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June 3, 2025

VIA EMAIL & HAND-DELIVERY:

COMMERCE CITY CLERKS JUN 4 2025 PM 12:02

City Council, City of Commerce
City Clerk's Office
c/o Lena Shumway, Director of Administrative Services & City Clerk
2535 Commerce Way
Commerce, CA 90040
cityclerk@commerceca.gov

RE: Unite Here Local 11, Appeal Justification;

500 CITADEL HOTEL PROJECT (CONDITIONAL USE PERMIT No. 25-02); ACTION TAKEN ON ITEM 1, PLANNING COMMISSION HEARING (5/21/25)

Dear Mayor Altamirano and Honorable City Councilmembers:

On behalf of UNITE HERE Local 11 ("Local 11"), this office respectfully submits this "Appeal" to the City of Commerce ("City") regarding the proposed conversion of an existing four-story, 81,050 square foot ("sf") office building into a 132-room, 68,524-sf hotel (inclusive of a 1,803-sf addition to extend lobby) ("Project"). The Project is located within the approximately 49-acre Citadel Outlet property that is currently occupied by outlet stores with surface parking, two parking structures, two office buildings, and an existing 201-room hotel (Double Tree) ("Site").

In furtherance of the Project, the applicant Craig Realty Group (Scott Van Boxtel) ("Applicant") is seeking approval under the Commerce Municipal Code ("CMC" or "Code") of Conditional Use Permit No. 25-02 to authorize the hotel use ("CUP"). Additionally, for the purposes of the California Environmental Quality Act ("CEQA"), the City is considering the adoption of a Class 1 Existing Facilities Categorical Exemption ("Class 1 CatEx"). The City Planning Commission ("Commission" or "PC") heard the Project on April 16 and May 21, 2025;² at the latter of which the Commission granted the CUP, Class 1 CatEx, and Resolution PC 25-03³ (collectively "Project Approvals").

The Planning Commission's granting of the Project Approvals is subject to a 14-day appeal period (see CMC §§ 19.39.410.B.4, 19.39.190.B, 19.39.200), by any person or legal entity. (CMC §§ 19.39.190.C [appeals]; 19.01.040 [terminology]; 19.45.170 [definition].) Local 11 is a legal entity entitled to submit this Appeal, which is has an interest and standing involving the granted Project Approvals. Local 11 represents more than 25,000 workers employed in hotels, restaurants, airports, sports arenas, and convention centers throughout Southern California and Phoenix, Arizona—including at least 20 members who live in the City of Commerce. The union has a First Amendment right to petition public officials in connection with matters of public concern, including compliance with applicable zoning rules and CEQA, just as developers, other community

³ **Resolution**, https://cityofcommerce.legistar.com/View.ashx?M=F&ID=14226759&GUID=82033F4D-91E6-4DA9-A4BD-E57E84DEB014.



¹ Herein, page citations are either the stated pagination (i.e., "p. #") or PDF-page location (i.e., "PDF p. #").

² See PC April Staff Report, see also PC May Staff Report.

organizations, and individual residents do. Protecting its members' interest in the environment, including advocating for the environmental sustainability of development projects in compliance with state and local rules (including but not limited to the mitigation of impacts from mobile sources like greenhouse gas ["GHG"] emissions and vehicle miles traveled ["VMT"]), is part of Local 11's core function. Recognizing unions' interest and union members' interest in these issues, California courts have consistently upheld unions' standing to litigate land use and environmental claims. (See *Bakersfield Citizens v. Bakersfield* (2004) 124 Cal.App.4th 1184, 1198.) Furthermore, Local 11 has public interest standing to challenge the Project Approvals given the City's public duty to comply with applicable zoning and CEQA laws, which Local 11 seeks to enforce. (See *Rialto Citizens for Responsible Growth v. City of Rialto* (2012) 208 Cal.App.4th 899, 914-916 [fn. 6]. See also *La Mirada Avenue Neighborhood Assn. of Hollywood v. City of Los Angeles* (2018) 22 Cal.App.5th 1149, 1158-1159; *Weiss v. City of Los Angeles* (2016) 2 Cal.App.5th 194, 205-206; *Save the Plastic Bag Coalition v. City of Manhattan Beach* (2011) 52 Cal.4th 155, 166, 169–170.)

Pursuant to the Code (CMC § 19.39 et. seq. [Appeals and Revocations]), Local 11 hereby timely submits this Appeal of the Planning Commissions actions to the City Council for all the reasons discussed in its verbal and written comments, through representatives and counsel, including but not limited to its comment letters dated April 16 and May 21, 2025 (attached hereto as "Exhibit A" and "Exhibit B," respectively). *This Appeal incorporates in its entirety* Local 11's prior Comments (Exh. A & B), all referenced documents hyperlinked in its previous comments and herein. Local 11 reserves the right to supplement this Appeal at future hearings and proceedings for this Project. (See e.g., Communities for a Better Environment v. City of Richmond (2010) 184 Cal.App.4th 70, 86; Galante Vineyards v. Monterey Peninsula Water Management Dist. (1997) 60 Cal.App.4th 1109, 1120.)

In short, the Class 1 Existing Facilities exemption is inappropriate, and 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"). While Local 11 appreciates the City may want to encourage economic development, that does not mean it has to come at the expense of proper environmentla review with adequate mitigation.

Local 11 respectfully appeal for all the reasons fully explained in Local 11's prior comments, which Appellant provides the brief summary of the appeal issues:

First, the use of a Class 1 CatEx is inappropriate for the Project, for all the reasons previously mentioned by Local 11 (see Exh. A, p. A2 [section A], Exh. B, pp. B2-B3 [points 1 through 5]), such as the following issues outlined below and explained further in the attachments.

1. The plain language of CEQA Guidelines § 15301 states that the Class 1 CatEx is for a project that involves "negligible or no expansion of existing or former use." (Exh. A, p. A2 [subsection A.].) Hotel use is neither existing nor a former use. Adding an entirely new use is more than negligible or no expansion of the existing use. The Project is more than a mere minor alteration, but instead allows for a complete conversion of an entirely new use (i.e., from office to hotel). (See Exh. B, p. B2 [point 1].)

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- 2. The Project involves a conversion of an office building into a hotel, which is a modification of operations that is a "major change in focus" for the building. (*County of Amador v. El Dorado County Water Agency* (1999) 76 Cal.App.4th 931, 967.) Contrary to suggestions made in Applicant counsel's memo dated May 14, 2025 ("Matkins Memo"),⁴ no case cited in the Matkins Memo stood for the proposition that a Class 1 CatEx allows for the conversion of an entirely different use (such as the case here). (Exh. B, p. B2 [point 2].)
- 3. There is a lack of substantial evidence to support the suggestion in the Matkins Memo that generic offices operate longer hours than 24-hour hotels. (Exh. B, p. B2 [point 3].)
- 4. There is a lack of substantial evidence to support the suggestion in the Matkins Memo that hotel patrons are more susceptible to utilizing rideshare, bus, public transit or other forms of transportation demand management ("TDM") programs than office workers. (Exh. B, p. B2 [point 3].)
- 5. There is a lack of substantial evidence to support the suggestion in the Matkins Memo that hotels have less noise and air impacts. (Exh. B, p. B3 [point 3].)
- 6. There is a lack of substantial evidence in the Matkins Memo to rely on claims that the project would be accessed by large tour groups. (Exh. B, p. B.3 [point 4].) Nor is there any enforceable measure ensuring these tour groups are offered or defining how many VMTs would be offset by unspecified use of tour buses.
- 7. The City and the Matkins Memo fail to show how the Project is substantially similar to any of the examples listed under CEQA Guidelines § 15301 (Exh. B, p. B3 [point 5]).
- 8. During the May 2025 hearing, Applicant's counsel referenced, without any documentation, projects he purportedly found via the state's CEQA database ("CEQAnet") that allegedly authorized the conversion of uses via a Class 1 CatEx (e.g., retail to cannabis). This is problematic for at least the following reasons
 - a. No documentary evidence was provided to indicate what projects was even being referred to by Applicant's representative, which makes the claims speculation and not substantial evidence.⁵ One would expect to find at least a state clearinghouse ("SCH") provided so the City and public could verify the veracity of the claims that conversion of uses is allowed under a Class 1 CatEx.⁶

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⁴ Allen Matkins (5/14/25)

⁵ Under CEQA, substantial evidence includes facts, a reasonable assumption predicated upon fact, or expert opinion supported by fact; not argument, speculation, unsubstantiated opinion or narrative, clearly inaccurate or erroneous evidence, or evidence of social or economic impacts that do not contribute to, or are not caused by, physical impacts on the environment. (See e.g., Pub. Res. Code §§ 21080(e), 21082.2(c); CEQA Guidelines § 15064(f)(5).)

⁶ No SCN was provided in the Matkins Memo or Staff Report, which would allow the City and public to verify conversion project in fact existed. (See e.g., Allen Matkins (5/14/25); PC May Staff Report.)

- b. A retail to cannabis project is entirely distinguishable given it involves the conversion of one retail use to another retail use—not a conversion of an entire office building into a hotel use. This is significant when considering VMTs, whereby the majority of VMTs are generated by retail customers (for retail projects), office workers (for office projects), and hotel patrons (for hotel projects). The Project here does not involve a retail to retail, or office to office, or hotel to hotel use.
- c. Just because a project is listed on CEQAnet, does not mean it was subsequently approved, litigated, and upheld by a court as proper under CEQA. Countless projects are proposed, listed, and/or approved throughout the state—which is not conclusive of the appropriateness of that decision. For example, this office is aware of at least one instance in 2020 where a trial court overturned the City's approval of a 7-11 convenient store/gas station project relying on Class 2, 3, 5, and 32 categorical exemptions.⁷

<u>Second, the Project's VMT impacts warrant further analysis and mitigation</u>, for all the reasons previously mentioned by Local 11 (see Exh. A, pp. A3-A4 [section B], Exh. B, pp. B3-B5 [points A6 through C.15]), such as the following issues outlined below and explained further in the attachments.

- 9. Applicant's traffic study relies on a flawed baseline analysis for all the reasons identified in prior comments (Exh. B, pp. B3-B4.), such as:
 - a. There is no condition of approval enforcing the tour bus assumption which justifies the 10% tour bus credit (id., [point A.6]).
 - b. There is a lack of substantial evidence justifying the assumption of 13,840 square feet of medical/dental use should be used as the baseline when there is no document substantiated the accuracy of the purported prior use, such as when they were in place, removed, and the full intensity and/or square footage of the use (id., [point A.7]).
 - c. There is a lack of substantial evidence justifying the use of the traffic studies use of ITE 720 code when the same traffic consulting firm used ITE code 710 when analyzing Applicant's prior project, which included existing and proposed office uses (id., [point A.7]).
 - d. There is a lack of substantial evidence to assume that released office project would be a medical/dental office use rather than general office use. (id., [point A.7]).
 - e. There is substantial evidence that Project is not below a 110 VMT threshold (id. [point 8]).

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⁷ See Notice of Notice of Entry of Judgement & Writ (11/12/2020) *East Yard Communities for Environmental Justice v. City of Commerce* (LASC Case No. 19STCP03166), PDF pp. 31-36, https://www.dropbox.com/scl/fi/2tc1xniq9obdbzfrezc7d/Notice-of-Entry-of-Judgment-Writ-copy-

- 10. Applicant's traffic study fails to adequately analyze VMT impacts from employees for all the reasons identified in prior comments (Exh. B, pp. B4.), such as:
 - f. There is a lack of substantial evidence to qualitatively assume that office workers would have longer VMT commutes than hotel workers or guests (id., [point B.9]).
 - g. There is a lack of substantial evidence to support the assumption that office workers are specialized and would be coming from further locations (id., [point B.9]). For example, in addition to the rebuttal evidence included in prior comments (id.), the City's Housing Element notes that 26 % of its population is in fact employed in sales and office occupations, with another 20% in management, business, science, and arts occupations. (Housing Element, pp. 2-6-2-7.)
 - h. The study failed to use the most accurate employment data from the prior tenant to establish the office employee baseline (id., [point B.10]).
 - i. The study filed to consider job generation based on trip rates and/or parking requirements (id., [point B. 10]).
 - j. The study failed to calculated trip lengths, trips, and actual VMTs associated with office baseline or proposed project workers (id., [point B.11]).
- 11. Applicant's traffic study fails to adequately analyze VMT impacts from hotel guests for all the reasons identified in prior comments (Exh. B., p. B5), such as:
 - k. There is a lack of substantial evidence to demonstrate the frequency, number of trips, and/or VMTs reduced by purported international tour groups buses (id., [point C.12]).
 - l. There is a lack of substantial evidence to support the study's assumption that hotel patrons would already be already staying at the Hotel (id., [point C.13]).
 - m. The study failed to document, calculate, or analyze vehicle trips, lengths, and/or VMTs generated by hotel guests (id., [point C.14]).
 - n. The study filed to consider relevant qualitative factors (id., [point C.15]).

Third, the Project's cumulative impacts warrant further analysis and mitigation, for all the reasons previously mentioned by Local 11 (see Exh. A, pp. A4-A5 [subsection C],) including the "("Future) Water Fountain not part of this CUP." (See Fig. 1 below.) As shown in recent reports, this Bellagio-like fountain is dubbed by the Applicant as the "Grand Fountain." (See Fig. 2 following pages.) This seems to be the Applicant's vision to build a global destination; the Applicant has stated that, with the addition of the "Pan Am Hotel by Hilton and the Grand Fountain, we're reimagining what's possible" (Id.) The proposed Grand Fountain is reported to be designed by the same innovators behind the iconic Bellagio Fountain in Las Vegas, and will be a "one-of-a-kind attraction." (See Fig. 3 following pages.) This presents several issues:

⁸ Housing Element,

- 12. This one-of-a-kind attraction intended to draw people to the Citadel Outlet seems to fall qualify as an outdoor "amusement," which in the C2 zone requires a CUP. (CMC § 19.09.020.) However, this office is unaware of any CUP, much less CEQA review, conducted for such a use. Failure to secure a CUP subject to proper CEQA review is improper.
- 13. These two projects are interconnected serving the same purpose of attracting more people to the Citadel Outlets. However, the impacts from the added VMTs and mobile emissions from this amusement attraction and hotel have not been analyzed together. It seems contradictory to claim this project is merely serving existing guest patrons at the same time the Applicant states it is trying to attract global visitors. This appears to be improper project piecemealing by chopping up the two projects.
- 14. By failing to describe the entirety of the Project and proposal (i.e., water fountain attraction and hotel), the applicant has utilized an inaccurate project description, which is an indispensable component of a valid CEQA review.¹⁰

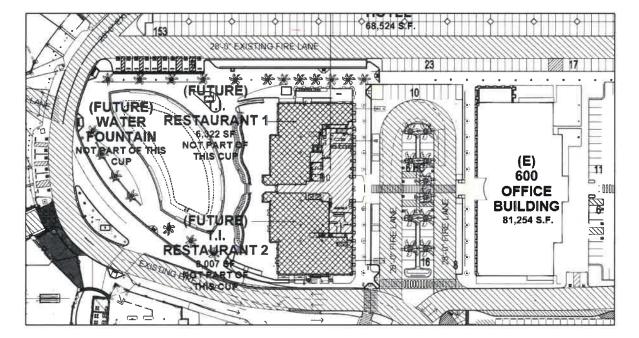


Figure 1: Excerpt Project Plans¹¹

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⁹ See e.g., CMC § 5.12.010 (Business Regulations defines "amusement" or "entertainment"), 19.45.210 (definition of "theme park"); Appendix A (SIC Codes 79 et seq.)

¹⁰ See Western Placer Citizens for an Agr. and Rural Env't v. Cnty. of Placer (2006) 144 Cal.App.4th 890, 898; see also San Joaquin Raptor Rescue Ctr. v. Cnty. of Merced (2007) 149 Cal.App.4th 645, 654-655 (An "accurate, stable and finite project description is the sine qua non of an informative and legally sufficient EIR."); Citizens for a Sustainable Treasure Island v. City & Cnty. of San Francisco (2014) 227 Cal.App.4th 1036, 1052 ("... only through an accurate view of the project may affected outsiders and public decision-makers balance the proposal's benefit against its environmental cost, consider mitigation measures, assess the advantage of terminating the proposal (i.e., the 'no project' alternative), and weigh other alternatives in the balance.")

¹¹ Project Plans, PDF p. 1 (Project 21-0109, date 11/22/24, sheet A-1),

Figure 2: One Mile At A Time Excerpt12

This is part of a larger expansion of the Citadel Outlets, whereby we'll also see the introduction of a new "Grand Fountain," which will be located between the hotel and the outlets.



Citadel Outlets Grand Fountain rendering

Here's how Steven Craig, the President of Craig Realty Group (the company behind this development), describes the project:

"Our vision for Citadel Outlets has always been to create more than just a shopping center — we're building a global destination that inspires wonder and connection. With the addition of the Pan Am Hotel by Hilton and The Grand Fountain, we're reimagining what's possible — bringing together design, innovation, and hospitality to deliver something truly unforgettable."

¹² One Mile At a Time (4/15/25) Pan Am Hotel opening in 2026, at Citadel Outlets, https://onemileatatime.com/news/pan-am-hotel-hilton-los-angeles/.

Figure 3: Travel Trade Journal Excerpt13

The Grand Fountain

Between the hotel and the outlet centre, the Grand Fountain is poised to become the heart and soul of Citadel Outlets. Designed by WET Design, the world-renowned water feature innovators behind the iconic Bellagio Fountain in Las Vegas, this extraordinary centrepiece will blend art, engineering, fire, and water into a one-of-a-kind attraction that elevates the shopping experience into something magical.

The Grand Fountain Plaza will create a mesmerizing oasis that welcomes guests into the retail zone, while creating a simplistic and easily accessible motorcoach station for loading and unloading international guests.

"Our vision for Citadel Outlets has always been to create more than just a shopping centre, we're building a global destination that inspires wonder and connection," said Steven L. Craig, President of Craig Realty Group. "With the addition of the Pan Am Hotel by Hilton and The Grand Fountain, we're reimagining what's possible, bringing together design, innovation, and hospitality to deliver something truly unforgettable. These experiences are thoughtfully crafted with the guest in mind, offering moments of comfort, discovery, and delight for travellers from around the world."

Conveniently located off the I-5 freeway just 10 minutes from Downtown LA and within 25 minutes of Beverly Hills, Santa Monica, and Orange County, Citadel Outlets is perfectly situated for both locals and international travellers. With global designer and luxury brands, unmatched prices, and now with the addition of breathtaking new offerings, Citadel Outlets is more than a shopping centre, it's a destination.

Fourth, reliance on unenforceable, illusory mitigation is improper, for all the reasons previously mentioned by Local 11 (see Exh. B, pp. B2-B3 [point 3 and 4], B3 [point A.6], B5 [point C.12].) These assumptions, which serve to reduce the project's traffic impacts, are not enforceable by any of the conditions of approval ("COA") approved by the Commission. (See Resolution, ¹⁴ pp. 3-7 [COAs 1 through 39].) are is there any performance measures to guide future decision making. Together, these amount to illusory mitigation measures. ¹⁵ Additionally, the City should consider real mitigation, such as those transportation demand management ("TDM") and other trafficrelated measures suggested by public agencies. (See Exh. A, pp. A3-A4 [citing CAPO, SCAG, CARB, etc.].) That consideration can only be done through a CEQA compliant environmental review, such as an MND.

¹³ Travel Trade Journal (4/4/25) Citadel Outlets to debut The Pan Am Hotel by Hilton and Grand Fountain in late spring 2026, https://traveltradejournal.com/citadel-outlets-to-debut-the-pan-am-hotel-by-hilton-and-grand-fountain-in-late-spring-2026/.

¹⁴ **Resolution,** https://cityofcommerce.legistar.com/View.ashx?M=F&ID=14226759&GUID=82033F4D-91E6-4DA9-A4BD-E57E84DEB014.

¹⁵ Cite.

Fifth. the CUP's cursory findings are inadequate. CUPs are subject to ten (10) Code-required findings (CMC § 19.39.420), which the City included in its Resolution (pp. 2-3). This Appeal challenges Finding 8 and Finding 9. Finding 9 requires the City to find the "proposed use would not be detrimental to the public interest, health, safety, convenience, or welfare[.]" (CMC § 19.39.420.A.9.) To support this finding, the City's Resolution states the Project "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." (Resolution, p. 3 [emphasis added].) However, as discussed above, the Planning Commission failed to properly analyze the Project's environmental impacts or impose adequate mitigation tied to proper analysis. Therefore, this finding lacks substantial evidence.

Next, Finding 8 requires the City to find the "proposed use is consistent with the objectives, policies, general land uses, and programs of the general plan[.]"(CMC § 19.39.420.A.8.) To support this finding, the City's Resolution states the "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.) However, this abbreviated analysis fails to address numerous policies under the City's General Plan, especially those related to VMTs and encouraging TDM measures. (See e.g., General Plan, 16 pp. 190 -202 [Transportation Policies 3.8, 3.9 and Air Quality Policies 2.7 through 2.10].)

In conclusion, the Commission erred when granting the Project Approvals for the all the reasons discussed above and in the attachments. Local 11 respectfully asks the City Council grant the Appeal and withhold the Project Approvals until the Project has undergone an adequate CEQA review that includes adequate mitigation of the Project's VMT and GHGs

Sincerely,

Jordan R. Sisson Attorney for Local 11

ATTACHMENTS

Exhibit A: Local 11 Comments $(4/16/25)^{17}$ Exhibit B: Local 11 Comments $(5/21/25)^{18}$

¹⁸ https://www.dropbox.com/scl/fi/94coxyuy43xbojcm6opvm/Item-1_Citadel-Hotel_PC-Continued-hearing-Comments.pdf?rlkey=dqu0kfrodkzl9umic3x3xo40z&dl=0.



¹⁶ General Plan, https://www.commerceca.gov/Home/ShowDocument?id=76.

 $^{^{17}\,}https://www.dropbox.com/scl/fi/q4f85phrwddwclok4qprh/PC-Comments_Citadel-500-Hotel_Pan-Am.pdf?rlkey=2ooea2d1tymp23wpcel1lwffd&dl=0.$

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April 16, 2025

VIA EMAIL:

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RE: ITEM 2, PLANNING COMMISSION HEARING (4/16/25); 500 CITADEL HOTEL PROJECT (CONDITIONAL USE PERMIT NO. 25-02)

Dear Chairperson Gonzalez and Commerce Planning Commissioners:

On behalf of UNITE HERE Local 11 ("Local 11"), this office respectfully provides the following comments¹ to the City of Commerce ("City") regarding the proposed conversion of an existing four-story, 81,050 square foot ("sf") office building into a 132-room, 68,524-sf hotel (inclusive of a 1,803-sf addition to extend lobby) ("Project"). The Project is located within the approximately 49-acre Citadel Outlet property that is currently occupied by outlet stores with surface parking, two parking structures, two office buildings, and an existing 201-room hotel (Double Tree) ("Site").

In furtherance of the Project, the applicant Craig Realty Group (Scott Van Boxtel) ("Applicant") is seeking approval under the Commerce Municipal Code ("CMC" or "Code") of Conditional Use Permit No. 25-02 to authorize the hotel use ("CUP"). Additionally, for the purposes of the California Environmental Quality Act ("CEQA"), the City is considering the adoption of a Class 1 Existing Facilities Categorical Exemption ("Class 1 CatEx").

First, we thank the City for the opportunity to provide comments on the CUP and Class 1 CatEx (collectively "Project Approvals") and relevant documents. Local 11 has a significant interest in the Project given it represents more than 25,000 workers employed in hotels, restaurants, airports, sports arenas, and convention centers throughout Southern California and Phoenix, Arizona—<u>including members who live in the City of Commerce</u>.

In short (and discussed further below), Local 11 is concerned with the City's use of a Class 1 CatEx, which seems inappropriate given the Project does not involve an existing hotel but instead introduces an entirely new use. The Project will likely have workers, guests, and other customers traveling to and from the Site generating vehicle mile traveled ("VMT") and associated greenhouse gas ("GHG") emissions, which should be analyzed and mitigated to the fullest extent—such as requiring a hotel-specific mandatory commuter trip reduction program. Furthermore, Local 11 is

² Including but not limited to the attachments associated with the above-referenced action item ("Staff Report", "Architectural Plans", "Resolution"). Unless stated otherwise, all documents referenced were retrieved from City website domains.



¹ Herein, page citations are either the stated pagination (i.e., "p. #") or PDF-page location (i.e., "PDF p. #").

PC Comments RE: 500 Citadel Hotel Project April 16, 2025 Page 2 of 5

concerned that the entire scope of the Project is being segmented, such as the evident restaurant components. This concern is further evidenced by the more ambitious proposal by the same Applicant and location in 2019 (i.e., Citadel Outlets Expansion [SCH No. 2016091024]), which Local 11 and others commented extensively on.³ Like there, the Project here needs more scrutiny to ensure compliance with CEQA.

For these reasons, Local 11 respectfully asks the City to stay its action on Project Approvals until the issues discussed below are cured in a CEQA-compliant review.

A. THE PROJECT DOES NOT SEEM TO QUALIFY FOR A CLASS 1 EXEMPTION.

CEQA provides categorical exemptions for projects that are unlikely to have environmental impacts. (Pub. Res. Code § 21084(a); CEQA Guidelines § 15300.) These exemptions operate as exceptions to CEQA, which are to be "narrowly construed" and not "expanded beyond the reasonable scope of their statutory language." (San Lorenzo Valley Community Advocates for Responsible Education v. San Lorenzo Valley Unified School Dist. (2006) 139 Cal.App.4th 1356, 1382 [citations omitted]; see also Castaic Lake Water Agency v. City of Santa Clarita (1995) 41 Cal.App.4th 1257, 1267 [held redevelopment plan did not fall within the plain and express projects covered under disaster-related exemption].) Courts have overturned the improper use of the Class 1 Existing Facilities exemptions, 4 which plainly and expressly reads:

"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."

(CEQA Guidelines § 15301 [emphasis added].)

Here, the Project is more than a mere minor alteration; rather, it is a conversion of an office building into a hotel, which is an entirely new use. (Staff Report, pp. 2, 4.) This goes beyond a negligible or no expansion of use; it is an introduction of an entirely new use. This is not a situation involving an existing facility with no change in its existing or former use.⁵

⁵ See e.g., *Bloom v. McGurk* (1994) 26 Cal.App.4th 1307, 1312, 1316 [Class 1 exemption applied where it was undisputed there was no change in operations or capacity of existing medical waste incinerator); *Committee for a Progressive Gilroy v State Water Resources Control Bd.* (1987) 192 Cal.App.3d 847, 864 (upheld when restoring waste discharge levels to those originally approved for a sewer plant).



 $^{^3}$ See e.g., Draft EIR Comments (5/6/19), https://www.dropbox.com/scl/fi/vwlqzhcgap2xqy3wqbujh/DEIR-Comments_Citadel-Outlets_combined.pdf?rlkey=dro882u6i8uo41a86u6ni1v3o&dl=0; Final EIR Comments (7/2/19), https://www.dropbox.com/scl/fi/vmcxuqqy5azfixqtjlkg6/FEIR-Comments_Citadel-Outlets_combined.pdf?rlkey=4fo4ye9f6uc7z6fvn4ne6fouh&dl=0; Item 9 Comments (7/16/19), https://www.dropbox.com/scl/fi/tbcv8on0h3hs29dhj0dt3/Citadel-Mall-Comments_7-16-19.pdf?rlkey=4vrxokywjhotsy67zluaysflz&dl=0.

⁴ See e.g., Azusa Land Reclamation Co. v. Main San Gabriel Basin Watermaster (1997) 52 Cal.App.4th 1165, 1192 [rejecting Class 1 exemption to reopen landfill]; County of Amador v. El Dorado County Water Agency (1999) 76 Cal.App.4th 931, 966 [rejecting Class 1 exemption that change the project purpose from nonconsumptive hydroelectric facility to consumptive-use facility].)

B. <u>VMT IMPACTS COULD BE SIGNIFICANT AND NEED MORE MITIGATION.</u>

CEQA requires analysis of VMT traffic impacts related to a project. (See Kings County Farm Bureau v. Hanford (1990) 221 Cal.App.3d 692, 727.) So too, the California Supreme Court demands a robust GHG analysis to assess a project's impact on climate change. (Center for Biological Diversity v. Cal. Dept. of Fish and Wildlife (2015) 62 Cal.4th 204, 227; Cleveland National Forest Foundation v. San Diego Assn. of Governments (2017) 3 Cal.5th 497, 504, 519 [analysis must be "based to the extent possible on scientific and factual data ... stay[ing] in step with evolving scientific knowledge and state regulatory schemes." (Quoting CEQA Guidelines § 15064(b)].)

Here, the Project will likely generate VMTs and GHG from the hotel workers, guests, and the workers and customers from the likely retail/restaurant tenants. Regarding hotel workers, the Staff Report states (p. 4) that the 132-room hotel will have 16-24 employees, depending on the time of day. This seems to suggest that employees are present at any given time rather than employees generated by the Project in total. There is no disclosure of the basis for this estimation, which seems very low. For example, the City of Los Angeles's VMT calculator estimates hotels and motels generate about 1 employee for every two rooms (i.e., 0.5 per room),6 which would be 66 employees who will likely be generating VMTs during their commutes (as well as GHG emissions). Next, regarding the hotel quests, the Staff Report (p. 4) also states that the hotel will cater to visitors and tourists seeking a location close to shopping and dining options that are readily available at the Citadel Outlets. To suggest that guests will select the proposed hotel because it is near shops is perhaps too much of an oversimplification, where there are many reasons why guests may choose one hotel over another (e.g., convenience, lack of better alternatives, price, attraction to other destinations, etc.). These hotel guests will also likely be generating VMTs during their initial arrival (e.g., from their homes, airport, or other points of origin), during their stay (e.g., to and from local/regional attractions), and during their eventual departure (e.g., back home, airport, other points of destination). These VMTs will also have associated GHG emissions. Finally, regarding the retail/restaurant component, the Project is likely to include a future retail/restaurant tenant (i.e., 6,322-sf tenant 1, 8,007-sf tenant 2), which will be accessed by other workers and customers traveling to the Site (i.e., VMTs and GHGs). (Staff Report, p. 5.)

The VMTs and GHGs for the entire Project, including from these sources, should be analyzed and assessed for significance. Furthermore, the City should consider all feasible mitigation measures to minimize VMTs and GHGs, such as those measures recommended by California Air Pollution Control Officers Association ("CAPCOA"), Southern California Association of Governments ("SCAG"), and the California Air Resources Board ("CARB") (to name a few).⁷ At a

⁶ City of Los Angeles VMT Calculator Documentation (May 2020), PDF p. 16, https://ladot.lacity.gov/sites/default/files/documents/vmt_calculator_documentation-2020.05.18.pdf.

⁷ CAPCOA (Dec. 2021) Handbook for Analyzing Greenhouse Gas Emission Reductions, Assessing Climate Vulnerabilities, and Advancing Health and Equity, pp. 31-32, 73, 76, 80-96, https://www.airquality.org/ClimateChange/Documents/Final%20Handbook_AB434.pdf; CAPCOA (Aug. 2010) Quantifying GHGs and Mitigation, pp. 64-74, https://www.contracosta.ca.gov/DocumentCenter/View/34123/CAPCOA-2010-GHG-Quantification-PDF; SCAG (Dec. 2019) Final Program EIR, pp. 2.0-18 – 2.0-71 (see "project-level mitigation measures" for air quality, GHG, and transportation impacts), https://scag.ca.gov/sites/main/files/file-attachments/fpeir_connectsocal_complete.pdf?1607981618; SCAG (4/4/24) Final Program EIR MMRP, pp. A-3 – A-47 (same project-level mitigation or "PMM"), https://scag.ca.gov/sites/default/files/2024-05/exhibit_a_mmrp_508_final.pdf; CARB 2022 Scoping Plan, 4, 7, 24, 29 & Appendix D, pp. 23, https://ww2.arb.ca.gov/our-work/programs/ab-32-climate-change-scoping-plan/2022-scoping-plan-documents; CARB's 2017 Scoping Plan, Appendix B-Local Action, pp. 1-8, 7-9 &



PC Comments RE: 500 Citadel Hotel Project April 16, 2025 Page 4 of 5

minimum, the City should consider robust design changes and traffic demand management ("TDM") measures that could reduce VMTs (including associated GHGs), such as a hotel-specific mandatory commuter reduction program that could include (among other things):

- Specific performance level to be reached (e.g., specific VMT or average daily trip reduction or both);
- Specified participation level target (e.g., 100 % employees);
- Participation in guarantee ride programs;
- Incentives for employee carpooling/vanpooling, such as access to preferential parking spaces or hotel valet service (or both);
- Subsidized transit passes for hotel workers and patrons; and
- Dedicated shuttle service for hotel patrons to nearby destinations.8

C. IT APPEARS THE FULL PROJECT MAY BE PIECEMEALED OR SUSCEPTIBLE TO CUMULATIVE IMPACTS.

A project's CEQA review must assess "the whole of an action" to ensure that all of the project's environmental impacts are considered. (CEQA Guidelines § 15378; see also Santee v. County of San Diego, 214 Cal.App.3d at 1454; San Joaquin Raptor/Wildlife Rescue Center v. Cnty. of Stanislaus (1994) 27 Cal.App.4th 713, 730 [held use of "truncated project concept" violated CEQA where EIR was otherwise adequate].) CEQA mandates "that environmental considerations do not become submerged by chopping a large project into many little ones — each with a minimal potential impact on the environment - which cumulatively may have disastrous consequences." (Bozung v. LAFCO (1975) 13 Cal.3d 263, 283-284; see also City of Santee, 214 Cal.App.3d at 1452.)

Here, it is anticipated there will be an unknown future tenant 1 (6,322 sf) and unknown tenant 2 (8,007 sf), which is "not part of CUP" but is expected to generate the need for 32 and 40 parking spaces. (Staff Report, pp. 4, 6.) However, the Project plans state these "(Future)" tenants will be restaurants. (Architectural Plans, PDF p. 1.) Additionally, a "(Future) Water Fountain" is also noted in the Project plans. (Id.) The impacts caused by the whole project should be considered, including the potential impacts caused by those restaurants (e.g., VMT, GHG, etc.)

Additionally, the Project plans also show existing structures on the Site, including outlets "Phase I" through "Phase III" as well as "Phase IV Building 19". (Architectural Plans, PDF p. 1.) This is significant because in 2019, the City was considering a larger "Citadel Outlets Expansion Project" by the same Applicant that included various improvements, including the "Citadel Expansion (Phase 5)" within "Area 1" (i.e., the Citadel Outlet Site), which included proposals for retail buildings (buildings 20 and 21), two hotels, and other improvements as shown in the below excerpt from the Citadel Expansion Project Draft EIR (SCH No. 2016091024).9 (See excerpt below from that

https://www.dropbox.com/scl/fi/j54r2jrtowu5mrhz1o2ie/DEIR.pdf?rlkey=x8a59mmafjs9zpddwxevapvzm&dl=0.



Appendix D, p. 2, https://www.arb.ca.gov/cc/scopingplan/app_b_local_action_final.pdf; SCAG (Dec. 2019) Final Program EIR, pp. 2.0-18 – 2.0-71 (see "project-level mitigation measures" for air quality, GHG, and transportation impacts), https://scag.ca.gov/sites/main/files/file-attachments/fpeir_connectsocal_complete.pdf?1607981618.

⁸ See e.g., Santa Monica Municipal Code § 9.5.130(B)(2)(b); https://www.octa.net/getting-around/rideshare/oc-rideshare/employers/guaranteed-ride-home-program/; https://www.ci.healdsburg.ca.us/AgendaCenter/ViewFile/Item/3098?fileID=21731.

⁹ Draft EIR (3/15/19), pp. 44, 49, 56,

project's draft environmental impact report ["EIR"].) While that prior project was ultimately abandoned, the concern here is that the current Project (i.e., office-to-hotel conversion) may be but a component of a larger project/proposal that is being chopped up and receiving truncated review.

Table 2-2 Summary of Proposed Development within the Planning Area

Area	Project Element	Details	Description	
Area 1	Building 20 Retail	15,000 sq. ft.	Three level commercial retail building.	
	Building 21 Retail	107,150 sq. ft.	One and two level multi-tenant retail building.	
	Traveler's Hotel	80,000 sq. ft.	Five level, 174 room hotel.	
	Loft Hotel	93,000 sq. ft.	Five level, 96 room hotel.	
	Food/Retail	45,571 sq. ft.	Restaurant and retail uses.	
	Parking Structure	750 spaces	Four level parking structure containing 750 spaces.	
	New Parking Structure	680 spaces	Six level parking structure containing up to 680 spaces.	
	Parking Structure Expansion	238 spaces	Expansion of existing five level parking structure 238 spaces	

Furthermore, the categorical exemptions are not absolute where exceptions to the exemptions apply, such as "when the cumulative impact of successive projects of the same type in the same place, over time is significant." (CEQA Guidelines § 15300.2(b).) Here, this Site has already undergone multiple phases of development, once anticipated a fifth phase (albeit abandoned) that identified significant unavoidable impacts and is now being considered for yet another project claimed to have no significant impacts. This is evidence of seemingly successive projects of the same type and in the same place that will likely have significant impacts (e.g., VMTs, GHGs).

CONCLUSION

In sum, the use of the Class 1 Existing Facilities exemption seems inappropriate, and the City should consider a more robust CEQA review where it can properly assess the Project GHG and VMT impacts, which could be lessened via project-specific mitigation (such as those suggested above). Until such time, Local 11 respectfully asks the City to stay action on the Project Approvals.

Local 11 reserves the right to supplement these comments at future hearings and proceedings for this Project. (See *Galante Vineyards v. Monterey Peninsula Water Management Dist.* (1997) 60 Cal.App.4th 1109, 1120 [CEQA litigation not limited only to claims made during EIR comment period].) This office requests, to the extent not already on the notice list, all notices of CEQA actions and any approvals, Project CEQA determinations, or public hearings to be held on the Project under state or local law requiring local agencies to mail such notices to any person who has filed a written request for them. (See Pub. Res. Code §§, 21092.2, 21167(f) and Gov. Code § 65092.) Please send notice by electronic and regular mail to the address identified on page one of this letter.

Thank you for consideration of these comments. We ask that this letter be placed in the administrative record for the Project.

Sincerely,

Jordan R. Sisson Attorney for Local 11

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May 21, 2025

VIA EMAIL:

Planning Commission, City of Commerce

Planning Division Office (Planning-Division@commerceca.gov)

c/o City Clerk Office (cityclerk@commerceca.gov)

Sonia Griego, Associate Planner (soniag@commerceca.gov)

Jessica Serrano, Director of Econ. Dev. and Planning (jessicas@commerceca.gov)

Araceli Almazan, City Attorney (aalmazan@agclawfirm.com)

RE: ITEM 1, PLANNING COMMISSION HEARING (5/21/25);

500 CITADEL HOTEL PROJECT (CONDITIONAL USE PERMIT NO. 25-02)

Dear Commerce Planning Commissioners:

On April 16, 2025, this office submitted comments ("Local 11 Initial Comments") to the City on behalf of Local 11 regarding the proposed conversion of an existing four-story, office building into a 132-room hotel (i.e., Project) located on the approximately 49-acre Citadel Outlets mall property (i.e., Site).^{1, 2} The following comments are provided as supplemental comments in response to newly released documents provided to Local 11 (discussed below).

First, materials have been produced without sufficient time for the public to meaningfully review them, contrary to public policy reflected in state laws including the Brown Act. The initial Planning Commission hearing was held on April 16, 2025, which was continued after the Commission requested additional information from the City and Applicant. That Agenda included hyperlinked documents to the staff report, Project Plans, and Resolution.³ Here, while the above-referenced item is listed on the Agenda provided online,⁴ there is no reference or hyperlink to any staff report or attachments, or any referenced on the City's Legistar.⁵ However, yesterday at or around 3:00 – 4:00 pm, the City emailed Local 11 copies of a revised "Staff Report" and other new documents including a memorandum from the Applicant's counsel regarding the use of a Class 32

⁶ Staff Report, https://www.dropbox.com/scl/fi/ib9h1s085gnx2vk3z27pu/FINAL-STAFF-REPORT-CUP-NO-25-02-Citadel-Hotel_5-21-25.pdf?rlkey=0mvkeugaq987oh6997lrpi20a&dl=0.



¹ See Local 11 (4/16/25) Comment Letter RE 500 Citadel Hotel Project, https://www.dropbox.com/scl/fi/q4f85phrwddwclok4qprh/PC-Comments_Citadel-500-Hotel_Pan-Am.pdf?rlkey=200ea2d1tymp23wpcel1lwffd&dl=0.

 $^{^2}$ Unless specified otherwise, all abbreviations and terms are same as in Local 11's initial comment letter.

³ City Planning Commission (4/16/25) Agenda, Item 2 (note Attachments include hyperlinked Staff Report, Architectural Plans, and Resolution),

https://cityofcommerce.legistar.com/View.ashx?M=A&ID=1295121&GUID=4151DB15-146B-4E1F-898D-B4AC713922CB.

⁴ Planning Commission Agenda (last checked 5:34 am on May 21, 2025), https://cityofcommerce.legistar.com/View.ashx?M=A&ID=1309146&GUID=11967094-B4DB-4EFA-8B37-79ECE26319E0.

⁵ City Legistar (last checked 5:34 am on May 21, 2025), https://cityofcommerce.legistar.com/MeetingDetail.aspx?ID=1309146&GUID=11967094-B4DB-4EFA-8B37-79ECE26319E0&Options=info|&Search=.

CatEx dated May 14, 2025 ("Attachment D")⁷ and a VMT study from Gibson Transportation Consulting dated May 13, 2025 ("Attachment E").⁸ These are critically new documents that the general public has had no opportunity to review, with Local 11 given minimal time to review. The Commission should consider continuing the hearing to allow interested members of the public sufficient time to review these new documents.

Second, a Class 1 CatEx remains inappropriate for the Project. Local 11's initial comment letter questioned the City's use of the Class1 CatEx, given the Project is more than a mere minor alteration, allow for a complete conversion of an entirely new use (i.e., from office to hotel). (See Local 11 Initial Comments, p. 2.) In response, the Applicant claims the Project still qualifies because it "is considered negligible or no expansion of the existing use" and that it would not amount to a "major change in focus" because hotels purportedly have less impacts than office uses. (Staff Report, p. 3 [citing Allen Matkin Memo Attachment D ["ATT-D"].) The Allen Matkin memo claims the Project "unquestionably meets the criteria required for application for the Class 1 Existing Facilities Exemption" (ATT-D, p. 2.) Local 11 questions this conclusion in light of the following:

- 1. The memo claims nothing in the CEQA guidelines or caselaw precludes the use of the Class 1 CatEx for the project. (ATT-D, pp. 2-3.) However, the plain language of the section states that the project involves "negligible or no expansion of existing or former use." Hotel use is neither existing nor a former use and, thus, adding an entirely new use is more than negligible or no expansion of the existing use.
- 2. The memo claims the Class 1 exemption permits a change of use without citing any caselaw upholding such an interpretation. The cases cited by Applicant did not hold that a Class 1 exemption could be used to authorize a change to an entirely different use. As noted in the memo, the *Amador* court focused on the fact that "the project's operation was modified" and whether the project was a "major change in focus". (Id., at p. 3.) Here, it is unreasonable to suggest a change from an office use to a hotel use is not a "major change in focus" of the facility's operations.
- 3. The memo claims the hotel is not a major change in focus because it suggests hotels are less intensive or impactful than office projects citing traffic, noise, and air quality impacts. (ATT-D, p. 3.) However, the memo states office projects have longer operating hours, which seems plainly incorrect given that most office projects operate during normal business hours as compared to hotels that tend to operate 24 hours. Additionally, the memo speculates that office projects produce more traffic congestion, which is no longer a traffic impact under CEQA (which utilizes VMTs). Similarly, the memo suggests hotel patrons will utilize rideshare, bus and public transit. Yet, this ignores the fact that these TDM measures and other trip reductions are most effective at reducing regular home-based trips, such as home to work commutes (e.g., transit passes, carpooling, etc.). Hotel guests, on the other hand are not frequent commuters to the Site and, thus, TDM measures are less effective at addressing VMTs generated by hotel guests. The fact that hotel guests may take Ubers and other rideshare services does not make those trips and VMTs less significant. Other traffic-related claims are undercut by potentially flawed assumptions within the Applicant's traffic study

https://www.dropbox.com/scl/fi/wtdx8mw2mj5x5wxp920qh/Attachment-D-2025.05.14-P.-Gosney-Letter-to-City-of-Commerce-Response-to-UNITE-HERE-CEQA-Comment-Letter-re-Citadel-Hotel-Project.pdf?rlkey=br0rjp59x5zbg4tmjyjo16x6w&dl=0.

https://www.dropbox.com/scl/fi/8ptdnbb0oqsvsdf29wah3/Attachment-E-J1130e-500-Citadel-Drive-Memo.pdf?rlkey=utdc882ecxkazret7gtgj]ydn&dl=0.



⁷ Attachment D (Allen Matkin Memo),

⁸ Attachment E (Gibson VMT study),

- (discussed below). Furthermore, the memo speculates that hotels have less noise and air quality impacts without any facts, analysis, or specifics to the Project in question.
- 4. The memo claims the Project would be served by large tour groups via a tour buses. However, there is no condition of approval or facts justifying this unenforceable claim. To the extent hotel guests may have access to shopping once at the hotel, it does not abolish the VMTs and associated GHGs generated by hotel patrons traveling to the Site during their initial arrival (e.g., from their homes, airport, or other points of origin), during their stay to local and regional attractions, or during their eventual departure (e.g., back home, airport, other points of destination).
- 5. The memo fails to show how the proposed project is substantially similar to any of the examples listed under CEQA Guidelines § 15301. Arguably, the only conversion examples listed in the section are conversions involving <u>single family residences</u> into office use or small family day cares authorized by law (id., subds. (n) and (p)). The existing office building is not a single-family residence, nor is a 132-room hotel authorized by right under state law. Furthermore, while it may not be a major change in focus adding a home office or small daycare to a single-family home (nor uncommon nor mutually exclusive), a 132-room hotel serving international guests is a major change in focus and nothing like the examples listed under the Guidelines.

Third, it is reasonable to assume that the office/hotel conversion Project will have VMT impacts. Local 11's initial comment letter questioned whether the Project has adequately considered the VMT and GHG impacts associated with the Project's hotel workers, guests, and the workers and customers from the likely retail/restaurant tenants. (See Local 11 Initial Comments, pp. 3-4.) In response, the Applicant claims the project will have a net reduction of 25 daily trips and will generate less VMTs and, thus, warrants no mitigation. (Staff Report, p. 3 [citing Gibson traffic study Attachment E ["ATT-E"].) The traffic study relies on potentially flawed assumptions regarding (a) vehicle trips associated with an office project baseline, (b) employee VMTs, and (c) hotel patron VMTs.

(A) Regarding Vehicle Trips Between Project and Office Baseline:

The Applicant's traffic study claims the Project would generate 1,116 daily trips as compared to the 1,141 daily trips generate from baseline conditions which is the now vacant office building but that "could be re-leased" as an office use in the event the hotel Project is abandoned, resulting in the purported 25 trip reduction. (ATT-E, p. 3.) As compared to the overall trips (i.e., 1,100+), 25 trips is a slim margin (i.e., appx. 2%) which could be overcome by potentially inaccurate assumptions and other flaws in the VMT study discussed below.

- 6. The VMT study applies a 10% tour bus credit assuming a single 40-passenger tour bus would replace 20 or more passenger vehicles and tour groups are expected to be common tenants. (ATT-E, p. 2, 3.) However, there is no condition of approval or other requirement making this assumption enforceable. (Staff Report, pp. 12-16 [COAs 1 through 39].) This assumption alone accounts for a potential 84-trip underestimation of the Project's trip generation. (ATT-E, p. 9.)
- 7. The traffic study estimated the daily trips of the now vacant office building as if it was released with 13,840 sf of the space with medical / dental office space based on the most recent tenancy, and applies a trip generation that is more than three times greater (i.e., ITE 720 at 36 daily trips per KSF) than general office projects (i.e., ITE 710 at 10.84 daily trips per KSF). (ATT-E, pp. 3, 9.) However, no supporting documents are provided confirming when these medical/dental uses were present and ceased at the Site, nor confirming the



square footage. Additionally, when the Applicant was seeking approval of a much larger project, Gibson analyzed existing and future proposed office uses estimated at the general office trip rate (i.e., ITE 710). This is substantial evidence that existing and future office uses should be analyzed at ITE 710 rate consistent with City's prior practice and the Applicant's prior analysis. So too, the traffic study speculates that re-leasing the building would include a similar medical use, even though it is just as reasonable to assume that releasing the building would not include a medical space. Ultimately, this assumption alone potential accounts for an approximate 306-trip overestimation of existing uses.

8. The above potentially flawed assumptions alone would seem to overcome the proposed VMT screening thresholds of 110 net new daily trips. (ATT-E, p. 4.)

(B) Regarding Employee VMTs:

The Applicant's traffic study claims the Project would result in a net decrease in VMTs. (ATT-E, pp. 4, 6.) This may be incorrect due to the following:

- 9. The traffic study claims that office employees have "certain skillsets or specializations, resulting in them being drawn from a larger geographic area ... hav[ing] longer commute[s] and generat[ing] more VMT[s] than the average Project employee." (ATT-E, p. 4.) However, this assumption suggests the existing labor pool within the City and surrounding area would not be able to serve a generic office use. In fact, the Applicant's prior CEQA analysis suggested that the then-proposed project, which included office uses, would be within the employment projection of the City and may aid in the reduction of citywide employment. Without passing judgement on the adequacy of the prior project's EIR, this would rebut the suggestion that office employees would have a significantly larger/different trip length than hotel/retail employees from the Project.
- 10. The traffic study claims an office project would have a maximum of 315 employees based on the City of Los Angeles VMT calculator. (ATT-E, p. 4.) However, it fails to disclose why actual employee estimates were not provided by the Applicant based on prior tenants. Nor is it explained why the traffic study did not consider job generation based on trip generation rates and or parking requirements, which is not uncommon for employee estimates (as done by applicant when seeking its prior larger project).¹²
- 11. The traffic study suggests employee VMTs would decrease because there would purportedly be a 60% reduction in employees. (ATT-E, p. 5.) Notwithstanding the potential flawed assumptions noted above, the study fails to quantify or provide any calculations of VMTs associated with an office project baseline or the proposed hotel Project.

¹² Ibid. ("A total of 1,750 new jobs will be created by the proposed project, assuming *employment generation* rates derived from the Institute of Transportation Engineers." Emphasis added.)



⁹ See Gibson TIS (Jan. 2019), PDF p. 95, https://files.ceqanet.opr.ca.gov/218004-4/attachment/vQkPJ426kzEvJQU2kFQxBm5Vq3ODwdVb4SlQ4Oxtz0cGaENJu7NViu-MpH5UEbftZkCTLAOZEfszs0Zk0.

¹⁰ If entire 81,050 sf building applied 10.84 trips per KSF with 5% internal capture rate would be approximately 835 daily trips, as compared to the 1141 trips assumed in the traffic study.

¹¹ See DEIR, PDF p. 125, https://files.ceqanet.opr.ca.gov/218004-4/attachment/vMFUZwBI8E0HjGN6-T0516mRGg4lIrEMEk19_FXcZEm7ZKVg3jor2tTE0BReos-MLsFoF_58uZoQR1Wy0.

(C) Regarding Hotel Guest VMTs:

- 12. The traffic study suggests hotel guest VMTs are reduced by "international tour groups" bused directly to Citadel Outlets from the airport and other hotels. (ATT-E, p. 5.) However, there is no evidence, calculations, or documentation demonstrating the frequency of these trips or calculation of how many VMTs are generated or offset by these bus trips.
- 13. The traffic study states that the Project is "specifically intended to cater to international travelers directly adjacent to, and effectively integrated with, the shopping center. Many of the hotel's guests are visitors who would be coming to Citadel Outlets regardless of the Project and, therefore, the Project would generally reduce VMT from those tourist[s]." (Id., at p. 5.) However, there is no analysis of how "many" guests would be staying at the proposed hotel because of its location at the Citadel. As stated by the traffic study earlier the "first factor most travelers consider is the hotel's proximity to the purpose of their visit." (Id.) There is no evidence to support the assumption that international tourists are traveling to the greater Los Angeles areas primarily to access Citadel Outlets' shopping, which is reasonable to assume is ancillary to the purpose of visits from international guests.
- 14. The traffic study claims that VMTs associated with these guests would be "minimal". (ATT-E, p. 5.) However, no evidence, documentation, or calculations are provided accounting for the likely VMTs generated by hotel guests of the Project, which can be reasonable assumed that a 132-room hotel occupied by 1.5 persons per room at 80% occupancy rate would be approximately 158 persons additional persons traveling to and from the Hotel Site. These guests would generate trips and VMTs during their initial arrival (e.g., from their homes, airport, or other points of origin), during their stay (e.g., to and from local/regional attractions), and during their eventual departure (e.g., back home, airport, other points of destination). These VMTs have not been calculated or demonstrated to be minimal.
- 15. As noted by the traffic study, the City has not adopted a VMT impact analysis but has utilized methods used in the City of Los Angeles. (ATT-E, pp. 4.) In the City of Los Angeles, visitor/guests are to be considered from a quantitative or qualitative approach. Here, the traffic study does not provide a quantitative analysis. From a qualitative approach, it sometimes argued that adding a needed use to an area underserved may reduce VMTs, such as adding a neighborhood grocery store to food deserts. Here, however it is not clear that this would apply to the Project when there is already a hotel located on the Citadel Outlets property. (ATT-E, p. 5.)

In conclusion, the use of the Class 1 Existing Facilities exemption continues to appear to be inappropriate, and the City should consider a more robust CEQA review where it can properly assess the Project GHG and VMT impacts, which could be lessened via project-specific mitigation (such as those suggested above). Until such time, Local 11 respectfully asks the City to stay action on the Project Approvals. Thank you for consideration of these comments. We ask that this letter be placed in the administrative record for the Project.

Sincerely,

Jordan R. Sisson

Attorney for Local 11

¹³ LA TAG (2022), PDF pp. 20-21, https://ladot.lacity.gov/sites/default/files/documents/2020-transportation-assessment-guidelines_final_2020.07.27_0.pdf.

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