



## CITY OF COMMERCE AGENDA REPORT

**TO:** Honorable City Council

**Item No.** \_\_\_\_\_

**FROM:** City Manager

**SUBJECT:** PUBLIC HEARING – RECONSIDERATION BY THE CITY COUNCIL OF AN APPEAL OF THE PLANNING COMMISSION’S DECISION TO APPROVE PLOT PLAN NO. 992 AND CONDITIONAL USE PERMIT 533 TO ALLOW FOR THE CONSTRUCTION AND ESTABLISHMENT OF A SELF-STORAGE LAND USE CONSISTING OF TWO NEW BUILDINGS MEASURING APPROXIMATELY 213,640 SQUARE FEET ON A 5.39 ACRE (234,690 SQUARE FEET) SITE IN THE CITY’S M-2 (HEAVY INDUSTRIAL) ZONING DISTRICT AT 6210 GARFIELD AVENUE.

**MEETING DATE:** MAY 19, 2020

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### **RECOMMENDATION:**

That the City Council conduct a public hearing, receive input from the public, consider the staff presentation, as well as information discussed herein and reconsider the City Council’s previous decision to overturn the Planning Commission’s (“Commission”) decision to approve Plot Plan No. 992 and Conditional Use Permit No. 533 (“CUP”).

### **PUBLIC NOTICE REQUIREMENTS:**

Chapter 19.39.220 of the Commerce Municipal Code (“CMC”) requires the City of Commerce (the “City”) to publish a notice of the appeal including the time and place of the public hearing in a newspaper of general circulation in the City not less than ten (10) days prior to the date of the public hearing. Said notice was published in the Los Cerritos News on May 8, 2020.

### **BACKGROUND:**

On July 30, 2019, the City’s Planning Commission considered and approved (5-0 vote) Plot Plan No. 992 and Conditional Use Permit No. 533 which would have allowed for the construction of a new self-storage land use at 6210 Garfield Avenue which is currently an underutilized industrial use.

Shortly after the Planning Commission’s decision, the City received an appeal letter dated August 13, 2019 from a resident that was concerned with the proposal and on November 5, 2019, the City Council considered the appeal. As part of the public hearing and after

considering public testimony, the City Council took action to overturn the City's Planning Commission and disapproved the Plot Plan and Conditional Use Permit.

During the Winter of 2019 and early 2020, the Applicant was in discussions with members of the community and considered possible concessions in order to encourage the City Council to reconsider its decision to overturn the Planning Commission. On May 5, 2020, City staff prepared a staff report for the City Council's consideration detailing those concessions as well as to discuss recent changes to the economy resulting from COVID-19. Following a brief presentation from staff, the City Council voted to rescind its November 2019 decision and allow for a new public hearing to consider the proposal. This public hearing is intended to allow for an opportunity to reconsider the proposal.

## **DISCUSSION:**

### **Project Description**

Per the submittal, a request was made to the City's Planning Division to consider and allow for the construction of a new self-storage land use consisting of two, multi-story buildings measuring a total of 213,640 square feet of floor area on a 5.39-acre (234,690 square feet) site and located at 6210 Garfield Avenue in the City of Commerce.

Pursuant to Chapter 19.39 Division 10 (Site Plan Review) of the Commerce Municipal Code (CMC), a Plot Plan Review is required for any new building or structure in excess of 25,000 square feet in floor area. Also, pursuant to Chapter 19.31.650 of the Commerce Municipal Code, the establishment of any new mini-warehousing, self-storage or public warehousing land use is subject to the conditional use permit process when located in the City's M-2 Zoning District. The purpose for this is to allow staff and opportunity to tailor conditions to help off-set any negative impacts that could result from a proposal.

The subject site is a narrow, yet deep parcel currently occupied by Eddie Kane Steel Products, Inc. It is immediately north of the Laguna Nueva MUSD school site and south of an underutilized rail spur under the ownership of BNSF. The existing site includes four main buildings and ancillary structures totaling 237,372 square feet. Approximately 40 percent of the site is undeveloped and is generally flat in nature and is situated in the City's Heavy Industrial Zoning District (M-2).

An image of the project site is shown below, outlined in yellow:



## **Applicant**

The Project Applicant submitted a Plot Plan application as well as a Conditional Use Permit to allow for the construction, operation, and establishment of a self-storage facility consisting of two freestanding buildings measuring approximately 213,640 square feet of building area within a 5.39 acre (234,690 square feet) site in the City's M-2 (Heavy Industrial) zoning district. Pursuant to Chapter 19.39 Division 10 (Plot Plan Review) of the Commerce Municipal Code, approval by the Commission is required for new buildings in excess of 25,000 square feet. In addition, and pursuant to Chapter 19.39 Division 7 (Conditional Use Permit) of the Commerce Municipal Code, approval of a Conditional Use Permit is also required to establish a self-storage land use in the City's M-2 zone.

Trojan Storage has been in business since 2007 and employs over 60 individuals. They are a national owner, operator, and developer of self-storage facilities with over two million square feet of rentable space between 24 facilities located in Arizona, California, Colorado and Minnesota. As part of their proposal, the applicant would like to add the City of Commerce to their portfolio.

## **Operations**

When operational, the proposed use will operate all seven days of the week, throughout the year from 7:00 a.m. to 7:00 p.m. A rental office that will be part of the proposed use will be open seven days a week from 9:00 a.m. to 6:00 p.m., except on major holidays. On Sundays, the office will close at 4:00 p.m. There will be four employees including a supervisor, on-site manager, assistant manager, and maintenance team member, who will run the day-to-day operation at the facility.

Not more than one night watchmen or managers quarters are allowed in a self-storage facility under CMC Section 19.31.650.B.6b. The on-site manager will live on the property in a proposed 1,155 square foot apartment located above the rental office. This Manager will be responsible for the day-to-day tenant interactions, maintenance, and security at the facility.

## **Site Access and Security**

All patrons (customers renting the storage facility) will access the facility through a computerized entry gate. Each tenant is provided with a unique code that will unlock the gate, their storage unit, and disarms their individual storage door alarm. This process helps the management team provide a high degree of security for all tenants. The only way to enter a storage unit without entering a code would be to cut through and remove the door, which will trigger the alarm.

## **Physical Improvements**

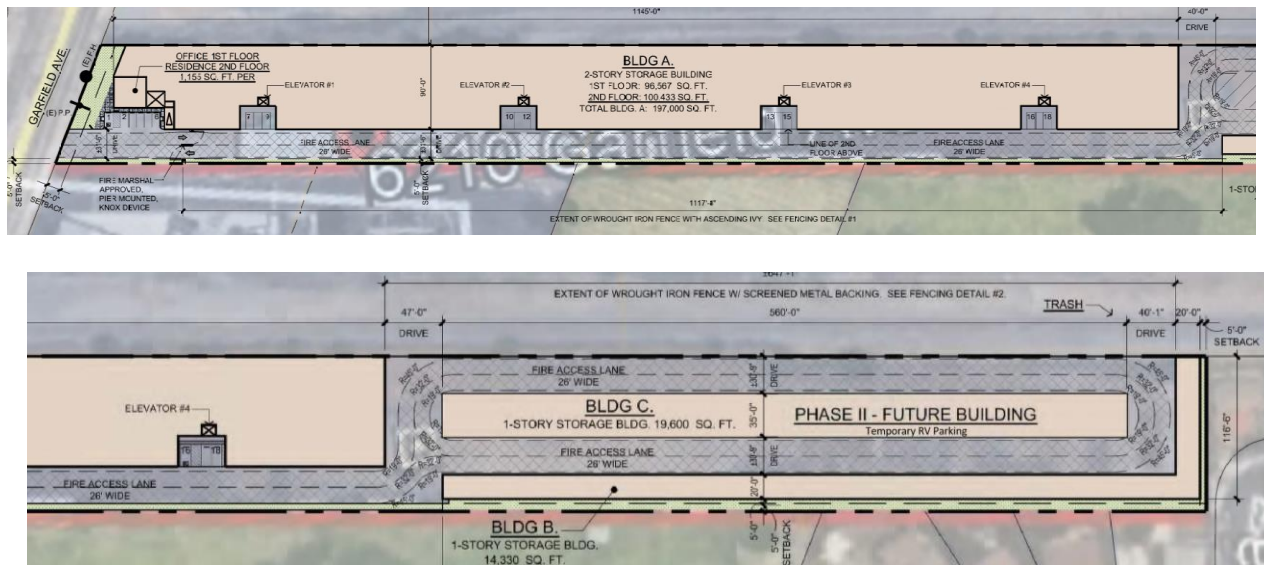
The proposed project involves the construction of a self-storage facility within a 5.39-acre (234,788 square feet) site. In addition to demolishing and remediating the site, the project will include the following:

- **Project Site.** The project site has a maximum lot depth (west to east) of 2,493 feet and a maximum lot width (north to south) of 133 feet. The proposed development will

consist of two buildings (referred to herein as Buildings A and B) and will cover the site (lot coverage) by 48 percent while establishing a floor area ratio (FAR) that will be between 0.90 to 1.0.

- Building A - The main building will be two stories in height and will have a total floor area of 197,000 square feet. The first floor will total 96,567 square feet while the second floor will total 100,433 square feet of floor area. Building A will also include 1,155 square feet of office space on the first floor and 1,155 square feet of habitable space for an on-site manager on the second floor. Building A will be located within the northwest portion of the project site and will contain a total of 1,300 individual storage units.
- Building B - The building will consist of a single story structure totaling 14,330 square feet. This building will be located in the eastern half of the project site.
- Update since November Hearing – During previous public hearings, discussion and concern was raised about the RV parking. As such, the applicant is willing to reconsider an area that was previously called out as RV parking and propose a smaller one-story 19,600 square foot building. See site plan below.

The project's site plan is shown below:



**Table 2-1**  
**Project Summary Table**

Project Elements	Description
Site Area	234,690
Total Building Floor Area	213,640 square feet
Lot Coverage	48%
FAR	0.90 to 1.0
Maximum Building Heights	35 ft.
Landscaping	19,300 sq.ft. (8.2% of site)
Parking	18 public spaces & 34 R.V. Spaces

## Development Standards, Parking and Maneuvering

The proposed public storage facility will comply with all of the City's baseline development standards. As such, the footprint and envelope of the building will be within the limits afforded by the Zoning Ordinance. The public storage facility will provide the minimum setbacks, conform to height and will comply with both the lot coverage and floor area ratio requirements. The table on the next page shows the minimum requirements pursuant to the CMC, as well as what the Project Applicant is proposing.

DEVELOPMENT STANDARD	REQUIRED	PROPOSED
Min. Lot Area	25,000 sf	234,690 sf
Max. Building Height	35 ft	35 ft
Minimum Front Yard	15 ft	15 ft
Minimum Side Yard	None Required	0 ft and 5 ft
Minimum Rear Yard	None Required/5 ft	5 ft
Max. Lot Coverage	60%	48%
Floor Area Ratio (Minimum)	1 to 1	.91%

## Planning Commission Meetings

The Plot Plan and CUP were originally considered by the Planning Commission at its June 26, 2019 meeting. At that meeting the Commission had questions about conditions of approval. Specifically they asked staff to provide direction on the establishment of conditions of approval, including a discussion regarding a possible condition regarding the funding of the City's Scholarship Fund and asked that the item be continued to the July 30, 2019 meeting with the Planning Commission.

At the July 30, 2019 Commission meeting, City staff and the City Attorney provided the Commission direction regarding the establishment of conditions as discussed above. Following the discussion regarding conditions of approval, the Commission unanimously voted to approve the Plot Plan and CUP.

## Appeal of Application

Following the PC hearing, a Concerned Citizen appealed the Commission's approvals via a letter dated August 13, 2019. (Attachment E). In the letter of appeal ("Appeal Letter"), the Concerned Citizen argues that the Commission's approval erred in providing the aforementioned approvals. The Concerned Citizen stated that the Commission "placed their desire to leverage financial support for scholarships over prudent public policy". On September 5, 2019, the Appellant submitted a subsequent letter in support of the Appeal Letter submitted on August 13, 2019. (Also Attachment E). The subsequent letter further explained the appellant's concerns regarding the Commission's approval of the proposed project and outlines four areas that the Concerned Citizen claims the Commission erred and abused its discretion:

1. The Planning Commission Action Does Not Impose Adequate Conditions
2. The Planning Commission Erred and Abused its Discretion
3. Environmental Review is Inadequate
4. The Planning Commission Leveraged Financial Support

Staff has addressed the concerns (listed above) regarding requirements and conditions under the current municipal code.

1. **The Planning Commission Actions Does Not Impose Adequate Conditions:** *The conditions of approval are inadequate as they do not prevent the project from exceeding the design standards established pursuant to Ordinance No. 575 (dated December 16, 2003). For example, the City's staff report makes no mention of "screening" which is specifically called out in the above-referenced ordinance to prevent the warehouse facility from being visible from any adjacent property, public right-away, or any public area.*

Staff Response: The Plot Plan and Conditional Use Permit determination include conditions of approval required under the municipal code for this type of use. The recommendation on the Conditional Use Permit and Plot Plan also include development standards, and conditions of approval imposed by the Department of Public Works, Building and Safety, and Los Angeles County Fire Department. The specific concern regarding screening is addressed in condition of approval number 38 of the recommended resolution this evening. *The project shall comply with the Section 19.19.220 and 19.31.650 of the CMC (General Development Standards and Design Guidelines) as well as all other applicable sections of the CMC.*

2. **Planning Commission Erred and Abused its Discretion;** *The building heights established pursuant to Ordinance No.575 (Size and Scale) for any self-storage or public storage warehousing must not exceed 35 feet. Based on the City's Staff Report, the approved height associated with the Trojan Storage warehouse/office/self-storage facility is 36 feet. In the absence of a variance to exceed the maximum height, the Planning Commission erred and abused its discretion in approving the project with a height limit of 36-feet.*

Staff Response: Staff stated the incorrect building height during the Planning Commission staff report. However, the Project Applicant's plans clearly shows the correct maximum height of 35 feet high and are now properly reflected in staff's recommendation. The conditions of approval address the required development standards for warehouse/office/self-storage. The Commission approved the conditions of approval.

**In addition, the apartment approval as part of the Planning Commission action which appears to be allowed pursuant to Ordinance No. 575 is in direct conflict with the permitted uses allowed under the M-2 Zone. The combined uses are incompatible and would require a zone change per the current list of permitted use for the M-2 Zone contained in CMC 19.11.030-19.11.030A (Uses in Industrial Districts). The City's Code make no mention of residential uses being allowed in the M-2 Zone which encompasses the Project Site.**

Staff Response: The current code allows for "not more than one night watchmen or managers quarters in a self-storage facility under CMC Section 19.31.650.B.6b". As proposed, there will be one on-site manager quarters on the property. The quarters will be a 1,155 square foot apartment located above the rental office. This Manager will be responsible for the day-to-day tenant interactions, maintenance, and security at the



facility. The proposed on-site manager quarters are consistent with CMC Section 19.31.650.B.6b.

### 3. **Environmental Review is Inadequate**

Staff Response: As part of the CEQA review of the project a Mitigated Negative Declaration (MND) was determined to be the appropriate level of review for this project. The level of review addressed all the areas under CEQA that would be hazardous to the environment. The mitigating measures are outlined in the conditions of approval. The soils studies of the property required that a "Soil Management Plan" (ATTACHMENT D) be completed prior to construction. As such, the proposal has satisfied the requirements of the California Environmental Quality Act.

### 4. **Planning Commission Leveraged Financial Support**

Staff Response: Section 19.31.650.B.4 of the CMC, under "Number Allowable: "There shall only be two mini-warehouses, self-storage facilities for every thirteen thousand residents of city, as reported by the latest available U.S. census". There is currently only one active self-storage facility in the City at 5415 E. Olympic Boulevard (US Storage Center). Previously there was a self-storage facility at 2045 Camfield Avenue (Storage Etc.), but has since closed as a result of Altamed expansion of 2017 which resulted in this building being converted into medical office land use.

Although the Project Applicant volunteered to provide funding towards the City Scholarship Fund, the Planning Commission did not impose any conditions of approval related to funding for the City's Scholarship Fund.

As part of the appeal process, the applicant submitted an Operations Summary to best answer the appellant's concerns (Attachment F).

### **CITY COUNCIL FOLLOW-UP:**

Since the City Council's decision to overturn the Planning Commission's approval of the Plot Plan and the CUP on November 5, 2019, the Applicant has been working to address some of the concerns shared during that evening's meeting. In addition, the current situation as it relates to COVID-19 has presented a very unique situation that was not present during the decision-making of November 19th. As such, the Applicant recognizes the importance of including the City of Commerce as part of its future plans, as well as allow for a development project during a very uncertain time. Some of the major items that the Applicant *believes* merit consideration include the following:

- If granted an approval, the Applicant claims to have a shovel-ready project and will be positioned to develop as soon as plans are approved from Building and Safety;
- The Applicant believes the investment and redevelopment of the property has the potential to increase revenue in the City more than in its current existing configuration;
- Applicant states they are prepared to and committed to hiring local Commerce residents, including construction companies;

- Applicant also states that they are interested in committing to education and through its researched determined that supporting or creating a scholarship program for Commerce children will be pursued; and
- To offset any additional environmental impacts, Applicant is willing to plant an additional 70 trees.
- In light of concerns raised, the Applicant is also willing to consider foregoing the RV space which is a big revenue source for the project and replace it with a “future storage building”.

The list above is a snapshot of some of the key points and concessions the Applicant is considering. A more expansive explanation was provided in a letter by the applicant and included as Attachment G to this report.

The Applicant further elaborated to staff that their business, along with others, can kick-start and greatly facilitate the roadmap to recovery process for the City by bringing jobs to the City of Commerce and that the Applicant is committed to encouraging the general contractor to select workers from the City. The Applicant also stated that based on community feedback, they will start a scholarship fund for children in Commerce, as this pandemic and economy could have a lasting impact on future generations – so they claim they would like to minimize any negative impact on the city's youth. Lastly, the Applicant wants to assert that they will prioritize hiring Commerce employees when the site is open and ready to serve the community. Pursuant to the Applicant's request, staff is providing the following expanded conditions as part of this evening's presentation:

- *The applicant shall plant an additional 70 trees, the type and species shall be subject to the review and approval of the Director in consultation with any local group or agency that has a greater understanding of the natural flora and fauna of this area of the county.*
- *The applicant shall make all attempts to hire local personnel to assist with the construction and operation of the proposed self-storage facility.*
- *The applicant shall work with the City of Commerce to establish a Community Benefits plan. Said plan shall include measures to aide in the development of the community to help offset and mitigate the proposed construction within the City.*
- *The applicant shall work with City staff to reconsider the proposed RV parking located at the rear of the property and replace it with a new building.*

Following the presentation of information to the City Council, staff is requesting that the Council consider the testimony and added conditions discussed herein and provide direction in accordance with Chapter 19.39 Division Four of the CMC, with the following options:

1. Based upon the facts and public testimony presented to the Planning Commission and the facts and public testimony presented to the City Council, the City Council may deny the appeal and affirm the Planning Commission's decision to approve Plot Plan No. 992 and CUP No. 533 with modified and recommended in the attached resolution; or



2. Modify the recommendation of this evening; or
3. Provide staff with alternative direction.

**FISCAL IMPACT:**

This activity can be carried out without additional impact on the current operating budget.

**RELATIONSHIP TO STRATEGIC GOALS:**

This item has the potential to relate to the Strategic Action Plan's Goal of: Economic Growth - Guiding Principles 1 to "Create and strengthen our identity, as a community that promotes opportunity and success for business that meets the strategic focus for economic growth, will have a positive impact on the quality of life and the City's financial sustainability," and 3 "Support a long-range planning vision through the City's General Plan, zoning ordinance, and related land use planning documents that incorporate community and stakeholder input and provide a compass for strategic economic growth, infrastructure investments and city fiscal planning."

Prepared and

Recommended by: Jose D. Jimenez, Director of Economic Development and Planning

Reviewed by: Vilko Domic, Assistant City Manager

Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Edgar P. Cisneros, City Manager

**ATTACHMENTS:**

- A. Resolution approving Plot Plan 992 and Conditional Use Permit 533
- B. City Council Staff Report - November 19, 2019 Meeting
- C. Planning Commission Staff Report - July 30, 2019 Meeting
- D. Mitigated Negative Declaration with Addendum
- E. Letters regarding Appeal
- F. Operations Summary
- G. Applicants April 8, 2020 Letter
- H. Project Plans