

RESOLUTION NO. 5900-17

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF GARDEN GROVE RECOMMENDING APPROVAL OF DEVELOPMENT AGREEMENT NO. DA-008-2017 TO THE CITY COUNCIL FOR THE SITE C HOTEL RESORT PROJECT.

BE IT RESOLVED that the Planning Commission of the City of Garden Grove, in regular session assembled on November 2, 2017, does hereby recommend City Council approval of Development Agreement No. DA-008-2017 for the Site C Hotel Resort Project located at the northeast corner of Harbor Boulevard and Twintree Lane, west of Choisser Road at 12222, 12252, 12262, 12272, 12292, and 12302 Harbor Boulevard, 12511, 12531, 12551 and 12571 Twintree Lane, and 12233, 12235, 12237, and 12239 Choisser Road, Assessor's Parcel Nos. 231-491-20, 231-521-01, 02, 03, 04, 05, 06, 07, 08, 09, and 10; and 231-491-12, 13, 14, 15, 16, 17, 18, and 19 (collectively, the "Site").

BE IT FURTHER RESOLVED in the matter of Development Agreement No. DA-008-2017, the Planning Commission of the City of Garden Grove does hereby report as follows:

1. The subject case was initiated by Investel Garden Resorts, LLC (the "Applicant").
2. In 2012, the Garden Grove City Council approved General Plan Amendment No. GPA-2-12(B) and Planned Unit Development No. PUD-128-12 and adopted a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program to facilitate the future development of a resort hotel development project (the "Site C Project") on the Site. Planned Unit Development No. PUD-128-12 incorporates a conceptual site plan depicting the Site C Project, as it was contemplated at the time. The Applicant now requests approval of a Site Plan, Tentative Tract Map, and Development Agreement to implement the Site C Project and proposed modifications to the 2012 conceptual site plan (the "Modified Project"). The request includes (i) Planning Commission approval of Site Plan No. SP-043-2017 depicting the Modified Project, which includes the same number of hotels, maximum number of hotel rooms, and maximum building heights as approved in 2012, but proposes modifications to the configuration of the buildings, the amount and type of ancillary uses, and the internal circulation and site access; (ii) Planning Commission approval of Tentative Tract Map No. TT-17455 to adjust the rear property lines of four (4) parcels located on Choisser Road and to consolidate existing parcels into two (2) lots to facilitate the development of the Modified Project and future commercial condominiumization; and (iii) Development Agreement No. DA-008-2017 between the City of Garden Grove and Investel Garden Resorts, LLC, providing the Applicant with a vested right to develop the Modified Project in accordance with Site Plan No. SP-043-2017 and Tentative Tract Map No. TT-17455.
3. Based on the approval of the Site C Project and adoption of a Mitigated Negative Declaration in 2012, pursuant to the California Environmental Quality Act,

California Public Resources Code Section 21000 et seq. ("CEQA") and CEQA's implementing guidelines, California Code of Regulations, Title 14, Section 15000 et seq., the City of Garden Grove City prepared an Initial Study to determine if the proposed modifications resulting from the Modified Project will result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts as required by CEQA Section 21166 and CEQA Guidelines Section 15162. Based on the Initial Study and supporting technical analyses, it was determined that the proposed Modified Project qualifies for a Subsequent Mitigated Negative Declaration because the proposed Modified Project along with the mitigation measures identified in the Initial Study cannot, or will not, have any new significant effects on the environment or result in a substantial increase in the severity of previously identified significant effects.

4. The property has a General Plan Land Use designation of International West Mixed Use and is zoned Planned Unit Development No. PUD-128-12. The subject Site is 4.3-acres and is currently vacant and unimproved. The Project Site abuts a vacant commercial lot to the north (the "Sunbelt Property"); commercial buildings and one-story, single-family homes to the south; one-story, single-family homes to the east; and commercial uses, the Sheraton Hotel, and vacant properties to the west. In accordance with Section 5 of Ordinance No. 2824, the Community and Economic Development Director has determined, in her reasonable discretion, that design of the Modified Project preserves direct vehicle access to and from the Sunbelt Property from Harbor Boulevard for both northbound and southbound traffic traveling on Harbor Boulevard.
5. Existing land use, zoning, and General Plan designation of property in the vicinity of the subject property have been reviewed.
6. Report submitted by City staff was reviewed.
7. Pursuant to a legal notice, a public hearing was held on November 2, 2017, and all interested persons were given an opportunity to be heard.
8. Concurrently with adoption of this Resolution, on November 2, 2017, the Planning Commission adopted Resolution No. 5898-17 adopting a Subsequent Mitigated Negative Declaration and a Mitigation Monitoring and Reporting Program for the Modified Project, and Resolution No. 5899-17 approving Site Plan No. SP-043-2017 and Tentative Tract Map. No. TT-17455. The facts and findings set forth in Planning Commission Resolution Nos. 5898-17 and 5899-17 are hereby incorporated into this Resolution by reference.
9. The Planning Commission gave due and careful consideration to the matter during its meeting on November 2, 2017, and considered all oral and written testimony presented regarding the Modified Project.

FACTS:

In 2012, the Garden Grove City Council approved General Plan Amendment No. GPA-2-12(B) and Planned Unit Development No. PUD-128-12, and adopted a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program to facilitate the future development of a resort hotel project known as the Site C Project. As approved in 2012, the Site C Project called for up to 769 rooms and ancillary hotel uses such as pools, spas, and fitness centers within one (1) full-service and two (2) limited-service resort hotels with up to 104,000 aggregate square feet of conference/meeting banquet space, hotel restaurant space, restaurant/entertainment space, and a multi-level parking garage with 1,297 parking spaces on 5.2-acres. Planned Unit Development No. PUD-128-12 incorporated a conceptual site plan depicting the Site C Project, as it was contemplated at the time. The conceptual site plan envisioned two vehicular access points to the Project Site, one on Harbor Boulevard, across from the entrance to the Sheraton Hotel, and another on Twintree Lane. The Planned Unit Development standards require the installation of a traffic signal at the main Project entrance on Harbor Boulevard and related raised median improvements in Harbor Boulevard. Planned Unit Development No. PUD-128-12 allows the number of parking spaces to be reduced below 1,297 to the extent justified by a parking study in the event the approved project consists of less than 769 rooms and/or the prescribed square footages of the total combined conference/meeting banquet space and restaurant changes.

The Applicant now proposes to develop the Site C Project, and proposes certain modifications to the Project depicted in the 2012 conceptual site plan. The number of hotels, maximum number of hotel rooms, and maximum building heights remain the same, but the size of the Site, the configuration of the buildings, the amount and type of ancillary uses, and the internal circulation and site access have been modified.

The Modified Project consists of 769 hotel rooms and approximately 26,090 square feet of additional hotel ancillary uses within two (2) full-service and one (1) limited-service hotel, approximately 39,867 square feet of conference/meeting banquet space, approximately 36,885 square feet of restaurant/retail/entertainment space, approximately 24,014 square feet of hotel restaurant space, and a total of up to 1,297 parking spaces within a multi-level parking structure with one level of subterranean parking. The Modified Project will be constructed on approximately 4.3-acres.

Planned Unit Development No. PUD-128-12 and the 2012 conceptual site plan contemplate the potential development of the Site and the adjacent property located to the north of the Site at 12202 Harbor Boulevard and identified as Assessor's Parcel No. 231-491-21 (the "Sunbelt Property") as part of a single project. Garden Grove City Council Ordinance No. 2824 approving Planned Unit Development No. PUD-128-12 provides that, in the event the Sunbelt Property is not developed as part of a single project with the remainder of the Site, the Community Development Director shall ensure, in his or her reasonable discretion, that access to the Sunbelt Property is

adequately maintained through either an access easement between the two properties or preservation of direct vehicle access to and from the Sunbelt Property from Harbor Boulevard for both northbound and southbound traffic traveling on Harbor Boulevard. The Modified Project does not include development of the Sunbelt Property as part of a single project and does not provide for an access easement. Thus, access to and from the Sunbelt property will be maintained directly from Harbor Boulevard. In June 2017, RK Engineering conducted an analysis on behalf of the City analyzing alternatives for providing access to and from the Sunbelt Property from Harbor Boulevard. Based on this analysis, right turn-in and turn-out unsignalized access to and from the Sunbelt Property from Harbor Boulevard is recommended. Under this alternative, outbound vehicles can access southbound Harbor Boulevard by making a right-turn at the driveway and then performing a U-Turn maneuver to southbound Harbor Boulevard at the existing Harbor Boulevard / Target Driveway signalized intersection. Inbound vehicles traveling southbound on Harbor Boulevard can access the Sunbelt Property by making a U-Turn maneuver at the traffic signal to be installed at the Site C / Sheraton Hotel access intersection and then proceed northbound on Harbor Boulevard where they can turn right into the Sunbelt Property. The RK Engineering analysis recommends against creating median breaks in Harbor Boulevard to allow for unprotected left turn movements directly to/from the Sunbelt Property along Harbor Boulevard, finding that doing so would create an operational deficiency and hazard for vehicles traveling on Harbor Boulevard. In accordance with Section 5 of Ordinance No. 2824, the Community and Economic Development Director has determined, in her reasonable discretion, that design of the Modified Project, which provides for U-Turn movements at the signalized intersection at the main Project entrance, preserves direct vehicle access to and from the Sunbelt Property from Harbor Boulevard for both northbound and southbound traffic traveling on Harbor Boulevard.

Pursuant to the proposed Development Agreement with the City, the Applicant and/or its successors in interest will be granted a vested right to construct and complete development of the Modified Project consistent with Planned Unit Development No. PUD-128-12, Site Plan No. SP-043-2017 and Tentative Tract Map. No. 17455, in exchange for constructing and installing certain public improvements and providing other specified public benefits and development agreement payments to reimburse the City for the cost of certain City services required by the Modified Project that are not otherwise being reimbursed to the City.

#### FINDINGS AND REASONS:

1. The Development Agreement is consistent with the General Plan.

The Development Agreement provides the Applicant and its successors and assigns with a vested right to develop the Modified Project in accordance with Site Plan No. SP-043-2017 and Tentative Tract Map. No. 17455. The Modified Project is consistent with the property's General Plan Land Use Designation of International West Mixed Use, which is intended to promote the development of resorts, entertainment, retail, restaurants, and hotels along Harbor Boulevard. Policy ED-1.1

of the Economic Development Element encourages the development and expansion of hotel facilities on key corridors in the City, such as Harbor Boulevard, while Goal LU-9 of the Land Use Element for International West seeks to develop this area as a tourism and entertainment destination. The Project Site is currently vacant and unimproved, and the Modified Project will fulfill the goals of the General Plan. Also, the Modified Project is consistent with the development and performance standards of Planned Unit Development No. PUD-128-12. The Modified Project will be compatible with the existing hotel developments in the area, and will further the goals of the General Plan that envisions entertainment/themed resorts in this area.

INCORPORATION OF FACTS AND FINDINGS SET FORTH IN THE STAFF REPORT AND OTHER RESOLUTIONS

In addition to the foregoing, the Planning Commission incorporates herein by this reference, the facts and findings set forth in the staff report and in Resolution Nos. 5898-17 and 5899-17.

BE IT FURTHER RESOLVED that the Planning Commission does conclude:

1. The Development Agreement possesses characteristics that would indicate justification of the request in accordance with Government Code Section 65864 et. seq, provisions for Development Agreements.

Adopted this 2nd day of November, 2017

ATTEST: /s/ ANDREW KANZLER  
CHAIR

/s/ JUDITH MOORE  
RECORDING SECRETARY

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) SS:  
CITY OF GARDEN GROVE )

I, JUDITH MOORE, Secretary of the City of Garden Grove Planning Commission, do hereby certify that the foregoing Resolution was duly adopted by the Planning Commission of the City of Garden Grove, California, at a meeting held on November 2, 2017, by the following vote:

AYES:	COMMISSIONERS:	(6)	BRIETIGAM, KANZLER, LAZENBY, LEHMAN, NGUYEN, TRUONG
NOES:	COMMISSIONERS:	(0)	NONE
ABSENT:	COMMISSIONERS:	(1)	SALAZAR

/s/ JUDITH MOORE  
RECORDING SECRETARY