

CITY OF NEWPORT BEACH PLANNING COMMISSION STAFF REPORT

July 3, 2025 Agenda Item No. 3

SUBJECT: Ford Road Townhomes (PA2025-0049)

Major Site Development Review

Vesting Tentative Tract Map

SITE LOCATION: Unaddressed property abutting 1650 Ford Road (APN 458-361)

and 1650 Ford Road (APN 458-361-02)

APPLICANT: Ford Road Ventures LLC

OWNER: Pacific Bell Telephone Company

PLANNER: Jerry Arregui, Assistant Planner

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PROJECT SUMMARY

A request to authorize the development of a 27-unit, for-sale, residential townhome community on an undeveloped and unaddressed property. The project also includes improvements to the adjacent AT&T Facility property, including the installation of a gate to restrict vehicular access, repainting of the AT&T Facility building, and the relocation of an existing wireless telecommunications monopole within the AT&T Facility property. Lastly, the project includes subdividing the unaddressed property and reconfiguring the lot line between the project site and the AT&T Facility property. The following approvals are required:

- A Major Site Development Review authorizing construction of residential development, increase in maximum structure height, and deviations from specific multi-unit objective design standards.
- A Vesting Tentative Tract Map authorizing the adjustment of property lines between the project site and the AT&T Facility property to create individual parcels for conveyance purposes 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

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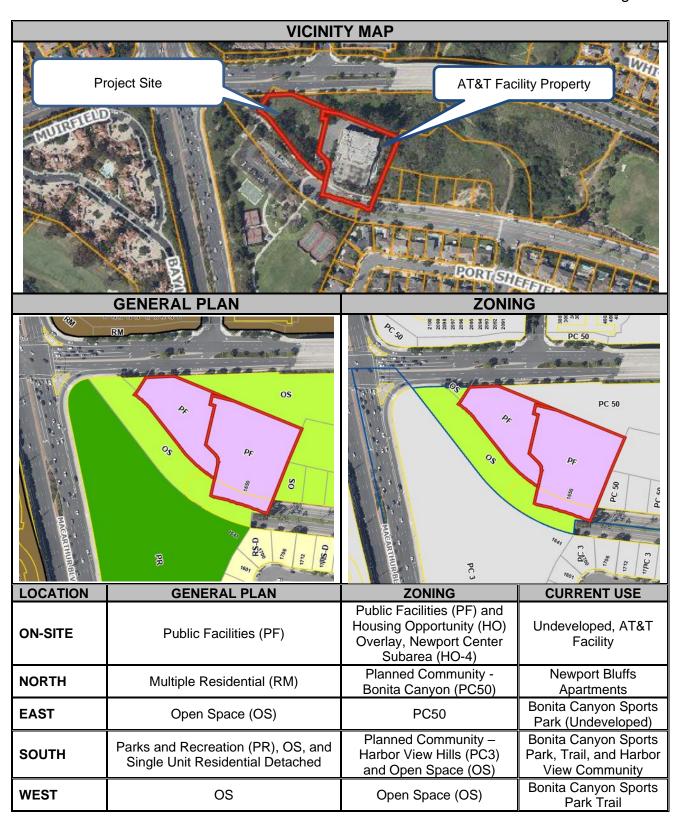
Ford Road Townhomes (PA2025-0049)
Planning Commission, July 3, 2025
Page 2

CEQA Guidelines because the Project is consistent with the previously certified Program Environmental Impact Report (SCH No. 2023060699); and

3) Adopt Resolution No. PC2025-012, approving the Major Site Development Review and Vesting Tentative Tract Map filed as PA2025-0049 (Attachment No. PC 1).

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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 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 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 specified 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 Multi-Unit Objective Design Standards 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 No. 141 with an assumed net yield of 64 dwelling units and included within the HO-4 (Newport Center Area) Subarea of the Housing Opportunity (HO) Overlay Zoning District.

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Figure 1, HO-4 (Newport Center) Subarea of the Housing Opportunity (HO) Overlay Zoning District

On November 19, 2024, the City Council adopted Resolution No. 2024-85, initiating an amendment to Section 20.28.050 in Title 20 and the pending complementary section in Title 21 of the NBMC, to review and make possible adjustments to certain development standards, including but not limited to building height limits as specified in Table 2-16 (Development Standards for Housing Opportunity Overlay Zones) of Section 20.28.050 [Housing Opportunity (HO) Overlay Zoning Districts] and pending Table 21.28-1 (Development Standards for Housing Opportunity Overlay Zones) in Title 21 of the NBMC.

As originally adopted, Table 2-16 (Development Standards For Housing Opportunity Overlay Zones) of Section 20.28.050 in Title 20 identified heights within the HO-4 Subarea as being limited to those in the underlying base zoning district. Given the variety of zoning districts, maximum height limits range from as high as 300 feet and as low as 32 feet. Due to the lower base height limits, an adjustment to allowable building heights is appropriate and necessary to accommodate residential developments within the intended prescribed density range of 20 to 50 dwelling units per acre.

On June 24, 2025, the City Council adopted Ordinance No. 2025-10, which adjusted the height limitations for housing projects on several properties within the HO-4 Subarea, including an increased height limit of 48 feet for the subject property. However, it is important to note that this amendment is not yet effective until 30 days after adoption.

Project Setting

As depicted in Figure 2 below, the townhome community is proposed for the undeveloped and unaddressed property, near the southeast corner of the MacArthur Boulevard and Bonita Canyon Drive intersection. The townhome site is northeast of a City-owned trail and the parking lot for the Bonita Canyon Sports Park and is approximately 230 feet northwest of the Harbor View community consisting of single-family residences. While the townhome development will occur within the undeveloped property, the project also involves improvements to the AT&T Facility addressed as 1650 Ford Road. The AT&T facility property is developed with an approximately 35-foot-tall utility building that houses telephone and communication equipment, a surface parking lot accessed from Ford Road, and a 50-foot-tall wireless telecommunications monopole. Both of these properties are currently owned by the Pacific Bell Telephone Company and will comprise the project site. The future ownership of the townhome site by the Applicant is contingent on securing entitlements for residential development.

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

Project Description

The applicant proposes to develop a 27-unit residential townhome community. The proposed development includes two-, three-, and four-bedroom units ranging from 1,916 to 2,989 square feet, each with an attached two-car garage. The units are to be distributed within four detached four-story buildings with a maximum structure height of 47 feet and 11 inches, above the established grade. Dwelling unit types are summarized in Table 1. The project's design and architecture, access and parking, amenities, AT&T Facility improvements, and subdivision are each described under separate headers below. The applicant's full project description is provided as Attachment No. PC 2.

Table 1, Dwelling Unit Summary

Floor Plan	Gross Floor Area (Sq. Ft)	Bedrooms	Garage Spaces	No. Units
Plan 1	1,916	2	2	8
Plan 2	2,325	3	2	8
Plan 3	2,916	4	2	5
Plan 4	2,989	4	2	6

Design and Architecture

As depicted in Figure 3, the project was designed with contemporary coastal architecture with an articulated façade, which includes varied rooflines, balconies, facade projections and recessions, large windows, and material variation. Additionally, the project includes two color schemes: a coastal palette with whites, greys and light blues, and a neutral earthy palette with beige, brown, light green and light white.



Figure 3, Project Rendering, as seen from Ford Road

Access and Parking

Two of the four buildings will face the Bonita Canyon Sports Park and are adjacent to the park trail. The project is integrated with the Bonita Canyon Sports Park Trail using landscaping and pedestrian walkways which allow for three points of access to the trail. This connectivity is intended to allow for pedestrian access to the park and nearby destinations. Additionally, this connectivity allows for use of the Orange County Transportation Authority (OCTA) bus routes provided along Ford Road and Bonita Canyon Drive.

The project is designed with vehicular access from Ford Road, through a shared driveway with the AT&T Facility. No additional curb-cut openings are proposed. The project will include an easement with the AT&T Facility property to ensure access for the project is maintained and future curb openings are not required. This layout is depicted in Figure 4.



Figure 4, Site Plan

The project proposes two drive aisles within the interior of the community, leading to each unit's individual garages and guest parking spaces. The drive aisles will also accommodate emergency, delivery and refuse vehicle access. Trash pick-up will be staged along the drive aisles, as each unit will have residential trash bins. There is a designed turn around area which allows for larger delivery, service and emergency vehicles to safely exit the property.

The project will provide 54 parking spaces (i.e., two per unit) within garages, 10 uncovered guest parking spaces, and two uncovered delivery spaces for a total of 66 parking spaces.

Residential Amenities

The development provides resident-serving amenities including an approximately 2,300-square-foot outdoor picnic area and an approximately 550-square-foot outdoor firepit area located on the northern portion of the site as depicted in Figure 4 above. The picnic area includes an outdoor kitchen with barbeque grills, outdoor seating, a detached trellis structure, and landscaping throughout. The firepit area is smaller in scale and provides an additional lounging area for residents and guests. Renderings depicting the firepit and picnic areas are included with the project plans (Attachment No PC 3).

The project provides each unit with 139 to 156 square feet of private balconies and covered patios.

AT&T Facility Improvements

The project also includes improvements to the AT&T Facility property. As shown below in Figure 5, a gate will be installed to restrict access from the shared driveway and the building will be painted grey with blue accents.



Figure 5, Rendering of AT&T Property Improvements

Additional improvements include repaving the parking lot, installation of new landscaping, and the relocation of an existing wireless telecommunications facility monopole. While the final design and location of the telecom facility is not yet complete, the future facility will need to conform to the development standards provided in Chapter 20.49 (Wireless Telecommunication Facilities) of the NBMC and will require subsequent review and permitting.

Subdivision and Establishment of Grade

The project will subdivide the undeveloped property to create individual parcels for conveyance purposes and allow for the airspace subdivision of the units for individual sale (i.e., for condominiums purposes).

As shown below in Figure 6, the project will also adjust the easterly property line between the undeveloped property and the AT&T Facility property, increasing the size of the townhome site from 1.06 to 1.16 acres and decreasing the size of the AT&T Facility property from 1.74 to 1.64 acres.

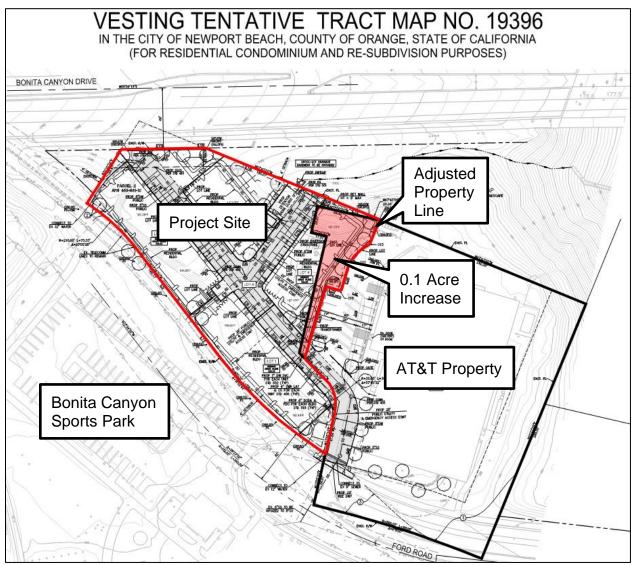


Figure 6, Vesting Tentative Tract Map showing the adjusted lot lines

Lastly, the project proposes the establishment of grade for height measurement purposes for each building. The grade establishment is pursuant to Section 20.30.050 (B)(1) (Grade

Establishment – Subdivisions) of the NBMC and grades range from 196.35 to 198.83 feet based on the North American Vertical Datum of 1988 (NAVD 88).

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 an increase in maximum structure height pursuant to Section 20.30.060 (Height Limits and Exceptions) of the NBMC and allows for deviations of four 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 adjust the easterly property line between the project site and the AT&T Facility property, to create individual parcels for conveyance purposes, and to allow for an airspace subdivision of the units for individual sale (i.e., for condominium purposes).

DISCUSSION

<u>Analysis</u>

General Plan Consistency

Though the subject property is categorized as Public Facilities (PF) by the General Plan Land Use Element, it was included as Site ID No. 141 within Appendix B (Adequate Sites Analysis) of the adopted and certified 6th 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-4 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 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 4).

Zoning Code Consistency

Both the undeveloped property and the AT&T Facility property are zoned Public Facilities (PF). The undeveloped property is also located within the HO-4 Subarea of the Housing Opportunity (HO) Overlay Zoning 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 1.16-acre lot, the project results in a density of 23.27 units per acre and meets the density requirement of the HO-4 Subarea.

In addition to minimum density, the project conforms to all applicable development standards of the HO-4 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 2 below.

Table 2: HO-4 Subarea Development Standards

Development Standard	Standard	Proposed
Setbacks (min.)		
Front (Ford Road)	0 feet	6 feet
Side (northeast)	0 feet	6 to 56 feet
Side (west)	0 feet	4 to 6 feet
Rear (southeast)	0 feet	11 to 24 feet
Streetside (Bonita Canyon) ¹	20 feet	20 to 45 feet
Parking (min.)	61 spaces	66 spaces
Building Separation	10 feet	22 to 33 feet
Common Open Space (75 sq. ft./unit min.)	2,025 sq. ft.	2,857 sq. ft (Fire Pit/Picnic Area)
Private Open Space (5% gross floor area/unit min.)	96 to 150 sq. ft. per unit	139 to 156 sq. ft. per unit
Height (max.) ²	48 feet	47 feet, 11 inches
Lot Coverage	No Limitation	45%

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.

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 48 of the 52 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 minor deviations of four standards as described in the *Major Site Development Review - Multi-Unit Objective Design Standard Deviation* section below.

² City Council adopted Ordinance No. 2025-10 on June 24, 2025, which approved an amendment to Section 20.28.050 (Housing Opportunity (HO) Overlay Zoning Districts) and Section 20.80.025 (Housing Opportunity Overlay Districts Maps) of the NBMC. These amendments allowed for the base height limit of 48 feet for the project site.

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;
 - 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.

Major Site Development Review - Height Increase

As previously discussed in the Background section, the City Council recently adopted Ordinance No. 2025-10, increasing the base height limit of the site from 32 feet for structures with a flat roof and 37 feet for structures with a sloped roof, to a maximum height limit of 48 feet for the subject property. However, since this ordinance doesn't become effective until July 26, 2025, the project application includes a request for additional height through the SDR process in accordance with Section 20.30.060(C)(3) (Height Limits and Exceptions - Required Findings) of the NBMC.

The Planning Commission may approve a SDR to allow an increase in the height of a structure above the base height only after making all the following findings in addition to the findings required pursuant to Section 20.52.080(F) (Site Development Reviews – Findings and Decision):

- a. The project applicant is providing additional project amenities beyond those that are otherwise required. Examples of project amenities include, but are not limited to:
 - i. Additional landscaped open space;
 - ii. Increased setback and open areas; and
 - iii. Enhancement and protection of public views; and
- b. The architectural design of the project provides visual interest through the use of light and shadow, recessed planes, vertical elements, and varied roof planes;
- c. The increased height will not result in undesirable or abrupt scale changes or relationships being created between the proposed structure(s) and existing adjacent developments or public spaces. Where appropriate, the proposed structure(s) provides a gradual transition to taller or shorter structures on abutting properties; and
- d. The structure will have no more floor area than could have been achieved without the approval of the height increase.

Staff believe facts to support the findings exist to approve the SDR, including a request for the increased height allowance. 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.

Setbacks and Open Space

Although the project site has an irregular shape and the HO-4 Subarea requires limited setbacks, the project design compactly arranges the four separate buildings to maximize site efficiency to provide larger than required setbacks. The project provides varying setbacks including a 20 to 45-foot streetside setback on the north, a 6 to 56-foot, side setback on the northeast, a 4 to 6-foot side setback on the west, and an 11 to 24-foot rear setback on the southeast of the project site. These setbacks allow for additional open area and for more light and air through the project. A preliminary landscape plan was provided which includes varying drought tolerant and noninvasive plant species throughout the projects sites larger than required setback areas and within the picnic area, and firepit area.

The HO-4 Subarea is not subject to any maximum lot coverage requirement. However, the compact site design of the project is accommodated through the taller buildings design which results in a lot coverage of approximately 45%. In comparison, properties located within the Multiple Residential (RM-6000) Zoning District are allowed a maximum lot coverage of 60%. The project provides additional open area through its compact design and less horizontal massing to reduce the site coverage compared to what is

allowed a RM-6000 District, accomplished with the allowed 48-foot height of each building.

These compact design features allow the project to better reflect the character of a single-family neighborhood, in contrast to an apartment building project with a zero-setback design. The provided setbacks, open areas, and lower lot coverage offer amenities beyond those otherwise required by the HO-4 subarea and contributes to a more visually appealing project for the neighborhood.

Scale and Compatibility

The project is appropriately buffered from surrounding residential and recreational uses by existing roads, landscaping, and substantial setbacks and shown in Figure 8.



Figure 8, Oblique Image of Project Site with Building Heights and Distances to Surrounding Uses

The project is separated from the Harbor View community to the south by Ford Road, a two-lane connector with a center median landscaped with trees ranging from 45 to 60 feet in height. The nearest single-unit dwelling is approximately 230 feet from the project's southmost structures. Homes within the Harbor View community consist of single-story to two-story structures, and maximum allowed heights of up to 32 feet. The adjacent AT&T building is approximately 35 feet in height. The changing scale of structures, intervening road with large street trees and distance provides a harmonious transition from the two-story Harbor View community to the project.

As previously mentioned, the project includes several improvements to the adjacent AT&T Facility property including new landscaping and repainting the building. While these improvements are not required, the applicant has committed to improving the adjacent property to ensure combability between the project and the AT&T Facility as well as for the benefit of both existing and future residents of this community and surrounding area.

The project is separated from the Newport Bluffs apartments to the north by Bonita Canyon Drive, a four-lane primary arterial road with a center median landscaped with trees ranging from 15 to 30 feet in height, and approximately 185 feet from the project's northmost structures.



Figure 9, Rendering of Project from Bonita Canyon Drive

While access to the project is not taken from Bonita Canyon Drive, the project has been designed to include enhanced architectural and landscape treatments to improve the view for motorists and residents to the north as shown in Figure 9. The project has been conditioned to install perimeter landscaping along Bonita Canyon Drive, including trees, to ensure that the landscaping will be installed which serves to buffer and soften the project and ensures scale compatibility is maintained.

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 (Attachment PC 5). 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 believe facts to support the findings exist to approve the deviation of the four objecting 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:

- 1. Private Driveway Standards Landscape and Paving Zone (LPZ): A 4-foot minimum width zone abutting a building is required to provide a minimum of 20% landscaping with a combination of vines, ornamental, grasses, shrubs, ground cover, and ornamental trees. The project provides a 3-foot, 6-inch wide LPZ at most driveway areas which result from building offsets. The building offsets contribute to enhanced building articulation, resulting in a more visually appealing façade. Increasing the LPZ zone to meet the 4-foot width requirement would reduce the size of the building offsets and the open setback area in front of each building. The narrower LPZ design maximizes the amount of landscaped open space in front of each building and maintains the 20% landscape standard, which provides more benefit to future residents than the negligible 6 inches of LPZ adjacent to garages.
- 2. Horizontal Modulation Maximum Building Length: Building length shall be limited to 150 feet. The project proposes two eight-unit buildings with a length of 155 feet. The project prevents lengthy unarticulated building masses by incorporating varied rooflines, balconies, façade projections and recessions, and material variation which creates the appearance of distinct units and breaks up the building's overall length and massing. The building provides more than the required articulation and includes upper floor setbacks which ensure the building length is less visually obtrusive.
- 3. Horizontal Modulation Minimum Depth: 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 upper floor setbacks, balconies and covered patios. The project proposes a variety of different recesses and projections

including upper floor setbacks, balconies and covered patios which range from 6 inches to 12 feet. 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 large upper floor setbacks, balconies, and patios between 5 and 12 feet as shown in Figure 10. The project provides additional depth for other recesses and projections features which ensures building length is less visually obtrusive.

4. Horizontal Modulation – Maximum Number: There shall be a maximum limit 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 as depicted in Figure 10. Due to their length, the additional recesses and projections allow for sufficient modulation to each unit. The intent of this requirement is to avoid lengthy and plain building facades. 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 is furthering the intent of this requirement by sufficiently modulating the 8-plex building, which results in a less visually obtrusive building length.



Figure 10, Façade of Eight-Unit Building

The proposed design also includes more than the required façade glazing and includes two color pallets where only one is required for this project. The project as proposed goes beyond the intent of the Objective Design Standards, which ensures the highest possible design quality for residential projects with a density of at least 20 units per acre.

Though the project requests minor deviation of four objective design standards, the project still more than complies with the intent the objective design standards therefore the deviations are appropriate.

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 <u>11000.5</u>, (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 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.

The project proposes to adjust the eastern property like between the project site and the adjacent AT&T property to increase the lot to 1.16 acres to accommodate the project design. The VTTM is essential to develop the property with a townhome project as it is required to allow for the individual sale of residential units.

Because the project includes for-sale units, the project is subject to pay 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. The existing parcel is undeveloped; therefore, the in-lieu parking fee will be required for 27 new dwelling units. A preliminary application for residential development, filed as PA2025-0056, was deemed submitted on April 7, 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 an in-lieu park fee of \$38,400 per unit which is the fee that was in effect at the time the preliminary application was deemed submitted.

The 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 PSOMAS dated May 14, 2025, and concludes 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.

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: Housing Implementation Program EIR.

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-4 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 has been prepared by T & B Planning Inc., dated June 2025, which was peer reviewed and accepted by Kimley-Horn & Associates, Inc., is provided as Exhibit "A" to the draft resolution and hereby incorporated by reference. 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 believe 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-4 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 27 for sale attached single-unit dwellings, 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.

Correspondence

Correspondence received to date for the project is included as Attachment PC 6 for the Planning Commission consideration.

Prepared by:	Submitted by:	
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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 Project Correspondence