NEWPORT BEACH PLANNING COMMISSION MINUTES CITY COUNCIL CHAMBERS – 100 CIVIC CENTER DRIVE THURSDAY, MARCH 5, 2020 REGULAR MEETING – 6:30 P.M.

I. <u>CALL TO ORDER</u> – The meeting was called to order at 6:31 p.m.

II. <u>PLEDGE OF ALLEGIANCE</u> – Chair Koetting

III. ROLL CALL

PRESENT: Chair Peter Koetting, Vice Chair Erik Weigand, Secretary Lee Lowrey, Commissioner Curtis Ellmore, Commissioner Sarah Klaustermeier, Commissioner Lauren Kleiman, Commissioner Mark Rosene (arrived at 6:34 p.m.)

ABSENT: None

Staff Present: Deputy Community Development Director Jim Campbell, Assistant City Attorney Yolanda Summerhill, City Traffic Engineer Tony Brine, Associate Planner David Lee, Assistant Planner Melinda Whalen, Administrative Support Specialist Clarivel Rodriguez, Administrative Support Technician Amanda Lee

IV. PUBLIC COMMENTS

Jim Mosher remarked that Appendix G to the March 10, 2020, City Council accessory dwelling unit ordinance staff report is well done. He also remarked that the information should have been available to the Planning Commission.

V. <u>REQUEST FOR CONTINUANCES</u>

None

VI. <u>CONSENT ITEMS</u>

ITEM NO. 1 MINUTES OF FEBRUARY 20, 2020 Recommended Action: Approve and file

Motion made by Vice Chair Weigand and seconded by Chair Koetting to approve the minutes of the February 20, 2020 meeting with the revisions suggested by Mr. Mosher.

AYES: Koetting, Weigand, Lowrey, Ellmore, Klaustermeier, and Rosene NOES:

ABSTAIN: Kleiman ABSENT:

VII. PUBLIC HEARING ITEMS

ITEM NO. 2 NEWPORT ANIMAL HOSPITAL EXPANSION (PA2019-268) Site Location: 21159 Newport Coast Drive

Summary:

A request for a conditional use permit for the expansion of an existing 1,766-square-foot animal clinic for domestic pets into a 1,500-square-foot adjacent suite. The expansion will result in a 3,266-square-foot clinic. The hours of operation are from 8:00 a.m. to 7:00 p.m., daily. Animals no larger than the largest breed of dogs will be given medical and surgical treatment and the facility is primarily for the treatment of outpatients. Only critical patients will be kept longer than 24 hours, and boarding is not proposed. The applicant expects to assist 10 to 40 clients per day. If approved, this conditional use permit would supersede Use Permit No. UP2010-026, which would be rescinded.

Recommended Action:

- 1. Conduct a public hearing;
- 2. Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 under Class 1 (Existing Facilities) of the CEQA Guidelines, because it has no potential to have a significant effect on the environment; and
- 3. Adopt Resolution No. PC2020-008 approving Use Permit No. UP2019-060.

Associate Planner David Lee reported the project is an expansion of an existing animal hospital located in the Newport Coast Shopping Center. Surrounding uses include Newport Coast Community Center, Newport Coast Elementary School, and residential. The Planning Commission approved the existing animal hospital in 2010. The existing animal hospital serves animals no larger than the largest breed of dogs, keeps only critical patients overnight, and does not offer boarding services. The hours of operation are 8 a.m. to 7 p.m. Monday through Friday and 8 a.m. to 3 p.m. on Saturday. The existing hospital contains 1.766 square feet. The applicant proposes to expand the existing hospital into the adjacent 1,500-square-foot suite for treatment, surgery, and exam rooms. The number of provided parking spaces exceeds the number of required spaces by 18. Proposed conditions of approval include sound abatement, building maintenance, and medical waste and gases from the existing use permit.

In response to Chair Koetting's inquiries, Associate Planner Lee advised that the Irvine Company submitted a letter authorizing the project application. Adjacent tenants have not expressed any concerns, and there have been no code enforcement issues. Deputy Director Jim Campbell added that the County of Orange reviews residential development projects in Newport Coast. Parking requirements for Newport Coast are a hybrid of County of Orange and City of Newport Beach requirements.

John Giannone, applicant/owner, indicated the animal hospital is successful and serves approximately 7,000 patients. He and two other veterinarians practice at the hospital. The shopping center provides plenty of parking spaces. Neither the public nor adjacent tenants have complained about the animal hospital. Patients in critical condition receive care during the day but are referred to critical care hospitals for overnight care.

Chair Koetting opened the public hearing.

David Tanner recommended the Planning Commission approve the project as the animal hospital provides a vital service to the community.

Chair Koetting closed the public hearing.

Motion made by Vice Chair Weigand and seconded by Commissioner Rosene to adopt Resolution No. PC2020-008 approving Use Permit No. UP2019-060.

AYES: Koetting, Weigand, Lowrey, Ellmore, Klaustermeier, Kleiman, and Rosene NOES: ABSTAIN: ABSENT:

VIII. <u>NEW BUSINESS</u>

ITEM NO. 3 ANNUAL GENERAL PLAN PROGRESS REPORT (PA2007-195) Site Location: Citywide

Summary:

Annual progress report on the status and implementation of the General Plan and Housing Element as required by State law and General Plan Implementation Program 1.3.

Recommended Action:

 Find the preparation, review and submission of the 2019 General Plan Progress Report not subject to the California Environmental Quality Act (CEQA) as the actions are not a project as defined by Section 15378(b)(2) of the Public Resources Code;

- 2. Review and comment on the 2019 General Plan Progress Report, including the Housing Element Annual Progress Report; and
- 3. Recommend the City Council review and authorize the submittal of the 2019 General Plan Progress Report to the California Office of Planning and Research and the submittal of the Housing Element Annual Progress Report to the State Department of Housing and Community Development.

Assistant Planner Melinda Whalen reported the report is required by State law and covers the 2019 calendar year. The report provides an overview of General Plan implementation, required housing statistics, a detailed status of Housing Element programs, compliance with the Office of Planning and Research's (OPR) guidelines for General Plans, and priorities for land-use decision-making. The Council initiated a General Plan Update process in January 2019 and refocused the process in early 2020 based on Dyett and Bhatia's compliance memorandum and the Regional Housing Needs Assessment (RHNA) allocation. The Council formed a Housing Element Update Advisory Committee (HEUAC), which will meet on March 25, 2020. Charter Section 423 statistical area tracking tables and transfer of development tracking tables are now both available on the City's website as a resource to the public.

Assistant Planner Whalen went on to note that the California Department of Housing and Community Development (HCD) provides required reporting forms. Approved entitlements include 78 low-income housing units from the Newport Crossings project and 363 above-moderate-income units. Building permits have been issued for two very-low-income and one low-income accessory dwelling units (ADU) and 23 above-moderate-income housing units. Certificates of occupancy have been issued for 91 very-low-income units from the Uptown Newport project and 171 above-moderate-income housing units. The City has received 16 applications for accessory dwelling units, 11 of which have been permitted and three have been finaled. Funds totaling approximately \$243,466 have been expended from the Senior Housing Assistance Repair Program (SHARP) for 11 projects. In the Uptown Newport project, 227 units including 91 affordable units were completed and finaled in 2019. The next step is to forward the report to City Council for review and to authorize submittal to OPR and HCD by April 1.

In response to Chair Koetting's queries, Assistant Planner Whalen advised that \$600,000 was allocated from the affordable housing in-lieu fund to SHARP. Habitat for Humanity makes home repairs for low-income seniors who qualify for SHARP. OASIS administers and promotes SHARP. The program is active; although, applications have slowed recently.

In reply to Commissioner Klaustermeier's question, Deputy Director Campbell indicated the Newport Airport Village project, which proposes 329 housing units, will likely be the largest project the Planning Commission will review in the next year. Staff is reviewing a couple of other projects that include housing, but the Planning Commission will probably not review them until early 2021.

In answer to Commissioner Kleiman's inquiry, Deputy Director Campbell explained that the General Plan Update Steering Committee had essentially completed its mission, and a General Plan Advisory Committee was the next step. When the Council refocused its efforts on the Housing Element and other elements necessary to support the RHNA allocation, it formed the HEUAC, which is composed of nine residents and chaired by Larry Tucker. Mayor O'Neill is a nonvoting member of the HEUAC.

In response to Secretary Lowrey's query, Deputy Director Campbell clarified that the City plans for the RHNA allocation rather than constructs the specified number of housing units. The Annual General Plan Progress Report reflects units constructed, permitted, and occupied to indicate whether housing production will meet the current RHNA allocation. The current eight-year planning cycle extends through 2021. Projects constructed, permitted, and occupied prior to January 2022 will count towards the current RHNA allocation of five units. The Regional Council of the Southern California Association of Governments (SCAG) has adopted the existing RHNA methodology; therefore, the City's RHNA allocation is 4,832 units. The City Council has authorized staff to prepare an appeal of the allocation. Appeals are scheduled to be resolved in October 2020. Staff will proceed with identifying housing opportunity sites for 4,832 units and await resolution of the appeal.

In reply to Vice Chair Weigand's questions, Deputy Director Campbell indicated that a total of 2,200 housing units can be entitled and constructed in the airport area. That number does not include any units authorized through a density bonus provision. Projects that have been entitled and are located in the airport area are Uptown Newport with 922 General Plan units and 322 density bonus units and Newport Crossings with approximately 281 General

Plan units and 69 density bonus units. Around 1,000 housing units remain for entitlement in the airport area. If all 2,200 units in the airport area are constructed and occupied prior to January 2022, the General Plan will have to allow additional units in the airport area or accommodate the RHNA allocation in other areas of the City. The HEUAC will recommend General Plan revisions to the Planning Commission and City Council. The HEUAC will focus on updating the Housing, Circulation, and Land Use Elements and developing environmental justice policies. Updating the remainder of the General Plan will occur on a parallel track. At a minimum, the State requires environmental justice policies to address disadvantaged areas. The City's one disadvantaged area is an industrial property located near Costa Mesa.

In answer to Chair Koetting's inquiries, Deputy Director Campbell reported a preliminary application without plans has been submitted for a revised Koll Center Residences project. The proposed density for the revised project may be included in the General Plan Update as a housing opportunity site. No sites remain in the Newport Center statistical area for housing development. Fashion Island does not accommodate residential uses. A pending application for the car wash site in Newport Center proposes 28 units. Banning Ranch is listed in the Housing Element as an opportunity site for 1,375 units, but it is not considered vacant because of the active oil wells on the site. Based on the current definitions of housing opportunity sites, staff does not believe Banning Ranch can be reused in the upcoming Housing Element unless there is substantial evidence that it can be developed for housing within the next eight-year planning cycle.

Jim Mosher inquired regarding the actual number of occupied housing units in the City, and the change in that number in 2019; the exact number of acres of vacant land located in or within 3 miles of the Coastal Zone; the number of housing units allowed by existing zoning but not developed, and whether the potential development could be counted toward the RHNA allocation. Banning Ranch is located in the unincorporated portion of the County, and housing developed on Banning Ranch would be assigned to the County of Orange. He questioned whether the City updates and reports its site inventory as required by SB 6.

David Tanner expressed concern regarding the impression the State will have about the status of the City's General Plan and Housing Element. He urged the Planning Commission to revise the report to emphasize the status of the General Plan, the challenges facing the City in updating the General Plan, and the cumulative effects that changes in circumstances have had and are having on the City's General Plan and the update process.

Deputy Director Campbell advised that a portion of Banning Ranch is located within the County's territory, and the County's Housing Element includes housing opportunity sites on several parcels of Banning Ranch. The County has allowed the City to plan for Banning Ranch based upon the idea that the City will annex it. Staff will have to discuss the situation with the County. Staff determined the number of vacant acres of land because the Mello Act does not apply to communities that have less than 50 acres of vacant land. However, SB 330 does not allow a city to reduce density on an individual lot basis. Staff can calculate the latent development potential for the City and will examine whether it can be applied to the RHNA allocation. The Annual Report looks back at 2019 progress toward implementing the General Plan rather than to the future.

Motion made by Chair Koetting and seconded by Commissioner Ellmore to approve the staff recommendation and to direct staff to include public comment in its report to the Council.

AYES: Koetting, Weigand, Lowrey, Ellmore, Klaustermeier, Kleiman, and Rosene NOES: ABSTAIN: ABSENT:

IX. STAFF AND COMMISSIONER ITEMS

ITEM NO. 4 MOTION FOR RECONSIDERATION

None

ITEM NO. 5 REPORT BY THE COMMUNITY DEVELOPMENT DIRECTOR OR REQUEST FOR MATTERS WHICH A PLANNING COMMISSION MEMBER WOULD LIKE PLACED ON A FUTURE AGENDA.

Deputy Director Campbell reported a community meeting regarding residential design standards is scheduled for 6 p.m., March 9, 2020 in the Civic Center Community Room. The accessory dwelling unit ordinance will be presented to the City Council on March 10, 2020. The agenda for the Planning Commission's March 19, 2020, meeting includes three public hearings. On March 24, 2020, the City Council will hear the appeal of the project located at 215 Riverside Drive. The HEUAC's first meeting will be at 6 p.m. March 25, 2020, in the City Council Chambers. The Planning Commission's April 9, 2020, meeting will likely be canceled. Two public hearings and a study session have been scheduled for the Commission's April 23, 2020, meeting.

In response to Commissioner Kleiman's questions, Deputy Director Campbell advised that the City has entered into license agreements with some wireless carriers. The licensing agreements establish the business relationship for the use of the City's streetlights. A minor use permit is required for each location. Applications are pending, and the Zoning Administrator will hear the applications. The Irvine Company is reconstructing the parking lot at Crystal Cove Shopping Center. City Traffic Engineer Tony Brine indicated staff has completed a project for signal equipment and timing along Coast Highway and is monitoring the changes. Adjustments to signal timing will be made as needed.

In reply to Vice Chair Weigand's inquiries, Assistant City Attorney Yolanda Summerhill recommended staff schedule an agenda item for the parking lot project at Ensign Intermediate School, if requested.

In answer to Chair Koetting's queries, City Traffic Engineer Brine indicated the Corona del Mar High School sports field is undergoing an expansion with seating, lighting, and practice fields. Newport-Mesa Unified School District held a public hearing for the project. He also indicates that the City does not dedicate a staff member to communicate with Newport-Mesa Unified School District about its projects, but different departments are involved in the School District projects on an as needed basis. Staff is working with Newport-Mesa Unified School District regarding the project at Ensign Intermediate School. The School District scheduled the March 16, 2020, meeting as a community outreach meeting.

ITEM NO. 6 REQUESTS FOR EXCUSED ABSENCES

None

X. <u>ADJOURNMENT</u> – 7:45 p.m.

The agenda for the March 5, 2020, Planning Commission meeting was posted on Friday, February 28, 2020, at 03:11 p.m. in the Chambers binder, on the digital display board located inside the vestibule of the Council Chambers at 100 Civic Center Drive, and on the City's website on Friday, February 28, 2020, at 03:21 p.m.

Peter Koetting, Chairman

Lee Lowrey, Secretary