



City Council Staff Report

DATE: November 15, 2023

AGENDA ITEM NO: 2-A (Supplemental)

TO: The Honorable Mayor and City Council
FROM: Karl H. Berger, City Attorney
SUBJECT: Supplemental Staff Report regarding Agenda Item No. 2-A.

EXECUTIVE SUMMARY

After the Agenda was posted for the November 15, 2023 meeting, I was informed that TRC representatives attempted to contact City employees regarding purported "Site Plan Review" documents. Additionally, I was provided with a copy of a letter allegedly sent to the City Council dated November 9, 2023. A copy of that letter is attached as Exhibit 1 ("TRC Letter").

As may be read, the TRC Letter does nothing to answer the City Council's questions during its meeting of November 1, 2023. Setting aside the City Council's explicit instructions that TRC was required contact the City Attorney only regarding its substantive plans, the TRC Letter fails to explain how it proposes to fill vacancies, revitalize its property, or describe its "exciting redevelopment plan." In short, there is nothing substantive about the TRC Letter.

Additionally, a separate document that TRC attempted to file with the City fails to meet the requirements of Monterey Park Municipal Code ("MPMC") § 21.10.190 (attached as Exhibit 2). Specifically, the "Atlantic Square Access Improvement Project" submitted for site plan review by TRC (portions are attached as Exhibit 3) fails to provide any of the following information required by MPMC § 21.10.190(A-C):

- "proposed structures, parking areas, driveways, walkways, walls, and landscaped areas, with dimensions shown for these features, lot lines, easements and setbacks";
- "preliminary building floor plans at a minimum scale of one-quarter inch equals one foot showing use of spaces and locations of entrances, windows, and special features such as courtyards"; or
- "preliminary building elevations ... showing windows, awnings, signage, suggested building materials and colors, and any sections needed to explain below-ground spaces such as garages."

Instead, it appears the document is a traffic/pedestrian circulation proposal which has nothing to do with site plans contemplated by the MPMC. Since the intent of MPMC § 21.10.190 "is for discussion purposes only" and because the City did not require the Site

Plan Review submitted by TRC (“[w]here site plan review is required before making formal submission of entitlement applications....”), the City will not be taking any action in response to this document (additionally, no application fee was submitted or accepted). All documents will be returned.

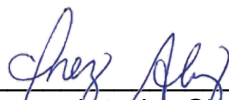
TRC’s attempted submission of these additional documents does nothing to alter the recommendations for Agenda Item No. 2-A.

Respectfully submitted and prepared by:



Karl H. Berger, City Attorney

Reviewed by:



Inez Alvarez, Interim City Manager

ATTACHMENTS

1. TRC Letter – dated November 9, 2023
2. MPMC § 21.10.190.
3. TRC Document entitled “Atlantic Square Access Improvement Project”

ATTACHMENT 1

TRC Letter – dated 11/9/2023



09 November 2023

MAYOR JOSE SANCHEZ
MAYOR PRO TEM THOMAS WONG
COUNCIL MEMBER YVONNE YIU
COUNCIL MEMBER HENRY LO
COUNCIL MEMBER VING NGO
City of Monterey Park
320 West Newmark Avenue
Monterey Park, CA. 91754

RE: Atlantic Square – TRC Site Plan Review Application - Intention to Process CUP Amendment Application

Dear Mayor Sanchez, Mayor Pro Tem Wong, and Honorable Council Members:

We believe TRC and the City of Monterey Park want the same thing for Atlantic Square: To position the center as a market-relevant destination that connects residents and surrounding neighborhoods with a one-stop mix of daily needs, personal services, and great dining options.

TRC continuously evaluates redevelopment plans and leasing strategies to best position Atlantic Square for long-term success amid watershed changes in the retail sector and consumer buying habits. In this letter we're sharing material steps we're taking to achieve that end at Atlantic Square.

First, TRC today submitted a Site Plan Review application for the Atlantic Square Access Improvement Project, which is comprised of four vehicle and pedestrian infrastructure improvements designed to enhance vehicle and pedestrian access to Atlantic Square and neighboring commercial properties. The project will also serve to reduce traffic conflicts between vehicles entering and exiting the north end of Atlantic Square, neighboring and adjacent properties and north/south through-traffic on Atlantic Boulevard. The Access Improvement Project proposes to address going forward the vehicle circulation issues that have proven to be an impediment to leasing the north end of the center (Prospective tenants have specifically stated they will not consider the site in the existing condition). The Access Improvement Project is necessary to address the vacancy issues you recently discussed.

Separately, TRC will submit by the end of this year an application to amend the Master Conditional Use Permit to update the uses allowed at the Center, among other condition amendments we are currently evaluating.

Here's why we are taking this important step.

As the owners and operators of more than 35 neighborhood and regional shopping centers in California with more than 3 million square feet under management, TRC has an on-the-ground understanding of the economic tides and consumer trends influencing brick-and-mortar retail. We know how tenant types and mixes are evolving.

Post pandemic, industry trends in shopping center tenant mixes are reflecting growing consumer preferences for convenience in accessing personal services, daily need items, dining options and entertainment without having to travel to multiple locations.

Across our portfolio, personal service and other non-retail tenants are occupying ever-increasing percentages of our gross leasable areas in response to market demand and consumer preferences. Personal service tenants such as fitness, medical, dental, tutoring, salons and daycare are seeking space in our daily needs-anchored shopping centers where we have stabilized, long-term retail tenants. They understand that their customers prefer the convenience and time savings inherent in single-destination centers.

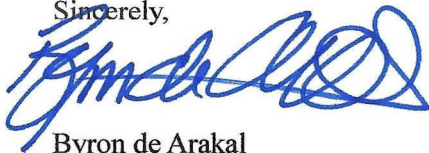
This reveals another important, emerging industry trend: *Sales-tax generating retail tenants are migrating to regional and neighborhood shopping centers where there is a diverse, personal services presence.* The reason why is clear: The integration of relevant personal services along with retail tenants generates higher customer traffic volumes, which maximizes convenience-driven sales.

With that background in mind, the Master CUP governing Atlantic Square was adopted 34 years ago. Its covenants and restrictions are reflective of a pre-smart phone, pre-Amazon, pre-pandemic retail market. Under its provisions most of the personal service uses referenced earlier as critical to successful shopping centers in today's market are not clearly allowed in the existing CUP. *In its current form, the Atlantic Square Master CUP undermines the preservation and growth of sales-tax generating uses by not clearly permitting high-demand personal service uses that consumers increasingly want in the centers where they shop.*

To be clear: the Access Improvement Project addresses a critical need specific to the north end of the Center and is a necessary precondition to attracting strong customer traffic magnet tenant and other tenants in this portion of the Center. It is independent from our separate, long-term desire to amend and update the CUP's use provisions to best position the Center for long-term vitality and resiliency.

TRC and Monterey Park have a common interest in working together toward Atlantic Square's long-term success. We hope the actions that we have taken (Atlantic Square Access Improvement Site Plan Review) and those that we'll be taking in the coming weeks (CUP amendment) encourage the City Council, staff, and the community to work with TRC to affect our common interest in the future of Atlantic Square.

Sincerely,



Byron de Arakal
Consulting Director
Entitlement Planning and Special Projects

Cc: Inez Alvarez – Interim City Manager

ATTACHMENT 2

MPMC § 21.10.190

Monterey Park, California Municipal Code

Title 21 ZONING

Chapter 21.10 COMMERCIAL ZONES

21.10.190 Site Plan Review.

Where site plan review is required before making formal submission of entitlement applications, the applicant must submit an application to the City Planner with the required number of site plan copies and a fee, in an amount which will be determined by City Council resolution. The site plan must include the following information:

(A) A preliminary site plan drawn at a minimum scale of one-eighth inch equals one foot showing the entire lot or lots with all existing and proposed structures, parking areas, driveways, walkways, walls, and landscaped areas, with dimensions shown for these features, lot lines, easements and setbacks;

(B) Preliminary building floor plans at a minimum scale of one-quarter inch equals one foot showing use of spaces and locations of entrances, windows, and special features such as courtyards;

(C) Preliminary building elevations at the same scale as provided for in subsection (B) of this section showing windows, awnings, signage, suggested building materials and colors, and any sections needed to explain below-ground spaces such as garages;

(D) All plans, elevations, and sections should identify the applicant, the preparer of the plans, scale, and date, and be drawn to fit on eighteen (18) inch by twenty-four (24) inch or no greater than twenty-four (24) inch by thirty-six (36) inch paper;

(E) The intent of this review is for discussion purposes only; therefore, drawings do not need to be prepared in finished, presentation quality. (Ord. 2097 § 3, 2013)

ATTACHMENT 3

TRC Document

ATLANTIC SQUARE ACCESS IMPROVEMENT PROJECT

Site Plan Review Project Description

Project Site: Atlantic Square Shopping Center
2000 – 2290 S. Atlantic Boulevard
Monterey Park, CA 91754

Applicant: Atlantic Square LLC (DBA TRC Retail)
4695 MacArthur Court, Ste 700
Newport Beach, CA. 92660-1862

The Atlantic Square Access Improvement Project (Project) proposes certain traffic, circulation, vehicle, and pedestrian access infrastructure improvements on the Atlantic Square Shopping Center property (Property) located at 2000 - 2290 S. Atlantic Boulevard (See Figure 1), and on City of Monterey Park public right of way. The Project will enhance vehicle and pedestrian access to Atlantic Square and neighboring commercial properties. The project will also serve to reduce traffic conflicts between vehicles entering and exiting Atlantic Square, neighboring and adjacent properties and north/south through-traffic on Atlantic Boulevard, thereby enabling the tenanting of the north end of the Property with an anchor and other tenants.



Figure 1 - Atlantic Square Property

The Property is designated Commercial (C) within the South Atlantic Boulevard Focus Area of the Monterey Park General Plan and is zoned Shopping Center (S-C) on the Monterey Park Zoning Map. No change in General Plan land-use designation or zoning of the Property is requested. The Property currently is comprised of seven (7) structures backing to Atlantic Boulevard, one structure backing to Riggin Street, and four (4) large anchor structures internal to the Property along its eastern boundary.

The CUP for the Property was approved by Resolution No. 9356 in 1989. It was amended in 1992 by Resolution No. 9731 (modifying the number of Administrative and Professional Office uses allowed and making related changes to the space and location provisions for this use) and Resolution No. 9797 (allowing Travel Agency as a permitted use). In 1998, Resolution No. 10374 further amended the CUP (allowing more than two Administrative and Professional Office tenants within one of the Property's main buildings).

Project elements include:

- Permanently closing the northern driveway on the Property that currently provides direct inbound/outbound vehicle access to the Public Alley to/from the Property via construction of a curb and parkway structure. (See Project Element 'A' on Figure 2)
- Construction of a new East/West access driveway connecting the Property with Atlantic Boulevard. The proposed driveway is to be located between the vacant retail building (2020 S. Atlantic Boulevard) on the Property and the Public Alley interface with Atlantic Boulevard to the north. (See Project Element 'B' on Figure 2)
- Construction and striping of a four-way, signal-controlled intersection featuring signal controlled left turns for northbound and southbound Atlantic Boulevard traffic, pedestrian crosswalks connecting the public walkways on the west and east sides of Atlantic Blvd., restriping of Atlantic Boulevard and installation of delineators to create a right-turn only lane from northbound Atlantic Boulevard into the Property via the proposed new driveway. (See Element 'C' on Figure 2)
- Construction of an ADA accessible pedestrian walkway connecting the public walkway on the eastside of Atlantic Boulevard with the Property. (See Element 'D' on Figure 2)

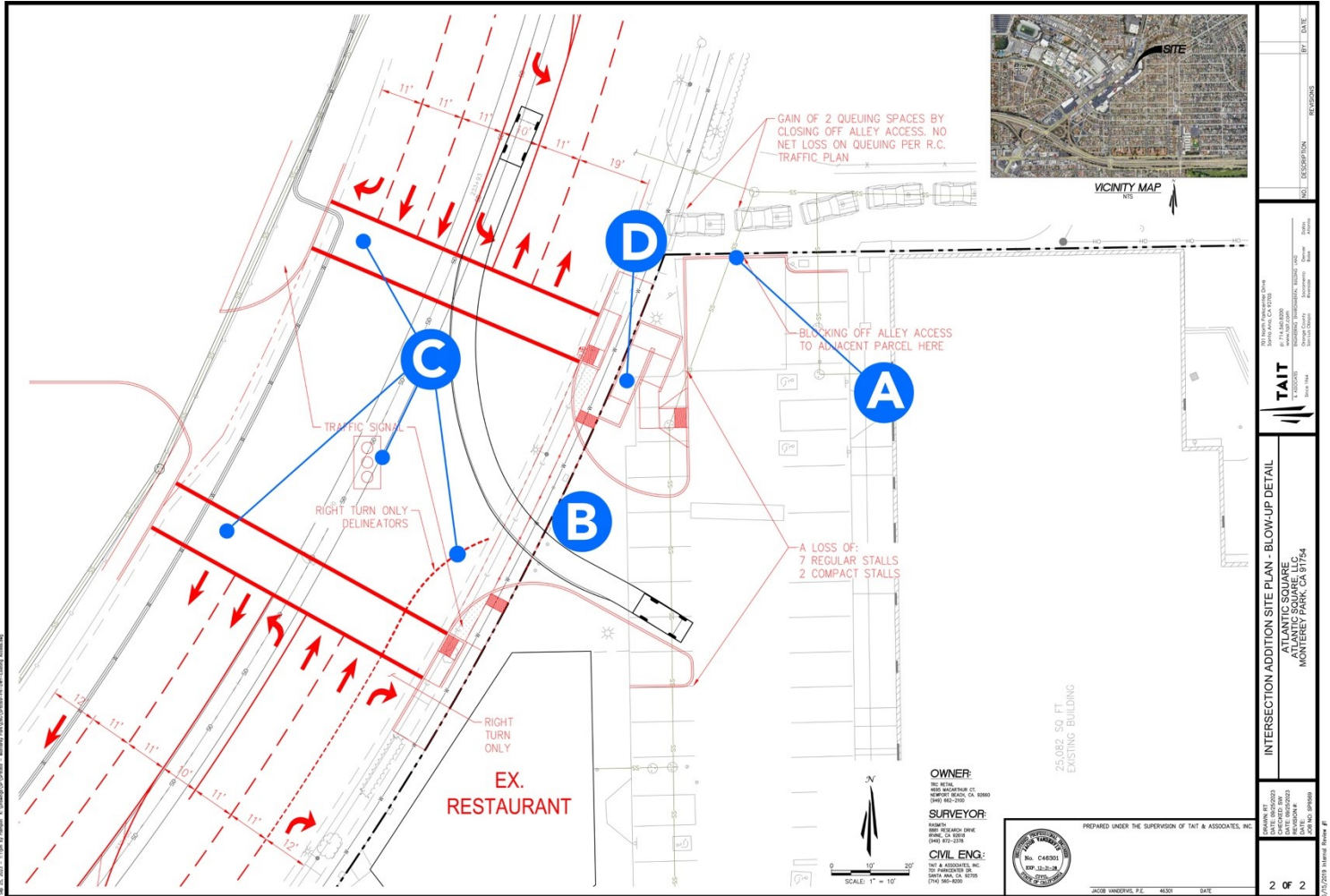


Figure 2 - Atlantic Square Access Improvement Project Elements

At the conclusion of this Site Plan Review process, Applicant will apply for 1) a public right of way permit for the Project elements proposed for the public right of way, and 2) Design Review for the Project elements proposed for the Property. As part of those subsequent permitting processes, Applicant proposes to submit a warrants analysis to establish fair share contributions for the Project's public improvements.