodity. Replacement of foreign crude with production of clean fuels would reduce GHG and criteria pollutant emissions from ocean tankers and other emissions generated during production of oil overseas.

In addition, as California works towards its renewable power and zero emission vehicle goals, there will remain a need for fossil fuel in both the transportation and power sectors. Currently, more than 70 percent of oil entering California to meet the State's needs is from out of the State and is delivered primarily by marine tanker. In 2019, over 58 percent of crude oil supplied to California refineries was shipped from foreign sources. The largest suppliers of foreign oil to California are Saudi Arabia, Ecuador, Colombia, and Iraq, followed by smaller supplies from Brazil, Mexico, Africa, and the Arabian Gulf. The Project would contribute to reducing importation of foreign crudes and support the State's energy independence.

**SECTION 8.** Based on the findings set forth in this Resolution, including without limitation those set forth in all Sections above, the Planning Commission recommends that the City Council certify the FSEIR pursuant to CEQA Guidelines Section 15090(a), adopt the MMRP, and adopt the statement of overriding considerations set forth in Section 6. In the event of any inconsistencies between the mitigation measures as set forth in the FSEIR and the MMRP, the MMRP shall control. A notice of determination shall be filed with the County Clerk of the County of Los Angeles pursuant to the California Environmental Quality Act.

**SECTION 9.** That pursuant to Resolution No. 82:043 of the City Council the time limit to seek judicial review pursuant to California Code of Civil Procedure is ninety (90) days from the date hereof.

**SECTION 10.** The City Council approves the applied for Conditional Use Permit as to use in the above-entitled matter, subject to the mitigation measures described above and the following conditions:

1. Except as set forth in conditions, development shall take place substantially as shown on the approved site plans and elevations. The Planning Director must approve any deviations before construction.
2. It is hereby declared to be the intent that if any provision of this Conditional Use Permit is held or declared to be invalid, the exception shall be void and the privileges granted hereunder shall lapse.
3. It is further declared and made a condition that this Conditional Use Permit that if any condition hereof is violated or if any law, statute or ordinance is violated, the exception shall be suspended and the privileges granted hereunder shall lapse,

provided that the Applicant has been given written notice to cease such violation and has failed to do so within thirty (30) days of receipt of said notification.

4. The Applicant understands that an Unclassified Use Permit, Conditional Use Permit, and/or Variance granted under the Zoning Ordinance, or any section thereof, is granted and accepted by all parties with the express understanding that the Planning Commission may hold a public hearing, notice of time and place of which shall be given to the Applicant, if one or more of the following conditions exists:
  - a. That the approval was obtained by fraud;
  - b. That the need for which such approval was granted has ceased to exist or has been suspended for one year or more;
  - c. That the Unclassified Use Permit, Conditional Use Permit, and/or Variance is being, or recently has been, exercised contrary to the terms or conditions of such approval or in violation of any statute, provision of the Code, ordinance, law, or regulation;
  - d. That the need for which the approval was granted was so exercised as to be detrimental to the public health or safety or so as to constitute a nuisance (Section 17.48.070, Paramount Municipal Code).

If after such hearing, the Planning Commission finds that any grounds of modification, suspension, or revocation exist, the Planning Commission may modify, suspend, or revoke or suspend such Unclassified Use Permit, Conditional Use Permit, and/or Variance.

5. Any future tenant improvements require permits from the Building and Safety Division of the Planning Department.
6. No exterior structural alteration or building color change shall be permitted without the prior approval of the Planning Department.
7. Rail deliveries and pick-ups shall be limited to Monday through Saturday, from 9:00 a.m. to 6:00 p.m. Rail deliveries and pick-ups shall be further limited to the non-peak hour traffic periods after 9:00 a.m. and before 6:00 p.m., and times when students are not going to or leaving school. The applicant currently receives rail deliveries and pick-ups of up to 25 rail cars once a day, Monday through Friday.

The authorization for an increase in rail car deliveries and pick-ups over what the applicant currently receives is expressly contingent upon applicant's demonstration of its reasonable best efforts, including coordinating with third parties (including property owners, the Joint Ports of Long Beach and Los Angeles, Union Pacific, Metro) regarding real property rights and/or agency approvals, in

coordination with the City of Paramount, to construct a sound wall on or adjacent to eastern edge of the rear yards of the homes on the east side of Façade Avenue, north of Rosecrans Avenue as contemplated by the Metro EIR for the WSAB. With City approval, applicant shall contract with a consultant(s) to develop a report analyzing and identifying the reasonable best efforts for the construction of a sound wall, inclusive of 3<sup>rd</sup> party coordination, planning, design work that would be needed. Such report shall be approved by the Planning Department prior to implementation.

In a circumstance where Applicant is legally unable to secure the necessary property rights, permits, or approvals from private property owners, or governing or coordinating agencies within two years from the approval of this CUP, Applicant shall notify the City that it has exhausted its reasonable best efforts to construct the sound wall, and City will deem Applicant to have satisfied this condition; provided, however, that to ensure Applicant is making reasonable best efforts to secure the necessary property rights, permits or approvals from private property owners, or governing or coordinating agencies, Applicant will be required to submit a progress report to City Planning Staff on a quarterly basis detailing Applicant's efforts to construct the wall. The Planning Commission will review all quarterly reports. Costs incurred by applicant associated with compliance with this condition, including preliminary investigatory work, will be netted from a portion of the proceeds of the Community Benefits Agreement, as described in Condition # 19 of this CUP (below). The sound wall shall be both constructed in accordance with City of Paramount specifications and the specifications contemplated in the Metro WSAB EIR.

Applicant shall commence efforts in compliance with this condition within 60 days of the approval date. Applicant's request for an increase in the number of train deliveries from what Applicant is currently receiving so long as Applicant has demonstrated its reasonable best efforts to diligently comply with this condition, and such increase, having already been analyzed in the FSEIR, shall not be unreasonably withheld by the City. The Applicant expressly acknowledges that failure to exhaust its reasonable best efforts to cause to have the sound wall constructed under the terms of this condition of approval will prohibit any increase in rail car deliveries and pick-ups over what the applicant currently receives.

8. The length of an individual train is limited to not more than 25 railcars. In the event more cars are required, the Planning Department must be notified 24-hours in advance. The refinery operators will also be required to notify the Paramount Sheriff's station of the approximate delivery time. The applicant is limited to two train deliveries per day of not more than 25 railcars per delivery. The applicant may receive train deliveries of more than 25 railcars once per month.
9. Construction shall commence within one year from the date of final determination. If construction has not commenced within one year, this approval shall terminate and shall be null and void.

10. A sound wall shall be constructed at the north end of the refinery plant, adjacent to the Cinderella Mobile Home Park. Planning Department approval shall be obtained for the exact location, materials, and height prior to construction of the sound wall.
11. The landscaping along Lakewood Boulevard shall be refurbished to include drought tolerant planting material in compliance with Chapter 17.96 (Water-Efficient Landscape Provisions) of the Paramount Municipal Code. A landscape plan shall be approved prior to installation of the landscaping.
12. To the greatest extent possible, the applicant shall divert diesel trucks away from the Paramount facility to pick up finished product from other locations outside of the City of Paramount. On an annual basis, the applicant shall check on the loading capabilities at the loading and tank facility in the City of Carson to determine if loading capabilities are available, and if so, the applicant shall utilize the capacity that is available at this facility.
13. All finished product that can be delivered by underground pipeline shall be delivered by underground pipeline, thus reducing the dependency on diesel trucks to deliver finished product.
14. The applicant shall work with the Union Pacific Railroad to encourage implementation of tier 4 locomotive engines for all rail deliveries to and from the applicant's property.
15. The applicant shall work with the Union Pacific Railroad to encourage the installation of continuously welded tracks in the neighborhood on the east side of Façade Avenue, north of Rosecrans Avenue, and along the rail connection, in connection with the West Santa Ana Branch light rail project. This requirement is conditioned upon the commencement of construction of the light rail project.
16. The applicant shall work with the Union Pacific Railroad to encourage the installation of "under ballast mats" in the neighborhood on the east side of Façade Avenue, north of Rosecrans Avenue, and along the rail connection, in connection with the West Santa Ana Branch light rail project. This requirement is conditioned upon the commencement of construction of the light rail project.
17. This application is subject to the Mitigation Monitoring and Reporting Program for the AltAir Refinery Conversion Project, as provided for in the Final Subsequent Environmental Impact Report. The Construction Management Program detailed in Mitigation Measure AQ-1a shall be produced and submitted for City review and approval prior to the start of construction. The NOx Reduction Program detailed in Mitigation Measure AQ-2b shall be developed, submitted for City review and approval, implemented, and monitored prior to the start of expanded operations. The Noise Monitoring and Management Plan detailed in Mitigation Measure N-1b



shall be produced and submitted for City review and approval prior to construction. The Traffic Management Plan – Construction – detailed in Mitigation Measure T-3a shall be prepared, submitted for City review and approval prior to construction. The Traffic Management Plan – Operations – detailed in Mitigation Measure T-3a shall be prepared, submitted for City review and approval prior to operations.

18. Construction may take place between the hours of 7:00 a.m. and 8:00 p.m., Monday through Saturday. Construction is prohibited on Sunday.
19. Applicant must enter into a separate Community Benefits Agreement (CBA) with City within one year of approval of this Conditional Use Permit. The terms of the CBA, including payment amounts, shall be fairly and duly negotiated between applicant and City. Failure to come to terms on the CBA by the prescribed deadline shall necessitate a review of this CUP by the Planning Commission. It shall be noted that the CBA may include a provision that would allow Applicant to offset the payment terms of the CBA with equal amounts of sales and use tax received by City, as a direct result of Applicant designating the City of Paramount as the Applicant's point of sale. The CBA shall last five to seven years, and shall not exceed \$1,000,000 per year.
20. The refinery shall operate at a maximum of an average of 300 one-way truck trips (600 total trips) per day, on a 60-day running average.
21. The applicant, together with the City of Bellflower and the City of Paramount, shall share the cost of installing asphalt to the approaches and intersection of Lakewood Boulevard and Somerset Boulevard. Applicant's share is 46% of the cost; the City of Bellflower's share is 42% of the cost, and the City of Paramount's share is 12% of the cost.
22. At no time may traffic on Downey Avenue be halted more than 5 minutes during any single delivery or pick-up. In the event of a longer train (a train consisting of more than 25 cars), multiple maneuvers by the train operators may be required to stay under the 5-minute limit.
23. When the conversion project is complete, the refinery will not be permitted to process petroleum-based products.

**SECTION 11.** This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED this 11<sup>th</sup> day of April 2022.

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Vilma Cuellar Stallings, Mayor

ATTEST:

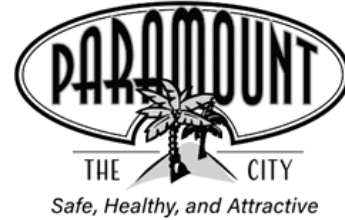
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Heidi Luce, City Clerk

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CITY OF PARAMOUNT

# ATTACHMENT



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DUE TO THE SIZE OF THE DOCUMENT, THE FOLLOWING ATTACHMENT FOR ITEM 10A – CUP 757: ALTAIR RENEWABLE FUELS CONVERSION PROJECT IS AVIALABLE FOR REVIEW IN THE CITY CLERK’S OFFICE:

**FINAL SUBSEQUENT ENVIRONMENTAL IMPACT REPORT**

APRIL 11, 2022

PUBLIC HEARING

RESOLUTION NO. 22:022

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT SETTING FORTH ITS FINDINGS OF FACT AND DECISION RELATIVE TO ZONE VARIANCE NO. 409, A REQUEST BY ALTAIR PARAMOUNT, LLC FOR A VARIANCE TO EXCEED THE 55-FOOT HEIGHT LIMIT IN THE M-2 (HEAVY MANUFACTURING) ZONE TO ALLOW THE INSTALLATION OF VARIOUS PIECES OF EQUIPMENT RELATED TO THE ALTAIR PARAMOUNT, LLC REFINERY CONVERSION PROJECT AT 14700 DOWNEY AVENUE”

- A. HEAR STAFF REPORT.
- B. OPEN THE PUBLIC HEARING.
- C. HEAR TESTIMONY IN THE FOLLOWING ORDER:
  - (1) THOSE IN FAVOR
  - (2) THOSE OPPOSED
- D. MOTION TO CLOSE THE PUBLIC HEARING.

<u>MOTION:</u>	<u>ROLL CALL VOTE:</u>
MOVED BY: _____	AYES: _____
SECONDED BY: _____	NOES: _____
[ ] APPROVED	ABSENT: _____
[ ] DENIED	ABSTAIN: _____

CONTINUED... PLEASE TURN PAGE

E. MOTION IN ORDER:

READ BY TITLE ONLY AND ADOPT RESOLUTION NO. 22:022.

<u>MOTION:</u>	<u>ROLL CALL VOTE:</u>
MOVED BY: _____	AYES: _____
SECONDED BY: _____	NOES: _____
[ ] APPROVED	ABSENT: _____
[ ] DENIED	ABSTAIN: _____



**To:** Honorable City Council

**From:** John Moreno, City Manager

**By:** John Carver, Planning Director

**Date:** April 11, 2022

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**Subject: RESOLUTION NO. 22:022/ALTAIR PARAMOUNT, LLC**

## **BACKGROUND**

This application is a request for a variance by AltAir Paramount, LLC to exceed the 55-foot height limit to allow the installation of various pieces of equipment, including process vessels, a hydrogen generation unit, and a pretreat unit, at 14700 Downey Avenue in the M-2 (Heavy Manufacturing) zone. This item is in connection with an amendment to Conditional Use Permit No. 757, heard earlier this evening by the City Council. The Planning Commission, at a special meeting held on March 14, 2022, recommended approval of this item to the City Council. The City Council does not ordinarily review zone variances. However, because the project has several impacts that cannot be mitigated, the City Council must adopt a Statement of Overriding Considerations in order to certify the subsequent environmental impact report (SEIR) and approve the project. This item was continued from the April 5, 2022 City Council meeting.

AltAir Paramount is proposing substantial modifications to complete the conversion of the refinery to produce renewable jet fuel, diesel, gasoline, and propane from animal fat and nonedible vegetable oil. After the conversion is complete (approximately a three-year construction schedule), the refinery will no longer be able to process petroleum products. When complete, the refinery will produce up to 25,000 barrels of renewable fuel each day.

The project modifications would include a new pretreat unit with a stack height of up to 84 feet toward the center of the refinery; a 135-foot-tall flare at the south-central section of the refinery; and a 100-foot-tall flare at the hydrogen generation unit toward the center of the site.

## **FINDINGS**

The Paramount Municipal Code requires several findings to be met before a variance is granted by the Planning Commission. First, unique or exceptional circumstances must exist. The functions of the refinery to produce renewable fuels is dependent upon equipment and towers that exceed the manufacturing zone height limit of 55 feet. Currently, the refinery contains existing equipment that are taller than 55 feet, with a tower at a height of 150 feet.

The Code also requires that the issuance of a zone variance not be detrimental to the public welfare. The proposed project will have benefits that are positive to the public welfare by producing renewable fuels. Jet fuel, diesel, gasoline, and propane produced from animal fat and vegetable oils will have localized reductions in sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and particulate matter (PM10), which in turn is positive for the health and welfare of the general public.

Additionally, existing pieces of equipment at various locations throughout the refinery, exceed the 55-foot limit, with one stack at a height of 150 feet. The conversion project will introduce new equipment that will have a minor visual change to the skyline of the refinery

Finally, the Municipal Code states that the granting of a variance must not adversely affect the comprehensive General Plan. The refinery is a long-term use in the City of Paramount. The City's General Plan anticipates continued operation of the refinery, and as such, the granting of this variance will not adversely affect the comprehensive General Plan.

Following are photo simulations from various locations around the refinery that show the existing skyline and the skyline with the new pieces of equipment.



Current View Facing East from Downey Avenue



Post Project View Facing East from Downey Avenue



Current View Facing Southerly from Castana Avenue



Post Project View Facing Southerly from Castana Avenue



Current View Facing Southwesterly From the Walmart Parking Lot



Post Project View Facing Southwesterly From the Walmart Parking Lot





Current View Facing Northerly From Somerset Avenue



Post Project View Facing Northerly From Somerset Avenue

As shown in the different artistic renderings of the photographs, the existing refinery and the expected post-project refinery, including the new vessels, flare, hydrogen generation unit, pretreat unit, and relocated heater stacks, are and would be visible to the surrounding community. The views of the refinery from adjacent properties are not expected to change substantially. The project additions would be of the same industrial nature as the surrounding industrial environment. The new taller vessels would have similar structures (e.g., a vessel with ladders and landings) as the existing equipment and would look similar to existing structures, so that a significant change in the visual characteristics of the refinery is not expected. As depicted in the photos above, the new units and modifications to existing equipment are expected to be partially visible to the surrounding community from some vantage points and not visible from others. Overall, the visual character of the refinery is expected to remain the same (i.e., an industrial facility surrounded by landscaping with a perimeter wall).

Additionally, the AltAir Renewable Fuels Conversion Project will allow for the production of jet and diesel fuel that has a significantly lower carbon footprint than fuel from crude oil, and thus will have a positive impact on the environment.

## **ENVIRONMENTAL ASSESSMENT**

The height of the various pieces of equipment was analyzed in the Subsequent Environmental Impact Report (SEIR) for the conversion project. The SEIR found that the views of the refinery from adjacent properties are not expected to change substantially.

## **VISION, MISSION, VALUES, AND STRATEGIC OUTCOMES**

The City's Vision, Mission, and Values set the standard for the organization; establish priorities, uniformity, and guidelines; and provide the framework for policy decisionmaking. The Strategic Outcomes were implemented to provide a pathway to achieving the Vision of a city that is safe, healthy, and attractive. This item aligns with Strategic Outcomes No. 2: Community Health; No. 3 Economic Health; and No. 4: Environmental Health.

## **RECOMMENDED ACTION**

It is recommended that the City Council read by title only, waive further reading, and adopt Resolution No. 22:022 approving Zone Variance No. 409, subject to the following conditions:

1. Except as set forth in conditions, development shall take place substantially as shown on the approved site plans and elevations. Any material deviation must be approved by the Planning Department before construction.
2. It is hereby declared to be the intent that if any provision of this Conditional Use Permit is held or declared to be invalid, the exception shall be void and the privileges granted hereunder shall lapse.
3. The applicant understands that an Unclassified Use Permit, Conditional Use Permit, and/or Variance granted under the Zoning Ordinance, or any section thereof, is granted and accepted by all parties with the express understanding that the Planning Commission may hold a public hearing, notice of time and place of which shall be given to the applicant, if one or more of the following conditions exists:
  - a. That the approval was obtained by fraud;
  - b. That the need for which such approval was granted has ceased to exist or has been suspended for one year or more;
  - c. That the Unclassified Use Permit, Conditional Use Permit, and/or Variance is being, or recently has been, exercised contrary to the terms or conditions of such approval or in violation of any statute, provision of the Code, ordinance, law, or regulation;
  - d. That the need for which the approval was granted was so exercised as to be detrimental to the public health or safety or so as to constitute a nuisance (Section 17.48.070, Paramount Municipal Code).

If after such hearing, the Planning Commission finds that any grounds of modification, suspension, or revocation exist, the Planning Commission may modify, suspend, or revoke or suspend such Unclassified Use Permit, Conditional Use Permit, and/or Variance.

4. Any future tenant improvements require permits from the Building and Safety Division of the Planning Department.
5. No exterior structural alteration or building color change shall be permitted without the prior approval of the Planning Department.
6. Rail deliveries and pick-ups shall be limited to Monday through Saturday, from 9:00 a.m. to 6:00 p.m. Rail deliveries and pick-ups shall be further limited to the non-peak hour traffic periods after 9:00 a.m. and before 6:00 p.m., and times when students are not going to or leaving school. The applicant currently receives rail deliveries and pick-ups of up to 25 rail cars once a day, Monday through Friday.

The authorization for an increase in rail car deliveries and pick-ups over what the applicant currently receives is expressly contingent upon applicant's demonstration of its reasonable best efforts, including coordinating with third parties (including property owners, the Joint Ports of Long Beach and Los Angeles, Union Pacific, Metro) regarding real property rights and/or agency approvals, in coordination with the City of Paramount, to construct a sound wall on or adjacent to eastern edge of the rear yards of the homes on the east side of Façade Avenue, north of Rosecrans Avenue as contemplated by the Metro EIR for the WSAB. With City approval, applicant shall contract with a consultant(s) to develop a report analyzing and identifying the reasonable best efforts for the construction of a sound wall, inclusive of 3<sup>rd</sup> party coordination, planning, design work that would be needed. Such report shall be approved by the Planning Department prior to implementation.

In a circumstance where Applicant is legally unable to secure the necessary property rights, permits, or approvals from private property owners, or governing or coordinating agencies within two years from the approval of this CUP, Applicant shall notify the City that it has exhausted its reasonable best efforts to construct the sound wall, and City will deem Applicant to have satisfied this condition; provided, however, that to ensure Applicant is making reasonable best efforts to secure the necessary property rights, permits or approvals from private property owners, or governing or coordinating agencies, Applicant will be required to submit a progress report to City Planning Staff on a quarterly basis detailing Applicant's efforts to construct the wall. The Planning Commission will review all quarterly reports. Costs incurred by applicant associated with compliance with this condition, including preliminary investigatory work, will be netted from a portion of the proceeds of the Community Benefits Agreement, as

described in Condition # 19 of this CUP (below). The sound wall shall be both constructed in accordance with City of Paramount specifications and the specifications contemplated in the Metro WSAB EIR.

Applicant shall commence efforts in compliance with this condition within 60 days of the approval date. Applicant's request for an increase in the number of train deliveries from what Applicant is currently receiving so long as Applicant has demonstrated its reasonable best efforts to diligently comply with this condition, and such increase, having already been analyzed in the FSEIR, shall not be unreasonably withheld by the City. The Applicant expressly acknowledges that failure to exhaust its reasonable best efforts to cause to have the sound wall constructed under the terms of this condition of approval will prohibit any increase in rail car deliveries and pick-ups over what the applicant currently receives.

7. The length of an individual train will generally be limited to not more than 25 railcars. In the event more cars are required, the Planning Department must be notified 24-hours in advance. The refinery operators will also be required to notify the Paramount Sheriff's station of the approximate delivery time. Work undertaken to exercise the zone variance approval must commence within one year of the effective date unless otherwise specified. If work has not commenced within one year of the effective date of the zone variance approval, the zone variance approval shall expire. Requests for an extension of one additional year to commence work must be submitted in writing 30 days before the expiration of the zone variance approval.
8. A sound wall shall be constructed at the north end of the refinery plant, adjacent to the Cinderella Mobile Home Park. Planning Department approval shall be obtained for the exact location, materials, and height prior to construction of the sound wall.
9. The landscaping along Lakewood Boulevard shall be refurbished to include drought tolerant planting material in compliance with Chapter 17.96 (Water-Efficient Landscape Provisions) of the Paramount Municipal Code. A landscape plan shall be approved by the Planning Department prior to installation of the landscaping.
10. To the greatest extent possible, the applicant shall divert diesel trucks away from the Paramount facility to pick-up finished product from other locations outside of the City of Paramount. On an annual basis, the applicant shall check on the loading capabilities at the City of Carson loading and tank facility to determine if loading capabilities are available, and if so, the applicant shall utilize the capacity that is available at this facility.

11. All finished product that can be delivered by underground pipeline shall be delivered by underground pipeline, thus reducing the dependency on diesel trucks to deliver finished product.
12. The applicant shall work with the Union Pacific Railroad to encourage implementation of tier 4 locomotive engines for all rail deliveries to and from the Applicant's property.
13. The applicant shall work with the Union Pacific Railroad to encourage the installation of continuously welded tracks in the neighborhood on the east side of Façade Avenue, north of Rosecrans Avenue, and along the rail connection, in connection with the West Santa Ana Branch light rail project. This requirement is conditioned upon the commencement of construction of the light rail project.
14. The applicant shall work with the Union Pacific Railroad to encourage the installation of "under ballast mats" in the neighborhood on the east side of Façade Avenue, north of Rosecrans Avenue, and along the rail connection, in connection with the West Santa Ana Branch light rail project. This requirement is conditioned upon the commencement of construction of the light rail project.
15. This application is subject to the Mitigation Monitoring and Reporting Program for the AltAir Refinery Conversion Project, as provided for in the Final Subsequent Environmental Impact Report. The Construction Management Program detailed in Mitigation Measure AQ-1a shall be produced and submitted for City review and approval prior to the start of construction. The NOx Reduction Program detailed in Mitigation Measure AQ-2b shall be developed, submitted for City review and approval, implemented, and monitored prior to the start of expanded operations. The Noise Monitoring and Management Plan detailed in Mitigation Measure N-1b shall be produced and submitted for City review and approval prior to construction. The Traffic Management Plan – Construction – detailed in Mitigation Measure T-3a shall be prepared, submitted for City review and approval prior to construction. The Traffic Management Plan – Operations – detailed in Mitigation Measure T-3a shall be prepared, submitted for City review and approval prior to operations.
16. Construction may take place between the hours of 7:00 a.m. and 8:00 p.m., Monday through Saturday. Construction is prohibited on Sunday.
17. Applicant must enter into a separate Community Benefits Agreement (CBA) with City within one year of approval of this Conditional Use Permit. The terms of the CBA, including payment amounts, shall be fairly and duly negotiated between applicant and City. Failure to come to terms on the CBA by the prescribed deadline shall necessitate a review of this CUP by the Planning Commission. It shall be noted that the CBA may include a provision that would allow Applicant to offset the payment terms of the CBA with equal amounts of sales and use tax

received by City, as a direct result of Applicant designating the City of Paramount as the Applicant's point of sale. The CBA shall last five to seven years, and shall not exceed \$1,000,000 per year.

18. The refinery shall operate at a maximum of an average of 300 one-way truck trips (600 total trips) per day, on a 60-day running average.
19. The applicant, together with the City of Bellflower and the City of Paramount, shall share the cost of installing asphalt to the approaches and intersection of Lakewood Boulevard and Somerset Boulevard. Applicant's share is 46% of the cost; the City of Bellflower's share is 42% of the cost, and the City of Paramount's share is 12% of the cost.
20. At no time may traffic on Downey Avenue be halted more than 5 minutes during any single delivery or pick-up. In the event of a longer train (a train consisting of more than 25 cars), multiple maneuvers by the train operators may be required to stay under the 5-minute limit.

CITY OF PARAMOUNT  
LOS ANGELES COUNTY, CALIFORNIA

**RESOLUTION NO. 22:022**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT SETTING FORTH ITS FINDINGS OF FACT AND DECISION RELATIVE TO ZONE VARIANCE NO. 409, A REQUEST BY ALTAIR PARAMOUNT, LLC FOR A VARIANCE TO EXCEED THE 55-FOOT HEIGHT LIMIT IN THE M-2 (HEAVY MANUFACTURING) ZONE TO ALLOW THE INSTALLATION OF VARIOUS PIECES OF EQUIPMENT RELATED TO THE ALTAIR PARAMOUNT, LLC REFINERY CONVERSION PROJECT AT 14700 DOWNEY AVENUE

WHEREAS, the City Council of the City of Paramount has received an application from AltAir Paramount, LLC for a zone variance to exceed the 55-foot height limit in the M-2 (Heavy Manufacturing) zone to allow the installation of various pieces of equipment related to the AltAir Paramount, LLC refinery conversion project at 14700 Downey Avenue; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARAMOUNT AS FOLLOWS:

**SECTION 1.** The above recitations are true and correct.

**SECTION 2.** The City Council finds that it has conducted all the public hearings necessary and in compliance with State Law and the Municipal Code of the City of Paramount.

**SECTION 3.** The City Council finds that all requirements of notice have been complied with pursuant to State Law and the Municipal Code.

**SECTION 4.** The City Council finds that the evidence presented does justify approval of this zone variance for the following reasons:

1. The requested use at the location proposed will not:
  - a. Adversely affect the health, peace, safety or welfare of persons residing or working in the surrounding area;
  - b. Be materially detrimental to the use, enjoyment or valuation of property of other persons located in the vicinity of the site; nor
  - c. Jeopardize, endanger or otherwise constitute a menace to the public health, safety or general welfare; and

2. The proposed site is adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and other development features prescribed in this chapter, or as is otherwise required in order to integrate such use with the uses in the surrounding area; and
3. That the proposed site is adequately served:
  - a. By highways or streets of sufficient width and improved as necessary to carry the kind and quantity of traffic such use would generate, and
  - b. By other public or private service facilities as are required.

**SECTION 5.** The City Council hereby approves this zone variance to the City Council, subject to the following conditions:

1. Except as set forth in conditions, development shall take place substantially as shown on the approved site plans and elevations. Any material deviation must be approved by the Planning Department before construction.
2. It is hereby declared to be the intent that if any provision of this Conditional Use Permit is held or declared to be invalid, the exception shall be void and the privileges granted hereunder shall lapse.
3. The applicant understands that an Unclassified Use Permit, Conditional Use Permit, and/or Variance granted under the Zoning Ordinance, or any section thereof, is granted and accepted by all parties with the express understanding that the Planning Commission may hold a public hearing, notice of time and place of which shall be given to the applicant, if one or more of the following conditions exists:
  - a. That the approval was obtained by fraud;
  - b. That the need for which such approval was granted has ceased to exist or has been suspended for one year or more;
  - c. That the Unclassified Use Permit, Conditional Use Permit, and/or Variance is being, or recently has been, exercised contrary to the terms or conditions of such approval or in violation of any statute, provision of the Code, ordinance, law or regulation;
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If after such hearing, the Planning Commission finds that any grounds of modification, suspension, or revocation exist, the Planning Commission may modify, suspend, or revoke or suspend such Unclassified Use Permit, Conditional Use Permit, and/or Variance.

4. Any future tenant improvements require permits from the Building and Safety Division of the Planning Department.
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8. A sound wall shall be constructed at the north end of the refinery plant, adjacent to the Cinderella Mobile Home Park. Planning Department approval shall be obtained for the exact location, materials, and height prior to construction of the sound wall.
9. The landscaping along Lakewood Boulevard shall be refurbished to include drought tolerant planting material in compliance with Chapter 17.96 (Water-Efficient Landscape Provisions) of the Paramount Municipal Code. A landscape plan shall be approved by the Planning Department prior to installation of the landscaping.
10. To the greatest extent possible, the applicant shall divert diesel trucks away from the Paramount facility to pick-up finished product from other locations outside of the City of Paramount. On an annual basis, the applicant shall check on the loading capabilities at the City of Carson loading and tank facility to determine if loading capabilities are available, and if so, the applicant shall utilize the capacity that is available at this facility.

11. All finished product that can be delivered by underground pipeline shall be delivered by underground pipeline, thus reducing the dependency on diesel trucks to deliver finished product.
12. The applicant shall work with the Union Pacific Railroad to encourage implementation of tier 4 locomotive engines for all rail deliveries to and from the Applicant's property.
13. The applicant shall work with the Union Pacific Railroad to encourage the installation of continuously welded tracks in the neighborhood on the east side of Façade Avenue, north of Rosecrans Avenue, and along the rail connection, in connection with the West Santa Ana Branch light rail project. This requirement is conditioned upon the commencement of construction of the light rail project.
14. The applicant shall work with the Union Pacific Railroad to encourage the installation of "under ballast mats" in the neighborhood on the east side of Façade Avenue, north of Rosecrans Avenue, and along the rail connection, in connection with the West Santa Ana Branch light rail project. This requirement is conditioned upon the commencement of construction of the light rail project.
15. This application is subject to the Mitigation Monitoring and Reporting Program for the AltAir Refinery Conversion Project, as provided for in the Final Subsequent Environmental Impact Report. The Construction Management Program detailed in Mitigation Measure AQ-1a shall be produced and submitted for City review and approval prior to the start of construction. The NOx Reduction Program detailed in Mitigation Measure AQ-2b shall be developed, submitted for City review and approval, implemented, and monitored prior to the start of expanded operations. The Noise Monitoring and Management Plan detailed in Mitigation Measure N-1b shall be produced and submitted for City review and approval prior to construction. The Traffic Management Plan – Construction – detailed in Mitigation Measure T-3a shall be prepared, submitted for City review and approval prior to construction. The Traffic Management Plan – Operations – detailed in Mitigation Measure T-3a shall be prepared, submitted for City review and approval prior to operations.
16. Construction may take place between the hours of 7:00 a.m. and 8:00 p.m., Monday through Saturday. Construction is prohibited on Sunday.

17. Applicant must enter into a separate Community Benefits Agreement (CBA) with City within one year of approval of this Conditional Use Permit. The terms of the CBA, including payment amounts, shall be fairly and duly negotiated between applicant and City. Failure to come to terms on the CBA by the prescribed deadline shall necessitate a review of this CUP by the Planning Commission. It shall be noted that the CBA may include a provision that would allow Applicant to offset the payment terms of the CBA with equal amounts of sales and use tax received by City, as a direct result of Applicant designating the City of Paramount as the Applicant's point of sale. The CBA shall last five to seven years, and shall not exceed \$1,000,000 per year.
18. The refinery shall operate at a maximum of an average of 300 one-way truck trips (600 total trips) per day, on a 60-day running average.
19. The applicant, together with the City of Bellflower and the City of Paramount, shall share the cost of installing asphalt to the approaches and intersection of Lakewood Boulevard and Somerset Boulevard. Applicant's share is 46% of the cost; the City of Bellflower's share is 42% of the cost, and the City of Paramount's share is 12% of the cost.
20. At no time may traffic on Downey Avenue be halted more than 5 minutes during any single delivery or pick-up. In the event of a longer train (a train consisting of more than 25 cars), multiple maneuvers by the train operators may be required to stay under the 5-minute limit.

**SECTION 6.** This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED and ADOPTED by the City Council of the City of Paramount this 11<sup>th</sup> day of April 2022.

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Vilma Cuellar Stallings, Mayor

ATTEST:

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Heidi Luce, City Clerk