

# CITY OF NEWPORT BEACH PLANNING COMMISSION STAFF REPORT

September 18, 2025 Agenda Item No.3

SUBJECT: Monrovia Townhomes (PA2025-0062)

Major Site Development Review

Vesting Tentative Tract Map

SITE LOCATION: 1580-1598 Monrovia Avenue and 865-899 West 16<sup>th</sup> Street

**APPLICANT:** Intracorp Homes

OWNER: Kassa Grand, LLC

**PLANNER:** Joselyn Perez, Senior Planner

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## **PROJECT SUMMARY**

A request to authorize the development of an 89-unit, for-sale, residential townhome community on a 4.34-acre property at the southeast corner of Monrovia Avenue and West 16th Street. Private resident-serving amenities include a community pool and pedestrian walking paths with picnic tables and benches. The project will provide Publicly Accessible Open Space along Monrovia Avenue and West 16th Street. The following approvals are required:

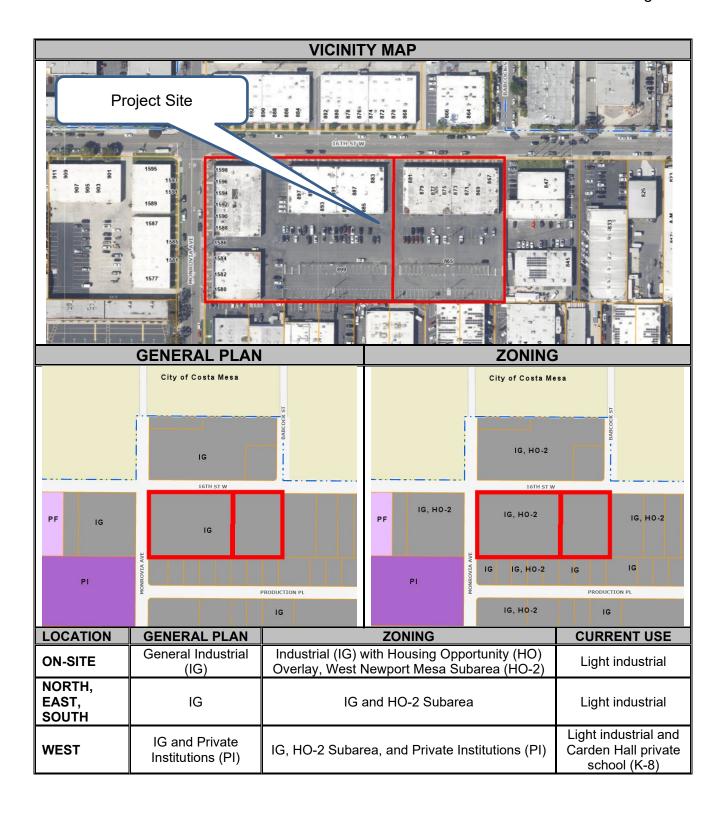
- A Major Site Development Review (SDR) to authorize the construction of a residential development with more than five dwelling units and a tentative tract map. Additionally, the SDR allows for deviations from specific multi-unit objective design standards provided in Section 20.48.185 (Multi-Unit Objective Design Standards) of the Newport Beach Municipal Code.
- A Vesting Tentative Tract Map (VTTM) to authorize the merger of two properties to create a single building site and to allow for an airspace subdivision of the individual residential units for individual sale (i.e., for condominium purposes).

## **RECOMMENDATION**

- 1) Conduct a public hearing;
- 2) Find that this project is not subject to further environmental review pursuant to Section 21083.3 of the California Public Resources Code (PRC) and Section 15183 of the CEQA Guidelines because the Project is consistent with the previously certified Program Environmental Impact Report (SCH No. 2023060699); and

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3) Adopt Resolution No. PC2025-020, approving the Major Site Development Review and Vesting Tentative Tract Map filed as PA2025-0062 (Attachment No. PC 1).



## INTRODUCTION

## **Background**

Housing Opportunity (HO) Overlay Zoning District and Amendment

On September 13, 2022, the City Council adopted the City's 6th Cycle Housing Element for the 2021-2029 planning period (Housing Element). The Housing Element was later certified as statutorily compliant with state law by the California Department of Housing and Community Development (HCD) on October 5, 2022.

On September 24, 2024, the City Council adopted Ordinance Nos. 2024-16 and 2024-17, approving amendments to Title 20 (Planning and Zoning) of the Newport Beach Municipal Code (NBMC) to establish the Housing Opportunity (HO) Overlay Zoning Districts in Section 20.28.050 (Housing Opportunity (HO) Overlay Zoning Districts) of the NBMC and to create multi-unit objective design standards in Section 20.48.185 (Multi-Unit Objective Design Standards) of the NBMC, respectively. The new sections serve to implement Policy Actions 1A through 1G and 3A in the 6th Cycle Housing Element of the General Plan.

The adoption of these ordinances provided new housing opportunities within five subareas to ensure the City can meet its 6<sup>th</sup> Cycle Regional Housing Needs Assessment (RHNA) allocation: Airport Area Environs Area (HO-1), West Newport Mesa Area (HO-2), Dover-Westcliff Area (HO-3), Newport Center Area (HO-4), and Coyote Canyon Area (HO-5). These subareas correspond directly to the Focus Areas identified in Appendix B (Adequate Sites Analysis) of the Housing Element.

Properties identified as a Housing Opportunity Site have specified development standards conducive to residential development at the prescribed average density of 20 to 60 dwelling units per acre. The standards include but are not limited to minimum lot area, setbacks, height, open space, landscaping, and parking. The Multi-Unit Objective Design Standards in Section 20.48.185 of the NBMC are applicable to any residential project with a minimum density of 20 dwelling units per acre to ensure the highest possible design quality and to provide a baseline standard for new multi-unit developments throughout the City.

As shown in Figure 1 below, the project site was identified as Housing Opportunity Site Nos. 229 and 237 with an assumed net yield of 216 dwelling units and included within the HO-2 (West Newport Mesa) Subarea of the Housing Opportunity (HO) Overlay Zoning District. While the Project does not meet the assumed net yield of dwelling units, there are a sufficient number of sites identified in the Housing Element sites inventory analysis (Appendix B of the City's 6th Cycle Housing Element) to accommodate any unmet housing needs, such that if this project is approved, the City would still comply with its share of RHNA.



Figure 1, HO-2 (West Newport Mesa) Subarea of the Housing Opportunity (HO) Overlay Zoning District

## **Project Setting**

The project site is in the West Newport Mesa neighborhood, an area with a mix of homes, offices, industrial buildings, and public facilities. The site is 4.34 acres in size, rectangularly shaped, and located at the southeast corner of Monrovia Avenue and West 16th Street (see Figure 2 below). Currently, there are four single-story, multi-tenant, industrial buildings on two separate legal lots. Tenants share a 175-space surface parking lot which can be accessed from a single driveway on Monrovia Avenue, three driveways on West 16th Street, or from the adjoining parcel to the south. On-site landscaping is limited to areas located between the building and the public rights-of-way.

Surrounding land uses are light industrial, office, and church uses. There is a private school (Carden Hall) that serves pre-kindergarten through 8<sup>th</sup> grade located southwest of the project site.



Figure 2, Oblique image of the project site and the surrounding neighborhood

## **Project Description**

The applicant is proposing to demolish the existing light industrial buildings and construct an 89-unit residential townhome community. The proposed development includes a combination of single-unit dwellings, duplexes, and attached townhome-style units. Proposed unit sizes range from 2,063 to 2,998 gross square feet and include two-bedroom, three-bedroom, and four-bedroom units. Table 1 depicts the various unit types and sizes. All units feature an attached, two-car garage, which is included in the gross floor area. The applicant's full project description is provided as Attachment No. PC 2.

Table 1 Dwelling Unit Summary

Unit Type	Floor Plan	Gross Floor	Bedrooms	No. Units
		Area (Sq. Ft)		
Single-Unit	2	2,998	4	4
Duplex	1A & 2A	2,888	3	17
Duplex	1B & 2B	2,958	4	17
Townhome	1	2,063	2	6
Townhome	1X	2,167	3	11
Townhome	2	2,163	3	11
Townhome	3	2,327	3	12
Townhome	3X	2,425	3	5

Townhome	4	2,333	3	6

The single-unit and duplex buildings are located on the southern half of the site and will be four stories with a maximum height of 47 feet, 8 inches above finish grade. Townhome style units are located on the northern half of the site and will be three stories with a maximum height of 38 feet, 8 inches above finish grade. Project Plans are provided as Attachment No. PC 3.

## Design and Architecture

The applicant is proposing contemporary coastal architecture with two distinct styles, coastal farmhouse and beach cottage, which are inspired by the applicant's previous townhome project, The Isle at Mariner Shores, located at 1244 Irvine Avenue. Units feature detailed building fronts, varying roof heights, balconies, and walls with sections that either extend out or are set back to create visual interest. Finished materials include stacked stone, stucco, board and batten, horizonal siding, and concrete flat tile roofing. As shown in Figure 3 below, the proposed color palette incorporates coastal colors such as whites, greys and light blues, and neutral earthy colors such as beige, brown, and light white.



Figure 3, Project Rendering, as seen from Monrovia Avenue

## Access and Parking

Each unit will have its own attached two-car garage. Garages are designed large enough to accommodate individual trash bin storage within, except on trash pick-up day. In addition, there will be 47 surface parking spaces available throughout the site. Altogether, the

development will offer a total of 225 parking spaces. Vehicles will be able to enter the site from one driveway on the east end of the West 16th Street frontage and from two driveways along Monrovia Avenue. All driveways are connected within the site so residents can use any entrance to reach their garages. Pedestrian access is provided directly from the sidewalks along Monrovia Avenue and West 16<sup>th</sup> Street via individual walks or private paseos. The community layout is shown below in Figure 4 with the 47 open parking spaces identified in red.



Figure 4, Site Plan

#### Residential Amenities

The community features three types of open space for the benefit of residents; active common, passive common, and private. Active common open space includes an approximate 3,300-square-foot pool area. The pool area, shown below in Figure 5, includes a swimming pool, spa, barbeque area, trellis shade structure, and restroom building. The passive common open space areas include walking paths throughout the development, the largest of which runs east-west through the center of the site. The largest walking path provides benches, picnic tables, and lighting.

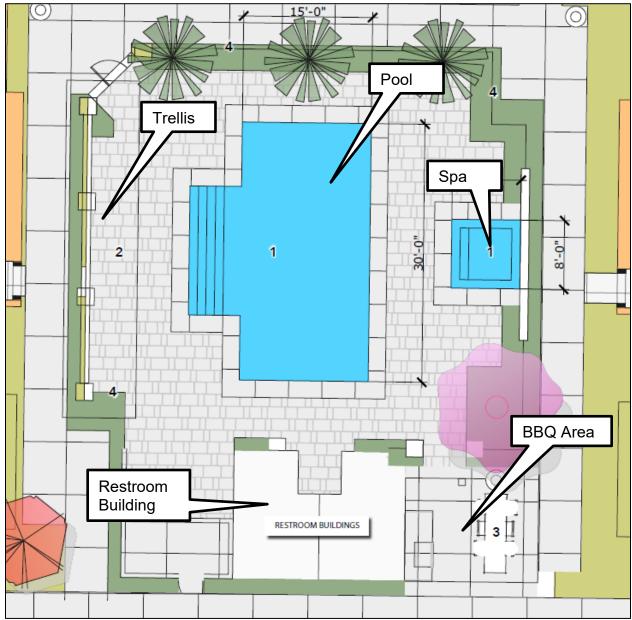


Figure 5, Pool Area

In addition to the common open space areas, each unit provides private open space using a combination of decks, courtyards, and porches. Each of these open space areas has a minimum depth and width of 6 feet. A summary of private open space is provided below in Table 2 and open space areas are depicted in the Project Plans.

Table 2, Private Open Space Summary

Unit Type	Floor Plan Number	Gross Livable Area (Sq. Ft.)	Private Open Space Required (Sq. Ft.)	Private Open Space Provided (Sq. Ft.)
Single-Unit	2	2,496	124.8	217
Duplex	1A	2,432	121.6	220
Duplex	2A	2,496	124.8	217
Duplex	1B	2,432	121.6	220
Duplex	2B	2,496	124.8	217
Townhome	1 (w/ porch)	1,661	83.1	107
Townhome	1X	1,742	87.1	109.5
Townhome	1X (w/ courtyard)	1,742	87.1	272
Townhome	2 (w/ courtyard A)	1,697	84.8	224
Townhome	2 (w/ courtyard B)	1,747	87.4	143
Townhome	2 (w/. porch)	1,697	84.8	120
Townhome	3X	1,906	95.3	141
Townhome	3 (w/ porch)	1,813	90.6	171
Townhome	3 (w/ courtyard)	1,860	93	311
Townhome	4 (w/ courtyard)	1,697	84.8	223

#### Subdivision and Establishment of Grade

The applicant is asking for approval of a Vesting Tentative Tract Map (VTTM) to:

- 1) Combine the two existing properties into one, and
- 2) Subdivide the site into 89 separate units (airspace subdivision) so they can be sold individually as condominiums.

While the land underneath the buildings would remain one single property, owned together by all residents through a homeowners association (HOA), each individual owner would fully own the space inside their unit. The VTTM also sets a specific finished floor elevation, which will be used to measure the height of the building.

The "vesting" portion of the VTTM is intended to lock in the development standards to current requirements. Should changes to the project be proposed in the future, the current development standards would still be applicable, regardless of changes to the zoning code.

## Required City Approvals

The following approvals are required to implement the proposed project:

- Major Site Development Review (SDR): Required for any project proposing five or more residential units with a tract map. The SDR additionally allows for deviations of five multi-unit objective design standards pursuant to Section 20.48.185 (Multi-Unit Objective Design Standards) of the NBMC.
- Vesting Tentative Tract Map (VTTM): Requested to merge the two properties to create a single building site and allow for an airspace subdivision of the individual residential units for individual sale (i.e., for condominium purposes).

## **DISCUSSION**

#### Analysis

## General Plan Consistency

Though the subject property is categorized as General Industrial (IG) by the General Plan Land Use Element, it was included as Site Nos. 229 and 237 within Appendix B (Adequate Sites Analysis) of the adopted and certified 6<sup>th</sup> Cycle Housing Element deeming it potentially appropriate for multi-unit residential development in furtherance of the City's housing goals. Its rezoning with the HO-2 Subarea designation is supported by Land Use Element Policy LU4.4 (Rezoning to Accommodate Housing Opportunities), which states that the City would provide housing opportunities through the use of a housing overlay zoning district as a regulatory mechanism. In addition to the above, the project is consistent with several other General Plan Housing Element, Land Use Element, and Circulation Element policies that establish fundamental criteria for the formation and implementation of new residential development. A consistency analysis with General Plan policy was completed and is provided as Attachment No. PC 4.

## Zoning Code Consistency

The subject site is zoned Industrial (IG) and is within the West Newport Mesa (HO-2) Subarea of the Housing Opportunity (HO) Overlay District. As previously discussed in the Background section, Section 20.28.050(B) (Housing Opportunity (HO) Overlay Zoning Districts – Uses Allowed) of the NBMC allows for multi-unit residential development on housing overlay sites if the project meets the 20 to 50 dwelling units per acre density requirement. Based on the proposed 4.34-acre lot, the project results in a density of 20.5 units per acre and meets the density requirement of the HO-2 Subarea.

In addition to minimum density, the project conforms to all applicable development standards of the HO-2 Subarea specified in Table 2-16 (Development Standards for Housing Opportunity Overlay Zones) of Section 20.28.050 of the NBMC, as evidenced by the project plans (Attachment No. PC 3) and as illustrated in Table 3 below.

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Development Standard	Standard	Proposed		
Setbacks (min.)				
Front (Monrovia Avenue)	10 feet <sup>1</sup>	20 feet		
Streetside (W. 16th Street)	10 feet	20 feet		
Side (south)	0 feet	13 feet		
Rear (east)	20 feet	41 feet		
Parking (min.)	202 spaces	225 spaces		
Building Separation	10 feet	10.5 feet		
Common Open Space (75 sq.	6,675 sq. ft.	11,682 sq. ft (paseo through		
ft./unit min.)		community and pool area)		
Private Open Space (5% gross	103.2 to 149.9 sq.	107 to 311 sq. ft. per unit		
floor area/unit min.)	ft. per unit	·		
Height (max.)	65 feet	47 feet, 8 inches		

Table 3, HO-2 Subarea Development Standards

The project is also subject to the Multi-Unit Objective Design Standards provided in Section 20.48.185 (Multi-Unit Objective Design Standards) of the NBMC. As indicated in the Objective Design Standards Checklist (Attachment No. PC 5), the project conforms to 47 of the 52 applicable standards (i.e., 90% of the applicable standards). Subsection 20.48.185(C) allows for deviations from any objective design standards through the approval of a SDR, by the Planning Commission, with additional findings. The applicant requests generally minor deviations from five standards as, described in the *Major Site Development Review - Multi-Unit Objective Design Standard Deviation* section below.

#### Major Site Development Review

Section 20.52.080(F) (Site Development Review, Findings and Decision) of the NBMC requires the Planning Commission to make the following findings before approving SDR:

- A. The proposed development is allowed within the subject zoning district;
- B. The proposed development is in compliance with all of the following applicable criteria:
  - i. Compliance with this section, the General Plan, this Zoning Code, any applicable specific plan, and other applicable criteria and policies related to the use or structure;
  - ii. The efficient arrangement of structures on the site and the harmonious relationship of the structures to one another and to other adjacent developments; and whether the relationship is based on standards of good design;

<sup>&</sup>lt;sup>1</sup> Footnote No. 3 of Table 2-16 requires that any portion of a building that is over 20 feet in height, which include the Project's third and fourth floors, shall provide a 20-foot setback from the street right-of-way.

- iii. The compatibility in terms of bulk, scale, and aesthetic treatment of structures on the site and adjacent developments and public areas;
- iv. The adequacy, efficiency, and safety of pedestrian and vehicular access, including drive aisles, driveways, and parking and loading spaces;
- v. The adequacy and efficiency of landscaping and open space areas and the use of water efficient plant and irrigation materials; and
- vi. The protection of significant views from public right(s)-of-way and compliance with NBMC Section 20.30.100 (Public View Protection); and
- C. Not detrimental to the harmonious and orderly growth of the City, nor endangers, jeopardizes, or otherwise constitutes a hazard to the public convenience, health, interest, safety, or general welfare of persons residing or working in the neighborhood of the proposed development.

Staff believes facts to support the findings exist to approve the SDR. These facts are discussed in detail in the attached draft resolution (Attachment No. PC 1). The key facts in support of findings are summarized in the following paragraphs.

The project is consistent with multiple programs and policies of the General Plan that establish fundamental criteria for the formation and implementation of new residential development.

Adequate, efficient, and safe pedestrian and vehicular access to and from the Project Site within driveways, and parking has been incorporated in the project design. The Project includes drive aisles that are internal to the Project Site and behind the proposed buildings, which will significantly buffer any vehicle noise produced by future residents. The Project is also designed to accommodate and provide safe access for emergency vehicles and refuse collection vehicles from both West 16<sup>th</sup> Street and Monrovia Avenue. As the Project Site is within the Industrial zoning district, there are land uses in proximity with the potential to produce noise. Condition of Approval no. 9 requires an acoustic study be performed prior to the issuance of a Certificate of Occupancy that demonstrates that noise has been attenuated to a level in compliance with Chapter 10.26 (Community Noise Control) of the NBMC. Additionally, the Applicant is required pursuant to Condition of Approval No. 10, to provide a disclosure statement alerting prospective purchasers to the potential for nearby noise caused by existing industrial and commercial uses in the area.

All development standards will be met, including required parking. The project requires 202 onsite parking spaces; however, the project provides 225 onsite parking spaces, including a two-car garage for each unit and 47 open parking spaces. With regards to traffic, Chapter 15.40 (Traffic Phasing Ordinance) of the NBMC provides a framework for analyzing and evaluating the traffic impacts of projects that generate 300 or more new average daily trips (ADTs). To determine whether the project generates 300 or more new ADTs and if a Traffic Impact Analysis (TIA) is required, a Vehicle Miles Traveled Screening Assessment was prepared by Linscott, Law and Greenspan Engineers, dated May 21, 2025 (Screening Assessment). The Screening Assessment is provided as Attachment No. PC 6.

The Screening Assessment, using the most current Institute of Transportation Engineers Trip Generation Manual, found that the existing land use can generate up to 808 ADTs, while the proposed project would generate only 600 ADTs. Therefore, the project results in a decrease of 208 ADTs from the existing use and no TIA is required.

Lastly, the Project does not have the potential to impact any Public Viewpoints or Coastal View Roads, as identified on General Plan Figure NR 3 (Coastal Views). The nearest designated public viewpoint is located at Sunset Ridge Park, approximately half a mile southwest of the Project Site. The nearest designated coastal view road is the southern portion of Superior Avenue, approximately 2000 feet south of the Project Site. The Project Site is not within the viewshed of coast, as seen from the designated viewpoint and view road.

Major Site Development Review – Multi-Unit Objective Design Standard Deviation

Pursuant to Section 20.48.185(A) (Multi-Unit Objective Design Standards – Purpose) of the NBMC, the project is seeking deviation from five of the 52 applicable Multi-Unit Objective Design Standards as shown in the Objective Design Standards Checklist (Attachment PC 5). The purpose of the objective design standards is to ensure the highest possible design quality and to provide a baseline standard for all new multi-unit development in Newport Beach, including by-right housing approvals. Deviations However, in recognition that all the objective standards may not be appropriate for all developments and that flexibility should be provided to allow for design creativity and diversity, the Planning Commission may approve a SDR to allow deviation of multi-unit objective design standards only after making all the following findings:

- A. The strict compliance with the standards is not necessary to achieve the purpose and intent of this section.
- B. The project possesses compensating design and development features that offset impacts associated with the modification or waiver of standards

Staff believes there are sufficient facts in support of the findings to approve the requested deviations. These facts are discussed in detail in the attached draft resolution (Attachment No. PC 1). The key facts in support of findings needed for the deviations are summarized as follows:

1. Orientation: Building entries shall face the primary public street with direct pedestrian connections to the public sidewalks, unless determined to be infeasible due to topographic constraints by the Director. The buildings with public street frontage are generally oriented to face the street and provide direct connections to the public sidewalk. However not all units face the street. For example, the 6-plexes, as shown below in Figure 6 and identified on the site plan as Bldg. 5, have frontage along West 16<sup>th</sup> Street, but the two corner units take entrance from the side. While this orientation does not comply with the standard, it meets the intent

of the standard by still providing a visually interesting building, as seen from the street. The buildings do not appear "walled off" or disconnected from the street.

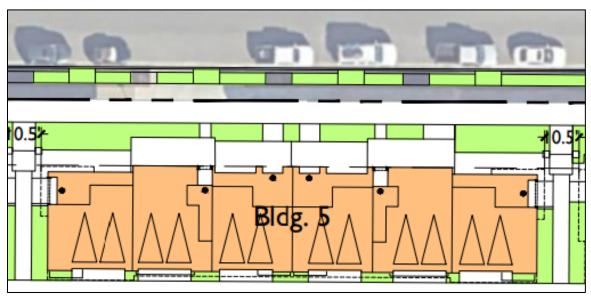


Figure 6: Townhome orientation, facing West 16th Street

A different version of this deviation also occurs along Monrovia Avenue with the building types identified as Bldg. 1 and Bldg. 2. In this case, these buildings are not a part of a townhome building with most entrances fronting the street. Rather, Bldg. 1 and Bldg 2. present what would be a side elevation to the street. To meet the intent of this design standard, the Applicant has proposed an enhanced side elevation, as shown below in Figure 7, for these specific locations. While the enhanced side elevation does not provide an entrance fronting the street, it provides additional windows and modulation to create visual interest and to prevent the walled off condition described above. This condition is minimized within the overall development and only occurs in two places.



Figure 7: Regular façade (left) and enhanced façade (right)

- 2. Frontage Types and Standards: At least 20% of the surface area of the ground and upper floor façade shall be occupied by windows. The project proposes two architectural themes; Coastal Farmhouse and Beach Cottage. This contemporary architectural style draws inspiration from the surrounding Newport Beach community and other developments within the City, such as the Isle at Mariner Shores. This style typically does not include extensive fenestration. Additionally, as the garage is a primary component of the ground level, excessive windows are not desirable for both security and aesthetic reasons. Nevertheless, the Applicant has increased the number and size of windows to the maximum feasible size while maintaining practical and usable floor plans. The project provides a range of window coverage which sometimes exceeds 20%, but does not consistently provide 20%.
- 3. Private Driveway Standards Landscape and Paving Zone (LPZ): A 4-foot minimum width zone shall be provided. The zone shall be landscaped a minimum of 20% of the total site abutting a building. A combination of vines, ornamental grasses, shrubs, ground cover, and ornamental trees shall be provided. Landscaping in pots is permitted. While the project does not provide the minimum 4 feet of landscaping adjacent to the drive aisle, it includes narrower planters that preserve the minimum drive aisle widths required by Public Works and the Fire Department. These planters still support the growth of vines and shrubs, contributing greenery and visual interest consistent with the intent of the landscaping requirement. Additionally, the prescribed 4-foot minimum can create an unintended visual cue that encourages parallel parking in front of garage doors, as planters of that width on either side of a garage opening can suggest a parking space, potentially obstructing access and circulation.

- 4. Publicly Accessible Open Space (PAOS) Standards: Minimum PAOS Width. No. paseo, promenade, or courtyard right-of-way shall be narrower than 20 feet in width. If incorporated in a development plan, paseos or promenades shall include an eight-foot minimum width path. Development sites with a combined street frontage 200 feet or greater in width and a total development site area of one acre or greater shall provide a minimum of three percent PAOS of the net site area. The project proposes pedestrian paseos along the Monrovia Avenue and West 16th Street frontage. To accommodate the rectangular shape of the parcel (longer than wider) and street fronting courtyards which provide private open space, these paseos have a narrower width. The PAOS is 14 feet in depth along West 16th Street and 15 feet in depth along Monrovia Avenue. The walkway abuts the City sidewalk, creating a wide, 12-foot, walkway lined with trees. Increasing the width of these paseos would result in the reduction of private open space for units with courtyards or shrinking drive aisles, which would be contrary to Fire Department requirements. While the PAOS is narrower than required, it runs along the entire West 16th Avenue frontage and most of the Monrovia Avenue frontage, providing 10,224 sq. ft. of PAOS when only 4,695 sq. ft. are required, i.e. over double the minimum requirement. Furthermore, the PAOS placement is strategic. Having PAOS along the street frontages makes it easily accessible to the public, increasing the likelihood of use, which meets the intent of this standard. Lastly, the PAOS will provide bicycle racks and a repair station, which will benefit the neighborhood.
- 5. First Floor Opening and Transparency Standards: Minimum Opening Standard. First floor multi-unit building frontages shall be comprised of transparent glazed door and window openings as follows: 25% for any at-grade or above-grade residential first floor unit fronting a street or paseo. Similar to the Frontage Types and Standards item, the project proposes a Coastal Farmhouse architectural style that typically does not include extensive fenestration. Nevertheless, the Applicant has increased the number of size of windows to the maximum feasible size while maintaining practical and usable floor plans. The transparency standards are intended to make a ground floor appear welcoming and not walled off from the street. The proposed design still achieves this intent by proposing articulated porches and windows where appropriate. Figures 8 & 9 below provide examples of what will be seen by the public from the street. Furthermore, the private residence courtyards that face the PAOS and the street will create a relaxing and social atmosphere for the community.



Figure 8, Façade of Six-Unit Building



Figure 9, Façade of Two-Unit Building

Although the project requests minor deviations to five objective design standards, the project still more than complies with the intent the objective design standards and the deviations are appropriate. Deviations are not intended to be punitive, rather, they are intended to provide a mechanism for flexibility.

## Vesting Tentative Tract Map

Section 19.12.070 (Required Findings for Action on Tentative Maps) of the NBMC, requires the Planning Commission to make the following findings before approving a Vesting Tentative Tract Map:

- A. That the proposed map and the design or improvements of the subdivision are consistent with the General Plan and any applicable specific plan, and with applicable provisions of the Subdivision Map Act and this Subdivision Code;
- B. That the site is physically suitable for the type and density of development;

- C. That the design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage nor substantially and avoidably injure fish or wildlife or their habitat. However, notwithstanding the foregoing, the decision making body may nevertheless approve such a subdivision if an environmental impact report was prepared for the project and a finding was made pursuant to Section 21081 of the California Environmental Quality Act that specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the environmental impact report;
- D. That the design of the subdivision or the type of improvements is not likely to cause serious public health problems;
- E. That the design of the subdivision or the type of improvements will not conflict with easements, acquired by the public at large, for access through or use of property within the proposed subdivision. In this connection, the decision making body may approve a map if it finds that alternate easements, for access or for use, will be provided and that these easements will be substantially equivalent to ones previously acquired by the public. This finding shall apply only to easements of record or to easements established by judgment of a court of competent jurisdiction and no authority is hereby granted to the City Council to determine that the public at large has acquired easements for access through or use of property within a subdivision;
- F. That, subject to the detailed provisions of Section 66474.4 of the Subdivision Map Act, if the land is subject to a contract entered into pursuant to the California Land Conservation Act of 1965 (Williamson Act), the resulting parcels following a subdivision of the land would not be too small to sustain their agricultural use or the subdivision will result in residential development incidental to the commercial agricultural use of the land;
- G. That, in the case of a "land project" as defined in California Business and Professions Code Section 11000.5, (1) there is an adopted specific plan for the area to be included within the land project; and (2) the decision making body finds that the proposed land project is consistent with the specific plan for the area;
- H. That solar access and passive heating and cooling design requirements have been satisfied in accordance with Sections 66473.1 and 66475.3 of the Subdivision Map Act;
- I. That the subdivision is consistent with California Government Code Sections <u>66412.3</u> and <u>65584</u> regarding the City's share of the regional housing need and that it balances the housing needs of the region against the public service needs of the City's residents and available fiscal and environmental resources;

- J. That the discharge of waste from the proposed subdivision into the existing sewer system will not result in a violation of existing requirements prescribed by the Regional Water Quality Control Board; and
- K. For subdivisions lying partly or wholly within the Coastal Zone, that the subdivision conforms with the certified Local Coastal Program and, where applicable, with public access and recreation policies of Chapter Three of the Coastal Act.

Staff believes facts to support the findings exist to approve the VTTM. These facts are discussed in detail in the attached draft resolution (Attachment No. PC 1). The key facts in support of findings are summarized in the following paragraphs.

The Project Site is suitable for the type and density of the development in that the infrastructure serving the site has been designed to accommodate the proposed project. A sewer and water demand study were prepared by Fuscoe Engineering dated July 7, 2025, and June 4, 2025, respectively. The studies concluded that no additional sewer system or water line improvements are required to accommodate the project. The site does not contain riparian habitat or other sensitive natural communities, or wetlands. Furthermore, the project is not expected to result in any public health or safety concern to residents in this area or throughout the City. All improvements associated with the project will comply with all Building, Public Works, and Fire Codes, which are in place to prevent serious public health problems. Public improvements will be required of the developer per Section 19.28.010 (General Improvement Requirements) of the NBMC. All ordinances of the City and all Conditions of Approval will be complied with.

The project includes for-sale units and is subject to paying an in-lieu park dedication fee pursuant to Chapter 19.52 (Park Dedication and Fees) of the NBMC, as required for park and recreational purposes. As the applicant is not proposing any on-site parkland, an inlieu fee will be required for all 89 new dwelling units. A preliminary application for residential development, filed as PA2024-0228, was deemed submitted on February 14, 2025, for this project. The preliminary application prevents the project from being subject to any City ordinances, policies, and standards adopted after the date of submission, except as specified in Government Code Section 65589.5(o). Therefore, the project will be subject to the in-lieu park fee in the amount of \$38,400 per unit which was the fee in effect at the time the preliminary application was deemed submitted.

#### Environmental Review

Pursuant to the California Environmental Quality Act (CEQA) as set forth in California Public Resources Code Section 21000 *et seq.* and its implementing guidelines set forth in California Code of Regulations, Title 14, Division 6, Chapter 3 (CEQA Guidelines), the City Council adopted Resolution No. 2024-50 on July 23, 2024, certifying Final Program Environmental Impact Report SCH No. 2023060699 (PEIR), approving a Mitigation Monitoring and Reporting Program (MMRP), and adopting Findings and a Statement of Overriding Considerations related to the implementation of the Housing Element involving

amendments to the General Plan, Coastal Land Use Plan, and Title 20 (Planning and Zoning) and Title 21 (Local Coastal Program Implementation Plan) of the NBMC which are available at: <a href="https://examplementation.ncm/">Housing Implementation Program EIR</a>.

The project is not subject to further environmental review pursuant to Section 21083.3 of the California Public Resources Code (PRC) and Section 15183 of the CEQA Guidelines because, inasmuch as the property involved is within the HO-2 Subarea, the project does not change the underlying land use or zoning designations; and would not result in new significant impacts or a substantial more adverse impact than addressed in the PEIR.

Section 15183 of the CEQA Guidelines provides, in relevant part:

- a. Projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an environmental impact report (EIR) was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site. This streamlines the review of such projects and reduces the need to prepare repetitive environmental studies.
- b. In approving a project meeting the requirements of this section, a public agency shall limit its examination of environmental effects to those which the agency determines, in an initial study or other analysis:
  - i. Are peculiar to the project or the parcel on which the project would be located;
  - ii. Were not analyzed as significant effects in a prior EIR on the zoning action, general plan, or community plan, with which the project is consistent;
  - iii. Are potentially significant off-site impacts and cumulative impacts which were not discussed in the prior EIR prepared for the general plan, community plan or zoning action; or
  - iv. Are previously identified significant effects which, as a result of substantial new information which was not known at the time the EIR was certified, are determined to have a more severe adverse impact than discussed in the prior EIR.
- c. If an impact is not peculiar to the parcel or to the project, has been addressed as a significant effect in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards, as contemplated by subdivision (e) below, then an additional EIR need not be prepared for the project solely on the basis of that impact.
- d. This section shall apply only to projects which meet the following conditions:

- i. The project is consistent with:
  - A. A community plan adopted as part of a general plan;
  - B. A zoning action which zoned or designated the parcel on which the project would be located to accommodate a particular density of development; or
  - C. A general plan of a local agency; and
- ii. An EIR was certified by the lead agency for the zoning action, the community plan, or the general plan.

As part of its decision-making process, the City is required to review and consider whether the project would create new significant impacts or significant impacts that would be substantially more severe than those disclosed in the PEIR. Additional CEQA review is only triggered if the project's new significant impacts or impacts that are more severe than those disclosed in PEIR such that major revisions to the PEIR would be required. A detailed consistency analysis was prepared by T & B Planning Inc. and dated September 2025 (Consistency Analysis). The Consistency Analysis was peer reviewed by Kimley-Horn and Associates Inc., the City's on-call CEQA consultant. The Consistency Analysis was accepted, subject to a Condition of Approval that prior to the demolition of any structure, the Applicant shall retain a qualified professional historian to confirm the affected structures are not historically significant. The Consistency Analysis is provided as Exhibit "B" to the draft resolution. Both the Consistency Analysis and peer review conclude that the project would not create any new significant impacts or significant impacts that are substantially more severe than those disclosed in the PEIR and therefore no further environmental review is required.

## **SUMMARY**

Staff believes the findings for project approval are made as demonstrated by Attachment No. PC 1 to this report. The project is consistent with the intent of the HO-2 Subarea and is consistent with several policies of the General Plan Housing, Land Use, and Circulation Elements. If approved, the project will provide a net increase in 89 for-sale single-unit detached, duplex, and multi-family dwelling units, which diversifies the City's housing stock and helps increase the supply of housing in Newport Beach.

## Alternatives and Housing Accountability Act Compliance

Should the Planning Commission's review and evaluation of this project not coincide with City staff's recommendation, then the following alternative options are available to the Planning Commission:

- The Planning Commission may suggest specific changes that are necessary to alleviate any concerns. If the requested changes are substantial, the item could be continued to a future meeting. Should the Planning Commission choose to do so, staff will return with a revised resolution incorporating new findings and/or conditions.
- 2. If the Planning Commission chooses to deny or reduce the density of the project, findings must be made consistent with the Housing Accountability Act (Government Code Section 65589.5), which restricts the City's ability to deny, reduce density of, or make infeasible housing developments for projects that are consistent with objective general plan, zoning (including objective design standards), and subdivision standards. The law also places the burden of proof on the City to justify denial or reduction in density. Therefore, if after consideration of all written and oral evidence presented, the Planning Commission desires to either disapprove or impose a condition that the project be developed at a lower density or with any other conditions that would adversely impact feasibility of the proposed project, the Planning Commission must articulate the factual basis for making the following findings and direct staff to return with a revised resolution incorporating the articulated findings and factual basis for the decision:
  - (A) The housing development project would have a specific, adverse impact upon the public health or safety unless the project is disapproved or approved upon the condition that the project be developed at a lower density. As used in this paragraph, a "specific, adverse impact" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.
  - (B) There is no feasible method to satisfactorily mitigate or avoid the adverse impact identified, other than the disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density.

## **Public Notice**

Notice of this hearing was published in the Daily Pilot, mailed to all owners of property within 300 feet of the boundaries of the site (excluding intervening rights-of-way and waterways) including the applicant, and posted on the subject property at least 10 days before the scheduled meeting, consistent with the provisions of the Municipal Code. Additionally, the item appeared on the agenda for this meeting, which was posted at City Hall and on the city website.

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## **ATTACHMENTS**

- PC 1 Draft Resolution
- PC 2 Applicant's Project Description
- PC 3 Project Plans
- PC 4 General Plan Policy Consistency
- PC 5 Multi-Unit Objective Design Standard Checklist
- PC 6 Screening Assessment