



NEWPORT BEACH

City Council Staff Report

November 12, 2024
Agenda Item No. 5

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: Seimone Jurjjs, Assistant City Manager/Community Development Director - 949-644-3232, sjurjjs@newportbeachca.gov

PREPARED BY: David Lee, Senior Planner - 949-644-3225, dlee@newportbeachca.gov

TITLE: Ordinance No. 2024-26: Local Coastal Program Amendment Related to Changing Land Use for the Hanna Residences at 3014 Balboa Boulevard (PA2020-060)

ABSTRACT:

For the City Council's consideration is the adoption of Ordinance No. 2024-26, which amends Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code (NBMC) to change the coastal zoning district of a privately held property at 3014 Balboa Boulevard from Commercial Neighborhood (CN) to Two-Unit Residential (R-2) and to amend Setback Map S-2B to remove a front setback designation abutting the side property line. Ordinance No. 2024-26 was introduced and considered at the October 22, 2024, City Council meeting.

RECOMMENDATIONS:

- a) Find this amendment exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15303 under Class 3 (New Construction or Conversion of Small Structures) of the CEQA Guidelines, because it has no potential to have a significant effect on the environment and local governments are exempt from the requirements of CEQA in connection with the adoption of a Local Coastal Program, and further that the exceptions to the Class 3 exemption do not apply; and
- b) Conduct second reading and adopt Ordinance No. 2024-26, *An Ordinance of the City Council of the City of Newport Beach, California, Amending Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code to Change the Zoning District From Commercial Neighborhood (CN) to Two-Unit Residential (R-2) and to Amend Setback Map S-2B - Balboa Peninsula to Remove a Front Setback Designation Abutting the Side Property Line For the Property Located at 3014 Balboa Boulevard (PA2020-060).*

DISCUSSION:

The applicant has requested to demolish the existing restaurant at 3014 Balboa Boulevard and to construct a new residential structure with two condominiums totaling approximately 3,564 square feet, including a two-car garage and a two-car carport.

Specific only to the property located at 3014 Balboa Boulevard, the proposed amendment to Title 21 (Local Coastal Program Implementation Plan) of the NBMC would:

- 1) Change its coastal zoning district from CN to R-2; and
- 2) Amend Setback Map S-2B – Balboa Peninsula to remove the front setback designation abutting its side property line.

Ordinance No. 2024-26 was introduced by the City Council on October 22, 2024, as a consent calendar item. The City Council passed the ordinance to second reading as recommended by staff.

If the attached ordinance is adopted, it would become effective 30 calendar days after adoption.

FISCAL IMPACT:

The potential fiscal impacts associated with this matter were previously analyzed as part of the February 14, 2023, materials for the City Council’s consideration in conjunction with the requested General Plan Amendment. A summary of the analysis is provided below for reference.

Staff reviewed the restaurant’s sales tax information, business license fees, and utility bills. Given the small size of the property and the single restaurant use, the proposed project will not result in a substantial fiscal impact. While the business would be removed, the new residential development would increase property taxes and would incur development impact fees and in-lieu park dedication fees for the increase in two residential units.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find the amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15303 under Class 3 (New Construction or Conversion of Small Structures) of the CEQA Guidelines, because it has no potential to have a significant effect on the environment.

The Class 3 exemption includes the construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The exemption includes the construction of a duplex or similar multi-family residential structures totaling no more than four dwelling units. The project includes legislative amendments that involves the future demolition of an existing restaurant and the construction of a two-unit residence.

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.

Staff further recommends the City Council find the amendment is exempt from CEQA pursuant to Section 15265(a)(1), under which local governments are exempt from the requirements of CEQA in connection with the adoption of a Local Coastal Program.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Ordinance No. 2024-26