

COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT PLANNING STAFF REPORT

AGENDA ITEM NO.: D.2.	SITE LOCATION: Northwest corner of Knott Street and Acacia Avenue, at 12821 Knott Street, including that vacated southerly portion of Brady Way, which fronts along the westerly property line of the subject site
HEARING DATE: December 5, 2019	GENERAL PLAN: Industrial/Commercial Mixed Use
CASE NOS.: Planned Unit Development No. PUD-104-70 (REV. 2019) & Site Plan No. SP-079-2019	EXISTING ZONE: PUD-104-70 PROPOSED ZONE: PUD-104-70 (REV. 2019)
APPLICANT: Rexford Industrial Realty, L.P.	APN: 215-014-01
PROPERTY OWNER: Same as Applicant	CEQA DETERMINATION: Mitigated Negative Declaration

REQUEST:

A request to amend Planned Unit Development No. PUD-104-70 to facilitate an expansion of the existing 119,836 square foot industrial building with the construction of a 45,335 square foot one-story addition of industrial space. Also, a request for Site Plan approval to construct the 45,335 square foot one-story addition of industrial space to the existing 119,836 square foot industrial building, along with associated site improvements.

BACKGROUND:

The subject site is an existing 6.97-acre Industrial Planned Unit Development (PUD) located on the northwest corner of Knott Street and Acacia Avenue. The site has a General Plan Land Use Designation of Industrial/Commercial Mixed Use and is zoned PUD-104-70 (Planned Unit Development). Currently, the site is improved with an existing industrial building that is approximately 119,836 square feet in area and is currently vacant. The building was previously occupied by Next Level Sports Complex, which operated an indoor sports facility. The indoor sports facility closed its operation in 2018.

The subject site abuts: a Planned Unit Development (PUD), in operation as a wedding chapel facility, to the north; a professional office PUD and the Garden Grove (22) Freeway on-ramp to the south; R-1 (Single-Family Residential) zoned properties

developed with single-family residences, to the west; and M-P (Industrial Park) zoned properties developed with industrial buildings, across Knott Street, to the east.

In 1970, the City of Garden Grove approved Planned Unit Development No. PUD-104-70 to allow the construction of professional office, general commercial, and industrial uses on the subject property, including the abutting property to the north, 12777 Knott Street (Assessor's Parcel No. 215-014-02). The approved project included two (2) phases: Phase I, which included the industrial building on the subject site, 12821 Knott Street; and Phase II, which included the commercial and office buildings. Only the industrial building (Phase I) of the approved PUD was constructed. In 1996, the City of Garden Grove approved Planned Unit Development No. PUD-105-96, to allow a banquet/reception hall with ancillary chapel use, on the property to the north, 12777 Knott Street (originally approved as Phase II of PUD-104-70).

On December 13, 2011, the City of Garden Grove approved Amendment No. A-164-11 to allow "indoor sports facility" as a permitted use in the PUD-104-70 zone, subject to Conditional Use Permit approval. The City also concurrently approved Conditional Use Permit No. CUP-340-11 to allow the operation of a new indoor sports facility, Next Level Sports Complex.

Within the parking lot, near the southeast corner of the site, is an existing fifty-foot (50') tall pole sign originally utilized by the previous on-site electronics retail business, Radioshack. On September 19, 2013, the City of Garden Grove Planning Commission voted 6-0 to adopt, without prejudice, Resolution of Denial No. 5710-13 to deny Amendment No. A-171-13, which was a request to amend the Planned Unit Development No. PUD-104-70 zone to allow the applicant to retrofit the existing, legal fifty-foot (50') tall pole sign (double-sided with an existing sign area of 190 square feet), with a new electronic billboard sign (double-sided with a total proposed sign area of 582 square feet), which was proposed to function as a billboard, displaying both on-premise and off-premise advertising. The primary concerns expressed by the Planning Commission at the time of consideration were related to the large size of the proposed electronic billboard sign as well as the use of it as a billboard in order to display on-premise *and* off-premise advertisements. The Garden Grove Municipal Code generally prohibits the establishment of new billboards in the City (i.e., those used for off-premise advertisements).

On May 27, 2014, the City of Garden Grove approved PUD-104-70 (REV. 2014), and adopted Ordinance No. 2839, which approved an amendment to the PUD-104-70 zone to allow a 59'-0" tall freeway-oriented electronic reader board sign, subject to Conditional Use Permit approval. In conjunction with the approval of PUD-104-70 (REV. 2014), the City also approved Conditional Use Permit No. CUP-379-14, which allowed the applicant to retrofit the existing, legal fifty-foot (50') tall pole sign, with a new freeway-oriented sign with an electronic reader board that would display on-premise advertisements. Pursuant to Municipal Code Section 9.32.160, Expiration of Granted Land Use Actions, it states, "Unless a time extension is granted in accordance with Section 9.24.030, any discretionary action becomes null and void if

not exercised within the time specified in the approval of the discretionary action or, if no date is specified, within *one* year from the date of approval of such discretionary action. Following the approval of CUP-379-14, the applicant had one (1) year to exercise said approval before the land use entitlement would expire. Due to financial reasons, the applicant was not able to move forward on the sign project and the approval of CUP-379-14 expired.

On July 19, 2018, the City of Garden Grove approved Conditional Use Permit No. CUP-129-2018, reinstating the approval of CUP-379-14, to demolish an existing fifty-foot (50'-0") tall pole sign, and to construct a new fifty-nine foot (59'-0") tall, V-shaped, freeway-oriented electronic reader board sign (for on-premise advertisements), adjacent to and facing the Garden Grove Freeway (SR-22), for an existing indoor sports facility, Next Level Sports Complex, located at 12821 Knott Street. The approval of CUP-129-2018 stipulated that the approval authorized the erection, maintenance, and operation of a freeway-oriented electronic reader board sign associated with a permitted Indoor Sports Facility in accordance with Planned Unit Development No. PUD-104-70 (REV. 2014), the plans and elevations presented to the Planning Commission, and the associated Conditions of Approval. Conditional Use Permit No. CUP-129-2018 was never exercised thereby expiring and the indoor sports facility use had ceased in 2018.

Since the closure of the prior indoor sports facility, the subject property was sold to, and acquired by, the applicant/property owner, Rexford Industrial. The applicant proposes to renovate, revitalize, and improve the existing site with parking lot improvements, landscape installations and rehabilitation, interior and exterior façade improvements, along with the proposed industrial building addition at the north end of the existing building.

Shortly after acquiring the subject property, Rexford Industrial contacted the City to inquire about acquiring the Brady Way cul-de-sac, which due to the dead end at the 22 Freeway, was not utilized except for access to the subject property and vandals that used it for illegal dumping and other illegal activities. Acquisition of the cul-de-sac would facilitate expansion of the industrial building and installation of a fence to keep vandals out of the property. City staff and adjacent property owners supported vacation of the cul-de-sac for disposition to Rexford. On August 15, 2019, the City of Garden Grove approved a General Plan Consistency Determination for Street Vacation No. SV-001-2019, determining that the contemplated vacation of the southern portion of Brady Way, south of Stanford Avenue, and disposition of the vacated street is consistent with the General Plan. Subsequently, on September 24, 2019, the City of Garden Grove approved Street Vacation No. SV-001-2019 ordering vacation and abandonment of the southern portion of Brady Way, south of Stanford Avenue, and reserving thereon a public service easement for existing public utility facilities. The intent of the street vacation was to expand the usable area of the site to facilitate the expansion of the existing industrial building, to accommodate new landscaping, on-site vehicular maneuvering, and parking. The City Council approved a purchase and sale agreement for the disposition of the vacated portion of Brady Way to Rexford Industrial at its November 26, 2019 meeting.

DISCUSSION:

PLANNED UNIT DEVELOPMENT NO. PUD-104-70 (REV. 2019):

A Planned Unit Development (PUD) is a precise plan, adopted by City Council ordinance that provides the means for the regulation of buildings, structures and uses of land in order to facilitate the implementation of the General Plan. The Planned Unit Development (PUD) zoning designation establishes development standards and uses specific to a particular project provided that the quality of the project achieved through the PUD zoning is greater than could be achieved with traditional zoning. The specific development standards applicable to a Planned Unit Development are those set forth in the ordinance approving the PUD. Where a Planned Unit Development is silent regarding operating conditions, maintenance or other standards regulating a particular use, the Land Use Code standards applicable to the base zone (in this case, M-P, Industrial Park) apply.

The existing Planned Unit Development (PUD) currently encompasses the subject property, 12821 Knott Street (APN: 215-014-01). Approval of a revision to the existing PUD (PUD-104-70) is necessary to extend and cover the now vacated portion of Brady Way (that southerly portion of Brady Way, which fronts along the westerly property line of the property) with PUD-104-70 (REV. 2019) zoning, to facilitate the expansion of the existing 119,836 square foot industrial building. If PUD-104-70 (REV. 2019) is approved, the site, along with the vacated portion of Brady Way, would have a zoning designation of Industrial Planned Unit Development zoning, PUD-104-70 (REV. 2019), with M-P (Industrial Park) base zoning. Also necessary is the approval of a Site Plan to allow the construction of the proposed 45,335 square foot industrial building addition to the existing 119,836 square foot industrial building, along with associated site improvements. The Site Plan approval by the Planning Commission would be contingent upon the City Council's approval of the proposed revision to the Planned Unit Development along with the adoption of a Mitigated Negative Declaration and associated Mitigation Monitoring and Reporting Program ("MMRP").

Planned Unit Development No. PUD-104-70 (REV. 2019) would permit the development of the property, thereby facilitating the expansion of the existing industrial building, in accordance with the proposed Site Plan (SP-079-2019) for the Project.

SITE PLAN:

Site Design and Circulation

The subject property (12821 Knott Street, APN: 215-014-01) is 303,629 square feet (6.97 acres) in area. The project site ("site") also includes that southerly portion of Brady Way, which fronts along the westerly property line of the subject property. Including the now vacated portion of Brady Way increases the overall site/developable area to 347,385 square feet (7.97 acres).

The site will maintain and utilize two (2) existing driveway approaches off of Knott Street – 45-foot and 30-foot wide approaches. All regular vehicular access for ingress and egress to and from the site will occur only from these two (2) driveway approaches off of Knott Street. There will be no regular vehicular access from Brady Way. The northwest corner of the site (the terminus of the Brady Way public street) will include an emergency only vehicular access gate, which will remain closed/locked. Said vehicular access gate will be fitted with a Knox box only for emergency (i.e., Orange County Fire Authority) access.

The site is currently improved with an existing 99,836 square foot one-story industrial warehouse building, which includes an attached 20,000 square foot two-story office building. The Project proposes a 45,335 square foot one-story industrial warehouse building addition attached to the north side of the existing industrial warehouse building. The new gross floor area of the building will be 165,171 square feet. The new building addition will maintain setbacks of 54'-10" to the northerly property line, between 125'-0" to 150'-0" to the residential property lines to the west (the west side of the vacated Brady Way street), and at least 66'-9" to the easterly property line, facing Knott Street.

To accommodate the new building addition, the site plan layout has been modified to provide adequate vehicular access (for standard motor vehicles and larger truck/commercial vehicles) with new drive aisles, parking spaces, ADA (Americans with Disabilities Act) compliant parking and handicap loading areas, electric vehicle charging parking stations/stalls, and new landscape installations. The building is located in the center of the site, with parking spaces and drive aisles around the perimeter.

The southern end of the now vacated Brady Way street included a cul-de-sac area with existing under-ground and above-ground utilities and associated access easements. The Project will not be impacted by the existing utilities, and will maintain all existing access easements. The southern portion of Brady Way, which is now vacated, is not needed for public access or use. The existing cul-de-sac area has historically been commonplace for criminal and other nefarious activities, as well as dumping. Through the vacation of the public street (Brady Way), and incorporation of this cul-de-sac area into the project site, the applicant anticipates that these prior issues will no longer occur. This "cul-de-sac" area will now be within the confines of the project site, with adequate parking lot lighting and on-site monitoring.

Floor area ratio ("FAR") means the ratio between the area of gross building floor space and the area of the building site it occupies. The maximum allowable FAR (Floor Area Ratio) for the site is 0.50 (50% maximum). The total site area (including the vacated portion of Brady Way) is 347,385 square feet (7.97 acres). Based on the site area, the maximum FAR is 173,692.50 square feet. The proposed total building area of 165,171 square feet is compliant with and does not exceed the maximum allowable FAR.

Parking and Traffic

Based on Municipal Code parking requirements for industrial uses (at a parking ratio of one (1) parking space per 1,000 square feet of gross floor area), the site shall maintain a minimum of 166 parking spaces. The existing parking lot/site plan layout has been modified to accommodate the new building addition. The site will maintain a total of 168 parking spaces on-site, which is a surplus of two (2) parking spaces. Therefore, the Project complies with parking requirements of the Municipal Code.

As part of the Transportation Section of the Initial Study report prepared for the Mitigated Negative Declaration for the Project, the traffic impact analysis, which was conducted and prepared by a licensed traffic engineering firm, evaluated trip generation, and potential impacts to nearby key intersections in the surrounding roadway system. Based on the results of the traffic impact analysis, the proposed warehouse improvement project would not significantly impact any of the key intersections analyzed in the surrounding roadway system. The analysis methodology is based on the City of Garden Grove's traffic study criteria. Intersection operating conditions are defined in terms of "Level of Service" (LOS), a grading scale used to represent the quality of traffic flow at an intersection. Level of Service ranges from LOS "A," representing free-flow conditions, to LOS "F," which indicates failing or severely congested traffic flow. The City of Garden Grove recognizes LOS "D" as the minimum satisfactory Level of Service during peak hour conditions. All nearby study intersections will continue to operate at acceptable levels of service (i.e., within the range of acceptable thresholds of LOS A through LOS D) during AM and PM peak hours, while the intersection of Knott Street and Garden Grove Boulevard will continue to operate at a deficient level of service (LOS F) during AM peak hours. A traffic study would typically be required by the City if the trip generation for a project was projected to increase by more than 50 trips during peak times. The trip generation rates in the report were based on the nationally referenced rates from the Institute of Transportation Engineers' (ITE) *Trip Generation* (10th Edition) – commonly referred to as the "ITE Manual". The analyses of the report found that the projected trip generation would be 36 trips during the AM peak hour and 42 trips during the PM peak hour. It should be noted that the site, prior to the Next Level Sports Complex indoor sports facility, had previously operated as an industrial warehouse, which is like-kind to the proposed operation/use as an industrial warehouse. The traffic impact analysis determined that the project's off-site traffic impact would not be considered significant at any of the study intersections. Therefore, no off-site intersection mitigation measures were deemed necessary for the development of the proposed Project. The City's Traffic Engineering Division reviewed the Initial Study's traffic impact analysis and concurred with the report's findings.

Landscaping

The Project will include installation of new landscaping throughout the site, including all parking areas, as well as new landscaping along the westerly perimeter of the site, abutting the single-family developed properties to the west. A minimum of five

percent (5%) of the total site is required to be landscaped. The Project will include 32,008 square feet of new landscaping, which is 9.2% of the site. Therefore, the Project is in compliance with the landscape requirements of the Planned Unit Development.

The Project will include landscape and irrigation plans, which comply with the landscaping requirements of Title 9 of the Municipal Code, including the City's Landscape Water Efficiency Guidelines. Additionally, a sufficient landscape buffer will be provided within the 10'-0" wide landscape planter area along the westerly perimeter of the site facing the existing single-family developed properties to the west. The Planning Division will review the type and location of all proposed plant materials, including irrigation methods, to ensure compliance with state and local water efficient requirements.

Building Architecture

The existing building façade will be renovated and the building, including the new addition portion, will be architecturally modern, contemporary, and aesthetically pleasing. The building elevations will consist of varying finishes and colors and materials including spandrel glass, metal panels and siding, and smooth concrete walls.

Neighborhood Meeting:

On May 8, 2019, the applicant voluntarily held a neighborhood meeting at the industrial building on the subject site. The neighborhood meeting was held by the applicant to present the Project details, to garner feedback from the community attendees, and to answer any questions about the proposed Project. Nine (9) persons from the public were in attendance for the meeting. Questions and concerns raised by the attendees included, but were not limited to, the following topics: truck deliveries during night time hours; Brady Way utilizations for truck access; noise impacts from truck traffic; and where landscaping would be installed. In response to the various inquiries, the applicant stated, in part: that there will be no truck deliveries during night time hours; that all vehicular traffic will be off of Knott Street only; that no truck traffic will occur on Brady Way; that the vehicular access gate at the northwest corner off of Brady Way will be closed and locked and only for emergency access; that new landscape buffering will be installed within the 10'-0" wide planter area along the westerly perimeter of the site adjacent to the single-family developed properties to provide adequate sound and light buffering; that a wall between the subject site and the single-family home will be maintained at a height of six (6) feet; that any issues with loitering (i.e., by homeless) or dumping on-site will be handled expeditiously by Rexford Industrial.

California Environmental Quality Act (CEQA):

In conjunction with the proposed Project, the City (through an environmental consultant) has prepared an Initial Study report and Mitigated Negative Declaration

("IS/MND") in accordance with the California Environmental Quality Act ("CEQA") analyzing the potential environmental impacts of the proposed industrial warehouse improvement project. In accordance with CEQA Guidelines, the City made the IS/MND available for public review and comment prior to the meeting. The IS/MND concludes that the proposed Project will have no, or a less than significant, impact on all relevant environmental factors, provided specified mitigation measures are incorporated, as per the Mitigation Monitoring and Reporting Program ("MMRP"). The mitigation measures are included within the MMRP. The applicant will be required to coordinate with an environmental consultant to implement the mitigation measures in the MMRP, as identified in the Mitigated Negative Declaration, and shall provide updates about the implementation process to the Community and Economic Development Department until completion of the project.

RECOMMENDATION:

Staff recommends that the Planning Commission hold a public hearing and take the following actions:

1. Adopt the attached Resolution No. 5973-19 recommending that the Garden Grove City Council adopt a Mitigated Negative Declaration and the associated Mitigation Monitoring and Reporting Program, and approve Planned Unit Development No. PUD-104-70 (REV. 2019); and
2. Adopt the attached Resolution No. 5974-19 approving Site Plan No. SP-079-2019, subject to the recommended Conditions of Approval, and contingent upon Garden Grove City Council adoption of a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Project, and adoption and effectiveness of an Ordinance approving Planned Unit Development No. PUD-104-70 (REV. 2019).

Lee Marino
Planning Services Manager

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Attachment: Draft Initial Study/Mitigated Negative Declaration and
Mitigation Monitoring and Reporting Program