

DECISION NO. 1785-19

A DECISION OF THE ZONING ADMINISTRATOR OF THE CITY OF GARDEN GROVE APPROVING SITE PLAN NO. SP-044-2017 (REV. 2019) AND VARIANCE NO. V-024-2019.

BE IT RESOLVED that the Zoning Administrator of the City of Garden Grove does hereby approve Site Plan No. SP-044-2017 (REV. 2019) and Variance No. V-024-2019, for a parcel of land located on the east side of Euclid Street, south of Acacia Parkway, at 12900 Euclid Street, Assessor's Parcel No. 090-164-37.

BE IT FURTHER RESOLVED in the matter of Site Plan No. SP-044-2017 (REV. 2019) and Variance No. V-024-2019, the Zoning Administrator of the City of Garden Grove does hereby report as follows:

1. The subject case was initiated by SteelCraft Garden Grove L.P.
2. A request for modification to the approved plans under Site Plan No. SP-044-2017, for SteelCraft, to allow: (i) an approved bike rack/locker, located along the Euclid Street frontage, to be converted to a retail tenant space; and (ii) to modify a portion of the approved perimeter fence around the establishment, by extending the fence height to eight feet, for security purposes during non-business hours. Also, a request for Variance approvals: (i) for a deviation from the front setback requirement to allow the use of a container, which was originally approved as a bike rack/locker, for use as a retail tenant space, within a portion of the front setback area along the Euclid Street frontage; and (ii) for a deviation from the maximum fence height requirement to allow a portion of the eight-foot high perimeter fence to be located within the front setback area.
3. The City of Garden Grove has determined that this project is exempt pursuant to Article 19, Section 15301, Existing Facilities, and Section 15303, New Construction or Conversion of Small Structures, of the California Environmental Quality Act.
4. The property has a General Plan Land Use Designation of Civic Center Mixed Use, and is zoned CC-3 (Civic Center Core). The subject property is currently a 1.86-acre City-owned lot, located on the east side of Euclid Street, south of Acacia Parkway.
5. Existing land use, zoning, and General Plan designation of property within the vicinity of the subject property have been reviewed.
6. Report submitted by City Staff was reviewed.
7. Pursuant to a legal notice, a public hearing was held on September 12, 2019, and all interested persons were given an opportunity to be heard.

8. The Zoning Administrator gave due and careful consideration to the matter at its meeting on September 12, 2019, and

BE IT FURTHER RESOLVED, FOUND AND DETERMINED that the facts and reasons supporting the conclusion of the Zoning Administrator, as required under Municipal Code Section 9.32.030, are as follows:

FACTS:

The subject property is currently a 1.86-acre vacant City-owned lot, located on the east side of Euclid Street, south of Acacia Parkway. The property has a General Plan Land Use Designation of Civic Center Mixed Use and is zoned CC-3 (Civic Center Core). The property is adjacent to the Community Center Park, the Garden Grove Fire and Police Departments, City Hall, and various office buildings with CC-3 zoned properties to the east, south, and to the west, across Euclid Street, and CC-OS (Civic Center – Open Space) zoned properties to the north, across Acacia Parkway.

In 1977, the Garden Grove Planning Commission approved Site Plan No. SP-188-77, to allow the construction of an approximately 10,940 square foot restaurant pad building on the subject property. In 1978, the newly constructed building was occupied by a restaurant, Black Angus Steakhouse, until it closed its business in 2002, and remained vacant following its closure. In 2014, a demolition permit was obtained and all existing improvements were removed from the property. The property has remained vacant ever since.

On June 16, 2017, the Garden Grove City Council unanimously approved a long-term ground lease agreement with SteelCraft Long Beach L.P. ("SteelCraft") for the subject vacant property.

On November 16, 2017, the Garden Grove Planning Commission approved Site Plan No. SP-044-2017, Variance No. V-017-2017, and Conditional Use Permit No. CUP-116-2017, to: (i) allow the development of a food-focused multi-tenant project, known as SteelCraft, which included a proposal to construct a new 9,532 square foot two-story building, consisting primarily of recycled and re-purposed metal shipping containers, along with other associated site improvements; (ii) to deviate from the maximum setback requirement, along the Euclid Street frontage, and from the minimum ground floor height requirement for commercial ground floor spaces; and (iii) to allow entertainment and/or alcohol sales or consumption within the communal dining areas of the SteelCraft development

FINDINGS AND REASONS:**VARIANCE:**

1. That there are exceptional or extraordinary circumstances or conditions applicable to the property or to the intended use or development of the property that do not apply generally to other property in the same vicinity or zone.

Traditionally, and prior to the establishment of the Mixed Use zones in 2012, commercial development in the City typically provided for a 15'-0" front landscaped planter, a large parking lot at the front of the property, and the commercial building(s) located toward the rear of the property set back a significant distance away from any public right-of-way. Today, development standards of the Mixed Use Code foster the development of pedestrian-scaled environments with buildings that provide exciting access, well-designed landscaping, and pedestrian amenities that foster interaction. Along the Euclid Street frontage, the minimum building setback is 15'-0", and the maximum building setback is 20'-0". In other areas of the Civic Center zones, the minimum and maximum setbacks are as low as 0'-0" and 5'-0", respectively. These established thresholds are in place to ensure that any future commercial buildings/structures maintain close proximity to public sidewalks and public rights-of-ways, which would allow for more effective pedestrian-oriented developments. This is further achieved through other typical requirements in the Mixed Use Code, which include, but are not limited to, provisions for plaza areas, pedestrian pathways connections, public amenities, outdoor vending kiosks, and enhanced site improvements (e.g., directional signage, landscaping, vegetation). The intent of the specified setbacks, along with other development standards of the CC-3 zone, are to encourage the development of uses that create walkable and lively environments that are pedestrian-oriented.

There are exceptional or extraordinary circumstances or conditions applicable to the intended use and development of the property that do not apply generally to other property in the same zone or neighborhood. The SteelCraft development is unique, functioning as an outdoor urban eatery providing space for local artisan food vendors, and also includes outdoor communal dining areas, entertainment, incubator office space, and micro-retail space. Additionally, the construction medium and building method is further unique. The primary source of construction material is comprised of recycled and re-purposed metal shipping containers, which are typically a fixed size of 8'-0" (wide) by 20'-0" (length) with a 9'-0" height. The construction method for SteelCraft is atypical and not similar to a standard brick and mortar design. The applicant has worked within the constraints of the fixed size of the shipping containers and has proposed a design that

meets the intent of design requirements of the CC-3 zone. Furthermore, the applicant has also incorporated pedestrian-friendly elements at the front of the development, along Euclid Street, such as a garden, convertible outdoor communal dining areas/event space, and enhanced pedestrian linkages to the public right-of-way. SteelCraft's combination of indoor and outdoor spaces are unique and require additional levels of security not common with other types of retail development, which are typically fully enclosed buildings. Other typical retail establishments have activities that occur within the wholly enclosed building. SteelCraft's unique operation/development includes various outdoor improvements, furniture, garden areas, and other outdoor spaces that require additional levels of security in regards to trespassing, which other typical retail establishments are not exposed to. The variance request is to allow a small portion of the perimeter fence (15'-0" in length), which lies within the front 15'-0" setback area, to maintain a height of eight feet (8'-0"), which is five feet (5'-0") above the maximum height allowed for a fence, wall, or hedge within the front setback area. The remaining perimeter fence is located outside of the front setback area, where it is not subject to the maximum three foot (3'-0") height limitation, and is permitted to go up to a maximum height of eight feet (8'-0"). The extended height will provide additional security while maintaining the open space feel. Additionally, the new design will incorporate the installation of operable open mesh windows (similar to window shutters), which will be kept open during open business hours and closed during non-business hours. The operable open mesh windows will further enhance the front areas of SteelCraft facing the public right-of-way and establish a more pedestrian-oriented environment, which is a primary goal of the Civic Center Mixed Use zone.

Under the original approval of Site Plan No. SP-044-2017 and Variance No. V-017-2017, the main SteelCraft building was approved to provide a 52'-9" setback to the Euclid Street frontage, which exceeds the minimum setback (15'-0"), but exceeds the maximum setback (20'-0") by 32'-9". The main building has been set back 52'-9", beyond the maximum 20'-0" setback, due to several public utility easements, which run north and south along the westerly property line and lie within the first 50'-0" of the property. There are multiple easements that overlap each other, in this front area of the property, that range from 6'-0" and up to 30'-0" in width. The developer of SteelCraft was restricted from placing any structures over and across any of the existing easements, thereby rendering the front 50'-0" of the property virtually undevelopable. As such, the main SteelCraft building maintains its required clearance from the utility easements and is setback 2'-9" from the edge of the innermost easement.

As part of the approved project under SP-044-2017, a bike rack/locker was located in the front area of the property, along the Euclid Street frontage, and within a small pocket between, but not encroaching across any, existing

easements. At the time, the bike rack/locker was not deemed a building that would be subject to any required building setbacks (i.e., the front 15'-0" setback). However, as part of this application, the applicant has proposed to convert the bike rack/locker shipping container into a fully improved commercial retail tenant space, which is now deemed a building that would be subject to the minimum front 15'-0" setback. The Variance request is for a deviation to the minimum 15'-0" setback requirement along the Euclid Street frontage, in order to allow an 8'-5" setback to the retail tenant space/building. While the primary (large) SteelCraft building will continue to maintain its current approved setback of 52'-9", due to the presence of utility easements along the property's frontage, SteelCraft's purpose through this variance request is to make further efforts to meet the intent of the Civic Center Core zone, which strives to create walkable and lively environments that are pedestrian-oriented. As mentioned prior, the intent of the specified setbacks (minimum 15'-0" and maximum 20'-0") is to bring buildings and activities closer to the public right-of-way by creating pedestrian-oriented environments. The proposal to convert the bike rack/locker into a commercial retail tenant space achieves such goals, and meets the intent of the Civic Center Core zone by further activating the front area of the SteelCraft development.

The presence of the utility easements present an exceptional or extraordinary circumstance or condition applicable to the property involved or to the intended use of the development of the property that does not apply generally to other property in the same zone or neighborhood. The majority of properties in the same Civic Center zones, and/or within the same vicinity of the property, do not typically have a utility easement(s) that occupies the entirety, or even a portion of, the front setback areas of the property. Additionally, SteelCraft is unique its construction and operation, which is different than other typical retail type establishments in the City. Besides the requested deviation to the minimum front setback, to allow the conversion of the bike rack/locker into a commercial tenant space, and the deviation to allow a portion of the perimeter fence within the front setback to maintain a height of eight feet (8'-0"), the proposed modification to the approved plans complies with all other development standards of the Mixed Use Code.

2. That such Variance is necessary for the preservation and enjoyment of a substantial property right possessed by other property in the same vicinity and zone, but which is denied to the subject property.

There are other similar properties in the immediate vicinity, within the same zone, or other similar zoned properties throughout the City, that: (i) have existing structures which do not comply with the minimum 15'-0" front setback requirement along the Euclid Street frontage; and (ii) have fences, walls, and/or hedges within the front setback areas that exceed 36 inches in

height. Approval of the proposed Variance will not set a precedent and will allow the applicant to enjoy a substantial property right possessed by other property owners located on other similar properties in the immediate vicinity, within the same zone, and other similarly zoned properties throughout the City. Besides the requested deviation to the minimum front setback, to allow the conversion of the bike rack/locker into a commercial tenant space, and the deviation to allow a portion of the perimeter fence within the front setback to maintain a height of eight feet (8'-0"), the proposed modification to the approved plans complies with all other development standards of the Mixed Use Code.

3. That the granting of a Variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such zone or neighborhood in which the property is located.

The unique development and operation of the SteelCraft establishment presents additional concerns and issues with securing the property that are not common for other typical retail establishments in the City. Approval of the requested variances will allow the development to further meet the intent and goals of the CC-3 zone, which strive for pedestrian-oriented environments, as well as providing additional security measures during non-business hours. Additionally, site constraints resulting from existing utility easements prevent development of the site in a manner that strictly meets the minimum and maximum building setback requirements of the CC-3 (Civic Center Core) zone, for which the variance to the minimum setback is requested for the bike rack/locker to be converted into a retail tenant space. Provided the project complies with the Conditions of Approval under SP-044-2017, including any new or modified conditions approved under SP-044-2017 (REV. 2019), the approval of the Variances will not create an adverse effect on the public welfare or to properties or improvements in such vicinity and zone in which the property is located. With the exception of the two (2) requested Variances, the proposed modification to the approved plans meets all development standards of the CC-3 (Civic Center Core) zone. The proposed Variances will not be materially detrimental to the public welfare or injurious to the property or improvements in such zone or neighborhood in which the property is located.

4. That the granting of such Variance will not adversely affect the City's General Plan.

There are no proposed changes to the operation of SteelCraft, and the anticipated uses and activities are consistent with the intent of the General Plan and the zoning classification as multi-tenant commercial developments with restaurants, office uses, and entertainment and/or alcohol sales or consumption are permitted and conditionally permitted in the CC-3 (Civic

Center Core) zone. The proposed Variance request will not cause an adverse effect on the City's General Plan since the Municipal Code is a tool used to implement the goals of the General Plan. Approval of the requested variances will allow the development to further meet the intent and goals of the CC-3 zone, which strive for pedestrian-oriented environments, as well as providing additional security measures to secure the site during non-business hours.

5. That approval of the Variance is subject to such conditions as will assure that it does not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and zone in which the subject property is situated.

Provided the Conditions of Approval, including those conditions originally approved under SP-044-2017, are adhered to for the life of the project, approval of the subject Variances will not grant a special privilege that is inconsistent with the limitations upon other properties located within the vicinity or zone in which the subject property is situated. In addition, pursuant to Condition of Approval No. 2, the rights granted to the applicant pursuant to Variance No. V-024-2019 shall continue in effect for only so long as the improvements authorized and contemplated by Site Plan No. SP-044-2017 and Site Plan No. SP-044-2017 (REV. 2019), and the Conditions of Approval continue to exist on the Site. In the event these improvements authorized and contemplated by Site Plan No. SP-044-2017 and Site Plan No. SP-044-2017 (REV. 2019) are not constructed or are demolished and not re-established, Variance No. V-024-2019 shall cease to be effective or to grant the applicant any rights to construct other improvements inconsistent with the then-currently applicable development standards. Any future use or development on the Site different from that described in the Site Plan approved concurrently with the Variance will be required to comply with all applicable standards of the Garden Grove Municipal Code, and the applicant may not rely on this Variance as a basis for an approval to deviate from the minimum setback, along the Euclid Street frontage, or to deviate from the maximum height for walls, fences, and hedges in the front setback area, with such future use or development.

There are other similar properties in the immediate vicinity, within the same zone, or other similar zoned properties throughout the City, that: (i) have existing structures which do not comply with the minimum 15'-0" front setback requirement along the Euclid Street frontage; and (ii) have fences, walls, and/or hedges within the front setback areas that exceed 36 inches in height. Approval of the proposed Variance will not set a precedent and will allow the applicant to enjoy a substantial property right possessed by other property owners located on other similar properties in the immediate vicinity, within the same zone, and other similarly-zoned properties throughout the

City. Besides the requested deviation to the minimum front setback, to allow the conversion of the bike rack/locker into a commercial tenant space, and the deviation to allow a portion of the perimeter fence within the front setback to maintain a height of eight feet (8'-0"), the proposed modification to the approved plans complies with all other development standards of the Mixed Use Code.

**SITE PLAN:**

1. The Site Plan complies with the spirit and intent of the provisions, conditions and requirements of the Municipal Code and other applicable ordinances.

The project has a General Plan land use designation of Civic Center Mixed Use and is zoned CC-3 (Civic Center Core). The project, to modify the approved plans under Site Plan No. SP-044-2017 (REV. 2019), complies with the General Plan Land Use Designation and will comply with all zoning requirements for the property, provided the concurrent Variance requests are approved. Besides the requested deviation to the minimum front setback, to allow the conversion of the bike rack/locker into a commercial tenant space, and the deviation to allow a portion of the perimeter fence within the front setback to maintain a height of eight feet (8'-0"), the proposed modification to the approved plans complies with all other development standards of the Mixed Use Code. The placement and location of the structure, the site design, and the fence design are consistent with the spirit and intent of the requirements of the Municipal Code.

2. The proposed development does not adversely affect essential on-site facilities such as off-street parking, loading and unloading areas, traffic circulation and points of vehicular and pedestrian access.

The proposed modifications to the approved plans do not create any substantial changes to the site or development. As originally approved under Site Plan No. SP-044-2017, the subject site will utilize the two (2) existing driveway approaches off of Euclid Street. The driveway approach, at the southwest corner of the property, will provide vehicular access to the primary parking lot areas, which are located along the southerly property line and toward the rear of the property (to the east). The driveway approach, at the northwest corner of the property, will provide vehicular access to a secondary parking lot area, along the northerly property line.

Additionally, the site plan design will continue to maintain sufficient drive aisle widths, parking stall sizes, and required pedestrian pathways throughout the development. Additionally, an adequate number trash enclosures/bins will be provided, and in an optimal location toward the rear of the property. As such, the proposed modifications to the approved plans will not adversely



affect essential on-site facilities such as off-street parking, loading and unloading areas, traffic circulation and points of vehicular and pedestrian access.

Furthermore, the City's Traffic Engineering Division and the Fire Department have also reviewed the plans, and all appropriate conditions of approval will eliminate any adverse impacts to surrounding streets.

3. The development, as proposed, will not adversely affect essential public facilities such as streets and alleys, utilities and drainage channels.

The proposed modifications to the approved plans do not create any substantial changes to the site or development. The streets in the area are adequate to accommodate the development with all necessary improvements in place. Utilities and drainage channels in the area are existing and adequate to accommodate the development. The property is not located in a sewer deficiency area. The Public Works Department had previously incorporated conditions of approval, under the original approval of Site Plan No. SP-044-2017, to mitigate potential impacts to the sewer system.

The proposed modification to the approved plans will not significantly impact landscaping or grading of the site, and therefore will not impact drainage in the area. The Public Works Engineering and Water Services Division have reviewed the plans, and all appropriate conditions of approval will eliminate any adverse impacts to the streets and alleys, utilities and drainage channels.

4. The development does have a reasonable degree of physical, functional, and visual compatibility with neighboring uses and desirable neighborhood characteristics.

The project is located in an area with both commercial and residential uses. There are no proposed changes to the development and operation of SteelCraft. The proposed project is consistent with the surrounding area and compatible with the existing uses on the properties. The design of the proposed development will ensure a reasonable degree of compatibility with adjacent developments.

5. Through the planning and design of buildings and building placement, the provision of open space landscaping and other site amenities will attain an attractive environment for the occupants of the property.

The project has been designed to consider building appearance, building placement, landscaping, and other amenities in order to create and maintain an attractive and pedestrian-oriented environment. All landscaped areas are required to adhere to the landscaping requirements of Title 9 of the Municipal

Code. Through the conditions of approval for the project, the necessary agreements for the protection and maintenance of all landscaping will be achieved.

INCORPORATION OF FACTS AND REASONS SET FORTH IN STAFF REPORT

In addition to the foregoing, the Zoning Administrator incorporates herein by this reference, the facts and reasons set forth in the staff report.

BE IT FURTHER RESOLVED that the Zoning Administrator does conclude:

1. Site Plan No. SP-044-2017 (REV. 2019) and Variance No. V-024-2019 do possess characteristics that would indicate justification of the request in accordance with Municipal Code Sections 9.32.030 (Site Plan and Variance).
2. In order to fulfill the purpose and intent of the Municipal Code, and, thereby, promote the health, safety, and general welfare, the conditions of approval, contained in Resolution No. 5905-17 shall continue to apply to Site Plan No. SP-044-2017, Variance No. V-017-2017, and Conditional Use Permit No. CUP-116-2017, except as modified and contained in the attached "Exhibit A," approved under SP-044-2017 (REV. 2019) and Variance No. V-024-2019.

Dated: September 12, 2019

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MARIA PARRA  
ACTING ZONING ADMINISTRATOR