



June 4, 2021

VIA EMAIL

citycouncil@newportbeachca.gov

**Subject: June 8, 2021 City Council Agenda, IV. CLOSED SESSION, Item B.
Conference with Real Property Negotiators**

Mayor Avery and Members of the City Council,

Given the posting of the above referenced agenda item, it appears that the City is once-again entering into, more-or-less, a sole-source disposition of the old fire station at 3300 Newport Blvd. This parcel shares the same parcel lines to our Via Lido Plaza development, which we have owned since the 1980's.

Apparently, my previous letter dated March 23, 2021 to you, now public record regarding this matter, has been misplaced or discarded without any response yet to date from either Staff or any Council Members (I have attached another copy of the letter for reference). In the letter, on behalf of Fritz Duda and our ownership group, we requested that the City involve our team, as a longstanding adjacent property owner, in future discussions regarding the disposition of the old fire station and that we have professional planners and other consultants we are willing to contribute to a joint effort of planning viable solutions that benefit all parties including the Lido House, Via Lido Plaza, the City, and the general public. Why would this approach not be considered?

The appearance that the City is attempting to rush through the price and terms of payment on a sole-source ground lease greatly concerns us, especially since it seems to violate the State's surplus land laws, which apply before the sale *or lease* of any city property may be consummated. Surplus land law requires that the City declare at a public meeting that the old fire station property is either (1) surplus land, meaning it is not necessary for the City's use, or (2) exempt surplus land. Assuming that the old fire station property is not exempt, the City must comply with various requirements before disposing of the land, including potentially marketing the property to the general public. I think that the City already knows this, which is why it undertook a RFP process in 2013 when disposing of the adjacent city hall property.

As you may also know, we recently submitted an application for a General Plan Amendment, Zone Change and other approvals (Case No. PA2101-102) in order to redevelop the Lido Village property into a mixed-use project with retail, office, and residential uses. The centerpiece of this mixed-use project would be a rejuvenated Lido Theater. Several options of that planning may also incorporate the old fire station at 3300 Newport Blvd that can also *mutually benefit all the above-named parties!*

So again, please accept this letter as our repeated request that the City first engage our firm, Mr. Olson's firm, and the City to all meet jointly to discuss mutually beneficial land planning for a more comprehensive solution. We stand ready and thank you in advance for your reply.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Paul Tanguay'.

Paul Tanguay
Vice President





March 23, 2021

Mayor and Members of the Newport Beach City Council

RE: Lido Fire Station Site Negotiations with 3300 Newport Blvd, Closed Session Item on 3/23/2021 City Council Meeting – Agenda Item IV. A

Dear Mayor and Councilmembers:

We understand that the City of Newport Beach is negotiating with the owners of the Lido House Hotel to lease the old Lido fire station located on 32nd Street which abuts our property at Via Lido Plaza (3415 - 3475 Via Lido). We are concerned about several issues involving this property and its history. While we are not informed relative to the details of the Council proceedings, we are surprised that an adjoining property owner has not been included. We believe there are several important considerations that should be vetted in public which include traffic circulation, public parking access and parking issues relative to the existing hotel. We believe there are several options that would be beneficial to both properties and the Lido core area.

With the moving of City Hall to Newport Center, we worked with the City to relocate the decades old existing access to the shopping center from 32nd Street through the City Hall site to a new access on Via Oporto in order to help the City allow for the development of the Lido House Hotel. This access from Via Oporto required us to reconfigure our parking lot and required the City to remove multiple parking spaces on Via Oporto plus made a section of Via Oporto a two-way street so trucks could get in and out of the shopping center to replace the access we used to enjoy from 32nd Street.

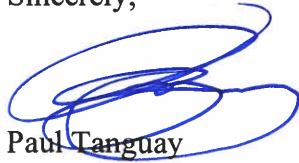
While this was not a perfect solution and did result in the loss of both public and private parking spaces, it did allow for the limited access to our Via Lido center from 32nd street. During this period we allowed fire station personnel to park on our lot as an accommodation to their needs and the lack of parking alternatives. With the relocation of the fire station there are several options including a public parking component; improved access and circulation from the 32nd Street and Via Oporto intersection; as well as revisiting the City proposal (made some years ago) to trade certain portions of the City property in exchange for portions of the Via Lido property to better align parking and access.

As you know, we are finishing design work on a multi-million dollar restoration of the iconic Lido Theater. This will become the centerpiece of the ultimate redevelopment of the Via Lido property in future years. Those plans will be shared during the general plan review that is currently underway. This planning has been delayed due to the pandemic but we are now well along in this major undertaking which will benefit all of the retail and hotel elements in the area.

We would urge the Council, Staff and all interested parties to meet jointly and consider the various planning options that are now presented; these can mitigate the current challenges as well as afford longer term benefits for the Lido core area.

We are standing by to contribute in discussions and planning as needed with Staff and we appreciate in advance your consideration.

Sincerely,



Paul Tanguay
Vice President
Fritz Duda Company