

June 11, 2025

The City of Hesperia, CA 9700 Seventh Avenue Hesperia, CA 92345

RE: DEVELOPMENT CODE AMENDMENTS DCA24-00003 SPECIFIC PLAN AMENDMENT SPLA24-00005 PRELIMINARY COMMENTS IN OPPOSITION

Dear Honorable Members of the Hesperia City Council,

My father, Frank Shean, bought Valley Pallet from its original owners 22 years ago after working his way up in their Salinas facility. My mom joined on working in the office with him, and a few years later they were able to open more locations in Terra Bella and Sacramento. When I graduated from college in 2010 I had other job offers, but Valley Pallet and its employees were my family - I never wanted to work anywhere else.

When my dad decided to join PLA 7 years later, he did it to give me, along with all our other employees, access to the stability and growth opportunities PLA had to offer. My father recently retired, but not before achieving his goal: I am now the General Manager of the Salinas and Terra Bella facilities, overseeing 125 employees, many of whom have worked with us for decades.

The pallet business put me through college. It supports my family and the families of the 125 Californians who work alongside me every day. Some day soon we hope to open the Hesperia location to serve more California businesses, employ more Californians, and to continue to build PLA – and my family's legacy.

Respectfully,

Lindsey Shean Snowden General Manager, Salinas and Terra Bella Valley Pallet, a member of the PLA Family of Companies



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RE: DEVELOPMENT CODE AMENDMENTS DCA24-00003 SPECIFIC PLAN AMENDMENT SPLA24-00005 PRELIMINARY COMMENTS IN OPPOSITION

Dear Honorable Members of the Hesperia City Council,

This year marks my 27th year of employment at Valley Pallet/PLA. I originally started as a forklift driver at the Salinas facility but have performed a variety of jobs there and in our Terra Bella operations over the years as I grew along with the business. The knowledge and experience I've gained during my time at the company have led to my current role as a Supervisor in our Terra Bella facility and will serve me well for the remainder of my career.

My job at PLA made it possible for me to purchase my home and to save for my future. I am also preparing for my retirement by participating in PLA's 401k program. Over the years I have built great friendships and business relationships with my fellow employees and our customers. My experience at PLA continues to be very positive and financially rewarding, and when I eventually retire, will leave me with decades of good memories that I will always cherish.

Respectfully,

Jack Scott Supervisor, Terra Bella Valley Pallet, a member of the PLA Family of Companies



June 12, 2025

The City of Hesperia, CA 9700 Seventh Avenue Hesperia, CA 92345

RE: DEVELOPMENT CODE AMENDMENTS DCA24-00003 SPECIFIC PLAN AMENDMENT SPLA24-00005 PRELIMINARY COMMENTS IN OPPOSITION

Dear Honorable Members of the Hesperia City Council,

On behalf of PLA Solutions, I am writing to urge the Council to vote No on the proposed ordinance encompassing Development Code Amendment DCA24-00003 and Specific Plan Amendment SPLA24-00005. As one of the region's established operators, PLA believes this decision would have unintended negative consequences for local employment, environmental sustainability, workplace safety, and community vitality. We respectfully present the following reasons to support our position:

PLA is a Strong Local Employer

PLA is proud to provide high-quality employment to over 1,200 individuals nationwide, including 422 in California. We offer stable, long-term career opportunities with competitive compensation and benefits. This year, 25 California employees will celebrate 20 years or more with our company; five will celebrate more than 30 years.

In Hesperia, our facility would provide accessible jobs across various skill levels, contributing to the City's economic resilience. Rather than limiting this potential, the City should support employers like PLA who invest in workforce development and mobility.

PLA is Environmentally Focused

PLA has implemented an aggressive and transparent ESG framework to reduce our environmental impact and that of our customers.

- Last year we diverted over 3 million tons of wood waste from landfills, repurposing it into reusable pallets and energy-efficient biomass.
- Our closed-loop pallet lifecycle model reduced virgin lumber usage and contributed to circular economy principles.
- We are committed to achieving Net Zero Scope 1 and 2 emissions by 2035, and we have already reduced greenhouse gas emissions by 17% per pallet since 2021.

Prohibiting responsible pallet operations could inadvertently increase the region's waste burden and undermine the City's compliance with state environmental mandates.

PLA is Safety Focused

Safety is a core value at PLA. In 2024, we reported a 5% reduction in total recordable incident rates (TRIR), outperforming industry averages through ongoing investment in equipment modernization, worker training, and procedural audits.

Our operations utilize indoor automated systems that reduce employee exposure to hazardous environments. We also employ dust and emissions controls, fire mitigation protocols, and noise abatement technologies to minimize risks to both workers and neighbors.

PLA is Community Focused

PLA invests in the well-being of the communities in which we operate. We support a variety of community organizations in the local markets we serve through volunteer work and philanthropy.

We understand and respect the City's goals in managing industrial land use, but we firmly believe that approval of the ordinance approving Development Code Amendment DCA24-00003 and Specific Plan Amendment SPLA24-00005 would undermine the objectives of environmental sustainability and economic development. We encourage the Council to reject these amendments and instead engage with local stakeholders—including PLA—to implement standards-based permitting that incentivizes best-in-class operations.

Thank you for your consideration.

Respectfully,

Hillary McCutcheon Chief Enterprise Strategy Officer PLA



June 12, 2025

VIA EMAIL (mmontes@hesperiaca.gov and rflores@hesperiaca.gov)

RE: Resolution No. PC-2025-07 (Prohibition of Outdoor Pallet Yards and Indoor Pallet Manufacturing Facilities)

Dear Planning Commissioners:

CIRE Equity is the property manager for 6730 Santa Fe, LLC ("CIRE") which is the owner of the property located at 6730 Sante Fe, Hesperia. CIRE leased the site to PLA Solutions, and PLA Solutions intends to conduct palette storage and recycling at the facility which is currently permitted under the City's Municipal Code. Through the California Environmental Quality Act (CEQA) review process, we learned of concerns from members of the public, and we would like the opportunity to assuage the concerns. However, on August 20, 2024, at the Planning Commission's request, the City Council adopted an urgency ordinance implementing a 45-moratorium on the establishment or expansion of pallet yard facilities, and the City Council extended this moratorium for 10½ months on September 17, 2024.

We respectfully object to the urgency ordinance as it was adopted based on the Planning Commission's bald assertions of the following:

(1) Fire Risk: Wooden pallet storage yards present an obvious fire hazard due to the storage of large quantities of wood, a combustible material, at a single site. Within the past few years there have been multiple fires associated with pallet yards in nearby cities that have caused millions of dollars in losses.

(2) Stacking Hazards: Wooden pallet storage yards often store wooden pallets in high stacks. Without adequate regulation of the location, height and volume of these stacks, or the separation between these stacks, the health, safety, and welfare of the public may be endangered. The improper or unsafe stacking of wooden pallets may be a falling risk, endangering employees and visitors to these sites, or may become a fire hazard, endangering the general public and neighboring properties. (Ordinance No. 2024-10, Section 1C).

The Planning Commission has never offered any citations to any authority for its assertions.

The Planning Commission has also repeatedly stated that there is an "absence of a regulatory framework to govern pallet storage yards." *However, pallet storage yards are, in fact, regulated by the California Fire Code*. (See Cal. Fire Code Sections 2810 *et al.* and 315.7 *et al.*

attached hereto as Attachment 1). These regulations require a site plan including the presence of fire protection systems, a fire prevention plan requiring inspections, testing, and maintenance of the fire protection systems, and security management plan. (See Fire Code §§ 2810.3, 2810.4, and 2810.5). In addition, the Fire Code limits pallet stack heights, distance to the lot line, pallet pile stability and size, pallet types, and pile separation distances. (See Fire Code §§ 315.7 et al.).

Compliance with these regulations would certainly mitigate fire risk. The facility will be equipped with fire protection systems including sprinklers and a robust security system with cameras around the building. The property will also be fenced off to prevent trespassers.

We engaged Koffel Associates to assess the City's concerns. We would note that with its extensive expertise, Koffel Associates helped develop the above-referenced sections of the California Fire Code as well as the requirements in the National Fire Protection Association (NFPA) 1, Fire Code, regarding the storage of wood pallets at manufacturing and recycling facilities. Koffel points out that compliance with the Fire Code, would adequately protect pallet facilities and that it has no knowledge of any instance of "a single severe fire incident at a facility that complies with the above-referenced codes." (See Attachment 2).

The urgency ordinance was

"adopted in order to allow the City time to thoroughly study and develop the City's laws, rules, procedures, and fees related to the operation and establishment of wooden pallet storage yards, to adequately and appropriately balance the rights of existing operators and future applicants who wish to establish or expand wooden pallet storage yards in the City, and to adequately and appropriately preserve the health, safety, and welfare of the community in the City of Hesperia." (Ordinance No. 2024-10, Section 1A).

Furthermore, the extension of the urgency ordinance provides:

"During the period of this Ordinance, the City shall study and develop as necessary City laws, rules, procedures, and fees related to pallet storage yards, to enable the City to preserve the health, safety, and welfare of the community adequately and appropriately in the City of Hesperia. Pursuant to Government Code Section 65858 *the Planning Manager will issue a report for the legislative body on what has been accomplished during the moratorium before it expires or is extended*." (Ordinance No. 2024-11, Section 4) (emphasis added).

It is unclear what studies have been performed and whether the Planning Manager issued a report pursuant to Government Code Section 65858(d).

We welcome the opportunity to discuss these issues with the City to discuss any additional measures beyond the Fire Code that would help preserve the health, safety, and welfare of the community. We would also like to engage with concerned citizens. PLA views fire safety as critical to its operations, and on behalf of the owner of the property, CIRE has also required strict compliance with all applicable laws and regulations.

Until the Planning Commission has conducted a meaningful study of the situation, including examining the existing Fire Code requirements and engaging with stakeholders including CIRE and PLA, we urge the Planning Commission to refrain from adopting Resolution No. PC-2025-07.

Should you have any questions or concerns, please do not hesitate to contact us.

Sincerely,

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Yaara Siler Portfolio General Counsel CIRE EQUITY

ATTACHMENT 1

SECTION 2810 OUTDOOR STORAGE OF PALLETS AT PALLET MANUFACTURING AND RECYCLING FACILITIES

2810.1 General.

The outside storage of wood pallets and wood composite pallets on the same site as a pallet manufacturing or pallet recycling facility shall comply with <u>Sections 2810.2</u> through <u>2810.11</u>.

2810.2 Site plan.

Each site shall maintain a current site plan. The site plan shall be submitted to the *fire code official* for approval and contain all of the following:

- 1. Lot lines.
- 2. Utilities.
- 3. Size, location and type of construction of the buildings on the property.
- 4. Presence of the fire protection systems.
- 5. Water supply sources for fire-fighting purposes.
- 6. Location of hazardous material storage areas.
- 7. Location of pallet storage.
- 8. Equipment protected with a dust collection system.

- 9. 9. Fire apparatus access roads.
- 10. 10. Designated smoking areas.
- 11.11.Location of fire alarm control panels.

2810.3 Fire prevention plan.

The owner or owner's authorized representative shall submit a fire prevention plan for review and approval by the *fire code* official that includes all of the following:

- 1. Frequency of walk-through inspections to verify compliance with the plan.
- 2. Hot work permit program in accordance with <u>Chapter 35</u>.
- 3. Preventative maintenance program for equipment associated with pallet activities.
- 4. Inspection, testing and maintenance of *fire protection systems* in accordance with <u>Chapter 9</u>.

2810.4 Fire safety and evacuation plan.

The *owner* or *owner*'s authorized representative shall prepare and train employees in an *approved* fire safety and evacuation plan in accordance with <u>Chapter 4</u>.

2810.5 Security management plan.

The *owner* or *owner*'s authorized representative shall prepare a security management plan based on a security risk assessment and shall make the plan and assessment available to the *fire code official* upon request.

2810.6 Clearance to property line.

Stacks of pallets shall not be stored within 0.75 times the stack height or 8 feet (2438 mm) of the property line, whichever is greater, or shall comply with <u>Section 2810.11</u>.

2810.7 Clearance to important buildings.

Stacks of pallets shall not be stored within 0.75 times the stack height of any important building on site, or shall comply with <u>Section 2810.11</u>.

2810.8 Height.

Pallet stacks shall not exceed 20 feet (6096 mm) in height.

2810.9 Fire flow.

Fire-flow requirements for the site shall be determined by the fire code official.

2810.10 Portable fire extinguishers.

Portable fire extinguishers shall be selected, installed and maintained in accordance with <u>Section 906</u>.

2810.11 Alternative approach.

Where *approved* by the *fire code official*, pallet stacks are permitted to be located closer to a property line or structure than as required by <u>Sections 2810.6</u> and <u>2810.7</u> where additional fire protection is provided, including, but not limited to, the following:

1. The storage yard areas and materials-handling equipment selection, design, and arrangement are based on an *approved* risk assessment.

2. Automatic fire detection that transmits an alarm to a supervising station in accordance with <u>NFPA 72</u>.

3. Fire apparatus access roads around all storage areas.

315.7 Outdoor pallet storage.

Pallets stored outdoors shall comply with <u>Sections 315.7</u> through <u>315.7.7</u>. Pallets stored within a building shall be protected in accordance with <u>Chapter 32</u>.

315.7.1 Storage beneath overhead projections from buildings.

Where buildings are equipped throughout with an *automatic sprinkler system*, the outdoor storage of pallets under eaves, canopies or other projections or overhangs are prohibited except where automatic sprinklers are installed under such eaves, canopies or other projections or overhangs.

315.7.2 Distance to lot line.

Pallet storage shall not be located within 10 feet (3048 mm) of a lot line.

315.7.3 Storage height.

Pallet storage shall not exceed 20 feet (6096 mm) in height.

315.7.4 Pallet pile stability and size.

Pallet stacks shall be arranged to form stable piles. Individual pallet piles shall cover an area not greater than 400 square feet (37 m²).

315.7.5 Pallet types.

Pallets shall be all wood, with slatted or solid top or bottom, with metal fasteners, or shall be plastic or composite pallets, *listed* and *labeled* in accordance with <u>UL 2335</u> or <u>FM</u> 4996. Plastic pallets shall be both solid and gridded deck, independent of the pallet manufacturing process, type of resin used in fabrication or geometry of the pallet.

315.7.6 Pile separation distances.

In addition to the other requirements of this section, pallet stacks and piles shall be separated in accordance with <u>Sections</u> <u>315.7.6.1</u> and <u>315.7.6.2</u>.

TABLE 315.7.6(1)

SEPARATION DISTANCE BETWEEN WOOD PALLET STACKS AND BUILDINGS

WALL CONSTRUCTION	OPENING TYPE	WOOD PALLET SEPARATION DISTANCE (feet)	

		≤ 50 Pallets	51 to 200 Pallets	> 200 Pallets
Masonry	None	2	2	2
Masonry	Fire-rated glazing with open sprinklers	2	5	20
Masonry	Fire-rated glazing	5	10	20
Masonry	Plain glass with open sprinklers	5	10	20
Noncombustible	None	5	10	20
Wood with open sprinklers	_	5	10	20
Wood	None	15	30	90
Any	Plain glass	15	30	90

For SI: 1 foot = 304.8 mm.

TABLE 315.7.6(2)

SEPARATION DISTANCE BETWEEN PLASTIC PALLET STACKS AND BUILDINGS

	OPENING TYPE	PLASTIC PALLET SEPARATION DISTANCE (feet)		
WALL CONSTRUCTION		≤ 50 Pallets	51 to 200 Pallets	> 200 Pallets
Masonry	None	2	2	2
Masonry	Fire-rated glazing with open sprinklers	10	20	50
Masonry	Fire-rated glazing	15	40	100
Masonry	Plain glass with open sprinklers	15	40	100
Noncombustible	None	15	40	100
Wood with open sprinklers		15	40	100
Wood	None	30	80	150
Any	Plain glass	30	80	150

For SI: 1 foot = 304.8 mm.

TABLE 315.7.6(3)

SEPARATION FROM OTHER PALLET PILES AND ON-SITE STORAGE (WOOD PALLETS)

	WOOD PALLET SEPARATION DISTANCE (feet)			
	≤ 50 Pallets	51 to 200 Pallets	> 200 Pallets	
Between pallet piles	7.5	15	45	
Other on-site storage	7.5	15	45	

1. For SI: 1 foot = 304.8 mm.

TABLE 315.7.6(4)

SEPARATION FROM OTHER PALLET PILES AND ON-SITE STORAGE (PLASTIC PALLETS)

	PLASTIC PALLET SEPARATION DISTANCE (feet)			
	≤ 50 Pallets	51 to 200 Pallets	> 200 Pallets	
Between pallet piles	15	40	75	
Other on-site storage	15	40	75	

2. For SI: 1 foot = 304.8 mm.

315.7.6.1 Building separation.

3. Pallet stacks and piles shall be separated from buildings in accordance with <u>Table 315.7.6(1)</u> for wood pallets and <u>Table 315.7.6(2)</u> for plastic pallets.

315.7.6.2 Separation from other pallets and on-site storage.

4. Pallets shall be separated from other pallet piles and other storage in accordance with <u>Table 315.7.6(3)</u> for wood pallets and <u>Table 315.7.6(4)</u> for plastic pallets.

315.7.7 Prohibited locations.

5. Pallets shall not be stored underneath high-voltage transmission lines, elevated roadways or elevated railways.

ATTACHMENT 2



June 9, 2025

The City of Hesperia, CA 9700 Seventh Avenue Hesperia, CA 92345

RE: DEVELOPMENT CODE AMENDMENTS DCA24-00003 SPECIFIC PLAN AMENDMENT SPLA24-00005 PRELIMINARY COMMENTS IN OPPOSITION PROJECT NO. C114-01

Dear Planning Commission:

Koffel Associates, Inc. has provided fire protection engineering and code compliance services to the National Wooden Pallet and Container Association (NWPCA) for approximately nine years. The relationship started when it was determined that the *International Fire Code* (IFC) lacked requirements for the storage of wood pallets at manufacturing and recycling facilities. We helped develop those requirements along with revising the requirements in NFPA 1 regarding the storage of wood pallets at manufacturing and recycling facilitate compliance with the requirements we authored the NWPCA Fire Code Compliance Manual designed to help facility operators and code officials apply the requirements that were new to the 2018 Editions of the IFC and NFPA 1 (<u>https://www.palletcentral.com/page/compliancemanual</u>). In this instance, we have also been contacted by CIRE Equity to provide code consulting services regarding the proposed resolution.

We have reviewed the Staff Report dated June 12, 2025 but released to the public on Friday, June 6, 2025. While we plan to offer more detailed comments, at this time we will offer the following general comments:

- In the Background Section a statement is made that "Pallet yards often stack wooden pallets at considerable heights. Without adequate regulation of stacking height, spacing and volume, improperly stored pallets can pose a falling hazard, endangering employees, visitors, and nearby properties." It should be noted that the California Fire Code contains two sections that address the outside storage of wood pallets, both of which address storage heights and clearances from important buildings and lot lines:
 - a. Section 2810 Outdoor Storage of Pallets at Pallet Manufacturing and Recycling Facilities
 - b. Section 315.7 Outdoor Pallet Storage
- 2. In the Issue/Analysis section the issue is expanded to include indoor pallet manufacturing facilities indicating that there are "no specific regulations tailored to outdoor or indoor pallet facilities." As noted above, the California Fire Code addresses the outdoor storage of wood pallets based upon whether the pallets are stored at manufacturing or recycling facilities or at other locations. The California Building Code classifies indoor manufacturing facilities as either

ATTACHMENT 2

a Group F-1 occupancy or a Group H-2 occupancy, depending on the quantity of combustible dust that is generated. In most cases, such facilities would be required to be protected with an automatic sprinkler system and if pallets are stored inside, the sprinkler system density would be one of the higher densities required by NFPA 13 and NFPA 13 severely restricts the height of storage of pallets in such buildings.

- 3. In a subsequent analysis we will address the allegation that pallet facilities have a "welldocumented history of contributing to severe fires..." It should be noted that we are not aware of a single severe fire incident at a facility that complies with the above-referenced codes.
- 4. The Proposed Resolution has numerous general flaws including:
 - a. The failure to recognize the difference between pallet storage at manufacturing and recycling facilities, idle pallet storage, and the unauthorized storage of pallets. As noted above, the California Fire Code recognizes those differences.
 - b. The focus on wood pallets when in fact, plastic pallets can, depending on their construction, represent a more severe challenge.
 - c. The failure to consider the relative risk of compliant pallet storage facilities as compared to other uses permitted in the Limited Manufacturing (I1) and General Manufacturing (I2) zones.

SUMMARY

Given that the Proposed Resolution is based upon incorrect background information, fails to recognize the different types of pallet storage facilities, fails to address plastic pallets, and fails to consider the relative risk of such facilities as compared to other allowable uses we recommend that City Council vote "no" to adopt the Proposed Resolution presented by the Planning Commission.

Respectfully submitted,

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William E. Koffel, P.E., FSFPE, SASHE Director, Special Projects Licensed in AZ, DC, HI, MD, NY, OH, PA, VA, WA