

From: Murillo, Jaime
Sent: Wednesday, December 05, 2018 1:34 PM
To: Lippman, Tiffany
Subject: Comment on Newport Crossings Project
Attachments: 20181204_OLEN_Letter.pdf



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Hi Tiffany,
Please distribute the attached letter received on the Newport Crossing study session item.
Thanks,
Jaime

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City Council and Planning Commission
City of Newport Beach
100 Civic Center Drive
Newport Beach, CA 92660

December 4, 2018

RE: Proposed Newport Crossings Project

Dear City Council Members and Planning Commissioners,

Olen Properties has been in the commercial and residential real estate development and property management business in Orange County for over 40 years. We have made Newport Beach our national headquarters for 25 years. We own and manage several Class A commercial properties in the Airport Area, including a property located one block from the proposed Newport Crossings project.

As a result of our significant investments in the Airport Area and because we are a long term owner who buys and holds our investment properties indefinitely, it is extremely important to us that new residential development in the Airport Area occur in a way that balances key attributes. These attributes include, but are not limited to, compatible and cohesive integration with existing non-residential properties such as ours and others', creation of adequate park and retail opportunities, establishment of livable residential villages, and appropriate building heights that do not negatively impact existing adjacent properties.

It is accurate that the Airport Area has a genuine need of redevelopment, but new projects must carefully balance quality of work/life and development impacts so that Newport Beach remains an outstanding place to live and work. In addition, new proposed projects should embrace a collaborative, solutions-oriented approach that seeks to hear and resolve the concerns of neighboring property owners and the Newport Beach community at large.

As we've analyzed and evaluated the proposed project, we have found the Newport Crossings development team to be responsive to our concerns and input. We have met in-person and corresponded with their team on numerous occasions and have worked through a lengthy list of specific issues. As we understand it, the developer has made the same concerted effort to meet with other adjacent property owners and community groups to consider their concerns and make a legitimate effort to resolve them.

This collaborative, solutions-oriented approach works well for existing adjacent property owners such as Olen, and for the Newport Beach community as a whole, because it can neutralize lengthy and contentious public process battles, litigation and referendums.

Because a number of additional projects are in planning or entitlement stages for the Airport Area, it is worth noting that Newport Crossings' responsive approach is a stark contrast to the approach

pursued by another large Airport Area proposal – the 15-story Koll Center Residences condo towers. The proposed Koll Residences project would seriously impact existing property owners, including a separate Olen Class A property, and as a result of it being the largest condo tower proposal in Newport Beach history, it has experienced significant opposition throughout the community. Although the Shopoff Group and its consultant, Government Solutions, have claimed to the Planning Commission and City Council that they “have met with everyone affected” by their project, the reality is that they have summarily ignored the concerns of the vast majority of adjacent property owners and resident community groups. Numerous affected property owners including Olen, as well as Newport Beach resident community groups, have had several meetings with the development team for Koll Center Residences, yet have received no project changes to resolve their concerns. In contrast to Newport Crossings, the Koll Center Residences proponents have taken precisely the wrong approach – attempting to force their project through entitlement – rather than genuinely listening to the input of businesses and residents severely impacted by the proposed project and then making appropriate changes.

It is also worthwhile to point out the significant **design differences** between the Newport Crossings and Koll Residences projects. In addition to problematic issues of process, these design differences are further emblematic of why the Koll Residences project has experienced much larger community and property owner opposition than Newport Crossings:

A SIDE BY SIDE COMPARISON	
NEWPORT CROSSINGS	KOLL CENTER RESIDENCES
Height: One 5-Story Mid-Rise.	Height: Three 15-Story High-Rise Condo Towers – the largest condo tower project in Newport Beach history.
Compatible Integration with Existing Bldgs: Sited on a standalone property with streets and large setbacks separating it from surrounding properties. Careful discussions with surrounding property owners.	Compatible Integration with Existing Bldgs: Squeezed into a Common Area between existing commercial buildings; broadly opposed by surrounding property owners who say it is not compatible in use, design and scale. Lack of discussions with surrounding owners.
Prior Public Process Vision: Aligns with the Planned Community Standards for PC11; doesn't require a General Plan amendment or zone change.	Prior Public Process Vision: Only “Mid-rise” (2010 ICDP*) was envisioned for the Koll site in numerous 2010 Planning Commission and Council meetings – not three 15-story high-rise towers as currently proposed.
Livable Residential Village Design: The project has more of a “human scale” that is balanced between buildings and landscaping setbacks, common areas and retail patios, and the ½-acre public park.	Livable Residential Village Design: Three 15-story towers are not a “village” and far exceed the 2-4-story heights of the majority of existing properties. The project also removes surface parking and landscaping. and is narrowly squeezed between existing bldgs.
Retail: There are 7,500 square feet of retail	Retail: The Koll project includes only 3,000

including a casual dining facility within the project.	square feet of retail – less than 1% of the overall development area and insufficient for the Airport Area or new residential units.
Parking Garage: Aesthetically obscured in the center by a residential “wrap” design of surrounding apartment units.	Parking Garage: A podium design where the attractive existing views that surrounding office properties enjoy are replaced by an unsightly view of 2-story parking garage walls. This view impact will degrade the marketability and rents of existing adjacent office properties.
Public Park: The park is fairly well integrated with the site and provides a variety of amenities to residents and nearby businesses.	Public Park: The GP and ICDP require a “ <u>Central Park</u> ” to mitigate density impacts, but that park has been moved away from the center to the far east corner of the site, exacerbating density impacts to adjacent properties. Rather than a central park, adjacent businesses would look out at two stories of parking structure and multiple high-rise condo towers.
Affordable Housing: This project includes 78 affordable units (22% of the project). People who work in the Airport Area could legitimately live at Newport Crossings.	Affordable Housing: There are no affordable units in the Koll project. Instead, the price point is \$1-2 million dollars – a price tag too high for existing Koll Center employees and completely unattainable for most Airport Area workers.

* ICDP = Integrated Conceptual Development Plan; GP = General Plan

Olen, like many other businesses, is heavily invested in the Airport Area and we believe it is important to draw a ***bright line distinction*** between the “better design, better approach” of the Newport Crossings project and the “bad design, bad approach” of the Koll Residences project.

The collaborative entitlement approach and better design balance between “benefits and impacts” of the Newport Crossings project is a noteworthy contrast to the highly problematic Koll Residences project and our response to the two projects is similarly contrasting.


We are pleased to provide our support for the Newport Crossings project.

We remain strongly opposed to the Koll Residences project unless it is redesigned with appropriate input from adjacent property owners and resident community groups to lessen its egregious impacts.

Bigger picture, we strongly believe that it is in the best interest of the city, developers, existing property owners and the community as a whole that appropriate designs and collaborative entitlement approaches are embraced rather than “endless public process warfare.” Mindful of this, we request that staff, the Planning Commission, and the City Council encourage the development teams of other projects – including the Koll Center Residences – to embrace a more collaborative

approach to their entitlement efforts, request early input from neighboring property owners and the community, and to design projects – early on – that properly reflect community sentiment, localized plans, and minimize impacts to adjacent property owners. All project proponents will claim to have done so, but such claims are often empty lip service. The contrasting designs and approaches highlighted by the two projects above are indicative of this.

Sincerely,



Julie A. Ault
General Counsel
Olen Properties

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