



Meeting Date: 3/6/12

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Other <u>Study Session</u>

Prepared By: Ashley Golden, Principal Planner *ay* Agenda Item No. **R-1**

Reviewed By: City Manager *JLP* City Attorney *SMF* Finance *JK* Other (Specify) _____

DATE: February 27, 2012

TO: City Council

FROM: Susan L. Martin, AICP, Planning Manager *SM*
Development Services Department

SUBJECT: Pre-Application Review (PZ 12-600-1) for Development of a Vegetable Oil Refinery at Either the Northwest Corner of Del Norte Blvd and Fifth Street (APNs 216-0-016-465, & -475) or 5851 Arcturus Ave. (APN 213-0-090-195). Filed by Fuji Oil Co. Ltd. & ITOCHU International Inc.

RECOMMENDATION

That City Council review and provide preliminary comments on a pre-application to develop a facility for the storage, processing, and transloading of edible vegetable oils at either a 10.71 acre site on Del Norte Boulevard or a 9.72 acre site on Arcturus Avenue.

DISCUSSION

The pre-application process allows City Council members an opportunity to make individual comments concerning the proposal. The Council's preliminary comments may be helpful for the applicant to refine the proposal or to determine whether entitlements should be pursued for the proposal. Comments provided by the Council on this pre-application do not constitute a decision or endorsement of the proposal. In accordance with State Law, *no formal direction or decision-making will take place until such time as a formal application has been filed and has undergone appropriate environmental review and evaluation for consistency with adopted City plans and policies.*

The proposal includes a vegetable oil refinery at *either* the northwest corner of Del Norte Blvd. and Fifth Street or at 5851 Arcturus Avenue. The sites are owned by the City and the Oxnard Harbor District, respectively. The operation requires an approximately 10 acre site with access to a rail line. The proposal for both sites is the same. The development of either site would include the following:

- One (1) 10,800 sq.ft. 2 story processing building
- One (1) 200 sq.ft sentry building
- One (1) 400 sq.ft fire pump building
- One (1) 200 sq.ft truck loading building with scale
- One (1) 400 sq.ft water treatment building
- One (1) railcar transloading facility

- One (1) 6,000 sq.ft administration/laboratory building
- One (1) 400 sq.ft 100 foot tall processing tower
- One (1) 10,000 sq.ft water treatment facility
- Truck parking and employee parking areas
- 40 above ground storage tanks

Attachment 2 of this report provides an idea of the scale and layout of the proposed refinery. The facility would operate 24 hours a day and employ 60 - 75 people. The operation requires a portside receiving and storage facility (identified in the terminal grounds of the Port of Hueneme) and an oil processing facility (VOPF) (identified at either Del Norte & Fifth or Arcturus). On a daily basis 15 – 25 roundtrip tanker trucks would transport unprocessed vegetable oils from the Port of Hueneme to the VOPF. Activities at the VOPF would include the storage, processing (bleaching, deodorization, hydrogenation, fractionation, interestification, and packaging), and distribution to consumer food product manufacturers within the United States.

The project will be subject to the California Environmental Quality Act (CEQA). Items to consider for the proposal include:

- 1) **Water Use:** Food oil processing requires a substantial amount of water, therefore, water treatment is a very important operation from both an ecological and efficiency standpoint. The water needed for the processing of the oil is re-treated and recovered then reused by the plant with minimal elimination into the city system.
- 2) **Aesthetic Impact** of the above ground tanks and the approximately 100' deodorizing process tower. The tower is necessary to remove undesirable scents and free fatty acids to produce neutral oil with premium shelf life. The above ground tanks are large, and although perimeter screening would be required, the tanks would be visible over the screening.
- 3) **Hazardous Storage:** the site may contain a number of flammable items including: liquid hydrogen storage, storage of powder catalyst, diesel fuel, natural gas, and ammonia. Although many of these items are common at industrial locations they will require special treatment. The proximity to the railroad may be an increased risk, although the rail line is imperative to the operation. For the Arcturus site, the proximity to the potential wetlands area may require special treatment of the hazardous materials.
- 4) **Air Quality:** A formal application would require details of the equipment and the emissions output. Also the truck traffic and potential rail use associated with the operation would be subject to air quality standards.
- 5) **Odor:** A formal submittal will require specifics of any odors associated with the use and potential mitigation for odor.
- 6) **Biological Impacts:** The Arcturus Ave location has a greater potential biological impact and will require a full biological assessment during the environmental phase of the project. The height of the processing tower may have an impact on the habitat in the area. In addition, the impact to the sensitive habitat in the vicinity of the stored materials and processing would need to be analyzed under CEQA.
- 7) **Location & Zoning Conformance at the Del Norte Site:** The 2030 General Plan designates the property for Heavy Industrial; as such, a zone change from M1-PD to M2-PD will be required regardless of whether the project is proposed for this site in order to make the zoning consistent with the General Plan designation. The M2-PD zone allows this use with approval of

a special use permit. The height limit of the M2 zone is 100'. This City-owned site is designated for the potential Del Norte Recycling Center expansion. Although this site is along a truck route, it is further from the Port of Hueneme than the Arcturus site, so the trucks making the 15 – 25 daily roundtrips would travel further per day. The adjacent uses include the Del Norte Recycling Center (north), a concrete batch plant (east), the railroad and agriculture (south), and the railroad and Sysco Foods (west).

- 8) **Location & Zoning Conformance 5851 Arcturus Ave:** The Arcturus site is 600 feet outside the coastal zone and zoned M2-PD. At a meeting on January 23, 2012 the Oxnard Harbor District Board of Commissioners discussed the project and did not object to the City's pre-application review of this request. The M2-PD zone allows this use with approval of a special use permit. The height limit of the M2 zone is 100'. This location is closer to the Port of Hueneme so the trucks making the 15- 25 daily roundtrips would travel fewer miles per day. The site is immediately east of Nature Conservancy owned land which has been designated for Ormond Beach Wetland Restoration. The site is also approximately 870 feet southeast of a 2030 General Plan designated park site at Saviers Road and Hueneme Road. The adjacent uses include a truck storage facility (north), the BMW processing facility (east), storage facility for offshore oil equipment (south), rail line (west), and vacant land (west).

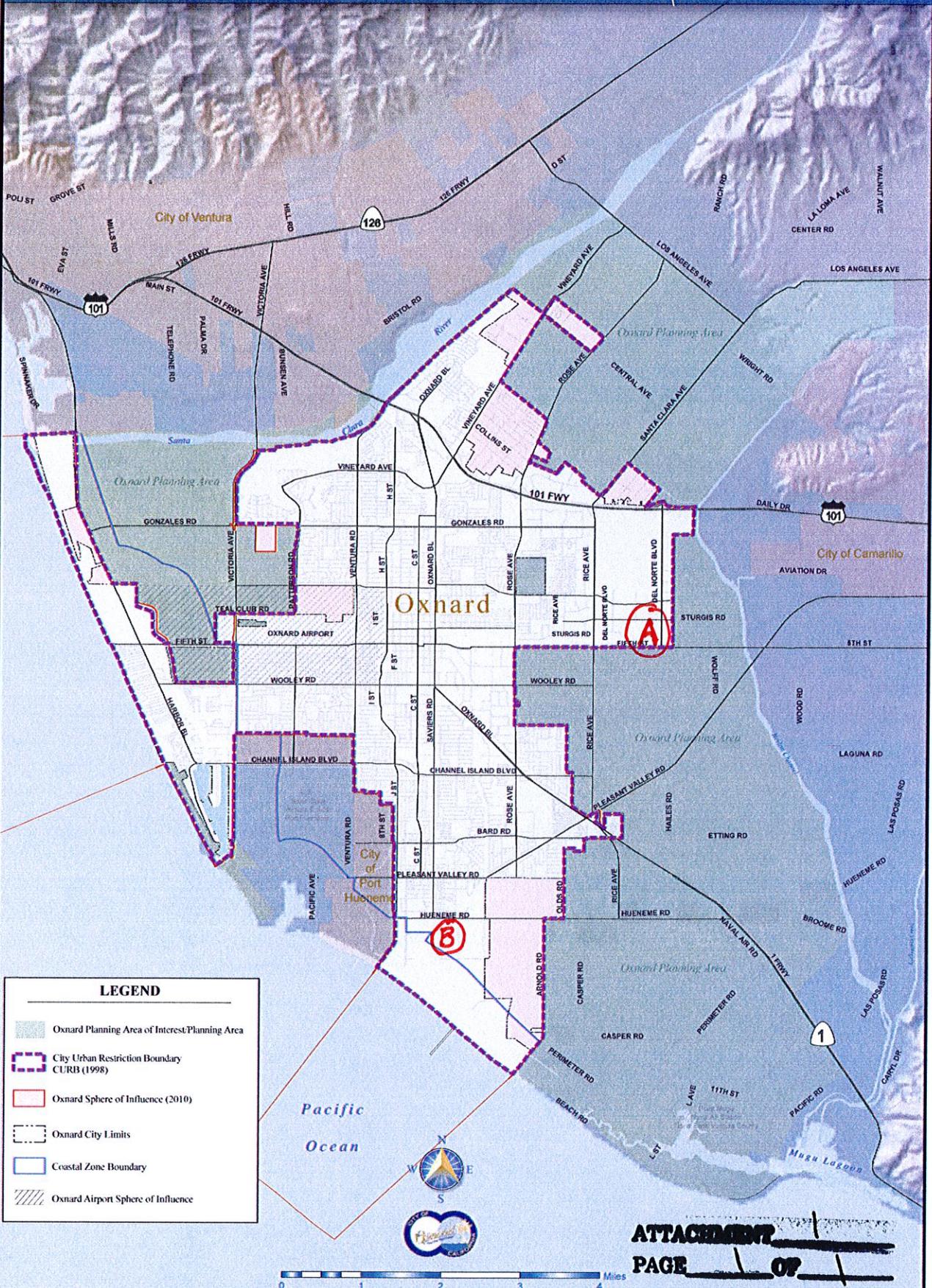
FINANCIAL IMPACT

None.

AMG

Attachment #1 - Project Location Map (2 locations)
#2 - Fuji Master Site Plan

City of Oxnard Jurisdictional Boundaries



LEGEND

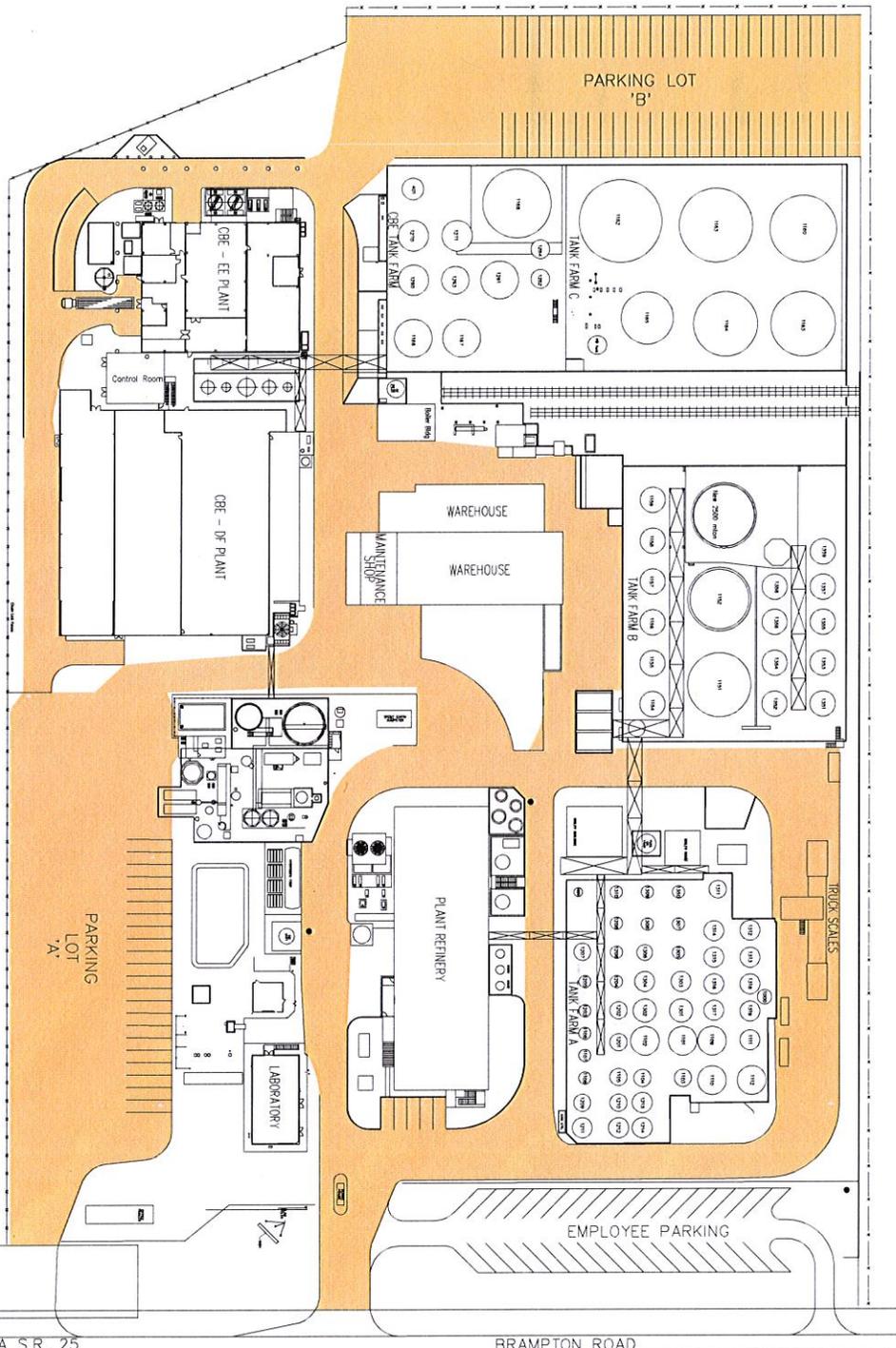
- Oxnard Planning Area of Interest/Planning Area
- City Urban Restriction Boundary CURB (1998)
- Oxnard Sphere of Influence (2010)
- Oxnard City Limits
- Coastal Zone Boundary
- Oxnard Airport Sphere of Influence

ATTACHMENT
PAGE 1 OF 1





Fuji Master Site Plan



NO.	DATE	REVISIONS
1	10/1/08	ISSUED FOR PERMITTING
2	10/1/08	ISSUED FOR PERMITTING
3	10/1/08	ISSUED FOR PERMITTING
4	10/1/08	ISSUED FOR PERMITTING
5	10/1/08	ISSUED FOR PERMITTING
6	10/1/08	ISSUED FOR PERMITTING
7	10/1/08	ISSUED FOR PERMITTING
8	10/1/08	ISSUED FOR PERMITTING
9	10/1/08	ISSUED FOR PERMITTING
10	10/1/08	ISSUED FOR PERMITTING

FUJI VEGETABLE OIL, INC
SAVANNAH PLANT
120 BRAMPTON ROAD SAVANNAH, GEORGIA 31408

SHEET TITLE

JOB NAME

REV. NO.

ONS. NO.

