

CITY OF INDUSTRY

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Memorandum

To Planning Commission Date February 6, 2009

From Mike Kissell

Subject: **Industry Business Center – Revised Plan of Development**

On October 28, 2004, the City Council adopted Resolution No. 2065 which adopted Findings of Fact; adopted a Statement of Overriding Considerations; established a Mitigation Monitoring Program and certified an Environmental Impact Report for the Industry Business Center (SCH #2003121086). The Industry Business Center was a plan of development for approximately 4,146,000 square feet of commercial and office space as well as 633,000 square feet of industrial land use on 592 acres of land located on the east and west sides of Grand Avenue, north of State Route 60/57.

The Industry Urban-Development Agency (IUDA) has entered into a Lease Agreement with Industry East Business Center, LLC for the development of the Industry Business Center.

In the Spring of 2008, Majestic Realty, on behalf of Industry East Business Center, LLC, approached the IUDA about a modification to the original plan of development. Majestic proposed reducing the overall square footage of industrial, commercial and office space from 4,779,000 square feet to 2,985,000 square feet. This reduction in the project's square footage would then be replaced with a 75,000 seat National Football League (NFL) stadium and related facilities. This revised plan would include the stadium with practice fields, team training facilities, team offices, a sports medical center, retail uses, restaurants, entertainment and office uses as well as approximately 25,000 parking spaces. Industry East Business Center, LLC has submitted a Planned Development Application request in accordance with Industry Municipal Code Section 17.24 for the proposed revised project.

As part of the revised Plan of Development, Majestic Realty also submitted a Zone Exception Application to allow the construction of an office building greater than five(5) stories in height. This zone exception request was considered in the

By Mike Kissell
MK:jm

Signature

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preparation of the Supplemental EIR that the City Council certified on January 22, 2009. On February 4, 2009, Majestic Realty submitted a letter to the City formally withdrawing their zone exception request. By withdrawing their application, Majestic Realty is required to adhere to the 5-story height limitation for office buildings in the City.

The Planned Development Overlay Zone requires a minimum area of 150 acres for a Planned Development. The Planned Development Overlay Zone provides for greater flexibility in site design, density and development options and standards to create an innovative project that's compatible with the environment. The Industry Business Center comprises a total of 592 acres of land which exceeds the requirement for a Planned Development.

As part of their application, Majestic Realty has submitted a conceptual site plan, with typical building designs and elevations. In addition, their application includes preliminary grading plans, preliminary landscape plans, and development standards for the project.

Prior to the issuance of a building permit for each building, a Development Plan Application must be submitted by Majestic Realty and approved by the City Council as set forth in Industry Municipal Code Chapter 17.36 (Design Review). This will require that a precise site plan, elevations, a grading plan and a landscape plan shall be submitted, reviewed, and approved by the City to insure conformity with Majestic's Planned Development application.

The proposed state-of-the-art football stadium will be located on the west side of Grand Avenue. It will include 75,000 seats, 45,000 square feet of team offices, a 40,000 square foot NFL attraction, 30,000 square feet for a team store and other related retail use, 30,000 square feet of restaurants, and 20,000 square feet for banquet facilities. A 115,000 square foot team training facility with four (4) practice fields will be located directly adjacent to the stadium. A large parking lot will separate the practice fields from restaurant and retail uses which will front on Grand Avenue.

The majority (15,000 spaces) of the 25,000 project parking spaces are located on the east side of Grand Avenue. Access to these lots will be by way of two (2) major driveway entrances off of Grand Avenue. Three (3) pedestrian bridges will span Grand Avenue and connect the east side parking lots to the stadium side of Grand Avenue.

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In addition to the parking lots, retail, restaurant, and office buildings will be located on the east side of Grand Avenue.

In addition to the stadium, the west side of Grand Avenue will contain the majority of the retail, office, and restaurant buildings as shown on the Planned Development site plan. Approximately 10,000 parking spaces will be interspersed throughout this area to serve the proposed development.

On January 22, 2009, the City Council passed Resolution No. 2263 which certified a Supplemental Environmental Impact Report for the Revised Plan of Development. That same resolution also adopted Findings of Fact, a Statement of Overriding Considerations, and established a Mitigation Monitoring Program for the revised Plan of Development.

November 11, 2008

Mike Kissell
Planning Director
City of Industry
Planning Department
15625 East Stafford Street, #100
City of Industry, CA 91744

Re: Proposed Industry Business Center and Stadium

Dear Mr. Kissell:

Majestic Realty, on behalf of Industry East Business Center, LLC, is pleased to submit an application for a Plan of Development pursuant to the City's Development Overlay Zone and an application for a Zone Exception. The Plan of Development revises the project previously analyzed and approved in the Industry Business Center Environmental Impact Report, SCH # 2003121086. The proposed Project is located on a site known as the Industry Business Center, located on the eastern boundary of the City near the intersection of the 60 Freeway and 57 Freeway.

We are seeking your approval to construct a mixed use project including retail, restaurant and entertainment uses, office uses and a NFL Stadium. The retail, restaurant and entertainment area will include 833,000 square feet of retail shops, 162,000 square feet of restaurants, 60,000 square feet for a live theater (up to 5,000 seats) and 60,000 square feet for a movie theater complex (approximately 1,200 total seats). Office buildings totaling 1,490,000 square feet will also be developed at various locations around the Project Site and will feature a mix of general and professional office uses. An approximately 100,000 square foot sports medical center and clinic (approximately 35,000 square feet of clinic space and approximately 65,000 square feet of medical office space) will be developed, which will provide specialized medical services for the neighboring communities. Buildings will vary in height up to 10 stories.

The Project will also include an approximately 75,000 seat state-of-the-art football stadium (expandable to 80,000 seats for Super Bowl games). In addition to customary concession, food service and retail facilities open on event days, the Stadium uses will include team offices (45,000 square feet), a NFL Attraction (40,000 square feet), a team store and other sponsored retail stores (30,000 square feet), restaurants (30,000 square feet) and banquet facilities (20,000 square feet). In addition, the proposed project plan of development will include an approximately 115,000 square foot NFL team training facility together with up to four NFL practice fields.

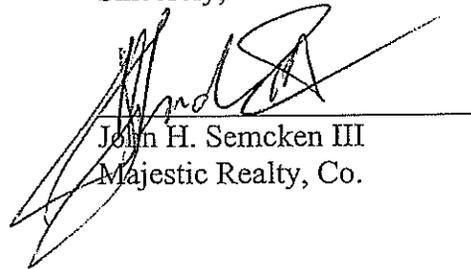
Pursuant to City of Industry Municipal Code sections 17.24.050 and 17.28.040, the Development Overlay Zone application includes the following attachments: project description and statement of proposed uses, attached as Exhibit A.1; conceptual site plan and proposed landscaping areas, attached as Exhibit A.2; elevations showing each different type of proposed

structure, attached as Exhibit A.3; preliminary drainage and grading plans, attached as Exhibit A.4; and proposed site development standards, attached as Exhibit A.5.

In addition to the Plan of Development, we are also requesting two zone exceptions concerning height limitations and parking dimensions. The legal description and project description are attached as Exhibits B.1 and B.2 of the Zone Exception application, respectively. Pursuant to City of Industry Municipal Code section 17.40.020, the Zone Exception application includes findings demonstrating compliance with the conditions required for approval, which are attached as Exhibit B.3. We have also included a breakdown of the square footage for every proposed building, attached as Exhibit B.4.

We look forward to working with you to develop this unique and exciting project for the City of Industry. Please let me know if you have any questions concerning the Project or the Application.

Sincerely,



John H. Semcken III
Majestic Realty, Co.

Attachments

Industry Business Center and Stadium Project Description

Project Location

The proposed Industry Business Center and stadium (the "Project") is located on the eastern boundary of the City of Industry in the Los Angeles County, near the intersection of the 60 Freeway (State Route 60) and the 57 Freeway (State Route 57), at Grand Avenue ("Project Site"), as shown on Exhibit 2.

The Project Site is known as the Industry Business Center (IBC) and has been the subject of an Environmental Impact Report certified by the City of Industry (SCH # 2003121086).

The Project Site consists of two large parcels, one east and one west of Grand Avenue, totaling approximately 592 acres and is currently zoned as Industrial (M). After grading of the site and preparation for development, the resulting developable land will be approximately 321 acres for streets and buildings, resulting in 271 acres of green and open space.

The Project Site is generally oriented at an angle southwest to northeast. The proposed Project would exclude the open space area set aside for the Diamond Bar Creek restoration area and a small parcel at the southwest corner of the intersection of Grand and Baker.

The City of Diamond Bar adjoins the Project Site to the east and west and is separated by SR/60 and SR 57 freeways on the southerly border, with the exception of the existing auto dealer site just south on Grand Avenue, which is also in the City of Diamond Bar. The City of Walnut is located slightly to the northwest of the Project Site and Pomona is located to the northeast. Nearby public streets include Deep Hill Road, North and South Palo Cedro Drive to the east and Baker Parkway and Ferrero Parkway to the northwest. Railroad tracks separate the Project Site from Ferrero Parkway. Cottonwood Lane adjoins the Project site on the west and Old Brea Canyon Road adjoins the Project Site on the southerly boundary near Grand Avenue. The Project Site is in close proximity to the Metrolink Industry stop at Currier and South Brea Canyon Road and is serviced by the Metro Express Blue Line, which connects the City of Industry with Downtown Los Angeles.

Surrounding uses include the Diamond Bar Golf Course southeast of the Project site; residential, office and commercial development in Diamond Bar to the south; the Grand Crossing Development, the Plantation Development, and other industrial and retail development consisting of 7,846,500 square feet of industrial and retail uses; and youth baseball fields at the northeast corner of the Project Site and residential areas to the east and west of the Project Site.

Project Background

On October 28, 2004, the City of Industry certified an EIR (SCH # 2003121086) for the 4,779,000 square foot Industry Business Center, including 633,000 square feet of industrial uses, 1,268,000 square feet of retail uses and 2,878,000 square feet of office uses. The development plan for Industry Business Center divided the property into conceptual planning areas for locating specific types of commercial and industrial uses. The plan of development for the Industry Business Center originally included a complex of offices for a corporate headquarters, business park uses, regional retail facilities and an area for light industrial uses.

The Project Applicant seeks to modify the development plan for the property to retain most aspects of the original project, while eliminating proposed industrial uses, reducing retail, commercial and office uses, and allowing for development of a football stadium suitable for a National Football League (“NFL”) team.

The Applicant has identified the following goals and objectives for the proposed Project:

- To provide for comprehensive planning of the project site through the approval of a revised Plan of Development in conformance with the City’s General Plan.
- To provide additional employment and commercial retail opportunities in close proximity to housing rich areas within the eastern San Gabriel Valley, consistent with local and regional jobs/housing balance policies.
- To locate additional employment opportunities and activity centers near regional transportation systems consistent with adopted regional goals and policies.
- To create private investment opportunities within the City to enhance the City’s revenue.
- To construct a state-of-the-art football stadium in conformance with or exceeding the generally accepted standards of design for NFL stadiums, thus enabling the Applicant to acquire and maintain an NFL franchise in the greater Los Angeles area.
- To provide a suitable venue capable of hosting a wide variety of regional entertainment events, such as concerts and other sporting events.
- To develop the Project using sustainable building strategies.
- To develop facilities adjacent to the stadium which support and complement its use, including a National Football League attraction, NFL team training complex, and associated retail and entertainment uses.

- To provide an iconic regional destination retail, entertainment, and commercial project.

Project Characteristics

The Applicant proposes to construct a mixed use project including retail, restaurant and entertainment uses, office uses and a NFL Stadium. The retail, restaurant and entertainment area will include 833,000 square feet of retail shops, 162,000 square feet of restaurants, 60,000 square feet for a live theater (up to 5,000 seats) and 60,000 square feet for a movie theater complex (approximately 1,200 total seats). Office buildings totaling 1,490,000 square feet will also be developed at various locations around the Project Site and will feature a mix of general and professional office uses. An approximately 100,000 square foot sports medical center and clinic (approximately 35,000 square feet of clinic space and approximately 65,000 square feet of medical office space) will be developed, which will provide specialized medical services for the neighboring communities. Buildings would vary in height up to 10 stories. The reclaimed water storage tank previously proposed for the Industry Business Center will remain on the Project site but will be relocated slightly to the north of its previously planned location.

The Project will also include an approximately 75,000 seat state-of-the-art football stadium (expandable to 80,000 seats for Super Bowl games). In addition to customary concession, food service and retail facilities open on event days, the Stadium uses will include team offices (45,000 square feet), a NFL Attraction (40,000 square feet), a team store and other sponsored retail stores (30,000 square feet), restaurants (30,000 square feet) and banquet facilities (20,000 square feet). The team offices, NFL attractions, team store and other retail, restaurants and banquet facilities will be open year round. In addition, the proposed project plan of development will include an approximately 115,000 square foot NFL team training facility (approximately 65,000 square feet of training areas and approximately 50,000 square feet of offices for team training staff) together with up to four NFL practice fields.

A total of approximately 25,000 parking spaces will be provided in various locations on the Project Site. Parking will be provided in surface parking lots and structured parking lots, with approximately 15,000 parking spaces located on the east side of the Project Site and 10,000 parking spaces located on the west side of the Project Site. Parking areas on the east side of Grand Avenue will be connected to the Stadium area by elevated pedestrian ways. All areas of the Project Site including surface parking areas will be designed to reduce stormwater runoff which may include detention basins with clarifiers and debris capture facilities. Best Management Practices will be implemented in connection with maintenance of the parking facilities.

Landscaping plant materials throughout the site, including those in parking areas and on graded slopes, will include drought tolerant plants and will focus on native plants to reduced water demand and maintenance. Reclaimed water will be used for landscaping irrigation and other site uses.

All use areas will be connected by an internal public street system, which will vary slightly from the original Industry Business Center.

The grading plan for the proposed Project also will be slightly different from the Industry Business Center, but the total area disturbed will be substantially the same as that evaluated in the 2004 certified EIR. The proposed project will involve grading of 8.2 million cubic yards each of cut and fill on the west side of Grand Avenue and 5.3 million cubic yards each of cut and fill on the east side of Grand Avenue. Grading will be balanced on site and no export will be required. All utility plans will be revised as well to correspond with the new grading and site plan.

The retail, office, entertainment, medical and stadium uses will be designed to include sustainability features including but not limited to:

- water conserving plumbing fixtures
- energy conserving light fixtures including high efficiency field lighting
- building materials using a minimum of 10% recycled content
- low VOC adhesives, glues and carpets

The Project Site also adjoins the existing Diamond Bar Creek restoration area which will include an enhanced waterway restoration and hiking trail adjacent to the 60 Freeway.

Operations

The general hours of operation for the retail, office, entertainment, and restaurant uses would be as follows:

- Retail: 8:00 AM to 1:00 AM
- Office: 6:00 AM to 6:00 PM
- Movie theater/entertainment venue: 8:00 AM to 11:00 PM or 2:00 AM
- Restaurant: 8:00 AM to 11:00 PM or 2:00 AM

No uses would operate 24 hours. When the stadium is in use, the retail and commercial uses would be open to the public with restricted parking. Office uses will not be in use during an event at the stadium.

The stadium will be the principal home of a NFL team. The NFL's regular football season occurs over a six month period beginning in August and ending the last week in January. Under current NFL schedules, a typical year will involve two preseason home games, eight regular season home games and up to two post season home games. Most games will be played on Sunday afternoon with an occasional game played on a Saturday afternoon. In addition, up to two games a year may be played on a weekday night, and one or two games a year may be played on a Sunday night. Super Bowl or other exhibition games, if any, may occur periodically. Sunday afternoon games typically start between 12:00 and 2:00 pm. and Sunday night games typically start between 5:00 and

6:00 p.m. Weekday start times are typically 5:00 p.m. Except for the limited use on weekdays (not more than two times a year), it is not anticipated that the Stadium will be used during Monday through Friday. Stadium uses for concerts and other sporting events will generally be limited to Saturdays and Sundays. A total of 30 sell-out events are anticipated a year (including NFL uses) along with 15 minor events, with less than 25,000 attendants each.

Site parking on event days will be available to event ticket holders and limited retail tenant uses. Parking areas will generally open at 8:00 a.m. on a typical game day. Priority parking will be given to cars with three or more people in the general admission parking lots which will be located on the east side of Grand Avenue. Rubber-tired shuttles will also be used to transport people from the Metrolink station during events.

Phasing

Proposed construction of the Project would be phased over a seven year period. It is expected that the Stadium, team training center and medical offices, practice fields and up to 400,000 square feet of retail and up to 50,000 square feet of restaurants will be constructed by 2011, with the balance of the project to be finished by 2015.

REVISED INDUSTRY BUSINESS CENTER/NFL STADIUM PROJECT PROPOSED DEVELOPMENT STANDARDS

Revised Industry Business Center (Other than NFL Stadium)

Design Purpose

To promote the quality of development planned for the Industry Business Center with a coordinated design, organized unity and visual identity. Integrating the site planning, architecture, landscaping and exterior lighting will create opportunities for creativity as well as maintain a consistent design concept of contemporary architecture.

Architectural Description

The Industry Business Center will have a coordinated design which will emphasize the pedestrian experience, in a manner which is classic and timeless, yet contemporary and technical. It will incorporate the natural surroundings in form and landscape and the village-like qualities will contribute to the upscale experience of the project. The character and massing for the retail will resemble a Festival feel, and materials of plaster and stucco, natural stone, glass and steel will remain consistent throughout the project. The buildings' form and massing, along with their various facades will reinforce the village-like quality. Details of fountains, awnings, plazas, colonnades, natural landscapes and paseos will encourage a leisurely experience. The office buildings will reflect a contemporary design with class – A standards. The architectural design and details will express a high quality experience both for the commercial and retail buildings. The property will be subject to covenants and restrictions which will establish conditional use permit control over architecture, landscaping and other design features.

Los Angeles Stadium

This innovative 75,000 seat stadium will be the first “green” building in the NFL and will capture the luxury and drama of the world’s entertainment capital by utilizing an historic yet innovative approach by building the stadium into dramatic existing topography. This, in concert with an asymmetrical suite and VIP tower configuration, allows the majority of the stadium itself to disappear inside a sustainable landscaped hillside, providing a garden-like context for the modern state-of-the-art suite tower and entertainment venues.

The suite tower building will have a combination of rough-hammered pre-cast concrete panels, insulated metal panels and a glass/clear anodized aluminum curtain wall. The exterior curtain wall system is to be insulated vision glass with low E, high performance color tinting. Roof decks will be landscaped and secured with a structural glass or aluminum handrail.

The majority of the interior seating bowl is constructed with polished concrete stadium seating risers on grade with the remaining balance using pre-cast concrete seating risers on steel structure. Vomitory and retaining walls are to be concrete treated with landscaping, signage, LED boards or a combination thereof. The berm is the result of cutting the seating bowl into a

hillside, and as such its exterior elements consist of sloping landscaped earth, concrete pedestrian paths with concessions, and restrooms.

PROJECT SQUARE FOOTAGE BREAKDOWN
Revised Industry Business Center Project

Building #	Proposed Use	Stories	Square Footage (SF)
1	Office	4	207,000
2	Office	4	207,000
3	Parking Structure	2	N/A
4	Office	2	45,000
5	Office	2	57,000
6	Office	3	45,000
7	Office	2	45,000
8	Office	2	45,000
9	Parking Structure	3	N/A
10	Restaurant/Retail/Office	4	80,000
11	Retail/Office	4	80,000
12	Retail/Office	4	160,000
13	Parking Structure	4	N/A
14	Restaurant/Retail	3	155,000
15	Retail/Live Theatre	4	140,000
16	Office	3	45,000
17	Retail/Office	3	90,000
18	Movie Theatre	2	60,000
19	Retail	2	140,000
20	Office	4 5	250,000
21	Retail	4	100,000
22	Retail	3	90,000
23	NFL Stadium	N/A	1,000,000*
24	Medical Office/Training Facility	1	215,000
25	Restaurant	1	8,500
26	Retail	1	11,000
27	Restaurant	1	5,000
28	Retail	1	12,500
29	Retail	1	4,500
30	Restaurant	1	8,500
31	Office	4	207,000
32	Office	4	207,000
33	Retail/Restaurant	1	11,000
34	Retail	1	15,000
35	Retail	1	15,000
36	Restaurant	1	12,000
37	Retail	1	15,000
38	Restaurant	1	10,000
39	Restaurant	1	3,000
40	Restaurant	1	7,000
41	Retail	1	12,000

* The actual square footage of the stadium varies depending on how square footage is calculated; therefore, 1,000,000 square feet is only an approximation of the stadium square footage.