



CITY COUNCIL AGENDA REPORT

MEETING DATE: JULY 21, 2009

ITEM NUMBER:

SUBJECT: URBAN PLAN AMENDMENT NO. 1 TO THE MESA WEST BLUFFS URBAN PLAN

DATE: JULY 2, 2009

FROM: DEVELOPMENT SERVICES DEPT.

PRESENTATION BY: CLAIRE L. FLYNN, AICP, PLANNING ADMINISTRATOR
KIMBERLY BRANDT, ACTING DIRECTOR

FOR FURTHER INFORMATION CONTACT: CLAIRE FLYNN (714) 754-5278

RECOMMENDATION:

Pursuant to Planning Commission's recommendation, adopt resolution approving Amendment No. 1 to the Mesa West Bluffs Urban Plan.

BACKGROUND:

Mesa West Bluffs Urban Plan

Adopted in April 2007, the Mesa West Bluffs Urban Plan allows live/work or residential development in the 277-acre plan area. Adopted in April 2007, this Urban Plan has been in place for almost three years.

The Mesa West Bluffs Urban Plan limits development intensity as follows:

- Medium Density Residential Uses to be a maximum of **13 units/acre**.
- Live/work units to be a maximum of approx. **20 units/acre**.

No other Urban Plan features this distinction between high-density live/work units and medium-density residential development. Questions have been raised regarding live/work units allowed to proceed at a high density (i.e. 20 du/acre) but ultimately reverting to high-density residential uses without the appropriate residential amenities.

Purpose of Amendment No. 1 to the Mesa West Bluffs Urban Plans

The purpose of the Urban Plan amendment is to accomplish the following:

- Provide additional guidance to Developers with general inquiries.
- Make timely revisions to the documents at a time when urban plan development activity has slowed. (Last screening request was received August 2007).

Planning Commission Hearings

On April 13, May 11, and June 8, 2009, Planning Commission conducted public hearings on the proposed amendment. At the June 8th meeting, Commission adopted a resolution to recommend Council approval of specific changes to the Urban Plan.

The meeting minutes and staff report may be found online at:
<http://www.ci.costa-mesa.ca.us/council/planning.htm>

ANALYSIS:

Deliberations on Urban Plan Amendment

A general summary of the proposed changes to the Urban Plan, as recommended by the Planning Commission, is provided as *Table A, Summary of Amendment, Attachment 1*.

Commissioner Comments

Planning Commission held three public hearings on the proposed amendment, and there was extensive debate on the proposed changes. There were concerns related to live/work units becoming high-density residential uses and the need to establish a minimum standard for the size of the work space. Planning Commission recommended on a 3-2 vote (Commissioners Fidler and Clark voting no) to add descriptive text to the Urban Plan in regards to live/work units and not include a minimum size standard for the "work space" component of a live/work unit. Commission also recommended adoption of additional language for the consideration of "deviations" from the urban plan standards.

- Minutes excerpt of June 8, 2009 meeting (Attachment 3).
- Public Correspondence received to date, including two new communications received after the Planning Commission hearings from C.K. Allen and Nate Statler. (Attachment 4).

ENVIRONMENTAL DETERMINATION:

The Mesa West Urban Plan is the subject of a previously-approved Initial Study/Mitigated Negative Declaration (April, 2006). The proposed amendment has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA guidelines, and the City's environmental procedures, and has been found to be exempt pursuant to Section 15061 (9b) (30 (general rule)) of the CEQA Guidelines.

ALTERNATIVES CONSIDERED:

Council may consider the following options:

1. *Per the Planning Commission's recommendation, approve Amendment No. 1 to the Mesa West Bluffs Urban Plan, with any modifications.* Council may adopt the attached resolution containing the proposed amendments. Council may also include any modifications to the amended pages (Exhibit "A" of Attachment 2).

2. Receive and file report. Council may choose to make no textual changes to the Urban Plan at this time. The report will be received and filed.

FISCAL REVIEW:

Fiscal review is not required for this item.

LEGAL REVIEW:

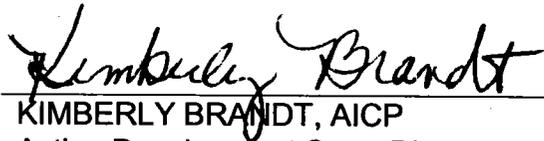
The City Attorney's office approved the attached resolution as to form.

CONCLUSION:

The Mesa West Bluffs Urban Plan has been in place for three years since its adoption in April 2006. The proposed amendments address questions raised by Developers and further refine the plan documents to serve as a better resource to developers in the design of quality projects. The attached Exhibit "A" reflects the Commission's recommendations on proposed amendments to the Mesa West Bluffs Urban Plan.



CLAIRE FLYNN, AICP
Planning Administrator



KIMBERLY BRANDT, AICP
Acting Development Svcs. Director

- Attachments:
1. Table A - General Summary of Proposed Amendment
 2. Approval Resolution / Exhibit "A" – Amended Pages
 3. June 8th Commission Minutes Excerpt
 4. Correspondence Received to Date

Distribution: City Manager
Assistant City Manager
City Attorney
Acting Development Svcs. Director
Public Services Director
City Clerk (2)
Staff (4)
File (2)

File: 072109UrbanPlanAmend	Date: 070909	Time: 4:30 p.m.
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Table A – Planning Commission’s Recommendations

<ul style="list-style-type: none">• <u>**Remove references to “adequately sized” work spaces throughout document.</u> This is pursuant to the Planning Commission’s direction at the May 11th meeting. [Page 7]• <u>Include clarification that roof gardens shall not be considered a building story.</u> Therefore, a proposed 4-story building may include four building levels because a roof garden is not considered an extra story. [See Table A1, Page 11, of Urban Plan]
<ul style="list-style-type: none">• <u>Include clarification that other mixed-use development standards from different Urban Plans may apply to a project.</u> For example, this would allow mixed-use projects proposed in the Mesa West Bluffs Urban Plan to adhere to the mixed-use standards set forth in the 19 West Urban Plan. These standards are not contained in the Mesa West Bluffs Urban Plan because it focuses on live/work units and residential loft standards. [See Table A, Page 11, of Urban Plan]
<ul style="list-style-type: none">• <u>Include explanation of deviations (and justifications for deviations).</u> Applicants have asked for more guidance regarding justifications for requested deviations. Additional discussion is provided in the Urban Plans which better describe specific on-site and off-site improvements that could be incorporated into the project design to justify deviations. [See Page 10 of Urban Plan]
<ul style="list-style-type: none">• <u>Include important distinctions between live/work units and residential lofts.</u> This discussion addresses the reversion of live/work units to residential uses. [See Page 8 of Urban Plan]
<ul style="list-style-type: none">• <u>Include minimum interior dimensions of 10-foot wide by 38-foot long for two-car tandem garages.</u> [See Table A, Page 11, Urban Plan]

RESOLUTION NO. 09-___**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, APPROVING AMENDMENT NO. 1 TO THE MESA WEST BLUFFS URBAN PLAN SP-05-08 RELATED TO ADDITIONAL MIXED-USE, LIVE/WORK, AND RESIDENTIAL LOFT DEVELOPMENT PROVISIONS.****THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:**

WHEREAS, Amendment No. 1 to the Mesa West Bluffs Urban Plan (SP-05-08) includes textual amendments to the plan document related to mixed-use development, live/work units, and residential loft provisions;

WHEREAS, City Council adopted the Mesa West Bluffs Urban Plan in April 2006, and the Urban Plan sets forth development standards and land use regulations relating to the nature and extent of land uses and structures in compliance with the City's 2000 General Plan;

WHEREAS, the Mesa West Bluffs Urban Plan establishes mixed-use development provisions for a mixed-use overlay district generally located within an approximately 277-acre area bound by Victoria Street (north), Superior Avenue (east), and City limits (south and west);

WHEREAS, a public hearing was held on April 13, 2009, May 11, 2009, and June 8, 2009 by the Planning Commission, with all persons having been given the opportunity to be heard both for and against the proposed project;

WHEREAS, the environmental review for the project was processed in accordance with the requirements of the California Environmental Quality Act (CEQA) and the State CEQA Guidelines, and the proposed project was found to be exempt from CEQA;

WHEREAS, Planning Commission adopted a resolution recommending City Council approval of the proposed amendment;

WHEREAS, City Council deems it to be in the best interest of the City that said Amendment No. 1 to the Mesa West Bluffs Urban Plan be adopted;

BE IT RESOLVED that the City Council **HEREBY APPROVES** Amendment No. 1 to the Mesa West Urban Plan as set forth in Exhibit "A."

PASSED AND ADOPTED this 21st day of July 2009.

ALLAN MANSOOR
MAYOR, CITY OF COSTA MESA

ATTEST:

APPROVED AS TO FORM:

CITY CLERK OF THE
CITY OF COSTA MESA

CITY ATTORNEY

EXHIBIT "A"

AMENDED PAGES OF MESA WEST BLUFFS URBAN PLAN

HISTORICAL CONTEXT

The City of Costa Mesa was incorporated in 1953. The Westside was among the earliest areas in the City to develop and is characterized by a diverse population, land uses, job opportunities, and housing choices. Some positive aspects of the Westside include its diverse land uses and convenient access to Fairview Park, beaches, and other recreation areas.

The Westside area is located as follows: Fairview Park and the Costa Mesa Golf Club to the north, the Santa Ana River to the west, the City of Newport Beach to the south, and Harbor Boulevard and Superior Avenue to the east. The area contains approximately 1,788 acres, or 2.8 square miles (see Figure 1).

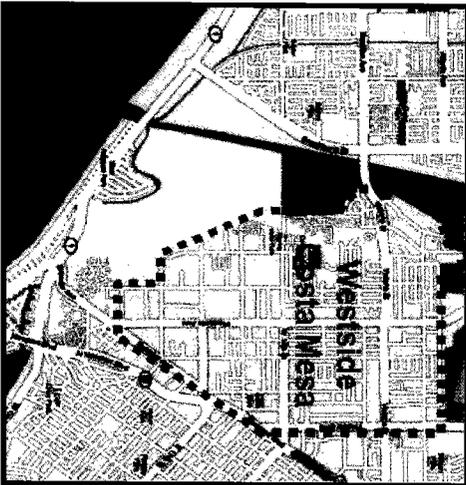
The Westside Specific Plan was prepared in October, 2000. While this planning document was not formally adopted, some of the revitalization strategies in the plan have been used as a guide to stimulate area-wide improvement. In addition, the Westside Revitalization Oversight Committee (WROC) was convened to recommend revitalization strategies and identify specific areas for further improvement. The recommendations of the WROC assisted the City Council in identifying the Live/Work Overlay Zone and providing policy direction.

Relationship to Other Westside Urban Plans

The Westside Implementation Plan was adopted in March 2005. Three Urban Plans were created to establish overlay zones in specific areas of the Westside: (1) 19 West Village Urban Plan, (2) Mesa West Bluffs Urban Plan, and (3) Mesa West Residential Ownership Urban Plan (see Figure 2). Each Urban Plan provides guidance to property owners and Developers for new development and redevelopment. All together, these plans will provide a framework for major private market reinvestment and improvements for the

Westside. However, the Urban Plans avoid being excessively restrictive by not dictating architectural design guidelines or establishing exterior building colors.

Figure 1: Vicinity Map of Westside



WESTSIDE URBAN PLAN AREAS

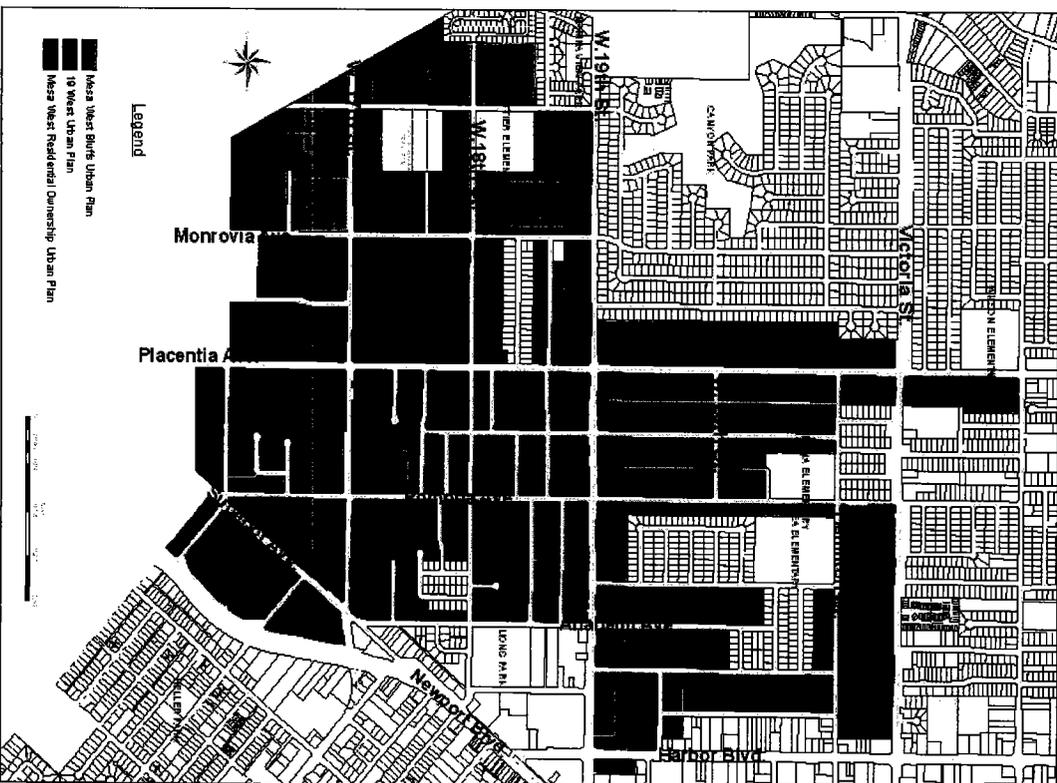


Figure 2: Identification of three separate Urban Plan areas for revitalization of Westside

WROC COMMITTEE

Many cities face similar situations where incompatible land uses are located side-by-side, and where public safety programs are consistently being impacted by a high demand for services from concentrated problem areas within the community. These problems often tend to spread, thus impacting adjoining neighborhoods or business areas. In August, 2003, the Redevelopment Agency appointed 40 members to the Westside Revitalization Oversight Committee (WROC). The WROC's objective was to build upon previous work completed by the Community Redevelopment Action Committee (CRAC). Through the efforts of an intense citizen participation program, the WROC assisted City Council/Redevelopment Agency in developing a long-term vision for the Westside.

Citizen participation was a critical part of the Westside Revitalization Program. The City wished to encourage all residents, especially those living adjacent to industrial properties, to participate in its planning process. In addition, other representatives from the business community were invited. The members of the Westside Revitalization Oversight Committee consisted of representatives of the following groups:

- Homeowners
- Industrial Business and Property Owners
- Rental Property Owners
- Commercial Business and Property Owners
- Residential Tenants
- Community Service Organizations

The public participation process was based on the premise that community planning begins with open communication and the exchange of information and ideas. With this exchange, a comprehensive revitalization plan could be developed which had both effective actions to implement in the short-term future and also broad public support.

The WROC provided all persons interested in the Westside with the opportunity to participate and provide feedback on what they envisioned for the future of the Westside. This concept was unusual because seldom is a committee encouraged to have a large membership. However, this committee of forty members proved that multiple diverse opinions and interest groups could come together to provide valuable input to its City leaders. This was demonstrated by the WROC through their intense commitment, a strong desire for change, diverse representation of the community, and numerous varying ideas and opinions. Compromise was not easily achieved, but when reached it was supported by a supermajority of the membership (Fig. 3). The WROC's final report and implementation plan are significant since both documents represent the consensus of this 40-member committee (Figure 4). The City of Costa Mesa's Redevelopment Agency and City Council used the WROC's findings and recommendations in their decision-making process to identify the Urban Plan areas and to apply General Plan land use policies for mixed-use development.

The primary difference between this urban plan and the WROC recommendations for the residential and live/work overlay zones lies in the scope of the overlay zones. The WROC recommendations identified three area specific areas where the overlay zones were "appropriate". These included a medium density (12 units per acre) residential overlay zone for the 30-acre area west of Whittier Avenue, and two live/work areas (one for approximately 20 parcels west of east of Whittier Avenue and a second for approximately 25 parcels north of W. 18th Street (from Placentia to Whittier Avenue). This Urban Plan area includes nearly the entire southwest industrial core and allows a residential overlay density at 13 units per acre, and live/work developments throughout the plan area.

Figure 3
Several Westside Revitalization Oversight Committee members making public comments at City Council meeting.

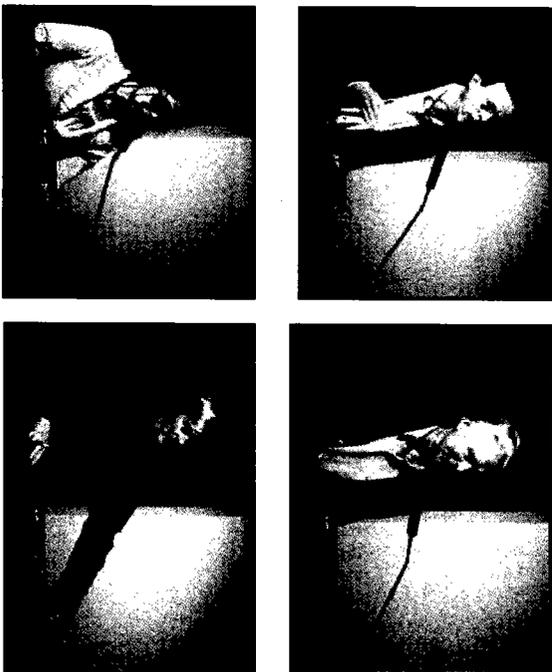
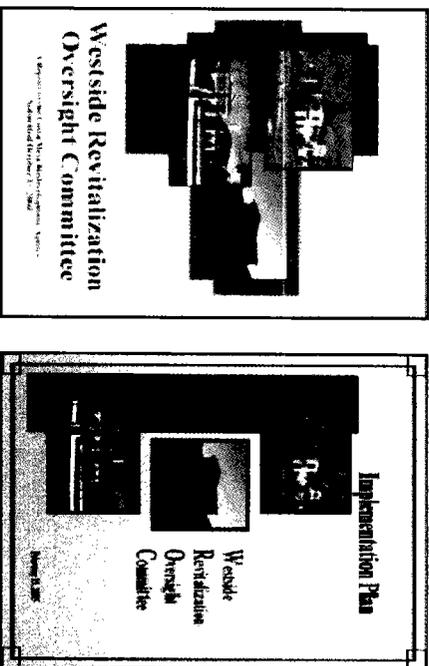


Figure 4
WROC Planning documents



IDENTIFICATION OF MESA WEST BLUFFS OVERLAY ZONE/URBANPLAN AREA

Mesa West Bluffs Urban Plan Area

On March 15, 2005, the Costa Mesa City Council unanimously approved several revitalization strategies aimed to improve the Westside. City Council identified the Mesa West Bluffs Urban Plan area as a live/work or residential overlay area. The Zoning Map was amended on [date pending] to reflect this overlay zone for the plan area.

The Mesa West Bluffs Urban Plan area is approximately 277 acres in size. Some major roadways in the plan area include West 17th Street, West 18th Street, Placenta Avenue, and Pomona Avenue. The Live/Work and Residential Overlay Zone in the Mesa West Bluffs area is identified in Figure 9.

Adoption of the Urban Plan

On February 13 and March 13, 2006, Planning Commission conducted public hearings on the three proposed Westside Urban Plans. The Planning Commission (Figure 5A) reviewed these plans at a total of five study sessions and two public hearings and unanimously recommended approval of the plan to City Council.

On April 4, 2006, City Council (Figure 5B) adopted the Mesa West Bluffs Urban Plan.



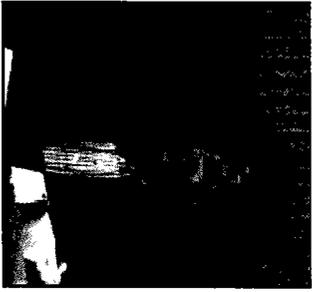
Chair Bill Perkins



Vice Chair Dawn Hall



Commissioner Eleanor Egan



Commissioner James Fister



Commissioner Bruce Garlich

PLANNING COMMISSION
Figure 5A



Mayor Allan Mansour



Council member Linda Dixon



Mayor Pro Tem Eric Beyer



Council member Karina Foley



Council member Cary Monahan

CITY COUNCIL

Figure 5B

OBJECTIVES OF URBAN PLAN

Purpose of Overlay Zoning

Overlay zoning is a useful tool in promoting the long-term goals of the Mesa West Bluffs Urban Plan. By giving a plan the weight of law, an overlay zoning district helps ensure successful implementation of the plan's strategies. The overlay zone applies zoning provisions to the Mesa West Bluffs Urban Plan area. When activated by an approved Master Plan, the underlying zoning district is superseded by the zoning regulations of the Mesa West Bluffs Urban Plan, unless otherwise indicated.

The Mesa West Bluffs Urban Plan does not propose any major intensification of land uses. The emphasis is on improving the Urban Plan area by providing visual enhancement and encouraging the development of live/work units or residential development within the plan area. Thus, future traffic will be supported by the General Plan roadway network.

With regard to the Live/Work Lofts or Residential Overlay Zone, the Mesa West Bluffs Urban Plan implements General Plan goals/objectives/policies for mixed-use development and new residential development by regulating allowable land uses and development standards.

The objectives of the Mesa West Bluffs Urban Plan include:

- *Identify development regulations* to realize the vision of the Urban Plan. These regulations address mixed-use development standards as well as public streetscapes and urban design improvements and amenities.
- *Provide a Land Use Matrix of allowable uses* for live/work development that recognizes the development potential of the

plan area and need to sensitively integrate new development with the surrounding areas, and therefore, promote both resident and business community confidence in the long term.

- *Encourage the construction of Live/Work Units* that combine residential and nonresidential uses in the same unit without exceeding the development capacity of the General Plan transportation system.

- *Attract more residents and merchants* by allowing mixed-use development in the form of a live/work loft, which offers first floor retail/office uses and upper story living spaces in the same unit.

- *Encourage adaptive reuse* of existing industrial or commercial structures, which would result in rehabilitated buildings with unique architecture and a wider array of complementary uses.

- *Stimulate improvement in the Mesa West Bluffs Urban Plan area* through well-designed and integrated urban residential development that is nontraditional in form and design with flexible open floor plans and which complements the surrounding existing development.

- *Meet demand for a new housing type* to satisfy a diverse residential population comprised of artists, designers, craftspeople, professionals and small-business entrepreneurs.

- *Promote new type of urban housing* that would be target-marketed to people seeking alternative housing choices in an industrial area. An urban loft would be an alternative to a traditional single-family residence, tract home, or small-lot subdivision.

- *Encourage the design and development of urban residential structures* reflecting the urban character of the surrounding industrial context both in the interior and exterior areas.

- *Encourage quality live/work development* which promote business activity through work spaces and amenity areas and which are distinct from residential lofts/life-style lofts in design and function.



Figure 6: Artist Rendering of a Live/Work Unit

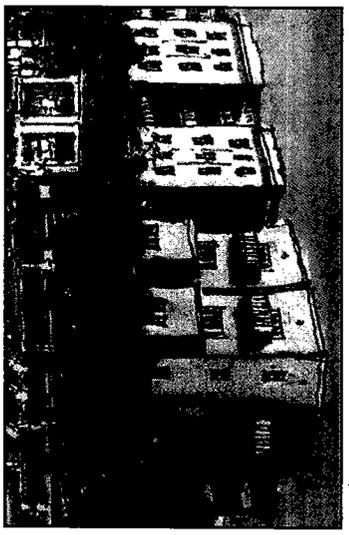


Figure 7: Artist Rendering of four-story residential building

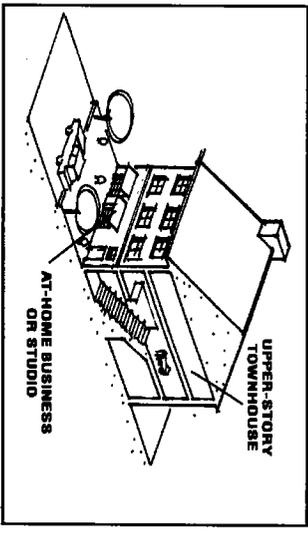


Figure 8: Section Drawing of a Live/Work Unit, showing at-home business on the ground floor and living area

GENERAL PLAN AND ZONING

The Mesa West Bluffs Urban Plan area is characterized by a wide variety of land uses. The plan area is composed of the Light Industry General Plan land use designation.

The plan area consists of the following zoning classifications:

- C1 - Commercial Limited
- M6 - General Industrial

The General Plan land use designations (Figure 9A) and zoning classifications (Figure 9B) in the urban plan area are shown on the following pages.

EXISTING LAND USE CONTEXT

The Westside's primary uses are single- and multi-family neighborhoods, and industrial uses. The single-family neighborhoods are located north and south of 19th Street and, in some areas, are undergoing increased renovation activities. Multi-family neighborhoods are found throughout the Westside, with a substantial number of units both north and south of 19th Street. The industrial areas of the Westside are concentrated south of 19th Street and along Placentia, north of 19th Street. Industrial properties are experiencing low vacancy rates and strong property values.

The primary uses in the plan area include light industrial uses and some local businesses. There are approximately 400 nonconforming residential units (general estimate only) in the plan area. Some existing industrial businesses and residential uses in the urban plan area are shown in Figure 10.

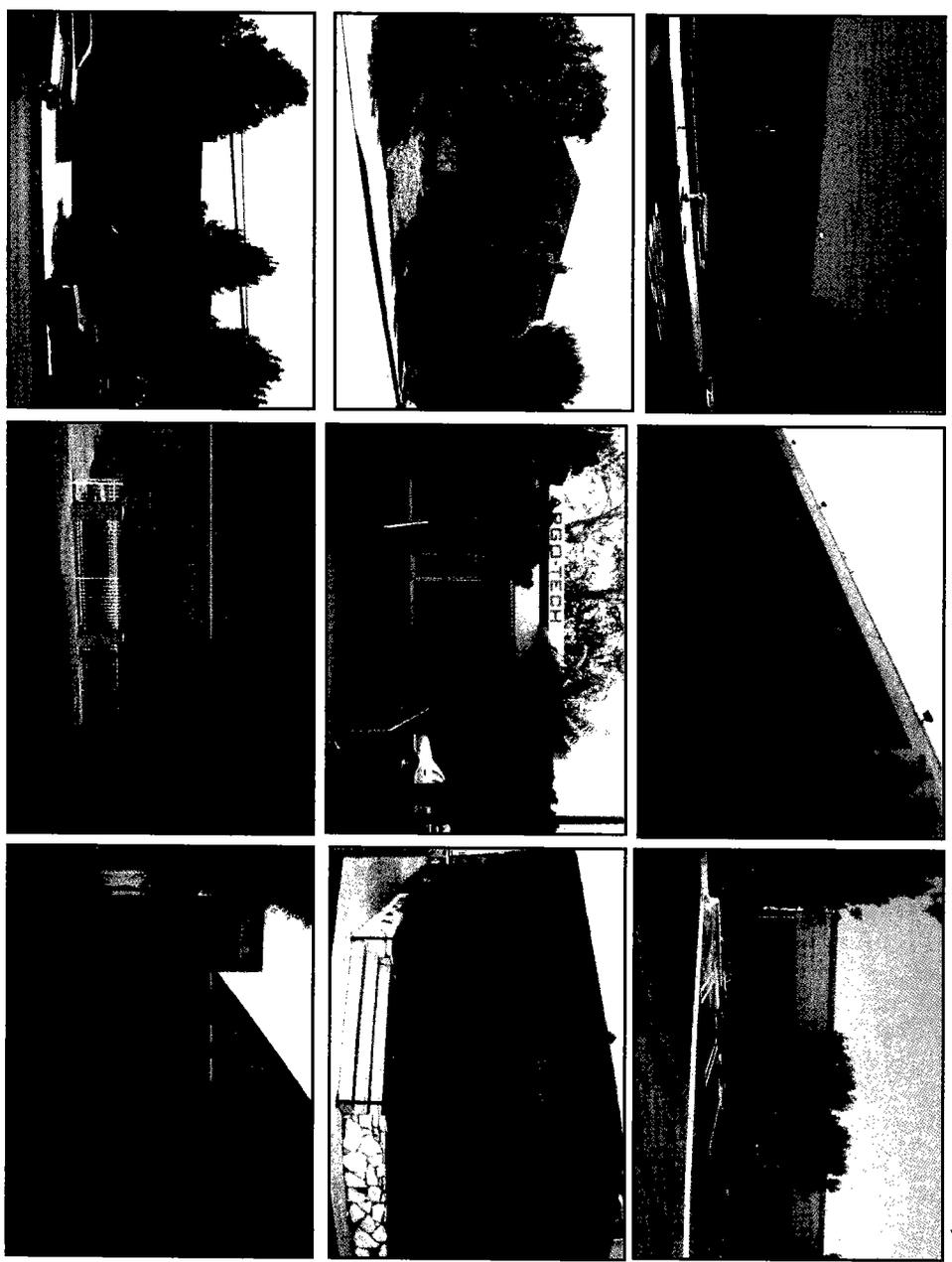


Figure 10: Collection of site photos of residential structures and existing industrial businesses in Mesa West Bluffs Urban Plan area

PLANNING PROCESS

It is the express intent of the Mesa West Bluffs Urban Plan to allow existing industrial and commercial businesses to continue to operate and expand consistent with existing General Plan and zoning requirements. Opportunities for live/work or residential development in the Mesa West Bluffs Urban Plan area involve properties that may be redeveloped, rehabilitated, or adaptively re-used.

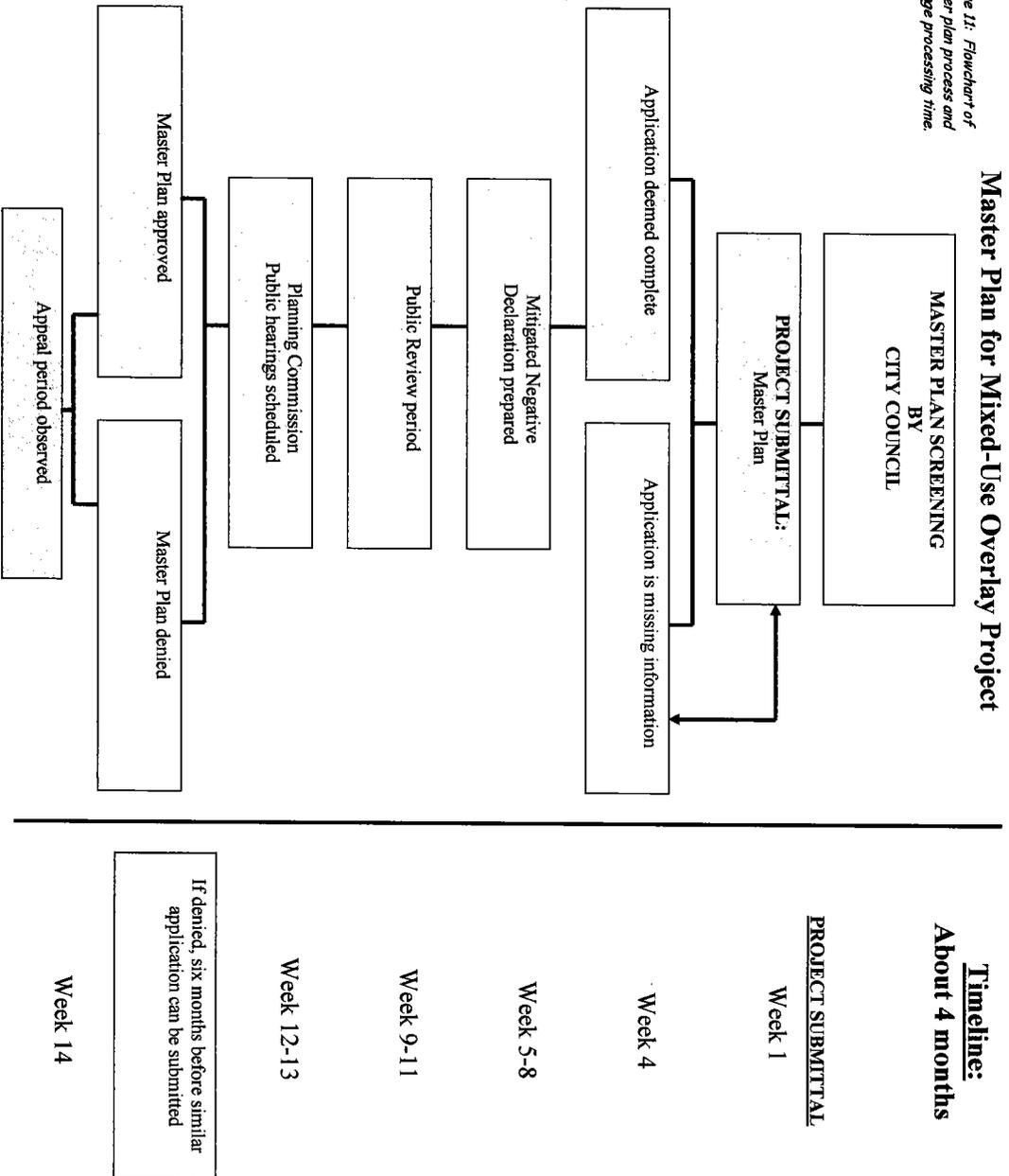
The land use regulations for allowable development may only be activated through an approved Master Plan (Figure 11). These specific development regulations supersede those of the underlying zoning district (e.g. commercial and industrial) unless otherwise indicated.

Live/work and residential development proposed in the Mesa West Bluffs Urban Plan area requires approval of a Master Plan pursuant to Title 13, Chapter II, Planning Applications, of the Costa Mesa Municipal Code. Applicants shall submit a screening application for consideration by City Council at a public meeting. No other concurrent application for development may be submitted for processing until City Council comments on the merits and appropriateness of the proposed development are received. Other than making comments, no other action on the screening application will be taken by City Council.

In accordance with City procedures, the Planning Commission reviews and considers Master Plans. Refer to Section 13-28(g), Master Plan, of the Zoning Code regarding the review process for preliminary Master Plans and amendments to the Master Plan.

A deviation from the Mesa West Bluffs district's development standards (as shown in Tables A1-A3-A of the Mesa West Bluffs Urban Plan) may be approved through the Master Plan process provided that specific findings are made pursuant to the Zoning Code.

Figure 11: Flowchart of master plan process and average processing time.



DEFINITIONS

Live/Work Units²³— A mixed-use development composed of commercially- or industrially-oriented joint work and living quarters in the same building, where typically the primary use is a place of work and where there are separately-designated residential and work areas. A live/work unit consists of the following: (a) living/sleeping area, kitchen, and sanitary facilities in conformance with the Uniform Building Code and (b) adequate-work space accessible from the living area, reserved for, and regularly used by the resident(s).

Master Plan. The overall development plan for a parcel or parcels, which is depicted in both a written and graphic format.

Mixed-use development - Horizontal. A type of mixed-use development where nonresidential and residential uses are located adjacent to one another on the same or adjoining lots of the same development site and are typically sited in separate buildings.

Mixed-use development - Vertical. A type of mixed-use development where nonresidential and residential uses are located in the same building and where the dwelling units are typically located on the upper levels and the nonresidential uses on the lower levels.

Mixed-use overlay zoning district. A zoning district superimposed over a base zoning district, which modifies the regulations of the base zoning district to allow mixed-use development. The provisions of the mixed-use overlay district shall be distinct from and supersede, in some instances, the zoning regulations of the base zoning district when activated through an approved Master Plan.

Nonresidential component. Areas of the mixed-use development including, but not limited to, commercial/industrial buildings, work spaces, storage areas, public spaces, and parking areas primarily or exclusively used by the tenants of the businesses.

Overlay Zone - Zoning district that applies another set of zoning provisions to a specified area within an existing zoning district. The overlay zone supersedes the zoning regulations of the base zoning district, unless otherwise indicated.

Residential component. Areas of the mixed-use development, including but not limited to, buildings, habitable spaces, common spaces, recreational facilities, and parking areas primarily or exclusively used by the residents of the dwelling units.

Residential Loft/Stacked-Loft. A residential loft is a multiple-family residential dwelling unit with an open or flexible floor plan designed to accommodate a variety of activities, including a but not limited to living, sleeping, food preparation, entertaining, and work spaces in a single housekeeping unit. Residential lofts can include multi-level townhomes and single-level stacked flats. Residential lofts typically have floor-to-ceiling dimensions in excess of 10 feet and may have open ceilings with exposed duct work, overhead lighting, fire sprinklers, etc.

Urban Plan. An implementation document adopted by resolution by the City Council that sets forth development standards and land use regulations relating to the nature and extent of land uses and structures in compliance with the City's General Plan. An Urban Plan is designed to establish the vision, development framework, and historical/local context for a specified area.

*Refer to additional distinctions between live/work units and residential lofts on following page.]

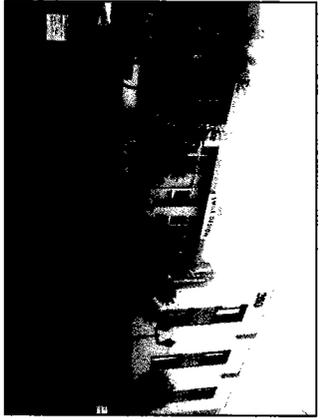
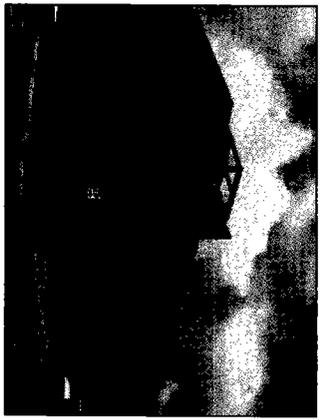


Figure 12: Photos of mixed-use development projects in other Orange County cities.

LIVE/WORK UNITS

Live/work units feature a building type that provides both employment and housing in an integrated unit. As a hybrid of living and working quarters, live/work development contributes to the diversity of land uses by spatially transitioning areas among industrial, commercial, and residential land uses.

There are many different forms of live/work units. The upstairs living/bedroom areas of a mom-and-pop store, the apartment of a lawyer next to his/her office, and the living quarters of an hair stylist above his/her salon are all examples of live/work units.

The Urban Plan offers flexible development standards and consideration of deviations from these requirements to encourage live/work units. To promote this new type of urban housing, live/work units will typically not feature the same extent of open space amenities (i.e. swimming pool areas, common meeting rooms, barbecue/picnic areas, and private balconies) as those amenities required in a residential development. In fact, in exchange for higher densities and development flexibility, the Urban Plan allows minimal open space amenities. Increased densities (i.e. 15-20 units per acre) and up to 10 FAR are promoted in live/work developments.

A fundamental challenge of creating viable live/work units is ensuring that the live/work unit does not become a purely residential use, lacking adequate common and open space amenities. In other words, there must be a reasonable expectation that business activities could occur within the work space, and therefore, the unit would not be exclusively used as a residence.

Live/work units are typically designed for one or two adults, not for families. Compared to residential uses, live/work units would therefore

present a reduced demand for multiple cars, open space, and parking.

RESIDENTIAL REVERSION OF LIVE/WORK UNITS

Reversion of live/work units to residential lofts is expressly discouraged. Developers should consider and integrate the following elements into a live/work development:

- **WORK SPACE VIABILITY:** Does the project feature a work space for business?
- **LIVABILITY:** Does the live/work development create a small business community where social interaction through common areas, courtyards, pedestrian plazas, and common meeting facilities is promoted?
- **COMMERCIAL VISIBILITY:** Does the live/work development feature "garage-style" doors consisting of window bays that roll-up to reveal the interior work space, large view windows, or other design solutions which showcase business activity in the work space area?
- **FUNCTIONALITY:** Are work spaces and living spaces distinguishable, either through visibility by the general public, separate entrances/exits, or other means?
- **RESIDENTIAL REVERSION:** Is there a reasonable expectation that business activities would occur in the work space and that the live/work unit would not likely revert to a residential use in the future?

Live/work units are typically designed for one or two adults, not for families. Compared to residential uses, live/work units would therefore

RESIDENTIAL LOFTS

Residential lofts in the Mesa West Urban Plan areas are limited to 13 dwelling units per acre. The primary purpose is to serve as living quarters and not for commerce.

Therefore, in contrast to a live/work unit, these residential lofts will provide greater opportunities for spontaneous interaction among residents as they come and go in "interactive spaces" such as common courtyards, atriums, swimming pool areas, and other amenity areas.

In summary, a residential loft will appeal to a traditional homebuyer without a small business. Oftentimes first-time homebuyers, young urban professionals, and couples without children gravitate towards residential lofts as their initial home purchase due to their pricepoint and lifestyle amenities.

IMPORTANT DISTINCTIONS BETWEEN LIVE/WORK LOFTS AND RESIDENTIAL LOFTS

DENSITY:

- Residential lofts are limited to a density of 13 dwelling units per acre.
- Live/work development may be constructed up to 10 FAR, provided that the proposed project is within the General Plan circulation system. This may result in 15-20 live/work units per acre.

OPEN SPACE:

- Residential lofts at 13 du/acre must include a minimum 200 square-foot open space area for each unit.
- Live/work units are not required to have the same level of open space amenities (i.e. swimming pool areas, common meeting rooms, barbecue/picnic areas, and private balconies) as those amenities required in a residential development.

ILLUSTRATIVE EXHIBITS

The "Illustrative Perspectives" is an example of a live/work development project. These renderings are for illustrative purposes only and are not intended to represent a preferred or recommended design.

The illustrative provides an example of development that could theoretically be built, in conformance with the General Plan and the development standards/zoning regulations of the Zoning Code and Mesa West Bluffs Urban Plan.

LIVE/WORK UNITS

The live/work concept of mixed-use zoning has its roots in two ideas, which are applicable to the Mesa West Bluffs Urban Plan area.

The first was the creation of a "Main Street" shop front by an at-grade townhouse with the first floor designed for commercial purposes. In the shop front, separation between work and living is usually the first floor ceiling.

The second idea was the conversion of industrial uses into artist lofts. This may include construction of townhouse projects and courtyard lofts in industrial areas. Loft units usually have no physical separation between work and living areas.

A live/work unit is what most people imagine when they picture a typical "artist loft". The live/work concept meets the needs of those who feel that the proximity afforded by live/work is important, but who would nevertheless like some separation between living and working spaces. This separation can be met by locating residential uses above commercial/industrial uses, or in an entirely separate building located on the same property.

In a live/work unit, the living portion is typically located in the upper floors. The work space is separated by a wall (sometimes glazed or fire rated) or a floor. This separation minimizes exposure to hazardous materials or high-impact work activity.

LIVE/WORK ILLUSTRATIVE

The following live/work development (Figure 13) may be representative of live/work projects constructed in the plan area.

- Project Site: ½ acre
- Project Type: live/work loft
- No. of Stories: 3 stories
- No. of Units: 6 live/work lofts

- Unit Size: 650 sq-ft. Work Space
- 1,550 sq-ft. Living Space
- 2,200 sq-ft.

- Parking: 21 parking spaces
- (Each unit has single-car garage)

- FAR: Max 1.0 FAR

Figure 13: Illustrative example of live/work units (6 units for 0.5 acre site) with working spaces and living areas contained within a single unit.



DEVELOPMENT STANDARDS

The land use regulations for allowable live/work and residential development are activated by a Master Plan. The development regulations of the base zoning district shall be superseded by those contained in the Mesa West Bluffs Urban Plan, unless otherwise noted (Tables A1.A3, Development Standards).

DEVIATIONS

A Master Plan is required to activate the zoning provisions of the Urban Plan. An approved Master Plan will allow new construction that does not fully meet all the applicable sections of the Zoning Code and Urban Plan requirements.

Through the review process, the applicant must demonstrate why strict compliance with current requirements is either infeasible or unnecessary for the proposed project.

Deviations from development standards may be granted through the master plan approval process with consideration to existing development configuration, compatibility of adjacent uses, inclusion of pedestrian-oriented space, and/or inclusion of amenities along the street side.

Pursuant to Section 13-83.52(D) of the Costa Mesa Municipal Code, a deviation from mixed-use development standards may be approved through the master plan process provided that the following findings be made:

1. The strict interpretation and application of the mixed-use overlay district's development standards would result in practical difficulty inconsistent with the purpose and intent of the General Plan

and Urban Plan, while the deviation to the regulation allows for a development that better achieves the purpose and intent of the General Plan and Urban Plan.

2. The granting of the deviation results in a mixed-use development which exhibits excellence in design, site planning, integration of uses and structures and compatibility standards for residential development.

3. The granting of a deviation will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.

Additional on-site and off-site amenities contributing to the project's overall design excellence may enable appropriate findings for approval of the requested deviations to be made.

In exchange for any deviation from any current standard, the project must provide quality environments and substantial amenities, which may include:

On-Site Amenities (Development Lot)

- a. Pedestrian-oriented plazas, courtyards, atriums that provide "interactive spaces" for residents.
- b. Common meeting room facilities in which business assistance/facilities would be provided in a live/work setting (i.e. Live/Work Incubators).
- c. Shared garages instead of carports for greater security.
- d. Compliance with the City's Energy Star Program for residential structures.
- e. LEED Certification.
- f. Green Technology features (green decks, green roofs, irrigation with reclaimed water, etc.)

- g. Useable common open space with amenities, such as a tot lot, swimming pool, outdoor recreational facilities.
- h. Community garden areas and meeting areas.
- i. Additional landscape materials that exceed Zoning Code requirements in terms of number, or size. For example, exchanging required 1-gallon plants for 5-gallon plants.
- j. Provision of landscaping that consists primarily of California native species.
- k. Upgraded windows and exterior doors for noise reduction and energy conservation.
- l. Other amenities that enhance the project and the overall neighborhood.

Off-Site Amenities (Public Realm)

- a. Undergrounding of utilities in public right-of-way.
- b. Streetscape improvements including planting materials and street furnishings.
- c. Decorative crosswalks consisting of stamped concrete, pavers, or brick.
- d. Light standards with cohesive design theme.
- e. Monument signage for community identity.
- f. Landscaped medians and landscaped planters in public right-of-way.
- g. Repair/replacement of sidewalks in immediate vicinity of project area.

Required Findings for Deviations from Development Standards for Live/Work Units

In addition to on-site and off-site amenities, the City will require a finding in support of requested deviations from the development standards for live/work units. Specifically, the finding will indicate that granting the requested deviation(s) will not make the live work unit(s) more suitable for use that is primarily residential.

TABLE A1:**LIVE/WORK AND RESIDENTIAL DEVELOPMENT STANDARDS***(See also additional development standards specific to live/work developments [Table A2] and residential development [Table A3].)***MESA WEST BLUFFS URBAN PLAN****DEVELOPMENT STANDARDS**

DEVELOPMENT STANDARD	Deviations from development standards may be granted through the master plan approval process with consideration to existing development configuration, compatibility of adjacent uses, inclusion of pedestrian-oriented space, and/or inclusion of amenities along the street side.
Overall Maximum Building Height	<p><u>Maximum 4 stories/ 60 feet</u></p> <p>1. Roof gardens/terraces in mixed-use development projects shall not be considered a story.</p> <p>2. Lofts, as defined in Section 13-6 of the Zoning Code, without exterior access and having only clerestory windows will not be regarded as a story.</p>
Attics	Attics shall not be heated or cooled, nor contain any electrical outlets or operable windows. Attics above the maximum number of stories shall be an integral part of the building roofline and not appear as an additional story on any building elevation. Windows in any attic space above the maximum number of stories shall be incidental and limited to a dormer style.
Window Placement	Window placement should take into account surrounding land uses. Clerestory windows should be used in areas where there are privacy or view concerns.
Bluff Top Setback	No building or structure closer than 10 feet from bluff crest (see Section 13-34 Bluff-Top Development)
Distance between main buildings	Minimum 10 foot distance between main buildings on the same site.
Distance between accessory structures.	Minimum 6 foot distance between accessory structures and main buildings.
POOLS AND SPAS	
Above-ground pools and spas shall not be located in the required front setback from a public street and are subject to rear and side yard setbacks for main structures. Additional setbacks may be applicable pursuant to Uniform Building Code requirements.	
PROJECTIONS (Maximum depth of projections given)	
Roof or Eaves Overhang; Awning	2 feet 6 inches into required side setback or building separation area. 5 feet into required front or rear setback.
Open, unenclosed stairways.	2 feet 6 inches into required setback area.
Chimneys	2 feet above maximum building height.
Fireplaces	2 feet into required setback or building separation area
ADDITIONAL DEVELOPMENT STANDARDS	
Common Interest Developments	Required for all residential or live/work developments.
<u>Window Placement</u>	<u>Window placement should take into account surrounding land uses. Clerestory windows should be used in areas where there are privacy or view concerns.</u>
Building Materials	A variety of building materials shall be incorporated into the design of the exterior elevations.
Mechanical Ventilation	All units shall be mechanically ventilated.
Residential Noise Levels	<p>1. Residential interior noise levels must be met for interior residential living spaces. Residential exterior noise levels must be met on all private patios, upper-story decks, and balconies. However, residential exterior noise levels do not need to be satisfied on roof-top decks/terraces or in common open space areas.</p> <p>2. Noise study required with project application to document onsite noise levels from surrounding land uses.</p>
Onsite Private Recreational Facilities	Provision of onsite private recreational facilities that are designed for the anticipated demographic profile of the residential development.
Garage	Garages are required to be used for vehicle storage.

<u>Tandem Garage Parking</u>	<u>Minimum 10-foot wide x 38-foot long interior dimensions for garages containing two tandem parking spaces</u>
Notice	In conjunction with the sale of any unit, adequate notice shall be given of the existing surrounding industrial land uses, including but not limited to, operational characteristics such as hours of operation, delivery schedules, outdoor activities, noise, and odor generation.
<u>Other Mixed-Use Development</u>	<u>The Mesa West Bluffs Urban Plan emphasizes live/work units or residential development. If other types of mixed-use development is proposed (i.e. vertical mixed-use development with groundfloor retail and upperfloor residential units), refer to the 19 West Urban Plan or SoBECA Urban Plan for relevant mixed-use development standards.</u>
<u>DEVIATIONS</u>	
	<u>Deviations from development standards may be granted through the master plan approval process with consideration to the inclusion of on-site and off-site amenities which may justify the deviation. See Page 10 of Urban Plan.</u>

TABLE A2:
LIVE/WORK DEVELOPMENT STANDARDS
MESA WEST BLUFFS URBAN PLAN
DEVELOPMENT STANDARDS

(See also Table A1 for additional live/work development standards).

Minimum Lot Size	None
Maximum Floor Area Ratio for mixed-use development project (e.g. live/work units) <ul style="list-style-type: none"> • Commercial Base Zoning District • Industrial Base Zoning District 	<p>1.0 FAR*</p> <p>1.0 FAR*</p> <p>*IMPORTANT NOTE: The overall density/intensity of proposed development is dependent on many factors and not solely the maximum allowable FAR. For example, the FAR and vehicle trip generation work in concert to ensure that the proposed development does not exceed the capacity of the General Plan circulation system. Therefore, the maximum allowable FAR may be lower than 1.0 FAR, depending upon the capacity allowed by the General Plan circulation system. Additionally, site plan layout, parking requirements, and building design are other important variables. See page [#] for more discussion.</p>
Maximum Development Lot Coverage	<u>Maximum 90%</u>
Minimum Open Space of Development Lot	<u>Minimum 10%</u> (This minimum open space requirement strictly applies to the overall development lot area and does not include areas above grade such as upper floor balconies, patios, and roof decks.) This minimum 10% open space will be in addition to any residential open space required per dwelling unit.)
FRONT BUILD-TO-LINE AND SETBACKS FOR MAIN BUILDINGS AND ACCESSORY BUILDINGS	
Minimum distances given, unless otherwise noted. All setbacks from streets to development lots are measured from the ultimate property line shown on the Master Plan of Highways. Increased side and rear setbacks may be required pursuant to Uniform Building Code requirements.	
Front Build-To-Line <ul style="list-style-type: none"> • Abutting public street 	Build-To-Line of 10 feet along all public streets
Side Setback <ul style="list-style-type: none"> • Interior • Abutting a public street • Abutting a publicly-dedicated alley • Abutting residential zone 	<p>0 feet</p> <p>10 feet along Whittier Ave., Wallace St., Placentia St., Pomona Ave., Anaheim Ave., W. 16th St., W. 17th St., W. 18th St., and W. 20th St.</p> <p>5 feet for all other streets</p> <p>5 feet</p> <p>20 feet</p>
Rear Setback <ul style="list-style-type: none"> • Abutting a public street • Abutting residential zone • All other rear property lines 	<p>10 feet along all public streets</p> <p>20 feet</p> <p>0 feet</p>

PARKING

1. Vehicle parking is required either on-site or on another lot within a distance deemed acceptable by the Planning Commission. A reduction in the vehicle parking requirements shall be determined as outlined in "City of Costa Mesa Procedure for Determining Shared Parking Requirements." The parking reduction for the mixed-use development project and may be approved in conjunction with the master plan approval.
2. Parking spaces shall be specifically designated for tenants and guests of live/work units by the use of posting, pavement markings, and physical separation. The parking area design may include the use of alternative parking techniques such as mechanized stacked parking systems to satisfy parking requirements, subject to review and approval by the Planning Commission. Parking design shall also consider the use of separate entrances and exits, or a designated lane, for residents, so that residents are not waiting in line behind shoppers or moviegoers. Parking structures shall be architecturally integrated with the project design.
3. Parking structures shall be screened from view at street level and include architectural detailing, artwork, landscape, or similar visual features to enhance the street facade. Screening of parking structure levels above street grade is encouraged through the use of vines or architectural screening detail that is compatible with the project.

Live/Work Units

1. Parking requirements for live/work units are based on the type of commercial/industrial activities conducted in the work space. Additional parking may be required for higher intensity live/work units compared to those units which function as home businesses. Transportation Services Division shall determine the appropriate parking rates to be applied to live/work development on a case-by-case basis, depending on the allowable uses.

Minimum parking requirements for live/work units (with similar function to home occupations) shall be applied as follows:

Live/Work Unit	Tenant Parking Space ^(2a)	Guest Parking Space
To 1,000 sq.ft.	1.0 space per unit	1.5 space per unit
To 2,000 sq.ft.	1.5 spaces per unit	1.5 space per unit
To 3,000 sq.ft.	2.0 spaces per unit	1.5 space per unit
Over 3,000 sq.ft.	2.5 spaces per unit	1.5 space per unit

- i. *Assigned Tenant Parking.* No less than one covered, tenant assigned parking space provided for each unit.
- ii. The application of these parking requirements apply to "permitted" uses in live/work units. Any conditionally permitted uses may be subject to additional parking requirements depending on the proposed business activities.

SIGNAGE

A Planned Signing Program is required. Total area of all freestanding signs may not exceed 50% of total allowed sign area per street frontage pursuant to the City's Sign Ordinance.

Building Wall Sign	Wall signs shall not exceed one square foot of sign area for each linear foot of building frontage or portion thereof.
Freestanding Sign along Whittier Ave., Wallace St., Placentia St., Pomona Ave., Anaheim Ave., W. 16 th St., W. 17 th St., W. 18 th St., and W. 20 th St	Maximum 25 feet in height including the base.
Freestanding Sign along all other public streets	Maximum 7 feet in height including the base

	<p>Total area of all freestanding signs may not exceed 50% of total allowed sign area per street frontage pursuant to the City's Sign Ordinance.</p>
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TABLE A3:
RESIDENTIAL DEVELOPMENT STANDARDS
MESA WEST BLUFFS URBAN PLAN
DEVELOPMENT STANDARDS

(Please see also Table A1 for additional residential development standards.)

Minimum Lot Size	One Acre
Maximum Density	Maximum 13 units per acre
Maximum Development Lot Coverage	Maximum 60 percent of total lot area
Minimum Open Space Development Lot: Residential Open Space:	<p>Minimum 40 percent of total lot area</p> <p>Minimum 200 sq.ft. per dwelling unit of residential component (This requirement does not apply to live/work units)</p> <p>Residential open space may be any combination of private and common open space areas. Common open space may be distributed throughout the residential component of the mixed-use development and need not be in a single large area. Common open space areas may be satisfied by common roof gardens, common recreational/leisure areas, recreational facilities featuring swimming pools, decks, and court game facilities. Private open space may be provided for each dwelling unit above the first floor in the form of a private patio or balcony.</p>

FRONT BUILD-TO-LINE AND SETBACKS FOR MAIN BUILDINGS AND ACCESSORY BUILDINGS

Minimum distances given, unless otherwise noted. All setbacks from streets to development lots are measured from the ultimate property line shown on the Master Plan of Highways. Increased side and rear setbacks may be required pursuant to Uniform Building Code requirements.

<p>Front Build-To-Line</p> <ul style="list-style-type: none"> • Abutting public street 	Build-To-Line of 10 feet along all public streets
<p>Side Setback</p> <ul style="list-style-type: none"> • Interior • Abutting a public street • Abutting a publicly-dedicated alley • Abutting residential zone 	<p>0-foot setback on interior property lines if structure is non habitable 10-foot setback if structure is habitable.</p> <p>10 feet along Whittier Ave., Wallace St., Placentia St., Pomona Ave., Anaheim Ave., W. 16th St., W. 17th St., W. 18th St., and W. 20th St. 5 feet for all other streets</p> <p>5 feet</p> <p>10 feet</p>
<p>Rear Setback</p> <ul style="list-style-type: none"> • Abutting a public street • Abutting residential zone • All other rear property lines 	<p>10 feet along all public streets</p> <p>10 feet 5 feet</p>
Parking	<p>Residential parking requirements shall be applied pursuant to Section 13-87, Chapter VI, Off-street Parking Requirements, of the Zoning Code. An exception is made for residential lofts where the following parking requirements are applied:</p> <p><u>Residential Loft Parking Requirements:</u></p> <ol style="list-style-type: none"> 1. 1,000 square feet or less in size: 1 covered space and 0.5 guest space 2. More than 1,000 square feet in size: 2 covered spaces and 0.5 guest space

Location criteria	<ol style="list-style-type: none"> 1. Residential projects should be located in proximity to existing residential neighborhoods. 2. For residential projects that are proposed in a predominantly industrial area, the following design considerations should be applied: <ol style="list-style-type: none"> i. Project design should be “urban loft” in character in both exterior and interior design. ii. Roof-top decks are encouraged. iii. Orientation of living areas including patios and decks from abutting industrial properties. iv. Units should be oriented towards an internal courtyard, amenities, and/or recreational area.
Design Guidelines	Compliance with Residential Design Guidelines

DENSITY AND INTENSITY OF LIVE/WORK DEVELOPMENT

Density and Intensity of Live/Work Development
 The floor-area-ratio and vehicle trip generation work in concert to ensure that new live/work developments, as measured by average daily trip generation, do not exceed the capacity of the circulation system.

Maximum Allowable Intensity (Floor-Area-Ratio)
 Intensity in mixed-use development is measured by floor-area-ratios, which determine the maximum amount of mixed-use development that is allowed on a lot or parcel. Intensity is therefore not exclusively measured by the number of dwelling units per acre of land.

For live/work units, any increase from the maximum 1.0 FAR (up to a maximum of 1.25 FAR) may be approved if appropriate findings can be made related to excellence in design, site planning, integration of uses and structures and protection of the integrity of the neighborhood. These findings are described in Article 11, Mixed-Use Overlay Developments, of the Costa Mesa Municipal Code.

Table B provides maximum FARs for live/work development in the plan area. Figure 15 is a prototypical illustration of a live/work unit featuring an at-home business or studio.

Table B
FARs for Live/Work Units

Development Standard	Commercial Base Zoning District	Industrial Base Zoning District
Maximum Floor-area-ratio for live/work development	1.0 FAR	1.0 FAR

Vehicle Trip Generation

Intensity refers to the magnitude of vehicle traffic activity generated by the mixed-use development. Successful mixed-use development requires a critical balance of building area (density) and vehicle traffic (intensity). The Urban Plan intends to stimulate live/work and residential development that both provide for the critical mass without exceeding the development capacity of the General Plan transportation system (Figure 14 and 15).

It is anticipated that as mixed-use projects develop over time in the plan area, overall vehicle trip generation will decrease when compared to more traditionally zoned and developed properties in Costa Mesa.

General Plan Conformance

The Mesa West Bluffs Urban Plan is consistent with the following 2000 General Plan circulation policies:

CTR-14.8 Encourage the integration of compatible land uses and housing into major development projects to reduce vehicle use.

CTR-14.9 Encourage General Plan land uses which generate high traffic volumes to be located near major transportation corridors and public transit facilities to minimize vehicle use, congestion, and delay.

CTR-14.16 Maintain balance between land use and circulation systems by phasing new development to levels that can be accommodated by roadways existing or planned to exist at the time of completion of each phase of development.

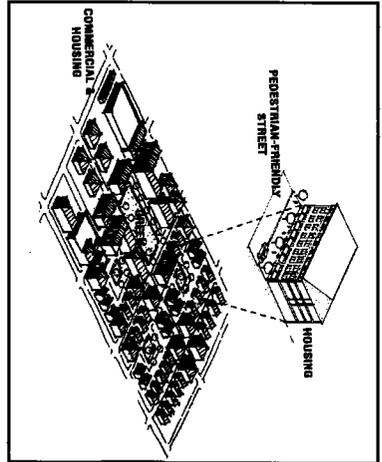


Figure 14: Subdivision patterns of mixed-use development, which promotes pedestrian-friendly streets and varying lot sizes to reduce vehicle traffic.

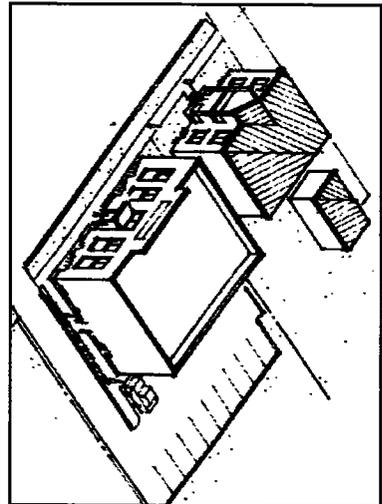


Figure 15: Example of structures in mixed-use district that are located along the 10-foot build-to-line with parking areas sited behind the buildings.

Project Traffic Analysis & Annual Traffic Monitoring

In conjunction with each Master Plan submittal, Transportation Services staff will analyze the following: (a) the proposed development projects' anticipated traffic/circulation impacts on the surrounding circulation system; (b) the project's consistency with the City's traffic model for the affected traffic analysis zone (TAZ); (c) trip generation characteristics of other land uses in the TAZ, and (d) any appropriate mitigation measures for significant traffic impacts that are identified. If needed, Transportation Services staff may require the applicant to provide a supplemental traffic analysis.

Additionally, through the City's annual Development Phasing and Performance Monitoring Program, Transportation Services staff will monitor traffic conditions of the affected traffic analysis zones for the plan area to ensure that traffic generation assumptions are correct and that the circulation system is operating consistent with adopted Master Plan of Highways and General Plan goals and policies.

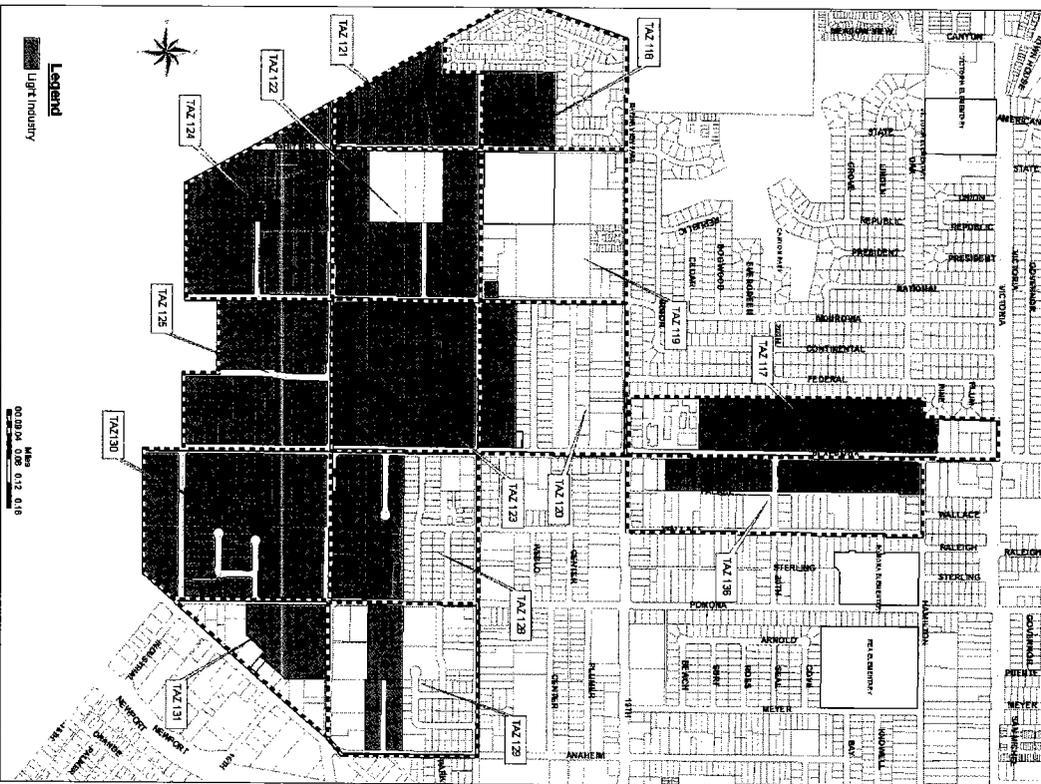


Figure 16: Traffic analysis zones.

ALLOWABLE USES

A variety of small-scale services are encouraged with limited larger offices and commercial uses being permitted in ground-level units. No proposed nonresidential uses shall be designed or operated so as to expose residents to offensive odors, dust, electrical interference, and/or vibration. Proposed new development will be required to provide onsite mitigation of impacts associated with surrounding nonresidential land uses.

The land use matrix shown in Table C provides a list of permitted and conditionally permitted in mixed-use development, including live/work units. Similar to the role of a land use matrix in Planned Development Commercial (PDC) and Planned Development Industrial (PDI) zoning districts, the Urban Plan land use matrix provides a distinct listing of allowable uses that is customized for mixed-use development projects.

For example, uses permitted by right in a mixed-use development are considered compatible with residential uses on the same development site. These permitted uses may include artist studios, retail stores, neighborhood grocery stores, coffee/sandwich shops, and neighborhood dry cleaners. Conditionally permitted uses may include photography studios, physical fitness facilities, dance studios, or movie theaters.

Given that the overlay zone provides for development of live/work units and residential projects, any other type of mixed-use development (e.g. horizontal and vertical mixed-use development without a live/work component) requires a conditional use permit in the plan area.



Figure 17:
Examples of
businesses
that may be
established
as live/work
units.

Notes: Laundry/dry cleaners allowed in a mixed-use development refer to neighborhood dry-cleaners and not commercial drycleaning plants involving large scale hazardous solvents storage and chemical use.

Master Plan Land Use Matrix

A Master Plan is required to be approved for all development projects proposed in the overlay zone. As part of the Master Plan approval, a project-specific land use matrix of permitted, conditionally permitted, and prohibited land uses will be identified by refining the listing shown in the Urban Plan land use matrix.

A developer may choose to refine this Urban Plan land use matrix by identifying certain permitted and conditionally permitted uses for the specific Master Plan proposal. This "Master Plan" land use matrix will be approved by the Planning Commission in conjunction with the overall approval of the development project, and it will supersede the land use matrix in this Urban Plan. If the Master Plan approval does not include such a matrix, the land use matrix in this Urban Plan shall be applied.

Thus, the purpose of a separate land use matrix in this Urban Plan is to supersede the more generalized matrix currently provided in the Zoning Code and thereby allow further specification of uses for a mixed-use planned development.

Only the conditionally approved land uses would require subsequent review and action by the Planning Commission, at the time the land use is proposed. Parking requirements, lease space size restrictions, hours of operations, and other related conditions of approval would be stipulated for these conditional uses.

After a Master Plan is approved, a conditional use permit would be referred to the Planning Commission for review and action, if: (1) an applicant seeks approval of a land use designated in the Master Plan land use matrix as requiring a conditional use permit, or (2) an applicant seeks approval of land use that requires a conditional use permit pursuant to the Urban Plan land use

matrix, because it is not listed in the applicable Master Plan land use matrix.

Additional Uses

Other than residential uses and those uses identified in this Land Use Matrix, uses that are prohibited in the base zoning district shall also be prohibited in overlay district. All other uses not specified in the Land Use Matrix may be considered by the Development Services Director.

Depending upon the project location and/or site and building design, additional permitted and conditionally permitted uses may be appropriate. These additional uses shall be considered on a project-specific basis as a part of the master plan review process. If deemed appropriate, the master plan approval shall list the additional uses allowed within the project. Conversely, additional prohibited uses could also be identified through this same process.

LAND USE COMPATIBILITY

New development in the mixed-use overlay district shall be evaluated for compatibility with existing development on a case by case basis.

The following considerations incorporated into the proposed project:

- Standard Condition of Approval: For proposed development adjacent to residentially-zoned properties that exceeds two stories, developer shall submit a shade/shadow analysis prepared by a professional aesthetic consultant. The conclusions of the aesthetic analysis shall specifically demonstrate that adequate daylight plane requirements for the abutting residential uses are provided.

- Land use compatibility studies are required in the form of a Health Risk Assessment Study and Phase 1 Environmental Assessment Study for all mixed-use development projects. Other equivalent compatibility analysis may be approved by the Development Services Director. The studies should recommend mitigation measures to reduce any environmental concerns to below a level of significance. These measures or project design features should be incorporated into the proposed project and disclosed in the environmental document.

At the discretion of the Development Services Director and in consideration of specific site characteristics, additional or modified development standards and conditions of approval may be added to include, but not be limited to, increased setbacks, increased wall height,

enhanced landscaping, and other appropriate edge treatments aimed at enhancing the compatibility of urban infill projects.

DISCLOSURES

As part of the Master Plan approval, a condition of approval may require that the Covenants, Conditions, and Restrictions (CC&Rs) disclose the existing noise environment and any odor-generating uses within and surrounding the mixed-use development.

The provision of the CC&Rs that relates to disclosures will be reviewed/approved by the City Attorney's office prior to recordation. A provision to the CC&Rs will also stipulate that any subsequent revisions to the CC&Rs related to this issue must be approved by the City Attorney's office.

A condition of approval may be included which would require that written notice of the then-existing noise environment and any odor-generating uses within the mixed-use development and within a specific radius of the mixed use development be distributed to any prospective purchaser or tenant at least 15 days prior to close of escrow, or within three days of the execution of a real estate sales contract or rental/lease agreement, whichever is longer.

The City Attorney's office shall determine the legal mechanism employed to ensure disclosure of noise and odor generating uses. For example, if this disclosure were required as a deed restriction, it would not need to be included in the CC&Rs.

DEVELOPMENT INCENTIVES FOR INDUSTRIAL PROPERTY OWNERS

The following development incentives may be offered to industrial property owners in the mixed-use overlay district.

1. Existing industrial properties that are currently developed at a floor area ratio that exceeds the maximum allowable floor area ratio stated in the Zoning Code may be voluntarily demolished and redeveloped at the same floor area ratio. However, the redevelopment of the site should result in an equal or lesser degree of nonconformity with current City standards.
2. An industrial-based improvement program similar to the Residential Remodeling Incentive Program (RRIP) that would waive permit and plan check fees for improvements to industrial properties.
3. Public streetscape improvements similar to those along West 19th Street.
4. Development incentives to replace small "incubator" space lost through loft or live/work conversions or encourage ownership of incubator spaces. Such an incentive may involve an FAR "density bonus" for projects that include smaller multi-tenant spaces. This may be fashioned similar to the currently proposed FAR increase for mixed use projects that meet certain criteria or findings (i.e. excellence in design, integration into neighborhood, provision of replacement "incubator" space, etc.).

ON-SITE LANDSCAPING

A detailed landscape plan shall be approved by the Planning Division prior to issuance of any building permits. Chapter VII, Landscaping Standards, of the City's Zoning Code provides on-site landscaping requirements for mixed-use development.

Developers should include extensive on-site landscaping, plazas and courts, art, fountains, seating, and shade shelters for shoppers and pedestrians. Consistent rows of street trees, ground landscape, pedestrian-oriented lighting fixtures, well-designed signage, distinctive paving, and public art should be used to enhance the aesthetic quality and distinguish the area.

Streetscape elements should be linked with the higher intensity improvements planned for the Mesa West Bluffs Urban Plan. The streetscape improvements should also contribute to the enhancement of the visual quality and value of the mix of commercial, residential, and community service uses located along major public streets.

LANDSCAPE

The amount of required on-site landscaping is prescribed in Title 13, Chapter VII, Landscaping Standards, of the Municipal Code. All required landscaped areas, including landscaped areas within parking lots, shall consist of predominately California native plants. Following is the recommended landscape palette for the plan area. Other landscape materials that meet the intent of this plan may be approved by the Planning Division.

LARGE DECIDUOUS TREES

Platanus racemosa (California Sycamore)

- Fast growing deciduous tree 50+ feet tall.
- Nice naturalized look with arching branches.
- Good tree for wildlife/birds.

- Cercidium floridum* (Palo Verde Blue)
- Deciduous tree grows up to 20-30 feet tall.
 - Yellow flowers in spring March or April.
 - Bare much of the year, but seems to have nice blue-green branches.
 - Takes heavy soil.

Figure 18: Palo Verde Blue



- Cercis occidentalis* (Western Redbud)
- Nice small, single or multitrunked tree, deciduous, grows to 20 feet tall.
 - Very nice magenta flowers along branches in spring (more when mature).
 - Loses leaves in winter, but very graceful branching when mature and will allow for more sun below tree for shrubs, ground cover.

Figure 19: Western Red Bud



- Arctostaphylos refugioensis* (Manzanita)
- Evergreen tree reaching 15 feet tall and 10 feet wide.
 - Showy white flowers in spring and nice reddish/brown bark.
 - Nice specimen tree - nice arching branches.
 - Good companion plant is Rhamnus.
 - Hummingbird attractant.
 - Needs only monthly irrigation once established.

Figure 20: Manzanita



- SMALL TREE (UNDER 20' IN HEIGHT)**
- Chilopsis linearis* (Desert Willow)
- Deciduous, fast-growing tree that grows to about 20 feet tall.
 - Needs summer water (twice monthly).
 - Main appeal is the large pink blossoms.

Figure 21: Desert Willow



LARGE EVERGREENS

Pinus torreyana (Torrey Pine)

- Fast growing evergreen to 40-60 feet tall.
- Open habit in coastal area and more symmetrical inland.
- Nice pine in right conditions - seems to prefer coastal climate.
- Resistant to oak root fungus.

SHRUBS

Arctostaphylos 'Sunset' (Sunset Manzanita)

- Evergreen shrub that grows to about 3' by 6'.
- Dark red bark with white flowers.
- Considered one of cleaner/neater manzanitas and compact.
- Tolerates clay soil and drought tolerant.

Figure 22: *Sunset Manzanita*



Ceanothus (Skylark)

- Evergreen shrub 3-6' x 5' tall, but can be kept at 3x3.
- Glossy dark green leaves with bright blue flowers in spring.
- Tolerant to summer and garden watering. Blooms over long season.

Rhamnus californica 'Eye Case' and 'Mound San Bruno' (Coffeeberry)

- Nice evergreen mounding shrub that grows to about 4-6'x6'.
- Adaptable to most soils and can be shaped.
- Mound San Bruno is a little smaller than Eye Case.
- Good replacements for Indian Hawthorn, Photinia, Pittosporum, etc.

Figure 23: *Sky Lark*



Ceanothus gloriosus (Anchor Bay)

- Grows to 1-1 1/2' tall and 6-8' wide. Very dense
- Nice blue flowers in spring and good at holding down weeds.

GROUNDCOVERS



Figure 24: *Anchor Bay*

Ceanothus griseus horizontalis (Yankee Point)

- Mounding ground cover or very small shrub that grows 2-3'x10'.
- Dark green glossy leaves with blue flowers in spring.

Figure 25: *Yankee Point*



Baccharis 'pigeon point' (Dwarf Coyote Brush)

- Grows 1-foot tall and about 12 feet wide dark green ground cover.
- Stays low and clean. Tolerates bad soil.

REQUIRED STUDIES

The following studies shall be submitted with the project application.

Noise Study (Required)

In the Noise Study, a qualified acoustical engineer shall certify that the proposed construction shall meet the City's Noise Ordinance requirements. Specifically, residential interior noise levels shall be 45 CNEL or less, and residential exterior noise levels in private open space areas shall be 65 CNEL or less.

The General Plan describes the indoor environment as inclusive of bathrooms, closets, corridors, and living/sleeping areas of the dwelling unit. The residential area of a live/work unit is subject to the interior residential noise requirements.

- The exterior noise standards of the City's Noise Ordinance shall not apply to the following exterior areas of multi-family residential development or live/work units located within a Mixed-Use Overlay District, approved pursuant to a Master Plan, and subject to the land use regulations of the Urban Plan,
- (1) Private balconies or patios regardless of size;
 - (2) Private or community roof decks/roof terraces;
 - (3) Internal courtyards and landscaped walkways that do not include resident-serving, active recreational uses such as community pool, spa, tennis courts, barbeque, and picnic areas.

Proper design may include, but shall not be limited to, building orientation, double pane or extra-strength windows, wall and ceiling insulation, and orientation and insulation of vents. Where it is necessary that windows be closed in order to achieve the required level, adequate means shall be provided for ventilation/cooling to provide a

habitable environment. Commercial uses shall be designed and operated, and hours of operation limited, where appropriate, so that neighboring residents are not exposed to offensive noise, especially from traffic, routine deliveries, or late night activity. No use shall produce continual loading or unloading or heavy trucks at the site.

Phase I Environmental Assessment (Required)

In the Phase I Environment Assessment, disclosure of and measures to remediate onsite hazardous wastes/substances shall be provided. Where applicable, a letter of case closure is required from the County of Orange Health Care Agency for development sites, as applicable.

Traffic Study (Required as determined by Transportation Services Division)

The primary objective of new development, redevelopment and adaptive reuse of the properties in the Mesa West Bluffs Urban Plan area is to revitalize the area without exceeding the development capacity of the General Plan transportation system. Independent traffic studies may be required by Transportation Services Division if there is a potential that the proposed Master Plan would adversely affect roadway conditions.

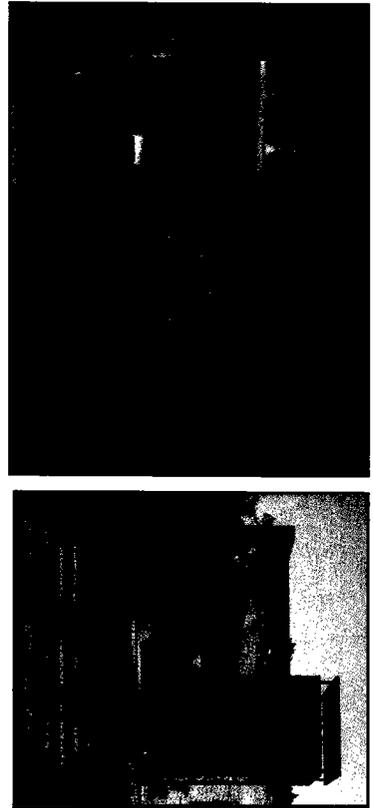
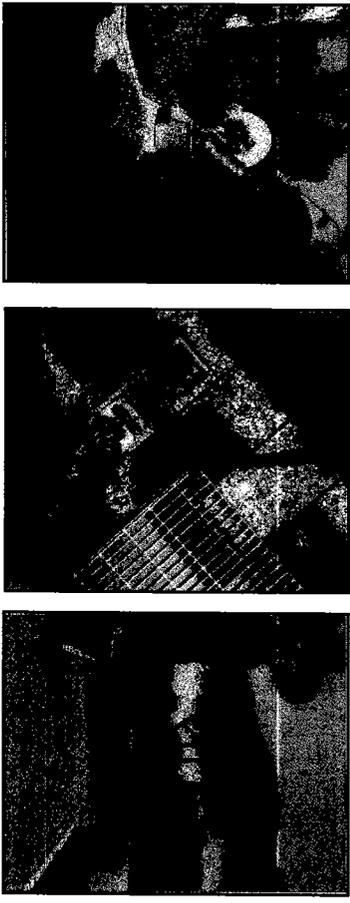


Figure 26: Collection of photos showing outdoor and indoor living spaces of live/work units in the United States.



THE PUBLIC REALM

Improvements to both public and private property will enhance the overall plan area and make it more attractive to potential Developers and users. Development in the overlay zone may need to provide for enhancements in the public realm. To establish a clearly defined and visually attractive entry into the Mesa West Bluffs Urban Plan area, the City may study and implement, where feasible and practicable, the following:

- Public right-of-way and streetscape elements such as street trees, street furniture, pedestrian-scaled lighting that illuminate the pedestrian walks, bollards, banners, public art, and decorative crosswalk paving in this area.
 - Streetscape improvements along West 17th and West 18th Street to visually indicate the transition from the large-scale suburban development at Newport and Harbor Boulevards, to the urban village scale development of the Mesa West Bluffs Urban Plan area.
- Public realm improvements also could be jointly implemented by the City and the Developer of live/work or residential development. The Developer's level of participation in public realm improvements will be determined on a case-by-case basis during the Master Plan approval process. These improvements are intended to accomplish the following objectives:
- Reinforce the identity of the Mesa West Bluffs Urban Plan area through the creation of an aesthetically pleasing pedestrian network and public spaces.
 - Create a mixed-use district focus through the provision of human-scale features such as landscape and streetscape.

Landscape in Public Right-of-Way

Landscape materials have been identified for use because they do well in the area, are drought tolerant California native plants, and require low maintenance. Following is the suggested landscape palette in the public right-of-way in the Mesa West Bluffs Urban Plan area *with the exception* of any Council-approved plant palette for medians, such as medians at West 19th and Piacentia.

Street Tree:
Platanus racemosa (California Sycamore)

Groundcover:
Ceanothus gloriosus (Anchor Bay)

Shrubs:
Arctostaphylos Sunset (Sunset Marzanito)

Streetscape

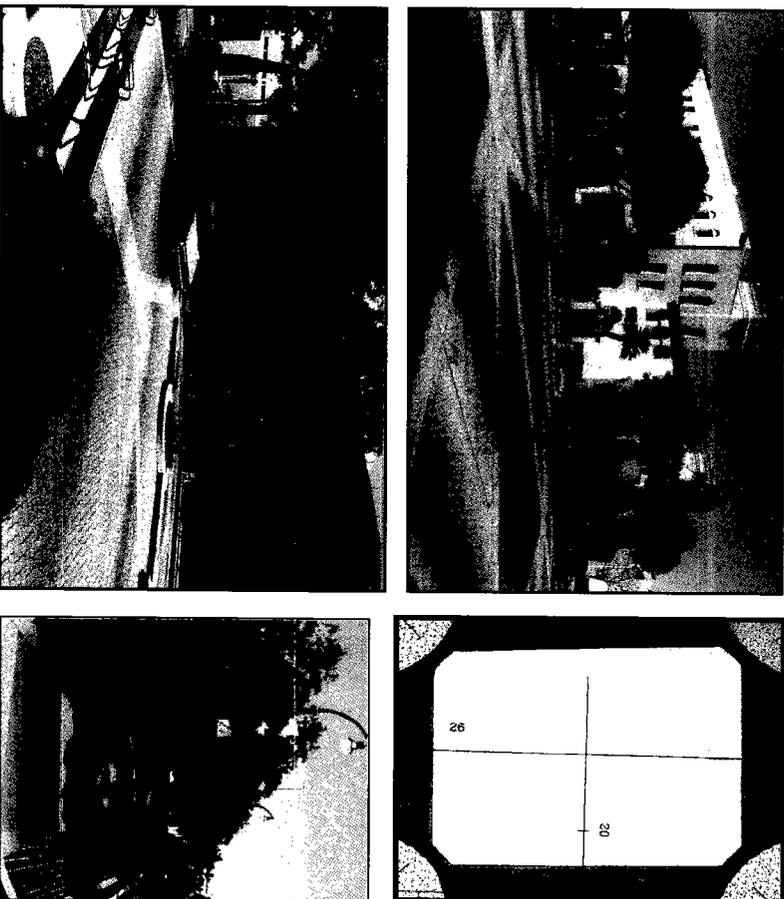
Streetscape improvements include planting materials (i.e. trees, vines, shrubs, and groundcover in landscaped parkways) and street furnishings (i.e. seating, paving, lighting, and trash receptacles). Following are some suggested streetscape improvements that may be implemented by the City and funded by the Developer in conjunction with mixed-use development:

Decorative Crosswalks

- Decorative paving of crosswalks (Figure 27), either a continuation of the existing pattern that is used at the intersection of 19th Street and Harbor Boulevard or a new, bolder pattern and color may be installed at this signalized intersection to make it safer and easier for pedestrians to cross. The decorative pattern should be in the crosswalks only (not in the center of the intersection) to emphasize the crosswalks.

- Priority may be given to installation of decorative crosswalks at the following intersections with West 17th and West 18th Street.
- Decorative crosswalks along Superior Avenue at W. 17th Street and 16th Street will be studied. One potential location is the intersection of Superior Ave. and W. 16th Street.

Figure 27: Examples of crosswalk treatments and decorative paving.



Street Furnishings for Major and Secondary Streets in Urban Plan Area

To provide continuity within in the plan area and to comply with Citywide standards, a complementary collection of street furnishings will be used. The proposed street furniture on this page are provided for informational purposes only and serve as illustrative examples of what types of furnishings may be used in the plan area. The Planning Commission may exercise creativity and flexibility in departing from any of these suggested examples. The Planning Commission may allow different types of street furniture that complement the mixed-use development projects in conjunction with Master Plan approval.

- The City's adopted "Downtown Bench" (Dwg. No. DS.104), Timberform "Renaissance" or approved equal, color Ameron #2103 or approved equal should be used along sidewalks and in public spaces. (Figure 29)
- The City's adopted trash container (Dwg. No. DS.105) should be used, with a minimum of one trash container for each 300 feet of street frontage and should be maintained (regular trash pickup and cleaning) by the City. (Figure 31)
- The City may design or select a standard news rack system to complete the family of approved street furnishings. The news rack system should permit the grouping of up to five news racks.
 - Criteria for the placement of news racks should be developed. In developing those criteria, it is recommended that at least the existing number of news rack be permitted. Placement criteria may include:
 - To avoid visual obstructions that may create safety and security

hazards, not more than five individual news racks should be grouped in one location and news racks should not be stacked above a height of 3'-6".

- News racks should be located in front of businesses with high volumes of pedestrian activity, including restaurants and grocery stores.
- Groups of news racks should be placed at least 300 feet apart where feasible.
- New bus shelters shall exhibit the same design and color palette as those shelters recently installed along West 19th Street. (Figure 30).

Following is a comprehensive list of suggested parkway improvements or public right-of-way improvements that may be required in the Mesa West Bluffs Urban Plan area.

Since all projects shall include specific, mandatory base elements to create a unifying theme, these elements are identified in the list below. ADA compliance is required where applicable.

Required Base Elements

- Various landscaping & irrigation improvements in public right-of-way
- Street Trees per Urban Plan
- Grated tree walls
- Benches & trash receptacles
- Standard & ornamental street light poles
- Enhanced color & textured treated sidewalks
- Decorative crosswalks
- Increased sidewalk widths or sidewalk realignments

Other Suggested Elements

- Architectural retaining walls (outside public right-of-way)
- Undergrounding of utilities
- Repair of adjacent parkway, curb & gutter
- Entry node monuments

Figure 29. City's adopted "Downtown Bench" (Dwg. No. DS.104),

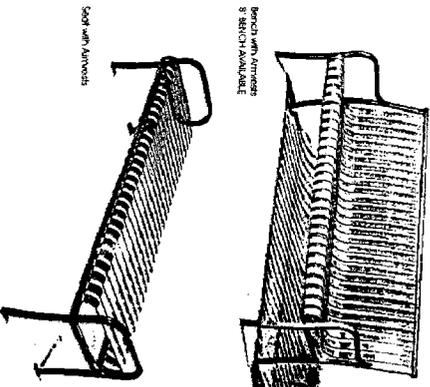


Figure 28: Tree Grate

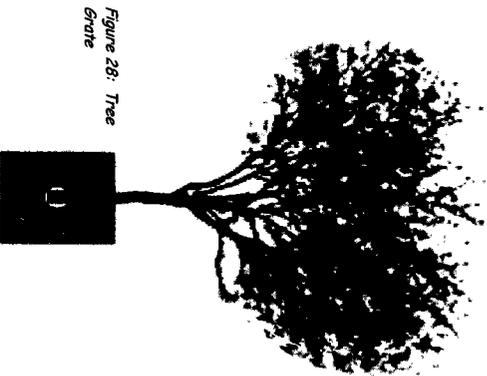
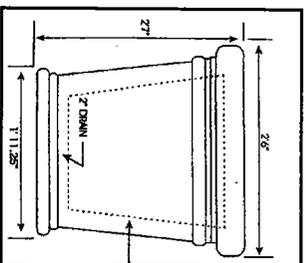


Figure 30. Bus shelter on 19th Street



Figure 31. City's adopted trash container (Dwg. No. DS.105)



PUBLIC NODES

The Mesa West Bluffs Urban Plan will largely be developed with separate architectural identities. The best way to achieve cohesiveness and identity is through use of general physical elements that can be used consistently, or in some cases, complementarily throughout the mixed-use district. Unique gateway and street signage will create an appealing and consistent design/color theme throughout the district.

Gateway Monument Signs

The entry monuments will identify gateways to the Westside and enhance visibility of this area. The community identification signage will hopefully encourage property owners to redevelop their properties into mixed-use development, construct new residential development, or adaptively reuse existing buildings. The entry signage will reinforce a sense of community and value for a successful revitalization. A monument sign, designed as a smaller scale version of the approved City entry monument sign, may be installed at the following locations. The exact sign dimensions and locations will be determined by the City's Planning and Transportation Services Divisions as mixed-use development is proposed.

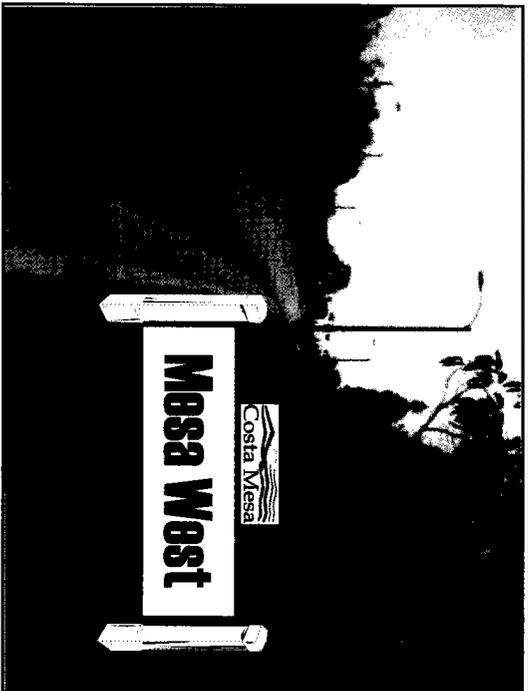
Suggested Entry Signage Locations

- Victoria St. and Placentia Ave. (Figures 32 and 33)

Two potential sign locations have been chosen for the above intersection. The first location is inside the median on Victoria St., just west of Placentia Ave. The second location is to the south of the bike trail off the northwestern portion of the intersections.



Figure 32 and 33: Illustrative examples of suggested monument sign at Victoria Street, west of Placentia Avenue. Note: Not to Scale



- Victoria St. and Pomona Ave. (Figures 34 and 35)

Two potential sign locations have been chosen for the above intersection. The first location is on the south side of Victoria St. west of Pomona Ave. and north of the bike trail. The second location is on the north side of Victoria St., east of Pomona Ave., and south of the bike trail.

- Placentia Ave. and W. 16th St. (Figure 36)

The potential entry sign location for the above intersection depends on a possible future median project along Placentia Ave.

- W. 16th St., Pomona Ave., and Superior Ave. (Figure 37)

One potential entry sign location has been chosen for the above intersection. The median is located to the northwest of Superior Ave., south of Pomona Ave and W. 16th St., and west of Industrial Way. These intersections border Costa Mesa and Newport Beach and would be a key identifier of entry into the Westside.

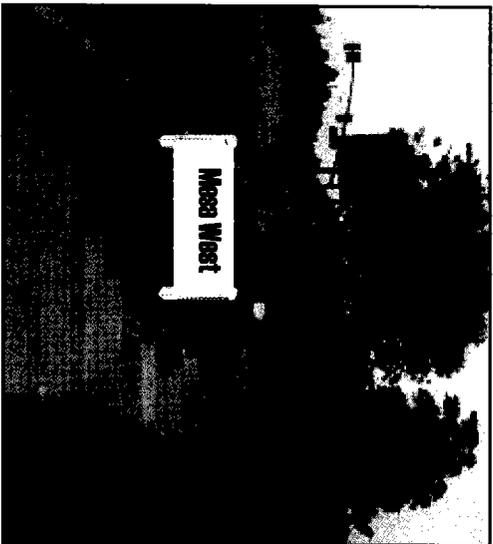


Figure 34: Illustrative examples of suggested monument sign at Victoria Street, west of Pomona Avenue.
Note: Not to Scale



Figure 35: Illustrative examples of suggested monument sign at Victoria Street, west of Pomona Avenue.
Note: Not to Scale

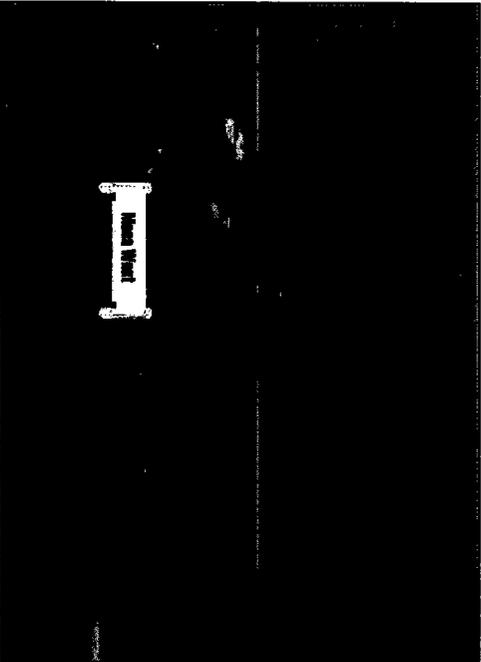


Figure 36: Illustrative examples of suggested monument sign at a potential future median location at Placentia Avenue and West 16th Street.
Note: Not to Scale



Figure 37: Illustrative examples of suggested monument sign at potential landscaped median at West 16th Street/Superior Avenue/Pomona Avenue
Note: Not to Scale

Banner Signs

As major mixed-use development occurs in the Mesa West Bluffs Urban Plan area and properties are redeveloped, a banner signage program is suggested for the area. Banners on private property may be displayed only in conjunction with current or pending cultural events in the district, in conjunction with existing permanent structures in the district, or as free-standing display of original works of artistic merit. Banners on private property shall not be displayed for any reasons other than furtherance of broad cultural goals. The banners throughout the district will make visitors aware that they have entered the Mesa West Bluffs Urban Plan area. An illustrative example of a banner design is provided in Figure 39.

Streetlights

A mix of different streetlight types are found throughout the City. The most common along the majority of arterials are the concrete "Marbeline" poles with cobra head light fixtures, providing either single or dual mast-arms (Figure 40). Within the Downtown area, surrounding the Triangle Square development are the "Triangle Square" streetlights, which are owned and maintained by Triangle Square Development (Figure 41).

The nostalgic streetlights were installed along West 19th Street. For continuity with the SOBECa Urban Plan, 19 West Village Urban Plan, and the East 17th Street Lighting Plan, the "Carpinteria" ornamental street light is also recommended for the Mesa West Bluffs Urban Plan area (Figure 38).

A uniform citywide plan is needed to designate areas for special decorative streetlights in conjunction with new development projects. For example, the following street lighting plan is proposed for the Mesa West Bluffs Urban Plan area:

Street Lighting for West 18th and West 17th Street

- Install ornamental pedestrian lighting on 12-foot poles 50 feet on center

The decorative streetlights may be the same style and color used at the along E. 17th Street or another complementary style to be specified by the City.

Figure 38: Carpinteria-style light standard currently being used on E. 17th Street

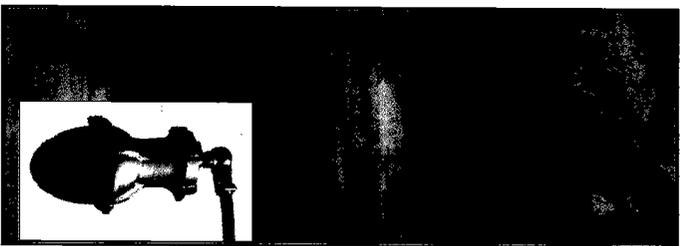
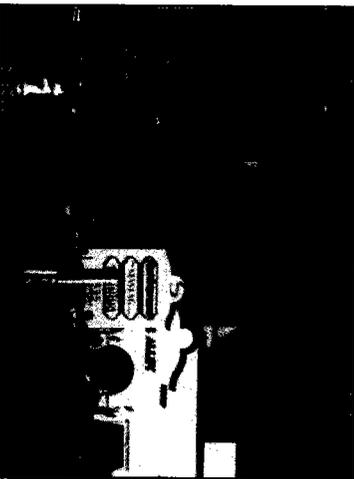
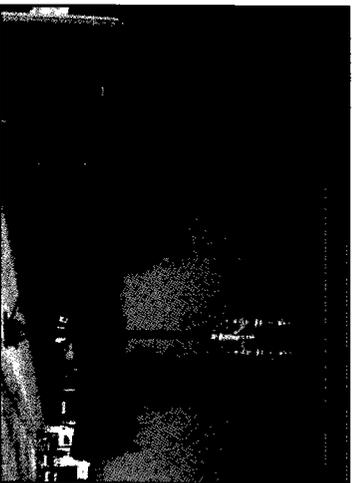


Figure 39: Illustration of potential banners on light standards in Mesa West Bluffs Urban Plan area



Figures 40 and 41: Marbeline and nostalgic style light standards.

ATTACHMENT 3

06-08-09 PC Minute Excerpt for SP-05-08 - Unofficial Until Approved

2. From the meeting of May 11, 2009, Amendment No. 1 to the Mesa West Bluffs Urban Plan SP-05-08 related to mixed-use, live/work, and residential loft development standards, in the Mixed-use Overlay zone. Environmental determination: exempt.

Planning Administrator Claire Flynn reviewed the information in the staff report and noted the standards for minimum work space size in the development standards table have been removed from this report at the request of the Planning Commission. She responded to questions from the Commission regarding the City's vision to create a new type of urban housing in the Mixed-use Overlay zone area, the added language, land use, traffic, the length of time worked on the amendment, the number of people who participated in the Urban Plan process, and development incentives.

Mr. McEvoy expressed his concerns that the recent modifications to the proposed amendment continue to allow a loophole to exist in the Urban Plan for high-density apartments labeled as live/work units. He gave estimates of the number of residential units that could be built. He also made a comment about developers making campaign contributions to a member of the Commission and asked if it was a conflict of interest for that member to vote on this item.

No one else wished to speak and the Chair closed the public hearing.

Deputy City Attorney Tom Duarte pointed out there is no conflict of interest because the proposal does not involve a specific applicant or development project.

Vice Chair Fisler noted that this amendment might be high density residential in disguise and suggested looking at the table on Page 3. He commented on the importance of establishing a minimum work space and stressed the need for more standards for live/work units to make the units more attractive to business versus residents. He also commented on maximum living area allowed, minimum lot size, and separate entrances to the living areas and the work areas or separate buildings for the living area and work area. He said a minimum work area is needed or a maximum living area.

MOTION: Receive and file report.

Moved by Commissioner Sam Clark, seconded by Vice Chair James Fisler.

During discussion on the motion, Commissioner Clark thanked staff for the number of hours they worked on this amendment, but agreed with Vice Chair Fisler that there is a potential for high density residential with virtually no constraints. He also said the modifications to the proposed amendment left no specific standards for the developers.

Commissioner McCarthy discussed flexibility and minimum work space and asked what is needed to move forward with this amendment.

Vice Chair Fislser said he has thought about receiving and filing this report and supports the motion. He also discussed guidance for the developers. He thanked staff for the many hours they spent on this amendment and said the table on Page 3 is a great idea.

Commissioner Mensinger noted the Vice Chair's involvement in this amendment process and said it appears we cannot leave this issue without comment. He believed that minimum work space standards should not be included in the Urban Plan.

The Chair spoke against the motion and agreed with Commissioner Mensinger. He said he was speaking against tabling it. He did agree with Vice Chair Fislser and Commissioner Clark concerning traffic, but said projects need to have development flexibility. He commented that the Commission is here to clarify matters for the property owners.

Vice Chair Fislser, Commissioner McCarthy, and Ms. Flynn discussed roof gardens, deviations, Page 2 of the Summary of Motions, and the table on Page 3.

Commissioner Clark reiterated that important language has been removed from the amendment without reference to any kind of work space. He believed that there should be a work space standard of some kind and therefore the Urban Plan would be deficient without it. He said that is why he made the motion to receive and file.

The Chair called the motion which failed to carry, 2-3 (Righeimer, McCarthy, and Mensinger voted no).

The Chair asked for another motion.

MOTION: Recommend City Council approval of Amendment No. 1 to the Mesa West Bluffs Urban Plan, by adoption of Planning Commission Resolution PC-09-27.

Moved by Chair James Righeimer, seconded by Commissioner Colin McCarthy.

During discussion on the motion, Commissioner McCarthy expressed his concern regarding the amount of staff time spent and asked for a clarification of the questions received from the development community.

The Chair stated that we should not be backtracking, but looking for development and noted that deviations and excessive uses can be reviewed by the Planning Commission. He gave his support for the motion.

Vice Chair Fisler said the questions from the developers are answered in this document and they can also be answered over the phone. His major concern was the amount of work space and said if the minimum work space is defined, then that question is answered. Vice Chair Fisler proceeded to make a substitute motion.

MOTION: Recommend City Council approval of Amendment No. 1 to the Mesa West Bluffs Urban Plan with the addition of the minimum size of work space chart on Page 3.

Moved by Vice Chair James Fisler, seconded by Commissioner Sam Clark.

Commissioner McCarthy questioned how requiring minimum work space would succeed.

Commissioner Clark mentioned that he understood Commissioner McCarthy's concerns, but said minimum work space is needed.

Vice Chair Fisler reiterated that some reference point is needed.

The Chair called the substitute motion which failed to carry, 2-3 (Righeimer, McCarthy, and Mensinger voted no).

The Chair then called the main motion, to recommend City Council adoption of Amendment No. 1.

Vice Chair Fisler asked staff to forward the comments he made on this item to the City Council.

The motion carried by the following roll call vote:

Ayes: Chair James Righeimer, Commissioner Colin McCarthy, and
Commissioner Stephen Mensinger

Noes: Vice Chair James Fisler, and Commissioner Sam Clark

Absent: None.

OK

C.K. ALLEN Jr.

STRUCTURAL ENGINEER

1967 ROSEMARY PLACE
COSTA MESA, CA 92627
(949) 548-7144

*C: Council
CM
ACM
Kim Brandt*

Job #: _____
Date: _____
Designed by: _____
Sheet # _____ of _____

FAX Memorandum

DATE: June 20, 2009 1 Sheet

TO: Mayor Allan Mansoor
City of Costa Mesa, CA
Fax (714) 754-5330

FROM: C. K. Allen
Fax (949) 548-9590

RE: Amendment to Overlay Zone on Westside

Mayor Mansoor and Members of the Council:

I write you to object most strenuously to the proposed amendment to the residential overlay zone on the Westside. I understand this proposal will come before the Council on July 21 as the result of a 3-2 vote in favor of this amendment by the Planning Commission.

I am of the opinion that the overlay zone on the Westside industrial area was a huge mistake in the first place and this proposed amendment just compounds the mistake. Our Westside industrial area is a boon to our City. Untold services and products are available to not only the citizens of Costa Mesa but all of Orange County as a result of our "industrial area." Doing away with our industrial area will force all of us to drive to who knows where to find the services and products that we now have in our own back yard.

The businesses on our Westside provide not only services and products but jobs, property taxes, business taxes, payroll taxes, etc., etc. We need more high density residential like we need a bullet in the head. One need only look at the high density residential on the Westside that we have now to see that this isn't a good idea. Please kill this proposed amendment and even the entire residential overlay if this can be done.

Sincerely,

C. K. Allen

From: Nate [mailto:nate_statler@hotmail.com]
Sent: Monday, June 08, 2009 5:34 PM
To: PLANNING COMMISSION
Subject: West Side Overlay

Unfortunately I am unable to attend the Planning Commission meeting tonight. I would like to voice my concerns with the proposed renewal of the West Side Overlay. I am not convinced that increasing the density on that side of town is the answer to its many issues. Please vote to discontinue this plan.

Kind Regards,

Nate Statler
Lifelong Costa Mesa Resident

6/09/2009

VI.1
SP-05-08

From: Walter Davenport [mailto:waltdav@sbcglobal.net]
Sent: Saturday, April 11, 2009 4:02 PM
To: FLYNN, CLAIRE
Subject: Re: Planning Commission Meeting - April 13, 2009 on Urban Plan Amendment

Claire: I agree with the proposed changes. However, I think preventing reversion to full residential is a daunting task and I'm not sure people won't still get around these changes from time to time. I don't know what more to suggest to make it more difficult except for a deed restriction of some sort. I can picture the prevention of reversion requiring extensive enforcement activity.

I hope the Commission and Council adopt your amendment since I think it is definitely a step in the right direction.

Walt Davenport

VI.1
SP-05-08



Received
City of Costa Mesa
Development Services Department

APR - 9 2009

April 9th, 2009

James Righeimer, Chairman
City of Costa Mesa, Planning Commission
77 Fair Drive
Costa Mesa, CA 92628-1200

RE: Monday, April 13th Public Hearing Item #1: "Urban Plan Amendment NO.1"

Dear Chairman Righeimer:

Less than 9 months ago, our company received approvals for a 34 unit live/work project within the West Mesa Bluffs Urban Plan, the same Urban Plan for which changes are being proposed by the Planning Department. For this reason, we feel our perspective on proposed changes to this Urban Plan is unique. The proposed changes, in our view, precludes our company, and other developers, land owners, and investors from redeveloping older industrial, warehouse, office, and multi-family parcels to allow live/work projects.

The proposed changes, among other items, will require 25% - 35% of a live/work home's square footage to be designated as "work" space. This requires a very large "footprint" for the home to be built, as "work" spaces are always found on the ground floor. Unfortunately, cars are also parked on the ground floor. Therefore, in order to construct a live/work home larger than 1500 sq. ft., a minimum of 525 sq. ft. of "work" space, and a 400 sq. ft. garage requires a minimum of 1000 sq. ft. on the ground floor. This significantly reduces the number of units per acre that can be built on a given parcel of land as homes become wider, not taller. **If the proposed changes are allowed, land owners cannot entertain offers from developers and investors because the income they are currently receiving on their older industrial, warehouse, or multi-family building far outweighs what a developer can spend on the land to redevelop the parcels into the projects outlined in the Urban Plans.**

In addition, the Agenda Report fails to discuss the different parcels, streets, and sub-markets within the West Mesa Bluffs Urban Plan, and instead, treats the entire area as a whole. For example, large "work" areas can be appropriate along West 17th and Placentia Avenues because of their high retail visibility. A hair/nail salon, ballet studio, art gallery, or other "public" facing business that relies on traffic is well suited for these

areas. The Urban Plan, however, includes numerous “dead end” streets and streets with little to no “through” traffic, such as Whittier, West 18th, and Monrovia Avenues. In fact, in our “town hall” style meetings with neighbors living near our project on West 18th overwhelmingly requested small “work” spaces. Large “work” spaces, they felt, would generate more traffic from customers and employees who have to travel to the “work” space from their homes every day.

The Urban Plans are a success. They are innovative. They talk of “stimulating improvement” and “promoting a new type of urban housing.” We do not feel it is in the best interest of the city to re-open the Urban Plans to modify development standards, as buyers and sellers cannot engage in transactions if the rules are changing. **We propose no changes to the existing Urban Plans and instead propose the creation of new Urban Plans in areas of the city that have yet to be included in the program.** This plan makes better economic sense for the city of Costa Mesa.

Sincerely,

Bryan G. Coggins

Bryan G. Coggins
The Preface Group

Received
City of Costa Mesa
Development Services Department

April 9, 2009

APR - 9 2009

James Righeimer
Chairman
Planning Commission
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

Re: **April 13, 2009 PC Agenda Item - Public Hearing Amendment #1 to the Mesa West Bluffs Urban Plan SP-05-08**

Chairman Righeimer,

I am writing on behalf of the members of the Building Industry Association of Southern California, Orange County Chapter (BIA/OC) to express our concerns regarding Public Hearing Item 1 on the April 13, 2009 Planning Commission Agenda. Our association is concerned that unnecessarily increasing regulations may create an unintended disincentive to future investment in your community.

As you know, the BIA/OC has had a great working relationship with the City of Costa Mesa in dealing with important issues related to the future development of your community. We consistently point to Costa Mesa as an example of a city that understands the importance of private investment in a successful and vibrant community. However, the members of the BIA/OC are concerned that the proposed zoning code amendment will restrict and over regulate potential investors and will limit Costa Mesa's ability to achieve your development goals. **Specifically, this proposed zoning code amendment will create a regulatory burden on site design that may damage potential investors' ability to maximize the use of land within the Mesa West Bluffs Urban Plan.**

The housing market is very dynamic and consumer demands are ever changing. It is dangerous for cities to lock future development in a "regulatory box" based on what may have worked in the past in other cities. With the scarcity of land in our region, housing product types, especially urban products, are constantly evolving. Developers are forced to get creative in order to satisfy the needs of the market while remaining profitable. So, it is important for government to remain flexible and resist their desire to

VL.1
SP-05-08



**Orange County
Chapter**

Building Industry Association
of Southern California

17744 Sky Park Circle
Suite 170
Irvine, California 92614
949.553.9500
fax 949.553.9507
www.biaoc.com

www.madehometour.com
Your industry's comprehensive
online guide to new homes

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VICE PRESIDENT
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MARK KAUSHAGEN
PULTE HOMES

TREASURER
MICHAEL MCCANN

IMMEDIATE PAST PRESIDENT
DAVID GREMINGER
FIELDSTONE COMMUNITIES

TRADE CONTRACTOR COUNCIL V.P.
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KRISTINE THALMAN
CHIEF EXECUTIVE OFFICER

over regulate. Resisting over regulation will allow private industry to succeed in these uncertain times.

Over the last several years, your city has taken a number of steps to incentivize private investment as a means to renew underutilized areas of the community. It is for this reason that the City of Costa Mesa is well-positioned to be at the forefront of recovery and revitalization when the current economic crisis subsides. **Our members ask that you maintain your current course and reject the proposed zoning code amendment.**

As always we remain a resource to you and your staff on these important development related issues. Please feel free to contact me at any time to discuss this matter further. Thank you for your thoughtful consideration.

All the best,

A handwritten signature in black ink, appearing to read "B. Starr", followed by three dots.

Bryan M. Starr
Deputy Executive Officer

Cc: Planning Commission
Kimberly Brandt, Planning Commission Secretary

From: Bill Turpit [mailto:BTurpit@jdtplaw.com]
Sent: Wednesday, April 08, 2009 6:59 PM
To: FLYNN, CLAIRE
Subject: RE: Common Amenity Lot Discussion

Claire:

I still have a concern with your use of the word "lot" wherever you have used the term "common amenity lot". It doesn't work for typical condominium development within a single lot. In a typical single-lot condominium development there will be no separate "lot" on the ground encompassing just the common use recreational and open space areas. Those areas will be a portion of the Common Area or the Association Property, depending on how the Condo Plan definitions are written. So the use of the word "lot" will cause confusion to developers of condo live/work projects. In Tables A1 and A2, I recommend you replace the word "lot" with "area", as follows:

TABLE A1

- *"Common Amenity Lot Required"* becomes ***"Common Amenity Area Required"***
- *"Minimum Common Lot Required"* becomes ***"Minimum Common Amenity Area Required"***
- *"This lot provides common open space and recreational opportunities and is distinct from common lot areas for driveways, parking and walkways."* becomes ***"This amenity area provides common open space and recreational opportunities and is distinct from common use areas for driveways, parking and walkways"***.

TABLE A2

"Minimum 2000 sq ft lot to serve as common outdoor amenity lot for recreational purposes. This amenity lot does not include vehicle parking /circulation areas or street landscaped setback areas". becomes ***"Minimum 2,000 sq ft area to serve as common use outdoor amenity area for open space or recreational purposes. This common amenity area does not include vehicle parking/circulation areas or street landscaped setback areas."***

(By the way, I can't figure out the difference between Table A1 and Table A2, and the increase to 2000 sq ft. of amenity area)

I hope this is meaningful. Let me know if you have any questions.

Thank you.

Bill

William J. (Bill) Turpit
Jackson | DeMarco | Tidus | Peckenpaugh
2030 Main Street, Suite 1200
Irvine, CA 92614

From: Peter Koetting [mailto:PKoetting@westarassociates.com]
Sent: Wednesday, April 08, 2009 11:03 AM
To: FLYNN, CLAIRE
Subject: RE: Planning Commission Meeting - April 13, 2009 on Urban Plan Amendment

**This is a good report. I see nothing wrong with your suggested changes.
I cannot attend the meeting on the 13th.
Good luck.**

Peter J. Koetting
Westar Associates
714-241-0400
714-241-0132 fax

From: scott clements [mailto:justsclements@hotmail.com]

Sent: Wednesday, April 08, 2009 12:32 PM

To: FLYNN, CLAIRE

Subject: RE: Planning Commission Meeting - April 13, 2009 on Urban Plan Amendment

Claire,

The amendment looks fine to me.

The residential use only issue will always be there. The developer in reality will not care about the buyer's long-term intended use, but only making the sale. I think that the best way to cope with the issue is through the parking requirements and ground floor design whereby they are unattractive for residential use.

Good luck.

Respectfully,

Scott Clements

PS: Did the owner of the Logan building that I inquired about ever make a request for a conditional use?

From: H. Millard [mailto:millard6@pacbell.net]
Sent: Monday, March 02, 2009 6:32 AM
To: PLANNING COMMISSION
Cc: BRANDT, KIMBERLY
Subject: Fw: Planning Commission Study Session Today
3/2/09

Dear Planning Commissioners:

Re: Planning Commission Study Session today--3/2/09

I believe the overarching intent of the various Westside plans is to improve the area by encouraging the building of owner occupied housing units--and especially on the Bluffs--to attract upwardly mobile people to the area.

I don't get the sense that this is being encouraged in the material that is before you today for your review and suggestions.

Here are a few preliminary thoughts I had after reviewing the material to be presented by staff today:

Please note that since I was working from a computer copy of the material, my page numbers are my computer page numbers and may be different from those on the paper documents before you.

1. Page 7/16--Express Intent language. I don't believe that this language adequately expresses the intent of the changes that we've all been trying to bring to the Westside and especially to the 60 acres of industrial properties on the Westside Bluffs.

Something along the following lines might send a message to developers that we *really* want them to bring in some residential developments. Please note that this is just a very rough draft of some language that might encourage developers:

It is the express intent of the City of Costa Mesa to encourage the integration of appropriate owner occupied housing on the Westside Bluffs in areas that have historically been used for oil well related businesses and more recently industrial businesses.

In encouraging such owner occupied housing, the City is mindful that such housing may be of various types and may include, but not be limited to, single family homes, live/work lofts, live-only lofts and other creative and eclectic uses that will complement the artist/artisan ambiance of the area and which the City seeks to encourage. The City will, for its part, seek to be flexible and open to each development proposal on an individual basis and the City sees this evolution of the area as one that will be largely developer driven with the City acting as a helpful facilitator for appropriate projects.

2. Page 12/16--Common Open Space Development Lot--"minimum 2,000 sq. ft."

I think this is a deal killer. Many of the lots on the Westside are small and I think this should be on some sort of sliding scale rather than being fixed at 2,000 sq. ft.

3. Page 15/16--Table A3--Residential Development Standards--"minimum lot size, one acre." I think this is another deal killer, and may be difficult to achieve and may stop development. Assembling enough small parcels to reach 43,560 sq. ft. may be very difficult. The result may be that small developers won't even try, and we'll see little development.

I will try to be at the meeting today.

Respectfully,

M. H. Millard

cc: Staff
Interested parties

MEMO

TO: CITY COUNCIL AND PLANNING COMMISSION
DATE: AUGUST 28, 2008
FROM: ELEANOR EGAN
RE: LIVE/WORK ISSUES

The attached pages are from an architect's web site, <http://www.live-work.com/lwi/codes/truths.shtml> where live/work development issues are discussed, including – most relevant to Costa Mesa – the tendency of such units to revert to purely residential use. (The attached discussion could not be printed directly from the web site; I have copied it without any editing on my part except to highlight in **bold text** certain points.)

I was moved to do this research by two events: the conversion of the Nexus development from mixed-use with condominiums to very-high-density rental apartments, and the approval of a purported live-work project at the west end of 18th Street that also seems clearly destined to become very-high-density apartments without adequate parking.

A speaker at the public hearing on the West 18th Street project unwittingly confirmed my suspicions. He made it clear he had no interest in the live/work aspect but simply wanted to buy one of the units as a residence. He said he had wanted to move his family to Costa Mesa for quite a while but couldn't find anything cheap enough. This project, he said, could fit his budget. ✓

Costa Mesa has a plethora of very-high-density apartments, especially in the Westside. Adding more, especially multi-bedroom, is not compatible, in my judgment, with either the adjacent industrial uses or the low- and medium-density residential uses.

I recommend that the Council and Commission study this matter with a view to better defining live/work (or work/live) developments to carry out the purposes of the Urban Plan overlays in evaluating future development proposals.

cc: Allan Roeder
Don Lamm
Kimberley Brandt

TEN TRUTHS OF LIVE/WORK PLANNING POLICY

CONGRESS FOR THE NEW URBANISM

What are the planning and zoning implications of live/work? They are legion, and they are not what they first appear to be.

1. First, live/work is not a monolithic phenomenon. Clearly, some of what bears that name is predominantly residential in character. The rise of the internet, telecommuting, and even teleconferencing have created unprecedented opportunities for home office and small, at-home business. On the other hand, there is a demand for a more work-driven type of space in which employees and walk-in trade are permitted and more intense and/or more hazardous kinds of work are performed. This we are calling work/live.
2. There is a demonstrated tendency for live/work or work/live space to revert to purely residential use, regardless of how it was permitted or represented. This tendency is most pronounced in new construction condominiums or "lifestyle lofts." In some areas this is tolerable, in others it can cause great harm.
3. Each of these three types, home occupation, live/work and work/live, (and subsets thereof, e.g. home office, artists' live/work) is more appropriate in some areas than others. Zoning should be applied to locate live/work types suitably.
4. Residential reversion, described in #2 above, should be discouraged strenuously in those areas where pure residential use is undesirable due to incompatibilities with other uses, lack of residential amenities, etc. Residential reversion can be slowed down, if not entirely stopped, through the use of a combination of regulations, sanctions, financial incentives, tax policy incentives and, perhaps most importantly, the design of units for the appropriate level of proximity between living and working spaces. Residential reversion is a central issue of concern to The Live/Work Institute, and was an important part of a study conducted in 1997 by Live/Work Institute President Thomas Dolan and others, entitled *Work/Live in Vancouver*.
5. While it can be a valuable tool for revitalizing "under-developed" neighborhoods (that term used to refer to countries!), the development of live/work, lofts, -- or whatever one calls them -- must be balanced with the valid need for the kinds of small and medium-sized businesses that are needed to make a city work, and for the larger commercial and industrial companies that employ her citizens. Laissez-faire loft development -- which usually leads to wholesale residential reversion -- can spell disaster for these businesses in the form of prohibitive property values and "imported NIMBY's."
6. There is, however, a place for lifestyle lofts, especially as part of a lively mixed-use district, often transitioning (spatially) between residential and commercial/industrial areas, between downtown commercial and industrial neighborhoods, or generally on residential neighborhood edges. Lofts are often an appropriate re-use of historic structures which might otherwise remain vacant, and in fact, relaxation of building code

requirements for all kinds of live/work is permitted under state law in California. The permitting process for lofts, particularly in the case of new construction live/work, should be closer in character to residential regulations, which means instituting design review, open space and setback requirements, inclusionary zoning, and (in California) full imposition of school impact fees.

7. Artists began the live/work phenomenon, and they require a kind of affordable space that can (almost) only be found in older industrial buildings. In areas with hot real estate markets (or where lifestyle lofts are already out of control, which includes many cities), the only way many artists can retain control of their spaces is through ownership, long-term rent subsidies, or the creation -- and enforcement -- of "Artists' Protection Zones" providing long-term affordable live/work. It is, in fact, more of a financial problem than a zoning problem, although certain zoning measures can help (such as designating certain live/work areas as rental only in existing buildings only). Artists contribute significantly to cities' economies (in San Francisco, 1 in 11 jobs are in the arts sector). They are the keepers of our culture, and they deserve our support and protection.

8. Live/work plays an important part in what The Live/Work Institute calls The Incubator Cycle. Ideas for small businesses often progress through different work spaces, from a spare room at home, to the garage (of Apple Computer and Hewlett Packard fable and fame), and often next to a live/work space. In fact, for some, the progression from home occupation to live/work to work/live space is part of the cycle. Government and corporate-sponsored incubators are a valuable newcomer on the scene: many have been very successful. A project idea being considered by the Live/Work Institute is a "Live/work Incubator," in which business assistance and facilities would be provided in a residential -- i.e. live/work -- setting.

9. Live/work and community is a topic treated elsewhere. Its implication for planning policy and zoning regulations are enormous -- they speak to the future of socialization in the 21st century, in which commuting may become more the exception than the norm. Live/work has been occupied and experimented with (mostly by trial and error, in a relative regulatory vacuum) for most of the last half of the 20th century. Any person who works at home (most do so alone) will attest to the fact that it can be a very isolating experience in a suburban single-family house, or even a conventional apartment or condominium. Live/work projects can be planned to alleviate this isolation in two ways:

1. By requiring that live/work projects be designed such that they provide opportunities for spontaneous interaction among residents as they come and go in "interactive spaces" such as courtyards, atriums, etc;
2. By locating live/work projects in pedestrian-oriented neighborhoods, on lively mixed-use streets (sometimes above shops) where there are easy opportunities for one to step outside and encounter others in a congenial public realm.

10. The Congress for the New Urbanism was founded to "advocate the restructuring of public policy and development practices to support the following principles: neighborhoods should be diverse in use and population; communities should be designed for the pedestrian and transit as well as the car; cities and towns should be shaped by physically defined and universally accessible public spaces and community institutions urban places should be framed by architecture and landscape design that celebrate local history, climate, ecology, and building practice."

Many New Urbanist projects include live/work spaces; as mentioned above, the fit is a natural. The apartment above the mom-and-pop store, or the country lawyer whose cottage is behind his office are time-honored built forms in the traditional American town. They are both forms of live/work.

Live/work is probably the most viable form of market rate housing (sic) development in many inner cities. It is the only building type that provides both employment and housing. Inherently mixed use, infill live/work projects or renovation of existing buildings often go a long way toward meeting many of the goals of New Urbanism, and therefore could be seen as one of its best entrees into an inner city context.

MEMO

TO: CITY COUNCIL AND PLANNING COMMISSION
DATE: AUGUST 28, 2008
FROM: ELEANOR EGAN
RE: C. Leinberger, "The Next Slum?" The Atlantic, March 2008

The attached article from *The Atlantic* magazine highlights some things that have concerned me for several years. Even before the mortgage lending/foreclosure crisis put many Costa Mesa families under intense financial pressure, we saw and heard testimony of single rooms occupied by whole families, garages used as sleeping accommodations for as many as nineteen men, and other forms of overcrowding.

There is little to prevent many parts of our city from turning into overcrowded slums-in-the-making.

- Under Costa Mesa's Municipal Code, there is no limit on the number of bedrooms a single-family home may contain.
- The Code currently allows the owner of a single-family house in an R1 district to rent out as many as three rooms without any sort of permit and without consideration of parking, trash or other issues.
- The Code imposes no limit on the number of people to whom a room can be rented, either all at once or on a time-share (days vs. nights) basis.
- The Code does not require the owner of a small boarding house to live on the premises.

The article from *The Atlantic* states that expensive "McMansions" with high mortgage payments are as vulnerable as smaller homes. They may become boarding houses and eventually be split into substandard apartments.

Leinberger contends that tightening regulations cannot stop the trend, but I believe we should do all we can to forestall the degradation of neighborhoods while we work to freshen our city's attractiveness for the new demographic and economic trends.

For example, could our neighborhoods and commercial areas better accommodate walking and cycling or be integrated with public transportation? Are we fostering development that takes into account the demographic shift from families with children to single- and two-adult households? What more can we do to attract the new demographic?

If Costa Mesa is to remain a desirable place to live, we must think and plan for the future and not just react to the demands of hit-and-run developers and enterprising landlords. I urge the City Council and Planning Commission to study the issues raised in "The Next Slum?" and take bold actions to prevent the decay of our residential neighborhoods.

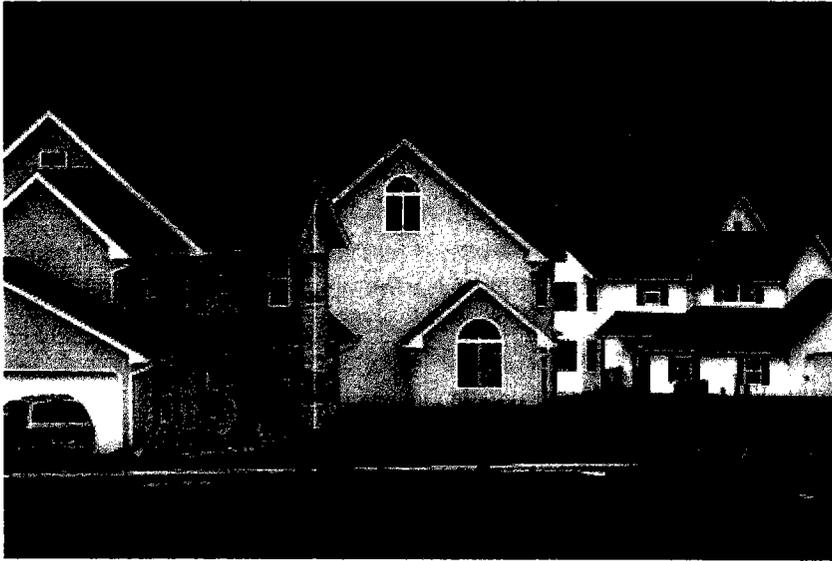
cc: Allan Roeder
Don Lamm
Kimberley Brandt

March 2008 Atlantic Monthly

The subprime crisis is just the tip of the iceberg. Fundamental changes in American life may turn today's McMansions into tomorrow's tenements.

by Christopher B. Leinberger

The Next Slum?



SUZANNA SCHEFFER FOR THE NEW YORK TIMES/REX USA

Strange days are upon the residents of many a suburban cul-de-sac. Once-tidy yards have become overgrown, as the houses they front have gone vacant. Signs of physical and social disorder are spreading.

At Windy Ridge, a recently built starter-home development seven miles northwest of Charlotte, North Carolina, 81 of the community's 132 small, vinyl-sided houses were in foreclosure as of late last year. Vandals have kicked in doors and stripped the copper wire from vacant houses; drug users and homeless people have furtively moved in. In December, after a stray bullet blasted through her son's bedroom and into her own, Laurie Talbot, who'd moved to Windy Ridge from New York in 2005, told *The Charlotte Observer*, "I thought I'd bought a home in Pleasantville. I never imagined in my wildest dreams that stuff like this would happen."

In the Franklin Reserve neighborhood of Elk Grove, California, south of Sacramento, the houses are nicer than those at Windy Ridge—many once sold for well over \$500,000—but the phenomenon is the same. At the height of the boom, 10,000 new homes were built there in just four years. Now many are empty; renters of dubious character occupy others. Graffiti, broken windows, and other markers of decay have multiplied. Susan McDonald,

president of the local residents' association and an executive at a local bank, told the Associated Press, "There's been gang activity. Things have really been changing, the last few years."

In the first half of last year, residential burglaries rose by 35 percent and robberies by 58 percent in suburban Lee County, Florida, where one in four houses stands empty. Charlotte's crime rates have stayed flat overall in recent years—but from 2003 to 2006, in the 10 suburbs of the city that have experienced the highest foreclosure rates, crime rose 33 percent. Civic organizations in some suburbs have begun to mow the lawns around empty houses to keep up the appearance of stability. Police departments are mapping foreclosures in an effort to identify emerging criminal hot spots.

The decline of places like Windy Ridge and Franklin Reserve is usually attributed to the subprime-mortgage crisis, with its wave of foreclosures. And the crisis has indeed catalyzed or intensified social problems in many communities. But the story of vacant suburban homes and declining suburban neighborhoods did not begin with the crisis, and will not end with it. A structural change is under way in the housing market—a major shift in the way many Americans want to live and work. It has shaped the current downturn, steering some of the worst problems away from the cities and toward the suburban fringes. And its effects will be felt more strongly, and more broadly, as the years pass. Its ultimate impact on the suburbs, and the cities, will be profound.

Arthur C. Nelson, director of the Metropolitan Institute at Virginia Tech, has looked carefully at trends in American demographics, construction, house prices, and consumer preferences. In 2006, using recent consumer research, housing supply data, and population growth rates, he modeled future demand for various types of housing. The results were bracing: Nelson forecasts a likely surplus of 22 million large-lot homes (houses built on a sixth of an acre or more) by 2025—that's roughly 40 percent of the large-lot homes in existence today.

For 60 years, Americans have pushed steadily into the suburbs, transforming the landscape and (until recently) leaving cities behind. But today the pendulum is swinging back toward urban living, and there are many reasons to believe this swing will continue. As it does, many low-density suburbs and McMansion subdivisions, including some that are lovely and affluent today, may become what inner cities became in the 1960s and '70s—slums characterized by poverty, crime, and decay.

The suburban dream began, arguably, at the New York World's Fair of 1939 and '40. "Highways and Horizons," better known as "Futurama," was overwhelmingly the fair's most popular exhibit; perhaps 10 percent of the American population saw it. At the heart of the exhibit was a scale model, covering an area about the size of a football field, that showed what American cities and towns might look like in 1960. Visitors watched matchbox-sized cars zip down wide highways. Gone were the crowded tenements of the time; 1960s Americans would live in stand-alone houses with spacious yards and attached garages. The exhibit would not impress us today, but at the time, it inspired wonder. E. B. White wrote in *Harper's*, "A ride on the Futurama ... induces

approximately the same emotional response as a trip through the Cathedral of St. John the Divine ... I didn't want to wake up."

The suburban transformation that began in 1946, as GIs returned home, took almost half a century to complete, as first people, then retail, then jobs moved out of cities and into new subdivisions, malls, and office parks. As families decamped for the suburbs, they left behind out-of-fashion real estate, a poorer residential base, and rising crime. Once-thriving central-city retail districts were killed off by the combination of regional suburban malls and the 1960s riots. By the end of the 1970s, people seeking safety and good schools generally had little alternative but to move to the suburbs. In 1981, *Escape From New York*, starring Kurt Russell, depicted a near future in which Manhattan had been abandoned, fenced off, and turned into an unsupervised penitentiary.

Cities, of course, have made a long climb back since then. Just nine years after Russell escaped from the wreck of New York, *Seinfeld*—followed by *Friends*, then *Sex and the City*—began advertising the city's renewed urban allure to Gen-Xers and Millennials. Many Americans, meanwhile, became disillusioned with the sprawl and stupor that sometimes characterize suburban life. These days, when Hollywood wants to portray soullessness, despair, or moral decay, it often looks to the suburbs—as *The Sopranos* and *Desperate Housewives* attest—for inspiration.

In the past decade, as cities have gentrified, the suburbs have continued to grow at a breakneck pace. Atlanta's sprawl has extended nearly to Chattanooga; Fort Worth and Dallas have merged; and Los Angeles has swung a leg over the 10,000-foot San Gabriel Mountains into the Mojave Desert. Some experts expect conventional suburbs to continue to sprawl ever outward. Yet today, American metropolitan residential patterns and cultural preferences are mirror opposites of those in the 1940s. Most Americans now live in single-family suburban houses that are segregated from work, shopping, and entertainment; but it is urban life, almost exclusively, that is culturally associated with excitement, freedom, and diverse daily life. And as in the 1940s, the real-estate market has begun to react.

Pent-up demand for urban living is evident in housing prices. Twenty years ago, urban housing was a bargain in most central cities. Today, it carries an enormous price premium. Per square foot, urban residential neighborhood space goes for 40 percent to 200 percent more than traditional suburban space in areas as diverse as New York City; Portland, Oregon; Seattle; and Washington, D.C.

It's crucial to note that these premiums have arisen not only in central cities, but also in suburban towns that have walkable urban centers offering a mix of residential and commercial development. For instance, luxury single-family homes in suburban Westchester County, just north of New York City, sell for \$375 a square foot. A luxury condo in downtown White Plains, the county's biggest suburban city, can cost you \$750 a square foot. This same pattern can be seen in the suburbs of Detroit, or outside Seattle. People are being drawn to the convenience and culture of walkable urban neighborhoods across the country—even when those neighborhoods are small.

Levine and his colleagues asked more than 1,600 mostly suburban residents of the Atlanta and Boston metro areas to hypothetically trade off typical suburban amenities (such as large living spaces) against typical urban ones (like living within walking distance of retail districts). All in all, they found that only about a third of the people surveyed solidly preferred traditional suburban lifestyles, featuring large houses and lots of driving. Another third, roughly, had mixed feelings. The final third wanted to live in mixed-use, walkable urban areas—but most had no way to do so at an affordable price. Over time, as urban and faux-urban building continues, that will change.

Demographic changes in the United States also are working against conventional suburban growth, and are likely to further weaken preferences for car-based suburban living. When the Baby Boomers were young, families with children made up more than half of all households; by 2000, they were only a third of households; and by 2025, they will be closer to a quarter. Young people are starting families later than earlier generations did, and having fewer children. The Boomers themselves are becoming empty-nesters, and many have voiced a preference for urban living. By 2025, the U.S. will contain about as many single-person households as families with children.

Because the population is growing, families with children will still grow in absolute number—according to U.S. Census data, there will be about 4 million more households with children in 2025 than there were in 2000. But more than 10 million new single-family homes have already been built since 2000, most of them in the suburbs.

If gasoline and heating costs continue to rise, conventional suburban living may not be much of a bargain in the future. And as more Americans, particularly affluent Americans, move into urban communities, families may find that some of the suburbs' other big advantages—better schools and safer communities—have eroded. Schooling and safety are likely to improve in urban areas, as those areas continue to gentrify; they may worsen in many suburbs if the tax base—often highly dependent on house values and new development—deteriorates. Many of the fringe counties in the Washington, D.C., metropolitan area, for instance, are projecting big budget deficits in 2008. Only Washington itself is expecting a large surplus. Fifteen years ago, this budget situation was reversed.

The U.S. grows its total stock of housing and commercial space by, at most, 3 percent each year, so the imbalance between the supply of urban living options and the demand for them is not going to disappear overnight. But over the next 20 years, developers will likely produce many, many millions of new and newly renovated town houses, condos, and small-lot houses in and around both new and traditional downtowns.

As conventional suburban lifestyles fall out of fashion and walkable urban alternatives proliferate, what will happen to obsolete large-lot houses? One might imagine culs-de-sac being converted to faux Main Streets, or McMansion developments being bulldozed and reforested or turned into parks. But these sorts of transformations are likely to be rare. Suburbia's many small parcels of land, held by different owners with different motivations, make the purchase of whole neighborhoods almost unheard-of.

Condemnation of single-family housing for “higher and better use” is politically difficult, and in most states it has become almost legally impossible in recent years. In any case, the infrastructure supporting large-lot suburban residential areas—roads, sewer and water lines—cannot support the dense development that urbanization would require, and is not easy to upgrade. Once large-lot, suburban residential landscapes are built, they are hard to unbuild.

The experience of cities during the 1950s through the '80s suggests that the fate of many single-family homes on the metropolitan fringes will be resale, at rock-bottom prices, to lower-income families—and in all likelihood, eventual conversion to apartments.

This future is not likely to wear well on suburban housing. Many of the inner-city neighborhoods that began their decline in the 1960s consisted of sturdily built, turn-of-the-century row houses, tough enough to withstand being broken up into apartments, and requiring relatively little upkeep. By comparison, modern suburban houses, even high-end McMansions, are cheaply built. Hollow doors and wallboard are less durable than solid-oak doors and lath-and-plaster walls. The plywood floors that lurk under wood veneers or carpeting tend to break up and warp as the glue that holds the wood together dries out; asphalt-shingle roofs typically need replacing after 10 years. Many recently built houses take what structural integrity they have from drywall—their thin wooden frames are too flimsy to hold the houses up.

As the residents of inner-city neighborhoods did before them, suburban homeowners will surely try to prevent the division of neighborhood houses into rental units, which would herald the arrival of the poor. And many will likely succeed, for a time. But eventually, the owners of these fringe houses will have to sell to someone, and they're not likely to find many buyers; offers from would-be landlords will start to look better, and neighborhood restrictions will relax. Stopping a fundamental market shift by legislation or regulation is generally impossible.

Of course, not all suburbs will suffer this fate. Those that are affluent and relatively close to central cities—especially those along rail lines—are likely to remain in high demand. Some, especially those that offer a thriving, walkable urban core, may find that even the large-lot, residential-only neighborhoods around that core increase in value. Single-family homes next to the downtowns of Redmond, Washington; Evanston, Illinois; and Birmingham, Michigan, for example, are likely to hold their values just fine.

On the other hand, many inner suburbs that are on the wrong side of town, and poorly served by public transport, are already suffering what looks like inexorable decline. Low-income people, displaced from gentrifying inner cities, have moved in, and longtime residents, seeking more space and nicer neighborhoods, have moved out.

But much of the future decline is likely to occur on the fringes, in towns far away from the central city, not served by rail transit, and lacking any real core. In other words, some of the worst problems are likely to be seen in some of the country's more recently

developed areas—and not only those inhabited by subprime-mortgage borrowers. Many of these areas will become magnets for poverty, crime, and social dysfunction.

Despite this glum forecast for many swaths of suburbia, we should not lose sight of the bigger picture—the shift that’s under way toward walkable urban living is a healthy development. In the most literal sense, it may lead to better personal health and a slimmer population. The environment, of course, will also benefit: if New York City were its own state, it would be the most energy-efficient state in the union; most Manhattanites not only walk or take public transit to get around, they unintentionally share heat with their upstairs neighbors.

Perhaps most important, the shift to walkable urban environments will give more people what they seem to want. I doubt the swing toward urban living will ever proceed as far as the swing toward the suburbs did in the 20th century; many people will still prefer the bigger houses and car-based lifestyles of conventional suburbs. But there will almost certainly be more of a balance between walkable and drivable communities—allowing people in most areas a wider variety of choices.

By the estimate of Virginia Tech’s Arthur Nelson, as much as half of all real-estate development on the ground in 2025 will not have existed in 2000. It’s exciting to imagine what the country will look like then. Building and residential migration seem to progress slowly from year to year, yet then one day, in retrospect, the landscape seems to have been transformed in the blink of an eye. Unfortunately, the next transformation, like the ones before it, will leave some places diminished. About 25 years ago, *Escape From New York* perfectly captured the zeitgeist of its moment. Two or three decades from now, the next Kurt Russell may find his breakout role in *Escape From the Suburban Fringe*.