



CITY OF NEWPORT BEACH PLANNING COMMISSION STAFF REPORT

October 18, 2018
Agenda Item No. 6

SUBJECT: Powerhouse Vehicle Sales (PA2018-166)
Conditional Use Permit No. UP2018-010

SITE LOCATION: 2244 West Coast Highway

APPLICANT: Powerhouse Enterprises NB, LLC.

OWNER: Mariner's Mile North LLC.

PLANNER: Makana Nova, Associate Planner
949-644-3249, mnova@newportbeachca.gov

PROJECT SUMMARY

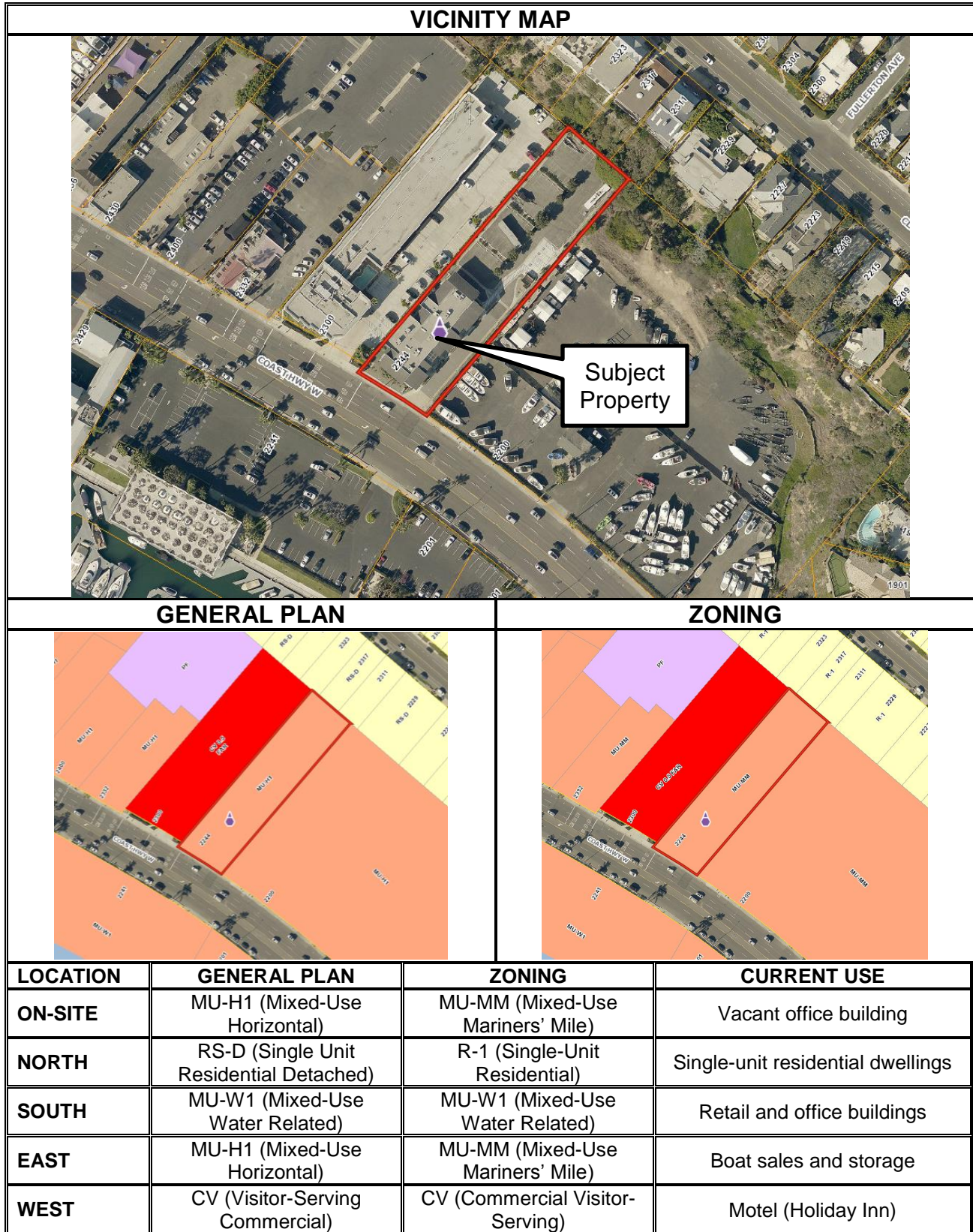
A conditional use permit to allow a 15,823-square-foot vehicle sales showroom and supporting office in an existing commercial building for pre-owned luxury automobiles with no more than 15 display vehicles. No exterior vehicle display is proposed. The proposed hours of operation are from 8:00 a.m. through 6:00 p.m., daily. Test drives are not will not exceed 10 test drives per week.

If approved, this Conditional Use Permit would supersede Use Permit No. UP0251, UP1296, UP1490, and UP2087, which upon vesting of the rights authorized by this Conditional Use Permit, shall become null and void.

RECOMMENDATION

- 1) Conduct a public hearing;
- 2) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Existing Facilities) of the CEQA Guidelines, because it has no potential to have a significant effect on the environment; and
- 3) Adopt Resolution No. PC2018-031 approving Conditional Use Permit No. UP2018-010 (Attachment No. PC 1).

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INTRODUCTION

Setting and Project Description

The project site consists of a 41,348-square-foot property located on the northerly side of West Coast Highway, east of the Holiday Inn Express. The site is developed with a 2-story, 15,823-square-foot vacant office building with a 63-space surface parking lot. Vehicular access is provided from one driveway accessed from West Coast Highway.

The applicant requests use of the building as a luxury automobile showroom with a maximum of 15, pre-owned vehicles for sale. Refer to the applicant's project description and justification for a more complete description of the proposed use (Attachment No. PC 3). A showroom and interior display for up to 15 vehicles would occupy the first floor level and the second floor would be limited to office uses. The use would not contain facilities for the maintenance or repair of vehicles. The recommended hours of operation are from 8:00 a.m. through 6:00 p.m., daily. The showroom is available on an appointment only basis. Test drives will not exceed 10 test drives per week. Refer to the proposed test drive route exhibit provided as Attachment No. PC 4.

The existing building would be renovated with roll-up doors on the first floor level that are large enough to move inventory in and out of the showroom. No expansion or additional floor area is proposed. The exterior roll-up door would be designed to match the design and finish of the existing window openings.

Background

The existing 15,823-square-foot retail and office building was constructed in 1982. If approved, this Conditional Use Permit would supersede Use Permit No. UP0251 (for a trailer park), UP1296 (for a mobile marine repair shop), UP1490 (for boat sales and display), and UP2087 (for general office uses on the second floor level, which do not provide direct services to the public), which upon vesting of the rights authorized by this Conditional Use Permit, shall become null and void. These approvals are no longer relevant to the existing development on-site or are already permitted per the current zoning district.

The subject property is also included in a current application submitted on December 4, 2017, for redevelopment of the property as part of the 11.3-acre Newport Village Mixed-Use project located along the north and south of West Coast Highway. The applications for an Approval in Concept, Coastal Development Permit, Conditional Use Permit, Environmental Impact Report, Site Development Review, Tentative Tract Map, and Traffic Study (PA2017-253) remain incomplete as the project applicant reconsiders the scope of the project. If approved, the proposed use permit will run with the land and will be rescinded if a redevelopment of the property is authorized in the future.

DISCUSSION

Consistency with the General Plan

The General Plan land use designation for this site is MU-H1 (Mixed-Use Horizontal). The MU-H1 designation can be found for properties located on the inland side of Coast Highway in the Mariners' Mile Corridor. The MU-HH is intended to allow the following development: (a) the Coast Highway frontages shall be developed for marine-related and highway-oriented general commercial uses in accordance with CM and CG designations; and (b) portions of properties to the rear of the commercial frontage may be developed for free-standing neighborhood-serving retail, multi-family residential units, or mixed-use buildings that integrate residential with retail uses on the ground floor in accordance with the CN, RM, CV, or MU-V designations respectively. Based on its size and design, with all inventory located within the interior showroom and no on-site maintenance or repair facilities, the vehicle sales use is similar to a retail land use and is consistent with this MU-H1 and the CG land use designations. Therefore, the proposed project is consistent with the Land Use Element development limitations.

Consistency with the Zoning Code

The site is located in the MU-MM (Mixed-Use Mariners' Mile) Zoning District. This zoning district applies to properties located on the inland side of Coast Highway in the Mariners' Mile Corridor. Properties fronting on Coast Highway may be developed for nonresidential uses only. Vehicle Sales is a nonresidential use and is allowed as a conditionally permitted use subject to obtaining a conditional use permit pursuant to [Section 20.23.020 Mixed-Use Districts](#) of the Newport Beach Municipal Code (NBMC) to ensure site compatibility.

The existing building is 15,823 square feet and the subject property is 41,348 square feet resulting in a floor area ratio (FAR) of 0.37, which is consistent with the 0.5 nonresidential FAR maximum for the site. The existing building height is 24 feet high, which complies with the 26-foot height limit in the MU-MM zoning district.

Parking Requirement

The off-street parking requirement for Vehicle/Equipment Sales is one space per 1,000 square feet of lot area. In this case, the property consists of 41,348 square feet; therefore, 42 spaces are required. The previous use, a 15,823-square-foot office building, generated a parking requirement of one space per 250 square feet, or 62 spaces. No intensification or enlargement of the existing building is proposed; therefore, no additional parking is required to accommodate the proposed vehicle dealership. A total of 42 parking spaces are required where 63 parking spaces are available for the existing building. To make the drive-aisle widths comply near the ADA parking stalls, a portion of the planter area opposite these stalls would be removed to provide a 24-foot minimum width. The loss of

these planting areas would be off-set with new plantings at the front along the West Coast Highway frontage.

Traffic Analysis

The Public Works Department has reviewed the proposed operational characteristics and determined that a Traffic Study is not required to comply with the [Chapter 15.40 \(Traffic Phasing Ordinance\)](#) of the Newport Beach Municipal Code. The renovated building was previously occupied by an office building, which generated 150 average daily trips (ADT) (15.41 thousand square feet (TSF) x 9.74 ITE trip rate/TSF = 150 ADT). The proposed vehicles sales use generates 417 ADT (15.41 TSF x 27.06 ITE trip rate/TSF = 417 ADT), or 267 additional average daily trips. The threshold to require a traffic study is a net increase of 300 or more average daily trips and thus, a traffic study is not required to accommodate vehicle sales at this site. Further, the operational characteristics of this vehicle sales use suggests reduced trip generation than a typical automobile dealership since the site inventory is limited, the business is will operate on an appointment only basis, and no repair and maintenance services are provided.

Coastal Land Use Plan

The subject property is located within the coastal zone. The Coastal Land Use Plan category is MU-H (Mixed-Use Horizontal) and it is located within the MU-MM (Mixed-Use Mariners' Mile) Coastal Zone District. The proposed vehicle dealership does not result in a change or intensification of the existing/historical use that would require a Coastal Development Permit. There is no increase in the parking rate, building floor area, or building height. Despite the potential increase in traffic, the City Traffic Engineer has determined that there would be no impact to intensification and roadways by applying the Traffic Phasing Ordinance. The only physical modification to the existing building is the installation of a roll-up door to provide vehicle access to the showroom. Vehicle display would occur entirely within the building, similar to a retail sales use. The second floor level would continue to be utilized as administrative offices serving the vehicle dealership. Therefore, the proposed use would not result in a change or intensification of use that would require a Coastal Development Permit.

Mariners' Mile Design Framework and Guidelines

The [Mariners' Mile Strategic Vision and Design Framework](#) provides a set of design strategies and goals for the improvement of Mariners' Mile. The following design policies are applicable to the proposed project:

- 1.11 Recognize the auto-reliant nature of much of Pacific Coast Highway, particularly on those zones on the inland side, both east of Rocky Point and west of 3000 West Pacific Coast Highway.

- 1.12 Institute improved planning, design and development standards for auto-oriented businesses (i.e. requiring better quality buildings and landscaping to “fit in” with Mariner’s Mile).

5.11(c)Design freestanding buildings as “five-sided” walls + roof.

The proposed project is not located in the specific auto-reliant areas identified in Policy 1.11. However, the proposed project would add to the “auto-reliant” uses (auto dealers, drive-thru and stand-alone restaurants, car washes, and convenience retail) of Mariners’ Mile. The use will be limited to the display and sale of vehicles within a building designed for traditional office and does not present the types of impacts associated with traditional automobile use dealerships such as inventory/storage, exterior display, and maintenance and repair facilities.

The Design Framework suggests a common color palette (calm neutrals with accenting trim) to create a less discordant, more tasteful and sophisticated appearance. The proposed project includes minor improvements to the exterior of the building to accommodate a new tempered glass roll-up door for vehicle access to the showroom. The existing neutral grey colors of the building are consistent with the Design Framework. Existing landscaping would be maintained on-site and a new 4-foot wide hedge and three palms (*Washingtonia filifera*) would be added to enhance the front of the property along West Coast Highway consistent with the Design Framework. The Design Framework also encourages 5-sided architecture where the design considers the roof and impacts to residents above. Roof-top equipment is adequately screened from the ground with the existing roof design. The draft resolution includes a condition of approval to maintain the existing gray roof color or other color to the satisfaction of the Community Development Director so that mechanical equipment, screening, and paint color are architecturally compatible with the existing building and does not result in a light or glare concern for residents above.

Conditional Use Permit Findings

In accordance with [Section 20.52.020 \(Conditional Use Permits and Minor Use Permits\)](#) of the NBMC, the Planning Commission must make the following findings for approval of a conditional use permit:

1. *The use is consistent with the General Plan and any applicable specific plan.*
2. *The use is allowed within the applicable zoning district and complies with all other applicable provisions of the Zoning Code and the Municipal Code.*
3. *The design, location, size, and operating characteristics of the use are compatible with the allowed uses in the vicinity.*

4. *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.*
5. *Operation of the use at the location proposed would not be detrimental to the harmonious and orderly growth of the City, or 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.*

Staff believes sufficient facts exist to support each finding. The vehicle sales use is consistent with the MU-H1 (Mixed-Use Horizontal) General Plan land use category and is a conditionally permitted use in the MU-MM (Mixed-Use Mariners' Mile) zoning district. In this particular case, the proposed use is similar to a retail use and lacks the service repair bays, parts store, and on-site vehicle inventory storage typically associated with auto dealerships. Additionally, several specialty vehicle sales dealerships, including Ferrari, Maserati, Phillips Auto, and McLaren, in addition to boat and yacht sales facilities are located along the inland side of the Mariners' Mile corridor. The proposed retail vehicles sales dealership will operate in a similar manner to these existing businesses and will be compatible with nearby residential properties.

The following conditions of approval have been included in the draft resolution (Attachment No. PC 1) to ensure that the establishment is compatible with surrounding land uses, that more intense operations associated with vehicles sales such as exterior inventory storage and service/maintenance are not permitted, and that the use remains consistent with the business plan submitted with this application:

- Limits the number of vehicles to 15 vehicles displayed within the existing building.
- Prohibits vehicle display or storage in outdoor parking areas.
- Hours of operation from 8:00 a.m. through 6:00 p.m., daily, which is similar to existing retail/office uses authorized for the site.
- Test drives are limited to 10 per week so that the use is commensurate with the prior office uses does not result in undue noise nuisances to nearby residential property owners located along Cliff Drive.
- Vehicle maintenance and repair will not be permitted on-site.
- All vehicle deliveries will be required to occur on-site via flatbed truck so that traffic circulation on West Coast Highway is not impacted.
- The Building Division and Public Works Department have included conditions of approval requiring some site and building design modifications in the tenant improvement plans for ADA accessibility.

The site provides adequate public and emergency access and the low inventory nature of the proposed use suggests the operation will be compatible with the other uses in the Mariners' Mile area. The proposed retail vehicle sales will provide an economic

opportunity for the property owner to update the office tenant space and provide additional services to employees, residents, and visitors.

Alternatives

The following alternatives are available to the Planning Commission should they feel the facts are not enough evidence to support the project application:

1. The Planning Commission may suggest specific operational changes that are necessary to alleviate any concerns. If any additional 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 believes that the facts to support the findings for approval are insufficient, the Planning Commission should deny the application and provide facts in support of denial to be included in the attached draft resolution for denial (Attachment No. PC 2).

Environmental Review

Staff recommends that the Planning Commission find the project is categorically exempt under Section 15301, of the California Environmental Quality Act (CEQA) Guidelines - Class 1 (Existing Facilities). The Class 1 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 proposed project includes exterior and interior improvements to convert an office building to a vehicle sales showroom with supporting offices and involves no expansion in floor area.

Public Notice

Notice of this hearing was published in the Daily Pilot, mailed to all owners of property within 300 feet of the boundaries of the site (excluding intervening rights-of-way and waterways) including the applicant and posted on the subject property at least 10 days before the scheduled meeting, consistent with the provisions of the Municipal Code. Additionally, the item appeared on the agenda for this meeting, which was posted at City Hall and on the City website.

Prepared by:



Makana Nova
Associate Planner

Submitted by:



Jim Campbell
Deputy Community Development Director

ATTACHMENTS

- PC 1 Draft Resolution with Findings and Conditions
- PC 2 Draft Resolution for Denial
- PC 3 Applicant's Project Description and Justification
- PC 4 Test Drive Route
- PC 5 Project Plans

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Attachment No. PC 1

Draft Resolution with Findings and
Conditions

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RESOLUTION NO. PC2018-031

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF NEWPORT BEACH, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT NO. UP2018-010 FOR A VEHICLE SALES SHOWROOM AND OFFICE LOCATED AT 2244 WEST COAST HIGHWAY (PA2018-166)

THE PLANNING COMMISSION OF THE CITY OF NEWPORT BEACH HEREBY FINDS AS FOLLOWS:

SECTION 1. STATEMENT OF FACTS.

1. An application was filed by Ricky Kwan of Powerhouse Enterprises NB, LLC ("Applicant"), with respect to property located at 2244 West Coast Highway, and legally described as the northeasterly 100.78 feet of the southeasterly 600.78 feet of Lot "A" of Tract No. 919, in the City of Newport Beach, County of Orange, State of California, shown on a map thereof recorded in Book 29, Pages 31, 32, 33 and 34 of Miscellaneous Maps, in the office of the County Recorder of said County, said 600.78 feet and said 100.78 feet being measured along the northeasterly line of the California State Highway as shown on said map, and the northeasterly line and the southeasterly line of said northwesterly 100.78 feet being parallel with the southeasterly line of said Lot "A", except the northeasterly rectangular 150 feet thereof ("Property").
2. The Applicant requests a conditional use permit to allow a 15,823-square-foot vehicle sales showroom and office for pre-owned luxury automobiles with no more than fifteen (15) display vehicles. No exterior vehicle display is proposed. The proposed hours of operation are from 8:00 a.m. and 6:00 p.m., daily. The showroom is available on an appointment only basis. Test drives will not exceed ten (10) test drives per week. If approved, this Conditional Use Permit would supersede Use Permit Nos. UP0251, UP1296, UP1490, and UP2087, which upon vesting of the rights authorized by this Conditional Use Permit, shall become null and void.
3. The subject property is designated MU-H1 (Mixed-Use Horizontal) by the General Plan Land Use Element and is located within the MU-MM (Mixed-Use Mariners' Mile) Zoning District.
4. The subject property is located within the coastal zone. The Coastal Land Use Plan category is MU-H (Mixed-Use Horizontal) and it is located within the MU-MM (Mixed-Use Mariners' Mile) Coastal Zone District. The proposed vehicle dealership does not result in a change or intensification of the existing/historical use that would require a Coastal Development Permit. There is no increase in the parking rate. The Public Works Department determined that a Traffic Study is not required to comply with the Traffic Phasing Ordinance. The only physical modification to the existing building is the installation of a roll-up door to provide vehicle access to the showroom. Vehicle display would occur entirely within the existing building, similar to a retail sales use. The second floor level would continue to be utilized as administrative offices serving the vehicle dealership.

Therefore, the proposed vehicle sales would not result in a change or intensification of use that would require a Coastal Development Permit.

5. A public hearing was held on October 18, 2018, in the Council Chambers located at 100 Civic Center Drive, Newport Beach. A notice of time, place and purpose of the hearing was given in accordance with the Newport Beach Municipal Code ("NBMC"). Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this hearing.

SECTION 2. CALIFORNIA ENVIRONMENTAL QUALITY ACT DETERMINATION.

1. This project has been determined to be categorically exempt as Class 1 (Existing Facilities) under the requirements of the California Environmental Quality Act ("CEQA") Regulation Section 15301.
2. The Class 1 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 proposed project includes exterior and interior improvements to convert an office building to a vehicle sales showroom with supporting offices and involves no expansion in floor area.
3. The exceptions to this categorical exemption under CEQA 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.

SECTION 3. REQUIRED FINDINGS.

In accordance with NBMC [Subsection 20.52.020\(F\) \(Use Permit, Required Findings\)](#), the following findings and facts in support of such findings are set forth:

Finding:

- A. *The use is consistent with the General Plan and any applicable specific plan.*

Facts in Support of Finding:

1. The General Plan land use designation for this site is MU-H1 (Mixed-Use Horizontal). The MU-H1 designation can be found for properties located on the inland side of Coast Highway in the Mariners' Mile Corridor, (a) the Coast Highway frontages shall be developed for marine-related and highway-oriented general commercial uses in accordance with CM and CG designations; and (b) portions of properties to the rear of the commercial frontage may be developed for free-standing neighborhood-serving retail, multi-family residential units, or mixed-use buildings that integrate residential with retail

uses on the ground floor in accordance with the CN, RM , CV, or MU-V designations respectively. Based on its size and design, with all inventory located within the interior showroom and no on-site maintenance or repair facilities, this vehicle sales use is similar to a retail land use and is consistent with this MU-H1 and the CG land use designations.

2. The proposed project application will not result in an increase in floor area and the project is consistent with the Land Use Element development limitations. The existing building is 15,823 square feet and the subject property is 41,348 square feet resulting in a floor area ratio (FAR) of 0.37, which is consistent with the 0.5 nonresidential FAR maximum for the site.
3. The subject property is not part of a specific plan area.

Finding:

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

Facts in Support of Finding:

1. The site is located in the MU-MM (Mixed-Use Mariners' Mile) Zoning District. This zoning district applies to properties located on the inland side of Coast Highway in the Mariners' Mile Corridor. Properties fronting on Coast Highway may be developed for nonresidential uses only. Vehicle sales are allowed as a conditionally permitted use within this district to ensure site compatibility.
2. The proposed vehicles sales use complies with all applicable parking and development standards, including landscaping, building height, floor area ratio, and setbacks.
3. A total of 42 parking spaces are required (Vehicle Sales rate of 1/1,000 square feet of lot area) where 63 parking spaces are available for the existing building. In this case, the property consists of 41,348 square feet; therefore, 42 spaces are required. The previous use, a 15,823-square-foot office building, generated a parking requirement of one space per 250 square feet, or 62 spaces.
4. The Public Works Department has reviewed the proposed operational characteristics and determined that a Traffic Study is not required to comply with the Traffic Phasing Ordinance.
5. The proposed use and project design is consistent with the Mariner's Mile Strategic Vision and Design Framework because it provides a highway-oriented general commercial use on the Coast Highway frontage that is compatible with the surrounding general commercial retail and service businesses. Additionally, it is consistent with the architectural and landscaping polices and goals of the Vision and Design Framework.

Finding:

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

Facts in Support of Finding:

1. The proposed project includes conditions of approval to prohibit the more intense operations associated with vehicle sales, such as maintenance, repair, and installation of related equipment and parts. This will help ensure that the use remains compatible with nearby office, motel, and residential uses in the area.
2. The design and operation of the proposed vehicle sales dealership is similar to a retail store. Traditional vehicle dealerships are typically comprised of a showroom and large outdoor areas for the display and storage of vehicles and service areas for maintenance and repairs. The proposed vehicle sales use does not incorporate outdoor display.
3. Several specialty vehicle sales dealerships, including Ferrari, Maserati, Phillips Auto, and McLaren, in addition to boat and yacht sales facilities are located along the inland side of the Mariner's Mile corridor. These types of facilities are consistent with General Plan designations and are compatible with other allowed uses in the area. The proposed vehicle sales use will maintain similar hours and characteristics of the existing office building and other vehicle dealerships located along Mariner's Mile.
4. The expanded dealership will improve and revitalize the existing vacant office building and the surrounding area.

Finding:

- D. *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 vehicle sales use with a showroom on the first floor and supporting offices on the second floor of the existing commercial building is similar to retail and office uses. The design, size, location, and operating characteristics of the use are compatible with the surrounding retail and service land uses.
2. Adequate public and emergency vehicle access, public services, and utilities are provided to the subject property. Any additional utility upgrades or safety requirements specific to the display of motor vehicles will be required at plan check. The site is sufficient to accommodate vehicle loading on site.

3. The proposed project is conditioned to prohibit the more intense operations associated with vehicle sales and is therefore suitable to occupy the existing commercial tenant space.
4. The tenant improvements to the project site will comply with all Building, Public Works, and Fire Codes. The project will comply with all ordinances of the City and all conditions of approval.

Finding:

- E. Operation of the use at the location proposed would not be detrimental to the harmonious and orderly growth of the City, or 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 proposed use would be limited to sales of vehicles only, with no additional inventory, outdoor storage, maintenance, or repair of vehicles on-site.
2. The delivery or pick-up of vehicles will not be allowed on West Coast Highway and delivery will take-place directly on-site. Due to the relatively small size of the dealership, delivery of vehicles is expected to be less frequent than a traditional dealership.
3. The project has been reviewed and includes conditions of approval to ensure that potential conflicts with the surrounding land uses are minimized to the greatest extent possible.
4. That the design of the development will not conflict with any easements acquired by the public at large for access through or use of property within the proposed development.

SECTION 4. DECISION.

NOW, THEREFORE, BE IT RESOLVED:

1. The Planning Commission of the City of Newport Beach hereby approves Conditional Use Permit No. UP2018-010 (PA2018-166), subject to the conditions set forth in Exhibit A, which is attached hereto and incorporated by reference.
2. This resolution supersedes UP0251, UP1296, UP1490, and UP2087, which upon vesting of the rights authorized by this Conditional Use Permit, shall become null and void.

PASSED, APPROVED, AND ADOPTED THIS 18TH DAY OF OCTOBER, 2018.

AYES:

NOES:

ABSTAIN:

ABSENT:

BY: _____
Peter Zak, Chairman

BY: _____
Secretary

EXHIBIT “A”**CONDITIONS OF APPROVAL**
*(Project-specific conditions are in italics)***PLANNING**

1. The development shall be in substantial conformance with the approved site plan, floor plans and building elevations 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. The 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. *All proposed signs shall be in conformance with any approved Comprehensive Sign Program for the project site and provisions of NBMC Chapter 20.42 (Signs).*
5. *Conditional Use Permit No. UP2018-010 shall expire unless exercised within 24 months from the date of approval as specified in NBMC Section 20.54.060 (Time Limits and Exceptions), unless an extension is otherwise granted.*
6. *The hours of operation shall be limited from 8:00 a.m. to 6:00 p.m., daily. The retail vehicle showroom shall be available on an appointment only basis as identified in the business plan.*
7. *The test drive route shall be approved by the City Traffic Engineer and any changes shall require City Traffic Engineer approval. Test driving of vehicles shall adhere to the approved test driving route and shall be prohibited on all residential streets. The business shall adhere to a maximum of ten (10) test drives per week as indicated in their business plan. The business shall maintain a test drive log indicating the vehicle make/model, date, and time of test drives and the applicant shall produce a copy to the Community Development Director upon request.*
8. *Retail vehicle display shall be limited to fifteen (15) vehicles located within the interior of the first floor level of the existing commercial building. Vehicle display or storage is not permitted in the outdoor parking areas.*
9. *Vehicle maintenance, service, repair, or washing shall not occur on-site.*
10. *No outside paging system shall be utilized in conjunction with this establishment.*

11. *Vehicle deliveries and refuse collection for the facility shall be prohibited between the hours of 10:00 p.m. and 7:00 a.m. on weekdays and Saturdays and between the hours of 10:00 p.m. and 9:00 a.m. on Sundays and Federal holidays, unless otherwise approved by the Director of Community Development, and may require an amendment to this Use Permit.*
12. *The delivery or pick-up of vehicles shall not occur on West Coast Highway and shall occur directly on-site. No vehicles, including trash trucks and vehicle delivery trucks, can back out of the site onto West Coast Highway.*
13. *The planter areas opposite the existing ADA stalls shall be removed to provide a minimum 24-foot side drive aisle width. The loss of these planting areas shall be off-set by the planting of a 4-foot wide hedge and three (3) Washingtonia filifera palms with a minimum 8-foot high brown trunk height adjacent to the front of the property along West Coast Highway.*
14. *Storage outside of the building in the front or at the rear of the property shall be prohibited, with the exception of the required trash container enclosure.*
15. *Mechanical equipment, screening, and the roof paint color shall be architecturally compatible with the existing building and shall maintain the existing gray roof color or another color to the satisfaction of the Community Development Director.*
16. This Conditional 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.
17. Any change in operational characteristics, expansion in area, or other modification to the approved plans, shall require an amendment to this Conditional Use Permit or the processing of a new Conditional Use Permit.
18. 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.
19. 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.
20. 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.

21. All trash shall be stored within the building or within dumpsters stored in the trash enclosure (three walls and a self-latching gate) or otherwise screened from view of neighboring properties, except when placed for pick-up by refuse collection agencies. The trash enclosure shall have a decorative solid roof for aesthetic and screening purposes.
22. The Applicant shall ensure that the trash dumpsters and/or receptacles are maintained to control odors. This may include the provision of either fully self-contained dumpsters or periodic steam cleaning of the dumpsters, if deemed necessary by the Planning Division. Cleaning and maintenance of trash dumpsters shall be done in compliance with the provisions of Title 14, including all future amendments (including Water Quality related requirements).
23. The exterior of the business shall be maintained free of litter and graffiti at all times. The owner or operator shall provide for daily removal of trash, litter debris and graffiti from the premises and on all abutting sidewalks within 20 feet of the premises.
24. A Special Events Permit is required for any event or promotional activity outside the normal operational characteristics of the approved use, as conditioned, or that would attract large crowds, involve the sale of alcoholic beverages, include any form of on-site media broadcast, or any other activities as specified in the NBMC to require such permits.
25. To the fullest extent permitted by law, applicant 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 Powerhouse Vehicle Sales including, but not limited to, Conditional Use Permit No. UP2018-010 (PA2018-166). 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.

Fire Department Conditions

26. *As per California Fire Code Section 314.4 Vehicles, liquid-or gas-fueled vehicles, boats, or other motorcraft shall not be located indoors except as follows:*
 - a. *Batteries are disconnected.*
 - b. *Fuel in fuel tanks does not exceed one-quarter tank or five (5) gallons (whichever is least).*
 - c. *Fuel in fuel tanks and fill openings are closed and sealed to prevent tampering.*

- d. *Vehicles, boats, or other motor craft equipment are not fueled or defueled within the buildings.*

Building Division Conditions

27. The applicant is required to 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.
28. The construction plans must meet all applicable State Disabilities Access requirements. Accessible parking shall be located at the closest possible route to building entrances.
29. *The exit access stairways shall comply with California Building Code Section 1019.*
30. *The exterior exit stairs shall comply with California Building Code Section 1027.*
31. *If the second floor office area will be open to the public as part of the vehicle sales business, an accessible route to the second floor shall be provided if the project does not meet an exemption per Section 11B-202.4 or 11B-206.2.3 of the California Building Code.*

Public Works Conditions

32. *Prior to the issuance of building permits for tenant improvements, the parking layout shall be revised per City Standard STD-805-L-A and STD-805-L-B. Drive aisles shall be a minimum of 24-foot wide when adjacent to 9-foot wide parking stall. Parking stalls that are 8-foot 6 inches wide shall have a minimum drive aisle of 26 feet.*
33. *The vehicle sales showroom shall be available on an appointment only basis.*
34. *Landscaping and signage shall be located so as not to impede vehicular sight distance per City Standard STD-110-L and to the satisfaction of the City Traffic Engineer.*
35. *All above ground permanent improvements, such as signs, backflow assemblies, etc. within the existing 12-foot wide street easement along the project frontage of West Coast Highway shall be relocated at the owner's expense upon the widening of West Coast Highway.*
36. *No planting with substantial root systems shall be installed within the existing Utility and Storm Drain Easement within the site. Any existing planting with substantial root systems within the Utility and Storm Drain easement shall be removed prior to the final of building permits for tenant improvements.*
37. *Prior to the final of building permits for tenant improvements, a new accessible compliant driveway approach shall be installed along the West Coast Highway frontage.*

38. *The applicant shall obtain a Caltrans encroachment permit for all work within the West Coast Highway right-of-way.*
39. *All improvements shall be constructed as required by Ordinance and the Public Works Department.*

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Attachment No. PC 2

Draft Resolution for Denial

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RESOLUTION NO. PC2018-031

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF NEWPORT BEACH, CALIFORNIA, DENYING CONDITIONAL USE PERMIT NO. UP2018-010 FOR A VEHICLE SALES SHOWROOM AND OFFICE LOCATED AT 2244 WEST COAST HIGHWAY (PA2018-166)

THE PLANNING COMMISSION OF THE CITY OF NEWPORT BEACH HEREBY FINDS AS FOLLOWS:

SECTION 1. STATEMENT OF FACTS.

1. An application was filed by Ricky Kwan of Powerhouse Enterprises NB, LLC ("Applicant"), with respect to property located at 2244 West Coast Highway, and legally described as the northeasterly 100.78 feet of the southeasterly 600.78 feet of Lot "A" of Tract No. 919, in the City of Newport Beach, County of Orange, State of California, shown on a map thereof recorded in Book 29, Pages 31, 32, 33 and 34 of Miscellaneous Maps, in the office of the County Recorder of said County, said 600.78 feet and said 100.78 feet being measured along the northeasterly line of the California State Highway as shown on said map, and the northeasterly line and the southeasterly line of said northwesterly 100.78 feet being parallel with the southeasterly line of said Lot "A", except the northeasterly rectangular 150 feet thereof ("Property").
2. The Applicant requests a conditional use permit to allow a 15,823-square-foot vehicle sales showroom and office for pre-owned luxury automobiles with no more than fifteen (15) display vehicles. No exterior vehicle display is proposed. The proposed hours of operation are from 8:00 a.m. and 6:00 p.m., daily. The showroom is available on an appointment only basis. Test drives will not exceed ten (10) test drives per week. If approved, this Conditional Use Permit would supersede Use Permit Nos. UP0251, UP1296, UP1490, and UP2087, which upon vesting of the rights authorized by this Conditional Use Permit, shall become null and void.
3. The subject property is designated MU-H1 (Mixed-Use Horizontal) by the General Plan Land Use Element and is located within the MU-MM (Mixed-Use Mariners' Mile) Zoning District.
4. The subject property is located within the coastal zone. The Coastal Land Use Plan category is MU-H (Mixed-Use Horizontal) and it is located within the MU-MM (Mixed-Use Mariners' Mile) Coastal Zone District.
5. A public hearing was held on October 18, 2018, in the Council Chambers located at 100 Civic Center Drive, Newport Beach. A notice of time, place and purpose of the hearing was given in accordance with the Newport Beach Municipal Code ("NBMC"). Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this hearing.

SECTION 2. CALIFORNIA ENVIRONMENTAL QUALITY ACT DETERMINATION.

1. Pursuant to Section 15270 of the California Environmental Quality Act (CEQA) Guidelines, projects which a public agency rejects or disapproves are not subject to CEQA review.

SECTION 3. REQUIRED FINDINGS.

The Planning Commission may approve a Conditional Use Permit only after making each of the required findings set forth in [Section 20.52.020 \(Conditional and Minor Use Permits\)](#). In this case, the Planning Commission was unable to make the required findings based upon the following:

1. The Planning Commission determined, in this case, that the proposed use permit for a vehicle sales showroom and office is inconsistent with purpose and intent of NBMC Section 20.52.020 (Conditional Use Permits and Minor Use Permits) because the use is not compatible with allowed uses in the vicinity.
2. The Planning Commission determined, in this case, that the site is not physically suitable in terms of design, location, shape, size, operating characteristics for a vehicle sales showroom and office.

SECTION 4. DECISION.**NOW, THEREFORE, BE IT RESOLVED:**

1. The Planning Commission of the City of Newport Beach hereby denies Conditional Use Permit No. UP2018-010 (PA2018-166).
2. This action shall become final and effective fourteen days after the adoption of this Resolution unless within such time an appeal is filed with the City Clerk in accordance with the provisions of Title 20 Planning and Zoning, of the Newport Beach Municipal Code.

PASSED, APPROVED, AND ADOPTED THIS 18TH DAY OF OCTOBER, 2018.

AYES:

NOES:

ABSTAIN:

ABSENT:

BY: _____
Peter Zak, Chairman

BY: _____
Secretary

Attachment No. PC 3

Applicant's Project Description and
Justification

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2020 Main St., Ste. 100
Irvine, CA 92614
PH (949) 851-5100
FX (949) 261-9092
Lic. #01991785
HarringtonGroupRE.com

The project herein proposed is to establish a luxury auto showroom for the purpose of supporting the luxury auto sales business that will be occupying the premises. Said project will help to achieve the objectives set forth in the General Plan that which are geared towards the “revitalization of older commercial areas” by “re-using underperforming properties”.

Consistent with other uses in the immediate vicinity, the project will feature a clean, visually appealing layout and will provide further diversity in the retail options available to both visitors and residents alike.

The show room will include up to, but not exceed, 12 luxury, pre-owned, automobiles for sale. The hours of operation of the show room will be from 10:00 AM to 6:00 PM, Monday through Sunday, on an appointment only basis.

There will be up to four employees in the show room at any given time. Test drives of the automobiles for sale will not exceed 10 total test drives per week (less than one per day).

The proposed site, its design, size and operational characteristics are a perfect fit for the proposed project. Information regarding the site is below:

Lot Area: 41,501 (.95 Acres)

Lot Width: 102.2 Feet

Lot Depth: 397.7-412.2 Feet

Set Backs: 10.44' to Landscape - 25' to building

Floor Area: 15,410

Floor Area Ratio: .37

Building / Lot Coverage: 49.98%

Building Height: 24'

Parking: 4:1000 -> 62 spaces

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Attachment No. PC 4

Test-drive route

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Proposed Test Drive Route



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Attachment No. PC 5

Project plans

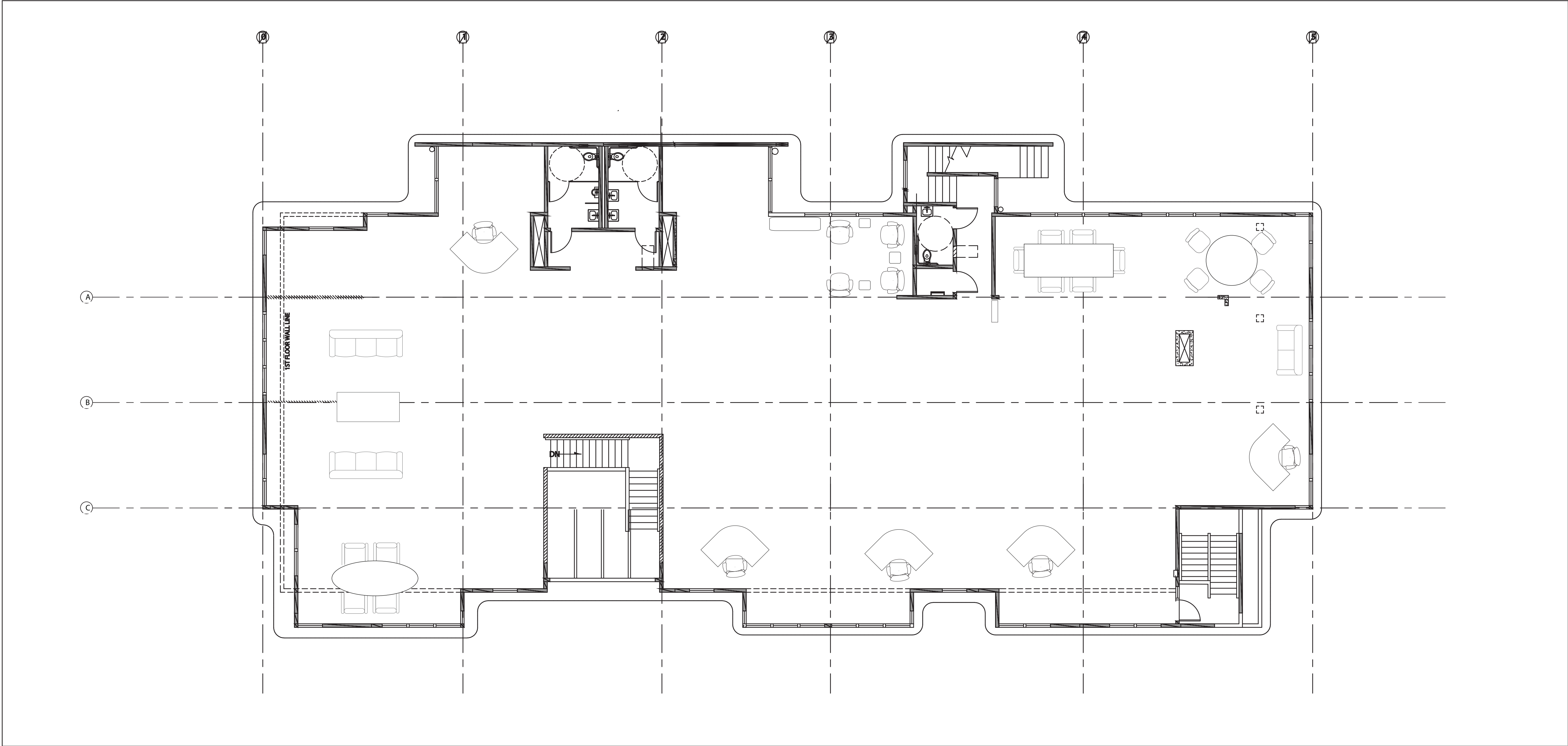
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Proposed First Floor Showroom



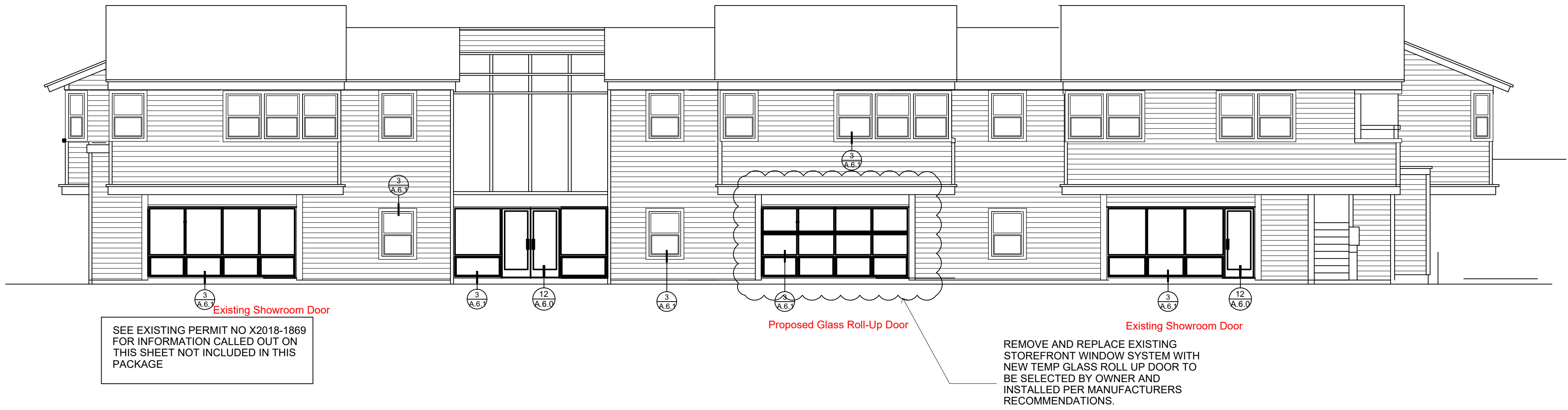
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Proposed Second Floor Private Office

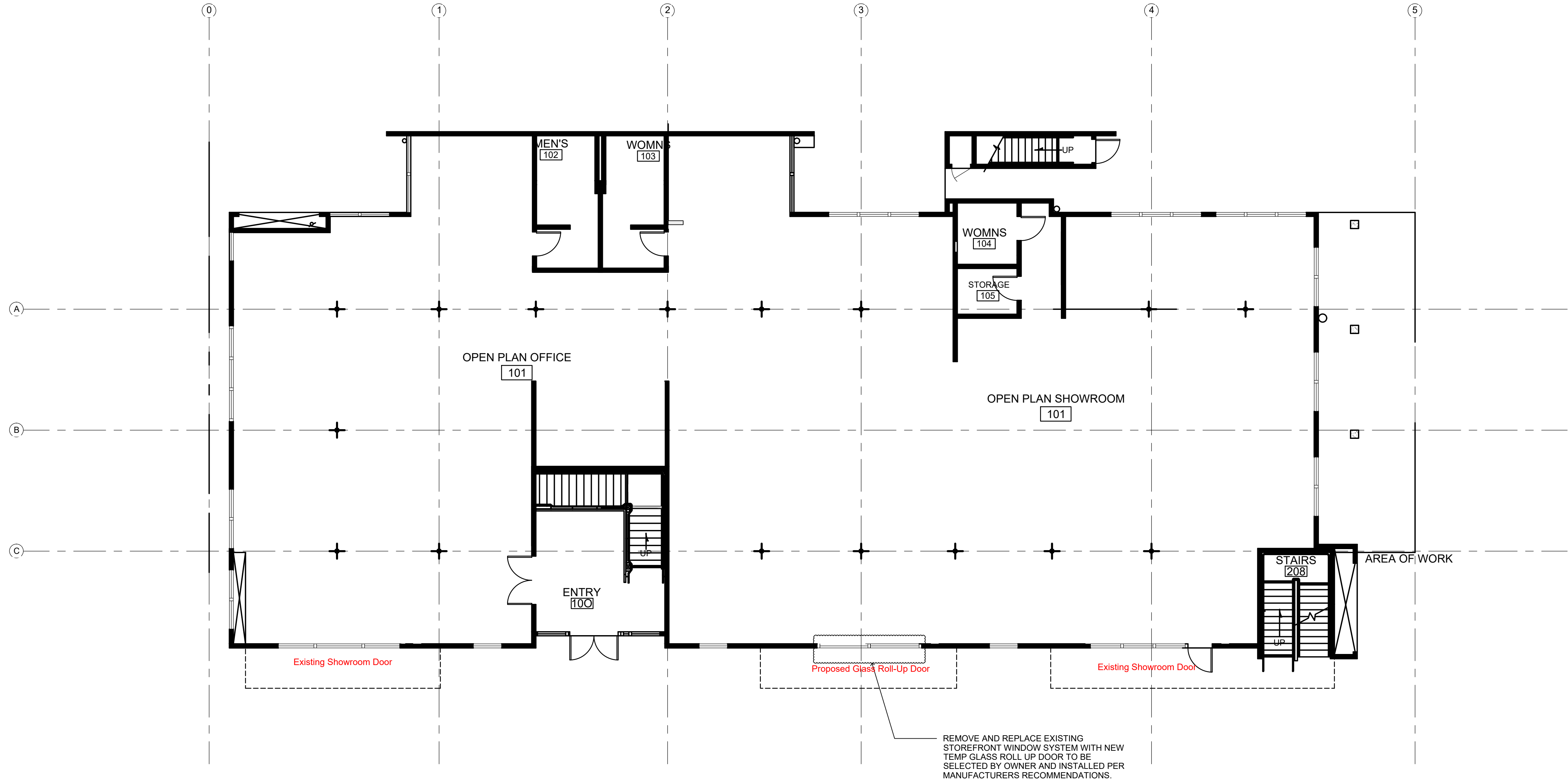


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Proposed Roll-Up Door Elevation



ELEVATION 1/8"=1'-0" 1

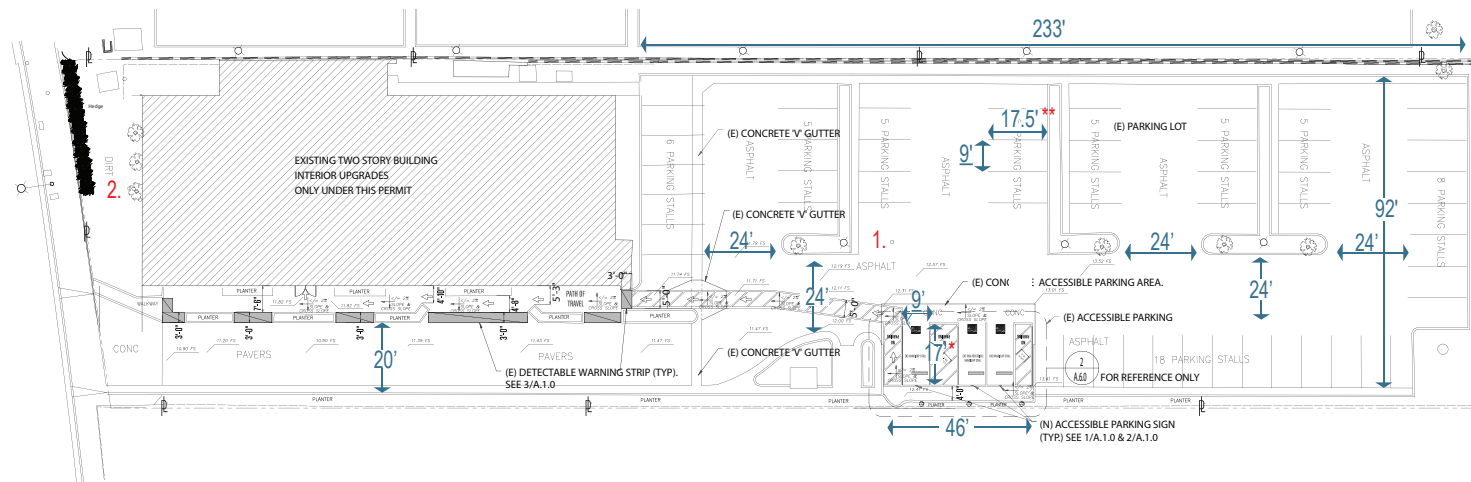


FIRST FLOORPLAN 1/8"=1'-0" 2

No.	Revision/Issue
1	
FLOOR IMPROVEMENT PLAN	
SHEET TITLE	
CLIENT	2244 W. COAST HIGHWAY POWERHOUSE NEWPORT BEACH
SCALE:	
DATE:	7-9-2018
DRAWN BY:	TEAM
PROJECT NO:	1813
SHEET NO:	OF X

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Proposed Parking Lot Revisions



EXISTING SITE PLAN - FOR REFERENCE ONLY

SCALE: $\frac{1}{16}$ " = 1'-0"

PATH OF TRAVEL AND ACCESSIBLE PARKING WAS COMPLETED UNDER PERMIT # X2015-3296, 12/8/16

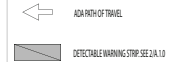
- * All handicap stalls measure 9' x 17'
- ** All regular stalls measure 9' x 17.5'

1. Remove existing planters
2. Addition of city recommended landscaping

SITE PLAN NOTES

1. ALL WALKWAYS AND DRIVEWAYS SHALL BE 40" MIN. WIDTH.
2. ALL WALKWAYS SHALL BE PROVIDED WITH A LEVEL AREA NOT LESS THAN 60" WIDE AT DOOR OR GATE THAT SWINGS TOWARD THE WALK, AND NOT LESS THAN 48" WIDE BY 48" DEEP AT A DOOR OR GATE THAT SWINGS AWAY FROM WALK.
3. THE FLOOR LANDING SHALL NOT BE MORE THAN 1' LOWER THAN THE THRESHOLD OF THE DOORWAY.
4. WHEN THE SLOPE IN THE DIRECTION OF TRAVEL OF ANY WALK EXCEEDS ONE GRAD TO 20 PARTS HORIZONTAL, 2% GRADUALLY, IT SHALL COMPLY WITH THE PROVISIONS OF SECTION 1103.8.1 (1) AND 1103.8.2.
5. LEVEL AREA OF WALKWAYS SHALL EXTEND 24" TO THE SIDE OF THE STAIR EDGE OF A DOOR OR GATE THAT SWINGS TOWARD THE WALK.
6. ALL ENTRANCE AND EXTERIOR GROUND FLOOR EXIT DOORS TO BUILDING AND FACILITIES SHALL BE MADE ACCESSIBLE TO PERSONS WITH DISABILITIES (1103.1.1.1).
7. ALL BUILDING AND FACILITIES SHALL BE MADE ACCESSIBLE TO AND USABLE BY PERSONS WITH DISABILITIES AND AT EVERY MAJOR JUNCTION ALONG OR LEADING TO AN ACCESSIBLE ROUTE OF TRAVEL, SHALL BE IDENTIFIED WITH A SIGN DISPLAYING THE INTENTIONAL STRIKE OF ACCESSIBILITY AND WITH ADDITIONAL DIRECTIONAL SIGNS AS REQUIRED TO BE VISIBLE TO PERSONS ALONG APPROACHING CIRCULATION PATHS (1103.1.1.2 AND 1103.8).
8. WHEN SIGN CORRELATES TO OR GIVE INFORMATION ABOUT PERMANENT ROOMS AND FUNCTIONAL SPACES OF BUILDING OR SITE, THEY SHALL COMPLY WITH CAC SECTIONS 1103.8.1, 1103.8.2, 1103.8.3, 1103.8.4, 1103.8.5, 1103.8.6, 1103.8.7, 1103.8.8, 1103.8.9, 1103.8.10, 1103.8.11, 1103.8.12, 1103.8.13, 1103.8.14, 1103.8.15, 1103.8.16, 1103.8.17, 1103.8.18, 1103.8.19, 1103.8.20, 1103.8.21, 1103.8.22, 1103.8.23, 1103.8.24, 1103.8.25, 1103.8.26, 1103.8.27, 1103.8.28, 1103.8.29, 1103.8.30, 1103.8.31, 1103.8.32, 1103.8.33, 1103.8.34, 1103.8.35, 1103.8.36, 1103.8.37, 1103.8.38, 1103.8.39, 1103.8.40, 1103.8.41, 1103.8.42, 1103.8.43, 1103.8.44, 1103.8.45, 1103.8.46, 1103.8.47, 1103.8.48, 1103.8.49, 1103.8.50, 1103.8.51, 1103.8.52, 1103.8.53, 1103.8.54, 1103.8.55, 1103.8.56, 1103.8.57, 1103.8.58, 1103.8.59, 1103.8.60, 1103.8.61, 1103.8.62, 1103.8.63, 1103.8.64, 1103.8.65, 1103.8.66, 1103.8.67, 1103.8.68, 1103.8.69, 1103.8.70, 1103.8.71, 1103.8.72, 1103.8.73, 1103.8.74, 1103.8.75, 1103.8.76, 1103.8.77, 1103.8.78, 1103.8.79, 1103.8.80, 1103.8.81, 1103.8.82, 1103.8.83, 1103.8.84, 1103.8.85, 1103.8.86, 1103.8.87, 1103.8.88, 1103.8.89, 1103.8.90, 1103.8.91, 1103.8.92, 1103.8.93, 1103.8.94, 1103.8.95, 1103.8.96, 1103.8.97, 1103.8.98, 1103.8.99, 1103.8.100.

SITE PLAN LEGEND



SITE PLAN SCOPE OF WORK

1. ALL WORK ON THIS SHEET IS FOR REFERENCE ONLY.

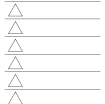
ISSUED FOR:
M&J VENTURES, LLC
2305 N. COAST HWY. #201
NEWPORT BEACH, CA 92660
TEL: 949.637.6270

PROJECT:
TRANSFORMATION
2244 W. COAST HIGHWAY
NEWPORT BEACH, CA 92663

PREPARED BY:

RAND KRUSE
ARCHITECTURE AND INTERIORS
10000 UNIVERSITY AVENUE, SUITE 100
NEWPORT BEACH, CA 92660

REVISIONS



REVISION:

DATE:

BY:

SITE PLAN / ADA PATH
OF TRAVEL

SHEET NUMBER:

A.1.0