## **Attachment B**

January 23, 2025 Planning Commission Staff Report (No Attachments)



# CITY OF NEWPORT BEACH PLANNING COMMISSION STAFF REPORT

January 23, 2025 Agenda Item No. 3

SUBJECT:	<ul> <li>Housing Opportunity (HO) Overlay Zoning and Coastal Zoning Districts</li> <li>Amendments (PA2024-0205)</li> <li>Title 20 (Planning and Zoning) Amendment</li> <li>Title 21 (Local Coastal Program Implementation Plan) Amendment</li> </ul>
SITE LOCATION:	Airport Area Environs Area (HO-1) and Newport Center Area (HO-4)
APPLICANT:	City of Newport Beach
PLANNERS:	Rosalinh Ung, Principal Planner <u>rung@newportbeachca.gov</u> , 949-644-3208
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#### PROJECT SUMMARY

Amendments to Table 2-16 of Section 20.28.050 in Title 20 (Planning and Zoning) and pending Table 21.28-1 of Section 21.28.070 in Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code (NBMC) to adjust the height limitations of certain properties within the Newport Center Area (HO-4) Subarea to accommodate potential residential development within the intended prescribed density range, and to identify a number of units being allocated from the respective development limits for a group of City-owned properties located within the Airport Area Environs Area (HO-1) and HO-4 Subareas. The corresponding Housing Opportunity Overlay District Maps in Section 20.80.025 and pending Section 21.80.032 would also be amended accordingly.

#### RECOMMENDATION

- 1) Conduct a public hearing;
- 2) Find that all potential environmental effects for the amendments have been adequately addressed in the previously certified Final Program Environmental Impact Report (EIR) identified by State Clearinghouse Number (SCH No.) 2023060699, and the City of Newport Beach intends to use said document for the approval of the amendments; and
- 3) Adopt Resolution No. PC2025-004 (Attachment No. PC 1), recommending City Council approve the amendments to the Housing Opportunity (HO) Overlay Zoning Districts (PA2024-0205).

#### BACKGROUND

On September 24, 2024, the City Council adopted Ordinance No. <u>2024-16</u> approving an amendment to Title 20 (Planning and Zoning) of the NBMC, to establish the Housing Opportunity (HO) Overlay Zoning Districts in Section 20.28.050 [Housing Opportunity (HO) Overlay Zoning Districts]. The City Council also adopted Ordinance No. <u>2024-17</u> to create multi-unit objective design standards in Section 20.48.185 (Multi-Unit Objective Design Standards). The new sections serve to implement Policy Actions 1A through 1G and 3A in the General Plan 6<sup>th</sup> Cycle Housing Element (Housing Element).

The adoption of these ordinances provided new housing opportunities within five subareas to ensure the City can meet its 6<sup>th</sup> 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 and excerpted in Figure 1 below.



Figure 1, Housing Element focus areas for residential development

Properties identified within these Subareas are eligible for special development allowances intended to be conducive to residential development at the prescribed average density of 20 to 50 dwelling units per acre. Additionally, the ordinances created multi-unit objective design standards and development standards, which include but are not limited to minimum lot area, setbacks, height, open space, landscaping, and parking.

On July 23, 2024, alongside the introduction of Ordinance No. 2024-16, the City Council adopted Resolution No. <u>2024-52</u> authorizing the submittal of the corresponding Local Coastal Program Amendment (LCPA) to the California Coastal Commission (CCC) to

amend the City's Coastal Land Use Plan and Title 21 (Local Coastal Program Implementation Plan) of the NBMC. The LCPA would establish the Housing Opportunity (HO) Overlay Coastal Zoning Districts and their corresponding development standards applicable to properties located within the Coastal Zone of the City to implement the Housing Element. The City initially submitted its LCPA application on August 16, 2024, and most recently received its notice of complete filing on January 7, 2025. The LCPA will be scheduled for a CCC public hearing for consideration.

On November 19, 2024, the City Council adopted Resolution No. <u>2024-85</u>, 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 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) of the NBMC.

#### PROPOSED AMENDMENTS

#### Specifying Height Limitations

Since the implementation of the HO Overlay Zoning Districts, City staff has met with several prospective developers, and it has become apparent that the height limits applicable to some sites within the HO-4 Subarea cannot accommodate the intended densities.

Currently, Table 2-16 (Development Standards For Housing Opportunity Overlay Zones) of Section 20.28.050 identifies that heights within this Subarea are limited to those in the underlying base zoning district. Given the variety of zoning districts in HO-4, maximum height limits range 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. Adjusting these heights is also in furtherance of the longstanding vision for development in Newport Center, which includes taller buildings around the center to create a downtown-like feel while preserving open view corridors. This intention is depicted in a photograph of a carboard cutout model from its earliest planning efforts, provided as Figure 2 above. More importantly, the proposed



efforts, provided as Figure 2 above. *Figure 2, 1960s cardboard model of Newport Center* More importantly, the proposed *(Real Estate Masterwork Series; Emmert, Frost)* 

increases are also consistent with General Plan Land Use Element Policy 6.14.4 (Development Scale), excerpted below.

**LU 6.14.4 Development Scale.** Reinforce the original design concept for Newport Center by concentrating the greatest building mass and height in the northeasterly section along San Joaquin Hills Road, where the natural topography is highest and progressively scaling down building mass and height to follow the lower elevations toward the southwesterly edge along East Coast Highway. (Imp 2.1, 3.1, 4.1)

The benefits of increasing heights include accommodating density on smaller sites and/or fewer sites, increasing walkability for residents and activating the urban core of Newport Center to create a true mixed-use community, and decreasing development footprints and encouraging increased open space and views through developments.

City staff has prepared a series of three exhibits depicting: 1) existing height limits; 2) proposed height limits; and 3) existing height limits with proposed height limits overlaid. Those exhibits are provided as Attachment No. PC 2 for reference and are intended to be reviewed together.

Table 1 below summarizes the locations and proposed specified heights for potential housing sites taking advantage of the HO Overlay Zoning Districts along with their existing allowed base heights.

It should be emphasized that there are no changes proposed to the Newport Center Sight Plane, as established by Ordinance Nos. 1371, 1596, 83-27, and 91-97, which serves to maintain residential views across the southeasterly quadrant of Newport Center

Location Description	Base Heights	Proposed Height	
Newport Beach Tennis Club in Eastbluff	32 feet	32 feet <sup>1</sup>	
Armstrong Gardens, Newport Beach Country Club's surface parking lot, maintenance yard, and tennis courts	32 feet, 50 feet	70 feet	
Northern portion of Corporate Plaza outside the Newport Center Sight Plane	32 feet	70 feet	
100 Block Newport Center	32 feet, 50 feet	85 feet	
Underutilized parking structure	65 feet	85 feet	
Chase bank	32 feet	110 feet	
Newport Beach Country Club golf course portion	50 feet	110 feet	
Southern portion of 200 Block Newport Center excepting Regal Edwards Big Newport site	32 feet	150 feet	
300 Block Newport Center and Regal Edwards Big Newport Site	32 feet	270 feet	

#### Table 1, HO-4 properties with proposed height increase

<sup>1</sup> This site is in a well-established neighborhood in Eastbluff where anything higher than the base height limit would likely not be compatible with surrounding development. Limiting the height to 32 feet eliminates the potential to seek a site development review to increase the height and further encourages a lower density of 20 dwelling units per acre for neighborhood compatibility.

#### Allocating Units to City-Owned Properties

The proposed amendments would also allocate a certain number of units from the development limits of HO-1 and HO-4 Subareas to a small group of City-owned properties.

The City acquired real property at 1201 Dove Street in 2023 with the intention of potentially redeveloping it in the future as the new headquarters for the Newport Beach Police Department (NBPD); however, alternative uses for the site are possible. Of the 2,577-unit development limit in HO-1, a total of 179 units (50 du/ac) would be allocated to Site ID No. 77 (1201 Dove Street) from the Housing Element Sites Inventory. This gives the City flexibility on the final use in the future.

868 and 870 Santa Barbara Drive is the current location of Newport Beach Fire Station No. 3 and the NBPD's headquarters. Both sites are City-controlled and have the potential for redevelopment with housing projects within the Housing Element's planning period. Of the 2,439-unit development limit in HO-4, a total of 199 units (50 du/ac) would be allocated to Site ID No. 362 (868 and 870 Santa Barbara Drive) from the Housing Element Sites Inventory.

Title 20 (Planning and Zoning) Amendment

Table 2-16 of Section 20.28.050 would be amended as illustrated below:

Housing Opportunity Subareas									
Development Feature	HO-1	HO-2	HO-3	HO-4	HO-5	HO-6			
Development Limit (units) <sup>(1)</sup>	2,577 <sup>(11)</sup>	1,107	521	2,439 <sup><u>(12)</u></sup>	1,530	N/A			
Height	Per Base Zone unless otherwise identified on the map	65 ft.	65 ft. <sup>(6)</sup>	Per Base Zone unless otherwise identified on the map <sup>(7)</sup>	65 ft.	All Standards Per Base Zone			

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<u>Dove Street) from the 6<sup>th</sup> Cycle Housing Element Sites Inventory.</u> (12) Of the 2,439 base development units for HO-4, 199 units (50 du/ac) shall be allocated to Site ID No. 362 (868 and 870 Santa Barbara Drive) from the 6<sup>th</sup> Cycle Housing Element Sites Inventory.

### Local Coastal Program Implementation Plan Amendment

For those properties located in the Coastal Zone, the proposed amendment to Table 21.28-1 and updated or added maps to Section 21.80.032 of Title 21 would mirror proposed changes as proposed to Table 2-16 and Section 20.80.25 of the NBMC.

#### Environmental Review

All potential environmental effects for the amendments have been adequately addressed in the previously certified Final Program Environmental Impact Report (EIR) identified by State Clearinghouse Number (SCH No.) 2023060699, and the City of Newport Beach intends to use said document for the approval of the amendments. Copies of the previously prepared environmental document are available for public review and inspection at the Planning Division or at the City of Newport Beach website here: <u>Housing</u> <u>Implementation Program EIR (PA2022-0245)</u>.

A consistency analysis was prepared by Kimley-Horn & Associates, Inc. on January 9, 2025, and is attached as Exhibit "A" of Draft Resolution (Attachment No. PC 1). It was determined that the amendments are consistent with the Housing Element and within the scope of EIR. Under State CEQA Guidelines Sections 15162 and 15164, no additional environmental review is required.

#### Public Notice

Notice of this hearing was published in the Daily Pilot in a one-eighth-page format at least 10 days before the scheduled meeting, consistent with Section 20.62.020(B)(2)(c) of the NBMC. Additionally, the item appeared on the agenda for this meeting, which was posted at City Hall and on the City website.

Prepared by:

Submitted by:

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#### **ATTACHMENTS**

PC 1 Draft Resolution

PC 2 Draft Height Exhibits 1, 2, and 3

01/18/23