

City of Garden Grove

Water Park Hotel

Mitigated Negative Declaration



Prepared by the City of Garden Grove
October 2010

1.0 PROJECT DESCRIPTION

1.1 INTRODUCTION

The City has received a request for the development of a water park hotel facility on a 12.1 acre site located on the west side of Harbor Boulevard, north of Garden Grove Boulevard and south of Lampson Avenue. The site is currently comprised of a vacant property, a recreational vehicle park, vacant commercial structures, and two single-family homes. Four of the properties maintain a General Plan Land Use Designation of International West Mixed Use and a zoning of Planned Unit Development No. PUD-121-98. The remaining two properties maintain a General Plan Land Use Designation of Low Density Residential and a zoning of R-1 (Single-Family Residential).

Implementation of the project includes consideration by the Planning Commission and City Council of a General Plan Amendment to change the General Plan Land Use designations of the two residential properties from Low Density Residential to International West Mixed Use; a zone change to establish a Planned Unit Development (PUD) zoning with development standards for the development of the hotel and water park; and a Development Agreement for payment of development related fees. Furthermore, the Planning Commission will consider a Conditional Use Permit to allow for the sale of alcoholic beverages in the hotel and hotel restaurants, and a Tentative Parcel Map to reconfigure the existing six properties into three separate properties.

For the purposes of the environmental analysis, the "Project Site" is defined as the 12.1 acres of improved and unimproved area located on the west side of Harbor Boulevard, north of Garden Grove Boulevard and south of Lampson Avenue, which consists of the following parcels addresses as and listed as Assessors Parcel Numbers respectively: 12581, 12591, 12681, 12721 Harbor Boulevard, and 12602 and 12601 Leda Lane (APN: 231-441-27, 29, 39, & 40; 231-431-02 & 03).

The properties to the north of the site are zoned PUD-121-98 and R-1 and are developed with commercial uses and with single-family homes, respectively. The properties to the south of the site are zoned PUD-121-98 and are developed with an integrated commercial center. The properties to the east of the site, across Harbor Boulevard are zoned R-1 and are developed with single-family homes. The properties to the west of the site are zoned PUD-121-98 and R-1 and are developed with an apartment complex and a church, respectively.

This Mitigated Negative Declaration has been prepared pursuant to the California Environmental Quality Act, Public Resources Code Sections 21000, *et seq.* ("CEQA") and the Guidelines for Environmental Quality Act, California Code of Regulations, Title 14, Sections 15000, *et seq.* ("CEQA Guidelines) to determine if the proposed project has the potential to cause significant environmental impacts. The City is the Lead Agency for CEQA purposes.

1.2 PROJECT DESCRIPTION

The proposed project is the development of a hotel and water park on an approximately 12.1 acre site in the City of Garden Grove. The water park will be for hotel guests only. The proposed project will include an approximately 605 room hotel, an approximately 130,000 square foot water park, approximately 9,500 square feet of restaurant space on a detached approximately 14,850 foot restaurant pad, and a 5-level parking structure. Hotel ancillary uses will include meeting space, retail, and restaurant uses inside the hotel facility. Project approval includes: a General Plan Amendment to change the General Plan Land Use designations of two properties from Low Density Residential to International West Mixed Use; establishing a Planned Unit Development zoning with development standards; a Conditional Use Permit to allow for the sale of alcoholic beverages in the hotel and hotel restaurants; and a Tentative Parcel Map to reconfigure the existing six properties into three separate properties. A Development Agreement is also proposed.

The development will have three ingress and egress points. The main access to the site will be from a lighted intersection that will allow both left and right turns in and out of the site. The main access point will allow direct access to the project's parking structure as well as the hotel's front entrance under a decorative porte-cochere. A second egress point, that will be restricted to right turn movements, will be located south of the main entrance. The third access point will be located along the northerly property line and will be restricted to right-turns in and right-turns out of the site. This third access point will be for emergency vehicle access to the rear of the site, access to the rear loading area, and employee entrance. The parking structure for the site will be a 5-level parking structure, 50 feet in height, located toward the north and west property lines. The parking for the development totals 1,050 parking spaces, which, with the exception of seven parking spaces located between the porte-cochere and the front property line, are within the confines of the parking structure.

Surrounding the site, on the northerly, westerly, and southerly property lines will be a minimum 8-foot high decorative wall that will separate the subject site and adjacent properties. The wall is required for screening and sound attenuation.

Landscaping will be provided within the project as well as along Harbor Boulevard. The landscaping along Harbor Boulevard will include a double row of palm trees with canopy trees, shrubs, and ground cover that will match the landscaping treatment used at the southwest corner of Harbor Boulevard and Chapman Avenue.

The physical improvements for the project site will be compatible with the Community Design Guidelines as stated in the General Plan. The proposed development will comply with the goals and objectives of the Community Design Element of the City's adopted General Plan including provisions for attractive building design, landscaping, and signage. All development plans will be subject to, and be governed by, the approved PUD for the site.

While aesthetic impacts are by their nature very subjective, the intent of the project is to create a themed resort environment through enhanced architectural elements as shown on the conceptual massing and building elevation plans submitted along with the PUD request. The concept has structures that vary in height and massing. The hotel structure

will be 12 stories with a height of 162 feet to the top of the parapet wall. The enclosed water park building, including a tower feature, will be 70 feet high. The height of the 5-level parking structure will be 50 feet to the top of parapet wall and the future free-standing restaurant, located toward Harbor Boulevard, will be 35 feet high.

The design of the water park building and hotel will reflect a themed architectural style, which includes a decorative porte-cochere with carved wolves, stucco and vertical siding, building pop-outs, varied roof lines, windows on the water park building facing Harbor Boulevard, water park ride tubing extruding from the front façade of the water park structure, and decorative lighting. The PUD requirements will require that the parking structure be decorative, utilizing materials and details that are used on the hotel building.

1.3 FINANCING

The site is located within the Garden Grove Agency for Community Development's Redevelopment Project Area and, as such, financing assistance has been considered for related costs and improvements necessary for the site. The project proponent has entered into a Disposition and Development Agreement with the Garden Grove Agency for Community Development that details the financing points for the project.

1.4 PREVIOUSLY APPROVED PROJECTS IN AREA

In January of 2008, the City of Garden Grove (the "City") approved the expansion of the Embassy Suites Hotel that is located approximately one mile north of the project. The project proposed the expansion of an existing 374-room Embassy Suites Hotel, including the addition of a new 17-story, 238-room hotel tower to the existing 374-room hotel, along with the addition of 56,000 square feet of new banquet and meeting rooms to the existing facility. The overall improvement plans included creating a resort type hotel, adding a new restaurant and spa, and renovating the on-site circulation and parking arrangements that will also include the two existing hotels in front of the Embassy Suites. The project has not been constructed at this time.

The project has been considered in a previously adopted Environmental Impact Report (EIR). The EIR for the General Plan 2030 update included the project's intensity in analyzing build-out within the International West Mixed Use Land Use area.

1.5 PROJECT LOCATION

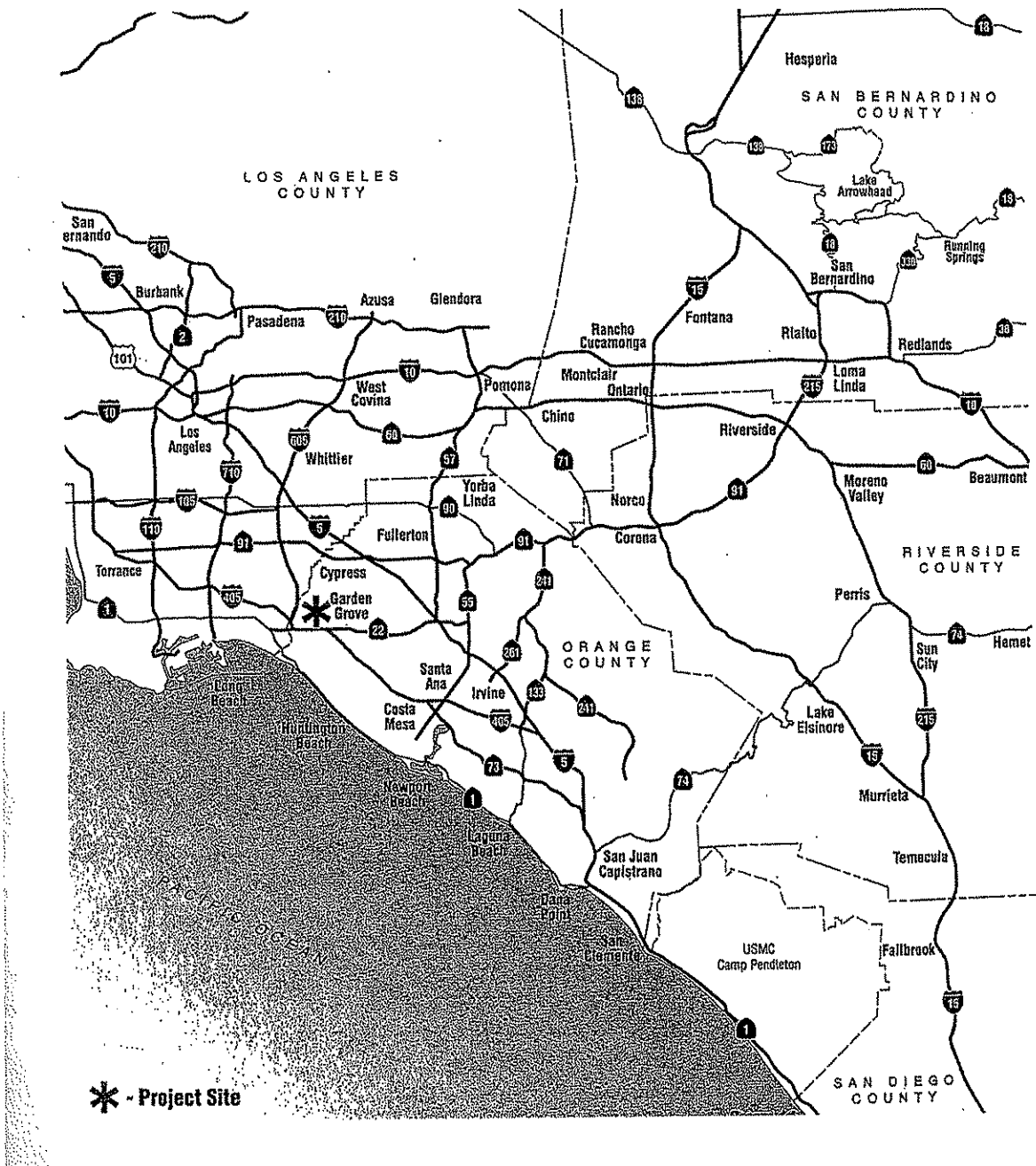
The City of Garden Grove is located in the central portion of Orange County, approximately 30 miles southeast of the City of Los Angeles (see Figure 1 for a general location). Garden Grove is bordered by the Cities of Anaheim, Stanton, and Cypress to the north, Los Alamitos to the northwest, Seal Beach to the southwest, Westminster and Fountain Valley to the south, Santa Ana to the south and southeast, and Orange to the east.

The City is in close proximity to a number of major Orange County attractions including: Disneyland and the Anaheim Convention Center, which are less than one-half mile to the north; Anaheim Stadium and "The Honda Center," which are approximately one-mile to the northeast of the City; the Pacific Ocean is nine miles to the southwest; Orange County "John Wayne Airport," is approximately seven miles to the southeast; and Knott's Berry Farm is six miles to the northwest. The Garden Grove Freeway (SR-22) runs in an east-west direction through the City. The Santa Ana Freeway (I-5) and the Orange

Freeway (SR-57), to the northeast, and the San Diego Freeway (I-405), to the southwest, provide connections to the SR-22.

The City is approximately 18.1 square miles (approximately 11,584 acres) of relatively flat topography. The average elevation is 85 feet above sea level. Most of the City is located east of Dale Street; however, there is an area west of Hoover Street, which is connected to the main portion of the City by a narrow strip of land extending along Garden Grove Boulevard. The northern boundary of the City is irregular; the furthest north the City extends is approximately 900 feet north of Katella Avenue. The southern boundary is also irregular, with a narrow strip of land extending as far south as Margarita Avenue, south of McFadden Avenue. To the west, Garden Grove extends past Valley View Street to the Bolsa Chica Channel. Much of the eastern boundary of the City is formed by Lewis Street; however, there is a small section in the southeast corner of the City, which extends beyond Lewis Street to Siemon Street.

FIGURE 1
REGIONAL LOCATION



The proposed Project Site is situated in the easterly portion of the City and is located on the west side of Harbor Boulevard, north of Garden Grove Boulevard and south of Lampson Avenue.

The proposed Project Site is in an area of Garden Grove that is developed with various residential, hotel, restaurant, and commercial uses.

1.6 ENVIRONMENTAL SETTING

The City is virtually built-out with approximately 98.4 percent of the community developed; the remaining 1.6 percent, approximately 121 acres, is vacant.

Demographics/Population

The State Department of Finance estimates that, as of May 2007, the City was home to 172,781 residents. Based on the Southern California Association of Governments, it is estimated that the City's population will be 178,457 in the year 2010 and it is estimated that the population will be 189,445 by the year 2030.

The recent demographic characteristics of the City reflect that the community is made up of approximately 30 percent Caucasian, 30 percent Asian, and 40 percent Hispanic and other.

Housing

The U.S. Census has the total number of housing for the year 2000 at 46,703 and the State Department of Finance estimates that as of May 2007 the total number of housing units in the City was 47,197. Of these, 31,150 units were considered detached. There are also 14,159 multi-family units and 1,887 mobile home units. The estimated number of residential dwelling units at year 2030 build-out is an additional 6,400 dwelling units.

Geology/Soils

While the City is not within an Alquist-Priolo Zone, the City is subject to ground shaking from a number of active or potentially active faults. Most of the City is considered to be in areas of moderate, high, or very high liquefaction potential. Much of the City is also in areas of moderate and/or high dynamic settlement potential.

Hydrology/Drainage

The City of Garden Grove is within the Westminster Watershed. The Westminster Watershed covers 74.1 square miles in the southwestern corner of Orange County. Three main tributaries drain this watershed. The Los Alamitos Channel drains into the San Gabriel River; the Bolsa Chica Channel empties into the Anaheim Bay-Huntington Harbour complex; and the East Garden Grove-Wintersburg Channel drains though Bolsa Bay into Huntington Harbour.

The City's Public Works Department, Water Services Division, is the primary water service provider of potable water to the residents of Garden Grove, serving an area of approximately 17.8 square miles. The Water Services Division is responsible for maintaining the City's wells, reservoirs, water connections for imported water, and distribution systems.

The City's Public Works Department is responsible for constructing and maintaining City flood control channels and storm drains within the City. The system is designed to

Water Park Hotel GPA-1-10(A), PUD-126-10, CUP-303-10, PM-2010-1178, DA-183-10

control the movement of rainwater to a flood control channel where it flows to the ocean. Federal, State, regional, and local regulations require the City to control the discharge of pollutants to the storm drain system.

The City of Garden Grove is within a 100-year flood hazard area. The western portion of the City is also located within the dam inundation areas of the Prado Dam and Carbon Canyon Dam. According to United States Army Corps of Engineers dam inundation maps, in the event of a dam failure at the Prado Dam, the flood wave would reach Garden Grove in approximately 7.5 hours and would be approximately 4 feet deep. If Carbon Canyon Dam failed, the flood wave would reach Garden Grove in approximately 9.25 hours and would be two feet deep.

Biological Resources

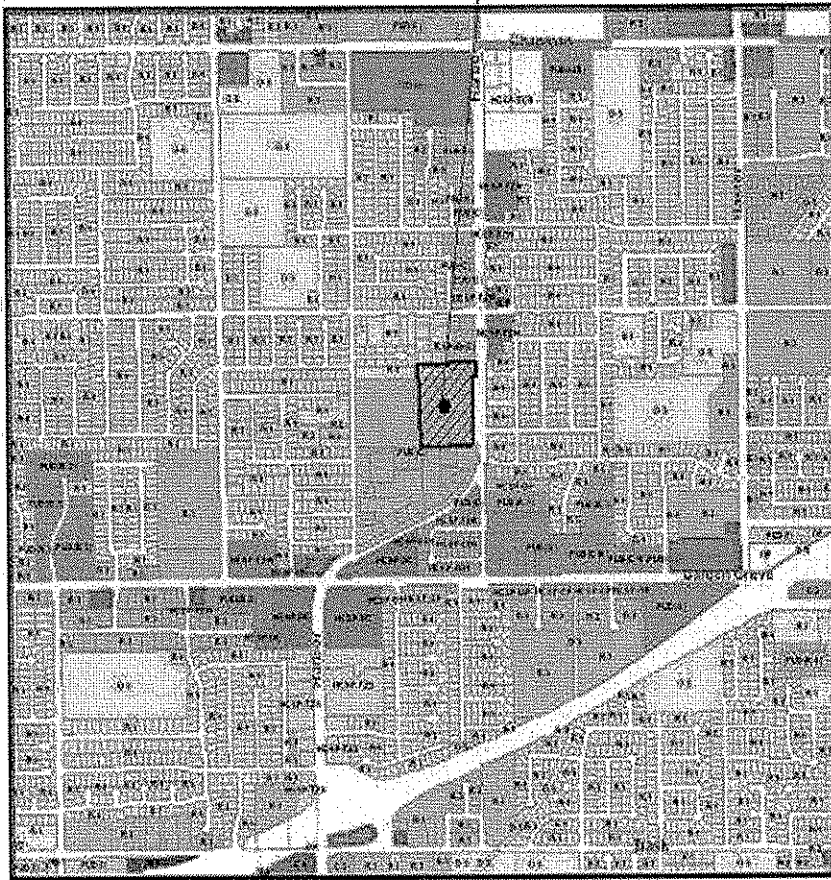
There are no known significant or endangered species present in the City.

FIGURE 2
GENERAL VICINITY



VICINITY MAP

PROJECT SITE
12581, 12581, 12581 & 12727 HARBOR BLVD.
12802 & 12801 LEDA LANE



LEGEND

 PROJECT SITE
12581, 12581, 12581
& 12727 HARBOR BLVD.
12802 & 12801 LEDA LANE



0 375 750 1500
Feet

CITY OF GARDEN GROVE
COMMUNITY DEVELOPMENT DEPARTMENT
PLANNING DIVISION
GIS SYSTEM
OCTOBER 2010

Noise

The City is impacted by freeway and roadway noise, as well as noise associated with the operations at the Los Alamitos Air Base and the railroad line (both of which are located on the western portion of the City and would not impact the Project Site).

Air Quality

The City is located in the South Coast Air Quality Basin. There are presently six ambient air pollutants which are of special concern in the Basin: carbon monoxide, ozone, sulfur dioxide, lead, particulate matter, and fine particulate matter. Federal and State standards for sulfur dioxide and lead are met in the Air Basin. The other four pollutants exceed both the State and Federal standards.

Cultural Resources

There is only one known prehistoric archaeological site in the City. This project site is not within the location identified as the prehistoric archaeological site, and, therefore, the prehistoric archaeological site will not be impacted by the proposed project. There are twelve known historic archaeological sites within the City. In addition, there are three existing historic structures that are considered candidates for nomination to the National Register of Historic Places. There are no known historical or cultural resources on the proposed project site.

Recreation

The City currently has nineteen public parks totaling 157 acres. Applying the total park acreage, the City population yields a ratio of parkland to population of .91 acres to 1,000 persons. In addition to the specific parks, the City also has six facilities that can and do incorporate unique recreational and related activities. These facilities are the Community Meeting Center, H. Louis Lake Senior Center, Garden Grove Sports and Recreation Center, Courtyard Center, and Atlantis Play Center.

Public Services

Public services include schools, libraries, and fire and police protection services.

There are seven school districts and three community college districts that serve the City. Most schools in the City are currently at, or may exceed, their designated enrollment capacity. The use of portable classrooms on their campuses helps reduce the overcrowding problems currently experienced.

The City provides fire protection throughout the community. There are currently seven stations located throughout the City, including Fire Station No. 1, which is approximately one mile east of the subject site, Fire Station No. 2, which is approximately one and a half miles north of the site, and Fire Station No. 7, which is approximately one and a half miles to the south of site. The Citywide average response time is approximately 4 minutes 25 seconds with a standard response time of being on the scene in five minutes. Due to the proximity of the Project Site to Fire Stations Nos. 1, 2, and 7, response time can be less than the average noted time.

The City of Garden Grove Police Department provides law enforcement within the community. The Garden Grove Police Department has 162 sworn law enforcement officers, 13 reserve officers, and 40 patrol cars. The current deployment standard for normal patrol conditions is one officer assigned to each patrol car. The average

Water Park Hotel GPA-1-10(A), PUD-126-10, CUP-303-10, PM-2010-1178, DA-183-10

response time for emergency 911 calls within the City is approximately 4 minutes and 24 seconds. The Department has approximately 60 civilian personnel. The Police Department has several special units and services that support the community. These include neighborhood watch, gang suppression, anti-graffiti program, school resource officers, detective services, and youth services.

The County of Orange operates three libraries within the City. The main branch is located near the intersection of Euclid Street and Garden Grove Boulevard, the two satellite branches are located near the intersections of Chapman Avenue and Brookhurst Street, and Chapman Avenue and Valley View Street.

Utilities and Service Systems

Public facilities include water, wastewater, storm drainage as well as utilities such as natural gas and electricity.

The City of Garden Grove Water Services Division is responsible for providing water throughout the City. The Division has a Capital Improvement Program that identifies and prioritizes proposed improvements to the water delivery system. Older facilities are continually replaced with newer facilities, based on priority need. The City of Garden Grove Water Services Division has not identified any deficiencies in the existing service infrastructure in the immediate area of the proposed project.

The Garden Grove Sanitary District (GGSD), as a subsidiary district of the City of Garden Grove, is responsible for the collection, treatment and disposal of wastewater within the City. The Sewage Collection System Master Plan identifies a number of deficiencies within the City associated with total build-out of the City. The Garden Grove Sanitary District installed a new sewer line to accommodate future development of this site in October 2007. Aside from this recent sewer installation, the areas that contain deficient sewer capacities would not be impacted by the proposed Project.

The Orange County Flood Control District operates and maintains a number of flood control channels within the City. The City's Public Works Department also operates and maintains several storm drainage facilities. There are areas within the City that are subject to flooding during periods of significant rainfall, none of which would be impacted by the implementation of the proposed project. The City of Garden Grove's Master Plan of Drainage identifies areas where improvements are needed to reduce the impacts from storm drainage.

Solid waste within the City is handled by the City of Garden Grove. Transfer stations in Anaheim and the Olinda/Olinda Alpha Landfill in the City of Brea are used. The City's Source Reduction and Recycling Element (SRRE) addresses waste generation within the community. Additionally, the City has adopted development standards to ensure safe and efficient recycling facilities are provided in each project.

Southern California Edison (SCE) provides electricity within the City. There are currently two SCE 220 kv high voltage easements that traverse the City, neither of which would be impacted by the implementation of the proposed Project.

The Southern California Gas Company provides natural gas within the City. Three companies currently provide cable television services: Time Warner Cable, AT&T, and Verizon. AT&T and Verizon are providers of telephone services in the City.

Hazards and Hazardous Materials

There are more than 340 businesses that handle hazardous materials within the City. Of these, seven handle acutely or highly hazardous materials. Six of the seven businesses that handle acutely or highly hazardous materials are located within the Central Industrial District. There are no Federal Superfund sites located within the City. The City of Garden Grove Fire Department is responsible for responding to hazardous material releases within the City.

The Project site is more that two miles west of a closed landfill (the former Longsdon Pit). The landfill site was formerly operated by the County of Orange and is now owned by the Garden Grove Sanitary District. When in operation, the Longsdon Pit was licensed to accept ordinary household and commercial refuse, scrap metal, and inert nondecomposable solids. The license specifically prohibited the site from accepting deleterious chemicals or liquids containing such chemicals. The landfill was closed in 1960.

Aesthetics

The City offers a variety of visual images from an aesthetic point of view. Residential areas vary in appearance from well-maintained to run-down and from dense and intense to a more spacious, open character. New residential, commercial, and industrial developments are typically attractive, while many older developments are in need of repair and/or appropriate landscaping enhancements.

Project Site

The project site is approximately 12.1 acres in size and encompasses six properties, which consist of the following parcel addresses and Assessors Parcel Numbers, respectively: 12581, 12591, 12681, 12721 Harbor Boulevard, and 12602 and 12601 Leda Lane (APN: 231-441-27, 29, 39, & 40; 231-431-02 & 03). Currently, a portion of the site is vacant with the other areas developed with commercial buildings, a recreational vehicle park, and two single-family homes. Four of the properties maintain a General Plan Land Use Designation of International West Mixed Use and a zoning of Planned Unit Development No. PUD-121-98 with the other two maintaining a Low Density Residential Land Use designation and a zoning of R-1 (Single-Family Residential). The properties to the north are zoned PUD-121-98 and R-1 and are developed with commercial uses and with single-family homes, respectively. The properties to the south are zoned PUD-121-98 and are developed with an integrated commercial center. The properties to the east, across Harbor Boulevard are zoned R-1 and are developed with single-family homes. The properties to the west are zoned PUD-121-98 and R-1 and are developed with an apartment complex and a church, respectively.

The Project Site is located along the west side of Harbor Boulevard, which is a major street that provides access through the City to cities located in North Orange County as well as the beach communities to the south.

The City adopted a General Plan 2030 Update in August of 2008, and through this action, the site's land use designation along with the area along the Harbor Corridor, north of SR-22 and Trask Avenue to just north of Chapman Avenue, was designated as International West Mixed Use. This area is more commonly referred to as International West and is intended to function as the City's Resort Area.

The International West Mixed Use designation is intended to provide for a mix of uses including resort, entertainment, retail, hotel, and some higher density residential developments that are appropriate for a major entertainment and tourism destination. Development in the area is designed to enliven the street and embody the entertainment/resort theme. While the EIR for the General Plan 2030 Update did address build out for the area, it did not address the specifics of the proposed project and therefore additional environmental review is required.

1.7 EXISTING PLANS AND POLICIES

The recently adopted General Plan land use designation for the project site is International West Mixed Use. Proposed project approvals include the adoption of a Planned Unit Development in order to implement a hotel and water park development that is consistent with the International West Mixed Use General Plan land use designation.

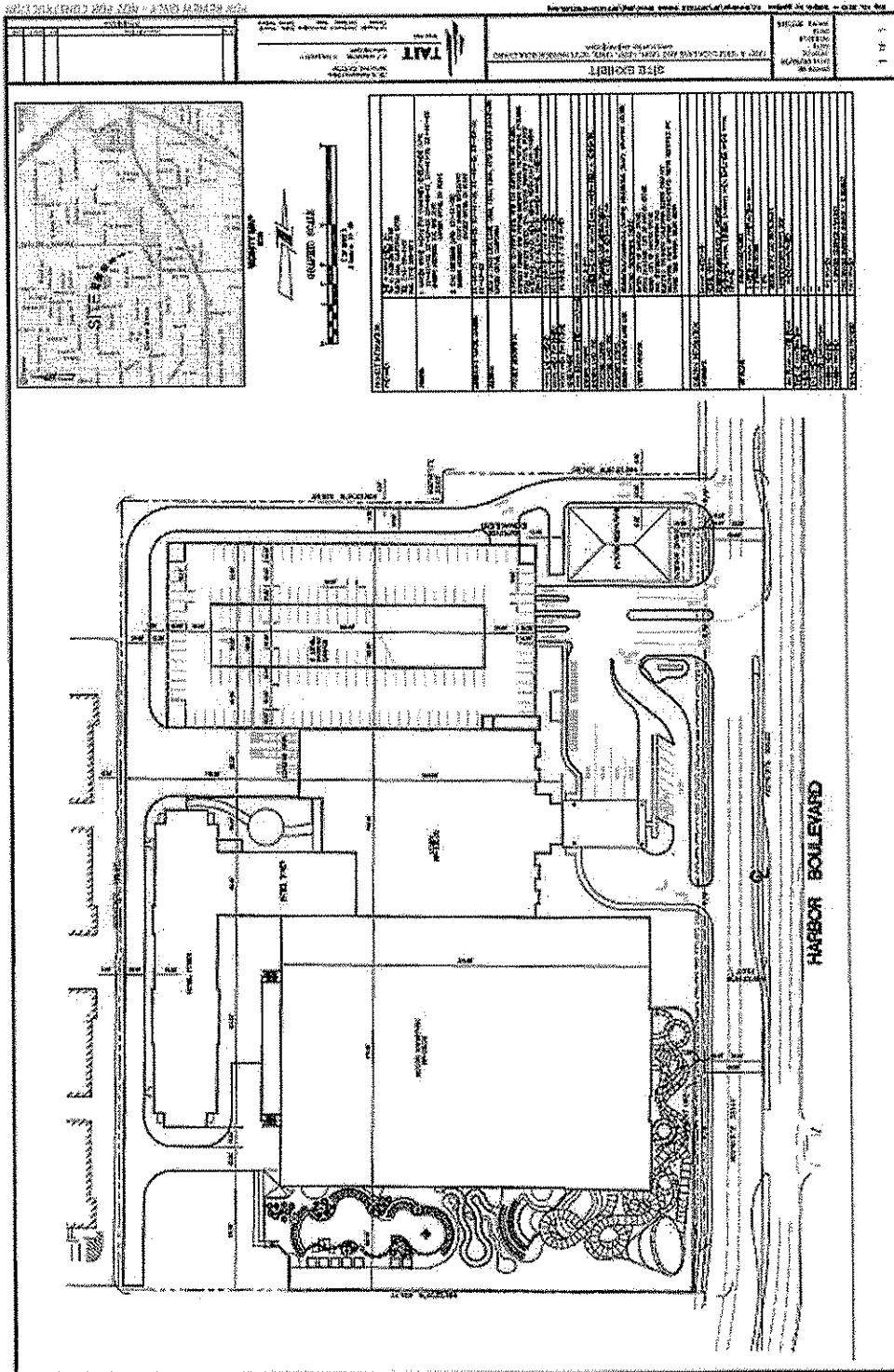
The existing zoning designations for the proposed Project Site are as follows: four of the properties maintain a General Plan Land Use Designation of International West Mixed Use and a zoning of Planned Unit Development No. PUD-121-98 with the other two maintaining a Low Density Residential Land Use designation and a zoning of R-1 (Single-Family Residential). While the two residential properties' General Plan Land Use Designations and zoning classifications are consistent with each other, they are not consistent with the remaining properties' Land Use Designations and zoning classifications. With the approval of the proposed General Plan Amendment and Zone Change to change the General Plan Land Use Designations of the two residential properties from Low Density Residential to International West Mixed Use and to change the zoning of all six properties to a new PUD designation, the Land Use Designations and the zoning of the properties will be consistent with each other.

1.8 REQUESTED DISCRETIONARY ACTIONS

Proposed Actions

General Plan Amendment to change the General Plan Land Use Designation of the two residential properties from Low Density Residential to International West Mixed Use; Planned Unit Development approval to rezone the property from R-1 (Single-Family Residential) and Planned Unit Development No. PUD-121-98 to Planned Unit Development No. PUD-126-10; a Conditional Use Permit to allow for the sale of alcoholic beverages in the hotel and hotel restaurants; and a Tentative Parcel Map to reconfigure the existing six properties into three separate properties. Approval of the proposed development agreement is also requested.

FIGURE 3
SITE PLAN



1.9 POSSIBLE ENVIRONMENTAL EFFECTS

The Mitigated Negative Declaration evaluates the potential impacts associated with implementation of the proposed Project. The Mitigated Negative Declaration provides project-level analysis of all potentially significant environmental issues. The Initial Study evaluated the following environmental disciplines for potential environmental effects associated with development of the proposed Project:

Land Use/Planning	Transportation/Traffic	Public Services/Service Systems
Population/Housing	Biological Resources	Utilities and Services
Geology/Soils	Recreation	Aesthetics
Hydrology/Water Quality	Hazards & Hazardous Materials	Cultural Resources
Air Quality	Noise	Greenhouse Gas Emissions
Mineral Resources	Mandatory Findings of Significance	Agricultural and Forestry Resources

Upon completion of the Initial Study it was determined that the project could have the following potential environmental effects: Aesthetics, Air Quality, Hydrology/Water Quality, Transportation, and Noise. As a result, measures have been recommended for incorporation into the Project to reduce potential impacts to insignificant levels. The environmental disciplines for which mitigation measures have been recommended include:

Water Quality	Aesthetics	Noise
Transportation	Air Quality	

2.0 DISCUSSION OF ENVIRONMENTAL EVALUATION

The first step in the environmental evaluation process for the Project is completion of the City of Garden Grove Environmental Checklist Form. Completion of the Checklist identifies those environmental disciplines that could have significant environmental impacts with implementation of the proposed project. Included beside each environmental discipline is a box identifying the level of potential impact associated with that discipline. A box is checked depending upon the degree of potential impact of the Project for that specific discipline.

Once the Checklist is completed, the next step is to fully explain the box that was checked. If the project is anticipated not to have an impact on a specific discipline the explanation will briefly explain why the project will not have an impact. If the project could potentially have a significant impact, the explanation will provide information explaining how the project could impact or be impacted by the discipline. For those disciplines where significant potential impacts could occur, measures are recommended that can be incorporated into the project to mitigate the impacts to a level of insignificance.

The completed Environmental Checklist Form for the Project is attached as Appendix A of this Mitigated Negative Declaration along with Technical Appendices. Below are expanded explanations to each environmental discipline listed in the Checklist. Because measures have been recommended to reduce impacts to insignificant levels, a Mitigated Negative Declaration has been prepared for the proposed Project pursuant to the California Environmental Quality Act. Written responses are provided for each discipline checked, including "No Impact."

Proposed mitigation measures, which will reduce any potentially significant impacts identified in this section to a level of insignificance, are set forth in Section 3.3.

2.1 AESTHETICS

The area in which the project is proposed to be located is not adjacent to any scenic vistas or highways. The physical improvements for the Project Site will be compatible with the Community Design Guidelines as stated in the General Plan and with other modern improvements and developments in the area. The proposed project will comply with the goals and objectives of the Community Design Element of the City's adopted General Plan, including provisions for attractive building design, landscaping, and signage.

Aesthetic impacts are by their nature very subjective. The intent is to create an attractive hotel and water park development that would add to the visual interest of the streetscape and maintain a similar ambiance with the surrounding hotel, commercial and residential areas. The immediate area surrounding the proposed project is a mix of different architectural styles, with no specific theme or consistency between developments. However, north of the project area, there are larger hotels and restaurants that, through the use of street landscaping, are consistent in character and are also consistent with the overall vision that is encouraged by the goals and objectives of the General Plan for the International West Mixed Use area.

The subject development, as proposed, along with the incorporation of recommended conditions of approval and project related implementation measures, will be compatible with the goals and objectives of the Design Guidelines contained in the City's adopted General Plan. Additionally, the project will be in harmony with the existing improvements and hotel developments in the area and will assist in improving the visual character of the site. Therefore, there will be no degradation of the existing visual character or quality of the site and the surrounding area.

The proposed Tornado waterslide that is located on the exterior of the water park building, facing Harbor Boulevard, has a metal space frame structure that is lit up with decorative LED lights that will produce a color changing light show on the outside of the waterslide. The light show is intended to run from sunset until 12:00 midnight. The structure is a three dimensional cone resting on its side with an overall height of 65 feet. The ride is mounted approximately 12 feet below the finished pavement level of Harbor Boulevard and is located approximately 25 ft. from the site's easterly property line, along Harbor Boulevard. A technical study (under separate cover) was prepared to analyze the ride's light and glare impacts. To analyze the light, a model of the ride and elevated street level was constructed in a photometric software tool. Existing streetlights were inserted in the model to establish the existing light levels at the site. The proposed LED lights were attached to the model using the maximum light output of each floodlight (all colors of LEDs operating at maximum capacity) to establish the projected lighting levels after the installation of the ride.

The study concluded that the ride's lighting will not produce what is commonly known as disability glare or discomfort glare due to the positioning of the lighting and waterslide, but it will produce a minimal amount of nuisance or annoyance glare to the surrounding residences. Furthermore, the proposed lights will add a negligible amount of light to the pavement surface of Harbor Boulevard. However, since the lighting system is DMX controlled LEDs, the lights can be dynamically dimmed through the software that is controlling the light show. Furthermore, after the installation of the lights, the light output of the light show shall be adjusted to minimize light spillage to a level that is below the limitations imposed by City Code. Therefore, based on the lighting study, the proposed mitigation measure and conditions of approval for the project, no significant negative light and glare impacts are anticipated.

In addition to the light and glare study, a shade and shadow study (under separate cover) was conducted. The study analyzes the potential shade and shadow impacts of the hotel and conference center (up to 12 floors, 162 feet in height), water park (three floors, 70 feet in height), restaurant (one floor), parking structure (5 floors, 50 feet in height) and free-standing restaurant (35 feet in height) on adjacent properties. Shading refers to the effect of shadows cast upon adjacent areas by proposed structures. Consequences of shadows upon land use may be positive, including cooling effects during warm weather, or negative, such as the loss of natural light necessary for solar energy purposes or the loss of warming influences during cool weather. Shadow effects are dependent upon several factors, including the local topography, the height and bulk of the project's structural elements, sensitivity of adjacent land uses, season, and duration of shadow projection. Facilities and operations sensitive to the effects of shading include routinely usable outdoor spaces associated with residential, recreational, or institutional uses, commercial uses such

as pedestrian-oriented outdoor spaces or restaurants with outdoor areas, nurseries, and existing solar collectors. These uses are considered sensitive because sunlight is important to function, physical comforts, or commerce.

In analyzing the project's potential shade and shadow impacts, existing and project-generated morning, noon, afternoon, and evening shade patterns were compared for each of the four seasons. The four dates used for analysis are the winter and summer solstices (December 21 and June 21), when the sun is at its lowest and highest point, respectively, and the spring and fall equinoxes (March 21 and September 21), when day and night are approximately equal length. The longest shadows are cast during the winter months and the shortest shadows are cast during the summer months.

Based on the study, the project would result in new shadows cast onto surrounding residential, commercial, and institutional uses, as well as onto adjacent roadways and sidewalks. The proposed project would not result in shadow impacts to off-site areas for more than three hours between the hours of 9:00 a.m. and 3:00 p.m. during spring, or for more than four hours between the hours of 9:00 a.m. and 5:00 a.m. during summer and fall, compared to existing conditions. Therefore during three-quarters of the year, surrounding uses would not experience shadow impacts as a result of the proposed project. However, the project would cast shadows onto two residential properties adjacent to the project site to the north for more than three-hours between the hours of 9:00 a.m. and 3:00 p.m. during the winter months. One residence is located to the northwest of the project. The other residence is located to the northeast of the project. The areas of the northwest residence that would experience shade for more than three hours include the side and front yards. These areas are not considered to be shadow sensitive areas because these areas are not traditionally used for recreational, outdoor functions like a rear yard would be used. Therefore, impacts would be less than significant with regard to the northwest residence.

The portion of the northeast residence affected by project-related shadows for more than three hours include the side and front yard areas (areas not sensitive to shadows), and rear yard area (a potentially shadow-sensitive area). However, the area of the rear yard impacted by shadows for more than three hours is occupied by mature trees, which currently cast shadows at this portion of the residence. Thus, the portion of the residence that would be shaded by the project for three hours or more in the winter months is not considered to be shadow sensitive. Also, a portion of the rear yard currently experiences shade from an adjacent residence during the 3:00 p.m. hour. Thus, shadow-sensitive areas of the rear yard at the northeast residence would not be shaded for more than three hours between 9:00 a.m. and 3:00 p.m. A less than significant impact would occur in this regard. Therefore, as no significant impacts would result upon project implementation as they relate to shade and shadow, no mitigation measures are required.

Proposed mitigation measures, which will reduce any potentially significant impacts identified in this Section 2.1 to a level of insignificance, are set forth in Section 3.3.

2.2 AGRICULTURE AND FOREST RESOURCES

The project is located in an urbanized area that includes commercial and residential uses. The project is not zoned for farmland or forestland and is not located within an area that is used or zoned for farming or forest uses. The project will conform to the site's zoning, and the site and existing on-site structures are not subject to a Williamson Act contract. Therefore, the project will not conflict with the existing zoning of the site or a Williamson Act contract. The site has an existing General Plan Land Use Designation of Low Density Residential and International West Mixed Use and a zoning of R-1 (Single-Family Residential) and Planned Unit Development No. PUD-121-98. The existing zoning of the site, which allows for single-family homes, hotels, entertainment uses, and commercial uses will be changed to allow for the development of the proposed water park hotel. No impacts are anticipated to agricultural or forest resources.

No further mitigation required.

2.3 AIR QUALITY

The California Air Resources Board (CARB) has divided the state into air basins that share similar meteorological and topographical features. The project site is within the South Coast Air Basin, and thus, within the South Coast Air Quality Management District (SCAQMD). SCAQMD has adopted both regional and localized air quality significance thresholds. A project's air quality impacts can be separated into short-term impacts from construction and long-term permanent impacts from project operations. An Air Quality Study (under separate cover) was prepared to analyze the project's potential short-term and long-term air quality impacts.

Short-term impacts generally include fugitive dust from construction activities (i.e., demolition, grading, and dirt-hauling) and gaseous emissions from the use of heavy equipment in addition to the use of solvents and paint at the project site. These impacts may occur on a regional and local scale. The project is expected to begin construction in late 2010 and be completed by 2013. Project construction will include demolition of existing uses, grading, construction of project facilities, painting/architectural coating, and site paving. The project's potential short-term impacts were calculated and compared to SCAQMD significance thresholds. The project's unmitigated daily emissions during construction do not exceed any SCAQMD regional significance thresholds. The project's unmitigated construction emissions, however, exceed SCAQMD localized significance thresholds for particulate matter, PM10. According to SCAQMD criteria, the maximum amount of PM10 that may be released in a 24-hour period is 55 pounds per day. It is anticipated that, without imposing any mitigation measures, the maximum PM10 that would be released during project construction would be 62.5 pounds per day. Therefore, mitigation measures are required in order to reduce the project's potential short-term air quality impacts. After implementation of the identified air quality mitigation measures, all construction emissions will be reduced to a level considered less than significant.

Long term operational impacts typically include vehicles traveling in and out of the project site and land use emissions. Based on the study, no potential long-term impacts will exceed the SCAQMD significance thresholds. Therefore, operational emissions are not significant and require no mitigation.

While paint, coatings, solvents, and gas powered vehicles and equipment will be used, no significant objectionable odors would be created during construction or operation of the proposed development. According to the Air Quality Study, the project will not exceed any objectionable odor threshold and no mitigation measures are required.

Proposed mitigation measures which will reduce any potentially significant impacts identified in this Section 2.3 to a level of insignificance are set forth in Section 3.3.

2.4 BIOLOGICAL RESOURCES.

The project is located within a highly urbanized area and is devoid of any native vegetation. There are no identified species or habitats on the site. The site has been used for recreational vehicle park, commercial/retail uses, and two single family homes for many years with a portion of the site remaining vacant and unimproved. The now-vacant portion of the site had previously been developed with a motel. There are no areas where any type of favorable habitat has existed on the site for at least the past 30 years, and, therefore, the site does not support any significant biological resources. Endangered species are not expected to occur in the area due to the lack of suitable habitat.

The project site does not contain any standing surface water. Therefore, there would be no potential impact on riparian habitats or other sensitive riparian natural communities. Additionally, there would not be any potential impacts on federally protected wetlands, marsh, or vernal pools.

The project does not conflict with any local policies or ordinances protecting biological resources. Additionally, as indicated in the Environmental Impact Report for the City of Garden Grove's 2030 General Plan Update, the projected development intensity for the International West Mixed Use area would not conflict with any local, regional or state habitat conservation plan. No biological resource impacts are anticipated.

No further mitigation required.

2.5 CULTURAL RESOURCES

The site is located in an urbanized area, and, according to the Environmental Impact Report that was prepared for the City of Garden Grove's General Plan 2030 Update, no significant historical, archeological, paleontological, or geological resources were identified within the International West Mixed Use area. Nor were any known burial sites identified within the project site area. In addition, the Native American Heritage Commission was consulted, and no Native American resources were found within one-half mile of the site. Further, a large percentage of the site has already been altered by previous development on the site. However, the project includes earthmoving and the excavation of soils. If unanticipated archeological resources, paleontological resources, or human remains are discovered during construction, all attempts will be made to preserve in place or leave in an undisturbed state in compliance with CEQA Section 21083.2. No cultural resources impacts are anticipated.

No further mitigation required.

2.6 GEOLOGY AND SOILS

According to the Environmental Impact Report prepared for the City of Garden Grove General Plan 2030 Update, the nearest major active fault along which a rupture or a major seismic event could occur is the Newport-Inglewood Fault. This fault is located just west of Dana Point Harbor and continues north through Newport Beach into south Los Angeles County. The seismic parameters of the site are similar to those of other areas in Orange County during the maximum credible event along the Newport-Inglewood Fault Zone that is estimated to be of 7.5 magnitude. No fault rupture is expected in the immediate vicinity of the project. Liquefaction could potentially occur during a maximum intensity event along the Newport-Inglewood fault due to the possibly saturated nature of the sandy soils in the area.

Some exposure to seismic-related hazards, therefore, is expected. All construction, however, shall comply with applicable building codes including, but not limited to, the California Building Code, Fire Code, and other related City requirements. In general, seismic issues are common for most of South California, and adherence to project design features, the California Building Code, Fire Code, and City requirements will ensure that the impacts due to seismic ground shaking or failure would be less than significant. As a result, the risk of loss, injury, or death involving seismic rupture or shaking would be considered less than significant and no mitigation measures would be necessary.

Additionally, the project area is relatively flat and, therefore, would not normally be subject to landslides or mudslides. The construction of the proposed project will likely involve excavations and such excavation work will be required to be made in accordance with all applicable codes and standards to minimize the threat of a landslide or mudslide. No impacts are anticipated.

The Environmental Impact Report for the City of Garden Grove's General Plan 2030 Update provides that, "the City of Garden Grove is characterized by gentle slopes ranging from 0 to 2 percent. Alluvial sediments, deposited by ancestral Santa Ana River, underlie the City. Alluvium sediments are typically comprised of a variety of materials including fine particles of silt and clay and larger particles of sand and gravel. The City is 99 percent built out as an urbanized city. The proposed General Plan Update focuses on preserving existing residential neighborhoods, guiding the remaining development and redevelopment opportunities and encouraging revitalization of selected areas. Much of the area available for new development or redevelopment would be on infill sites covered by primarily disturbed vegetation or impermeable surfaces. This would result in minimal soil erosion or loss of top soil." The project will require excavation and grading of the site in order to accommodate the proposed project, which will require preparation of a grading plan. Site drainage will be required to meet Engineering Services Division standards requiring storm water drainage to flow off the site. This storm water drainage, however, must also comply with applicable Water Quality Management Plan ("WQMP") provisions. This will allow the overall drainage pattern to flow to the adjoining streets or storm drains in and around the subject site depending on the magnitude of the project's intensity and density. Drainage easements may be required for storm drain purposes. The location of the easement(s) and the size of storm drains will be determined before site preparation begins. In order to mitigate potential site drainage issues, all construction involving excavation and/or grading is required to adhere to the

requirements of the Engineering Services Division. All improvements are required to adhere to applicable federal and state laws and regulations including the California Building Code, and State and Federal Occupational Safety requirements and project impacts are considered to be less than significant.

Vertical displacement or subsidence of the land surface can be caused by several factors, including the withdrawal of oil, gas, or water from underlying formations, decomposition of buried organic material, and construction of heavy manmade structures above underlying poorly consolidated materials. None of these or any other conditions typically contributing to subsidence are expected in the project area. All new construction is required to adhere to the requirements of the Engineering Services Division to address any subsidence of the land. All improvements are required to adhere to applicable federal and state laws and regulations including the California Building Code, and State and Federal Occupational Safety requirements.

Vertical displacement or subsidence of the land surface can be caused by several factors, including the withdrawal of oil, gas, or water from underlying formations, decomposition of buried organic material, and construction of heavy manmade structures above underlying poorly consolidated materials. None of these or any other conditions typically contributing to subsidence are expected in the project area. All new construction is required to adhere to the requirements of the Engineering Services Division to address any subsidence of the land. All improvements are required to adhere to applicable codes including the California Building Code, and State and Federal Occupational Safety requirements. Project impacts are considered less than significant.

Finally, the subject site and project will be served by the City's sewers system and therefore no alternative wastewater disposal system is needed to support the project.

No further mitigation required.

2.7 GREEN HOUSE GAS EMISSIONS

Since the adoption of AB 32, there has been little regulatory guidance regarding quantification of potential greenhouse gas (GHG) impacts. Given the complexity of the overall interactions between various global and regional scale air emissions, it is difficult to determine whether any proposed project would alter existing conditions. No statewide significance threshold has been adopted. Further, the recent amendments to the CEQA guidelines regarding GHG impacts do not identify a threshold of significance, nor do they specify an assessment methodology or specific mitigation measures. In the absence of a statewide significance threshold, SCAQMD is in the process of devising an acceptable methodology to properly analyze GHG emissions. Specifically, SCAQMD has recently adopted an interim GHG significance threshold of 10,000 metric tons per year (mtpy) CO₂ equivalent for projects in which SCAQMD is the lead agency.

The Harbor Boulevard Hotel and Water Park Air Quality Impact Study (under separate cover) analyzed the project's potential GHG impacts. The project GHG's emissions are generated by mobile sources, electrical use, and combustion of natural gas. These emissions include CO₂, in addition to N₂O and CH₄ that can be converted to CO₂ equivalents for study purposes. As indicated in the Air Quality Impact Study,

the URBEMIS 2007 computer program can quantify the amount of CO₂ generated by vehicles from identified area sources, however, the model does not take into account the CO₂ generated by electrical use or generation. The SCAQMD, however, has established the typical electrical usage of certain land uses based on square footage.

Using the URBEMIS 2007 model and SCAQMD figures, the Air Quality Impact Study calculated the following project emissions. Because the project's land use has an existing carbon footprint, the existing estimated GHG emissions were calculated. As indicated in Table 12 of the Air Quality Study, the existing land uses are generating 2,799.1 mtpy CO₂eq. The project is projected to generate 9,648.3 mtpy CO₂eq. The project's net GHG emissions, therefore, are 6,849.2 mtpy CO₂eq, well-below the 10,000 mtpy CO₂ eq. threshold adopted by SCAQMD.

Further, in accordance with the 2007 AQMP, the emission levels in California are estimated to be approximately 600 million metric tons of CO₂ equivalents for 2010. At approximately 6,849 metric tons per year, or 0.00685 Tg CO₂ per year, the project represents less than 0.00014 percent of California's annual emissions budget.

Finally, the project would not conflict with any applicable plan, policy or regulation adopted for the purposes of reducing GHG emissions. Less than significant impacts are anticipated.

No further mitigation required.

2.8 HAZARDS AND HAZARDOUS MATERIALS

Similar to other large developments that include commercial/retail uses, hazardous materials, including paints, solvents, and other materials, may be stored on-site and utilized in daily operations or maintenance of the property. All proposed uses within the project, however, must comply with applicable Federal, State, and local regulations pertaining to the transport, storage, use and/or disposal of hazardous materials on the site. There will be no health hazards or potential for health hazards created by the proposed development or uses. The development will not create any health hazards or increase the potential of exposure to existing hazards through the day-to-day operations of the project or through any transport of hazardous materials. The project will not increase the risk of accidental explosion or release of hazardous substances or waste within one quarter mile of a school.

The project is not located on a site that has been included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5. Since the site is not located on a hazardous materials site, no impact is anticipated.

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The project would not physically interfere with an adopted emergency response plan or emergency evacuation plan.

Finally, the project is within a highly urbanized area and is not located adjacent to any wildlands or an area where residences are intermixed with wildlands. Therefore,

based on the location of the project, no exposure of people or structures to a risk of loss, injury, or death involving a wildfire is anticipated.

No further mitigation required.

2.9 HYDROLOGY AND WATER QUALITY

The federal Clean Water Act establishes a framework for regulating potential water quality impacts from construction activities through the National Pollutant Discharge Elimination System (NPDES) program. Construction activities that involve more than five acres are required to obtain coverage under the NPDES Permit for storm water discharges. The proposed project is required to comply with State regional, and local water quality standards, including the requirements of the California Regional Water Quality Board implementing the NPDES program and the requirements of the Garden Grove Sanitation District and the Garden Grove Public Works Water Services Division.

A Water Quality Impact Report (under separate cover) was conducted for the project that addressed water quality and run-off issues that may arise due to the construction and operation of the proposed project. The project site is located within an urbanized area with existing residential, and commercial uses. The area surrounding the site is almost entirely covered with impermeable surfaces. The site has been designed to minimize the drainage slopes across the site, thereby decreasing storm water velocities. The decreased velocity will minimize the amount of pollutants transported from the site. Also, the parking stalls, land widths, and other impermeable areas have been set at the minimum in order to maximize landscaped area. Impermeable areas are separated to the maximum extent practicable, and therefore minimize directly connected impervious areas. The project design also includes the installation of on-site catch basins and hydrodynamic separators that will treat water before entering the public storm drain system. The project will receive its water from municipal supply, not onsite groundwater resources. Construction of the proposed project would not substantially alter the existing drainage pattern or increase offsite storm water flows. The project is not expected to result in storm water flows which could exceed capacity or existing or planned storm water drainage systems. The project is not anticipated to substantially deplete groundwater supplies or to interfere with the recharge capability of any aquifers. When the applicable NPDES provisions are implemented, the project will not result in violations of any water quality standards or waste discharge requirements. With application of the identified mitigation measures, the proposed project would not result in significant impacts to hydrology and water quality.

The project area is located within 100-year flood zone (Flood Zone Map, Flood Zone "A" 060220-0143-H, December 3, 2009). The western portion of the City is located within the dam inundation areas of the Prado Dam and Carbon Canyon Dam. Prado dam is located approximately 24 miles northeast of Garden Grove, on the Santa Ana River, west of the City of Corona. The Prado dam provides flood control and water conservation storage for Orange County. The Carbon Canyon Dam is located approximately 14.1 miles northeast of the City, and along with the Brea and Fullerton dams, provides flood protection for the coastal plains of Orange County.

Titles 6, 9, and 14 of the City's Municipal Code provide regulations to minimize flooding, and losses resulting from flooding. In particular, Title 9, Chapter 12 establishes a Flood Hazard Overlay Zone which includes the City's floodplain management regulations. The risk of flood is also addressed in the City's Emergency Management Plan. In addition, grading improvement plans will be required to address potential flooding in designing the placement of the buildings, the height of the building pads, and related improvements to ensure the development meets the Federal Emergency Management Agency ("FEMA") requirements. Compliance with the City's Municipal Code, the City's Emergency Management Plan and grading improvement plan restrictions reduce potential flood impacts a level of less than significance.

Seiches, tsunamis, and mudflows are not anticipated to occur in the vicinity of this project due to its distance from the coast, absence of large bodies of water, or hilly or mountainous areas that potentially could cause mudflows.

Proposed mitigation measures which will reduce any potentially significant impacts identified in this Section 2.9 to a level of insignificance are set forth in Section 3.3.

2.10 LAND USE AND PLANNING

The project site area has approximately half of the site vacant and unimproved and the other half occupied with two vacant commercial buildings, a recreational vehicle park, and two single family homes that will be completely removed upon improvement of the site with the intended development. The proposed Planned Unit Development zoning designation and subsequent intended development of the site is compatible with the surrounding area in intensity and density, and will not disrupt the physical arrangement of any existing residential, or commercial, or office development in the area. During construction there may be disruptions in traffic patterns or an increase in noise. These impacts are considered to be less than significant as these disruptions are temporary in nature and were addressed in the Environmental Impact Report for the City's General Plan 2030 Update.

The subject site is comprised of six properties with a combined land area of 12.1 acres. Four of the properties maintain a General Plan Land Use Designation of International West Mixed Use and a zoning of PUD 121 98 with the other two maintaining a Low Density Residential Land Use designation and a zoning of R 1 (Single Family Residential). The International West Mixed Use Land Use designation and Zoning allow for resort, entertainment, retail, hotels and higher density residential that are appropriate for a major entertainment and tourism destination. The Low Density Residential designation and R 1 zoning allows for the development of single-family residential homes. The project entitlements include changing the General Plan Land Use Designation of the two residential properties from Low Density Residential to International West Mixed Use and changing their zoning from R 1 to PUD. In addition, the other properties' zoning will be changed from PUD 121 98 to PUD. Conditional Use Permit and Tentative Parcel Map applications are also included as part of the entitlement submittal. The proposed project will include an approximately 605 room hotel, an approximately 130,000 square foot water park, approximately 18,000 square feet of retail, approximately 30,000 square feet of meeting space and restaurants within the hotel facility, a 5 level parking structure, and an approximately 14,850 square foot restaurant pad. The Conditional Use Permit application will allow

for the sale of alcoholic beverages in the hotel and hotel restaurants, and the Tentative Parcel Map will allow the applicant to reconfigure the existing six properties into three separate properties. With the changing of the two residential properties' General Plan Land Use designation and zoning, the project will be consistent with the General Plan Land Use designation and zoning of the property. Therefore, no conflict with the General Plan Land Use designation or the property's zoning is anticipated, since the project is a resort hotel with a water park component, which is the intended land use for properties within the International West Mixed Use area.

The proposed project is located within a highly urbanized area of Orange County and is in conformance with applicable federal, state and City of Garden Grove environmental requirements and plans. The project is not located within an area that is subject to any habitat conservation plan or natural community conservation plan. The Final Environmental Impact Report prepared and certified, in August 2008, as a part of the General Plan Update (State Clearinghouse No. 2008041079, the General Plan EIR), analyzed intense commercial development for this area, including hotels, restaurants, and entertainment venues, such as the proposed water park, and associated potential impacts such as increased traffic in the area, water and sewer concerns, and design issues. Projects that are proposed within this area require additional site-specific environmental studies. For the proposed project, additional studies were prepared that address traffic, air quality, water quality, noise, shade and shadow, and light and glare, and water supply (the studies have been included as attachments). The studies, along with the review of the project, indicate that the project with the implementation of the mitigation measures does not have the potential to conflict with environmental plans adopted by agencies with jurisdiction over the project.

No further mitigation required.

2.11 MINERAL RESOURCES

The City's General Plan and the Harbor Boulevard Specific Plan identify known areas with mineral resources. The project is not located in any known area with mineral resources identified in the City's General Plan or the Harbor Boulevard Specific Plan. No impacts are anticipated.

2.12 NOISE

An Acoustical Study (under separate cover) was prepared for the project that analyzed noise generated from the additional traffic the project would create (roadway noise), exterior noise generated from the water park, the loading/unloading area, the trash compactor, the parking structure, noise generated during construction of the project, and interior noise levels. Three sensitive noise areas (residential houses and apartments) are located directly north, west, and east of the project. The acceptable exterior noise level standard for residential and commercial land uses within the City is 65 dBA CNEL.

In the Acoustical Study, the RK Engineering, Group, Inc. utilized the project's Traffic Study and short-term noise measurements to calculate roadway noise projected to 2013. The results of the analysis indicated that the roadway network currently experiences noise levels of 59.4 to 68.0 dBA CNEL at a distance of 100 feet from the centerline of Harbor Boulevard. The 2013 noise levels will range from 59.5 to 68.2

dba CNEL without the project. With the project, the 2013 noise levels will range from 59.6 to 68.3 dBA CNEL. Based on the minimal projected increase, the project's contribution to the adjacent roadway noise environment is considered insignificant.

Stationary noise impacts associated with the project include trash compactor noise, loading/unloading area noise, parking structure noise, outdoor pool equipment/outdoor pool area noise, and noise from the large water tube slide ride/music equipment. The ride is identified as the Tornado waterslide that is a large cone shaped ride that is partially exposed on the exterior of the water park building facing Harbor Boulevard. According to the Acoustical Study, noise emanating from parking structure, outdoor pool equipment, and outdoor pool area will not exceed the City's noise criteria. Data from the Tornado ride was not included within the study, since the actual readings from a similar ride were unavailable. However, conditions of approval for the project will require an acoustical study to be submitted to the City along with the plans submitted for building permits demonstrating that the ride will not exceed the City's Noise Ordinance criteria. The noise created by the trash compactor and loading/unloading activities require construction of a minimum 8 foot high sound wall along the north and westerly property lines to reduce any potential noise impacts to adjacent residential uses.

Noise created by construction activity is a short-term impact. The intensity of construction activity may vary for different areas of the project site; as a result, noise levels associated with construction will vary. The peak noise level for most of the equipment that will be utilized will be approximately 70 to 90 dBA at a distance of 50 feet from the noise source. The analysis assumes a worst-case scenario. The noise levels at the property lines will fluctuate depending on the distance and number of equipment operating at the same time. According to the noise study, the noise level will range from 74.0 to 79.4 dBA equivalent noise level (Leq) during the different phases of construction. The City has adopted Noise Performance Standards from the City's Noise Ordinance and construction must follow the Noise Ordinance regulations. Mitigation measures have been recommended that would reduce potential construction noise impacts to a less than significant level. Furthermore, in order to ensure that any noise generated by the project, whether it is from a stationary, interior, or roadway source, is reduced to a level of insignificance, additional mitigation measures have been recommended. Therefore, with the implementation of the recommended mitigation measures and conditions of approval for the project, noise generated by the project is considered less than significant.

The project site is not located within an airport land use plan, within two-miles of a public airport or public use airport, or within the vicinity of private airstrip. No impacts are anticipated.

Proposed mitigation measures which will reduce any potentially significant impacts identified in this Section 2.12 to a level of insignificance are set forth in Section 3.3.

2.13 POPULATION AND HOUSING

There are two single family residential units existing on the site that will be displaced as a result of the proposed development. These residential units are not designated as affordable housing. This minimal displacement will not necessitate the construction of replacement housing elsewhere. The proposed development will not increase

population and housing in the immediate area, other than temporary transient occupancy due to the nature of the proposed development. In addition, the proposed project is located in a highly urbanized area and all infrastructure is already in place. The proposed development is in conformance with the development standards for the proposed zoning designation of hotel development as well as within the existing Planned Unit Development No. PUD-121-98 zoning. Additionally, the project is within the density limits permitted under the current General Plan land use designation of International West Mixed Use. The development of the project is within the thresholds that were considered and addressed within the EIR for the City's current General Plan.

No further mitigation required.

2.14 PUBLIC SERVICES

The City of Garden Grove Fire Department provides emergency response service and The City of Garden Grove Fire Department provides emergency response service to the project area. The project is not likely to induce significant growth and will not result in a substantial new demand for fire protection services. New construction, however, will occur, and due to the nature of the uses, there will be a slight increase in need for fire protection services. In order to mitigate any potential impacts associated with this development, the development shall comply with the conditions of approval of the Fire Department including but not limited to providing a fire sprinkler system, ensuring clearly unobstructed emergency paths of travel, providing and maintaining a water storage system for fire fighting purposes, and providing other regulations per the Fire Department's specifications that address this type of development.

The Garden Grove Police Department provides police protection in the area. The project is not likely to induce growth beyond that planned for the site and will not result in substantial new demand for police protection services. There are no anticipated physical changes within the area that would significantly affect police protection. However, due to the nature of the proposed use, it is likely that there will be minimal increased demand for police protection. In order to mitigate the anticipated impacts associated with the project, such as an increase in calls for service, the development shall comply with the conditions of approval of the Police Department.

The proposed development is a transient use that will not increase the number of children within the Garden Grove Unified School District. This development is subject to the applied mitigation school fees currently applied to new development in the City by the Garden Grove Unified School District. The Developer shall provide the Community Development Department proof of payment of appropriate school fees, adopted by the Garden Grove Unified School District, prior to the issuance of building permits in accordance with the provisions of state law.

The proposed development is not located on a site that was previously developed as a park or is a site that is designated for park land. The proposed project includes an indoor water park facility that will provided recreation for persons staying at the hotel. The project will not require the creation of additional parkland. The proposed project

would not result in population growth which could otherwise increase the burden on parks and/or other recreational facilities.

It is not anticipated that the project will increase demands on other governmental services other than those addressed in this analysis.

No further mitigation required.

2.15 RECREATION

The proposed project is a hotel with a large water park amenity for guests staying at the hotel. Based on the commercial/resort orientation of the project, no increase in use of the existing parks within the immediate area is anticipated that could substantially cause the deterioration of an existing park.

The project itself involves the construction of recreational and community facilities for which this initial study analyzes the impacts of construction. The project is not creating housing that would require the creation of open space or require the payment of park in-lieu fees to assist in mitigating the impacts to the existing park system within the City.

No further mitigation required.

2.16 TRANSPORTATION

A Traffic Study (under separate cover) was prepared for the subject project. The Traffic Study analyzes existing traffic conditions as well as the projected traffic that the subject project would generate and has recommended mitigation measures to reduce any potential impacts. The Study concluded that the project is expected to generate approximately 2,981 trips per day with 190 net vehicles per hour during the AM peak hour and 284 vehicles per hour during the PM peak hour. The study analyzed the Level of Service (LOS) of intersections within the area of the site that would be directly impacted by the proposed project. According to the City's updated General Plan, the acceptable Level of Service (LOS) for intersections within the City is D or better. For project build out (year 2013) without project traffic conditions, all intersections that were studied are projected to operate at an acceptable level with the exception of two intersections: Harbor Boulevard/Blue Spruce Avenue and Harbor Boulevard/Trask Avenue. For Project build out (year 2013) with project traffic conditions, all intersections that were studied are projected to operate at acceptable levels of service during peak hours, except for the two intersections at Harbor Boulevard/Trask Avenue and Harbor Boulevard/Blue Spruce Avenue.

However, it should be noted that an impact to an intersection is also considered significant if the Intersection Capacity Utilization (ICU) value at a lighted intersection is increased by more than 1%. The Harbor Boulevard/Trask Avenue is a lighted intersection that currently maintains an LOS of D in the AM peak hours and E in PM peak hours. With project conditions, the intersection will operate at the same level of service. With project conditions, however, the ICU value at this intersection will increase by 1% or greater. Therefore, it is recommended that northbound right turn overlap phasing be installed. While this will not alter the level of service at this intersection, it will reduce the ICU value, thereby reducing the impact to the

intersection to a level of less than significance. The Harbor Boulevard/Blue Spruce intersection is not a lighted intersection and the LOS has not changed.

Finally, during construction, increased vehicle trips or traffic congestion may occur, but would be temporary in nature and would not create a significant impact. All projects involving construction in the public right-of-way will be required to submit a traffic safety plan to minimize traffic congestion. Therefore, with the appropriate mitigation measures, any potential impacts to the area can be mitigated to a level of less than significance.

Emergency access to the proposed development and surrounding area will not be impacted. The project has been reviewed by emergency personnel and it has been determined that there is adequate emergency access. Police and Fire services in the area are adequate to accommodate the development provided the project complies with the conditions of approval.

The proposed development would not impact existing or proposed policies pertaining to public transportation, bicycle, or pedestrian facilities, and alternative transportation. It should be noted that mass transit stops are in close proximity to the development and will not change with the development of the proposed project.

2.17 UTILITIES AND SERVICE SYSTEMS

The project area is a highly urbanized area and storm water drainage facilities are in place and adequate to meet the needs for this area including those generated by this project. As explained above, the project is required to implement the requirements of the Regional Water Quality Control Board. As a result, the proposed project would not exceed treatment requirements of the Regional Water Quality Control Board.

Because the proposed project met the thresholds established by Senate Bill 610, a Water Supply Assessment Study (WSA), under separate cover, was prepared to assess the availability of water to serve the project over a 20 year period. The assessment reached the following conclusions:

In 2009/10, the City's water demand was approximately 25,820 AFY which was actually 3,480 AFY less than what was projected in the 2005 Urban Water Management Plan and 3,972 less than what was projected in the 2008 Water Master Plan. These water demands include unaccounted for water. This means that City businesses and residents are using less water than was originally forecast, which is likely due to a number of factors including:

1. The 2005 UWMP and 2008 Water Master Plan conservatively over-estimated water demand;
2. Water demand is being reduced due to effective conservation efforts being undertaken by the City and its constituents and increased water efficiencies resulting from more stringent building codes and more efficient fixtures/appliances (e.g., high-efficiency clothes washing machines, low- and ultra low-flow toilets, waterless urinals, etc.);
3. 2009/10 was the first year the Metropolitan Water District of Southern California ("Metropolitan") enacted its Water Allocation Plan;
4. The City adopted substantial water rate increases over the past few years;
5. The overall economic downturn has had an impact on water demands; and

6. Precipitation was above average for 2009/10.

Given all of these factors, it would not be prudent to use last year's actual water demand as a normal year demand for the purposes of projecting demands into the future. However, it is recognized that some of the reduction in demand over the past few years is, and will continue to be, permanent. Therefore, it is recommended that the projections included in the 2008 Water Master Plan, which included a detailed review of land use development projections and the corresponding additional water demand growth, be adjusted downward slightly at the initial (2010) period and then followed from 2010 into the future for purposes of additional water demand growth. At the end of the 20-year planning period, City water demand for 2029/30 is projected to be approximately 30,472 AFY including the proposed project.

Since the proposed project was a part of the Harbor Boulevard Development Area, which was included in the land use and water demand projections of the 2008 Water Master Plan, it can be considered included in these projections. The proposed project's estimated net additional demand of 139 AFY can then be subtracted from the 30,472 AFY, generating a total 2030 demand without the proposed project of 30,333 AFY. It should be noted that the additional net demand for the proposed project is less than 0.5 percent of the total projected Citywide demand at the end of the 20-year planning period.

Analysis of water supply projections for the City demonstrates that projected supplies will meet demands through fiscal year 2029/30. These projections consider water development programs and projects, as well as water conservation, as described in the City's 2005 UWMP (Urban Water Management Plan) and Metropolitan's Draft 2010 Regional Urban Water Management Plan (RUWMP), August 2010. Metropolitan's 2010 RUWMP projects significant surplus supply conditions in all normal, single dry, and multiple dry-year scenarios. Since the City's original demand projections that were provided to the Municipal Water District of Orange County (MWDOC), and in turn Metropolitan, were higher than the revised projections, Metropolitan's demand projections should be overstated and also include the proposed project's demands. The City's groundwater and imported water supplies are anticipated to remain stable based on Orange County Water District (Orange County Water District) and Metropolitan studies and reports.

The City's water supply projection is based on utilizing up to 62 percent groundwater (normal, single dry and multiple dry years) based on an expected average long-term BPP (Basin Production Percentage), and its share of imported water is confirmed as reliable by Metropolitan. Analysis of normal, single dry, and multiple dry year scenarios also demonstrate the City's ability to meet demand during the 20-year planning period.

Additionally, if required by extraordinary circumstances, the City can meet its water demand by (1) increasing production of groundwater beyond the BPP up to the basin safe yield; (2) increasing imported water purchases; and/or (3) decreasing demand through water conservation measures, which has proven to be extremely effective over the past year and under Metropolitan's Water Allocation Plan.

Reliability of future water supplies to the region will be ensured through continued implementation of the OCWD Groundwater Management Plan, OCWD's Long Term Facilities Plan, local agency programs, and the combined efforts and programs among member and cooperative agencies of Metropolitan. These agencies include all water wholesalers and retailers, the Orange County Sanitation District, the Santa Ana Regional Water Quality Control Board, and the Santa Ana Watershed Project Authority.

Collectively, the information included in the WSA identifies a sufficient and reliable water supply for the City, now and into the future, including a sufficient water supply for the proposed project.

The Garden Grove Sanitary District provides sewer service to the City of Garden Grove. The Garden Grove Sanitary District and the Orange County Sanitation District charge fees for sewerage connection. These fees are required to construct new sewer infrastructure and/or incremental expansions to the existing sewerage system to accommodate individual development. New developments are not permitted to connect to sewer systems unless there is sufficient capacity to accommodate the new development. Therefore, new development is not permitted to exceed the available capacity of wastewater conveyance systems or treatment facilities. The Garden Grove Sanitary District has concluded that the existing infrastructure and wastewater treatment capacity is sufficient to meet projected increased sewage flows from the proposed project. No new or expanded wastewater treatment facilities would be required.

Solid waste disposal services are administered by the Garden Grove Sanitary District. Collection services are provided via a contract with a private trash collection contractor. According to the Garden Grove Sanitary District, there is sufficient capacity to accommodate the solid waste generated by the project. As part of the development of this site, the overall solid waste disposal system will be coordinated with the Garden Grove Sanitary District and their contractor for specific matters such as trash pick up times, number and types of trash receptacles, and the locations of such trash receptacles.

No further mitigation required.

2.18 MANDATORY FINDINGS OF SIGNIFICANCE

Based on the above analysis and the mitigation measures set forth in Section 3.0 of this Mitigated Negative Declaration, the Project would not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory.

Based on the above analysis and the mitigation measures set forth in Section 3.0 of this Mitigated Negative Declaration, implementation of the proposed Project would not have the potential to achieve short-term, to the disadvantage of long-term, environmental goals.

Based on the above analysis and the mitigation measures set forth in section 3.0 of this Mitigated Negative Declaration, implementation of the proposed Project would not have impacts that are not individually, but cumulatively considerable ("cumulatively considerable" means the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of current projects and the effects of probable future projects).

Implementation of the proposed project would not have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly.

3.0 MITIGATION MONITORING

3.1 INTRODUCTION

In accordance with CEQA Section 21081.6, a Mitigation Monitoring Program has been prepared for the Project. CEQA states that a public agency shall adopt a reporting or monitoring program for the changes to the project that it has adopted or made a condition of approval in order to mitigate or avoid significant effects on the environment. The report or monitoring program shall be designed to ensure compliance during project implementation.

The discussion in Section 3.0 recommends several mitigation measures that shall be incorporated into the Project to reduce or eliminate potential adverse effects. Measures described herein are to be applied in addition to Project compliance with all applicable federal and California law, including, but not limited to, the Clean Water Act as implemented through the NPDES Program, the California Building Code and applicable City codes and ordinances.

The Mitigation Monitoring Program contained in this Section 3.0 lists each required mitigation measure categorized by impact area, with an accompanying identification of the factors listed below. Measures are numbered sequentially. For each mitigation measure the following items are specified:

- Implementation mechanism;
- Timing and verification; and
- Responsible Agency

The Mitigation Monitoring Program will serve to document compliance with adopted mitigation measures and conditions of approval required to render insignificant the project's potential environmental impacts.

The Agency and Project developer shall demonstrate compliance with each mitigation measure in a written report submitted to the applicable enforcement agency prior to the specified compliance date and provide periodic (at a minimum annual) reports regarding compliance with such conditions.

It is further referenced that any mitigation measure and implementation measure identified in the General Plan 2030 Update Program EIR for the Brookhurst Triangle not listed here, shall still be applied and implemented as part of this mitigation-monitoring program.

3.2 PROJECT SUMMARY

The proposed project is the development of a hotel and water park on an approximately 12.1 acre site in the City of Garden Grove. The water park will be for hotel guests only. The proposed project will include an approximately 605 room hotel, an approximately 130,000 square foot water park, approximately 9,500 square feet of restaurant space on a detached approximately 14,850 foot restaurant pad and a 5-level parking structure. Hotel ancillary uses will include meeting space, retail, and restaurant uses inside the hotel facility. Project approval includes: a General Plan Amendment to change the General Plan Land Use designations of two properties from Low Density Residential to

Water Park Hotel GPA-1-10(A), PUD-126-10, CUP-303-10, PM-2010-1178, DA-183-10

International West Mixed Use; establishing a Planned Unit Development zoning with development standards; a Conditional Use Permit to allow for the sale of alcoholic beverages in the hotel and hotel restaurants; and a Tentative Parcel Map to reconfigure the existing six properties into three separate properties. A Development Agreement is also proposed.

3.3 MITIGATION MONITORING PROGRAM

Mitigation Measure	Verification	Timing	Responsible Party
Air Quality			
Vehicle Emissions			
All construction contractors shall comply with applicable SCAQMD regulations.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Construction equipment shall be maintained in proper tune.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Utilize gasoline or electric powered equipment instead of diesel equipment whenever possible.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Suspend use of heavy construction equipment during first stage smog alerts.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
All construction vehicles shall be prohibited from idling more than five minutes.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Encourage use of "clean diesel" equipment if modified engines (catalyst equipped or newer Moyer Program retrofit) are available.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Fugitive Dust Emissions and Control			
Water all active construction areas three times a day.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Cover all haul trucks or maintain at least 2 feet of freeboard capacity on trucks hauling dirt.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works

Mitigation Measure	Verification	Timing	Responsible Party
Pave or apply water three times daily to all unpaved parking or staging areas.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Reduce speed on unpaved roads to less than 15 mph.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Sweep or wash any site access points within 30 minutes of any visible dirt deposition on any public roadway.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Cover or water twice daily any on-site stockpiles of debris, dirt or other dusty material.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Suspend all operations on any unpaved surface if winds exceed 25 mph.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Limit daily disturbance area to 5-acres or less.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Off-site Impacts			
Encourage car-pooling for construction workers.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Limit lane closures to off-peak travel periods.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Park construction vehicles off traveled roadways.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Wet down or cover dirt hauled off-site.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works

Mitigation Measure	Verification	Timing	Responsible Party
Wash or sweep access points daily.	Grading and building inspections	During grading and building construction	Director of Community Development/Public Works
Encourage receipt of materials during non-peak traffic hours.	Grading and building inspections	During grading and building construction	Director of Community Development/Public Works
Sandbag construction sites for erosion control.	Grading and building inspections	During grading and building construction	Director of Community Development/Public Works
Operational Emissions Reduction Measures			
1. Encourage the building design to exceed the minimum statewide energy requirements of Title 24; this may include but is not limited to: <ul style="list-style-type: none"> a. Use of low emission water heaters. b. Use of central air/heating systems. c. Use of energy efficient appliances. d. Use of increased insulation. e. Use of energy efficient parking lot lights. f. Use of lighting controls and energy efficient lighting. 	Grading and building inspections	During grading and building construction	Director of Community Development/Public Works
Transportation Management Techniques to Reduce Vehicle Emissions			
Encourage use of shuttle service, public transit, and carpooling.	Grading and building inspections	During grading and building construction	Director of Community Development/Public Works
Participate in City's existing TDM (Transportation Demand Management) programs.	Grading and building inspections	During grading and building construction	Director of Community Development/Public Works

Mitigation Measure	Verification	Timing	Responsible Party
Encourage a mix of uses on the site (i.e. hotel, restaurant, recreation, and retail) to minimize off-site travel.	Grading and building inspections	During grading and building construction	Director of Community Development
Aesthetics			
Light and Glare			
The project shall comply with the City's Municipal Code regarding lighting and shall not produce light and glare above what is permitted by the City Code. After the installation of the waterside lighting, but prior to final of building permits for the project, the light output of the light show shall be adjusted to a level that is satisfactory to the City, that will minimize light spillage, and will not produce a light above what is allowed by City Code.	Grading and Building Plan Review Inspections	Prior to final of building permits	Director of Community Development
Noise			
Roadway Noise Reduction Measures			
Provide a 5-foot high shielding wall along the exterior patio of the future restaurant pad.	Building Plan Review and Inspections	Prior to final of building permit for future restaurant	Director of Community Development
Stationary Noise Reduction Measures			
Provide an 8-foot high shielding wall along the north, south, and west property lines.	Building Plan Review and inspections	Prior to final of building permit	Director of Community Development
Delivery truck operations and loading and unloading activities shall be limited to daytime hours between the hours of 7:00 a.m. to 10:00 p.m.	Grading and Building inspections and during operation of project	On going	Director of Community Development/ Police Department/ Code Enforcement
Idling trucks shall be limited to five minutes in length.	Grading and Building Inspections and during operation of project	On going	Director of Community Development/ Police Department/ Code Enforcement
Any trash compactor/pool equipment shall be shielded by a parapet wall, or fully enclosed. The mechanical	Building Plan Review and Inspections	Prior to final of building permit	Director of Community Development/ Code Enforcement

Mitigation Measure	Verification	Timing	Responsible Party
equipment shall be placed at a distance furthest from the nearest residential dwelling units. The height of the walls shall be at least as high or higher than the mechanical equipment.			Development
The parking structure shall have 4-foot high shielding walls for each floor that faces the northerly and westerly residential units.	Building Plan Review and Inspections	Prior to final of building permit	Director of Community Development
All water park mechanical equipment shall to be fully enclosed or inside the indoor water park.	Building Plan Review and Inspections	Prior to final of building permit	Director of Community Development
Noise levels of the speakers located along the sidewalk shall not exceed approximately 70.0dB at a distance of two feet away from the source. In any case the noise levels shall not exceed the noise levels that are permitted by the City of Garden Grove's Noise Ordinance.	Building inspection	Prior to final of building permit and on going	Director of Community Development
Once the project is in operation, noise monitoring shall occur to ensure that the project site is operating within the Noise Ordinance City's criteria.	After final	On going	Director of Community Development
Construction Noise Reduction Measures			
All construction operation shall follow the City's General Plan and Noise Ordinance criteria.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Construction operation shall not occur during the hours of 10:00 p.m. – 7:00 a.m.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
During construction, the contractor shall ensure all construction equipment is equipped with appropriate noise attenuating devices.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Idling equipment shall be turned off when not in use.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works
Equipment shall be maintained so that parts of vehicles and their loads are secured from rattling and banging.	Grading and building inspections	During grading and building construction	Director of Community Development/ Public Works

Mitigation Measure	Verification	Timing	Responsible Party
Transportation			Development/ Public Works
On-site			
Construct the on-site circulation system per the detailed site plan	Grading and Building Plan Review Inspections	Prior to final of building permits	Director of Community Development/ Public Works
Provide the following project access points.	Grading and Building Plan Review Inspections	Prior to final of building permits	Director of Public Works
a. Project Access 1 - right in/out only access.			
b. Project Access 2 – full access, signalized.			
c. Project Access 3 – right out only access.			
Install stop signs, stop bars, and stop legends at Project Access 1 and Project Access 3.	Grading and Building Plan Review Inspections	Prior to final of building permits	Director of Public Works
Area-wide			
Complete any remaining street half-section improvement on Harbor Boulevard, directly adjacent to the project boundaries.	Grading and Building Plan Review Inspections	Prior to final of building permits	Director of Public Works
The project should participate in the installation of the following off-site improvements:	Grading and Building Plan Review	Prior to final of building permits	Director of Public Works
a. Harbor Boulevard (NS) at Project Access 1 (EW):			
It should be noted that an SB exclusive right turn only lane is not necessary at this intersection due to the low volumes of right turning vehicles during the peak hours.			
b. Harbor Boulevard (NS) at Project Access 2 (EW):			
1. Install traffic signal.			
2. Install NB left turn pocket with 150 feet of storage. Refer to Section 6.0 of the Traffic Study (under separate cover) for the minimum queuing capacity required for this lane.			
3. The project site plan utilized in the Traffic Study shows a southbound exclusive right-turn lane at this intersection. Given the results of the queue analysis shown in Section 6.0 of the Study, it is concluded that an exclusive right-turn lane is not required at this intersection. An extra set of the			

Mitigation Measure	Verification	Timing	Responsible Party
<p>Traffic analysis ICU worksheets for this intersection, analyzed without an exclusive southbound right-turn lane, is available in Appendix B of the Traffic Study.</p>			
<p>c. Harbor Boulevard (NS) at Trask Avenue (EW): Install NB right turn overlap traffic signal phase.</p>	Grading and Plan Review	Prior to final of Building Permit	Director of Public Works
<p>Traffic signing/stripping should be implemented in conjunction with detailed construction plans for the project site.</p>			
<p>Water Quality</p>			
<p>On-site catch basins and hydrodynamic separator(s) shall be installed to treat storm water run-off.</p>	Grading and Plan Review and Inspection	Prior to final of Building Permit	Director of Public Works
<p>All required NPDES provisions shall be implemented in order to ensure that there is no impact on water quality.</p>	Grading and Plan Review and Inspection	Prior to final of Building Permit	Director of Public Works
<p>Any water that is pumped out will be subject to the discharge requirements of the Regional Water Quality Control Board, the Garden Grove Sanitation District, and the Garden Grove Public Work's Water Services Division.</p>	Inspection	Building and Grading Inspections	Director of Public Works

4.0 PERSONS CONTACTED AND REFERENCES

4.1 CITY OF GARDEN GROVE

Community Development Department

Susan Emery, Director
Karl Hill, Planning Manager
Ding Victoria, Building Manager
Lee Marino, Senior Planner

Economic Development

Greg Blodgett, Senior Redevelopment Manager

Police Department

Ed Leiva, Sergeant, Intelligence Investigator

Fire Department

Dave Barlag, Deputy Chief/Operations

Public Works

Bill Murray, City Engineer
Dan Candelaria, Traffic Engineer
David Entsminger, Water Services Division Manager

4.2 OTHER ORGANIZATIONS AND INDIVIDUALS CONTACTED

Trae Rigby, McWhinney
Kim Perry, McWhinney
Michael Silvey, Tait and Associates
RK Engineering Group
LBD Incorporated
Michael Swan, PSOMAS
Native American Heritage Commission

4.3 REFERENCES

City of Garden Grove General Plan 2030 Update, August 2008.

City of Garden Grove Existing Conditions Report, August 2008.

City of Garden Grove Final Environmental Impact Report for the General Plan 2030 Update, August 2008, State Clearinghouse No. 2008041079.

State of California, CEQA - California Environmental Quality Act, Statutes and Guidelines

Title 9 of the Garden Grove Municipal Code.

Water Park Hotel GPA-1-10(A), PUD-126-10, CUP-303-10, PM-2010-1178, DA-183-10

4.4 TECHNICAL STUDIES

1. Water Quality Impact Report, (Revised) September 14, 2010
2. Harbor Boulevard Hotel and Water Park Air Quality Impact Study (Revised) September 14, 2010
3. Harbor Boulevard Hotel and Water Park Acoustical Study (Revised) September 14, 2010
4. The Garden Grove Water Park Hotel Traffic Impact Study (Revised) September 14, 2010
5. Shade and Shadow Study September, 2010
6. Garden Grove Lighting Study dated August 4, 2010/Exhibits dated August 2, 2010
7. Water Supply Assessment dated October 2010

5.0 DISTRIBUTION LIST

State Clearinghouse
P.O. Box 3044
Sacramento, CA 95812-3044

Matthew Fertal, City Manager
City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840

City of Garden Grove Fire Department
David Bertka, Fire Chief
11301 Acacia Parkway
Garden Grove, CA 92840

City of Garden Grove Community Development
Susan Emery, Director
11222 Acacia Parkway
Garden Grove, CA 92840

City of Garden Grove Police Department
Joe Polisar, Police Chief
11301 Acacia Parkway
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City of Garden Grove Public Works Department
Keith Jones, Director
13802 Newhope Street
Garden Grove, CA 92843

City of Garden Grove Engineering Division
William E. Murray
11222 Acacia Parkway
Garden Grove, CA 92840

Garden Grove Unified School District
Dr. Laura Schwalm, PhD, Superintendent
10331 Stanford Avenue
Garden Grove, CA 92840

Pacific Bell
13062 Euclid Street
Garden Grove, CA 92841

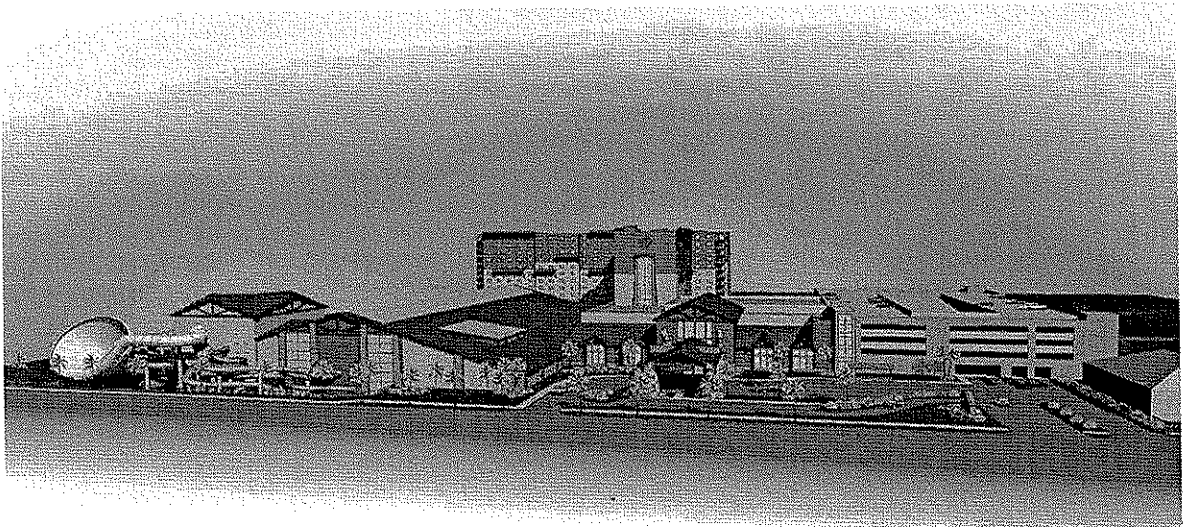
Southern California Edison Company
Planning Department
1241 S. Grand Avenue
Santa Ana, CA 92706

Southern California Gas Company
District Operations Manager
12631 Monarch Avenue
Garden Grove, CA 92841-9998

Time-Warner
General Manager
7441 Chapman Avenue
Garden Grove, CA 92841

Orange County Public Library
Garden Grove Regional Branch
11200 Stanford Avenue
Garden Grove, CA 92840

**RESPONSE TO COMMENTS
FOR
WATER PARK HOTEL
MITIGATED NEGATIVE DECLARATION**



December 15, 2010

WRITTEN COMMENT LETTERS AND RESPONSES:

All correspondence from those agencies or individual comments on the Draft Mitigated Negative Declaration is reproduced on the following pages. Following each comment letter are responses to each letter.

Comment Letters

A total of two written comment letters were received at the end of the 30 day public review period.

1. Department of Toxic Substances Control, letter dated December 3, 2010, received December 6, 2010.
2. Department of Transportation, letter dated December 6, 2010, received December 6, 2010.
3. Governor's Office of Planning and Research, State Clearinghouse and Planning Unit, letter dated December 7, 2010.



Linda S. Adams
Secretary for
Environmental Protection



Department of Toxic Substances Control

Maziar Movassaghi
Acting Director
5796 Corporate Avenue
Cypress, California 90630



Arnold Schwarzenegger
Governor

RECEIVED
CITY OF GARDEN GROVE

DEC 6 2010

COMMUNITY DEVELOPMENT
PLANNING SERVICES

December 3, 2010

Mr. Lee Marino
City of Garden Grove, Department of Planning
11222 Acacia Parkway
Garden Grove, California 92840

DRAFT MITIGATED NEGATIVE DECLARATION FOR WATER PARK HOTEL (SCH#
2010111029)

Dear Mr. Marino:

The Department of Toxic Substances Control (DTSC) has received your submitted document for the above-mentioned project. As stated in your document: "The project site is located on the west side of Harbor Boulevard, south of Lampson Avenue and north of Garden Grove Boulevard in the City of Garden Grove. Currently, the project site has an RV Park, 1,600 square foot drinking place and 8,265 square foot specialty retail center. The existing structures will be razed for new construction. The project site IS located directly adjacent to residential units to the west, residential and commercial uses to the north, commercial uses to the south, and residential uses to the east, across Harbor Boulevard. The proposed project will consist of site grading, infrastructure design (electrical, parking, etc.), the construction of a 605 room resort hotel with a water park included for hotel guests only and approximately 9,500 square feet of restaurant space included on-site via a detached PAD. Hotel ancillary uses will include meeting space, retail, 5-level parking structure, and restaurant uses inside the hotel".

Based on the review of the submitted document DTSC has the following comments:

- 1) The ND should identify and determine whether current or historic uses at the project area may have resulted in any release of hazardous wastes/substances.
- 2) The document states that the ND would identify any known or potentially contaminated sites within the proposed project area. For all identified sites, the ND should evaluate whether conditions at the site may pose a threat to human health or the environment. Following are the databases of some of the regulatory agencies:

- National Priorities List (NPL): A list maintained by the United States Environmental Protection Agency (U.S.EPA).
 - EnviroStor, a database primarily used by the California Department of Toxic Substances Control, at [www. Envirostor.dtsc.ca.gov](http://www.Envirostor.dtsc.ca.gov).
 - Resource Conservation and Recovery Information System (RCRIS): A database of RCRA facilities that is maintained by U.S. EPA.
 - Comprehensive Environmental Response Compensation and Liability Information System (CERCLIS): A database of CERCLA sites that is maintained by U.S.EPA.
 - Solid Waste Information System (SWIS): A database provided by the California Integrated Waste Management Board which consists of both open as well as closed and inactive solid waste disposal facilities and transfer stations.
 - GeoTracker: A List that is maintained by Regional Water Quality Control Boards.
 - Local Counties and Cities maintain lists for hazardous substances cleanup sites and leaking underground storage tanks.
 - The United States Army Corps of Engineers, 911 Wilshire Boulevard, Los Angeles, California, 90017, (213) 452-3908, maintains a list of Formerly Used Defense Sites (FUDS).
- 3) The ND should identify the mechanism to initiate any required investigation and/or remediation for any site that may be contaminated, and the government agency to provide appropriate regulatory oversight. If hazardous materials or wastes were stored at the site, an environmental assessment should be conducted to determine if a release has occurred. If so, further studies should be carried out to delineate the nature and extent of the contamination, and the potential threat to public health and/or the environment should be evaluated. It may be necessary to determine if an expedited response action is required to reduce existing or potential threats to public health or the environment. If no immediate threat exists, the final remedy should be implemented in compliance with state laws, regulations and policies.
- 4) The project construction may require soil excavation and soil filling in certain

areas. Appropriate sampling is required prior to disposal of the excavated soil. If the soil is contaminated, properly dispose of it rather than placing it in another location. Land Disposal Restrictions (LDRs) may be applicable to these soils. Also, if the project proposes to import soil to backfill the areas excavated, proper sampling should be conducted to make sure that the imported soil is free of contamination.

- 5) Human health and the environment of sensitive receptors should be protected during the construction or demolition activities. A study of the site overseen by the appropriate government agency might have to be conducted to determine if there are, have been, or will be, any releases of hazardous materials that may pose a risk to human health or the environment.
- 6) If during construction/demolition of the project, soil and/or groundwater contamination is suspected, construction/demolition in the area should cease and appropriate health and safety procedures should be implemented. If it is determined that contaminated soil and/or groundwater exist, the ND should identify how any required investigation and/or remediation will be conducted, and the appropriate government agency to provide regulatory oversight.
- 7) If weed abatement occurred, onsite soils may contain herbicide residue. If so, proper investigation and remedial actions, if necessary, should be conducted at the site prior to construction of the project.
- 8) If it is determined that hazardous wastes are, or will be, generated by the proposed operations, the wastes must be managed in accordance with the California Hazardous Waste Control Law (California Health and Safety Code, Division 20, Chapter 6.5) and the Hazardous Waste Control Regulations (California Code of Regulations, Title 22, Division 4.5). If it is determined that hazardous wastes will be generated, the facility should also obtain a United States Environmental Protection Agency Identification Number by contacting (800) 618-6942. Certain hazardous waste treatment processes or hazardous materials, handling, storage or uses may require authorization from the local Certified Unified Program Agency (CUPA). Information about the requirement for authorization can be obtained by contacting your local CUPA.
- 9) If buildings, other structures, asphalt or concrete-paved surface areas are being planned to be demolished, an investigation should also be conducted for the presence of other hazardous chemicals, mercury, and asbestos containing materials (ACMs). If other hazardous chemicals, lead-based paints (LPB) or products, mercury or ACMs are identified, proper precautions should be taken

Mr. Lee Marino
December 3, 2010
Page 4

during demolition activities. Additionally, the contaminants should be remediated in compliance with California environmental regulations and policies.

- 10) DTSC can provide guidance for cleanup oversight through an Environmental Oversight Agreement (EOA) for government agencies that are not responsible parties, or a Voluntary Cleanup Agreement (VCA) for private parties. For additional information on the EOA or VCA, please see www.dtsc.ca.gov/SiteCleanup/Brownfields, or contact Ms. Maryam Tasnif-Abbasi, DTSC's Voluntary Cleanup Coordinator, at (714) 484-5489.

If you have any questions regarding this letter, please contact me at ashami@dtsc.ca.gov, or by phone at (714) 484-5472.

Sincerely,



Al Sham
Project Manager
Brownfields and Environmental Restoration Program

cc: Governor's Office of Planning and Research
State Clearinghouse
P.O. Box 3044
Sacramento, California 95812-3044
state.clearinghouse@opr.ca.gov

CEQA Tracking Center
Department of Toxic Substances Control
Office of Environmental Planning and Analysis
P.O. Box 806
Sacramento, California 95812
ADelacr1@dtsc.ca.gov

CEQA # 3065

1. RESPONSES TO COMMENTS FROM AL SHAMI, PROJECT MANAGER, BROWNFIELDS AND ENVIRONMENTAL RESTORATION PROGRAM

Comments 1 through 5 and 7:

The following are responses to comments for items 1 through 5 and 7:

As a part of the project and as a condition of the development agreement between the Garden Grove Agency for Community Development and Garden Grove, MXD, LLC (the "Developer"), the Agency is required to deliver a site to the Developer that is clear of contamination. According to Paul Guerrero, Senior Economic Development Specialist from the Garden Grove Agency for Community Development, environmental assessments were prepared for the site by Phase One, Inc., consistent with EPA-established protocols to determine potential, prior site contamination from historic uses. The existing uses of the site include two single-family homes, a vacant commercial building, a vacant bar/lounge building, a recreational vehicle park, and a vacant property that was formerly developed with a motel. According to the environmental assessments that were completed, the two single-family home sites and the bar/lounge site were formerly used for agricultural purposes. It appears that the remainder of the site was used commercially.

The proposed project consists of the redevelopment of the site to include a 605 room resort hotel with a 130,000 square foot water park for hotel guests only, an approximately 9,500 square foot free-standing restaurant located on an approximately 14, 580 square foot restaurant pad, and a 5-level parking structure. Hotel ancillary uses will include meeting space, retail and restaurant uses inside the hotel facility. The five-level parking structure will be constructed over the northerly properties that are currently developed with two single-family homes and a portion of the two vacant commercial buildings. The remainder of the site that currently includes the vacant site and the recreational vehicle park will be developed with the hotel and water park and freestanding restaurant.

Based on the environmental assessments that were completed, and according to Paul Guerrero, the subject site is not on any of the lists identified in the comment. Further, the site assessments analyzed the site for contaminants that would require remediation. Due to the past agricultural uses on the properties that are now developed with single-family homes, low levels of arsenic were detected that ranged from 3.03 ppm (parts per million) to 4.90 ppm (12061 and 12062 Leda Lane). Naturally occurring arsenic ranging as high as 171 ppm in Southern California is common. These samples fall within the Department of Toxic Substance Control ("DTSC") guidelines and are considered naturally occurring background levels. As to the property located at 12062 Leda Lane only, organochlorinated pesticides were detected. Based on the soil sample results in the Phase One, Inc. report for the property, evidence of two minor areas of contamination were found that are from the previous agricultural use. However, based on the shallow nature and small footprint of the contamination, the impact is

considered insignificant to the project. Additionally, it should be noted that Phase One, Inc. concluded that the removal and confirmation sampling of these insignificant "hot spots" after demolition and prior to grading would completely eliminate any existing and/or future concerns.

Finally, the project is subject to conditions of approval that address any potential site contamination and remediation, including, but not limited to:

No. 86. Prior to obtaining any building permits, if any structure or portion thereof, is to be removed, demolished, or relocated on the subject site, a written report shall be provided verifying whether any hazardous materials exist (e.g., asbestos, lead based paint, termites or other) or do not exist to the City Building Division and the report shall declare how such hazardous material will be properly removed and properly discarded. This includes, but is not limited to, obtaining permits from the Air Quality Management District, Environmental Protection Agency and any other affected Agency by such action, which can include tenting for termites or rodents/vermin, and/or any other action to remedy the situation of hazardous type materials, termites or pests. All of which is to be done to the satisfaction of affected agencies.

No. 87. If suspected hazardous materials are discovered, the appropriate agencies will be notified immediately. Upon notification and coordination with the appropriate agencies, suspected hazardous materials will be sampled and submitted for analytical testing to a State-certified laboratory. Should such testing confirm the hazardous nature of excavated materials, they will be disposed of in accordance with State and Federal hazardous waste laws.

The above conditions further ensure that the project will comply with all environmental laws that require the remediation of any potential contamination that is found during the demolition phase of the project, the excavation of land, or the construction of on-site improvements.

Comment 6:

Comment noted. During all phases of the project, and per conditions of approval, if suspected hazardous materials are discovered, the appropriate agencies will be notified immediately. Upon notification and coordination with the appropriate agencies, suspected hazardous materials will be sampled and submitted for analytical testing to a State-certified laboratory. Should such testing confirm that the materials are hazardous, they will be disposed of in accordance with State and Federal hazardous waste laws.

Comment 8:

Comment noted.

Comment 9:

As part of the demolition of any improvement (*i.e.* building, paved areas), and prior to issuance of building permits, a written report shall be provided to the City Building Division verifying whether any hazardous materials exist (*e.g.*, asbestos, lead based paint, termites or other) or do not exist to the and the report shall declare how such hazardous material will be properly removed and properly discarded. This includes, but is not limited to, obtaining permits from Air Quality Management District, Environmental Protection Agency and any other Agency affected by such action, which can include tenting for termites or rodents/vermin, and/or any other remedial action. All of which is to be done to the satisfaction of affected agencies. The project approval includes a condition, as mentioned above, that addresses this issue.

Comment 10:

Comment noted.

DEPARTMENT OF TRANSPORTATION

District 12
 3347 Michelson Drive, Suite 100
 Irvine, CA 92612-8894
 Tel: (949) 724-2267
 Fax: (949) 724-2592



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Post-it® Fax Note	7671	Date	12/6/10	# of pages	2
To	Leo Marino	From	John Xu		
Co./Dept.	Garden Grove	Co.	Caltrans		
Phone #		Phone #	949-724-2338		
Fax #	714-741-5578	Fax #			

December 6, 2010

Leo Marino
 City of Garden Grove
 11222 Acacia Parkway
 Garden Grove, California 92840

File: IGR/CEQA
 SCH #: 2010111029
 Log #: 2619
 SR-22, 1-5

Subject: Water Park Hotel

Dear Mr. Marino:

Thank you for the opportunity to review and comment on the **Mitigated Negative Declaration and Initial Study for the Water Park Hotel Project**. The proposed project includes General Plan Amendment, Planned Unit Development, Conditional Use Permit, Tentative Parcel Map and Development Agreement, to allow for the development of an approximately 605 room hotel, an approximately 130,000 square foot water park, approximately 9,500 square feet of restaurant space on a detached approximately 14,850 foot restaurant pad and a 5-level parking structure on an approximately 12.1 acre site. The water park will be for hotel guests only. The project site is located on the west side of Harbor Boulevard, south of Lampson Avenue, north of Garden Grove Boulevard at 12581, 12591, 12681, 12721 Harbor Boulevard, and 12602 and 12601 Leda Lane in the City of Garden Grove.

The California Department of Transportation (Department), District 12 is a commenting agency on this project, and has the following comments:

1. The Department's Traffic Operations Branch requests all applicants to use the method outlined in the latest version of the Highway Capacity Manual (HCM) when analyzing traffic impacts on State Transportation Facilities. The use of HCM is preferred by the Department because it is an operational analysis as opposed to the Intersection Capacity Utilization (ICU) method, which is a planning analysis. In the case of projects that have direct impacts on State Facilities, the Department recommends that the traffic impact analysis be based on HCM method. Should the project require an encroachment permit, Traffic Operations may find the Traffic Impact Study based on ICU methodology inadequate resulting in possible delay or denial of a permit by the Department. All input sheets, assumptions and volumes on State Facilities including ramps and intersection analysis should be submitted to the Department for review and approval. Appropriate mitigation measures should be included to offset any potential impacts.

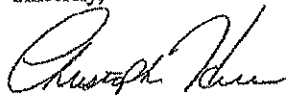
The traffic impact on the state transportation system should be evaluated based on the Department's Guide for the Preparation of Traffic Impact Studies which is available at:

<http://www.dot.ca.gov/hq/traffops/developserv/operationalsystems/reports/tisguide.pdf>.

2. It is stated in the Environmental Document that the water park is for hotel guest only. Please explain what constitutes a "hotel guest".
3. The current Traffic Impact Study (TIS) only evaluates the traffic impacts at the Project opening year 2013 with 1% growth every year for over three years from the existing conditions. A long-term future year (2035 or General Plan buildout) scenario should also be included to evaluate the Project's cumulative traffic impacts.
4. Exhibit F shows the Project's trip distribution. 25% of both Outbound and Inbound trips are anticipated on Harbor Boulevard north of Katella Avenue. These additional trips may have a significant impact on the segment of Harbor Boulevard between Katella Avenue and I-5 Freeway, including I-5 on/off-ramps and the ramp intersections. The TIS should analyze the Project's impacts on these State facilities.
5. Exhibit F shows 16% of the inbound trips using the Eastbound SR-22 off-ramp at Harbor Boulevard (South) to access the project site, which is not realistic. Please revise the TIS to allow inbound trips from Eastbound SR-22 to use the Harbor Boulevard (North) off-ramp instead.
6. Please submit calculation/output sheets including electronic Synchro files to the Department for review and provide support for any assumptions made.
7. Peak Hour Factors calculated from traffic counts should be used instead of the default values.
8. Actual signal timing should be used for signalized intersections. The Department would be happy to assist the City or its consultant in obtaining such information for State operated signals.
9. Queue length analysis should be done for Eastbound SR-22 off-ramps at Trask Avenue and Westbound SR-22 off-ramp at Harbor Boulevard.

Please continue to keep us informed of this project and any future developments, which could potentially impact the State Transportation Facilities. All future Public Notices and Environmental Documents regarding local development projects should be sent to District 12's Local Development/Intergovernmental Review Branch at 3347 Michelson Drive, Suite 100, Irvine, CA 92612. If you have any questions or need to contact us, please do not hesitate to call Zhongping (John) Xu at (949) 724-2338.

Sincerely,



CHRISTOPHER HERRE
Branch Chief, Local Development/Intergovernmental Review

c: Tetry Roberts, Office of Planning and Research

2. RESPONSES TO COMMENTS FROM CHRISTOPHER HERRE, BRANCH CHIEF, LOCAL DEVELOPMENT/INTERGOVERNMENTAL REVIEW



transportation planning • traffic engineering
acoustical engineering • parking studies

December 7, 2010

Mr. Michael Silvey
TAIT & ASSOCIATES, INC.
701 North Parkcenter Drive
Santa Ana, CA 92705

Subject: Response to Comments Made by the California Department of Transportation Pertaining to the Garden Grove Water Park Hotel Traffic Impact Study, City of Garden Grove

Dear Mr. Silvey:

RK ENGINEERING GROUP, INC. (RK) would provide the following clarifications in response to comments made by the California Department of Transportation in a letter dated December 6, 2010 pertaining to the analysis methodology of the Garden Grove Water Park Hotel Traffic Impact Study:

1. RK utilized the Intersection Capacity Utilization (ICU) methodology in order to calculate volume to capacity ratios, establish levels of service and analyze traffic impacts at signalized study area intersections. ICU methodology is the standard and preferred signalized intersection analysis methodology for most agencies within Orange County, including the City of Garden Grove, and it is also required by the Orange County Transportation Authority (OCTA). In addition, general plan traffic operating conditions for signalized intersections within the City of Garden were analyzed using ICU methodology. In order to maintain consistency and assess traffic impacts as they relate to existing and general plan conditions, it was important for the study to reflect the same methodology.
2. The proposed Garden Grove Water Park Hotel would include a water park as an amenity to the property. Only guests of the hotel who have booked rooms will be allowed to use the water park.
3. The proposed location for the Garden Grove Water Park Hotel is within the limits of the International West Mixed Use zone. The proposed land uses for the project are consistent with the zoning. Therefore, a General Plan Buildout (Year 2035) analysis is not required, since this has previously been analyzed by the City in their General Plan Update and EIR.

4000 westerly place, suite 280
newport beach, california 92660
tel 949.474.0809 fax 949.474.0902
<http://www.rkengineer.com>

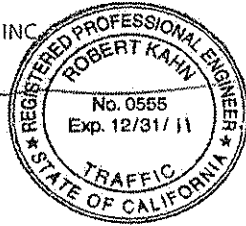
4. The location of the proposed project lends itself to easy access to many of the regional recreational opportunities, including the Disneyland theme park. Although Exhibit F of the study shows 25% of the project's trips heading northbound on Harbor Boulevard, a large majority of these trips will never reach the I-5 freeway ramps because the Disneyland theme park is situated south of these ramps. As a result, the I-5 freeway ramps north of Katella Avenue, intersecting Harbor Boulevard, are not projected to meet the criteria for a traffic impact study and will not be required to be included in the prepared study.
5. The project's trip generation and distribution figures have been carefully prepared by RK's traffic engineers with local experience in this vicinity and have been reviewed by City's traffic engineer prior to starting analysis. Both the scope of work for the traffic study and the traffic impact study itself have been approved by the City staff and followed City and OCTA process. It is not immediately clear what comment #5 pertains to in its reference to the existing SR-22 freeway interchange at Harbor Boulevard.
6. As explained in item 1 above, the methodology used to analyze traffic impacts in this study is ICU. Traffix analysis software was utilized to generate the traffic model, not Synchro software. Traffix analysis software is utilized nationally to calculate a variety of methodologies, including ICU. Additionally, the California Department of Transportation (Caltrans) Guide for the Preparation of Traffic Impact Studies also allows for the use of Traffix software.
7. Peak hour factors are consistent with the ICU methodology standards. The City and OCTA methodologies do not require a peak hour factor adjustment.
8. Traffic signal timing and other analysis assumptions used in the study are consistent with ICU standards within the City of Garden Grove and the OCTA.
9. A queue length analysis was not prepared for the EB SR-22 off-ramps at Trask or the WB SR-22 off-ramps at Harbor Boulevard because the project did not have a significant impact at these intersections.

RK is pleased to assist TAIT & ASSOCIATES, INC. on the Garden Grove Water Park Hotel and looks forward to working with you again in the future. RK's traffic impact study followed City of Garden Grove and OCTA standards. If you have any questions regarding this study, or would like further review, please do not hesitate to call us at (949) 474-0809.

Sincerely,
RK ENGINEERING GROUP, INC

Robert Kahn

Robert Kahn, P.E.
Principal



SB

Sorin Boer
Senior Engineer

RK:SB:nq/RK7930
JN:0491-2010-01

STATE CLEARINGHOUSE LETTER. – REQUIRES NO RESPONSE

Letter 3



Arnold Schwarzenegger
Governor

STATE OF CALIFORNIA
Governor's Office of Planning and Research
State Clearinghouse and Planning Unit



Cathleen Cox
Acting Director

December 7, 2010

Lee Marino
City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840

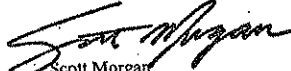
Subject: GPA=1-10(A)/PUD-126-10/CUP-303-10/PM-2010-1178/DA-183-10
SCH#: 2010111029

Dear Lee Marino:

The State Clearinghouse submitted the above named Mitigated Negative Declaration to selected state agencies for review. The review period closed on December 6, 2010, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,


Scott Morgan
Director, State Clearinghouse

**Document Details Report
State Clearinghouse Data Base**

SCH# 2010111029
Project Title GPA=1-10(A)/PUD-126-10/CUP-303-10/PM-2010-1178/DA-183-10
Lead Agency Garden Grove, City of

Type MND Mitigated Negative Declaration
Description To establish a Planned Unit Development zoning with development standards for the development of a hotel and water park on an approximately 12.1 acre site along with a General Plan Amendment to change the General Plan Land Use designations of two properties from low Density Residential to International West Mixed Use, a Conditional Use Permit to allow for the sale of alcoholic beverages in the hotel and hotel restaurants, and Tentative Parcel Map to reconfigure the existing six properties into three separate properties. The proposed project will include an approximately 605 room hotel, an approximately 130,000 square foot water park, approximately 18,000 square feet of retail space located within the facility, approximately 30,000 square feet of meeting space, restaurants within the hotel facility, a 5-level parking structure, and an approximately 14,850 square foot restaurant pad.

Lead Agency Contact

Name Lee Marino
Agency City of Garden Grove
Phone (714) 741-5312 **Fax**
email
Address 11222 Acacia Parkway
City Garden Grove **State** CA **Zip** 92840

Project Location

County Orange
City Garden Grove
Region
Lat / Long
Cross Streets West side of Harbor Blvd., south of Lampson Ave., north of Garden Grove Blvd.
Parcel No. 231-441-27, 29, 39, 40; 231-431-02,03
Township 04S **Range** 10W **Section** 34 **Base**

Proximity to:

Highways SR 22 Freeway
Airports
Railways
Waterways
Schools

Land Use The site encompasses 6 properties totaling 12.1 acres. Currently, a portion of the site is vacant with the other areas developed with, commercial buildings, a recreational vehicle park, two single-family homes, and an unimproved lot. The General Plan designation of two properties are Low Density Residential with a zoning of R-1 (Single-Family Residential). The remaining four properties maintain a General Plan Land Use designation of International West Mixed Use with a zoning of Planned Unit Development No. PUD-121-98.

Project Issues Aesthetic/Visual; Air Quality; Archaeologic-Historic; Biological Resources; Drainage/Absorption; Flood Plain/Flooding; Geologic/Seismic; Minerals; Noise; Population/Housing Balance; Public Services; Recreation/Parks; Schools/Universities; Septic System; Sewer Capacity; Soil Erosion/Compaction/Grading; Solid Waste; Toxic/Hazardous; Traffic/Circulation; Water Quality; Water Supply; Wetland/Riparian; Growth Inducing; Landuse; Cumulative Effects

Note: Blanks in data fields result from insufficient information provided by lead agency.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal
Dept.: City Manager
Subject: AVAILABLE SEWER CAPACITY FOR
WATER PARK HOTEL

From: Keith G. Jones
Dept.: Public Works
Date: January 25, 2011

OBJECTIVE

The objective is to inform the Garden Grove City Council of available sewer capacity following development of the Water Park Hotel.

BACKGROUND

Garden Grove Sanitary District (District) completed its sewer master plan during fiscal year 2005/2006. The purpose of generating the master plan was to bring the District within State Discharge Regulatory compliance and to identify areas with sewer deficiencies. These deficiencies were prioritized to first schedule construction of sewer upgrades in areas where spills were most likely to occur.

Deficiencies are routinely identified with the use of sewer modeling techniques, however, if the area of deficiency is questionable, then meters are placed in sewer manholes to measure flows for approximately ten days to verify the capacity of a particular sewer main.

DISCUSSION

Two major sewer projects, completed on Harbor Boulevard (1999) and Garden Grove Boulevard (2008) have produced the capacity required to re-develop the Harbor Boulevard corridor from Chapman Avenue to Garden Grove Boulevard.

A specific model analysis was run to account for net sewer flows anticipated from the Water Park Hotel. The results clearly demonstrate that there is a surplus of sewer capacity available. The District standard is 0.62 (d/D) for peak dry weather flows in pipes having a diameter of 18-inch or larger. The attached model run shows the highest of 0.55 (d/D) near the outlet to the Orange County Sanitation District (OCSD) trunk line (see Attachment 1). OCSD has also confirmed that it has sufficient capacity for the Water Park Hotel's anticipated wastewater flows (see Attachment 2).

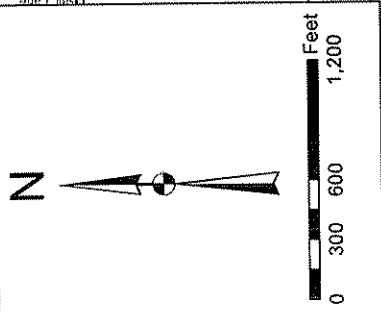
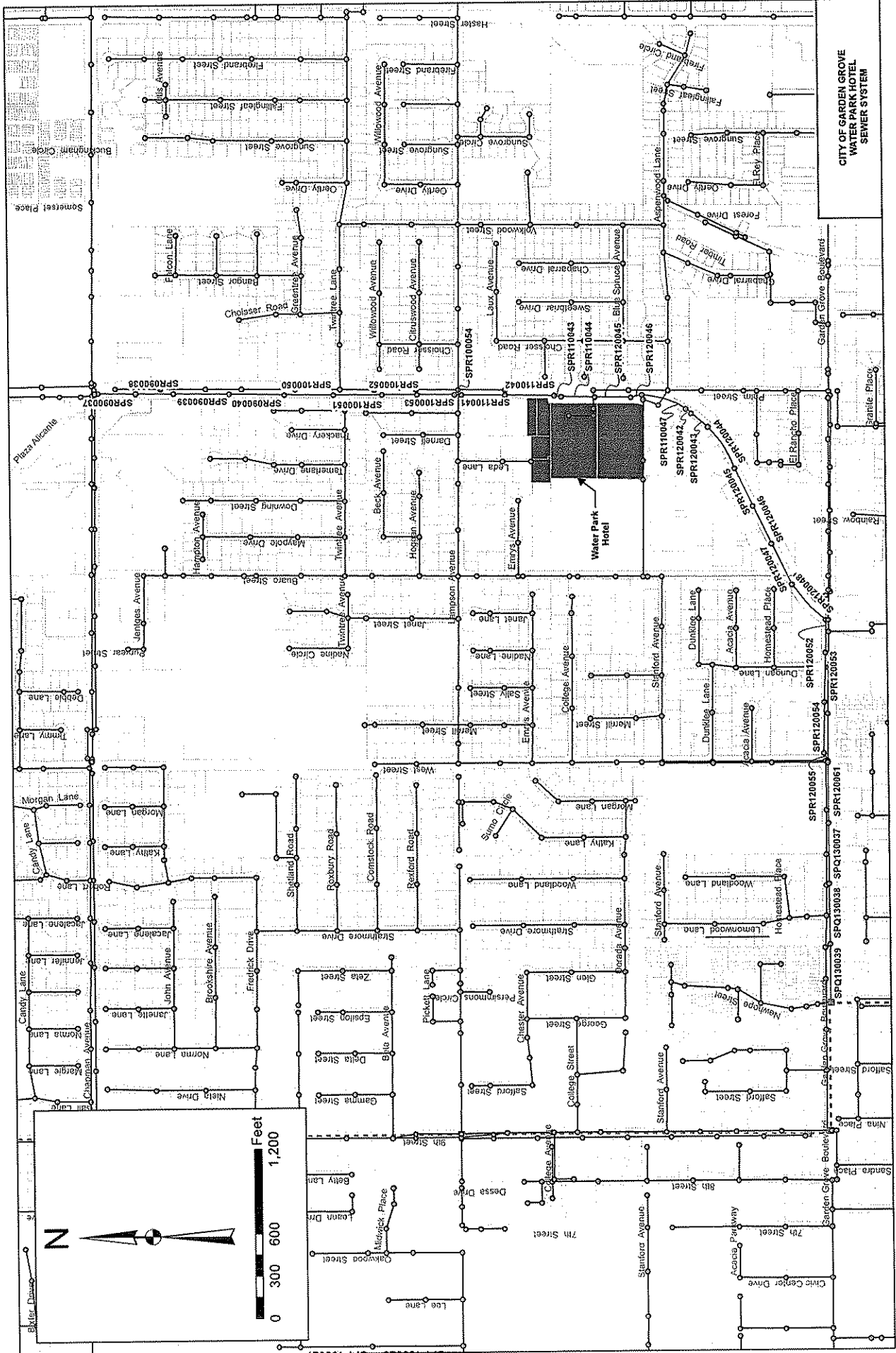
Should you have any questions, please contact David Entsminger at ext. 5349.


KEITH G. JONES
Public Works Director


By: David E. Entsminger
Water Services Manager

Attachment 1 – Water Park Hotel Sewer Analysis Results
Attachment 2 – Letter from Jim Burror, OCSD

CITY OF GARDEN GROVE
WATER PARK HOTEL
SEWER SYSTEM



Garden Grove Sanitary District
Water Park Hotel Sewer Analysis Results

Pipe ID	U/S MH ID	D/S MH ID	Diameter (in)	Length (ft)	Slope	¹ Unpeakable Flow (cfs)	² Peakable Flow (cfs)	PDWF (cfs)	PDWF Velocity (ft/s)	PDWF d/D	PDWF Water Depth (ft)	Full Flow (cfs)
SPR090037	MHR090039	MHR090040	18	266	0.0015	0.0000	0.6411	1.3286	2.07	0.39	0.59	4.0842
SPR090038	MHR090040	MHR090041	18	266	0.0015	0.0000	0.7992	1.6272	2.18	0.44	0.66	4.0830
SPR090039	MHR090041	MHR090042	18	391	0.0015	0.0000	0.9562	1.9193	2.28	0.48	0.72	4.0913
SPR090040	MHR090042	MHR100042	18	391	0.0015	0.0000	0.9562	1.9193	2.28	0.48	0.72	4.0913
SPR100050	MHR100042	MHR100043	18	346	0.0015	0.0000	0.9562	1.9193	2.28	0.48	0.72	4.0834
SPR100051	MHR100043	MHR100044	18	346	0.0020	0.0000	0.9562	1.9193	2.53	0.44	0.67	4.7031
SPR100052	MHR100044	MHR100045	18	270	0.0031	0.0000	0.9562	1.9193	2.97	0.39	0.59	5.8711
SPR100053	MHR100045	MHR100046	18	222	0.0032	0.0000	0.9562	1.9193	3.02	0.39	0.58	6.0020
SPR100054	MHR100046	MHR110042	18	45	0.0444	0.0000	0.9562	1.9193	7.70	0.20	0.30	22.1915
SPR110041	MHR110042	MHR110043	18	307	0.0015	0.0000	0.9562	1.9193	2.27	0.48	0.72	4.0767
SPR110042	MHR110043	MHR110044	18	344	0.0020	0.0000	0.9562	1.9193	2.53	0.44	0.67	4.1772
SPR110043	MHR110044	MHR110045	18	40	0.0015	0.0000	0.9562	1.9193	2.28	0.48	0.72	4.1012
SPR110044	MHR110045	MHR110046	18	234	0.0030	0.0000	1.0486	2.0892	3.00	0.42	0.62	5.7605
SPR110045	MHR110046	MHR110047	18	254	0.0024	0.0000	1.0903	2.3823	2.86	0.48	0.72	5.1614
SPR110046	MHR110047	MHR110048	18	68	0.0055	0.2166	1.0903	2.3823	3.87	0.38	0.57	7.7857
SPR110047	MHR110048	MHR120037	18	339	0.0047	0.2166	1.0903	2.3823	3.68	0.39	0.59	7.2538
SPR120042	MHR120037	MHR120038	18	44	0.0025	0.2166	1.0903	2.3823	2.90	0.47	0.71	5.2554
SPR120043	MHR120038	MHR120039	18	145	0.0024	0.2166	1.0903	2.3823	2.87	0.48	0.72	5.1711
SPR120044	MHR120039	MHR120040	18	346	0.0024	0.2166	1.0903	2.3823	2.86	0.48	0.72	5.1585
SPR120045	MHR120040	MHR120041	18	296	0.0024	0.2166	1.0903	2.3823	2.86	0.48	0.72	5.1586
SPR120046	MHR120041	MHR120042	18	296	0.0024	0.2166	1.0903	2.3823	2.86	0.48	0.72	5.1522
SPR120047	MHR120042	MHR120043	18	343	0.0024	0.2166	1.0950	2.3907	2.87	0.48	0.72	5.1743
SPR120048	MHR120043	MHR120044	18	344	0.0024	0.2166	1.0950	2.3907	2.87	0.48	0.72	5.1748
SPR120052	MHR120044	MHR120045	18	236	0.0024	0.2166	1.0950	2.3907	2.86	0.48	0.72	5.1585
SPR120053	MHR120045	MHR120047	18	346	0.0024	0.2166	1.0950	2.3907	2.87	0.48	0.72	5.1585
SPR120054	MHR120046	MHR120048	18	346	0.0024	0.2166	1.1020	2.4035	2.87	0.48	0.72	5.1585
SPR120055	MHR120047	MHR120049	18	54	0.0674	0.2166	1.1119	2.4216	9.55	0.20	0.30	27.3419
SPR120056	MHR120048	MHR120053	18	3	0.1154	0.2166	1.1119	2.4216	14.87	0.27	0.41	35.7763
SPR120061	MHR120053	MHQ120054	24	434	0.0030	0.2166	3.0380	5.7758	14.87	0.27	0.41	35.7763
SPQ130037	MHQ120054	MHQ120055	24	433	0.0030	0.2166	3.9822	7.3474	4.12	0.55	1.11	12.4195
SPQ130038	MHQ120055	MHQ120056	24	432	0.0030	0.2166	3.9822	7.3474	4.12	0.55	1.11	12.4286
SPQ130039	MHQ120056	MHQ130001	24	434	0.0030	0.2166	3.9822	7.3474	4.12	0.55	1.11	12.3951
												12.4143

¹ Unpeakable flow of 0.2166 cfs (140,000 gpd) represents the flow estimated to be generated by the proposed Hotel Water Park. 140,000 gpd is considered the peak flow.

² Peakable flow is the average flow generated by customers located upstream of the point in question. This flow is peaked using the District's peaking formula $PDWF = 2.0 \times ADWF^{0.92}$ where PDWF = peak dry weather flow and ADWF = average dry weather flow. Average flow of 0.013925 cfs (9,000 gpd) was included for the proposed free standing restaurant to be located on the Water Park Hotel site.



ORANGE COUNTY SANITATION DISTRICT

We protect public health and the environment by providing effective wastewater collection, treatment, and recycling.

January 17, 2011

Garden Grove Sanitary District
 Engineering Division
 Public Works Department
 P.O. Box 3070
 Garden Grove, CA 92842-3070

Attention: David E. Entsminger
 Water Services Manager

Subject: Wastewater Capacity in the Newhope-Placentia Trunk Sewer for the
 Water Park Hotel in the City of Garden Grove

Dear Mr. Entsminger:

There is currently adequate capacity in Orange County Sanitation District's Newhope-Placentia Trunk Sewer for the average dry weather wastewater flows that will be generated by the Water Park Hotel project and project site. OCSD is basing our response on the data supplied by a letter from AKM Consulting Engineers dated January 10, 2011(see attached.)

Please contact Principal Staff Analyst, Patrick McNelly (pmcnelly@ocsd.com) 714-593-7163) if you have any questions or require more information.

Sincerely,


 Mr. Jim Burror
 Engineering Supervisor

Cc: Mr. Zeki Kayiran, AKM Consulting Engineers
 Mr. Mike Murray, OCSD
 Mrs. Wendy Smith, OCSD

Serving
 Anaheim
 Brea
 Buena Park
 Cypress
 Fountain Valley
 Fullerton
 Garden Grove
 Huntington Beach
 Irvine
 La Habra
 La Palma
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 Orange
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 Seal Beach
 Stanton
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 Yorba Linda
 Costa Mesa
 Sanitary District
 Midway City
 Sanitary District
 Irvine Ranch
 Water District
 County of Orange



recycled paper



AKM Consulting Engineers

553 Wald
Irvine, CA 92618

Telephone: 949.753.7333
Facsimile: 949.753.7320

January 10, 2011

Water
Resources

Infrastructure

Construction
Management

Orange County Sanitation District

Engineering Planning Division

10844 Ellis Ave

Fountain Valley, CA 92708-7018

Attention: Mr. Jim Burror
Engineering Supervisor

**Subject: Sewer Capacity In Newhope-Placentia Trunk Sewer and Source Control Permit for
Water Park Hotel In the City of Garden Grove**

Dear Mr. Burror:

Water Park Hotel is a development proposed on a 12 acre site west of Harbor Boulevard, north of Aspenwood Lane, and south of Emrys Avenue. The attached figure shows the location of the project, as well as the Garden Grove Sanitary District and Orange County Sanitation District facilities that will serve the project.

The Water Park Hotel project will consist of a 605 room hotel and a free standing 9,500 square foot restaurant. The hotel will include 18,000 square feet of retail, 11,000 square feet of restaurant/snack bar, and 23,000 square feet of meeting/conference rooms. It will also include a water park with up to 9 pools, each with its filtration system, which will treat and recycle the water. The water park, retail development, the restaurant inside the hotel, and the meeting/conference rooms will be for use of the hotel guests only. The water park pool system will need to be replenished with around 15,000 gal/day due to carry off and evaporation loss. Of the carry off, a maximum of 10,000 gallons per day will enter the sewer system. Each filtration system will use 600 gallons per backwash, and the backwash of the systems is time staggered to flush only one of the systems per day.

The estimated average dry weather flow from the development is 110,850 gallons per day as detailed in the table below:

**Average Dry Weather Wastewater Flow from Proposed
Water Park Hotel Project**

Land Use	Unit	Quantity	Unit Flow Factor (GPD/Unit)	Average Dry Weather Flow (GPD)
Hotel	Rooms	605	150	90,750
Water Park Carry off to Sewer				10,000
Pool Treatment Backwash				600
Restaurant	SF	9,500	1	9,500
Total				110,850

Mr. Jim Burror

Orange County Sanitation District

January 10, 2011

Page 2

The existing land uses consist of two single family residences on one (1) acre, and 11 acres of commercial properties. Utilizing the Orange County Sanitation District's unit flow factors, the average dry weather flow from the site is estimated to be 25,609 gallons per day as detailed in the table below:

Land Use	Unit	Quantity	Unit Flow Factor (GPD/Unit)	Average Dry Weather Flow (GPD)
Estate Residential	Acre	1	727	727
Commercial	Acre	11	2,262	24,882
Total				25,609

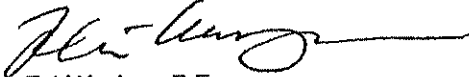
The project will cause an increase of 85,241 gallons per day in average dry weather flow.

Based upon information from the pool system designer, the pool treatment system will have an automated mechanism for adjusting the chlorine and pH of the pool waters using a chemical controller connected to acid and/or carbon dioxide pumps, as well as a chlorine pump. This will allow the operator to adjust the make-up of the water to meet the required ranges. Typically the goal is to have 1.0-3.0 ppm of free chlorine in the pool and a pH of 7.2 to 7.4. The actual dosage is dependent on the water sample at the time of measurement. The proposed design will use sodium hypochlorite, and sulfuric acid or carbon dioxide to adjust pH. Total dissolved solids will be kept under 2000 ppm. If required as part of the waste discharge procedure, sodium thiosulfate will be used to dechlorinate the water.

Please let us know if the Orange County Sanitation District's Newhope-Placentia Trunk Sewer has capacity for this increase in wastewater flows, and if a source control permit is necessary. Should you have any questions or require additional information, please do not hesitate in contacting the undersigned.

Very truly yours,

AKM Consulting Engineers



Zeki Kayiran, P.E.

Principal

Cc: Mr. Mike Murray, OCSD
Mr. David Entsminger, GGSD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADOPTING A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING PROGRAM FOR GENERAL PLAN AMENDMENT NO. GPA-1-10(A), PLANNED UNIT DEVELOPMENT NO. PUD-126-10, AND DEVELOPMENT AGREEMENT NO. DA-183-10

WHEREAS, the City of Garden Grove has received an application for General Plan Amendment No. GPA-1-10(A), Planned Unit Development No. PUD-126-10, and Development Agreement No. DA-183-10 for the establishment of a water park themed hotel resort with ancillary restaurant, retail, and meeting space uses to be developed on approximately 12.1 acres in an urbanized area in the city of Garden Grove located on the west side of Harbor Boulevard, north of Garden Grove Boulevard and south of Lampson Avenue, with addresses: 12581, 12591, 12681, and 12721 Harbor Boulevard, and 12602 and 12601 Leda Lane (Assessor Parcel Numbers: 231-441-27, 29, 39, and 40; 231-431-02 and 03)(collectively, the Project);

WHEREAS, pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000 et seq. (CEQA) and CEQA's implementing guidelines, California Code of Regulations, Title 14, Section 15000 et seq., an initial study was prepared and it has been determined that the proposed Project qualifies for a Mitigated Negative Declaration because the proposed Project with the proposed mitigation measures cannot, or will not, have a significant effect on the environment;

WHEREAS, a Mitigation Monitoring Program has been prepared and is attached to the Mitigated Negative Declaration listing the mitigation measures to be monitored during project implementation;

WHEREAS, the Mitigated Negative Declaration and Mitigation Monitoring Program was prepared and circulated in accordance with CEQA and CEQA's implementing guidelines;

WHEREAS, the Planning Commission of the City of Garden Grove held duly noticed Public Hearings on September 16, 2010 and December 16, 2010, and considered all oral and written testimony presented regarding the initial study, the Mitigated Negative Declaration, the Mitigation Monitoring Program, and the Project;

WHEREAS, the Planning Commission of the City of Garden Grove recommended approval of the Mitigated Negative Declaration, the Mitigation Monitoring Program, and the Project during its meeting on December 16, 2010;

WHEREAS, a duly noticed Public Hearing was held by the City Council on January 25, 2011, and all interested persons were given an opportunity to be heard; and

WHEREAS, the City Council gave due and careful consideration to the matter during its meeting of January 25, 2011.

NOW, THEREFORE, the City Council of the City of Garden Grove does resolve, find, and determine as follows:

1. The City Council has considered the proposed Mitigated Negative Declaration and the Mitigation Monitoring Program, together with comments received during the public review process.
2. The City Council finds on the basis of the whole record before it, including the initial study and comments received, that there is no substantial evidence that the Project will have a significant effect on the environment.
3. The City Council further finds that the adoption of the Mitigated Negative Declaration reflects the City Council's independent judgment and analysis.
4. Therefore, the City Council in regular session assembled on January 25, 2011, does hereby adopt the Mitigated Negative Declaration and Mitigation Monitoring Program.
5. The record of proceedings on which the City Council of the City of Garden Grove's decision is based is located at the City of Garden Grove, 11222 Acacia Parkway, Garden Grove, California. The custodian of record of proceedings is the Director of Community Development.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
APPROVING GENERAL PLAN AMENDMENT NO. GPA-1-10(A)

WHEREAS, the City of Garden Grove has received an application from Garden Grove MXD, Inc., for General Plan Amendment No. GPA-1-10(A), for the establishment of a water park themed hotel resort with ancillary restaurant, retail, and meeting space uses to be developed on approximately 12.1 acres in an urbanized area in the city of Garden Grove located on the west side of Harbor Boulevard, north of Garden Grove Boulevard and south of Lampson Avenue, with addresses: 12581, 12591, 12681, and 12721 Harbor Boulevard, and 12602 and 12601 Leda Lane (Assessor Parcel Numbers: 231-441-27, 29, 39, & 40; 231-431-02 & 03)(collectively, the Project);

WHEREAS, the application requests an amendment of the General Plan Land Use designation of two properties from Low Density Residential to International West Mixed Use along with a request to rezone an 12.1-acre site that is comprised of six (6) properties from R-1-7 (Single-Family Residential) and Planned Unit Development No. PUD-121-98 to Planned Unit Development No. PUD-126-10;

WHEREAS, the proposed Project includes an approximately 605 room hotel, an approximately 130,000 square foot water park, approximately 18,000 square feet of retail space located within the facility, approximately 30,000 square feet of meeting space, restaurants within the hotel facility, a 5-level parking structure, and an approximately 14,850 square foot restaurant pad;

WHEREAS, a Conditional Use Permit to allow for the sale of alcoholic beverages in the hotel and hotel restaurants, a Tentative Parcel Map to reconfigure the existing six properties into three separate properties, and a Development Agreement were also requested in the application;

WHEREAS, the Planning Commission, at a duly noticed Public Hearing held on December 16, 2010, recommended City Council approval of General Plan Amendment No. GPA-1-10(A) pursuant to Resolution No. 5719;

WHEREAS, a duly noticed Public Hearing was held by the City Council on January 25, 2011, and all interested persons were given an opportunity to be heard;

WHEREAS, the City Council gave due and careful consideration to the matter during its meeting of January 25, 2011; and

WHEREAS, the City Council approved Resolution No. [REDACTED] during its meeting on January 25, 2011, adopting a Mitigated Negative Declaration and Mitigation Monitoring Program for the Project pursuant to the California Environmental Quality Act, California Public Resources Section 21000 et seq. (CEQA) and CEQA's

implementing guidelines, California Code of Regulations, Title 14, Sections 15000 et seq.

NOW, THEREFORE, the City Council of the City of Garden Grove does resolve, find, and determine as follows:

1. Resolution No. [REDACTED] adopting a Mitigated Negative Declaration and Mitigation Monitoring Program for the Project is incorporated by reference as if set forth fully herein.

2. The City Council hereby finds and determines, as follows:

A. The General Plan Amendment is internally consistent with the goals and objectives of all elements of the City's adopted General Plan. The proposed water park hotel facility is compatible with the other existing and planned land uses in the area. The International West Mixed Use land use designation promotes the development of hotels, resorts, amusement facilities, and restaurants along Harbor Boulevard.

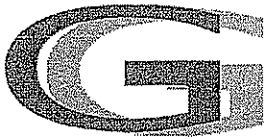
B. The General Plan Amendment will promote the public interest, health, safety, and welfare by maintaining a General Plan Land Use designation and zoning, which are consistent with the proposed use of the site and with the improvements in the area.

C. The parcels for which an amendment of the General Plan land use map is sought are physically suitable for the proposed land use designation of International West Mixed Use, as they are adjacent to similarly designated parcels and will be incorporated into the larger water park hotel facility project. In addition, the proposed use in conjunction with the Project will be compatible with surrounding land uses and consistent with the proposed General Plan Land Use designation and zoning, which are intended to foster development of hotels, resorts, amusement facilities, and restaurants along Harbor Boulevard. Potential impacts to adjacent residential uses will be adequately mitigated in conjunction with the Project.

3. The facts and reasons stated in Planning Commission Resolution No. 5719 recommending approval of GPA-1-10(A), a copy of which is on file in the Office of the City Clerk, is incorporated herein by reference with the same force and effect as if set forth in full herein.

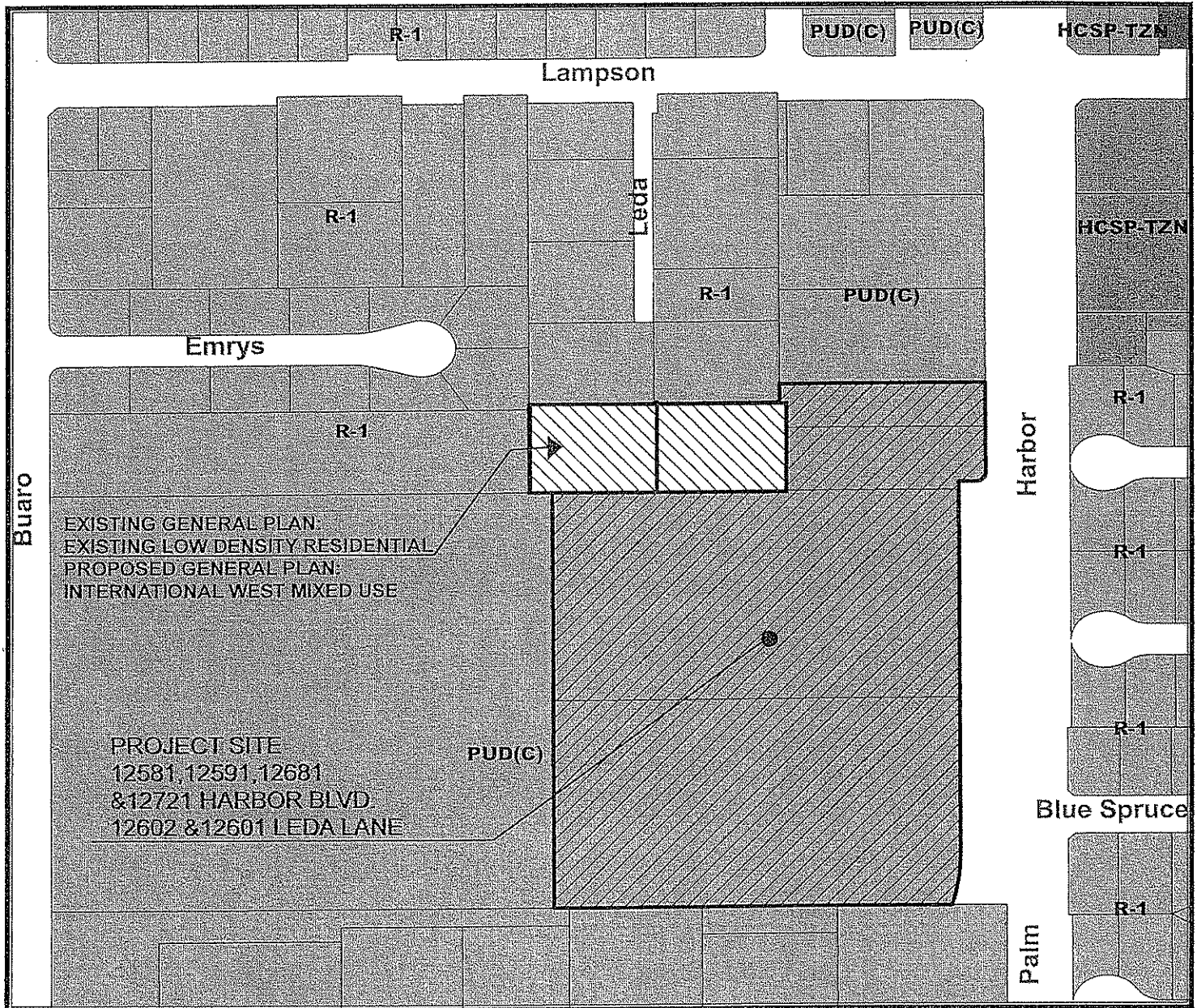
4. General Plan Amendment No. GPA-1-10(A) is hereby approved.

5. The property shown on the attached map is changed from Low Density Residential to International West Mixed Use. The General Plan map is amended accordingly.





GARDEN GROVE

GENERAL PLAN AMENDMENT NO. GPA-1-10



LEGEND

-  PROJECT SITE
-  AREA DESIGNATED FOR GENERAL PLAN AMENDMENT



NOTES

SITE ADDRESS: 12581, 12591, 12681 & 12721 HARBOR BLVD.
12602 & 12601 LEDA LANE

CITY OF GARDEN GROVE
COMMUNITY DEVELOPMENT DEPARTMENT
PLANNING DIVISION
GIS SYSTEM
SEPTEMBER 2010

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING PLANNED UNIT DEVELOPMENT NO. PUD-126-10, ENACTING A NEW PLANNED UNIT DEVELOPMENT AND ZONING REGULATIONS FOR PROPERTY CURRENTLY ZONED PLANNED UNIT DEVELOPMENT NO. PUD-121-98 AND R-1-7 (SINGLE-FAMILY RESIDENTIAL)

City Attorney Summary

This ordinance establishes planned unit development and zoning regulations for the site of the water park hotel resort proposed to be located generally on the west side of Harbor Boulevard between Lampson Avenue and Garden Grove Boulevard in the City of Garden Grove. The development and zoning regulations will authorize the establishment of a water park themed hotel resort with ancillary restaurant, retail and meeting space on the approximately 12.2 acre site.

WHEREAS, the City of Garden Grove has received an application from Garden Grove MXD, Inc., for Planned Unit Development No. PUD-126-10, enacting a new Planned Unit Development and Zoning Regulations for property currently zoned Planned Unit Development No. PUD-121-98 and R-1-7 (Single Family Residential), for the establishment of a water park themed hotel resort with ancillary restaurant, retail, and meeting space uses to be developed on approximately 12.1 acres in an urbanized area in the city of Garden Grove located on the west side of Harbor Boulevard, north of Garden Grove Boulevard and south of Lampson Avenue, with addresses: 12581, 12591, 12681, and 12721 Harbor Boulevard, 12602 and 12601 Leda Lane (Assessor Parcel Numbers: 231-441-27, 29, 39, and 40; 231-431-02 and 03)(collectively, the Project);

WHEREAS, the Planning Commission, at a duly noticed Public Hearing held on December 16, 2010, recommended approval of Planned Unit Development No. PUD-126-10;

WHEREAS, a duly noticed Public Hearing was held by the City Council on January 25, 2011, and all interested persons were given an opportunity to be heard;

WHEREAS, the City Council gave due and careful consideration to the matter during its meeting of January 25, 2011;

WHEREAS, the change from Planned Unit Development No. PUD-121-98 and R-1-7 to Planned Unit Development No. PUD-126-10 is consistent with the objectives policies, general land uses, and programs specified in the General Plan which collectively promote the development of hotels, resorts, amusement facilities, and restaurants along Harbor Boulevard within the International West Mixed Use area;

WHEREAS, the change from Planned Unit Development No. PUD-121-98 and R-1-7 to Planned Unit Development No. PUD-126-10 will insure a degree of compatibility with surrounding properties and uses by permitting development consistent with the existing land uses within the International West area including hotels, restaurants, retail, and office uses; and

WHEREAS, the City Council approved Resolution No. [REDACTED] during its meeting on January 25, 2011, adopting a Mitigated Negative Declaration and Mitigation Monitoring Program for the Project pursuant to the California Environmental Quality Act, California Public Resources Section 21000 et seq. (CEQA) and CEQA's implementing guidelines, California Code of Regulations, Title 14, Sections 15000 et seq.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, HEREBY ORDAINS AS FOLLOWS:

Section 1. Recitals. The City Council finds that the above recitations are true and correct.

Section 2. Environmental Review. City Council Resolution No. [REDACTED] adopting a Mitigated Negative Declaration and Mitigation Monitoring Program for the Project is incorporated herein by reference with the same force and effect as if set forth in full.

Section 3. Approval. Planned Unit Development No. PUD-126-10 is hereby approved, pursuant to the facts and reasons stated in Planning Commission Resolution No. 5719, a copy of which is attached to this Ordinance and incorporated herein by reference with the same force and effect as if set forth in full.

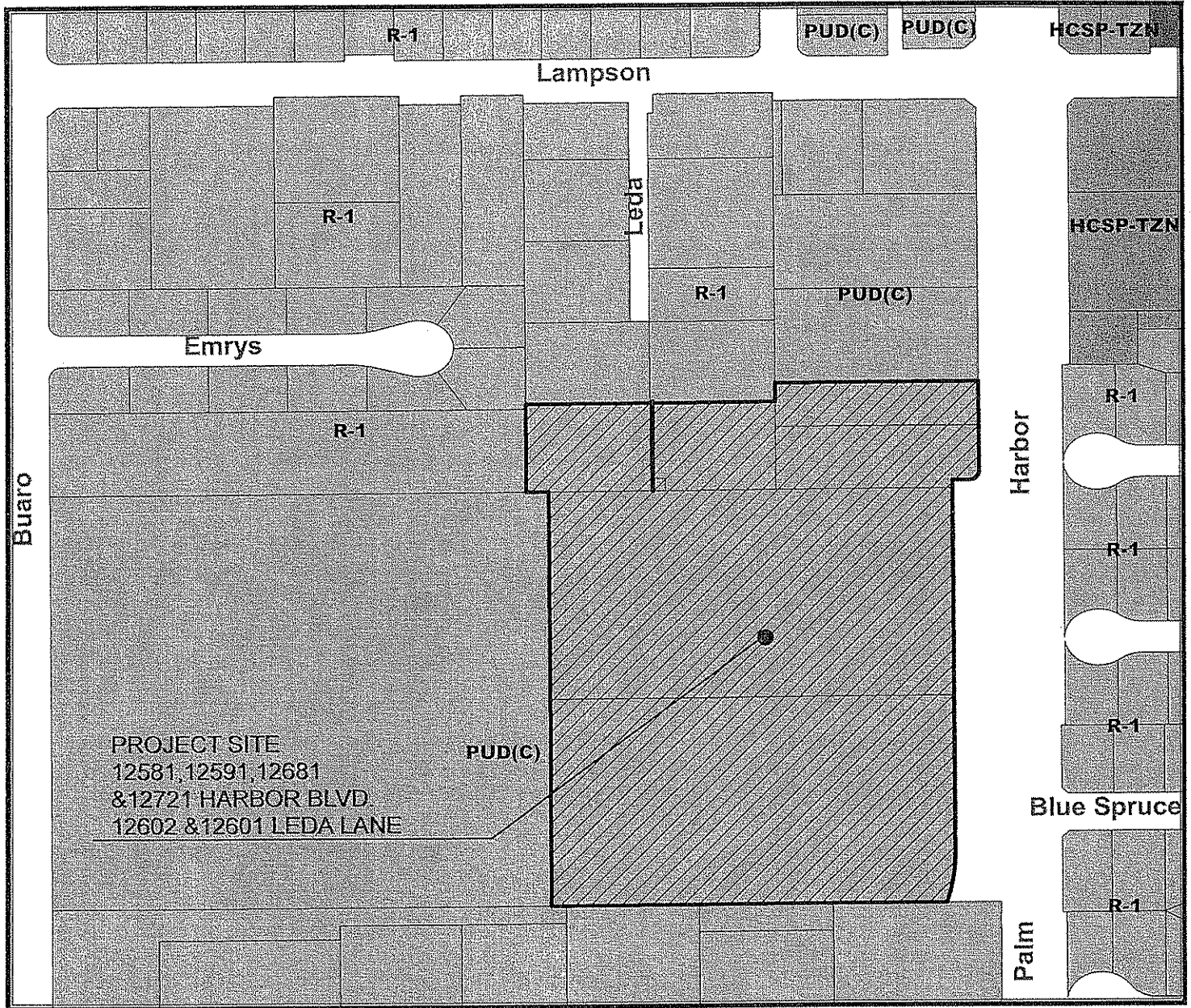
Section 4. Rezoning. The property shown on the map attached hereto is rezoned to the Planned Unit Development No. PUD-126-10 zone as shown thereon. Zone Map part R-11 is amended accordingly.

Section 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, word or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each other section, subsection, subdivision, sentence, clause, phrase, word or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, words or portions thereof be declared invalid or unconstitutional.

Section 6. Effective Date. The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same, or the summary thereof, to be published and posted pursuant to the provisions of law and this Ordinance shall take effect thirty (30) days after adoption.



PLANNED UNIT DEVELOPMENT NO. PUD-126-10



LEGEND

 PROJECT SITE

NOTES

SITE ADDRESS: 12581, 12591, 12681 & 12721 HARBOR BLVD.
12602 & 12601 LEDA LANE

REZONE: FROM PUD-121-98 & R-1 (SINGLE FAMILY
RESIDENTIAL) TO PUD-126-10 (INTERNATIONAL
WEST MIXED USED & LOW DENSITY RESIDENTIAL)



CITY OF GARDEN GROVE
COMMUNITY DEVELOPMENT DEPARTMENT
PLANNING DIVISION
GIS SYSTEM
SEPTEMBER 2010

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)

City Clerk's Office)
City of Garden Grove)
11222 Acacia Parkway)
Garden Grove, CA 92840)
)
)

(Space above for Recorder.)

This document is exempt from payment of a recording fee pursuant to Government Code Section 6103.

Dated:

DEVELOPMENT AGREEMENT NO. DA-183-10

**Conditional Use Permit No. CUP-303-10
and
Tentative Parcel Map No. PM-2010-1178
(Garden Grove MXD, Inc.)**

THIS AGREEMENT is made this ____ day of _____, 2011, by the CITY OF GARDEN GROVE, a municipal corporation ("CITY"), and Garden Grove MXD, Inc. (DEVELOPER).

RECITALS

The following recitals are a substantive part of this Agreement:

- A. The CITY and DEVELOPER desire to enter into this DEVELOPMENT AGREEMENT for the construction of a water park hotel facility consisting of an approximately 605 room hotel, an approximately 130,000 square foot water park, approximately 18,000 square feet of retail, approximately 30,000 square feet of meeting space, restaurants within the hotel facility, either a private or a public parking structure, an approximately 14,850 square foot restaurant pad, the on-site sale of alcoholic beverages in the hotel and hotel restaurants, the reconfiguration of the existing six properties into three separate properties, along with related improvements. (the "PROJECT") on that certain real property located on the west side of Harbor Boulevard, between Lampson Avenue and Garden Grove Boulevard, at 12581, 12591, 12681, and 12721 Harbor Boulevard and 12601 and 12602 Leda Lane, Parcel Nos. 231-441-27, 29, 39, & 40; 231-431-02 & 03. DEVELOPER will acquire such property in accordance with Sections 200-205 of the First Amended and Restated Disposition and Development Agreement dated as of _____ by

and between the Garden Grove Agency for Community Development and Garden Grove MXD, Inc.

- B. The Planning Commission approved Conditional Use Permit No. CUP-303-10 and Tentative Parcel Map No. PM-2010-1178, for the PROJECT, on December 16, 2010, subject to this Development Agreement.
- C. The CITY and DEVELOPER desire to enter into this DEVELOPMENT AGREEMENT for the construction of the PROJECT pursuant to Article 2.5 (commencing with Section 65864) of Chapter 4 of Division 1 of Title 7 of the California Government Code (the "Development Agreement Statute").
- D. The PROJECT is a development requiring certain discretionary approvals by the CITY before it may be constructed.
- E. The Development Agreement Statute provides the authority for CITY to enter into binding development agreements with a developer having a legal and equitable interest in real property.
- F. DEVELOPER has an equitable interest in the PROPERTY.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. Duration. This Agreement and Land Use Entitlements described in Section 2 shall expire five (5) years from its effective date, unless any duty specified remains executory, in which case this Agreement may be extended at discretion of CITY, pursuant to law, until all duties are performed. Renewals shall not unreasonably be withheld. The effective date of this agreement shall begin on the date first identified above.
2. Permitted Uses/Land Use Entitlements. The following uses are permitted on the PROPERTY: A water park hotel facility that includes the water park hotel consisting of an approximately 605 room hotel, an approximately 130,000 square foot water park, approximately 18,000 square feet of retail, approximately 30,000 square feet of meeting space, restaurants within the hotel facility, either a private or a public parking structure, and an approximately 14,850 square foot restaurant pad. The PROJECT had been granted the following entitlements: Conditional Use Permit No. CUP-303-10 and Tentative Parcel Map No. PM-2010-1178. The Conditional Use Permit allows for the sale of alcoholic beverages in the hotel and hotel restaurants, and the Tentative Parcel Map allows the reconfiguration of the existing six properties into three separate properties. The development is processed in conjunction with a General Plan Amendment to change the General Plan Land Use designations of two properties from Low Density Residential to International West Mixed Use and a zone change to change the zoning of the property from Planned Unit Development No. PUD-121-98 to Planned Unit Development No. PUD-126-10. The PUD is subject to the development

standards that have been approved through the PUD process and the associated entitlements. The base zoning for the PROJECT is HCSP-DC (Harbor Corridor Specific Plan-District Commercial).

3. Density/Intensity. The density or intensity of the PROJECT is as follows: A water park hotel facility consisting of an approximately 605 room hotel, an approximately 130,000 square foot water park, approximately 18,000 square feet of retail, approximately 30,000 square feet of meeting space, restaurants within the hotel facility, either a private or a public parking structure consisting of approximately 1050 spaces, and an approximately 14,850 square foot restaurant pad.
4. Maximum Height and Building Size. The maximum height and building sizes are as follows: The maximum height of the hotel building shall be 12-stories, 165-feet; the maximum height of the lobby portion of the building shall be 65-feet; the maximum height of the 5-level public or private parking structure shall be 50-feet, with the exception of the stairwell/elevator towers, which may extend an additional 16-feet above the top of the parapet wall; and the maximum height of the water park building or buildings shall be 70-feet, as indicated on the site submitted elevations. The maximum height of the stand-alone restaurant shall be 35-feet.
5. Reservation or Dedication. The reservation of easements or dedication of property to the City to allow the construction of the proposed development shall be as shown on and/or conditioned in the approved Conditional Use Permit No. CUP-303-10 and Tentative Parcel Map No. PM-2010-1178.
6. Improvements. The improvements described in Planning Commission Resolution No. 5720 shall be constructed prior to the occupancy of the proposed development or the issuance of any certificate of occupancy for any unit of the development, all in accordance with the terms and conditions of CUP-303-10 and Tentative Parcel Map No. PM-2010-1178.
7. Scope of PROJECT. The PROJECT shall include a water park hotel facility consisting of an approximately 605 room hotel, an approximately 130,000 square foot water park, approximately 18,000 square feet of retail, approximately 30,000 square feet of meeting space and restaurants within the hotel facility, either a private or a public parking structure for approximately 1050 cars, an approximately 14,850 square foot restaurant pad, the on-site sale of alcoholic beverages in the hotel and hotel restaurants, the reconfiguration of the existing six properties described in Recital A into three separate properties, along with related improvements.
8. Resolution/Material Terms. All conditions of approval as per Resolution No. 5720 attached hereto and incorporated herein as "Exhibit A," are material terms of this Agreement. A material breach of any condition of approval after notice and right to cure as set forth in Section 12 shall be deemed to be a breach of this Development Agreement.

9. PROJECT Fees and Development Agreement Payment.

A. Development fees for the PROJECT include "non-City controlled fees," including Orange County Sanitation District ("OCSD") and Garden Grove Unified School District ("GGUSD") fees. Developer shall be responsible to pay the total non-City controlled fees at whatever is the final amount applicable to the PROJECT.

B. "City Controlled Development Fees" include, but are not limited to, building permit fees, fire facility fees and Section 2 fire services fees, building permit/plan review fees, electrical, mechanical and plumbing permit fees, art in public places fees, general plan fees, cultural arts fees, parkway tree fees, commercial driveway fees, water, front footage and drainage assessment fees and traffic impact mitigation fees. City Controlled Development Fees for the PROJECT, except for the restaurant and the public or private parking structure, are currently estimated to total Two Million Two Hundred Eighty-Five Thousand Six Hundred Twenty-Nine Dollars (\$2,285,629). Except as noted in Subsection C below, Developer shall be responsible to pay the total City Controlled Development Fees at whatever is the final amount applicable to the PROJECT, without regard to the estimate herein.

C. Developer shall pay to City a Development Agreement Payment calculated to equal the positive difference between the final total of the (1) City Controlled Development Fees, except for those applicable to the restaurant and the public or private parking structure, that are currently estimated at a total of Two Million Two Hundred Eighty-Five Thousand Six Hundred Twenty-Nine Dollars (\$2,285,629) and (2) Two Million Six Hundred Thirty-Five Thousand Six Hundred Twenty-Nine Dollars (\$2,635,629). For example, if the current estimates of the City Controlled Development Fees are accurate, the Development Agreement Payment will be Three Hundred Fifty Thousand Dollars (\$350,000). In no event shall the combined amount of City Controlled Development Fees and the Development Agreement Payment exceed Two Million Six Hundred Thirty-Five Thousand Six Hundred Twenty-Nine Dollars (\$2,635,629).

D. Developer and City acknowledge and agree that the fees and payments addressed in this Section 9 do not include development related fees and any Development Agreement Payment that apply to either a private or a public parking structure and the restaurant proposed for the 14,850 square foot restaurant building pad. City Controlled Development Fees and any Development Agreement Payment for the parking structure shall be calculated/established and paid to City at the time of the closing of the bond issuance contemplated for financing the parking structure. Development related fees and any Development Agreement Payment for the restaurant to be constructed on the restaurant pad site shall be calculated/established

and paid in conjunction with the design and construction of the restaurant.

10. City Agreement. CITY agrees that the development fees to be paid to the City, pursuant to Paragraph 9, will reimburse CITY for the cost of CITY services required by the development of the PROJECT.
11. Payment Due Date.
 - A. The non-City controlled fees, shall be paid at the time and in the manner established by the OCS and the GGUSD respectively.
 - B. The grading fees for the water park hotel portion of the PROJECT shall be due and payable prior to issuance of a grading permit for the water park hotel.
 - C. The building permit/plan review fees, electrical, mechanical and plumbing permit fees, general plan fees, traffic impact mitigation fees, commercial driveway fees, water, front footage and drainage assessment fees for the water park hotel portion of the PROJECT shall be paid prior to the issuance of building permits.
 - D. The art in public places fees, the cultural arts fees, the parkway tree fees, and the Development Agreement Payment for the water park hotel portion of the PROJECT shall be due and payable prior to the granting of any certificate of occupancy for the PROJECT.
12. Termination Provisions. Except for a termination by mutual agreement of the parties, this Agreement may only be terminated (1) through the annual review process referred to in Section 13 herein, in accordance with the process and procedures set forth in Exhibit B or (2) upon material breach of the Agreement, in which case the process and procedures set forth in Exhibit B shall be utilized without regard to the timing of the annual review.
13. Annual Review. CITY shall review DEVELOPER'S performance every twelve (12) months at the anniversary of the adoption of this Agreement. DEVELOPER shall demonstrate good faith compliance with the terms of this Agreement. If as a result of the review CITY finds and determines, based upon substantial evidence, that DEVELOPER has not complied in good faith with terms or conditions of this Agreement, CITY may terminate the Agreement in accordance with Exhibit B. This review shall be conducted by the Director of the Community Development Department.
14. City Discretion. So long as the Agreement remains in effect, DEVELOPER shall have the full vested right to construct and complete development of the PROJECT and the use of the PROPERTY consistent with the land use entitlements identified in Paragraph 2. Otherwise, CITY retains its right and discretion, under all applicable Codes, to approve or disapprove any item related to this PROJECT that it has not specifically agreed to via this

Agreement. DEVELOPER acknowledges that it shall comply with all CITY requirements for applications and permits (except with respect to timing as described in Paragraph 11) that apply to the PROJECT and the PROPERTY on or before the Commencement Date and that this Agreement does not relieve DEVELOPER of the necessity of filing applications for and obtaining any such permits.

15. Improvement Schedule. The following improvements shall be constructed by the stated dates:

All repairs and improvements to the public right-of-way required in Planning Commission Resolution No. 5720 shall be completed prior to the issuance of any certificates of occupancy or release of any public utilities.

16. Developer Breach. Failure of DEVELOPER to construct improvements as specified, or to pay amounts specified in a timely fashion, shall result in the withholding of building permits, any other permit or certificate of occupancy until the breach is remedied.
17. Non-Liability of Officials and Employees of the City. No official or employee of CITY shall be personally liable to DEVELOPER in the event of any default or breach by CITY, or for any amount that will become due to DEVELOPER, or any obligation under the terms of this Agreement.
18. Notices. All notices shall be personally delivered or mailed to the below listed address, or to such other address as may be designated by written notice. These addresses shall be used for delivery of service of process.
 - A. Address of DEVELOPER is as follows:
Garden Grove MXD, Inc.
2725 Rocky Mountain Avenue, Ste. 200
Loveland CO, 80538
Attn: Chad McWhinney
 - B. Address of CITY is as follows:
City of Garden Grove
Attention: City Manager
11222 Acacia Parkway
Garden Grove, CA 92840
19. DEVELOPER'S Proposal. The PROJECT shall include DEVELOPER's proposal, as modified by Planning Commission and City Council, including all conditions of approval contained in Planning Commission Resolution No. 5720, which shall be incorporated herein by this reference. In the event of any inconsistency between terms of the proposal and this Agreement, this Agreement shall govern.

20. Licenses, Permits, Fees, and Assessments. At its sole expense, DEVELOPER shall obtain all licenses, permits, and approvals as may be required by this Agreement, or by the nature of the PROJECT.
21. Time of Essence. Time is of the essence in the performance of this Agreement.
22. Successor's In Interest. The provisions of this Agreement shall be binding upon and inure to successors in interest of the parties and shall be specifically binding upon and for the benefit of any future lessees or other owners of an interest in PROPERTY.
23. Authority to Execute. The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
24. Indemnification. DEVELOPER agrees to protect, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of, or in any way connected with performance of the Agreement by DEVELOPER, DEVELOPER'S agents, officers or employees, subcontractors hired by DEVELOPER.
25. Modification. This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written, regarding the time period that PROJECT land use entitlements shall be valid. This Agreement may be modified only by subsequent mutual written agreement executed by CITY, and the DEVELOPER.
26. Recordation. The City Clerk shall cause this Agreement to be recorded against the PROPERTY when DEVELOPER or its permitted successor in interest becomes the owner in fee of the PROPERTY.
27. Remedies. The occurrence of any Event of Default shall give the nondefaulting party the right to proceed with any and all remedies set forth in this Agreement, including an action for damages, an action or proceeding at law or in equity to require the defaulting party to perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions of this Agreement, and the right to terminate this Agreement.
28. Force Majeure. Subject to the party's compliance with the notice requirements as set forth below, performance by either party hereunder shall be deemed to be in default, and all performance and other dates specified in this Agreement shall be extended, where delays or default are due to causes beyond the control and without the fault of the party claiming an extension of time to perform, which may include, without limitation, the following: war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, assaults, acts

of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe weather, inability to secure necessary labor, material or tools, acts or omissions of the other party, or acts or failures to act of any public or governmental entity (except that the City's acts or failure to act shall not excuse performance of the City hereunder). An extension of the time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause.

29. Attorney's Fees. In addition to any other remedies provided hereunder or available pursuant to law, if either party brings an action or proceeding to enforce, protect or establish any right or remedy hereunder, the prevailing party shall be entitled to recover from the other party its costs of suit and reasonable attorney's fees.
30. Remedies Cumulative. No right, power, or remedy given by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each other and every such right, power, remedy shall be cumulative and in addition to every other right, power, or remedy given by the terms of any such instrument, or by any statute or otherwise.
31. Waiver of Terms and Conditions. The CITY may, in its sole discretion waive in writing any of the terms and conditions of this Agreement. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition.

IN WITNESS WHEREOF, these parties have executed this Agreement on the day and year shown below.

Date: _____

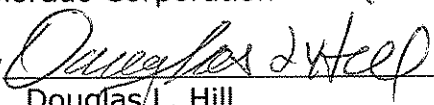
"CITY"
CITY OF GARDEN GROVE

BY

ATTEST:

CITY CLERK
DATE:

"DEVELOPER"
GARDEN GROVE MXD, INC., a
Colorado Corporation

By 
Douglas L. Hill
Chief Operating Officer
Date: January 5, 2011

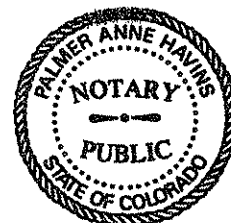
STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing instrument was acknowledged before me this 5th day of January, 2011, by Douglas L. Hill, as Chief Operating Officer of GARDEN GROVE MXD, INC., a Colorado Corporation.

Witness my hand and official seal.

My Commission Expires: June 21, 2013

Palma Anne Havins
Notary Public



My Comm. Expires
June 21, 2013

APPROVED AS TO FORM:

Garden Grove City Attorney

Date: _____

If DEVELOPER is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

EXHIBIT "A"

Conditional Use Permit No. CUP-303-10, Tentative Parcel Map No. PM-2010-1178

12581, 12591, 12681, and 12721 Harbor Boulevard, and
12601 and 12602 Leda Lane

CONDITIONS OF APPROVAL

General Conditions

1. The applicant shall record a "Notice of Agreement with Conditions of Approval and Discretionary Permit of Approval," as prepared by the City Attorney's Office, on the property. Proof of such recordation is required within 30 days of this approval. All conditions of approval are required to be adhered to for the life of the project, regardless of property ownership. Any changes of the conditions of approval require approval by the Planning Commission.
2. Approval of this Conditional Use Permit and Tentative Parcel Map shall be contingent upon the approval of General Plan Amendment No. GPA-1-10(A) and Planned Unit Development No. PUD-126-10 and shall not be construed to mean any waiver of applicable and appropriate zoning and other regulations; and wherein not otherwise specified, all requirements of the City of Garden Grove Municipal Code shall apply, the development standards/requirements in Planned Unit Development No. PUD-126-10, and the Harbor Corridor Specific Plan.
3. Minor modifications may be approved by the Community Development Department. If other than minor changes are made in the proposed development, the proper entitlements shall be filed which reflect the revisions made.
4. All lighting structures shall be placed so as to confine direct rays to the subject property. All exterior lights shall be reviewed and approved by the City's Planning Division. Lighting adjacent to residential properties shall be restricted to low decorative type wall-mounted lights, or a ground lighting system. Lighting shall be provided throughout all private drive aisles and entrances to the development per City standards for street lighting. Lighting in the common areas shall be directed, positioned, or shielded in such manner so as not to unreasonably illuminate the window area of nearby residences.

5. The applicant shall submit detailed plans showing the proposed location of utilities and mechanical equipment to the Community Development Department for review and approval prior to Building Division Plan Check. The project shall also be subject to the following:
 - a. All on-site and off-site utilities (off-site refers to the areas within public right-of-way to the center line of the streets adjacent to the subject property) within the perimeter of the site and to the centerline of the adjacent streets shall be installed or relocated underground.
 - b. Above-ground utility equipment (e.g., electrical, gas, telephone, cable TV) shall not be located in the street setbacks, within the common areas along Harbor Boulevard, or any parking areas and shall be screened to the satisfaction of the Community Development Department.
 - c. No roof-mounted mechanical equipment, including but not limited to dish antennas, shall be permitted unless a method of screening complementary to the architecture of the building is approved by the Community Development Department prior to the issuance of building permits. Said screening shall block visibility of any roof-mounted mechanical equipment from view of public streets and surrounding properties.
 - d. All ground, roof, or wall-mounted mechanical equipment shall be screened from public view from adjacent properties and the public right-of-way and shall also be screened, to the extent feasible, from on-site areas.
 - e. All mitigation measures that are part of the Mitigated Negative Declaration that was adopted for General Plan Amendment No. GPA-1-10(A), Planned Unit Development No. PUD-126-10, Conditional Use Permit No. CUP-303-10 and Tentative Parcel Map No. PM-2010-1178 (the "Mitigated Negative Declaration") are incorporated herein by this reference and shall be implemented as conditions of approval for this project.
 - f. The Mitigation Monitoring Program adopted in conjunction with the Mitigated Negative Declaration shall be implemented during project construction through project completion. The applicant shall provide the City with a quarterly report demonstrating adherence to all mitigation measures. A person shall be designated by the developer and or hotel operator that will be responsible for any hotel or water park operational mitigation measure that extends beyond construction completion. Said person shall provide a report to the City when requested.

CONDITIONAL USE PERMIT CONDITIONS:

6. This approval shall allow for the establishment of a hotel and water park with ancillary uses that include restaurants, game arcade, and meeting rooms with alcoholic beverage sales for on-site consumptions. Due to the operational

aspects of a hotel facility, this approval shall permit the subject water park hotel facility to operate under a Type "47" (On-Sale, General-Eating Place), a Duplicate "47", a Type "66" (Controlled Access Cabinet Permit) and a Type "68" (Portable Bar), or comparable general license(s) as required by the Alcoholic Beverage Control board.

7. The trash enclosure areas shall be maintained, as indicated on the site plan, per City standard. Trash enclosure doors shall be kept closed and secured, except during trash disposal or pickup. Trash pickups and automated parking lot cleaning/sweeping, shall occur between the hours of 8:00 a.m. and 6:00 p.m. Trash pickups shall occur at a minimum of three (3) trash pickups per week.
8. No satellite dish antennas shall be installed on said premises unless and until plans have been submitted to and approved by the Community Development Department, Planning Division, which may require proper screening to hide such appurtenances from public view.
9. The service doors of all buildings shall be kept closed at all times during hours of operation except in case of emergency or to permit deliveries. Panic hardware on doors shall comply with all City Code requirements.
10. The developer/owner shall submit signed letters acknowledging receipt of the decision for General Plan Amendment No. GPA-1-10(A), Planned Development No. PUD-126-10, Conditional Use Permit No. CUP-303-10, and Tentative Tract Map No. PM-2010-1178, and their agreement with all conditions of approval.
11. Litter shall be removed daily from the project site including adjacent public sidewalks and all parking areas under the control of the developers/owners. These areas shall be swept or cleaned, either mechanically or manually, on a weekly basis, to control debris.
12. Graffiti shall be removed from the project site and all parking lots under the control of the developer/owner within 120 hours of application/notification.
13. The floor plan of the hotel and water parks shall be reviewed and approved by the Planning Division prior to issuance of permits and release of the Alcoholic Beverage Control Licenses.
14. Any adult merchandise (books, magazines, videos, etc.) shall be kept under the control of the management behind cashiers' counters and shall be segregated and screened from minors.
15. The owner/operator, at his/her expense shall provide a uniformed security guard(s) on the premises during the operation of the establishment, in the event security problems occur, at the request of the Police Department.

16. There shall be no gaming tables or gaming machines as outlined in Garden Grove Municipal Code Section 9.16.020.070, with the exception of the game machines located within the game arcade located within the hotel.
17. There shall be no uses or activities permitted of an adult-oriented nature as outlined in Garden Grove Municipal Code Section 9.16.020.070.
18. A prominent, permanent sign stating "NO LOITERING IS ALLOWED ON OR IN FRONT OF THESE PREMISES" shall be posted in a place that is clearly visible to patrons of the licensee. The size, format, form, placement, and languages of the sign shall be determined by the Department of Alcoholic Beverage Control.
19. Entertainment may be permitted in the establishment. However, at no time shall the establishment allow flyer events/parties, erotic dancers or any other special entertainment activities that are private or open to the public.
20. The operation of the water park hotel facilities shall be subject to the requirements and conditions of approval of Conditional Use Permit No. CUP-303-10 and Tentative Parcel Map No. PM-2010-1178, the standards within Planned Unit Development No. PUD-126-10, and the mitigation measures outlined within the Mitigated Negative Declaration adopted for this project. This includes complying with all provisions of Alcoholic Beverage Control Act, subject to Condition No. 6, above. In addition, this provision also governs the meeting rooms, restaurants, and the indoor/outdoor water park area. In regard to specific activities within the meeting rooms and recreation areas, regardless of the type of event conducted, no event or activity shall at any time be or become a nuisance, disturbance or cause complaints for hotel guests or occupants of the surrounding area/properties, or in any way, endanger the public health, safety, or welfare.
21. No alcohol shall be served/consumed outside of any areas of the property that are licensed and approved for alcohol sales.
22. The business, prior to opening, shall show proof to the Police Department that all members of the business staff have completed the LEAD training (Licensee Education on Alcohol and Drugs) through Alcoholic Beverage Control (ABC) or an ABC approved "Responsible Beverage Service (RBS) Training" program.

TENTATIVE PARCEL MAP CONDITIONS:

Public Work's Engineering Division

The following provisions of the Public Works Engineering Division shall be complied with:

23. Prior to the issuance of any building permits, the applicant shall prepare a Parcel Map for the consolidation of the six separate parcels. A field survey shall be required.
24. Ties to horizontal control: Prior to recordation of a Final Map, the surveyor/engineer preparing the map shall tie the boundary of the map into the Horizontal Control System established by the County Surveyor in a manner described in Sections 7-9-330 and 7-9-337 of the Orange County Subdivision Code and Orange County Subdivision Manual, Sub article 18. The surveyor/engineer shall submit record information to the City on Auto Cad DWG format.
25. Digital map submission: Prior to recordation of a Final Map, the surveyor/engineer preparing the map shall submit to the County Surveyor a digital graphics file of said map in a manner described in Sections 7-9-330 and 7-9-337 of the Orange County Subdivision Code and Orange County Subdivision Manual, Sub article 18. The surveyor/engineer shall submit record information to the City on Auto Cad DWG format.
26. A geotechnical study prepared by a registered geotechnical engineer is required. The report shall analyze the liquefaction and contamination potential of the site and make recommendations. The report shall analyze sub-surface issues related to the past uses of the site, including sub-surface tanks, basement and septic facilities. Should contaminants be found, the site will require Environmental Clearance that will usually involve site remediation. The report shall make recommendations for pavement design based on a Traffic Index to be supplied by the City Traffic Engineer. The report shall also contain tests and analysis of soil conditions for LID (Low Impact Development) principles and make recommendations for implementation of such LID principles, including, but not limited to, soil compaction, saturation, permeability and groundwater levels. The recommendations of the geotechnical study, as approved by the City Engineer, shall be implemented.
27. Grading plans prepared by a registered Civil Engineer are required. The grading plan shall be based on a current survey of the site, including adjacent properties, and designed to preclude cross-lot drainage. Minimum grades shall be 0.50% for concrete flow lines, 1.25% for asphalt surfaces and 2.0% for landscaped areas. Grading modifications will be allowed if approved by the City Engineer. The grading plan shall also include demolition, water, sewer and LID improvements.
28. The trash enclosure/facilities shall be located to allow pick-up and maneuvering, including turnarounds, in the area of the enclosure/facilities.
29. Street improvement plans prepared by a registered Civil Engineer are required. Harbor Boulevard shall be designed to the City's proposed Smart Street

Standards, and specifically, the existing raised median on Harbor Boulevard shall be modified per the City Traffic Engineer recommendations stated herein.

30. A separate street permit is required for work performed within the public right-of-way.
31. The cul-de-sac located at the southerly end of Leda Lane shall be maintained.
32. Prior to the issuance of any grading or building permits or prior to recordation upon subdivision of land if determined applicable by the City Building Official, the applicant shall submit to the City for review and approval a Water Quality Management Plan that:
 - a. Addresses Site Design Best Management Practices ("BMPs"), as applicable, such as minimizing impervious areas, maximizing permeability, minimizing directly connected impervious areas, creating reduced or "zero discharge" areas, and conserving natural areas;
 - b. Incorporates the applicable Routine Source Control BMPs as defined in the DAMP and provides a detailed description of their implementation;
 - c. Incorporates Treatment Control BMPs as defined in the DAMP;
 - d. Implements Low Impact Development (LID) BMPs to reduce run-off to the maximum extent practicable;
 - e. Includes an Operations and Maintenance (O&M) Plan that (1) generally describes the long-term operation and maintenance requirements for the Treatment Control BMPs; (2) identifies the entity that will be responsible for long-term operation and maintenance of the Treatment Control BMPs; and (3) describes the mechanism for funding the long-term operation and maintenance of the Treatment Control BMPs.
33. Prior to grading or building permit closeout and/or the issuance of a certificate of use or a certificate of occupancy, the applicant shall:
 - a. Demonstrate that all structural best management practices (BMPs) described in the Project WQMP have been constructed and installed in conformance with approved plans and specifications;
 - b. Demonstrate that applicant is prepared to implement all non-structural BMPs described in the Project WQMP;
 - c. Demonstrate that an adequate number of copies of the approved Project WQMP are available on-site; and,

- d. Demonstrate that the applicant has agreed to and recorded CC&Rs, an agreement, or another legal instrument approved by the City Attorney that shall require the property owner, successors, tenants (if applicable), and assignees to operate and maintain in perpetuity the post-construction BMPs described in the Project WQMP.
34. Prior to issuance of grading permits, the applicant shall submit a copy of the Notice of Intent (NOI) indicating that coverage has been obtained under the National Pollutant Discharge Elimination System (NPDES) State General Permit for Storm Water Discharges Associated with Construction Activity from the State Water Resources Control Board. Evidence that the NOI has been obtained shall be submitted to the Building Official. Projects subject to this requirement shall prepare and implement a Stormwater Pollution Prevention Plan (SWPPP). A copy of the current SWPPP shall be kept at the project site and be available for City review on request. In addition, the applicant shall include notes on the grading plans indicating that the project will be implemented in compliance with the Statewide Permit for General Construction Activities.
35. All required vacations and/or acquisitions shall be completed prior to recordation of the final map.
36. Any new or required block walls and/or retaining walls and trash enclosures shall be shown on the grading plans. Block walls shall be developed to City Standards or designed by a professional registered engineer. In addition, the developer shall provide the following:
 - a. The color and material of all proposed block walls, columns, and wrought iron fencing shall be approved by the Planning Services Division prior to installation.
37. All vehicular access drives to the site shall be provided in locations approved by the City Traffic Engineer.
38. Provide hydrology with scaled map and calculations and hydraulic calculations to size storm drains per the County of Orange standards. Additionally, the project is located in a mapped FEMA flood zone. The project shall either have the lowest floor, including basement, elevated at or above the base flood elevation; or together with attendant utility and sanitary facilities, shall:
 - a. Be flood proofed so that below the base flood level the structure is watertight with walls substantially impermeable to the passage of water;
 - b. Have structural components capable of resisting hydrostatic and hydrodynamic loads and effects of buoyancy;

- c. Be certified by a registered professional engineer or architect that the design and methods of construction are in accordance with accepted standards of practice for meeting provisions of this subsection based on their development and/or review of the structural design, specifications and plans. The City engineer shall approve such certifications.
 - d. Nonresidential structures that are elevated, not flood proofed, shall meet the same standards for space below the lowest floor as described in "a", above.
 - e. Applicants flood proofing nonresidential buildings are hereby notified that flood insurance premiums will be based on rates that are one foot below the flood proofed level (e.g. a building flood proofed to the base flood level will be rated as 1-foot below).
39. Wheelchair ramps shall be provided as required by State and Federal law. The curb radius for drive entrances/approaches shall be 20-feet minimum unless otherwise approved by the City Engineer.
40. Prior to issuance of building permits, all applicable traffic mitigation fees shall be paid in full.
41. Prior to issuance of certificates of use and occupancy, a traffic signal shall be designed and constructed at the intersection of Harbor Boulevard and the Project Entrance in a manner meeting the approval of the City Traffic Engineer.
42. Prior to the issuance of certificates of use and occupancy, raised median improvements shall be designed and constructed on Harbor Boulevard to facilitate ingress and egress at the Project Entrance in a manner meeting the approval of the City Traffic Engineer. Said improvements shall include a 150-foot northbound turn pocket with a 90-foot taper and removal/reconstruction of the median island north of the intersection.
43. The three driveway approaches to the site shall be constructed in accordance with Garden Grove Standard Plan B-120 or B-120a.

Garden Grove Fire Department

The following provisions of the Garden Grove Fire Department and the California Fire Code shall be met:

44. Buildings shall be required to meet High-Rise Standards that include, but are not limited to, the following:
- a. Including Fire Control Room.

- b. Diesel powered fire pump.
 - c. Installation of water pump as a secondary water source.
 - d. Fire Department standpipes shall be in vestibules and not stairwells.
 - e. Fire Department connection will be within 40-feet of a City hydrant.
 - f. Knox-Box key systems shall be installed at the Fire Control Room and emergency gates and where deemed necessary.
45. All buildings shall be required to meet all adopted local changes to the California Building Code (CBC) and California Fire Code (CFC) in Title 18 of the Garden Grove Municipal Code.
46. Not later than Applicant's submittal of project construction plans to the City for plan check, Applicant shall submit to City: (1) documentation, satisfactory to the Fire Chief, providing for public safety emergency vehicle access to the rear of the property; or (2) such other alternative plans for public safety emergency vehicle access to the project site as may be acceptable to the Fire Chief.
47. All vehicle access shall meet the standards provided for in the CFC for widths, turning radius, and hammerhead turnarounds. The fire access area shall be paved. Any fencing that crosses the subject fire emergency access shall be provided with a knox box. An emergency access plan shall be submitted to the Fire Department for review and approval prior to installation of the fire access.
48. A Bi-Directional Amplifier (BDA) system for emergency radios shall be installed for use in all areas.
49. Water supply and hydrants shall be installed before the start of construction.
50. All interior decorations shall meet the State Fire Marshal flame retardant test.
51. The development shall meet the City's hazardous materials disclosure plan for any storage or use of hazardous materials.
52. The development is subject to a third party inspector, at the owner's expense to certify the alarm systems, sprinkler systems, and smoke removal systems.
53. All plans submitted are subject to review and corrections, as needed per CBC and CFC conditions.
54. Fire hydrants shall be provided on-site. The fire hydrants shall be on a loop system approved by the Fire Department and on their own water line. The fire hydrants shall be within 40-feet of the Fire Department Connection (FDC). All sprinklers shall be on their own dedicated lines. The fire hydrants shall be

installed and fully operational prior to any combustible material being delivered to the site. Prior to and during construction, a temporary roadway shall be constructed and maintained to the satisfaction of the Fire Department for access to each of these fire hydrants. The Fire lanes serving the site shall be constructed to support the weight load of Fire truck(s) per Fire Department requirements.

55. All Fire related aspects of the proposed project shall comply with California Fire Codes and the California Building Codes (2010 Edition).
56. An all-weather fire access road shall be in place before combustible materials are placed on-site. Required water supply for fire protection shall be in place before building with combustible materials commences.
57. All buildings shall be sprinklered according to NFPA 13 standards and shall have fire alarms according to NFPA 72 under the current year adopted by the Garden Grove Fire Department.
58. All Fire Department connections shall have a 3-foot clearance and shall be clear of all obstructions and vegetation.

Building Services Division

59. The buildings shall be designed to comply with all provisions of the California Building Codes and City adopted amendments.

Public Works Water Services Division

The following provisions of the Garden Grove Public Work's Water Services Division shall be met:

60. The existing 12-inch water main is presently located in the existing Harbor frontage road. In the proposed hotel improvements the existing water main will be under the proposed planter/sidewalk area. The existing 12-inch water main shall be relocated and resized to a 16-inch PVC water main. The new 16-inch water main is to be placed in Harbor Boulevard, east of/and parallel to the existing 12-inch main, and a minimum of 10-feet west of the existing 18-inch sewer main in Harbor Boulevard. The existing 8-inch A. C. water main shall be abandoned.
61. New Water service installations 2-inch and smaller shall be installed per City Standards. Installation shall be scheduled upon payment of applicable fees, unless otherwise noted. Fire services and larger water services 3-inch and larger shall be installed per City Standards.
62. Water meters shall be located within the City right-of-way or within dedicated waterline easement. Fire services and large water services 3-inch and larger

shall be installed by contractor with a Class A or C-34 license per City water standards and inspected and approved by a Public Works inspection.

63. A Reduced Pressure Principle Device (RPPD) backflow prevention device shall be installed for meter protection. The landscape system shall also have a RPPD device. Any carbonation dispensing equipment shall have a RPPD device. Installation shall be per City Standards and shall be tested by a certified backflow device tester immediately after installation. A Cross connection inspector shall be notified for inspection after the installation is completed. Owner shall have the RPPD device tested once a year thereafter by a certified backflow device tester and the test results shall be submitted to the City's Public Works Water Services Division. Property owner must open a water account upon installation of RPPD device.
64. Any existing private water well(s) shall be abandoned per Orange County Health Department requirements. Abandonment(s) shall be inspected by an Orange County Health Department inspector after permits have been obtained.
65. A composite utility site plan shall be part of the water plan approval.
66. Water system improvements within private streets shall be constructed per City Standards by developer and dedicated to the City. Bonding will be required.
67. Owner shall dedicate all rights to underground water, without the right to surface entry, to the City.
68. Any new or existing water valve located, or to be located, within a new concrete driveway or sidewalk shall be reconstructed per City Standard B-753.
69. City shall determine if existing water service(s) is/are usable and meet(s) current City Standards. Any existing meter and service located within a new driveway(s) shall be relocated.
70. No permanent structures, trees or deep-rooted plants shall be placed over sewer main, water main, or the fire service main.
71. Location and number of fire hydrants shall be as required by the Water Services Division and the Fire Department.
72. If required, fire service shall have an above ground backflow device with a double check valve assembly. The fire service line shall be looped. The device shall be tested immediately after installation and once a year thereafter by a certified backflow device tester and the results to be submitted to Public Works Water Services Division. The device shall be on private property and is the responsibility of the property owner. The above ground assembly shall be screened from public view as required by the Planning Division.

73. A properly sized grease interceptor shall be installed on the sewer lateral and maintained by the property owner. There shall be a separate sanitary waste line that will connect to the sewer lateral downstream of the grease interceptor. All other waste lines shall be drained through the grease interceptor. The grease interceptor shall be located outside of the building and shall be accessible for routine maintenance. Owner shall maintain comprehensive grease interceptor maintenance records and shall make them available to the City of Garden Grove upon demand.
74. Food grinders (garbage disposal devices) are prohibited per Ordinance 6 of the Garden Grove Sanitary District Code of Regulations.
75. Owner shall install new sewer lateral with clean out at right-of-way line. Lateral in public right-of-way shall be 6-inch minimum diameter, extra strength VCP with wedgelock joints.
76. Contractor shall abandon any existing unused sewer lateral(s) at street right-of-way on the property owner's side. The sewer pipe shall be capped with an expansion sewer plug and encased in concrete.

Planning Services Division

77. All landscaping shall be consistent with the landscape requirements within the development standards in Planned Unit Development No. PUD-126-10. The developer shall submit a complete landscape plan governing the entire development. The landscape irrigation plans shall include type, size, location and quantity of all plant material. The landscape plan shall include irrigation plans and staking and planting specifications. All landscape irrigation shall comply with the City's Landscape Ordinance and associated Water Efficiency Guidelines. The landscape plan is also subject to the following:
 - a. A complete, permanent, automatic remote control irrigation system shall be provided for all landscaping areas shown on the plan. The sprinklers shall be low flow/precipitation sprinkler heads for water conservation.
 - b. The plan shall provide a mixture of a minimum of ten percent (10%) of the trees at 48-inch box, ten percent (10%) of the trees at 36-inch box, fifteen percent (15%) of the trees at 24-inch box and sixty percent (60%) of the trees at 15-gallon. The remaining five percent (5%) may be of any size. These trees shall be incorporated into the landscaped frontages of all streets. Where clinging vines are considered for covering walls, drought tolerant vines shall be used.
 - c. Trees planted within 10-feet of any public right-of-way shall be planted in a root barrier shield. All landscaping along street frontages adjacent to driveways shall be of the low height variety to ensure safe sight clearance.

- d. Landscaping along Harbor Boulevard, including within the public right-of-way shall include two rows of Date Palm Trees (minimum brown trunk height of 25-feet), canopy trees (minimum 24-inch box), shrubs, and ground covers. Landscape materials shall match the landscape materials used within the project located at the southwest corner of Harbor Boulevard and Chapman Avenue.
 - e. All landscape areas, including the areas located within the public right-of-way along Harbor Boulevard that abuts the subject property, are the responsibility of the developer/operator of the water park hotel.
 - f. The landscape plan shall incorporate and maintain for the life of the project those means and methods to address water run-off also identified as Low Impact Development provisions, which address water run-off. This is also to be inclusive of any applicable Water Quality Management Plan (WQMP), the Orange County Drainage Area Management Plan (DAMP), and/or other water conservation measures applicable to this type of development.
78. Hours and days of construction and grading shall be as follows as set forth in the City of Garden Grove's Municipal Code Section 8.47.010 referred to as the County Noise Ordinance as adopted:
- a. Monday through Saturday - not before 7 a.m. and not after 8 p.m. (of the same day).
 - b. Sunday and Federal Holidays - may work same hours but subject to noise restrictions as established in section 8.47.010 of the Municipal Code.
79. The approvals are subject to a Development Agreement with the City of Garden Grove. This includes the payment of a Development Payment in accordance with the Ordinance approving Development Agreement No. DA-183-10.
80. After the installation of the Tornado waterslide lighting, but prior to final issuance of building permits for the project, the light output of the light show shall be adjusted to a level that is satisfactory to the City, that will minimize light spillage, and that will not produce light above what is allowed by Code.
81. The developer/owner shall prepare Covenants, Conditions, and Restrictions, or another appropriate recordable document or agreement acceptable to the City that runs with the land and binds future owners (collectively, "CC&Rs") for review and approval by the City Attorney's office and Community Development Department prior to the issuance of building permits. The approved CC&Rs shall be recorded at the same time that the subdivision map is recorded and two copies of the recorded CC&Rs shall be provided to the Planning Division. The CC&Rs shall include the following:

- a. Provisions for common maintenance of all landscape areas, including landscaping and landscape lighting within the public right-of-way, driveways, and parking areas.
- b. Provisions for reciprocal access and parking between properties. Parking provisions shall also include provisions for future Valet Parking.
- c. Best Management Practices shall be incorporated to detour and/or abate any graffiti vandalism throughout the project and the life of the project.
- d. The CC&Rs shall provide provisions for the tenant/property owner(s) a means of contacting persons responsible for site maintenance, repairs, trash pick-up, and other related matters for a development of this type. This also includes ensuring tree overhangs do not block or hinder any vehicles such street sweepers, trash trucks, fire trucks, etc. from maneuvering on the streets within the project.
- e. The preceding provisions shall not be modified without the approval of the City of Garden Grove. The CC&Rs shall contain a provision that indicates that the CC&Rs may not be terminated or substantially amended without the consent of the City.
- f. The CC&Rs shall include provisions identifying a property owner's association or other entity responsible for ongoing implementation and funding of the Operations and Maintenance (O&M) Plan associated with the WQMP for the Project and compliance with the City's Stormwater Quality Ordinance (Garden Grove Municipal Code Title 6, Chapter 40) and other applicable National Pollutant Discharge Elimination System (NPDES) regulations.
- g. The following provisions shall be included within the CC&Rs:
 - i. Enforcement: The City is hereby made a party to these Declarations solely for purposes of enforcing its provisions and the Conditions of Approval of General Plan Amendment No. GPA-1-10(A), Planned Unit Development No. PUD-126-10, Conditional Use Permit No. CUP-303-10, and Tentative Parcel Map No. PM-2010-1178. The City, its agents, departments and employees shall have the unrestricted right and authority, but not the obligation, to enforce the provisions of these Declarations and the Conditions of Approval of General Plan Amendment No. GPA-1-10(A), Planned Unit Development No. PUD-126-10, Conditional Use Permit No. CUP-303-10, and Tentative Parcel Map No. PM-2010-1178. The City, its agents, departments and employees may further refuse to issue any building, electrical or plumbing permit that may be in violation of these Declarations or General Plan Amendment No. GPA-1-10(A), Planned Unit Development

No. PUD-126-10, Conditional Use Permit No. CUP-303-10, and Tentative Parcel Map No. PM-2010-1178 approvals. However, the City shall not be liable for failing or refusing to enforce the provisions of these Declarations or the Conditions of Approval of General Plan Amendment No. GPA-1-10(A), Planned Unit Development No. PUD-126-10, Conditional Use Permit No. CUP-303-10, and Tentative Parcel Map No. PM-2010-1178.

- ii. Assessments: The City may levy special assessments against the properties in connection with its actions to enforce the conditions of these Declarations or General Plan Amendment No. GPA-1-10(A), Planned Unit Development No. PUD-126-10, Conditional Use Permit No. CUP-303-10, and Tentative Parcel Map No. PM-2010-1178 approvals, or to abate the violation thereof. The City shall have the same power as the Association [*or other appropriate entity*] to levy special assessments pursuant to the provisions of [SECTION] of these Declarations in the event that it incurs expenses in the enforcement of the conditions of these Declarations or General Plan Amendment No. GPA-1-10(A), Planned Unit Development No. PUD-126-10, Conditional Use Permit No. CUP-303-10, and Tentative Parcel Map No. PM-2010-1178 approvals. Notice of intention to make such assessment shall be mailed by the City to the Owner of each affected [LOT/UNIT] affording the Owner thirty (30) days' notice to satisfy or reimburse the City's expenditure. In the event of the failure of any Owner of any affected [LOT/UNIT] to reimburse the City within thirty (30) days, notice of such assessment shall be mailed by the City to said Owner, and said assessment shall thereafter be due as a separate debt to the City within thirty (30) days following the mailing of such notice. Any such delinquent assessment may be and may become a lien upon the interest of the defaulting Owner in the Lot upon the execution by the City and the recording in the Orange County Recorder's office of a notice of delinquent assessment under the same conditions that the Association could record the same pursuant to the provisions of [SECTION]. The City may foreclose on such notice of delinquent assessment in the same manner and with the same power as the Association could foreclose on such notice pursuant to the provisions of [SECTION]. It is the intent of Declarant, which intent shall be binding upon all of Declarant's successors in interest in the Properties, that the City shall be deemed an interest holder pursuant to the provisions of these Declarations in order to enforce the rights which have been given to the City generally in these Declarations and specifically pursuant to this Section.
- iii. Attorneys' Fees: The City shall be entitled to recover its attorneys' fees incurred in connection with its actions to enforce the conditions of these Declarations or General Plan Amendment No. GPA-1-10(A), Planned Unit Development No. PUD-126-10, Conditional Use Permit

No. CUP-303-10, and Tentative Parcel Map No. PM-2010-1178 approvals, or to abate the violation thereof.

- iv. Public Safety Access: The Police and Fire Department personnel may enter upon any part of the common area and/or portion of the property generally held open to the public for the purpose of enforcing State and Local laws.
82. The developer shall comply with all provisions of the Community Development Department including, but not limited to, the following:
- a. The facades of the hotel, water park, and future free-standing restaurant structures shall be designed with sound attenuation features including the use of dual pane windows and limiting, when possible, the use of windows and vents. These features shall be approved by the Community Development Department prior to the issuance of building permits.
 - b. Prior to the finalization of working drawings for Planning Division, Engineering Division, and Building Division Plan Check, the developer shall submit to the Community Development Department detailed and dimensioned plot plans, floor plans, exterior elevations, and landscape plans which reflect the above conditions of approval. The plans shall indicate cross sections of all streets within the development, landscape materials, wall materials, and building materials proposed for the project. Each unit shall have phone jacks and cable-TV outlets in all hotel rooms. Mechanical equipment, including air conditioning units, pool equipment, sump pump, etc., shall not be located closer than 5-feet of any side or rear property line and shall not be located in the front landscape setback. Air conditioning units and all other mechanical shall be completely screened from public view from the street and/or common open space area.
 - c. Should the developer elect to build the project in more than one phase, then a phasing plan shall be submitted to the Community Development Department prior to issuance of building permits. The phasing plan shall include, but not limited to, a site plan showing the phasing areas, protection of finished units, and protection for related safety issues concerning pedestrians and non-construction vehicles. The perimeter improvements including landscaping, walls, street improvements, and underground utilities shall be completed in the first phase. The phasing plan shall be approved by the Community Development, Fire, and Public Works Departments prior to issuance of building permits.
83. Any new or required block walls and/or retaining wall(s) shall be shown on the grading plans. Block walls shall be developed to City Standards or designed by a Registered Engineer and shall be measured from on-site finished grade. The applicant shall provide the following:

- a. Decorative masonry walls are required along the entire northerly, southerly, and westerly property lines and shall be constructed to a maximum height of 8-feet, as measured from highest point of finished grade on the project's side. A higher wall may be constructed if needed for additional sound attenuation. These walls shall use slumpstone or split-face block with decorative caps, subject to Community Development Department's approval.
 - b. The applicant shall work with the existing property owner(s) along the northerly, southerly, and westerly property lines in designing and constructing the required block wall. This requirement is to avoid having double walls and minimize any impact that it might cause to the existing landscaping on the neighbor's side as much as possible. The perimeter block wall shall be constructed and situated entirely within the subject property. In the event that the applicant cannot obtain approval from the property owners, the applicant shall construct the new wall with a decorative cap to be placed between the new and existing walls. In the event the location of a new wall adjacent to an existing wall or fence has the potential to affect the landscape planter, then the Developer shall work with City Staff to address this situation.
84. Construction activities shall adhere to SCAQMD Rule 403 (Fugitive Dust) that includes dust minimization measures, the use of electricity from power poles rather than diesel or gasoline powered generators, and the use methanol, natural gas, propane or butane vehicles instead of gasoline or diesel powered equipment, where feasible. Also, the use of solar or low-emission water heaters, low-sodium parking lot lights, and compliance with Title 24 of the Building Code are required.
 85. Building color and material samples shall be submitted to the Planning Division for review and approval prior to issuance of building permits. The buildings shall have decorative features that include multi-toned stuccoed exterior; siding or equal material; building pop-outs; varied roof lines; decorative lighting; windows on the water park building, facing Harbor Boulevard; and a decorative porte-cochere. The parking structures shall be designed to be architecturally compatible with on-site buildings, utilizing similar design features, details and materials. All sides of a parking structure that are in view from adjacent properties and public-rights-of-way shall be architecturally enhanced. Parking structures shall be well illuminated, including having the interior of the parking garage painted a light color, and designed to meet City parking standards for aisle width, stall sizes, and height clearances.
 86. The driveways from Harbor Boulevard Street shall have enhanced concrete treatment. All details of the decorative entry shall be submitted on the required landscape plans for review and approval of the Community Development Department.

87. Prior to obtaining any building permits, if any structure or portion there of, is to be removed, demolished, or relocated on the subject site, a written report shall be provided verifying whether any hazardous materials exists (e.g., asbestos, lead based paint, termites or other) or do not exist to the City Building Division and the report shall declare how such hazardous material will be properly removed and properly discarded. This includes, but is not limited to, obtaining permits from Air Quality Management District, Environmental Protection Agency and any other affected Agency by such action, which can include tenting for termites or rodents/vermin, and/or any other action to remedy the situation of hazardous type materials, termites or pests. All of which is to be done to the satisfaction of affected agencies.
88. If suspected hazardous materials are discovered, the appropriate agencies will be notified immediately. Upon notification and coordination with the appropriate agencies, suspected hazardous materials will be sampled and submitted for analytical testing to a State-certified laboratory. Should such testing confirm the hazardous nature of excavated materials, they will be disposed of in accordance with State and Federal hazardous waste laws.
89. In the event any legal action or proceeding is filed against the City of Garden Grove and/or applicant or its successors or assigns, seeking to attack, set aside, void or annul any approval or condition of approval of the City of Garden Grove concerning the Project, including, but not limited to, the Mitigated Negative Declaration, Conditional Use Permit No. CUP-303-10, Tentative Parcel Map No. PM-2010-1178, General Plan Amendment No. GPA-1-10(A), Planned Unit Development No. PUD-126-10, or Development Agreement No. DA-183-10, the applicant or its successors and assigns shall have the right and obligation to either: (1) defend (with legal counsel mutually selected by the applicant and the office of the City Attorney), indemnify, and hold harmless the City, its officers, agents, and employees from and against any such legal action or proceeding; or (2) request that the City rescind the entitlement approvals, in which case the applicant would have no obligation to defend or indemnify the City; however, the applicant shall reimburse the City for any costs incurred or assessed against the City as a result of the filing of such legal action or proceeding, provided the City acts promptly to rescind the entitlements.

EXHIBIT B Termination

1. Annual Review. The Annual Review shall be conducted in accordance with Paragraph 13 of the Development Agreement.

2. Pre-Determination Procedure. DEVELOPER's submission of compliance with this Agreement, in a form which the Director of Community Development Department may reasonably establish, shall be made in writing and transmitted to the Director of Community Development Department not later than ninety (90) days prior to the yearly anniversary of the Effective Date.

3. Director's Determination. On or before the yearly anniversary of the Effective Date of the Agreement, the Director of Community Development Department shall make a determination regarding whether or not DEVELOPER has complied in good faith with the provisions and conditions of this Agreement. The Director of Community Development Department may, at his/her discretion or at the request of the DEVELOPER host a public information meeting regarding compliance with this Agreement. The determination of compliance shall be made in writing with reasonable specificity, and a copy of the determination shall be provided to DEVELOPER in the manner prescribed in Section 18 of the Development Agreement.

4. Period To Cure Non-Compliance. If, as a result of this Annual Review procedure, it is found and determined by the Community Development Department Director, that DEVELOPER has not complied in good faith with the provisions and conditions of this Agreement, the City, shall submit to DEVELOPER, by registered or certified mail, return receipt requested, a written notice of non-compliance stating with specificity those obligations of DEVELOPER which have not been performed. Upon receipt of the notice of non-compliance, DEVELOPER shall promptly commence to cure the identified items of non-compliance at the earliest reasonable time after receipt of the notice of non-compliance and shall complete the cure of such items of non-compliance not later than forty-five (45) days after receipt of the notice of non-compliance, or such longer period as is reasonably necessary to remedy such items of non-compliance, provided that DEVELOPER shall continuously and diligently pursue such remedy at all times until such item of non-compliance is cured.

5. Failure To Cure Non-Compliance Procedure. If the Director of Community Development Department finds and determines that DEVELOPER, or its successors, transferees, and/or assignees, as the case may be, has not cured or timely commenced to and pursued the cure of an item of non-compliance pursuant to this Section, and that the City intends to terminate or modify this Agreement, the Director of Community Development Department shall then set a date for a public hearing before the Planning Commission for a recommendation to the City Council and, thereafter for consideration by the City Council in accordance with the notice and hearing requirements of Government Code Sections 65867 and 65868.

6. Termination Or Modification Of Agreement. The City may terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, after a finding or determination of noncompliance by the City Council. There shall be no modifications of this Agreement unless the City Council acts pursuant to Government Code Sections 65867.5 and 65868, irrespective of whether an appeal is taken as provided above.

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
ADOPTING DEVELOPMENT AGREEMENT NO. DA-183-10 BETWEEN THE CITY OF
GARDEN GROVE AND GARDEN GROVE MXD, INC.

City Attorney Summary

This ordinance approves a development agreement between the City of Garden Grove and Garden Grove MXD, Inc., the developer of the water park hotel proposed to be located generally on the west side of Harbor Boulevard between Lampson Avenue and Garden Grove Boulevard. The agreement provides that the developer will be entitled to build the project in accordance with the existing land use entitlements for a period of 5 years. The agreement further provides for a development agreement payment, along with the payment of development fees, to the City of Garden Grove in an amount not to exceed \$2,635,629

WHEREAS, the City of Garden Grove has received an application from Garden Grove MXD, Inc., for Development Agreement No. DA-183-10 for the establishment of a water park themed hotel resort with ancillary restaurant, retail, and meeting space uses to be developed on approximately 12.1 acres in an urbanized area in the city of Garden Grove located on the west side of Harbor Boulevard, north of Garden Grove Boulevard and south of Lampson Avenue, with addresses: 12581, 12591, 12681, and 12721 Harbor Boulevard, and 12602 and 12601 Leda Lane (Assessor Parcel Numbers: 231-441-27, 29, 39, and 40; 231-431-02 and 03)(the Project);

WHEREAS, pursuant to Resolution No. 5719, the Planning Commission at a duly noticed Public Hearing held on December 16, 2010, recommended approval of Development Agreement No. DA-183-10;

WHEREAS, a duly noticed Public Hearing was held by the City Council on January 25, 2011, and all interested persons were given an opportunity to be heard;

WHEREAS, Development Agreement No. DA-183-10 is consistent with the General Plan, as amended, and Planned Unit Development No. PUD-126-10, including the goals and policies of the Garden Grove General Plan; and

WHEREAS, the City Council approved Resolution No. [REDACTED] during its meeting on January 25, 2011, adopting a Mitigated Negative Declaration and Mitigation Monitoring Program for the Project pursuant to the California Environmental Quality Act, California Public Resources Section 21000 et seq. (CEQA) and CEQA's implementing guidelines, California Code of Regulations, Title 14, Sections 15000 et seq.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, HEREBY ORDAINS AS FOLLOWS:

Section 1. Recitals. The City Council finds that the above recitations are true and correct.

Section 2. Environmental Review. Pursuant to CEQA, the City Council adopted a Mitigated Negative Declaration and Mitigation Monitoring Program for the Project in Resolution No. [REDACTED] which incorporated by reference as if set forth fully herein.

Section 3. Approval. Development Agreement No. DA-183-10 is hereby adopted for property located on the west side of Harbor Boulevard, between Lampson Avenue and Garden Grove Boulevard, at 12581, 12591, 12681, and 12721 Harbor Boulevard, and 12601 and 12602 Leda Lane, Parcel Nos. 231-441-27, 29, 39, and 40 and 231-431-02, and 03. A copy of Development Agreement No. DA-183-10 is attached and on file in the City Clerk's Office.

Section 4. Recording. Pursuant to California Government Code Section 65868.5, the City Clerk shall record a copy of the Development Agreement with the County Recorder for the County of Orange within 10 days after the Development Agreement is executed.

Section 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, word, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, sentence, clause, phrase, word, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, words, or portions thereof be declared invalid or unconstitutional.

Section 6. Effective Date. The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same, or the summary thereof, to be published and posted pursuant to the provisions of law and this Ordinance shall take effect thirty (30) days after adoption.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal
Dept: City Manager
Subject: WATER PARK HOTEL MITIGATED
NEGATIVE DECLARATION INITIAL
STUDY BACK UP MATERIALS

From: Kathy Bailor
Dept: City Clerk
Date: January 25, 2011

THE BELOW LISTED BACK-UP INFORMATION TO ATTACHMENT 4: INITIAL STUDY, ARE AVAILABLE FOR PUBLIC REVIEW IN THE CITY CLERK'S OFFICE.

- ❖ Shade/Shadow Study dated September 2010, prepared by RBF Consulting.
- ❖ Air Quality Impact Study dated September 14, 2010, prepared by RK Engineering Group, Inc.
- ❖ Light and Glare Study for the Tornado "slide". dated August 4, 2010, prepared by LDB Incorporated.
- ❖ Water Quality Impact Report dated September 14, 2010, prepared by Tait & Associates, Inc.
- ❖ Traffic Impact Study, dated September 14, 2010, prepared by RK Engineering Group, Inc.
- ❖ Acoustical Study dated September 14, 2010, prepared by RK Engineering Group, Inc.
- ❖ Water Supply Assessment, dated October 2010, prepared by Psomas.