Planning Commission
Agenda Item

November 19, 2012

TO: **Chair Steiner and**
Members of the Planning Commission

THRU: **Leslie Aranda Roseberry**
Planning Manager

FROM: **Doris Nguyen**
Associate Planner

SUBJECT

PUBLIC HEARING: Conditional Use Permit No. 2874-12 – AAEON Electronics, located at 324 West Blueridge Avenue.

SUMMARY

The applicant is proposing an administrative office in excess of the 25% allowed in an industrial zone. The office area would be 13,997 SF, which is 33% of the entire building.

RECOMMENDED ACTION

Adopt Planning Commission Resolution No. 46-12 entitled:

> **A RESOLUTION OF THE PLANNING COMMISSION APPROVING CONDITIONAL USE PERMIT NO. 2874-12 FOR ADMINISTRATIVE OFFICE IN EXCESS OF THE 25% ALLOWED IN AN INDUSTRIAL ZONE AT THE PROPERTY LOCATED AT 324 WEST BLUERIDGE AVENUE**

AUTHORIZATION/GUIDELINES

Orange Municipal Code (OMC) Section 17.10.030 authorizes the Planning Commission to review and take action on Conditional Use Permits. The final determination by the Planning Commission on these applications may be appealed to the City Council pursuant to the time periods and requirements established in the OMC for appeals.

PUBLIC NOTICE

On November 8, 2012, the City sent a Public Hearing Notice to a total of 45 property owners/tenants within a 300-foot radius of the project site, and persons specifically requesting notice. The project site was also posted in two locations with the notification on that same date.

ENVIRONMENTAL REVIEW

Categorical Exemption: The proposed project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per State CEQA Guidelines 15301 (Class 1 – Existing Facility) because the project is for the interior improvement of an existing structure. There is no public review required for a Categorical Exemption.

PROJECT BACKGROUND

Applicant:	MVA Architects for AAEON Electronics
Property Owner:	AAEON Electronics
Property Location:	324 WEST BLUERIDGE AVENUE
Existing General Plan Land Use Element designation:	LI (Light Industrial)
Existing Zoning Classification:	M-2 (Industrial Manufacturing)
Old Towne:	Yes
Redevelopment Project Area:	Yes
Specific Plan/PC:	No
Site Size:	42,850 SF building on a 2.289 acre lot
Circulation:	The parcel is located on Blueridge Avenue, which is designated as a Local Street.
Existing conditions:	A single story 42,850 SF warehouse building on a 2.289 acre lot with 105 parking stalls.
Surrounding land uses and Zoning:	The site is surrounded by M-2 zoned properties on the north, south, east and west sides of the parcel.
Previous Applications/Entitlements:	None

PROJECT DESCRIPTION

AAEON Electronics is an industrial company that manufactures and configures computer systems for industrial networks. The Orange facility is used for sales, distribution and warranty repair. The company currently employs 35 people and anticipates growing to 55 employees within the next two years. Due to this growth, the applicant is requesting to increase the office

square footage from the existing 9,940 SF to 13,997 SF. They would accomplish this by converting the existing 4,057 SF storage mezzanine to an office use.

Orange Municipal Code (OMC) Section 17.20.030 permits the administrative offices of an industrial use to be a maximum 25% of the gross floor area. As shown in the table below, the current office SF meets the OMC requirement. With the 4,057 SF conversion, the office would occupy 33% of the building's gross SF. Therefore, the applicant is asking for an 8% (33%-25%) increase above what the OMC allows.

	SF	**Percentage of Building Gross SF**
Existing Building SF	42,850 SF	–
Existing Office SF	9,940 SF	23%
Proposed Office Addition	4,057 SF	10%
Total Office SF	13,997 SF	33%

The business would continue to operate from 8:30 a.m. to 5:30 p.m. Monday thru Friday. There are no proposed changes to the exterior of the building or landscaping. There are currently 105 parking spaces on-site. AAEON leases a portion of their warehouse to another entity to use strictly as storage. They have no offices on-site.

The tenants have storage containers on-site that occupy parking spaces. Staff has placed a condition on the approval stating that the storage containers shall either be removed before AAEON takes occupancy of the building or the tenant shall apply for a Temporary Use Permit.

Development Standards

	Required	**Proposed**	**Code Section**
Building Height	No building changes proposed.	N/A	N/A
Distance between structures	N/A	N/A	N/A
Fence height	N/A	N/A	N/A
Floor Area Ratio (FAR)	N/A	N/A	N/A
Landscaping (non-residential)	N/A	N/A	N/A
Loading area (non-residential)	N/A	N/A	N/A
Lot size (residential)	N/A	N/A	N/A
Lot frontage	N/A	N/A	N/A
Lot depth	N/A	N/A	N/A
Open space, common (residential)	N/A	N/A	N/A
Open space, private (residential)	N/A	N/A	N/A
Open space, useable (residential)	N/A	N/A	N/A
Parking (non-residential)	61	105	17.34.060

	Required	Proposed	Code Section
Parking (residential)	N/A	N/A	N/A
Parking, guest (residential)	N/A	N/A	N/A
Setback, Front	N/A	N/A	N/A
Setback, Rear	N/A	N/A	N/A
Setback, Side	N/A	N/A	N/A
Setback, Side	N/A	N/A	N/A

APPLICATION(S) REQUESTED/ REQUIRED FINDINGS

Conditional Use Permit: The applicant is requesting a Conditional Use Permit for administrative office in excess of the 25% allowed in an industrial zone.

Required Findings:

1. A Conditional Use Permit shall be granted upon sound principles of land use and in response to services required by the community.
2. A Conditional Use Permit shall not be granted if it will cause deterioration of bordering land uses or create special problems for the area in which it is located.
3. A Conditional Use Permit must be considered in relationship to its effect on the community or neighborhood plan for the area in which it is located.
4. A Conditional Use Permit, if granted, shall be made subject to those conditions necessary to preserve the general welfare, not the individual welfare of any particular applicant.

ANALYSIS/STATEMENT OF THE ISSUES

Issue 1: Office Use

AAEON Electronics occupies a 42,850 SF building and is requesting to expand the existing administrative office area from 9,940 SF to 13,997 SF. The proposed office expansion would exceed the maximum 25% office allowed by 8%.

The proposed interior expansion would result in 33% of the tenant's gross floor area being utilized as office space. Approval of such a request would not result in transforming an industrial use into a professional office environment due to the nature of the business, which is manufacture of computer systems for industrial networks.

The parcel currently has 105 parking spaces. The table below shows that with the additional office SF, the use requires 61 parking spaces. This would leave the site overparked by 44 spaces. Previous companies used more of the building for manufacturing uses, which requires a higher parking ratio of 2 spaces per 1,000 SF. AAEON uses a majority of the site for warehousing purposes, which requires a much lower parking ratio of 0.5 spaces per 1,000 SF. If the existing

tenant were to leave, there would be adequate parking for AAEON to expand either their warehouse or manufacturing uses into that space.

	SF	Parking Ratio	Parking Required
AAEON Warehouse	11,005	0.0005	6
Tenant Warehouse	10,143	0.0005	5
AAEON Manufacturing	7,705	0.002	16
Permitted 25% Office Area	10,712.50	0.002	21
Office area in excess of 25%	3,284.50	0.004	13
Total	**42,850**		**61**

Although additional office space is requested, the nature of the subject business is still within the context of industrial uses, and functions as such. The expansion of additional office space assists in accommodating the existing employees to perform their jobs effectively and efficiently and will allow for future growth. Staff does not anticipate that approval of the applicant's request will result in negatively impacting the surrounding industrial uses, because there is more than the Code required parking for the uses. .

ADVISORY BOARD RECOMMENDATION

No reviewed required by Advisory Boards. The project only consists of the conversion of interior warehouse space into office space within the existing building footprint.

ATTACHMENTS/EXHIBITS

Attachments to Report:

1. Planning Commission Resolution No. 46-12
2. Vicinity Map
3. Site Photos

Exhibits provided to the Planning Commission:

A. Site Plan and Floor Plan (date stamped received November 2, 2012)

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