



CITY OF NEWPORT BEACH PLANNING COMMISSION STAFF REPORT

June 18, 2026
Agenda Item No. 2

SUBJECT: Westcliff at Dover (PA2025-0254)
▪ Major Site Development Review
▪ Vesting Tentative Tract Map

SITE LOCATION: 1501 16th Street

APPLICANT: Dean Pernicone with D.R. Horton

OWNER: Gallant Family LLC

PLANNER: Oscar Orozco, Associate Planner
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PROJECT SUMMARY

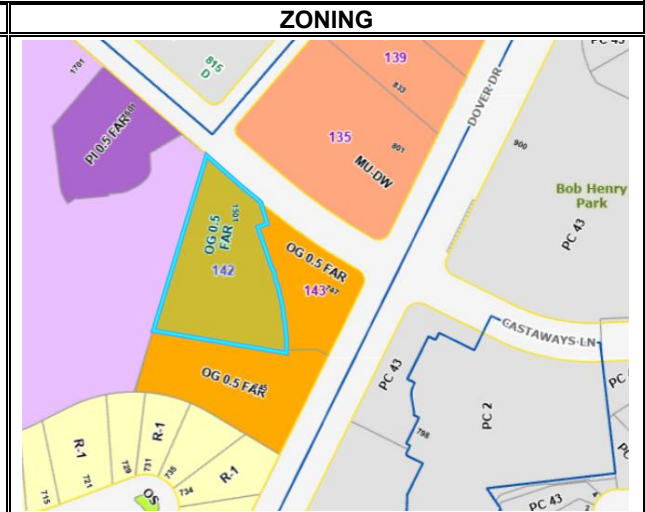
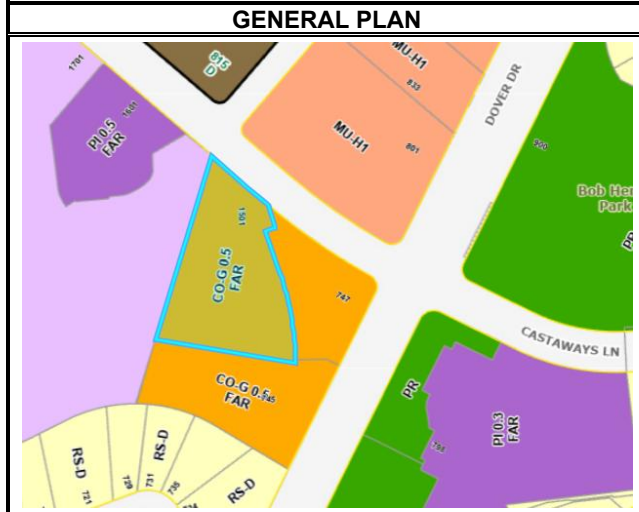
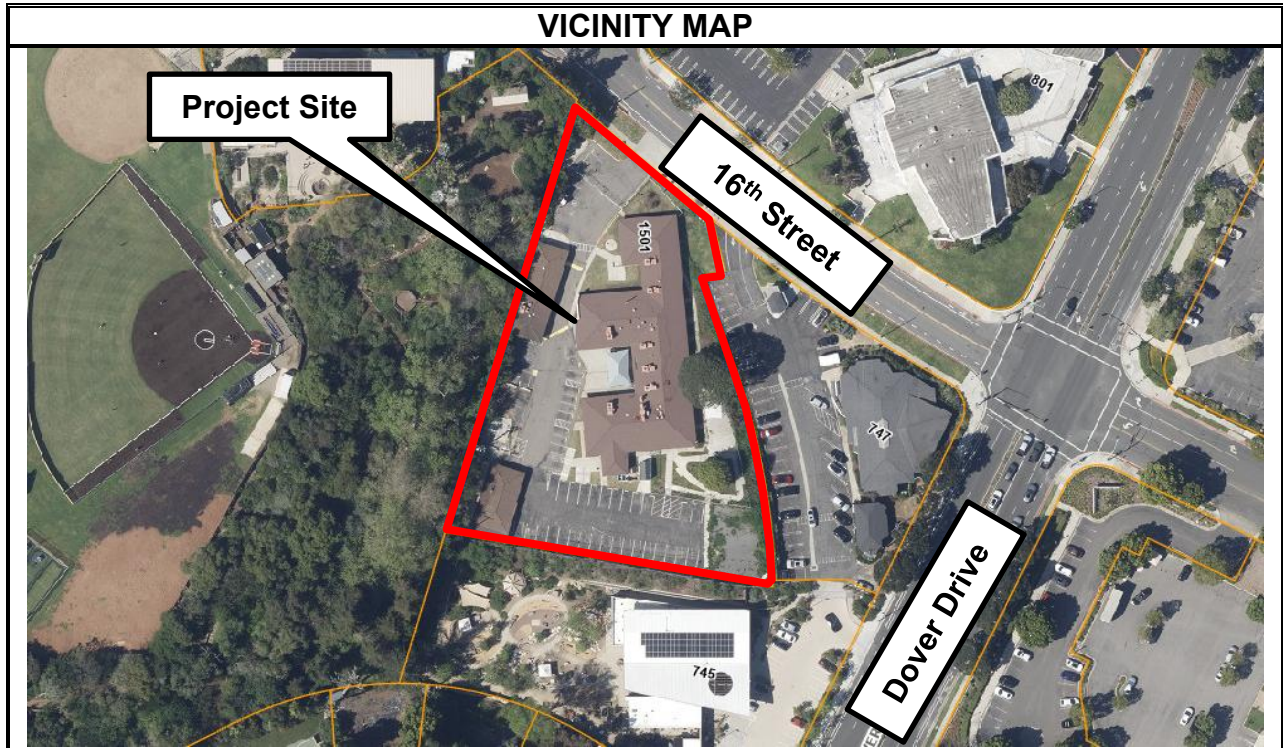
A request to authorize the development of a 30-unit, for-sale residential townhome community on an existing medical office site at 1501 16th Street (Project Site). The proposed development includes the demolition of all current improvements and construction of three-bedroom townhomes ranging from 2,088 to 2,401 square feet. The development will include a two-car garage for each unit and nine uncovered guest parking spaces for a total of 69 on-site parking spaces. The 30 units will be distributed across five buildings composed of five, six, and seven units. The buildings are three stories tall with rooftop decks above and have a maximum structure height of approximately 44 feet above established grade. The development proposes resident-serving amenities including outdoor seating, barbeque, firepit, walking paths, and a passive turf area. Vehicular access to the Project Site is provided by a single driveway on 16th Street. The following approvals are required to implement the project:

- *Major Site Development Review (SDR)*: A Major SDR in accordance with Section 20.52.080 (Site Development Reviews) of the Newport Beach Municipal Code (NBMC) for five or more units with a tentative tract map. An SDR also allows for deviations from five objective design standards pursuant to Section 20.48.185 (Multi-Unit Objective Design Standards) of the NBMC; and
- *Vesting Tentative Tract Map (VTTM)*: A VTTM to allow for an airspace subdivision of the individual residential units on a 1.53-acre parcel, pursuant to Chapter 19.12 (Tentative Map Review) of the NBMC.

RECOMMENDATION

- 1) Conduct a public hearing;
- 2) Find this project statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code (PRC) Section 21080.66 (enacted through Assembly Bill 130) because it has no potential to have a significant effect on the environment; and
- 3) Adopt Resolution No. PC2026-019 approving the Major Site Development Review and Vesting Tentative Tract Map, filed as PA2025-0254 (Attachment No. PC 1).

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LOCATION	GENERAL PLAN	ZONING	CURRENT USE
ON-SITE	General Commercial Office (CO-G)	Office-General (OG) and Housing Opportunity Overlay, Dover-Westcliff Subarea (HO-3)	Medical Office
NORTH	Mixed-Use Horizontal 1 (MU-H1) and Multiple Residential (RM)	Mixed-Use Dover/Westcliff/HO-3 and Oakwood Apartments (PC4)	Church and Apartments
SOUTH	CO-G	OG	Preschool
EAST	CO-G	OG and HO-3	Church and Park
WEST	Public Facilities (PF)	Public Facilities (PF)	School and Nature Center

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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 (Housing Overlay) in Section 20.28.050 (Housing Opportunity (HO) Overlay Zoning Districts) of the NBMC and to create multi-unit objective design standards (ODS) 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 Housing Element.

The adoption of these ordinances provided new housing opportunities within five subareas to ensure the City can meet its 6th 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 specific 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 ODS are applicable to any residential project with a minimum density of 20 dwelling units per acre to ensure the high-quality design and to provide a baseline standard for new multi-unit developments throughout the City.

As shown in Figure 1 on the following page, the property was initially identified by the Housing Element Update Advisory Committee (HEUAC)¹ as being potentially feasible for residential redevelopment, was subsequently included in the Housing Opportunity Sites Inventory as Map Identification No. 142, and is within the HO-3 (Dover-Westcliff Area) Subarea of the Housing Overlay.

¹ The Housing Element Update Advisory Committee (HEUAC) was a City Council-established Brown Act advisory body formed to guide staff and provide community input on the 6th Cycle Housing Element update in response to the City's Regional Housing Needs Assessment (RHNA) allocation. Over the course of many public meetings, the HEUAC and its subcommittees identified sites appropriate for potential residential redevelopment. Ultimately, these efforts contributed to the City Council's adoption of a state-certified Housing Element in September 2022.



Figure 2, Birds-eye aerial photograph of current development on the Project Site.

Project Description

The applicant proposes the demolition of all existing improvements on the site and the construction of 30 residential dwelling units (Project).

The units will be distributed across five buildings that are comprised of five, six, or seven units. The buildings are four stories and will have a maximum structure height of approximately 44 feet above the established grade. The total square footage of all the buildings is 93,334 square feet. A breakdown of the buildings, heights, and associated gross floor area is provided in Table 1. Walkways connect all the units to the residential amenity areas and the public right-of-way.

Nine different floor plans are proposed. Table 2 provides the breakdown of the individual units ranging from 2,088 to 2,401 square feet. All homes feature three bedrooms, two to three full bathrooms, zero to two half-bathrooms, and enclosed two-car garages. Although there is a slight difference between the various floor plans, all units follow a similar layout. The first floor of each unit would include the enclosed two-car garage and either a bedroom or flex space. The second floor includes the general living area (e.g., great room, dining area, kitchen), bathroom, and a covered balcony. The third floor contains bedrooms, bathrooms, and laundry. Additionally, each unit has a roof deck that is accessed from a

small, enclosed stairway (i.e. a “doghouse”). Various aspects of the Project are detailed in the subsequent sections.

Table 1 – Building Size Summary

Building Number	100	200	300	400	500
Building Size (Sq. Ft.)	15,477	15,425	18,593	21,592	22,254
Number of Units	5	5	6	7	7
Building Height	44'-1"	44'-7"	44'-5"	44'-4"	44'-1"

Table 2 – Unit Size Summary

Floor Plan Number	1A	1A.1	1B	1C		
Number of Units	13	5	2	1		
Garage Parking	2	2	2	2		
Unit Size (sq. ft.)	2,088	2,174	2,325	2,182		
Bedrooms	3	3	3	3		
Bathrooms (full/half)	3/1	3/1	3/1	3/1		
Covered Deck Size (sq. ft.)	86	n/a*	91	86		
Roof Deck Size (sq. ft.)	249	272	290	245		
Floor Plan Number	2A	2B	2C	2X	2Y	2W
Number of Units	4	2	1	1	1	2
Garage Parking	2	2	2	2	2	2
Unit Size	2,343	2,343	2,401	2,189	2,334	2,393
Bedrooms	3	3	3	3	3	3
Bathrooms (full/half)	2/2	2/2	3/0	3/1	2/2	3/1
Covered Deck Size	97	97	97	119	97	56
Roof Deck Size (sq. ft.)	229	249	320	206	299	228
* The applicant has not included covered decks in Floor Plan “1A.1” to enhance the privacy of the adjoining ENC west of the site.						

Aesthetic Design and Architecture

As depicted in Figures 3, 4, and 7 on the following pages, the Project features a “Cape Cod” architectural style characterized by symmetrical massing, side-gable roof forms, horizontal lap siding and board-and-batten detailing, vertically proportioned divided-light windows, wrought-iron guardrails, and concrete shake tile roofing.

To help provide visual interest, two complementary coastal-inspired color schemes are proposed. Color Scheme 1 (Figure 5), applied to Buildings 200 and 300, blends crisp whites, warm beiges, and soft greys, with grey roofing integrated into grey lap siding and beige stucco, unified by white trim and accented by charcoal-grey entry doors. Color Scheme 2 (Figure 6) introduces a cooler palette with a charcoal-toned roof, a crisp white stucco body with subtle grey undertones, and blue-grey lap siding, maintaining true-white trim throughout and echoing the same charcoal-grey accent at the entry doors.



Figure 3, Five-Unit Building with Color Scheme 1



Figure 4, Five-Unit Building with Color Scheme 2

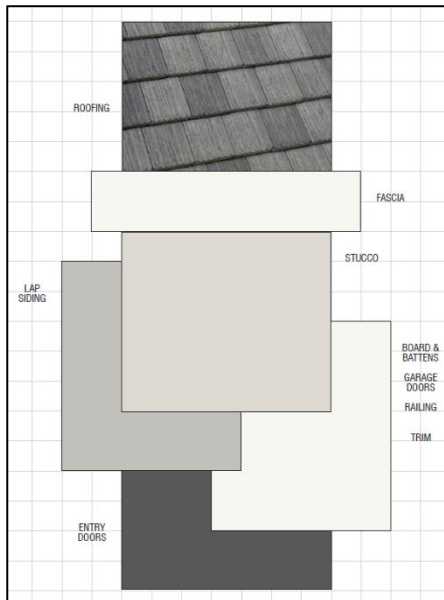


Figure 5, Color Scheme 1

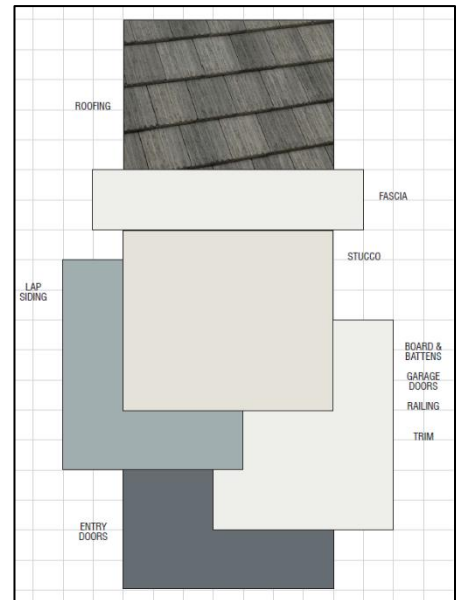


Figure 6, Color Scheme 2



Figure 7, Rendering of Buildings 200 and 400 from 16th Street

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Access and Parking

Vehicular access to the Project Site is provided by a single driveway on 16th Street. The accessway will split into two private 26-foot-wide driveways, creating a “y”-shape configuration that provides vehicle access to all garages. Each unit will have a 20-foot-wide by 20-foot-deep two-car garage, allowing space for solid waste and recycling storage. In addition to the private garage parking, nine guest/visitor parking spaces would be provided near the northeast corner of the site, resulting in a total of 69 parking spaces. Figure 8 below depicts the on-site circulation and the guest parking locations.



Figure 8, Private Street, Private Driveways and Parking Areas

Residential Amenities

The Project provides private open space through a combination of private balconies on the second floor and roof decks for each unit. However, balconies are not provided for five of the units in Building 400, providing additional privacy to the adjacent Environmental Nature Center.

Second floor balconies range from 86 square feet to 119 square feet and roof decks range from 206 square feet to 320 square feet. This results in the total private open space for

each unit ranging from 272 square feet to 417 square feet (refer to Table 2 above for a breakdown by floor plan).

A total of 16,318 square feet of common open space is provided throughout the site (Figure 9), mainly consisting of lawns and walking paths. Two turf areas with pet waste stations are provided, one near the southeast corner and the other near the southwest corner of the site. A picnic courtyard is provided between Buildings 200 and 500, which includes a firepit, seating, and two barbeque areas.

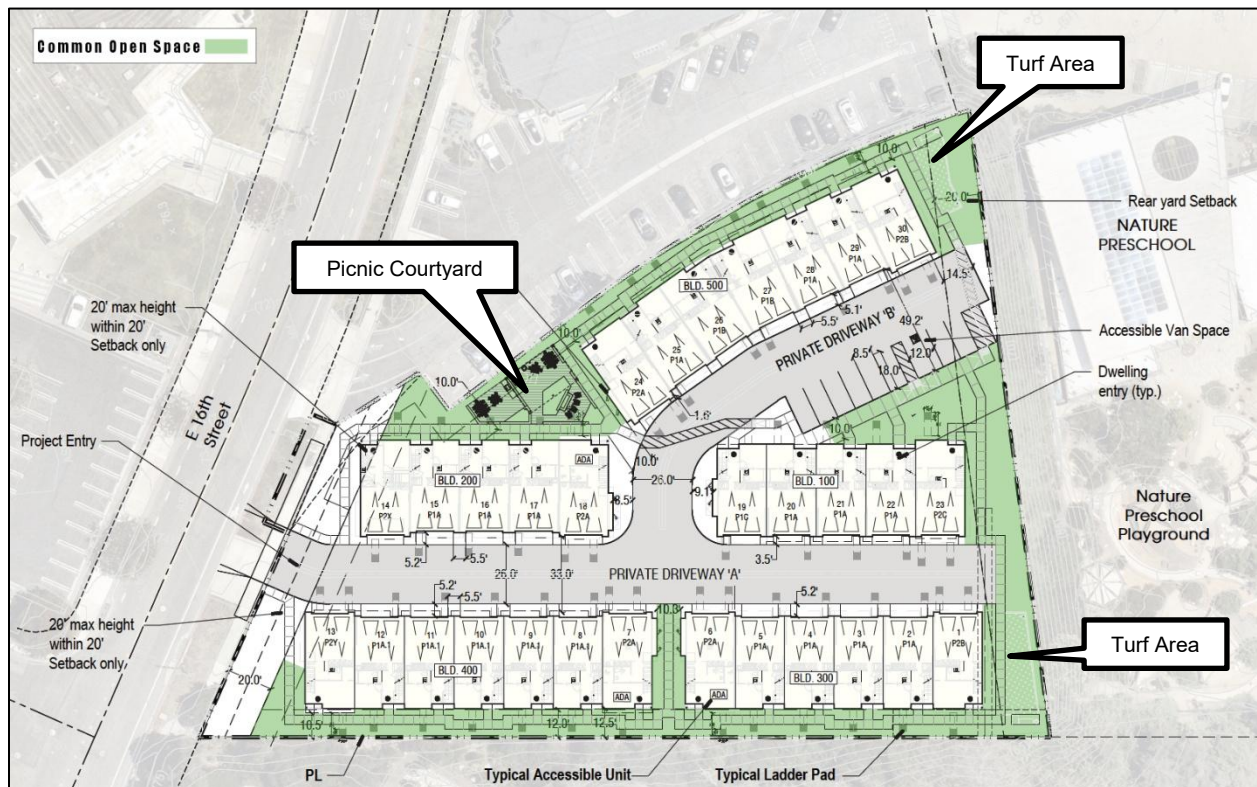


Figure 9, Common Open Space

Solid Waste and Recycling

The private garages are adequately sized to accommodate individual containers for trash, recycling, and organics while maintaining the appropriate dimensions for residential parking spaces. Due to the configuration of dwelling units proposed, the Homeowners Association (HOA) will be responsible for securing waste pickup for its residents.

Subdivision and Establishment of Grade

The Project includes a Vesting Tentative Tract Map (VTTM) to allow for an airspace subdivision of the units (i.e., for condominiums purposes). The underlying parcel would remain under single ownership by the HOA, with the space within the unit envelope being

- **Vesting Tentative Tract Map (VTTM):** Requested to authorize the airspace subdivision of the individual residential units for individual sale (i.e., for condominium purposes).

DISCUSSION

Analysis

General Plan Consistency

The Project Site is categorized by the General Plan Land Use Element as General Commercial Office (CO-G), which is intended to provide for administrative, professional, and medical offices with limited accessory retail and service uses.

The Project Site was included as Map Identification No. 142 within Appendix B (Adequate Sites Analysis) of the adopted and certified 6th Cycle Housing Element (Housing Element) deeming it potentially appropriate for multi-unit residential development in furtherance of the City's housing goals. As detailed above in the "Background" section, the City Council adopted Ordinance No. 2024-16, which implemented the Housing Element, in part, and established the Housing Overlay, applying the HO-3 (Dover-Westcliff Area) Subarea to the Project Site. The HO-3 Subarea allows residential development in addition to the uses allowed in the underlying CO-G land use category. Its rezoning is supported by Land Use Element Policy LU 4.4 (Rezoning to Accommodate Housing Opportunities), which states that the City would provide housing opportunities using an overlay or another regulatory mechanism.

In addition to the above, the Project is consistent with several other Housing, Land Use, and Circulation Element policies that establish fundamental criteria for the formation and implementation of new residential development. A consistency analysis was completed and is detailed in the attached draft resolution (Attachment No. PC 1), as well as the attached General Plan Consistency Analysis (Attachment No. PC 2).

Zoning Code

The Project Site is zoned Office-General (OG) and is located within the HO-3 Subarea. As previously discussed, 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. The minimum density is 20 dwelling units per acre (du/acre) and the site is approximately 1.53 acres (66,500 square feet), resulting in a minimum required density of at least 30 dwelling units for the Project Site. Table 3 demonstrates the Project's compliance with the development standards of the HO-3 Subarea.

Table 3 – Development Standards

Development Standard	Standard	Proposed
Density ¹	20-50 du/acre	20 du/acre
Setbacks		
Front	10 feet (ft) ²	13 ft
Rear	20 ft	20 ft
Side	0 ft	12 ft west side 11 ft east side
Height	65 ft	44 ft-1in to 44ft-7in
Building Separation	10 ft	10 ft
Floor Area Limit	No restriction	93,334 sq ft
Common Open Space (75 sq ft/unit)	2,250 sq ft	3,238 sq ft
Private Open Space (5% gross floor area/unit)	4,666 sq ft	10,938 sq ft
Parking		
Resident (2.0 spaces/unit)	60 spaces	60 spaces
Visitor/Guest (0.3 space/unit)	9 spaces	9 spaces
<small>1. Pursuant to Section 20.12.020 (C)(1) (Rules of Interpretation – Residential Density) fractional dwelling units are rounded down. 2. Any portion of the structure that is twenty (20) feet in height shall be set back a minimum twenty (20) feet from the street right-of-way.</small>		

The Project is also subject to the ODS provided in Section 20.48.185 (Multi-Unit Objective Design Standards) of the NBMC. As indicated in the Objective Design Standards Checklist (Exhibit “B” of Attachment No. PC 1), the Project conforms to 47 of the 52 applicable standards. Subsection 20.48.185(C) (Multi-Unit Objective Design Standards – Applicability) of the NBMC allows for deviations from any objective design standards through the approval of an SDR by the Planning Commission, with additional findings. As described in the applicant’s project description letter (Attachment No. PC 3). The applicant requests 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 Reviews – Findings and Decision) of the NBMC requires the Planning Commission to make the following findings before approving the 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;*
- 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 there are adequate facts to approve the Major 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.

Development Compliance

As described in Table 3 above and illustrated in the Project Plans (Attachment No. PC 8), the Project is fully consistent with the HO-3 Subarea of the Housing Opportunity (HO) Overlay Zoning District. While the Project does not include the construction of affordable housing, the Housing Element contains adequate alternate sites suitable for affordable housing opportunities. Therefore, this approval is consistent with the State's "no net loss" provisions.

A detailed analysis of the Project's consistency with the General Plan is included as Attachment No. PC 2. For example, it is consistent with Land Use Element Policy LU3.2 (Growth and Change). The underutilized property is improved with a hospital that has remained vacant since 2023 and a surface parking lot. The Project would replace the underperforming use with 30 dwelling units that assist the City in meeting its share of RHNA and accommodating additional growth in the community. These new units are in a job-rich area, supporting reduced commute times.

Design and Open Space

Although the Project Site has an irregular shape, the Project design compactly arranges the five separate buildings to maximize efficiency and preserve larger-than-required open space areas. The Project design includes interior drive aisles and resident amenity areas, which are screened from public view. The Project's larger common open space areas,

landscaped edge conditions, location of drive aisles and residential amenities reduce any potential visual impact and ensure compatibility with the surrounding neighborhood. Throughout the Project Site, areas of passive green space are integrated alongside pedestrian walkways, including seating area elements that provide space for informal use, rest, and neighborhood interaction.

As noted in Table 3 above, the Project exceeds the minimum common open space standards. A total of 3,238 square feet of common open area is provided throughout the site. This includes a picnic area courtyard that has multiple barbeque pits, seating, and a fire pit (Figure 11).

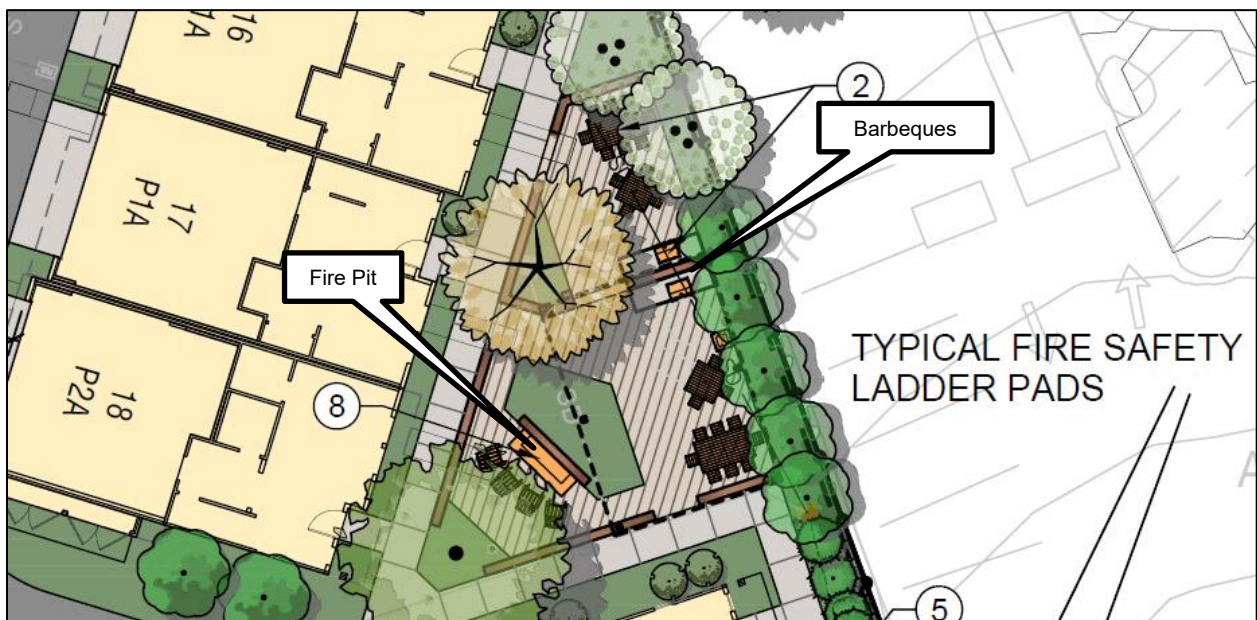


Figure 11, Picnic Area Courtyard

Traffic, Compatibility, and Scale

The Project will add 30 attached single-unit dwellings to the City's housing stock, which furthers the City's efforts to increase and diversify available housing. When comparing the existing development on the Project Site, the proposed residential use would generate 134 average daily trips (ADTs), while the existing medical use would generate 101 ADTs². Because the Project's net ADT total remains below the 300-ADT threshold, no traffic study is required pursuant to Chapter 15.40 (Traffic Phasing Ordinance) of the NBMC.

For additional context, if a new medical office building of approximately 20,000 square feet were constructed on the site consistent with existing zoning allowances, it is

² The existing medical use onsite has been vacant since 2023, therefore, no ADT credit was provided. This comparison is provided for informational purposes.

estimated that such a use would generate approximately 680 ADTs, which is significantly higher than the traffic expected from the proposed 30-unit residential development.

All internal driveways to garages are behind the residential buildings. Individual trash containers are kept within each private garage and will not be visible from the public street. There is adequate space within the garage, outside of the minimum required dimensions, to accommodate the minimum clear parking space as well as the storage of trash, recycling, and organics.

The Project proposes a maximum height of approximately 44 feet above the established grade, at least 20 feet below the maximum allowed height limit of 65 feet. The height of the residential buildings will be compatible with the surrounding neighborhood including the church and a four-story apartment building on the north side of 16th Street. In addition, the Project provides increased side setbacks where a 0-foot setback is otherwise permitted (see figure 12 below). Along the ENC frontage (west side property line), the Project proposes a voluntary 12-foot setback, and along the east side property line, a 10-foot setback is proposed. Both setback areas will be landscaped to create an additional buffer and enhance compatibility with adjacent uses.



Figure 12, Site Plan

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 ODS as shown

in the Objective Design Standards Checklist (Exhibit “B” of Attachment No. PC 1). The purpose of the ODS is to ensure high quality design and provide a baseline standard for all new multi-unit development in the City including by-right approvals. The intent of the standards is to promote quality design that builds on context, contributes to the public realm, and provides high quality and resilient buildings and public spaces. 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 an SDR to allow deviation from the ODS. The Project complies with 47 out of 52 standards, demonstrating that it provides the high-quality design that was anticipated.

To allow deviations from the ODS, the Planning Commission must make 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 facts to support the findings exist to approve the five requested deviations from the ODS. 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 below:

Residential Frontages

1. 20.48.185(J)(3)(a)(iv) (Residential Fronts – Ground Floor Elevation); requires at least twenty (20) percent of the surface area of the ground and upper floor facade shall be occupied by windows.

Four of the buildings do not meet the 20% glazing requirements, including Building 100 (19.97%), Building 300 (19.97%), Building 400 (19.98%) and Building 500 (17.92%). However, three of these buildings are only a fraction of a percent below the minimum requirement, with only Building 500 having a 2.08% deficit. Adding additional glazing to the building to meet the requirement will impact the structural integrity of the design and reduce energy efficiency within the dwellings.

Driveway

2. 20.48.185 (M)(2)(c) (Private Driveway Standards – Driveway Zones); requires a minimum five-foot landscaping and paving zone along the driveway.

All of the units within the Project comply with the requirement except for one unit in Building 500, which is reduced to 1 foot, 8 inches instead of 4 feet. This deviation is

needed because at this location a building “pinch” point occurs due to a Fire Department turning radius on the back side. The building is locked for fire safety reasons on both sides, with a ladder pad area in front of the building and fire turning radius minimum on the rear of the building. This “one” area will be planted with shrub suitable for its size.

Horizontal Modulation

3. Section 20.48.185 (R)(1)(a) (Horizontal Modulation – Maximum Number); requires that no building shall have a length greater than 150 feet.

Building 400 measures approximately 156 feet and Building 500 measures 164 feet, exceeding the 150-foot maximum standard. Meeting the 150-foot length would require splitting both buildings, triggering the need for a 10-foot building separation. Doing so would decrease the total lot area available for units, which would prevent the Project Site from meeting the minimum density of 20 du/acre. Furthermore, Building 500 is situated along a curvilinear angle rather than a straight line. This curvature results in a 10-degree break which helps to diminish the massing of the building.

4. Section 20.48.185 (R)(1)(d) (Horizontal Modulation – Maximum Number); requires a maximum of two recesses or projections per façade.

The Project includes more than two recesses and projections for the two largest buildings. The design breaks up mass through modulation of the buildings to provide a more traditional townhome appearance. The additional modulation creates an accent dimension and strengthens the overall design. Limiting the design to only two recesses or projections would result in less modulation, less visual interest, and a building less reminiscent of townhomes. The Project furthers the intent of this requirement by sufficiently modulating the buildings, which results in a less visually obtrusive building length.

Open Space

5. 20.48.185 (G)(4) (Open Space Areas – Common Open Space); requires that common open space not be directly adjacent to commercial development.

The proposal includes common open space that will provide passive recreation for the residents. This open space area faces the existing commercial uses located to the east at 747 Dover Drive. The commercial use is an existing private gym with parking between the gym and the proposed development. There is a grade break between the Project Site and the adjacent parcel and the open space areas include substantial landscaping along the property line, which would ensure usability of the open space and privacy of residents using the open space area.

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 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 [66412.3](#) and [65584](#) 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 there are adequate facts to justify the findings and approve the VTTM. These facts are discussed in detail in the attached draft resolution (Attachment No. PC 1). The key facts are summarized in the following paragraphs.

Because the Project includes for-sale residential units, the applicant is required to pay in-lieu park dedication fees pursuant to Chapter 19.52 (Park Dedications and Fees) of the NBMC, for park and recreational purposes. The existing parcel does not include residential development. As such, an in-lieu park fee will be required for each of the 30 new dwelling units at a rate of \$59,575 per dwelling unit³. In addition, new housing projects on any site identified in Section 20.80.025 (Housing Opportunity Overlay Zoning Districts maps), pursuant to Sections 20.28.050 (Housing Opportunity (HO) Overlay Zoning Districts), or pursuant to General Plan Policy LU 4.4 are required to pay Development Impact Fees (DIFs). Therefore, the Project will be required to pay a DIF of \$9.25 per square foot (approximately \$863,339) paid prior to issuance of any certificate of occupancy with the total amount owed adjusted for inflation as provided by state law.

The Public Works Department has reviewed the Project and has determined 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 Project. Final design of the

³A preliminary application for residential development, filed as PA2025-0231, was deemed submitted on November 13, 2025. 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 an in-lieu park fee of \$59,575 per unit, which is the fee that was in effect at the time the preliminary application was deemed submitted.

improvements will be determined by the Public Works Department. Any additional required improvements to downstream City infrastructure to accommodate the proposed Project will be designed and constructed by the proposed Project. Final design will be reviewed and approved by the Public Works Department.

The Project Site does not contain riparian habitat, 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.

The required dedication of a 12-foot-wide portion of the 16th Street frontage will allow the City to improve the public sidewalk, enhance pedestrian accessibility, and ensure adequate separation between pedestrians and vehicles. These improvements also maintain appropriate sight-distance at the Project driveway, which enhances vehicle ingress and egress safety along 16th Street. Public Works has reviewed the preliminary grading and access configuration and determined that the driveway meets current sight-line visibility requirements.

The Project is also conditioned with numerous requirements that collectively avoid or reduce potential concerns. Conditions of approval require conformance with all City standard specifications for utilities and drainage, compliance with fire access and emergency response requirements, installation of street lighting as needed for nighttime visibility, construction-period stormwater and erosion-control measures, and implementation of tribal monitoring protocols. These conditions ensure the Project is adequately served by infrastructure and that construction and operation will not create hazards to the public. As conditioned, the Project will not create any significant public health or safety impacts, and the subdivision is adequately regulated to protect future residents as well as the surrounding community.

Environmental Review

This Project is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code (PRC) Section 21080.66 (enacted through Assembly Bill 130) because it has no potential to have a significant effect on the environment and meets the eligibility criteria to qualify for AB 130 as described in more detail in Section 2 of the attached draft resolution (Attachment No. PC 1). AB 130 took effect June 30, 2025, and created a new CEQA exemption designed to further the development of in-fill housing projects.

Pursuant to AB 130, consultation with Native American Tribes is required in addition to meeting the eligibility criteria. Therefore, the City initiated consultation on January 20, 2026, with the two tribes that requested consultation, Gabrieleño Band of Mission Indians – Kizh Nation and Juaneño Band of Mission Indians – Acjachemen Nation, which

concluded on March 21, 2026. Tribal monitoring conditions are included in Exhibit “C” (Conditions of Approval) of Attachment No. PC 1.

AB 130 includes a list of criteria for a project site to qualify for the exemption. In summary and as provided in detail in the resolution, the criteria includes considerations related to zoning, land use (including minimum density), and environmental topics such as confirmation of no wetlands, natural resources, or hazards on the property.

Community Interest

Community interest in the Project began early in 2025, when several residents provided comments during non-agenda public comments at the April 15, 2025, City Council meeting expressing concerns related to compatibility, the environmental interface with the Environmental Nature Center (ENC), and anticipated neighborhood impacts. Since that time, the City has continued to receive periodic written correspondence from nearby residents and stakeholders. The application for the proposed Project was formally submitted on December 10, 2025.

In May 2026, a representative of the ENC submitted a detailed comment letter outlining concerns regarding building mass adjacent to the ENC, privacy, lighting, noise, and potential ecological effects (Attachment No. PC4). Additional emails and letters from residents raised questions about traffic, parking, and construction impacts. All correspondence received in opposition of the Project (prior to publishing of the report) is included as an attachment to this staff report (Attachment No. PC 5). The Applicant provided a letter in response to the ENC Letter and other correspondence received (Attachment No. PC 6). In addition, the Applicant has provided 44 letters of support for the Project (Attachment No. PC 7).

In response to concerns raised by the public, the Applicant has also revised the Project over time to improve the interface with surrounding uses by including enhanced buffering along the ENC boundary, adjusting building placement and materials, and changing the orientation of open space areas.

Summary

Staff believes the findings for approval of the Project can be made, as demonstrated by Attachment No. PC 1 to this report. It is consistent with the intent of the HO-3 Subarea and is consistent with several policies of the General Plan Housing, Land Use, and Circulation Elements. In addition, with the exception of the five ODS deviations, the Project complies with all development standards in the Housing Overlay. If approved, the Project will provide a net increase of 30 for-sale attached single-unit dwellings, which further diversifies the City’s housing stock and increases the supply of housing in Newport Beach.

Alternatives and Housing Accountability Act Compliance

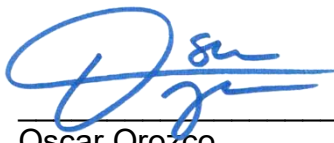
Should the Planning Commission's review and evaluation of this Project not coincide with City staff's recommendation, then the following alternative options are available to the Planning Commission:

1. For projects that are fully consistent with objective general plan, zoning (including objective design standards), and subdivision standards, Housing Accountability Act (Government Code Section 65589.5), restricts the City's ability to deny, reduce density of, or make infeasible housing developments, unless specific findings can be made. In this case, the Project does not meet all objective design standards and requires five waivers. Therefore, should the Planning Commission determine that there are insufficient facts to support one or more of the findings for approval for the requested waivers, the Planning Commission may propose modifications to the Project or deny the application and provide facts in support of denial of the waivers subject to the limitations described below.
2. The Planning Commission may propose modifications that are necessary to eliminate the deviations from the ODS. If the proposed modifications are substantial, the item could be continued to the July 9, 2026, Planning Commission meeting or a Special Meeting. However, the Planning Commission is required to approve or deny the Project no later than July 9, 2026, pursuant to the Permit Streamlining Act. Should the Planning Commission choose to do so, staff will return with a revised resolution incorporating new findings and/or conditions.
3. In the case of denial or imposing 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 (burden of proof on the City) to justify denial or reduction in density 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 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.

Prepared by:



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Submitted by:



Liz Westmoreland, AICP
Deputy Community Development Director

LAW/oo

ATTACHMENTS

- PC 1 Draft Resolution
- PC 2 General Plan Consistency Analysis
- PC 3 Applicant's Project Description Letter
- PC 4 Environmental Nature Center Letter
- PC 5 Public Correspondence in Opposition
- PC 6 Applicant's Response Letter
- PC 7 Letters of Support
- PC 8 Project Plans