
Statement of Overriding Considerations

“CEQA recognizes that in determining whether and how a project should be approved, a public agency has an obligation to balance a variety of public objectives, including economic, environmental, and social factors and in particular the goal of providing a decent home and satisfying living environment for every Californian” (CEQA Guidelines, Section 15021, subd. [d]).

To reflect the ultimate balancing of competing public objectives when the agency decides to approve a project that will cause one or more significant effects on the environment, an agency must prepare a statement of overriding considerations” (CEQA Guidelines, Section 15021, subd. [d], 15093).

A statement of overriding considerations must set forth the specific reasons why the agency found that the project’s “specific economic, legal, social, technological, or other benefits” rendered “acceptable” its “unavoidable adverse environmental effects” (CEQA Guidelines, Section 15093, subd. [a], 15043, subd. [b]; see also Public Resources Code, Section 21081, subd. [b]). The Phelan 20 Project (Project) would result in significant and unavoidable impacts; therefore, this Statement of Overriding Considerations has been prepared.

A Significant and Unavoidable Impacts

Approval of the Project will result in significant adverse environmental effects in relation to greenhouse gas emissions and transportation that cannot be avoided even with the adoption of all feasible mitigation measures.

B Finding of Overriding Considerations

The following statement identifies the reasons why, in the City’s judgment, the benefits of the Project outweigh its unavoidable significant impacts.

The City finds that each of the overriding considerations expressed as benefits and set forth below constitutes a separate and independent ground for such a finding. The substantial evidence supporting the various benefits can be found in the documents identified for inclusion in the Record of Proceedings.

The City has considered the environmental impact report (EIR), the public Record of Proceedings on the proposed Project and other written materials presented to and prepared by the City, as well as verbal and written testimony received, and hereby determines that implementation of the Project would result in the following substantial public benefits:

1. The Project would provide much-needed employment opportunities in the High Desert/Victor Valley region, which has long experienced a substantial job–housing imbalance, with approximately 73% of Hesperia residents commuting out of the area for work. By developing 419,840 square feet of industrial/warehouse space, including associated office areas, loading docks, and truck parking, the Project would benefit the City and the region by supporting the goods movement industry in decreasing lead times for delivery of consumer products and providing much-needed employment opportunities. The addition of permanent jobs would contribute to indirect economic benefits when wages are spent on goods and services within the City, which also generates sales tax revenues for the City’s General Fund.

2. The Project promotes economic growth and industry diversity within the City by providing new, high-quality industrial space that is attractive to businesses seeking to locate and invest in Hesperia. Warehousing and logistics operations represent one of the fastest-growing employment sectors in the High Desert, and the Project would expand the limited inventory of suitable sites for such uses. Although the EIR does not include a standalone fiscal analysis, the Project would nonetheless generate jobs and tax revenue for the City and its residents, as it would contribute to the City's business tax base, support temporary construction jobs, and, once operational, provide approximately 351 permanent jobs. These jobs would help the City better meet its jobs-housing balance, while also introducing a commercial/industrial business park use that would help the City offer a more balanced array of land uses throughout the broader Project area.

The EIR also notes that warehouse development provides employment opportunities for a range of skill levels, contributing to a more balanced and resilient local economy. The generation of these jobs would result in both direct and indirect economic benefit to the community when wages are spent on goods and services within the City, further increasing sales tax revenues for the General Fund. Additionally, the Project could potentially generate on-site sales tax if used as a fulfillment center. This would result in a significant increase in the revenues to the City.

3. With its close proximity to U.S. Highway 395 and Interstate 15, the Project takes advantage of existing major regional transportation corridors and related infrastructure, reducing the need for new roadway construction and minimizing secondary environmental effects. This is consistent with Project Objectives No. 3 and No. 4, which emphasize leveraging existing transportation corridors to efficiently move goods and employees. The Project site is located directly south of Phelan Road and west of U.S. 395 in a part of Hesperia already transitioning into a regional industrial hub. The surrounding area includes trucking-related uses, commercial development, and proximity to large regional logistics centers such as the Southern California Logistics Airport. In addition to utilizing existing infrastructure, the Project provides substantial off-site improvements, including:

- Widening of Phelan Road along the Project frontage
- Pedestrian improvements and new sidewalks
- Extension of New Caliente Road south from Phelan Road
- New landscaped setbacks that enhance corridor aesthetics

These improvements would enhance overall circulation, increase roadway safety, provide necessary infrastructure for future development in the corridor, and support the City's goal of improving connectivity and mobility within the industrial district.

4. The Project would convert a currently vacant site into a productive use that is fully consistent with the General Plan, the Main Street and Freeway Corridor Specific Plan, and the underlying Commercial Industrial Business Park zoning designation. This aligns with Project Objective No. 1, which focuses on developing high-quality industrial and business park uses in suitable locations. The Project's location adjacent to major transportation corridors makes it ideal for warehouse and distribution uses, which rely heavily on regional highway access. The EIR notes that industrial development in this district is intended to capitalize on the proximity to U.S. 395, Interstate 15, and the Southern California Logistics Airport, one of the region's primary logistics hubs. Development of the Project supports the City's long-term vision of cultivating a cohesive, high-quality industrial corridor that provides employment, supports goods movement, and accommodates continued regional growth. The Project's architectural enhancements, landscaping, screening, and site design further advance the Specific Plan's intent to create a visually unified gateway

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corridor. By fulfilling these policy objectives, the Project meets established land use goals, reduces land use conflicts, and ensures that new development is compatible with the surrounding mix of industrial, commercial, and transportation-related uses.

After weighing the economic, legal, social, technological, and other benefits of the Project against the significant unavoidable impacts of the Project identified in the EIR, the City hereby determines that those benefits outweigh the risks and adverse environmental impacts of the Project and further determines that the Project's significant unavoidable impacts are acceptable.

Accordingly, the City adopts this Statement of Overriding Considerations, recognizing that significant unavoidable impacts will result from implementation of the Project. Having (1) adopted all feasible mitigation measures, as discussed in the EIR and herein; (2) rejected alternatives to the Project, as discussed in the EIR and herein; and (3) recognized the significant unavoidable impacts of the Project, the City hereby finds that the benefits of the Project, as stated herein, are determined to be overriding considerations that warrant approval of the Project and outweigh and override its significant unavoidable air quality and greenhouse gas emissions impacts, and thereby justify the approval of the Phelan 20 Project.

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