

Attachment A

Resolution No. 2026-21

RESOLUTION NO. 2026-21

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, APPROVING AN APPEAL AND OVERTURNING THE DECISION OF THE PLANNING COMMISSION TO DENY A CONDOMINIUM CONVERSION, TENTATIVE PARCEL MAP, CONDITIONAL USE PERMIT, TRAFFIC STUDY, AND PARKING WAIVER TO ALLOW THE CONVERSION OF AN EXISTING PROFESSIONAL OFFICE COMPLEX TO MEDICAL OFFICE CONDOMINIUMS AS MODIFIED FOR THE PROPERTY LOCATED AT 20280 AND 20312 ACACIA STREET (PA2024-0236)

WHEREAS, the City of Newport Beach ("City") is governed, in part, by the Charter of the City of Newport Beach, Newport Beach Municipal Code ("NBMC"), and Council Policies;

WHEREAS, Section 200 of the City Charter vests the City Council with the authority to make and enforce all laws, rules, and regulations with respect to municipal affairs subject only to the restrictions and limitations contained in the Charter and the State Constitution, and the power to exercise, or act pursuant to any and all rights, powers and privileges, or procedures granted or prescribed by any law of the State of California;

WHEREAS, an application was filed by CGM Development ("Applicant"), concerning property located at 20280 and 20312 Acacia Street, and legally described as Lots 68 and 69 of Tract 706 ("Property");

WHEREAS, the Applicant requested to convert the entirety of an existing three-story professional office building into medical office condominiums ("Original Project");

WHEREAS, the Original Project required the approval of a condominium conversion and tentative parcel map to create 12 airspace condominium units for individual sale, requiring a conditional use permit authorizing medical office use and a 32-space parking requirement reduction, as well as a traffic study;

WHEREAS, the Property is designated General Commercial Office (CO-G) by the General Plan Land Use Element and is located within Business Park (BP) District of the Santa Ana Heights Specific Plan (SP-7);

WHEREAS, the Property is not located within the coastal zone;

WHEREAS, a public hearing was held by the Planning Commission on November 20, 2025, in the Council Chambers at 100 Civic Center Drive, Newport Beach, California. A notice of the time, place, and purpose of the hearing was given in accordance with Government Code Section 54950 *et seq.* ("Ralph M. Brown Act"), Chapter 19.12 (Tentative Map Review), and Chapter 20.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to and considered by the Planning Commission at this hearing;

WHEREAS, at the hearing, the Planning Commission determined the establishment of medical office condominiums along with the requested parking waiver to be inconsistent with Sections 20.52.020 (Conditional Use Permits and Minor Use Permits), 19.64.070 (Standards for Condominium Conversions), and 19.12.070 (Required Findings for Action on Tentative Maps) of the NBMC, thereby denying the Original Project by a majority vote (6 ayes, 0 nays, 1 abstention);

WHEREAS, the Applicant filed a timely appeal of the Planning Commission's decision on November 25, 2025, citing two primary grounds: (1) the Planning Commission failed to specify or identify the required findings to support denial of the condominium subdivision map, and (2) the Planning Commission denied the conditional use permit based on an asserted lack of information, despite evidence demonstrating that the Original Project met minimum parking requirements and is not under-parked pursuant to Section 20.40.110(B) (Reduction of Required Off-Street Parking) of the NBMC;

WHEREAS, subsequent to filing the appeal, the Applicant revised the Original Project to address the concerns identified by the Planning Commission by reducing the medical office component to approximately 67% of the existing three-story professional office building, with the remainder allocated to professional office and surgical center uses, which reduced the requested parking waiver from 22.8% to 14.2% and resulted in a revised request for an 18-space parking reduction ("Project");

WHEREAS, the Project also includes a Parking Management Plan, including valet operations, to provide an additional 14 parking spaces, which has been reviewed and recommended for approval by the Public Works Department;

WHEREAS, Project implementation continues to require approval of a condominium conversion and tentative parcel map to create 12 airspace condominium units for individual sale, requiring a conditional use permit to authorize medical office use and a traffic study; and

WHEREAS, a public hearing was held by the City Council on April 14, 2026, in the City Council Chambers at 100 Civic Center Drive, Newport Beach, California 92660. A notice of time, place and purpose of the public hearing was given in accordance with the Ralph M. Brown Act and Chapters 19.12 (Tentative Map Review) and 20.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to, and considered by, the City Council at this public hearing.

NOW, THEREFORE, the City Council of the City of Newport Beach resolves as follows:

Section 1: The City Council has considered the decision of the Planning Commission on the Original Project and determined that the Project does not require referral back to the Planning Commission for consideration and recommendation.

Section 2: The City Council does hereby approve the Project (PA2024-0236), as modified by the Applicant following the Planning Commission public hearing, based upon the Findings attached hereto as Exhibit "A" and subject to the Conditions of Approval set forth in Exhibit "B," which are attached hereto and incorporated herein by reference.

Section 3: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 4: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 5: The City Council finds the adoption of this resolution is exempt from environmental review under the California Environmental Quality Act ("CEQA") pursuant to Section 15301 under Class 1 (Existing Facilities), of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3 because it has no potential to have a significant effect on the environment.

The Class 1 (Existing Facilities) exemption includes the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use. The Class 1 exemption includes interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances as well as additions to existing structures of up to 10,000 square feet. The Project will convert a portion of an existing professional office building to medical office condominiums. No physical changes are proposed for the Project other than minor interior alterations to the existing building that is otherwise exempt from CEQA. The parking and traffic studies show there will be adequate parking and the Project will not impact area intersections.

The exceptions to this categorical exemption under Section 15300.2 are not applicable. The Project location does not impact an environmental resource of hazardous or critical concern, does not result in cumulative impacts, does not have a significant effect on the environment due to unusual circumstances, does not damage scenic resources within a state scenic highway, is not a hazardous waste site, and is not identified as a historical resource.

EXHIBIT "A"

FINDINGS

FINDINGS IN SUPPORT OF CONDOMINIUM CONVERSION, TENTATIVE PARCEL MAP, CONDITIONAL USE PERMIT, AND TRAFFIC STUDY (PA2024-0236)

Condominium Conversion

In accordance with Section 19.64.070 (Standards for Condominium Conversions) of the NBMC, the following findings and facts in support of such findings are set forth:

Finding:

- A. *The number of off-street parking spaces that were required at the time of original construction shall be provided on the same property to be converted to condominium purposes, and the design and location of such parking shall be in conformance with the provisions of Chapter 20.40 (Off-Street Parking).*

Facts in Support of Finding:

1. The Property consists of one commercial office building which totals 27,931 gross square feet, as well as an existing 109 space on-site parking lot. At the time of the original construction in 2002, the office building was required to provide 109 parking spaces (27,095 net square feet / 250 = 109). The original development consisted of 110 spaces; however, subsequent to the construction of the office buildings, the parking lot has been reduced to 109 spaces to meet accessibility requirements. The 109 spaces provided comply with the minimum required for professional office use.
2. Facts 4 and 5 of Finding V are hereby incorporated by reference.

Finding:

- B. *Each dwelling unit within a building shall have a separate sewer connection to the City sewer.*

Finding B is not applicable as no residential dwelling units are proposed.

Finding:

- C. *Each sewer lateral shall be retrofitted/fitted with a cleanout at the property line.*

Fact in Support of Finding:

As conditioned, the existing sewer laterals for the buildings shall be retrofitted/fitted with a cleanout to comply with this requirement prior to recordation of the Tentative Parcel Map.

Finding:

D. Each unit shall maintain a separate water meter and water meter connection.

Facts in Support of Finding:

1. The Property is located within the Irvine Ranch Water District and Costa Mesa Sanitary District service area. Therefore, Finding D is not applicable since the City does not supply water and/or sewer services to the Property.
2. As conditioned, the Applicant shall form an owner's association responsible for the payment of water fees to ensure common water connection use will not be detrimental to the tenants of the Property or surrounding properties.

Finding:

E. The electrical service connection shall comply with the requirements of Chapter 15.32 of the NBMC.

Fact in Support of Finding:

The electrical service connection for the existing office building complies with Chapter 15.32 (Underground Utilities) of the NBMC because all electrical service to the Property is installed underground.

Finding:

F. The applicant for a condominium conversion shall request a special inspection from the Building Division for the purpose of identifying any building safety violations. The applicant shall correct all identified safety violations prior to approval of a final map for the condominium conversion.

Facts in Support of Finding:

A special inspection was completed by the Building Division on July 24, 2025. The inspection identified that the existing office building complies with the minimum building code requirements and does not need to be upgraded as part of the condominium conversion request.

Finding:

- G. *Permanent lot stakes and tags shall be installed at all lot corners by a licensed surveyor or civil engineer unless otherwise required by the City Engineer.*

Fact in Support of Finding:

As conditioned, the Project will comply with this requirement prior to recordation of the Final Parcel Map.

Finding:

- H. *For residential conversions, the project shall be consistent with the adopted goals and policies of the General Plan, particularly with regards to the balance and dispersion of housing types within the City.*

Fact in Support of Finding:

Finding H is not applicable as no residential dwelling units are proposed.

Finding:

- I. *The establishment, maintenance or operation of the use or building applied for shall not, under circumstances of the particular case, be detrimental to the health, safety, peace, comfort and general welfare of person residing or working in the neighborhood of such proposed use or be detrimental or injurious to property and improvements in the neighborhood or the general welfare of the City.*

Facts in Support of Finding:

1. The application of Project conditions will ensure the health, safety, peace, comfort, and general welfare of persons residing or working in the neighborhood and the City.
2. A special inspection was completed by the Building Division on July 24, 2025. The inspection identified that the existing office building complies with the minimum building code requirements and does not need to be upgraded as part of the condominium conversion request.
3. Accessibility upgrades in compliance with the Americans with Disabilities Act will be required to ensure the use of the building and Property are not detrimental to persons working or residing in the neighborhood.

Tentative Parcel Map

In accordance with Section 19.12.070 (Required Findings for Action on Tentative Maps) of Title 19 (Subdivisions) of the NBMC, the following findings and facts in support of such findings are set forth.

Finding:

- J. *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.*

Fact in Support of Finding:

The Tentative Parcel Map is for nonresidential condominium purposes. The proposed subdivision of an existing commercial office building is consistent with provisions of the Subdivision Map Act, the SP-7, and the CO-G (General Commercial Office) General Plan Land Use Element designation, which provides for administrative, professional, and medical offices.

Finding:

- K. *That the site is physically suitable for the type and density of development.*

Facts in Support of Finding:

1. The Property is developed with one three-story building consisting of office uses. Several other buildings consisting of office uses exist nearby.
2. The lot is physically suitable for the proposed medical office density and development with the approval of the conditional use permit to allow for a reduction in parking based upon the parking management plan. The Property is relatively flat and has demonstrated since original construction that it is able to adequately accommodate commercial office uses.
3. The Property is accessible from Acacia Street and is adequately served by existing utilities.

Finding:

- L. *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.

Facts in Support of Finding:

1. The Property is already developed and is located in an urbanized area that does not contain any sensitive vegetation or habitat.
2. The Project is categorically exempt under Section 15301 (Article 19 of Chapter 3), of the CEQA Guidelines – Class 1 (Existing Facilities).

Finding:

- M. *That the design of the subdivision or the type of improvements is not likely to cause serious public health problems.*

Facts in Support of Finding:

1. The Tentative Parcel Map is for nonresidential condominium purposes. As previously mentioned, a special inspection was conducted by the Building Division and no safety violations were identified, therefore, the Project will not create any serious public health concerns.
2. Any future improvements will be required to comply with all Building, Public Works, and Fire Codes, which are in place to prevent serious public health problems. Any public improvements required of the developer per Section 19.28.010 (General Improvement Requirements) of the NBMC and Section 66411 (Local agencies to regulate and control design of subdivisions) of the Subdivision Map Act shall comply with all ordinances of the City and all Conditions of Approval.

Finding:

- N. *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.*

Fact in Support of Finding:

The Tentative Parcel Map for the subdivision of the existing office building will not conflict with any public easements that exist nearby.

Finding:

- O. *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.*

Facts in Support of Finding:

1. The Property is not subject to the Williamson Act because the Property is not designated as an agricultural preserve.
2. The Property, developed for office use, lies in a zone that permits office uses.

Finding:

- P. *That, in the case of a "land project" as defined in Section 11000.5 of the California Business and Professions Code: (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.*

Fact in Support of Finding:

The Property is not a "land project" as defined in Section 11000.5 of the California Business and Professions Code, therefore, is not required to make consistency findings per the specific plan for the area.

Finding:

- Q. *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.*

Fact in Support of Finding:

Any future improvements are subject to Title 24 of the California Code of Regulations, Parts 8 and 10 ("California Building Code") that requires new construction to meet minimum heating and cooling efficiency standards depending on location and climate.

The Newport Beach Building Division enforces Title 24 compliance through the plan check and inspection process.

Finding:

- R. *That the subdivision is consistent with Section 66412.3 of the Subdivision Map Act and Section 65584 of the California Government Code 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.*

Fact in Support of Finding:

The Property lies within an office site within the BP District of the SP-7 that currently prohibits residential uses. The City's existing Housing Element does not identify the Property as a housing opportunity site, therefore, the approval of the proposed tentative parcel map for non-residential condominium purposes will not hinder the City's ability to provide adequate sites to meet its share of the regional housing need.

Finding:

- S. *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.*

Fact in Support of Finding:

As conditioned, wastewater discharge into the existing sewer system shall comply with the Regional Water Quality Control Board ("RWQCB") requirements.

Finding:

- T. *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.*

Facts in Support of Finding:

The Project is not located within the Coastal Zone.

Conditional Use Permit

In accordance with Section 20.52.020(F) (Findings and Decision) of the NBMC, the following findings and facts in support of such findings are set forth:

Finding:

U. The use is consistent with the General Plan and any applicable specific plan.

Facts in Support of Finding:

1. The Land Use Element of the General Plan designates the Property as General Commercial Office (CO-G), which is intended to provide administrative, professional, and medical offices with limited accessory retail and service uses. The Project is consistent with this designation as it is for the conversion of professional offices into medical office condominiums.
2. General Plan Land Use Element Policy 2.4 (Economic Development) encourages the accommodation of uses that maintain or enhance the City's fiscal health, accounting for market demands while maintaining and improving the quality of life for residents. Due to the COVID-19 pandemic, the market demand for commercial office space has been altered for the foreseeable future. The conversion of the units to a medical office provides a sustainable use which would serve residents' medical needs and enhance the overall fiscal health of the Property.
3. General Plan Circulation Element Goal CE 8.1's stated policy goal is to provide "An adequate supply of convenient parking throughout the City." Policy CE 8.1.1 stated policy goal is to "Require that new development provide adequate, convenient parking for residents, guests, business patrons, and visitors." The existing parking lot complies with current regulations for drive aisle and parking stall widths. As discussed in Finding A and V below, the proposed parking reduction is consistent with Policy CE 8.1.1 because adequate parking will be provided based upon the proposed uses.
4. General Plan Circulation Element Goal CE 7.1's stated policy goal is to, "Promote strategies to reduce the use of internal combustion passenger cars and the attendant greenhouse gas emissions." Policy CE 7.1.5 stated policy goal is to "Require new development projects to provide facilities commensurate with development type and intensity to support alternative modes, such as preferential parking for carpools, bike racks, bike stations, bicycle lockers, showers, commuter information areas, rideshare vehicle loading areas, water transportation docks, and bus stop improvements." The existing parking lot will be improved to provide a shared mobility parking space (i.e. rideshare parking). As discussed in Finding A and V below, the parking reduction is consistent with Policy 7.1.6 because adequate parking will be provided based upon the proposed uses.
5. The Property is designated as part of the BP District of the SP-7, which is intended to provide for the development and maintenance of professional and administrative offices, commercial uses, specific uses related to product development, and limited light industrial uses. The Project is consistent with this designation as it is for the conversion of professional offices into medical office condominiums.

Finding:

- V. *The use is allowed within the applicable zoning district and complies with all other applicable provisions of this Zoning Code and the Municipal Code.*

Facts in Support of Finding:

1. Fact 5 in Support of Finding U is hereby incorporated by reference.
2. Within the BP District of the SP-7, medical offices are an allowed use with the approval of a use permit.
3. With the conversion of the commercial offices to medical office condominiums, the Applicant proposes minor improvements to the parking lot circulation by providing a turnaround space at the existing dead-end drive aisles, which would bring them into compliance with current design standards. With the modifications, a total of 108 spaces in the parking lot are provided.
4. The Applicant seeks a reduction in the required parking. Section 20.40.110 (Adjustments to Off-Street Parking Requirements) of the NBMC requires 126 parking spaces to support the proposed medical office, professional office and surgical center use (Medical Use: 18,898 gross square feet /200 = 95 spaces; Professional Office Use: 4,301 net square feet/250 = 17 spaces; Surgical Center Use: 3,440 gross square feet/250 = 14 spaces; resulting in a total of 126 spaces required). There are 108 spaces provided, resulting in a code-required deficit of 18 spaces. An updated parking study following the Planning Commission meeting based on the revisions to the Project, dated February 24, 2026, was prepared by Michael Baker International ("Parking Study"). The Parking Study analyzed the overall parking demand of the proposed medical office, professional office and surgery center condominiums by providing weekday parking surveys taken from two comparable medical office buildings within Orange County. The analysis determined that the average peak demand for medical office is 3.90 parking spaces per 1,000 square feet. Therefore, the projected parking demand for medical office is 74 spaces. Given the proposal includes professional office and a surgical center, the total projected parking demand as outlined in the parking study for the medical office, professional office and surgical center is 105 spaces.
5. Although the existing parking lot provides 108 spaces (i.e., a 3-space surplus), the Project also proposes a parking management plan in the form of a valet plan which increases the available parking spaces by 14 should additional onsite parking be needed. This yields a total of 122 parking spaces onsite. In addition, one parking space is proposed to be designated as a rideshare pick-up and drop-off space. The Parking Study concludes that the proposed parking supply of 108 parking spaces is adequate to accommodate the parking demand associated with the 67%-conversion of the space from professional office to medical office use.

6. As conditioned, urgent care facilities are not permitted as part of the converted medical office plaza, which ensures that the Project would be consistent with the assumptions identified in the Parking Study.

Finding:

- W. The design, location, size, and operating characteristics of the use are compatible with the allowed uses in the vicinity.*

Facts in Support of Finding:

The Property consists of one, three-story office building totaling 27,931 square feet. The Property abuts Acacia Street to the north and is surrounded by other office uses to the east, north, and west. The conversion of the existing professional office to medical office condominiums is compatible with the land uses permitted within the surrounding development.

Finding:

- X. The site is physically suitable in terms of design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle (e.g., fire and medical) access and public services and utilities.*

Facts in Support of Finding:

1. The Property is 1.34 acres in area (58,443 square feet), generally rectangular in shape, and located in a commercial area abutting Acacia Street. The Project is to partially convert the existing commercial office into medical office condominiums. No additional floor area is proposed as a part of this Project.
2. The Project currently consists of one vehicular driveway entrance into the office plaza, along Acacia Street. As a part of the parking lot modification, the Applicant is seeking to add turn around space located at the dead end of a drive aisle to comply with current standards for parking lot circulation. The new parking lot layout has been reviewed and approved by the Public Works Department.
3. The Public Works Department, Building Division, and Fire Prevention Division have reviewed the application and provided appropriate conditions of approval for the Project. The Project is required to obtain all applicable permits from City Departments and must comply with the most recent, City-adopted version of the California Building Code.

Finding:

- Y. *Operation of the use at the location proposed would not be detrimental to the harmonious and orderly growth of the City, nor endanger, jeopardize, or otherwise constitute a hazard to the public convenience, health, interest, safety, or general welfare of persons residing or working in the neighborhood of the proposed use.*

Facts in Support of Finding:

1. The conversion of the existing commercial offices to medical office condominiums would be compatible with other commercial uses in the vicinity and would not be detrimental to the adjacent office uses.
2. The Project is consistent with the planned land use for the Property, Business Park. The Property is suitable for the type and intensity of development proposed because the infrastructure serving the Property and surrounding area has been designed and developed to accommodate additional commercial use of the Property. Therefore, the conversion to medical office condominiums would not be detrimental.
3. Based on the Original Project description, it is anticipated to generate a net increase of approximately 703 average daily trips; therefore, a traffic impact analysis study has been completed. No significant impacts related to traffic have been identified. The Project description generates 562 average daily trips; therefore, the use of the original traffic study is appropriate as it provides for a conservative approach.
4. Compliance with the conditions of approval is required and will further ensure that the proposed use will not be detrimental.

Traffic Study

In accordance with Section 15.40.030(A) (Traffic Phasing Ordinance) of the NBMC, the following findings and facts in support of such findings are set forth:

Finding:

- Z. *That a traffic study for the project has been prepared in compliance with this NBMC Chapter 15.40 and Appendix A.*

Facts in Support of Finding:

1. A Traffic Study, titled "Acacia Atrium Medical Office Condos Traffic Impact Analysis" dated June 20, 2025, was prepared by Ganddini Group, Inc. under the supervision of the City Traffic Engineer for the Original Project in compliance with Chapter 15.40 (Traffic Phasing Ordinance) of the NBMC and Appendix A. The Project description generates 562 average daily trips; therefore, the use of the original traffic study is appropriate as it provides for a conservative approach.

2. Based on the Original Project description, the Project is anticipated to generate a net increase of approximately 703 average daily trips; therefore, a Traffic Study pursuant to the Traffic Phasing Ordinance has been completed. No significant impacts related to traffic have been identified, as no study intersection is forecasted to operate deficiently, and on-site circulation is adequate as proposed.

Finding:

- AA. *That, based on the weight of the evidence in the administrative record, including the traffic study, one of the findings for approval in subsection 15.40.030 (B) can be made:*

Construction of the project will be completed within 60 months of project approval; NBMC Section 15.40.030(B)(1) or

The project will neither cause nor make worse an unsatisfactory level of traffic service at any impacted intersection. NBMC Section 15.40.030(B)(1)(a).

Facts in Support of Finding:

1. The Project is anticipated to be completed in 2026. If the Project is not completed within 60 months of this approval, preparation of a new traffic study may be required.
2. The Traffic Study included 13 study intersections that were analyzed for potential impacts based on the City's Intersection Capacity Utilization methodology. Utilizing this methodology, the Traffic Impact Analysis determined that the 13 primary intersections identified will continue to operate at satisfactory levels of service as defined by the Traffic Phasing Ordinance.

Finding:

- BB. *That the project proponent has agreed to make or fund the improvements, or make the contributions, that are necessary to make the findings for approval and to comply with all conditions of approval.*

Fact in Support of Finding:

No improvements or mitigation are necessary because implementation of the Project will neither cause nor make worse an unsatisfactory level of traffic service at any impacted primary intersection within the City of Newport Beach.

EXHIBIT "B"

CONDITIONS OF APPROVAL

(Project-specific conditions are in italics)

1. The Project shall be in substantial conformance with the approved site plan and floor plans stamped and dated with the date of this approval (except as modified by applicable conditions of approval).
2. The Project is subject to all applicable City ordinances, policies, and standards, unless specifically waived or modified by the conditions of approval.
3. Applicant shall comply with all federal, state, and local laws. Material violation of any of those laws in connection with the use may be cause for revocation of this Use Permit.
4. *Urgent care facilities are not permitted within the medical office building.*
5. *Prior to the recordation of the parcel map, the Applicant shall submit a landscape and irrigation plan prepared by a licensed landscape architect. These plans shall incorporate drought tolerant plantings and water efficient irrigation practices, and the plans shall be approved by the Planning Division. The landscape plan shall include plantings that are maintained to further screen the parking lot and to deter people from parking in abutting off-site parking lots.*
6. *Prior to the recordation of the parcel map, the Applicant shall construct a fence abutting adjacent properties that acts as a visual screen and precludes pedestrian access between properties, to the satisfaction of the Community Development Director.*
7. All landscape materials and irrigation systems shall be maintained in accordance with the approved landscape plan. All landscaped areas shall be maintained in a healthy and growing condition and shall receive regular pruning, fertilizing, mowing and trimming. All landscaped areas shall be kept free of weeds and debris. All irrigation systems shall be kept operable, including adjustments, replacements, repairs, and cleaning as part of regular maintenance.
8. *The Conditional Use Permit and Traffic Study filed as PA2025-0236 shall expire unless exercised within 24 months from the date of approval as specified in Section 20.54.060 of the NBMC, unless an extension is otherwise granted.*
9. *The Condominium Conversion and Tentative Parcel Map shall expire if the Map has not been recorded within 24 months of the date of approval, unless an extension is granted by the Community Development Director in accordance with the provisions of Section 19.16 (Tentative Map Expiration and Extension) of the NBMC.*

10. *This Use Permit may be modified or revoked by the Planning Commission should they determine that the proposed uses or conditions under which it is being operated or maintained is detrimental to the public health, welfare or materially injurious to property or improvements in the vicinity or if the Property is operated or maintained so as to constitute a public nuisance.*
11. *Any change in operational characteristics, expansion in area, or other modification to the approved plans, shall require an amendment to this Use Permit or the processing of a new use permit.*
12. A copy of the resolution, including conditions of approval Exhibit "A" shall be incorporated into the Building Division and field sets of plans prior to issuance of the building permits.
13. Prior to the issuance of a building permit, the Applicant shall pay any unpaid administrative costs associated with the processing of this application to the Planning Division.
14. Prior to issuance of a building permit for each condominium, the Applicant shall pay a fair share traffic fee for the conversion of professional office to medical office.
15. Construction activities shall comply with Section 10.28.040 of the NBMC, which restricts hours of noise-generating construction activities that produce noise between the hours of 7:00 a.m. and 6:30 p.m., Monday through Friday, and 8:00 a.m. and 6:00 p.m. on Saturday. Noise-generating construction activities are not allowed on Sundays, or Holidays.
16. Should the Property be sold or otherwise come under different ownership, any future owners or assignees shall be notified of the conditions of this approval by either the current business owner, property owner or the leasing agent.
17. To the fullest extent permitted by law, Applicant and/or Property Owner shall indemnify, defend and hold harmless City, its City Council, its boards and commissions, officials, officers, employees, and agents from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to City's approval of the Acacia Atrium Medical Office Condominiums conditional use permit, tentative parcel map, condominium conversion, and traffic study (PA2024-0236). This indemnification shall include, but not be limited to, damages awarded against the City, if any, costs of suit, attorneys' fees, and other expenses incurred in connection with such claim, action, causes of action, suit or proceeding whether incurred by applicant, City, and/or the parties initiating or bringing such proceeding. The applicant shall indemnify the City for all of City's costs, attorneys' fees, and damages which City incurs in enforcing the indemnification provisions set forth in this

condition. The Applicant shall pay to the City upon demand any amount owed to the City pursuant to the indemnification requirements prescribed in this condition.

Building Division

18. The Applicant shall obtain all applicable permits from the City's Building Division and Fire Department. The construction plans must comply with the most recent, City-adopted version of the California Building Code. The construction plans shall meet all applicable State Disabilities Access requirements.
19. The Applicant shall obtain building permit(s) when there is change of use and/or change of occupancy.
20. The Project shall include an accessible path of travel from the parking to the public right of way.

Public Works Department

21. Prior to final inspection of the first building permit, a parcel Map shall be recorded. The Map shall be prepared on the California coordinate system (NAD83). Prior to recordation of the Map, the surveyor/engineer preparing the Map shall submit to the County Surveyor and the City of Newport Beach a digital-graphic file of said map in a manner described in Section 7-9-330 and 7-9-337 of the Orange County Subdivision Code and Orange County Subdivision Manual, Subarticle 18. The Map to be submitted to the City of Newport Beach shall comply with the City's CADD Standards. Scanned images will not be accepted.
22. Prior to recordation of the parcel map, the surveyor/engineer preparing the map shall tie the boundary of the map into the Horizontal Control System established by the County Surveyor in a manner described in Sections 7-9-330 and 7-9-337 of the Orange County Subdivision Code and Orange County Subdivision Manual, Subarticle 18. Monuments (one inch iron pipe with tag) shall be set On Each Lot Corner unless otherwise approved by the Subdivision Engineer. Monuments shall be protected in place if installed prior to completion of construction project.
23. *As part of the final parcel map, Easements B and C as identified on the Tentative Parcel Map No. 2024-147 shall be resolved between owner and easement holder since the existing building is built over these easements.*
24. All improvements shall be constructed as required by Ordinance and the Public Works Department.
25. An encroachment permit is required for all work activities within the public right-of-way.

26. *The Project shall include reconstruction of all existing broken and/or otherwise damaged concrete curb, gutter and sidewalk panels along the Acacia Street frontage. The extent of reconstruction shall be determined by the Public Works Inspection staff.*
27. *Sewer service for the Property is provided by Costa Mesa Sanitary District ("CMSD"). Final design of the proposed sewer service for the Project shall be approved by CMSD.*
28. *Water service for the Property is provided by Irvine Ranch Water District ("IRWD"). Final design of the proposed water service for the Project shall be approved by IRWD.*
29. All improvements shall comply with the City's sight distance requirement. See City Standard 110-L.
30. *The driveway along Acacia Street shall comply with City Standard 160 and provide an ADA path of travel across the driveway. Provide an ADA compliant path of travel across the driveway and minimum 4-foot-wide easement for pedestrian purposes to accommodate the ADA path of travel.*
31. In case of damage done to public improvements surrounding the development site by the private construction, additional reconstruction within the public right-of-way could be required at the discretion of the Public Works Inspector.
32. Prior to final inspection of the first building permit, *the Applicant shall dedicate to the City, in-fee, a 5-foot-wide strip of land along the Acacia Street frontage for street and highway purposes.*
33. Parking layout shall comply with City Standard 805. Dead-end drive aisle shall be accompanied by a minimum 5-foot drive aisle extension.
34. Install a new sewer cleanout per City Standard STD-406-L on the existing sewer lateral that serves the Property.
35. A parking study shall be submitted (1) no earlier than 6 months after full certificates of occupancy have been obtained for the entire building and (2) annually for five years. The parking study shall include parking counts on multiple days and times to verify the parking utilization of the new tenants and uses. The Community Development Director shall review the parking study and determine if there is sufficient capacity in the parking lot or require additional parking management plan measures such as but not limited to the Valet Plan included in the parking study dated February 24, 2026, prepared by Michael Baker International.

Fire Prevention Division

36. The Project shall provide a fire sprinkler system in accordance with 2022 CFC 903 and 2022 NFPA13.
37. The Project shall provide Fire Department access lanes in compliance with Nbfd Guideline C.01 for fire lane widths.
38. The Project shall provide a fire alarm system in accordance with 2022 CFC 907 and 2022 NFPA 72.
39. The Project fire lanes shall be identified in accordance with Nbfd Guideline C.02.
40. All structures shall have an Emergency Responder Communication Coverage system installed.