

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE AFFIRMING THE PLANNING COMMISSION'S DECISION TO APPROVE CONDITIONAL USE PERMIT NO. 25-02 to allow a hotel use in the City's Unlimited Commercial ("C-2") zoning district at 500 Citadel Drive in the City of Commerce. Pursuant to Chapter 19.09, Table 19.09.010A of the Commerce Municipal Code (CMC), a hotel use requires the review and approval of a CUP upon the required findings of CMC 19.39.420.

WHEREAS, Scott Van Boxtel ("Applicant") filed an application with the City of Commerce ("City") for a conditional use permit ("CUP") to allow a hotel use in the City's Unlimited Commercial ("C-2") zoning district at 500 Citadel Drive in the City of Commerce; and

WHEREAS, the Planning Commission reviewed all materials concerning the subject Project and held a duly noticed public hearing on April 16, 2025; and

WHEREAS, after a public hearing on April 16, 2025, and considering all evidence, as well as City staff's and the Applicant's presentation and public testimony, the Planning Commission continued the public hearing to the May 21, 2025 Planning Commission meeting; and

WHEREAS, at the May 21, 2025 meeting, the Planning Commission voted 5-0 to approve the Project, specifically approving CUP No. 25-02 ("Planning Commission Action"); and

WHEREAS, following the Planning Commission decision, on May 21, 2025, Unite Here Local 11 ("Appellant") filed a formal appeal application of the Planning Commission's decision with the City Clerk's office ("Appeal"). The Appellant subsequently submitted a letter supporting its appeal and submitted the same in writing to the City on June 4, 2025; and

WHEREAS, the grounds for the Appeal raised by the Appellant include that (i) the Planning Commission Action was in error, (ii) the Class 1 Existing Facilities exemption is inappropriate, and (iii) the City should consider a more robust CEQA review where it can properly assess the Project's VMT and GHG impacts, which could be lessened via project-specific mitigation imposed through an adequate CEQA review, such as a mitigated negative declaration ("MND"); and

WERHEAS, the Appellant also alleges CUP Findings No. 8 and No. 9 were inadequate and could not be satisfied; and

WHEREAS, the City Council conducted a duly noticed public hearing on the Appeal on June 24, 2025, which was continued to July 8, 2025, to consider the Appeal and determine whether to affirm, reverse, or modify the Planning Commission's action concerning CUP No. 25-02; and

WHEREAS, after considering all written and oral evidence submitted at said public hearing, including City staff's and the Applicant's presentations, and public testimony, the City Council reviewed all agenda and staff reports, evidence, facts and testimony concerning the subject appeal and voted to affirm the Planning Commission's decision to approve CUP No. 25-02 to allow a hotel use in the City's C-2 zoning district at 500 Citadel Drive in the City of Commerce.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, DOES RESOLVE AND DETERMINE AS FOLLOWS:

SECTION 1: That based upon agenda and staff reports, presentations, public testimony, and all other oral and written matters presented during the public hearing on this item, the City Council hereby finds and declares that the foregoing recitals are true and correct and incorporates them herein as findings and as a substantive part of this Resolution.

SECTION 2: This project has been determined to be exempt from the environmental review under the guidelines of the California Environmental Quality Act (Public Resources Code §21080(b)(9)); Administrative Code, Title 14, Chapter 3 §15301, Class 1, Existing Facilities). Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The types of “existing facilities” itemized below are not intended to be all-inclusive of the types of projects which might fall within Class 1. The key consideration is whether the project involves negligible or no expansion of use. Examples include but are not limited to: (a) Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances; and (b) Additions to existing structures provided that the addition will not result in an increase of more than 50 percent of the floor area of the structures before the addition, or 2,500 square feet, whichever is less.

The Project involves the issuance of a conditional use permit to convert an existing four-story office building into a 132-room hotel with a proposed addition of 1,803 square feet. The addition will extend the proposed lobby to align with the outer wall of the existing building and continue to the other floors. Aside from the 1,803 square foot addition, which is less than the above-referenced 2,500 square foot threshold, the repurposing of the existing office building for the proposed hotel Project will result in negligible or no expansion of the existing use and building footprint. The Project does not include any development related to adjacent commercial/restaurant spaces or a previously-approved proposed grand fountain feature.

In addition, substantial evidence supports that the Project will not give rise to a reasonable possibility of causing a significant environmental effect. Hotel uses are generally considered less environmentally impactful than office uses as they traditionally involve less intense and concentrated traffic, noise, and air quality impacts as compared to an office use, which often involves more frequent vehicle trips and longer operating hours. For example, hotel traffic is most often concentrated during check-in and check-out times and regularly involves guests arriving via rideshare, bus or public transportation. In comparison, office buildings generally involve longer operating hours and more frequent employee and customer trips, which can generate more continuous traffic and parking demands thereby leading to more congestion and emissions. To that end, the proposed hotel is intended and designed to serve large tour groups of primarily international clientele that will arrive at the Citadel campus via tour buses and who will generally remain within the greater commercial shopping and restaurant/retail hospitality complex for the duration of their stay. This internal capture and the focused use of large tour buses for hotel guests will have the effect of reducing traffic, VMT and other relevant environmental impacts. In addition, hotel operations, including guest activity and mechanical systems, generally tend to have lower noise levels and less air pollution compared to office buildings, which typically include office-related machinery, printing equipment, and higher staff activity.

Although not required for the Class 1 Exemption, Gibson Transportation prepared a focused analysis dated May 13, 2025, that evaluated results from a trip generation and vehicle miles traveled (“VMT”)

assessment performed for the Project ("Traffic Analysis"). The Traffic Analysis concluded that the conversion of the office building into the proposed hotel will result in a net reduction of 25 daily trips and will generate less VMT. More specifically, the Traffic Analysis found that employment-related VMT would be reduced by over sixty-percent (60%) from the prior office use and, while hotel guests may generate some additional minimal VMT, any such increase would be offset by the VMT reduction associated with having fewer employees than the existing office building. The Traffic Analysis ultimately concludes that the Project will have a less-than-significant impact and therefore no further analysis nor mitigation measures are required.

Finally, substantial evidence supports that the Project is not subject to any of the CEQA exemption exceptions set forth in CEQA Guidelines section 15300.2, including the cumulative impacts and unusual circumstances exceptions. There are no facts or evidence indicating that the "cumulative impact of successive projects of the same type in the same place [as the proposed Project], over time is significant" and, as outlined above, no substantial evidence supporting that the Project will give rise to a reasonable possibility of causing a significant environmental effect. (CEQA Guidelines, § 15300.2, subds. (b), (c).)

Pursuant to CEQA and the regulations promulgated thereunder and supporting documents and analyses provided by the Applicant, substantial evidence supports that the proposed Project is not subject to environmental review under CEQA pursuant to the Class 1 "Existing Facilities" exemption as the Project will not have a significant effect on the environment and is not subject to any of the CEQA exemption exceptions set forth in CEQA Guidelines section 15300.2.

SECTION 3: The City Council finds that the facts of the case are as follows:

CMC Section 19.39.420 requires that before granting a CUP, the City Council make the following findings:

1. **The proposed use is conditionally permitted within the subject zone and complies with the intent of all applicable provisions of this Title 19.** *The proposed hotel is conditionally permitted within the C-2 (Unlimited Commercial) Zone pursuant to the CMC. The Project will allow for the establishment of a use intended to provide a variety of goods and services necessary to meet the needs of the resident and business populations.*
2. **The proposed use would not impair the integrity and character of the zone in which it is to be located.** *The proposed Project is consistent with other uses in the immediate vicinity and throughout the C-2 zone. The Project site is located within the Citadel Outlets property and will serve to further the City's vision for the area. The Project site is currently occupied by outlet stores with surface parking, two parking structures, two office buildings, and an existing hotel (Double Tree) and the subject project will continue to support these existing uses and enhance the overall aesthetics of the area. Therefore, the proposed Project will not impair the integrity and character of the C-2 zoning district.*
3. **The subject site is physically suitable for the type of land use being proposed.** *The subject Project will meet the parking requirements and provide all required parking on-site. The proposed hotel is situated towards the middle of the subject property, ensuring that adequate and ample parking areas will be available for the hotel use and will not negatively impact existing uses and surrounding adjacent uses. Therefore, the subject site is physically suitable for the proposed hotel.*

4. **The proposed use is compatible with the land uses presently on the subject property.** *The Project site is surrounded by other commercial and industrial uses. The use is conditionally permitted in the zone and will further enhance the City's vision for the area. The proposed use is compatible with adjacent uses and combined with other uses in the C-2 zone, will serve to help provide a variety of goods and services necessary to meet the needs of the resident and business populations.*
5. **The proposed use would be compatible with existing and future land uses within the zone and the general area in which the proposed use is to be located.** *The use is conditionally permitted in the zone and will serve to further enhance the City's vision for the area. The proposed use is compatible with existing uses and future land uses for the area in the C-2 zone.*
6. **There would be adequate provisions for water, sanitation, and public utilities and services to ensure that the proposed use would not be detrimental to the public health and safety.** *The Project site is in an urbanized area where similar uses exist. It will be located immediately adjacent to uses that have adequate provision for water, sanitation, and public utilities. Similar access to utilities will be provided to the project applicant and therefore adequate provisions are in place.*
7. **There would be adequate provisions for public access to serve the subject proposal.** *Access to the site will be achieved through existing internal access driveways, with a connection to the public right-of-way from both Telegraph Road and Gasper Avenue. The entrances are adequate to serve the subject Project. Therefore, adequate provisions for public access will be provided.*
8. **The proposed use is consistent with the objectives, policies, general, uses, and programs of the Commerce General Plan.** *The proposed use is consistent with the objectives, policies, general land uses, and programs of the Commerce General Plan. The Commerce General Plan designates the project area as Commercial. This Project is consistent with the General Plan in that it contributes to helping establish an orderly pattern of development and a wide range of commercial activities. The Project will also continue to promote the improvement of existing commercial areas along Telegraph Road which is consistent with Community Development Policy 2.8 which states: "The city of Commerce will continue to encourage the development of a high-intensity, highly visible commercial corridor consisting of offices, hotels, and retail and entertainment uses along Telegraph Road, extending from Hoefner Avenue to Vail Avenue."*
9. **The proposed use would not be detrimental to the public interest, health, safety, convenience, or welfare.** *The proposed use will be maintained safely and efficiently while providing services, by the imposed conditions. The conditions imposed will ensure that the public interest, health, safety, and convenience or welfare are served. In addition, as noted previously, substantial evidence supports that the proposed Project will be less impactful from an environmental standpoint than the existing office building use as it will result in fewer traffic, noise and air quality impacts. Therefore, the proposed use would not be detrimental to the public interest, health, safety, convenience, or welfare.*
10. **The proposed design and elevations preserve and maximize the image, character, and visual quality of the neighborhood.** *The proposed use will serve to enhance the character and*

visual quality of the area. The subject Project is consistent with those existing uses in the area and the City's vision of continued promotion and improvement of existing commercial areas.

SECTION 4: The City Council does hereby conditionally approve Conditional Use Permit No. 25-02 subject to the following conditions:

1. A Conditional Use Permit (CUP) approval is valid and in effect and granted pursuant to the provisions of Title 19 of the Commerce Municipal Code and shall be valid only on the property for which it was granted and only for the improvements for which it is granted and further, shall continue to be valid upon change of ownership of the property or any lawfully existing building or structure on the property.
2. All conditions shall be binding upon the applicants, their successors, and assigns; shall run with the land; shall limit and control the issuance and validity of certificates of occupancy; and shall restrict and limit the construction, location, and use and maintenance of all land and structures within the development.
3. This CUP and all rights hereunder shall terminate within twelve months of the effective date of the permit unless operations are commenced or a written time extension is granted, based on a written request submitted prior to the expiration of the one-year period as provided in Section 19.39.460 of the Commerce Municipal Code.
4. The abandonment or non-use of this approval for a period of one year shall terminate the approval without further action of the Planning Commission or City Council, and any privileges granted thereunder shall become null and void.
5. In the event of a transfer of ownership of the property involved in this application, the new owner shall be fully informed of the use and development of said property as set forth by this permit together with all conditions, which are a part thereof.
6. All parking areas shall be clearly identified. The surface parking area must be striped to clearly indicate the location and extent of vehicle parking, maneuvering areas, and drive aisles.
7. Parking for all patrons must be provided on-site.
8. During construction, all roadways shall be kept open to traffic.
9. Equipment used for construction activities shall be properly tuned to reduce exhaust emissions.
10. Roads adjacent to the project site shall be swept as needed to reduce fugitive dust from the proposed project site.
11. The property shall be developed and maintained in a neat, quiet, and orderly condition and operated in a manner so as not to be detrimental to adjacent properties and occupants.

12. Contractors and subcontractors engaged in the construction activities of the project shall obtain a business license and all required permits from the City of Commerce.
13. The landscaping and irrigation plans shall be prepared by a landscape architect and submitted to the City for review and approval. All designated landscaping areas shall be fully planted prior to the issuance of the building permit final inspection and maintained at all times.
14. The project shall comply with the Low Impact Development (LID) Ordinance that the City of Commerce adopted to comply with requirements of the Clean Water Act and the MS4 Stormwater and Urban Runoff Permit.
15. The property shall be developed and maintained in a neat, quiet, and orderly condition and operated in a manner so as not to be detrimental to adjacent properties and occupants. In the event the City determines the owner has failed to comply with the standards listed herein, the City shall notify the owner in writing identifying the deficiencies, and allow the owner to cure the deficiencies listed in the notice, in a timely manner.
16. If the Director of Economic Development and Planning determines that a situation detrimental to public health, safety, and welfare has arisen due to the subject operation, the Director may require changes to the operation, additional studies to be undertaken, and the implementation of additional measures to protect the public's interest. In the event the City determines that the owner has failed to comply with the standards listed herein, the City shall notify the [owner] in writing identifying the deficiencies, and allow the owner to cure the deficiencies listed in the notice, in a timely manner.
17. The project will be required to comply with all programs adopted by the City for the reduction of solid waste.
18. The Director of Economic Development and Planning shall have the authority to initiate proceedings to suspend or revoke a Conditional Use Permit approval pursuant to provisions outlined in Sections 19.39.240 through 19.39.250, inclusive, of the Commerce Municipal Code, Chapter 19.39 if sufficient cause is given. In the event the City determines the owner has failed to comply with the standards listed herein, the City shall notify the owner in writing identifying the deficiencies, and allow the owner to cure the deficiencies listed in the notice, in a timely manner.
19. The operation must comply with all pertinent South Coast Air Quality Management District (SCAQMD) regulations. The applicant and future tenants shall be required to obtain all pertinent operating permits from the SCAQMD. Proof of permits or proof of exemption shall be provided prior to the issuance of a building permit from the City of Commerce.
20. A City of Commerce Business License shall be obtained and renewed as required by the City of Commerce to reflect the proposed land use.
21. All required permits by all permitting agencies shall be obtained for the operation of said use and any construction associated with the subject request.

22. Construction activities shall be permitted between the hours of 7:00 a.m. to 6:00 p.m.
23. Storage of building materials related to construction activities shall be contained within the project site.
24. The project site shall be cleared of all debris prior to the issuance of a Building & Safety Division final inspection.
25. Southern California Edison (SCE) requires the following conditions for any SCE services:
 - a. The applicant is responsible for contacting SCE and arranging any electrical service at the appropriate stage of construction. The electrical design for the newly installed service shall be designed by SCE and approved by City of Commerce Building and Safety Division (CCBSD).
 - b. All on-site electrical service connections to the proposed improvements shall be designed using an underground (UG) design method. This avoids an overhead service connection.
 - c. All required SCE "equipment" needed to provide service to the proposed improvements (PME Switches, Transformers, and/or Capacitors) shall be installed in a "pad mounted" configuration sitting above the finished grade upon an approved SCE structure.
 - d. All required SCE "Cables" needed to provide service to the proposed improvements shall be installed utilizing UG conduits or cable trenches as designed by SCE.
 - e. There shall be no newly installed overhead (OH) facilities across private property without approval from the CCBSD.
26. If applicable, the contractor under the observation of the soil engineer shall conduct all clearing, site preparation, or earthwork performed on the project.
27. If applicable, the soil engineer shall provide an inspection for site clearing and grading in order to certify that the grading was done in accordance with approved plans and grading specifications.
28. Soil binders shall be utilized on construction sites for unpaved roads and/or parking areas.
29. The project will be required to comply with all programs adopted by the City for the reduction of solid waste.
30. The project applicant shall install energy-efficient electrical appliances and equipment in accordance with the State of California's Energy Efficiency Standards (Title 24).
31. On-site management shall be available twenty-four hours a day, seven days a week.
32. Not less than weekly maid and housekeeping service shall be provided for each guest room.

"Maid and housekeeping service" means basic cleaning, including but not limited to vacuuming, sweeping and/or mopping, dusting, and changing of bed linens and towels.

33. No hotel/motel room shall be rented more than once in a twenty-four-hour period.
34. All hotels/motels shall maintain daily records reflecting the names and permanent addresses of hotel/motel guests, as verified by valid driver's license or other valid identification along with the license number, state of license, make, model, and year of any guest's vehicle parked on-site or the corporate account information and guest names, the dates of occupancy, length of stay, and room rate. This registration information shall be maintained for at least one year past the last day of stay for each guest and shall be made available for review by any duly sworn peace officer of the City, state, or federal government or any authorized official of the City's Code Enforcement or Finance Department during normal business hours. Any person who knowingly or intentionally misrepresents any material facts required in this subsection shall be deemed guilty of a misdemeanor.
35. The applicant is required to install artwork or pay an in-lieu fee subject to the City's Art in Public Places Ordinance. The cost of the artwork or in-lieu fee shall be equal to 1% of the project's valuation.
36. Violation of any of the conditions of the approval shall be cause for revocation and termination of all rights thereunder.
37. The Director of Economic Development and Planning or his/her designee is authorized to make minor modifications to the approved preliminary plans or any of the conditions if such modifications shall achieve substantially the same results as would strict compliance with said plans and conditions.
38. The applicant shall sign, notarize, and return to the Economic Development and Planning Department an affidavit accepting all Conditions of Approval within 10 days from the date of the approval, unless appealed. The Applicant acknowledges and understands that all conditions set forth in this Resolution are conditions precedent to the grant of approval and failure to comply with any condition contained herein shall render this Condition Use Permit non-binding as against the City and shall confer Applicant no legal rights under the law.
39. The applicant shall defend, indemnify, and hold harmless the City, its elected and appointed officials, agents, officers, and employees from any claim, action, or proceeding brought against the city, its elected and appointed officials, agents, officers, or employees arising out of, or which are related to the applicant's project or application (collectively referred to as "proceedings"). The indemnification shall include, but not be limited to, damages, fees and/or costs, liabilities, and expenses incurred or awarded in connection with the proceedings whether incurred by the applicant, the city, and/or the parties initiating or bringing such proceedings. This indemnity provision shall include the applicant's obligation to indemnify the city for all the city's costs, fees, and damages that the city incurs in enforcing the indemnification provisions set forth herein. The city shall have the right to choose its own legal counsel to represent the city's interest in the proceedings.

SECTION 5: This Resolution shall take effect upon its adoption.

PASSED, APPROVED AND ADOPTED this 8th day of July, 2025.

Ivan Altamirano
Mayor

ATTEST:

Lena Shumway
City Clerk