



Agenda Item

Planning Commission

Item #: 4.1.

10/7/2024

File #: 24-0563

TO: Chair and Members of the Planning Commission

THRU: Anna Pehoushek, Assistant Community Development Director

FROM: Ryan Agbayani, Associate Planner

1. SUBJECT

Public Hearing to consider a request to construct a new three-story office building for M S International, Inc. (MSI) at 2011 and 2015 N. Batavia Street and 845 W. Grove Avenue, and finding of CEQA exemption (Conditional Use Permit No. 3220, Major Site Plan Review No. 1165, and Design Review No. 5139).

2. SUMMARY

The applicant proposes to demolish one office building and one warehouse building and construct a new three-story office building and other associated site improvements to accommodate the new MSI corporate headquarters.

3. RECOMMENDED ACTION

1. Adopt Planning Commission Resolution No. PC 27-24. A Resolution of the Planning Commission of the City of Orange approving Conditional Use Permit No. 3220, Major Site Plan Review No. 1165, and Design Review No. 5139, for a request to construct a new three-story office building with modified loading area dimensions and other associated site improvements at 2011 and 2015 N. Batavia Street and 845 W. Grove Avenue in the Industrial Manufacturing (M-2) zoning district.
2. Find the proposed project exempt from the California Environmental Quality Act (CEQA) per State CEQA Guidelines Section 15332 (Class 32 - In-Fill Development Projects)

4. AUTHORIZING GUIDELINES

The Planning Commission shall hear applications made for all conditional use permits, with the exception of those made to the City Council or Zoning Administrator, pursuant to Orange Municipal Code (OMC) Section 17.10.030.C and E. Per Table 17.13.030 Master Land Use Table, an "Office, Professional" use that greater than or equal to 25 percent of the total gross square footage in the Industrial Manufacturing (M-2) zoning district requires a conditional use permit. Because the total office square footage exceeds the 25 percent threshold, the proposed project requires a conditional use permit. Additionally, pursuant to OMC Section 17.34.160, loading area requirements may be modified through the conditional use process where it can be shown that the requirements are inconsistent with the proposed use.

OMC Sections 17.08.020 and 17.10.060.C authorize the Planning Commission to review and take action on the subject applications. Table 17.08.020 - Reviewing Bodies of the OMC states that when more than one type of application is filed for a single project, the application requiring the highest

level of approval shall dictate the review process for the entire group of applications. Therefore, the Planning Commission is acting as the final approving body of the full application, including Major Site Plan Review and Design Review.

5. PROJECT BACKGROUND

Applicant:	M S International, Inc. (MSI)
Property Owner	2015 N. Batavia Street, LLC
Property Location	2011 and 2015 N. Batavia Street; 715 and 845 W. Grove Avenue
Existing General Plan Land Use Element Designation	Light Industrial Max 1.0 FAR (3-Story Height Limit) (LI)
Existing Zoning Classification	Industrial Manufacturing (M-2)
Old Towne	N/A
Specific Plan/PC	N/A
Site Size	152,788 sq ft (3.5 acres)
Circulation	Vehicular access is provided from one existing two-way driveway on the N. Batavia Street frontage and from three existing two-way driveways on the W. Grove Avenue frontage.
Existing Conditions	The existing 3.5-acre site is developed with four detached industrial buildings, paved surface parking, covered canopies, and outdoor storage areas. The perimeter of the site is secured with existing CMU block walls and mechanical vehicular gates on both street frontages.
Surrounding Land Uses and Zoning	The existing zoning designation of the subject property and all surrounding properties is Industrial Manufacturing (M-2). <u>North:</u> Existing rail spur and the MSI campus (including the customer showroom and current corporate headquarters). <u>South:</u> Existing industrial buildings with surface parking and outdoor storage areas. <u>East:</u> Existing industrial building with surface parking and paved outdoor storage areas (5 Alarm Fire Corporation) <u>West:</u> Existing industrial buildings, paved surface parking, and outdoor storage areas (FXI Campus)
Previous Applications/Entitlements	Major Site Plan Review No 0897-17 (for an alternate design)

6. PROJECT DESCRIPTION

The applicant proposes to demolish an existing 1,526 sq ft one-story office building located at 2011 N. Batavia Street and an existing 6,530 sq ft warehouse building located at 715 W. Grove Avenue, and construct a new 40,510 sq ft, three-story office building at the northeast corner of the intersection of N. Batavia Street and W. Grove Avenue. Additionally, the applicant proposes tenant improvements to the existing warehouse building located at 845 W. Grove Avenue to convert 3,300 sq ft of

warehouse space to office. The new configuration of the buildings creates a central courtyard area that will be repurposed as a new outdoor area for employees. Lastly, an open roof terrace is proposed at the northern edge of the new building.

The proposed site plan includes a total of 181 off-street parking spaces configured along the northern property line and occupying the eastern third of the site. Access to off-street parking will be from a single two-way driveway on N. Batavia Street and from two two-way driveways on W. Grove Avenue. The eastern portion of the site for employee parking and loading will be secured by CMU block walls and mechanical vehicular gates.

New trees, shrubs, and groundcover are proposed along the property street frontages, along the western and southern edges of the two street-facing buildings, within the interior courtyard, and within the secured parking area. A total of 71 trees are proposed for the project. Although the tree count does not meet the “benchmark” as outlined in the City’s Landscape Standards and Specifications, staff believes that the quantities, types, and configuration of the trees are adequate and appropriate. The concentration of trees along the street frontages will improve the streetscape and soften the predominantly paved area of the industrial zoning district.

The design is further discussed in the Design Review Committee staff report, dated September 4, 2024 (Attachment 6).

Development Standards

	Required	Proposed	Code Section
Lot Frontage	Not specified	268 feet, 9.75 inches	Not specified
Lot Depth	Not specified	519 feet, 0.5 inches	Not specified
Stories	3 stories (maximum)	3 stories	General Plan Land Use Element
Building Height	45 feet (maximum) * <i>Building height may exceed 45 feet provided the building is setback from the nearest property line distance equal to the height to the building</i>	55 feet, 6 inches (At the highest point measured from grade; this area of the building is set back 58 feet, 3 ¾ inches from the nearest property line)	17.20.080
Floor Area Ratio (FAR)	1.0 FAR (maximum)	0.42 FAR	General Plan Land Use Element
Setback, Front	20 feet (minimum - when adjacent to an arterial street) 10 feet (minimum - when adjacent to a local street)	20 feet, 9.75 inches 10 feet, 6 inches	17.20.090
Setback, Rear	0 feet (minimum - when adjacent to a separate parcel)	199 feet	17.20.090
Setback, Street Side	10 feet (minimum - when adjacent to a local street)	10 feet, 6 inches	17.20.090

Setback, Side Interior	0 feet (minimum - when adjacent to a local street)	83 feet, 2.5 inches (north)	17.20.090
Fence Height	8 feet (maximum height outside of the front or street side setback)	8 feet (height)	17.12.070.E
Loading area (non-residential)	10 feet (width) by 60 feet (length) loading area (minimum) For industrial uses, loading areas shall be located to provide adequate maneuvering area between loading doors and parking stalls, as determined by site plan review, and shall not face onto a public street unless screened from view.	23 feet, 6 inches (width) by 45 feet (length) of existing loading dock with an additional loading area to the east of Building 2 under the existing crane (located outside of the designated fire lane)	17.34.160 and 17.34.180
Bicycle Parking	2 bicycle racks (with locking capabilities for a minimum of five bicycles per rack)	2 bicycle racks at the northwest corner of Building 2	17.34.080
Motorcycle Parking	300 sq ft (minimum parking area)	396 sq ft motorcycle parking area at the northwest corner of the site	17.34.080
Parking (Non-Residential)	176 total spaces required Building #1 Warehouse (8,000 sq ft) • 8,000 sq ft warehouse (x 0.002) equals 16 spaces required Building #1 Office (5,500 sq ft) • 5,500 sq ft office (x 0.003) equals 17 spaces required Building #2 Warehouse (10,230 sq ft) • 10,230 sq ft warehouse (x 0.002) equals 21 spaces required Building #3 Office (45,510 sq ft) • 40,510 sq ft office (x 0.003) equals 21 spaces required	181 parking spaces proposed	Table 17.34.060.B

<p>Landscaping Guidelines (Non-Residential) <i>*Criteria is outlined from the City's Landscape Standards and Specifications (2016) and is used as a benchmark for review, unless otherwise approved by the reviewing body</i></p>	<ul style="list-style-type: none"> • Interior side and rear yards: 4 feet landscaped planter (or 6 feet when adjacent to perpendicular parking) along all side and rear property lines • Parking area screening from a public street with 5-gallon shrubs, 3 feet on center • 136 trees required throughout the site, 25 percent of required trees need to be 24-inch box and 75 percent need to be in 15-gallon containers (benchmark) • Trash enclosures require a 4-foot-wide landscaped planter on at least two sides • Landscape the front yards of all buildings facing a street, entire setback area or 10'-0" minimum planter width, whichever is greater (car overhangs shall not be included in the 10'-0") • Street trees required as determined by the design review process 	<ul style="list-style-type: none"> • 6 feet provided along eastern property line and 4 feet landscape buffer provided along northern property line where perpendicular parking is located • Parking area screened with 5-gallon shrubs • 71 trees proposed (57 on private property and 14 in the public right-of-way) • 4-foot-wide landscaped planter area provided on two sides of trash enclosure • Front yard area (on N. Batavia Street) and street side setback (on W. Grove Avenue) are landscaped • 14 street trees proposed along street frontages (subject to Public Works approval) 	
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7. ANALYSIS AND STATEMENT OF THE ISSUES

The subject property is not located within a Specific Plan area or an established district with applicable design standards. The proposed office building will improve the appearance of the site and the N. Batavia Street and W. Grove Avenue streetscapes by bringing in a new contemporary three-story office building with new landscaping to the site, which is currently developed with industrial buildings, surface parking, outdoor storage, and limited landscaping. The exterior design, materials, and colors of the new office building establish a prominent contemporary aesthetic that has the potential to set the aesthetic tone for future development activity in the area. Notable features include a harmonious blend of glass and stone and vertical fins adorning the façade, which both add visual interest and also serve a functional purpose by responding to the local climate and sun direction. Recycled materials and energy-efficient glazing systems will be prominently featured throughout the building. The proposed landscaping includes trees, shrubs, and groundcover which complement the project design and soften the predominantly paved areas of the existing industrial development in the area.

Issue 1 - Loading Area Dimensions:

Pursuant to OMC Section 17.34.160, the project requires a loading area with a minimum width of 10 feet and a minimum length of 60 feet. The applicant proposes to maintain the existing loading dock area which has a width of 23 feet, 6 inches and a length of 45 feet (deficient by 15 feet for required length). However, pursuant to OMC Section 17.34.160, loading area requirements may be modified through the conditional use process where it can be shown that the requirements are inconsistent with the proposed use. To justify the modification of the minimum required dimensions, there is a large area beneath the existing crane which also serves as additional loading area. Furthermore, this business has been operating at this site using its current loading dock area with no issues. As such, the existing loading dock area and the open area beneath the existing crane are functional and adequate for serving the site.

8. PUBLIC NOTICE

On September 26, 2024, the City sent public hearing notices to 46 property owners and occupants within a 400-foot radius of the project site. Two public notices were also posted at the site on that same date.

9. ENVIRONMENTAL REVIEW

Categorical Exemption: The proposed project is categorically exempt per State CEQA Guidelines Section 15332 (Class 32 - In-Fill Development Projects) because the project is consistent with the applicable general plan designation and all applicable general plan polices as well as with the applicable zoning designation and regulations. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses. The project site has no value as a habitat for endangered, rare, or threatened species. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality, and the site can be adequately served by all required utilities and public services.

10. ADVISORY BOARD ACTION**Staff Review Committee:**

The City's interdepartmental Staff Review Committee (SRC) reviewed the project on April 3, 2024, and June 26, 2024, and recommended approval of the project on July 31, 2024, subject to conditions of approval.

Design Review Committee:

On September 4, 2024, the Design Review Committee (DRC) recommended Planning Commission approval of the project by a 6-0 vote.

11. ATTACHMENTS

- Attachment 1 - Vicinity Map
- Attachment 2 - Planning Commission Resolution No. PC 27-24
- Attachment 3 - Project Plans
- Attachment 4 - Digital Color and Material Board
- Attachment 5 - Site Photos

- Attachment 6 - Design Review Committee Staff Report Dated September 4, 2024
- Attachment 7 - Design Review Committee Draft Meeting Minutes Dated September 4, 2024