



CITY OF NEWPORT BEACH PLANNING COMMISSION STAFF REPORT

April 2, 2026
Agenda Item No. 3

SUBJECT: Residences at 1500 Quail Street (PA2025-0163)
▪ Major Site Development Review
▪ Vesting Tentative Tract Map

SITE LOCATION: 1500 Quail Street

APPLICANT: Sean Matsler with Cox, Castle, & Nicholson, LLP

OWNER: Quail Newport Owner, LLC

PLANNER: Melinda Whelan, Assistant Planner
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PROJECT SUMMARY

A request to authorize the development of a 100-unit, for-sale residential townhome community on an existing office site at 1500 Quail Street. The proposed development includes the demolition of the existing office building and construction of three- and four-bedroom townhomes ranging from 1,591 to 1,876 square feet. The development includes a two-car garage for each unit and 31 uncovered guest parking spaces for a total of 231 on-site parking spaces. The 100 units will be distributed within 24 buildings, with units arranged in three-, four-, five-, and six-unit buildings. The buildings have a maximum structure height of approximately 39 feet above established grade. The development will include resident-serving amenities including outdoor seating, picnic tables, barbecues, pizza ovens, and game lawn. Additionally, a publicly accessible pedestrian strada improved with landscaping and seating areas is provided along the Quail Street and Westerly Place frontages. Onsite and offsite public improvements, such as upgrading the storm drain, sidewalks, and driveways are included in project implementation. The project as proposed requires the following approvals:

- *Major Site Development Review (SDR)*: Required for any project proposing five or more residential units with a tract map. The SDR also allows for deviations from four objective design standards pursuant to Section 20.48.185 (Multi-Unit Objective Design Standards) of the Newport Beach Municipal Code (NBMC); and
- *Vesting Tentative Tract Map (VTTM)*: To allow for an airspace subdivision of the individual residential units on a 4.77-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. PC2026-012 approving the Major Site Development Review and Vesting Tentative Tract Map, filed as PA2025-0163 (Attachment No. PC 1).

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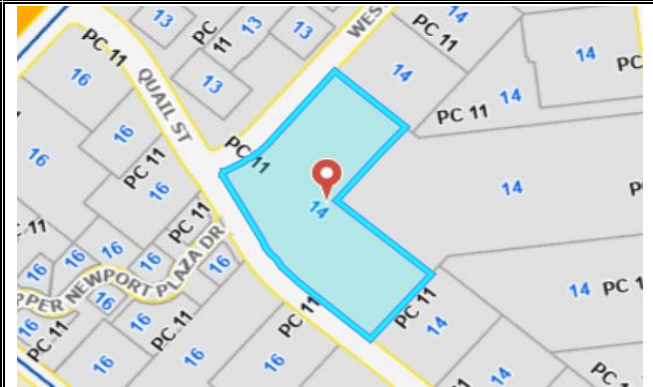
VICINITY MAP



GENERAL PLAN



ZONING



LOCATION	GENERAL PLAN	ZONING	CURRENT USE
ON-SITE	General Commercial Office (CO-G)	Newport Place Planned Community (PC-11) and Housing Opportunity Overlay, Airport Area Environs Area Subarea (HO-1)	Office
NORTH	CO-G	PC-11 and HO-1	Office
SOUTH	CO-G and Mixed-Use Horizontal (MU-H2)	PC-11 and HO-1	Office
EAST	MU-H2	PC-11 and HO-1	Office
WEST	CO-G	PC-11	Office

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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 50 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 identified in the Housing Opportunity Sites Inventory as Map Identification No. 86 and included within the HO-1 (Airport Area Environs Area) Subarea of the Housing Opportunity (HO) Overlay Zoning District.

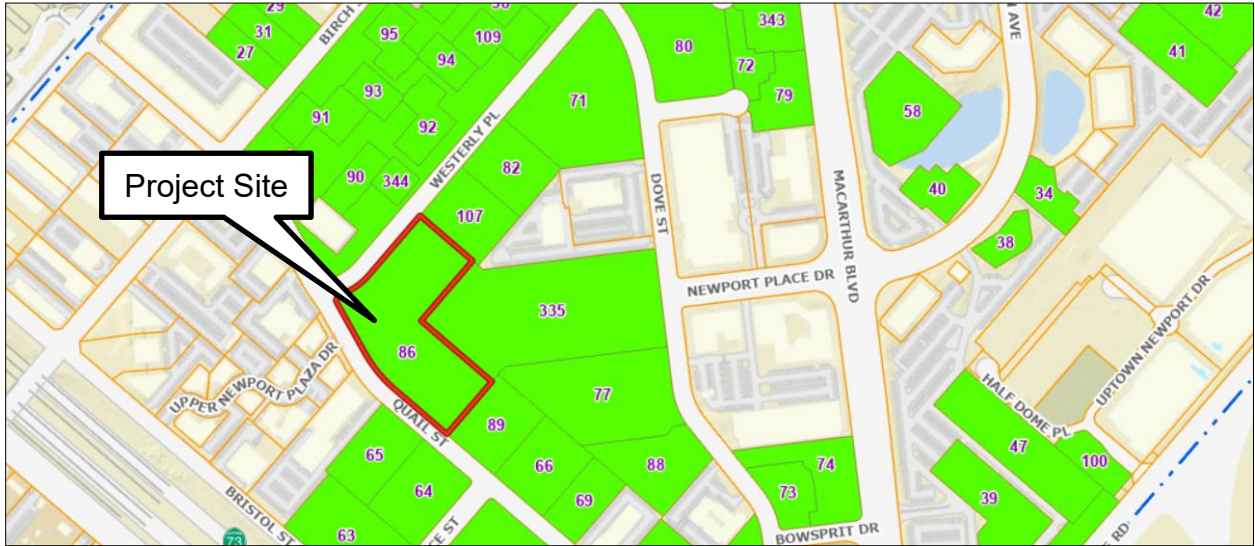


Figure 1, Excerpt of the HO-1 (Airport Area Environs Area) Subarea

Project Setting

The subject property is 4.77 acres and located at 1500 Quail Street on the northeast corner of Quail Street and Westerly Place, shown in Figure 2 (“Project Site”). It is currently improved with an 82,034-square-foot, seven-story office building and a 339-space surface parking lot.

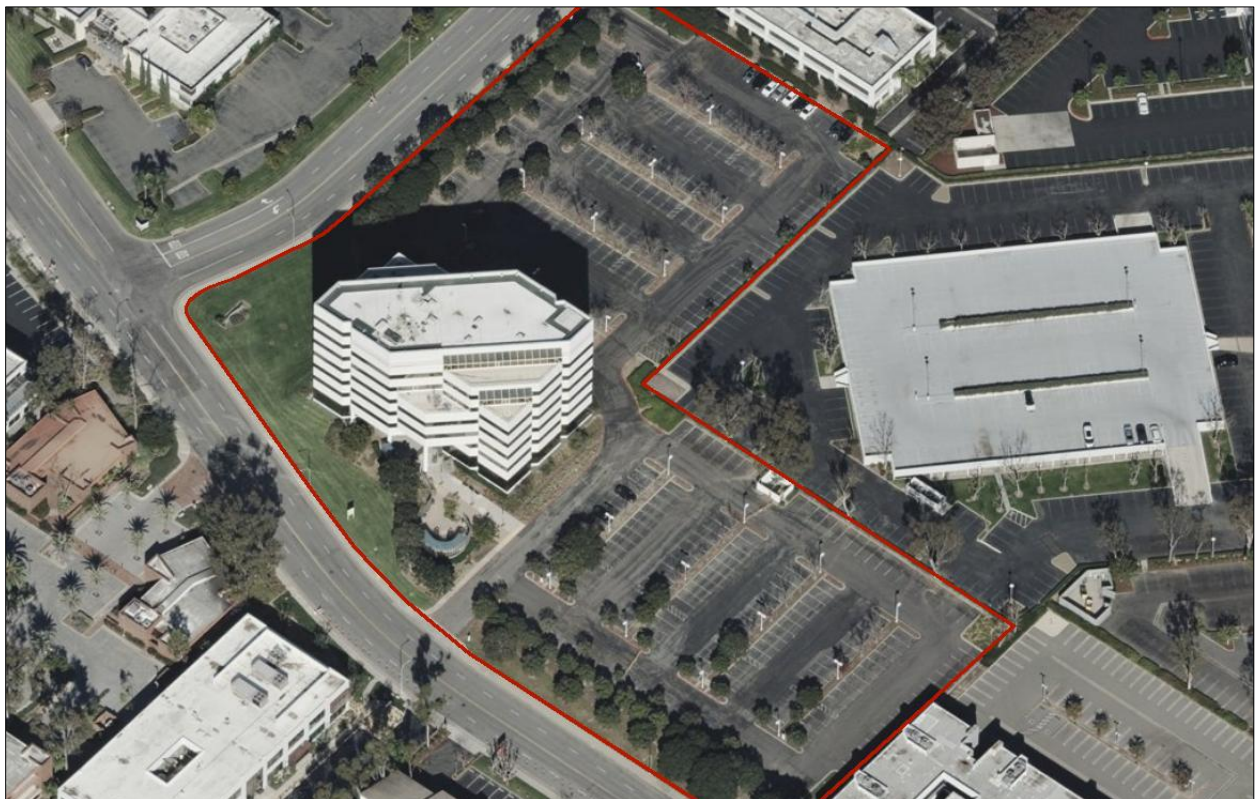


Figure 2, Birds-eye aerial photograph of current development on the Project Site

Project Description

The applicant proposes the demolition of all existing improvements on the site and the construction of 100 residential dwelling units.

The units will be distributed across 24 buildings that are comprised of three, four, five, or six units. The buildings will have a maximum structure height of approximately 39 feet above the established grade. A breakdown of the buildings and associated gross floor areas is provided in Table 1.

Table 2 provides the breakdown of the individual units, which include three- and four-bedroom units ranging from 1,591 to 1,876 square feet. The first floor of each unit would include the enclosed two-car garage and a den. The second floor includes the general living area (e.g., great room, dining area, kitchen), bathroom, and a covered balcony. The second floor of Plan 2 also includes one of the bedrooms. The third floor contains three bedrooms and bathrooms.

Table 1 – Building Size Summary

	3-Unit	4-Unit	5-Unit	6-Unit	Total
Building Size (Sq. Ft.)	7,132	9,737	11,642	13,897	-
Number of Buildings	9	6	5	4	24
Total Sq. Ft.	64,188	58,422	58,210	55,588	236,408

Table 2 – Unit Size Summary

	Plan 1	Plan 2
Number of Units	70	30
Garage Parking	2-car	2-car
Unit Size	1,591 square feet (sq. ft.)	1,876 sq. ft.
Bedrooms	3	4
Bathrooms	2.5	3
Covered Deck Size	80 sq. ft.	94 sq. ft.

Aesthetic Design and Architecture

As depicted in Figures 3 and 4 on the following page, the project will have a coastal region inspired modern design with clean straight lines, large windows, stacked units, and stucco siding with brick accents. The light, neutral tones used in the color palette enhance architectural articulation and reflect the coastal environment, while elongated light colored brick adds texture and durability.



Figure 3, Rendering from Quail Street



Figure 4, Rendering from Interior Private Street

To help provide visual interest, two complementary color schemes are proposed.

Scheme 1 (Figure 5 on the following page) is an overall cooler toned palette with a balance of warm tones. The roof color has a greyish under tone that pairs well with the taupe color applied to the lap siding and garage doors. The brown color applied to the

facia, canopy, post and railing is a cooler toned brown with gray undertones to balance the warm and cool tones throughout the palette. The accent color applied to the unit doors is a subdued green color to give this scheme a hint of color at the entry. The brick is a white color that balances and ties the cool tones in the palette together.

Scheme 2 (Figure 6 below) is an overall warmer toned palette. The roof color has warm brown hues that pair well with the overall palette. The tan applied to the lap siding and garage doors has a reddish hue incorporating the warmth that ties this scheme together. The brown color applied to the facia, canopy, post and railing is a much warmer brown in comparison to Scheme 1 pairing well with warm reddish hues throughout the palette. The accent color applied to the unit doors is a subdued blue color to give the scheme a hint of color at the entry. Consistent with Scheme 1, the brick is a balance of warm and cool tones balancing the overall palette.

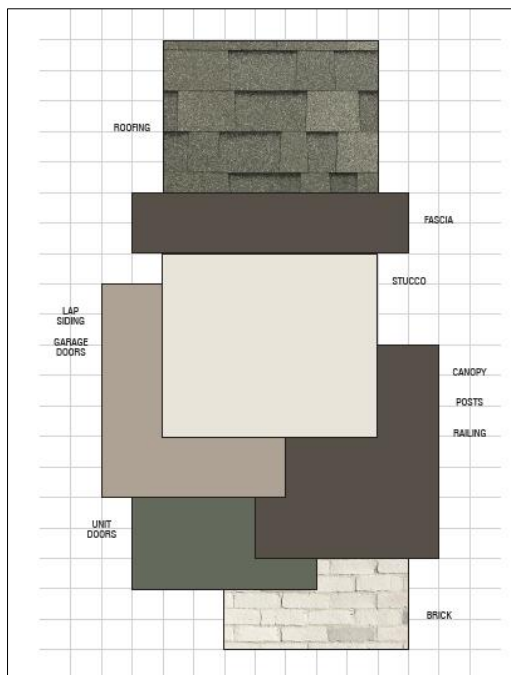


Figure 5, Color Scheme 1

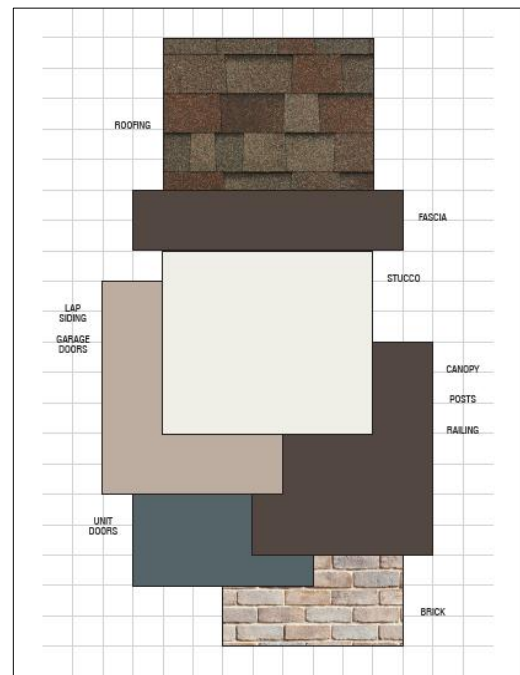


Figure 6, Color Scheme 2

Access and Parking

Vehicular access to the site is provided by a driveway on Quail Street and a second driveway on Westerly Place. These driveways provide a minimum 26-foot-wide vehicular path to all portions of the site through a private street that runs the full length of the interior of the development. Private driveways feed off the private street leading to individual 20-foot-wide, by 20-foot-deep two-car garages for each of the units. In addition to the private garage parking, 31 guest/visitor parking spaces will be provided throughout the Project Site along the private street, resulting in a total of 231 parking spaces. Figure 7 on the following page depicts the on-site circulation and the guest parking locations.



Figure 7, Private Street, Private Driveways and Parking Areas

Residential Amenities

The project provides private open space in the form of private balconies for each unit, ranging from 80 square feet to 94 square feet.

In addition to the private balconies, there will be three common open space courtyards with the following resident-serving amenities:

- Courtyard 1 is a 1,985-square-foot outdoor dining area, which includes a shade structure, outdoor kitchen, barbeque, and pizza oven.
- Courtyard 2 is a 3,845-square-foot game lawn with a seat wall.
- Courtyard 3 is 2,300 square feet and provides passive open space with a fountain, decomposed granite path, and benches.

Additionally, the project includes an 7,613-square-foot Publicly Accessible Open Space (PAOS) along the Quail Street frontage and the southern portion of the Westerly Place frontage. The PAOS provides a meandering sidewalk “strada” with landscaping and seating areas to enhance the pedestrian experience, which is shown in a red-dashed line in Figure 7 on the preceding page. More detail is provided on the common open space area and the PAOS under the “Design and Open Space” section header below.

Solid Waste and Recycling

Individual trash containers are kept within each private garage space and not within the required parking spaces. The dedicated area for trash containers within the garage accommodates trash, recycling, and organics.

Subdivision and Establishment of Grade

The project includes a request for an airspace subdivision of the units to allow for individual sale as townhomes (i.e., for condominiums purposes). The project also proposes the establishment of grade for height measurement purposes for each building. The grade establishment is pursuant to Section 20.30.050(B) (Establishment of Grade) of the NBMC, which allows the average of the elevation from each corner of the building to establish the grade. All individual building heights would be measured based on the established grade plane elevation for that building.

Required City Approvals

The following approvals are required to implement the proposed project:

- **Major Site Development Review (SDR):** Required for a project proposing five or more residential units with a tract map. The SDR also allows deviations from ODS per Section 20.48.185 (Multi-Unit Objective Design Standards) of the NBMC; and
- **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. 86 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,” the City Council adopted Ordinance No. 2024-16, which implemented the Housing Element, in part, and established the HO Overlay Zone, applying the HO-1 (Airport Area) Subarea to the Project Site. The HO-1 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 LU4.4 (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 Table (Attachment No. PC 2).

Zoning Code

The Project Site is located within the HO-1 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. Based on the 4.77-acre lot, the project results in a density of 20.96 units per acre and meets the density requirement of the HO-1 Subarea. Table 3 demonstrates the project’s compliance with the development standards of the HO-1 subarea.

Table 3 – Development Standards

Development Standard	Standard	Proposed
Density	20-50 du/acre	20.96 du/acre
Setbacks		
Front (Westerly Place)	0 ft ¹	20.2 ft
Rear	0 ft	5 ft - 11 ft
Side	0 ft	5 ft
Street Side (Quail Street)	0 ft ¹	20.2 ft
Height	55 ft	39 ft
Building Separation	10 ft	11.3 ft (minimum)
Floor Area Limit	No restriction	236,408 sq. ft.
Common Open Space (75 sq ft/unit)	7,500 sq ft	8,130 sq ft
Private Open Space (5% gross floor area/unit)	8,420 sq ft	8,420 sq ft
Parking		
Resident (2.0 space/unit)	200 spaces	200 spaces
Visitor/Guest (0.3 space/unit)	30 spaces	31 spaces
<i>1. 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.</i>		

Pursuant to Section 20.28.050 (C)(2) (Subarea Development Standards – Airport Area Environs Area) of the NBMC, additional specific development standards are required for development in the HO-1 Subarea to mitigate sound with a required acoustical report to confirm levels within Section 10.26.30 (Interior Noise Standards) of the NBMC; advanced interior air filtration system; and a required notification to owners and tenants disclosing potential impacts to residents of the existing environment and potential nuisances based upon the allowed uses in the area. Condition of Approval Nos. 23 through 25 are included in the Resolution (Attachment No. PC 1), ensuring these regulations are met.

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 Resolution found in Attachment No. PC 1), the project conforms to 48 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. The applicant requests minor deviations of four 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 believe 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.

Development Compliance

As described in Table 3 of this report, the project is fully consistent with the HO-1 Subarea of the Housing Opportunity (HO) Overlay Zoning District. The project does not include the construction of affordable housing. However, the Housing Element contains adequate alternate sites suitable for affordable housing opportunities and 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, the project is consistent with Land Use Element Policy LU3.2 (Growth and Change). The underutilized property is improved with a multi-story office building and large surface parking lot. The project would replace these uses with 100 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 24 separate buildings to maximize site efficiency and preserve larger-than-required open space areas. The PAOS strada exceeds the minimum required publicly accessible open space of 6,233 square feet and provides 7,613 square feet. The Project Site's design includes interior drive aisles and resident amenity areas which are screened from public view. The project's larger common open space areas, PAOS strada, landscaped edge conditions, location of drive aisles and residential amenities reduce any potential visual impact of the project and ensure compatibility with the surrounding neighborhood.

Throughout the Project Site, areas of passive green space are integrated alongside pedestrian walkways, including seating areas elements that provide space for informal use, rest, and neighborhood interaction. Figure 8 illustrates the PAOS strada, and Figure 9 illustrates the landscape buffer and entrances to the community along Quail Street, which reinforce the aesthetics of a residential neighborhood.



Figure 8, PAOS Strada

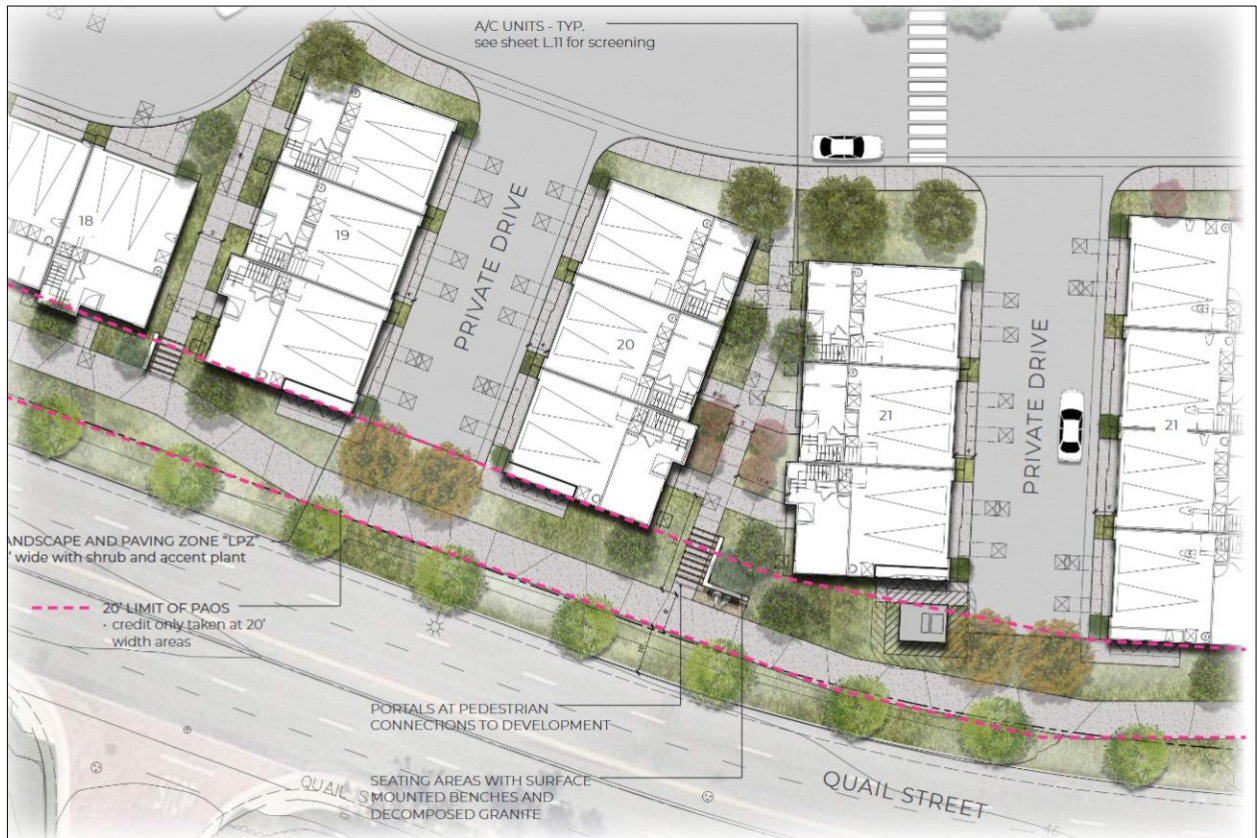


Figure 9, Landscape Buffers and Community Entrances along Quail Street

As noted in Table 2 above, the project exceeds the minimum common open space standards. A total of 8,130 square feet of common open area is provided within three areas including a game lawn with synthetic turf and seating; an outdoor dining area with overhead trellis, pizza oven, barbecues; and a passive area with a fountain, benches and landscaping. See Figures 10, 11, and 12 below.

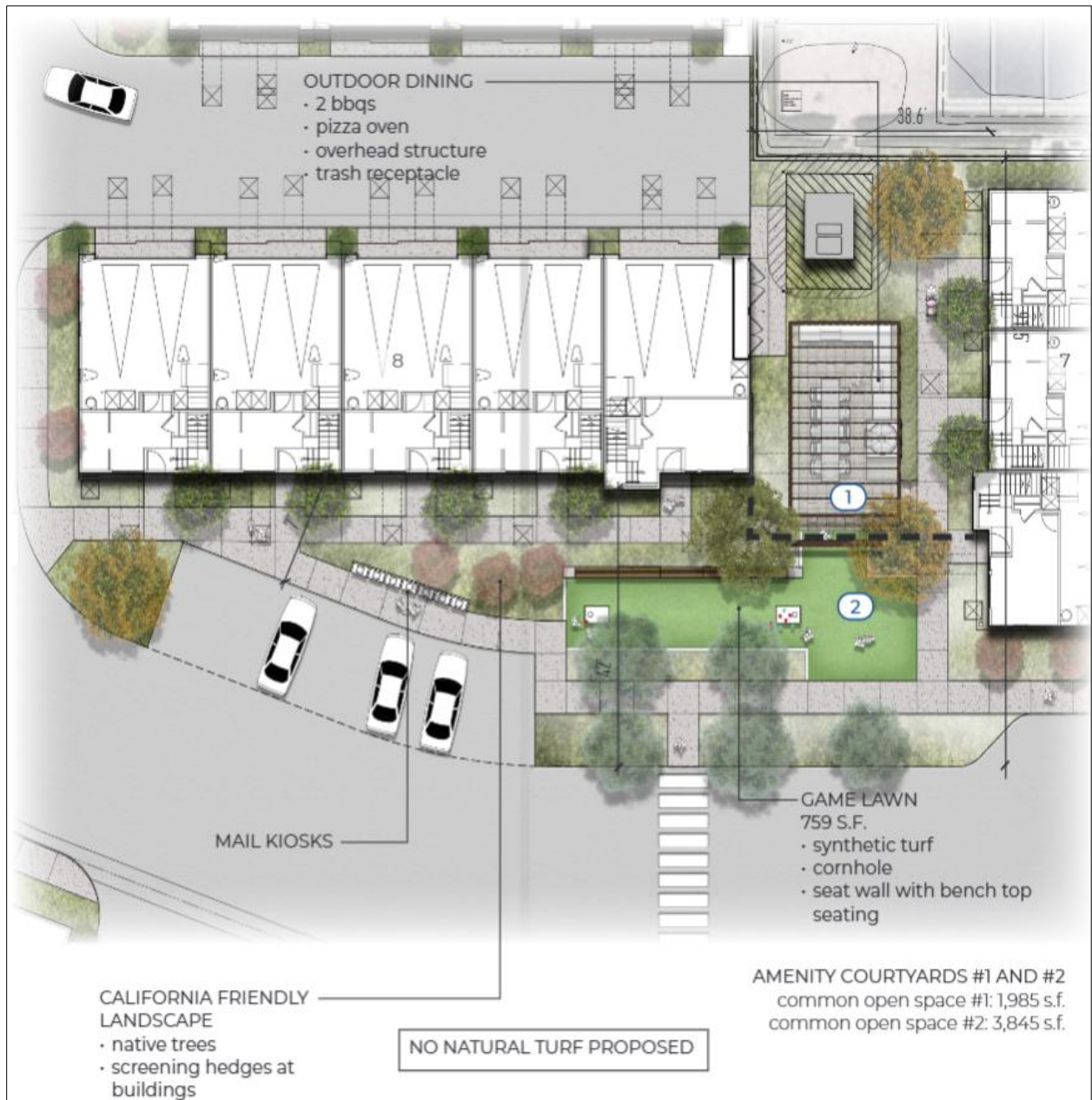


Figure 10, Community Amenity Areas

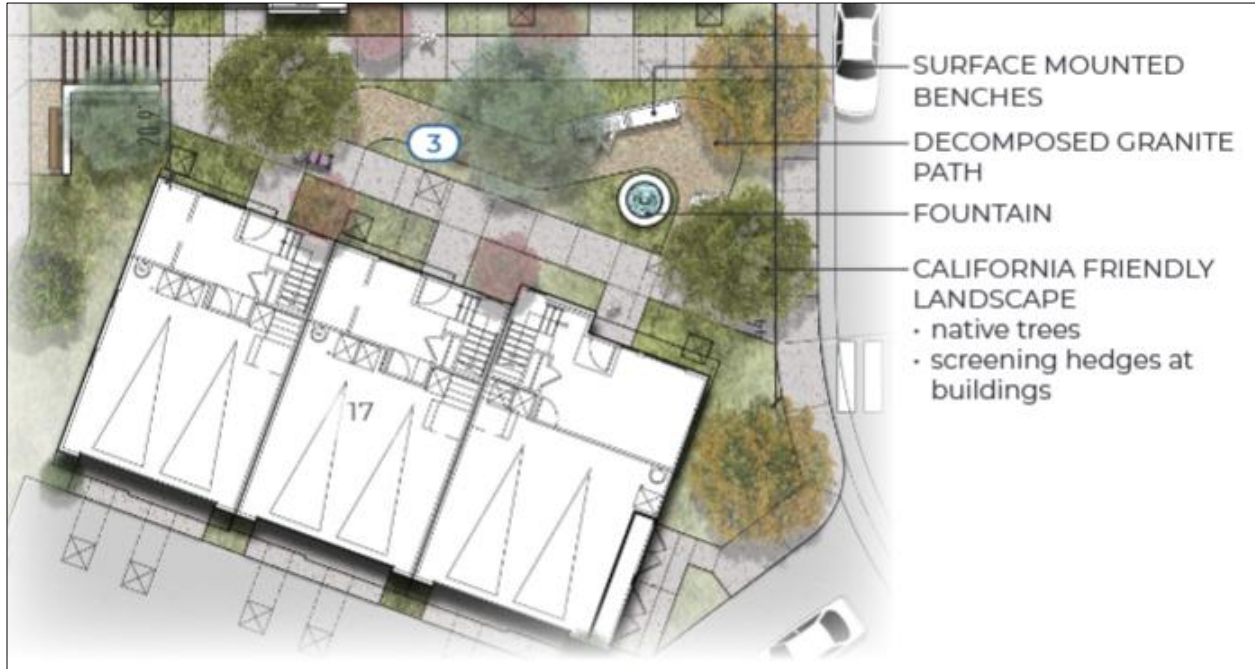


Figure 11 (Top), Passive Amenity Area; Figure 12 (Bottom), Rendering of Active Amenity Area

Hazards Analysis

The Project Site is located near John Wayne Airport (JWA) within the notification area, and subject to compliance with the Airport Environs Land Use Plan (AELUP) for JWA which includes standards related to height, safety, and noise. The project does not include a legislative amendment (e.g., general plan amendment, zoning amendment) and review by the Airport Land Use Commission is not required to implement the project.

Safety Zones

The Project Site is within Safety Zone 6 (Traffic Pattern Zone) of the AELUP for both runways. Residential uses are a compatible use within Safety Zone 6.

Height

Section 20.30.060 (E) (Airport Environs Land Use Plan[AELUP] for John Wayne Airport and Airport Land Use Commission [ALUC] Review Requirements) of the NBMC prohibits projects from penetrating the Federal Aviation Regulation Part 77, Obstruction – Imaginary surfaces, for John Wayne Airport unless approved by the Airport Land Use Commission (ALUC). Heights in the Airport Area are generally limited through the use of imaginary surfaces that surround the runways. The intent of these surfaces is to protect aircraft from obstacles during takeoff, landing, and maneuvering. The NBMC requires Applicants to file forms with the Federal Aviation Administration (FAA). The FAA issued a Determination of No Hazard to Air Navigation for the project, dated February 11, 2026, and provided as Attachment No. PC 5. Accordingly, a condition of approval is included requiring the applicant to comply with all conditions of the FAA determination.

Noise

The PC-11 regulations for Airport Noise Compatibility and General Plan Policy LU6.15.3 require residential development be limited to parcels wholly or partially outside the 65 dBA CNEL noise contour. The Project Site is located within the 60 dBA CNEL noise contours established in the General Plan Noise Element Figure N5 and the project is consistent with this regulation of PC-11 and General Plan policy. Figure 13 shows the City's noise contours.

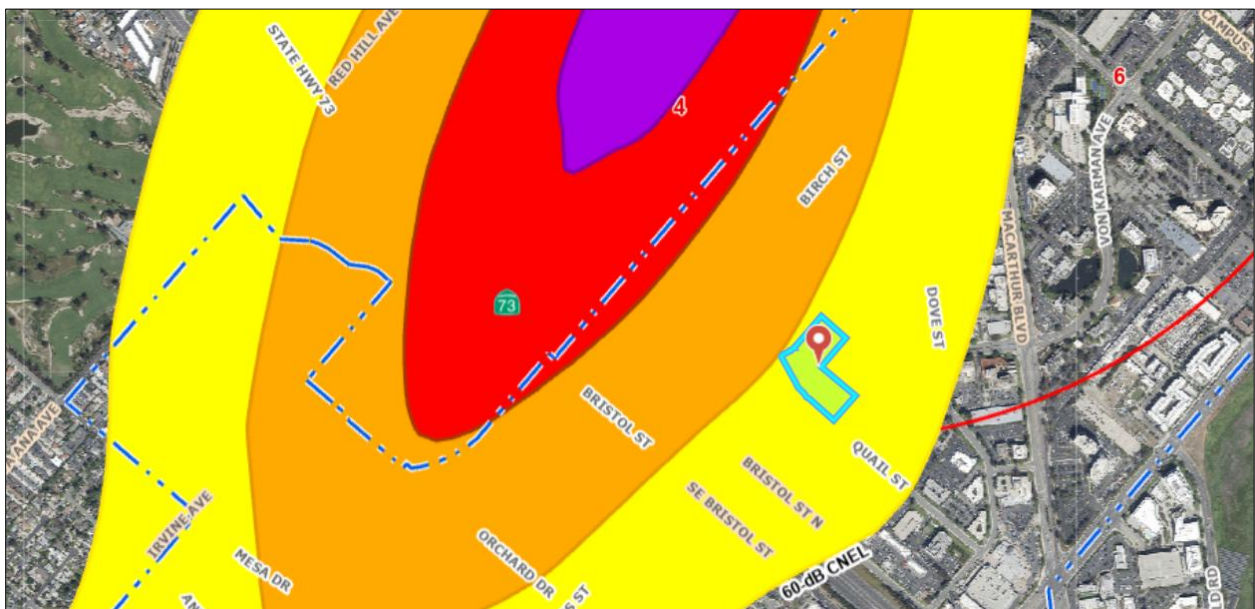


Figure 13, Airport Noise Contours

Compatibility, Traffic, and Scale

The project is proposed on an existing property with an office development constructed in 1981 that is underutilized, within an area of the City that is considerably developed. The project will add 100 attached single-unit dwellings to the City's housing stock which furthers the City's efforts of increasing and diversifying the housing stock.

The project trip generation was reviewed and approved by the Public Works Department. The estimated trip generation for the project is 621 average daily trips (ADTs), which is 120 ADTs less than the existing office use. Therefore, the project does not result in a net increase of 300 ADTs, and no traffic study is required per Chapter 15.40 (Traffic Phasing Ordinance) of the NBMC.

All internal driveways to garages are behind the residential buildings and individual trash containers are kept within each private garage space and not visible from the public street. There is adequate space within the garage, clear 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 39 feet which is 16 feet below the maximum allowed height limit of 55 feet. The height of the residential buildings will be compatible with the surrounding neighborhood that includes multi-story office building. There are no setback requirements from the property lines not abutting streets. However, the project proposes a setback for 5 feet to 11 feet including a 6-foot-tall decorative masonry wall with landscaping.

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 four of the 52 applicable Multi-Unit Objective Design Standards as shown in the Objective Design Standards Checklist (Exhibit B of the Resolution found in 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 of multi-unit objective design standards. The project complies with 48 out of 52 standards demonstrating that the project provides the high- quality design that was anticipated.

The Planning Commission may approve an 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 facts to support the findings exist to approve the deviation of the four objective design standards. 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:

There are several ODS that relate to modulation of individual buildings including vertical and horizontal modulation. The minimum floor height standards (vertical modulation) are intended to prevent abnormal design of units as a method to increase density, resulting in poor residential design. The horizontal modulation serves to shorten the perceived length and mass of a building by providing façade recesses and projections that break up the horizontal thrust of a building. Two of the ODS waivers relate to vertical modulation and two ODS waivers relate to horizontal modulation of structures.

Vertical Modulation:

1. 20.48.185(Q)(2)(b) (Vertical Modulation Changes in Façade Material and/or Color – Floor Heights) of the NBMC requires minimum middle or top floor-to - floor plate elevations to be 10 feet;
2. 20.48.185(Q)(3)(a)(i) (Additional Vertical Modulation Standards – Floor Heights) of the NBMC requires minimum first finished floor to second floor plate elevations to be 10 feet.

The project proposes a height of 9 feet for each floor. The slightly reduced floor heights are still sufficient for residential design and support an overall lower building height. The floor heights still meet the intent of the section to provide units that are designed with comparable design components with residential development throughout the City.

Horizontal Modulation:

3. Section 20.48.185 (R)(1)(c) (Horizontal Modulation – Minimum Depth) of the NBMC requires that all building recesses or projections shall be a minimum of 2 feet in depth.

The project proposes a variety of different recesses and projections including first floor recessed entries, second floor balconies, recessed windows and architectural features. The intent of this requirement is to allow for sufficient depth of recesses and projections so that building lengths are sufficiently modulated. While some of the project's recesses and projections are less than 2 feet in depth, the project provides larger second floor and third floor recesses, and second floor balconies. The project provides additional depth for

other recesses and projection features which ensures building length is less visually obtrusive. The buildings are shorter, ranging from 66 feet to 130 feet in length where the maximum allowed is 150 feet. The recesses and modulation range from 6 to 30 inches providing ample articulation and meeting the intent of this section.

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

The project includes more than two recesses and projections in both of the largest buildings within the development. The design breaks up mass through the delivery of smaller townhomes buildings. Some buildings provide more than 2 recesses, which exceeds the maximum number of modulations. However, the recesses range in depth (6 inches to 30 inches), creating an accent dimension and strengthening 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.

Although the project requests minor deviation of four objective design standards, the project still complies with the intent; therefore, the deviations are appropriate. Figure 14 below provides a color elevation of the façade of the building as viewed from the corner of Quail Street and Waverly Place, demonstrating enhanced architectural treatment and consideration of context, integrating well into the current surrounding development.



Figure 14, Birds-Eye Rendering of the Project Site

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 believe 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.

Because the project includes for-sale residential units, the project 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 100 new dwelling units (\$48,987 per dwelling unit)¹. The project is also subject to General Plan Policy 6.15.13 (Neighborhood Parks – Standards) that requires new residential development in the Airport Area to dedicate and improve a minimum ½ acre as a neighborhood park. However, because the Park Dedication (“Quimby Act” fee) requirement in Chapter 19.52 is greater than a ½ acre park (1.115 acres), the Chapter 19.52 standard shall apply.

The project does not provide a park on-site for the public but does comply with the minimum PAOS required. The PAOS is located at the front of the Project Site along the two street frontages. Therefore, to facilitate pedestrian access through the site to the adjacent property at 1301 Dove, a condition of approval has been included to provide a

¹A preliminary application for residential development, filed as PA2024-0148, was deemed submitted on August 8, 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 \$48,987 per unit, which is the fee that was in effect at the time the preliminary application was deemed submitted.

pedestrian easement between the two parcels. This would allow pedestrians to cut through the larger superblock and promote overall accessibility with reasonable restrictions on hours.

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. Sewer and water demand studies were prepared by Fuscoe Engineering, both dated January 14, 2026. The water study concluded that the proposed onsite water system is adequately designed to provide domestic water service and fire flow for the proposed onsite fire hydrants and building's domestic demand. The project does not result in more than 500 dwelling units; therefore, a Water Supply Assessment ("WSA") is not required for project. The Public Works Department has reviewed and accepted these studies. The project storm drain system is conditioned to be privately owned and maintained. The applicant is required to upsize the existing 24-inch public storm drain line along Quail Street to a 36-inch public storm drain line. Final design of the improvement 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 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.

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 AB130, consultation with Native American Tribes is also required in addition to meeting the eligibility criteria. Therefore, the City initiated consultation on December 3, 2025, with the two tribes that requested consultation, Juaneño Band of Mission Indians, Acjachemen Nation- Belardes and the Gabrieleno Band of Mission Indians - Kizh Nation, which concluded on January 19, 2026. Tribal monitoring conditions are included in Exhibit "C" (Conditions of Approval) of Attachment No. PC 1. AB130 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 include 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.

Summary

Staff believes the findings for project approval can be made as demonstrated by Attachment No. PC 1 to this report. The project is consistent with the intent of the HO-1 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 of 100 for-sale attached single-unit dwellings, which further diversifies the City's housing stock and increases the supply of housing in Newport Beach, especially in an area with tremendous employment.

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 four 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 waiver, 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; however, the proposed modifications should not result in the reduction of dwelling units. If the proposed modifications are substantial, the item could be continued to the April 23, 2026, Planning Commission meeting. Should the Planning Commission choose to do so, staff will return with a revised resolution incorporating new findings and/or conditions. The Planning Commission must make a final decision by April 23, 2026, to comply with Government Code § 65950(b) and Government Code § 65957) which requires a project be approved or disapproved 30 days from the conclusion of tribal consultation if the project uses the AB130 statutory exemption for CEQA. The tribal consultation process concluded on February 19, 2026, and the deadline for a decision was March 21, 2026. However, the City and Applicant may mutually agree in writing to a one-time, 90-day extension. For this project the applicant provided

a one-time extension of up to 34 days, extending the decision date to April 24, 2026.

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 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.

Prepared by:

Submitted by:



Melinda Whelan
Assistant Planner



Benjamin M. Zdeba, AICP
Acting Deputy Community
Development Director

LAW/msw

ATTACHMENTS

- PC 1 Draft Resolution
- PC 2 General Plan Consistency Analysis
- PC 3 FAA Letter - Finding of No Hazard
- PC 4 Project Plans

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