



**Response to Comments
on the
Initial Study/Mitigated Negative Declaration
for the
2277 Harbor Boulevard Project
City of Costa Mesa, Orange County, California**

Prepared for:
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Date: October 27, 2015

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Table of Contents

Section 1: Introduction and Background	1
Section 2: Response to Comments	3
2.1 - Mesa Water District.....	3
Response to Comment A-1	3
Response to Comment A-2	3
Response to Comment A-3	3
Response to Comment A-4	3
2.2 - City of Irvine, Community Development Department	3
Response to Comment B-1	3
2.3 - SoCal Gas Company	4
Response to Comment C-1	4
2.4 - Public Law Center	4
Response to Comment D-1	4
Response to Comment D-2, D-3, D-4, D-5	4
2.5 - Costa Mesa Affordable Housing Coalition	5
Response to Comment E-1 through E-6.....	5
2.6 - Department of Transportation	5
Response to Comment F-1.....	5
2.7 - Orange County Airport Land Use Commission	5
Response to Comment G-1	5
Response to Comment G-2	5
Response to Comment G-3	6
2.8 - State Clearinghouse.....	6
Response to Comment H-1	6
2.9 - State Clearinghouse.....	7
Response to Comment I-1.....	7
Response to Comment I-2.....	7
2.10 - Rick Huffman	7
Response to Comment J-1	7
Response to Comment J-2	8
2.11 - Phil Luchesi and Luchesi Enterprises	8
Response to Comment K-1	8
Response to Comment K-2	8
Response to Comment K-3	8
Response to Comment K-4	9
Section 3: Changes to the Initial Study/Mitigated Negative Declaration	11
3.1 - Changes in Response to Specific Comments	11
Section 4.9 Hydrology and Water Quality.....	11
Page 86, Impact b)	11

Appendix A: Comments on the Initial Study/Mitigated Negative Declaration for the 2277 Harbor Blvd. Project

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SECTION 1: INTRODUCTION AND BACKGROUND

On September 11, 2015, the City of Costa Mesa (City) circulated an Initial Study/Mitigated Negative Declaration (IS/MND) for the 2277 Harbor Blvd. project. The City received various comments during the public review period (September 11, 2015 through October 10, 2014). CEQA does not require a lead agency to prepare written responses to comments received on an MND; however, the City has reviewed the comments received and prepared the following responses, in an effort to provide full information to the decision-makers and the public. In addition, this document also includes responses to late comments received beyond the public review period.

The 4.15-acre project site is currently occupied by the 236-room (94,500 square foot) Costa Mesa Motor Inn motel at 2277 Harbor Boulevard, which is designated General Commercial under the City's General Plan and zoned C1 (Local Business District). The proposal involves demolition of the existing motel and the construction of a four-story, 224-unit luxury apartment project, inclusive of twenty affordable units for moderate-income households. Parking onsite would be accommodated within a proposed five level parking structure containing 503 parking spaces. The proposed project consists of the following discretionary requests:

1. **General Plan Amendment GP-14-04** to change the land use designation from General Commercial to High Density Residential. Per the applicant's request, the proposed base density is 166 units (40 du/acre) with a density incentive for an additional 58 dwelling units to be justified by (a) provision of 20 affordable units for moderate-income households; and (b) complete demolition of the Costa Mesa Motor Inn. Therefore, for the 4.15-acre project site, the General Plan Amendment would specify an overall site-specific density of 54 du/acre for the proposed 224-unit apartment complex, and a site-specific building height for the 5-level parking structure.
2. **Rezone R-14-04** from C1 (Local Business District) to PDR-HD (Planned Development Residential – High Density).
3. **Zoning Code Amendment CO-14-02** to make specific reference to the parcel, where appropriate, and the site-specific height and density for the development site in the PDR-HD zone in Title 13 (Zoning Code) of the Costa Mesa Municipal Code, as well as any other related changes.
4. **Planning Application PA-14-27**, a Master Plan for the 224-unit apartment project with specified deviations from the PDR-HD development standards, including the following:
 - i. Variance to allow deviation from required Open Space and Private Open Space requirements;
 - ii. Variance from building height to allow a five level parking structure (a maximum of four levels is permitted as of right; five levels are proposed);
 - iii. Administrative Adjustment for encroachment of ground floor private patios into required perimeter open space area (20 feet are required; 15 feet are proposed).

The City received a total of four comment letters in response to circulation of the IS/MND during the official comment period from the following agencies: Mesa Water District; City of Irvine Community Development Department; Public Law Center; and the Costa Mesa Affordable Housing Coalition. Six additional comment letters were received after the close of the official comment period from the State Clearinghouse (2); Department of Transportation (Caltrans); SoCal Gas Company; Phil Luchesi (and Luchesi Enterprises); Rick Huffman; and the Orange County Airport Land Use Commission. Each individual comment within each letter has been assigned a code (i.e., A-1, A-2, A-3, etc.) to cross-reference comments with responses. The comment letters and/or text of correspondence are reprinted in Attachment A to this letter. Responses to Comments are provided in Section 2.0 and Changes to the IS/MND are provided in Section 3.0 of this document.

SECTION 2: RESPONSE TO COMMENTS

2.1 - Mesa Water District

Response to Comment A-1

The commenter states that data regarding Mesa Water's supply capacity is outdated, and provided the correct statistics. The project's potential to deplete groundwater supplies is analyzed in Section 4.9 Hydrology and Water Quality of the IS/MND, under Impact Question b). Additionally, a corresponding update to the IS/MND text is included in Section 3 below.

Response to Comment A-2

The commenter outlines the plan check process. The comment also states that page 143 of the IS/MND should state whether or not the project may require new or modified water facilities, including potential offsite improvements. The commenter requests consultation with Water District staff and asks that the analysis consider the total water demand versus the incremental demand.

Section 4.17 Utilities and Service Systems section of the IS/MND, Impact Question b) analyzes the project's potential to require new or modified water facilities including offsite improvements. As stated on page 143 of the IS/MND, the Applicant would be responsible for constructing all conveyance facilities pursuant to Water Division criteria and standard regulations (i.e. Uniform Codes, City Ordinances, etc.). Additionally, Impact Question d) addresses the potential for the project to impact water supplies. As discussed in the IS/MND on page 146, the District tentatively confirmed service on May 21, 2015, contingent upon the required District Plan check and consultation with the district. Furthermore, the Applicant is also required to provide a will-serve letter from the District. Thus, the IS/MND currently includes requirements to ensure the Water District can provide service, and no further response is warranted.

Response to Comment A-3

The commenter provides additional requirements for the Applicant related to water metering, including the need for a dedicated sole easement to Mesa Water. This comment has been noted. Additionally, the commenter provides irrigation requirements. These requirements would be incorporated into the site plans and verified during the District plan check process.

Response to Comment A-4

The commenter provides further requirements for the Applicant related to water conservation and landscape irrigation. Refer to Response to Comment A-3, above.

2.2 - City of Irvine, Community Development Department

Response to Comment B-1

The commenter acknowledges receipt of the Notice of Intent and Initial Study for the project, and states that they have no comments at this time. No further response is warranted.

2.3 - SoCal Gas Company

Response to Comment C-1

The commenter acknowledges receipt of the Notice of Intent to Adopt a Mitigated Negative Declaration for the project. The commenter requests that So Cal Gas Transmission also be notified of work being conducted for the project, pursuant to California Public Utility Commission rules. No further response is warranted.

2.4 - Public Law Center

Response to Comment D-1

The commenter states that the letter is written on behalf of the Costa Mesa Motel Resident Association (CMMRA). The commenter asserts that members of the CMMRA and other residents staying at the motel are considered low to extremely low income, veterans, and people with disabilities.

The comment has been noted and no further response is warranted.

Response to Comment D-2, D-3, D-4, D-5

The commenter states that a negative declaration is not appropriate due to adverse social and economic effects on the people of Costa Mesa, that a substantial displacement would occur, and that low-income units should be included in the project. The commenter also asserts that significant low-income housing units specifically would be lost.

The Initial Study discusses the potential for displacing housing and individuals in Section 4.13 Population and Housing. Although the Costa Mesa Motor Inn is considered a commercial use, and is not recognized as housing in the City's General Plan Housing Element, the IS/MND provided a conservative analysis, evaluating 50 units as housing since they are used on a longer-term basis. Furthermore, the Applicant has volunteered to provide housing relocation assistance to existing occupants in the form of a housing relocation consultant (refer to Standard Condition 4.131). The Applicant has also volunteered to provide financial assistance to residents.

Nonetheless these 50 motel units are not considered permanent housing, are not included within the City's housing allocation, are not considered housing in the City's Housing Element, and do not directly contribute to the City's population. Therefore, the IS/MND provides a conservative analysis of the project's potential to displace individuals and housing, and impacts are less than significant.

Furthermore, CEQA only requires the analysis of physical changes in the environment. As such, analysis of socio-economic impacts from the elimination of a motel use is not required under CEQA, particularly where the motel use will be replaced with a new development and will not result in physical impacts from a vacant building such as blight. (See CEQA Guidelines Sections 15064(e); 15382) Additionally, the City's current housing element indicates the Regional Housing Needs Allocation (RHNA) obligations as two units (one low and one very low income), and motels are not

required to satisfy the current RHNA allocation. Thus, impacts are less than significant and no further response is warranted.

2.5 - Costa Mesa Affordable Housing Coalition

The commenter states that the initial Study is incorrect in stating the project will have a less than significant impact concerning displacement of substantial numbers of existing housing, and that removal of the current motel would adversely impact existing housing in the City because low-income units are not included in the proposed project. The commenter states that no relocation plan has been provided, and that there is no existing low-income housing for the current occupants of the Costa Mesa Motor Inn (CMMI). The commenter provides general comments regarding the City's housing availability and variety.

Response to Comment E-1 through E-6

Refer to Response to Comment 2.4 (D-2 through D-5) above. The City's current housing obligation includes the allocation of one low-income unit and one very low-income unit, and motels are not intended to satisfy the current RHNA allocation. Additionally, the project would provide 20 affordable units, thereby contributing to the City's stock of affordable units. As previously discussed, the Applicant is also volunteering to provide relocation assistance and has provided a Relocation Plan that includes financial support for existing customers at the motel. Only 50 units are utilized on a longer-term basis. All reasonable efforts will be made to give existing motel occupants enough time to vacate and find a new form of temporary or permanent housing. The financial contribution of the Applicant and assistance of the Relocation Consultant would aid existing residents in their efforts to find a new place to stay. Impacts remain less than significant, and no additional mitigation is required. No further response is warranted.

2.6 - Department of Transportation

Response to Comment F-1

The commenter acknowledges receipt of the IS/MND and provides a project description. The commenter states that they do not have any comments at this time, but that if any activities should occur within Caltrans' right-of-way, then an encroachment permit would be required. No changes to the circulated site plan have been made, thus an encroachment permit is not required. No further response is warranted.

2.7 - Orange County Airport Land Use Commission

Response to Comment G-1

The commenter acknowledges receipt of the IS/MND, and provides a brief project description. No response is warranted.

Response to Comment G-2

The commenter refers to the IS/MND's Section 4.8 Hazards and Hazardous Materials discussion regarding airport and airport land use plan (ALUP) hazards. The commenter suggests that the

IS/MND discuss the height at which notification is required versus the height of the proposed buildings. The commenter also requests the IS-MND include a discussion of the project's location within the FAR Part 77 Obstruction Imaginary Surfaces for the John Wayne Airport (JWA).

As discussed in Impact e) of Section 4.8 of the IS-MND, the project site is located approximately 5 miles southwest of John Wayne Airport and outside of the Airport Impact zones and Airport Safety Zones. The proposed building height is restricted, due to its location within the Airport Environs Land Use Plan (AELUP) Height Restriction Zone. The project currently proposes buildings of no greater than 50 feet in height. As acknowledged by the commenter and the IS/MND, the Applicant is required to notify the Federal Aviation Administration (FAA) for project review.

Furthermore, according to Section 4.11 of the JWA AELUP, should the project be found inconsistent with the AELUP, the commission shall promptly notify the affected local agency. The agency may then modify the submitted project so as to be consistent with the AELUP, and resubmit the project to the Commission for a determination of consistency, or the local agency may choose to overrule the Commission by following the procedure established in California Public Utilities Code Sections 21676 and 21676.5. Thus, notification and review by the ALUC would ensure that impacts are less than significant.

Response to Comment G-3

The commenter states that a referral by the City to the ALUC may be required due to the location of the project, due to the City approvals that are required. Additional suggestions regarding time frame for submission of the aforementioned referral are included.

The Airport Land Use Commission (ALUC) provided comments on the IS/MND on October 15, 2015, several days past the close of the public review period. Additionally, the commenter suggests that the ALUC determination be made prior to the City Council hearing. However, the City Council hearing is scheduled for November 4, 2015, making a prior decision by the ALUC infeasible. Therefore, as discussed in the IS/MND (p. 84) and Response to Comment G-2, notification to the FAA and a review are required, which would ensure that impacts related to airport and airport land use plans are less than significant. No further response is warranted.

2.8 - State Clearinghouse

Response to Comment H-1

The commenter states that the State Clearinghouse (SCH) has submitted the IS/MND to State agencies for review, and as of the date the comment period ended no state agencies had submitted comments. The commenter acknowledges that the City has complied with the SCH review requirements pursuant to CEQA.

The comment has been noted, and no further response is warranted.

2.9 - State Clearinghouse

Response to Comment I-1

The commenter states that one letter was received after the end of the comment period and that Lead Agencies are not required to respond. However, the commenter encourages Lead Agencies to take all comments into consideration prior to taking final action on the project.

Response to Comment I-2

The commenter forwarded the comment from the Department of Transportation. The comment was identical to the comment discussed in Section 2.6. No further response is warranted.

2.10 - Rick Huffman

Response to Comment J-1

The commenter expresses concern regarding the overall vision of the City. The commenter discusses the height and character of the project, including concerns regarding the density of other projects in the area. The commenter states that the project appears to be a spot zone change.

The commenter does not provide any comments specifically addressing the IS/MND. As discussed in Section 4.1 Aesthetics, the project would be in keeping with the modern architectural style of the nearby shopping area. The adjacent uses are also considered residential and open space uses, thus the project would convert a commercial use to a compatible residential use. Zoning and density are discussed in Section 4.10 Land Use Planning, and impacts were found to be less than significant.

In the event that the General Plan Amendment (from General Commercial to High Density Residential) and rezone (from C1 (Local Business District) to PDR-HD (Planned Development Residential – High Density) are approved as part of the project, this would not constitute “spot zoning.” The legislative body of a City may amend all or part of a General Plan, subject only to the limitation that a mandatory element of a General Plan may not be amended more than four times per each calendar year (See Cal. Govt. Code § 65358(b)). A General Plan is not intended to be a static document that is not subject to change, because a city’s needs and vision may change due to growth or other factors. Amending a General Plan in connection with a particular development project does not constitute “spot zoning.”

Rather, the essence of spot zoning is “irrational discrimination”, as explained in *Arcadia Development Co. v. City of Morgan Hill* (2011) 197 Cal.App.4th 1526, 1536 [129 Cal.Rptr.3d 369]: “Spot zoning occurs where a small parcel is restricted and given lesser rights than the surrounding property, as where a lot in the center of a business or commercial district is limited to uses for residential purposes thereby creating an “island” in the middle of a larger area devoted to other uses” (*Avenida San Juan Partnership v. City of San Clemente* (2011) 201 Cal. App. 4th 1256; emphasis added). The project’s request for a General Plan Amendment and zone change, if approved, will not result in any discriminatory zoning. In addition, project applicants are permitted to seek amendment of the General Plan and changes to the zoning designation of their property pursuant to Title 13 of the Costa Mesa Municipal Code.

Response to Comment J-2

The commenter expresses concern that the project is out of character for the City, and does not provide community benefits. The primary benefit and purpose of the project is the provision of housing, including affordable apartment units. The commenter provides suggestions for building guidelines. Refer to Comment J-1 for discussion regarding community character. No further response is warranted.

2.11 - Phil Luchesi and Luchesi Enterprises

Response to Comment K-1

The commenter, Rutan & Tucker LLP is writing on behalf of his clients, the adjacent property owner and his company Luchesi Enterprises. The commenter expresses general support for the project, with the exception of some concerns.

The comment has been noted and no further response is warranted.

Response to Comment K-2

The commenter provides an outline of the proposed project, and states that the project exceeds height limits. Thus, the commenter is concerned that the proposed project may interfere with cellular reception provided by the mobile service providers on his property. The commenter discusses their concerns regarding interference and potential impacts to the new residents of the project site, requesting that an additional study be conducted analyzing potential impacts.

The comments do not directly address the IS/MND. Cellular tower sites are under the exclusive authority of the Federal Communications Commission, which generally preempts local land use authority regarding the placement of, or potential interference with cellular communications. Additionally, the commenter incorrectly states that the proposed building height is 60 feet, whereas the existing plans available for public review show buildings up to 50 feet, with the parking structure at approximately 46 feet, including the average car height. Potential solar panels would not exceed the height of the buildings at 50 feet.

Response to Comment K-3

The commenter expresses concern regarding other potential impacts to private property such as traffic, drainage, and parking. The commenter is concerned that guests at the proposed apartment complex would park at his business.

As discussed in Section 4.16 Transportation and Traffic of the IS/MND, 503 parking spaces would be provided to serve the proposed project, including the provision of guest spaces in accordance with the City of Costa Mesa's parking code. The Applicant is not requesting any variances with regard to parking, and the project would require adequate parking for all residents and visitors to avoid the need for any "overflow" parking on adjacent streets or private property. Additionally, the project would not include any features that would impede customers from traveling to the private property.

As discussed in Section 4.9 Hydrology and Water Quality, Standard Condition 4.6-3 would require the preparation of a detailed Hydrology Study. As discussed in Impact Questions c), d), and e), the existing drainage course would remain essentially the same, with additional BMPs implemented to improve water quality. Thus, the proposed project would not be expected to create any drainage issues for the adjacent property owner.

Response to Comment K-4

The commenter presents concerns regarding potential challenges to the project and environmental documentation. The commenter suggests that the project entitlements would be inconsistent with the City's General Plan; that the project may be subject to a spot-zoning challenge; and that the project proposes a density bonus that is greater than allowed by state and local law.

The commenter does not identify any other specific inconsistencies with the General Plan to allow for a detailed response; however, a General Plan amendment would resolve any inconsistencies with the City's General Plan. In addition, the City is the local land use authority that governs the nature and density of uses within the City of Costa Mesa, consistent with State law (Gov't Code §§ 65915, et seq.). State density bonus laws provide mandatory concessions (e.g. increased density, parking requirement waivers) in exchange for the provision of affordable housing. The proposed project is based on a specific development application and does not have any relationship to, or conflict with State density bonus laws. Rather, the project would require discretionary approval of the proposed entitlements in order to be developed.

With regard to the concerns related to potential "spot zoning," please refer to Response to Comment J-1, above.

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SECTION 3: CHANGES TO THE INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

The following changes and additions to the IS/MND have been made and are detailed below. These revisions do not change the significance of any of the environmental issue conclusions within the IS/MND. The revisions are listed by page number. All additions to the text are underlined and bold and all deletions from the text are stricken.

3.1 - Changes in Response to Specific Comments

Section 4.9 Hydrology and Water Quality

Page 86, Impact b)

According to General Plan EIR Exhibit 4.8-2, *Water Supply Agency Boundaries*, Mesa Consolidated Water District (Mesa Water) supplies water to the project site. In compliance with legislative requirements, Mesa Water has prepared their 2010 Urban Water Management Plan (UWMP). The UWMP provides information on the present and future water resources and demands, and assesses Mesa Water's water resource needs. According to the UWMP, Mesa Water's main sources of water supply are groundwater pumped from wells within the Lower Santa Ana River Groundwater Basin (Orange County Basin) and imported water from Metropolitan Water District of Southern California through Municipal Water District of Orange County. ~~Mesa relies on approximately 15,900 acre-feet of groundwater from the Orange County Basin each year. This local source of supply meets approximately 82 percent of Mesa's total annual demand.~~ **The water supply capacity of Mesa Water is approximately 64.8 million gallons per day (mgd). The total water supply capacity consists of 14.1 mgd from clear well groundwater pumping, 8.6 mgd from the Mesa Water Reliability Facility, and 42.1 mgd from imported water¹.**

¹ Data provided by Mesa Water District in their comments on the public draft IS-MND dated 9.21.15.

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**Appendix A:
Comments on the Initial Study/Mitigated Negative
Declaration for the 2277 Harbor Blvd. Project**

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September 21, 2015

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

To Whom It May Concern,

Re: 2277 Harbor Boulevard Mitigated Negative Declaration Review
Comments

Mesa Water® appreciates the opportunity to review and comment on the subject project Mitigated Negative Declaration. A review and comments of the 2277 Harbor Boulevard Development (Proposed Project) Draft Mitigated Negative Declaration document as it pertains to Mesa Water® are provided as follows:

1. **Water Supplies and Demand:** Information is outdated or incorrect. The water supply capacity of Mesa Water® is approximately 64.8 million gallons per day (mgd). The total water supply capacity consists of 14.1 mgd from clear well groundwater pumping, 8.6 mgd from the Mesa Water® Reliability Facility, and 42.1 mgd from imported water.
2. **Infrastructure Impacts:** In order to determine if the Proposed Project would require expansion of existing facilities, a hydraulic model analysis will be required. Through the plan check process the residential, business, irrigation, and fire sprinkler demands will be used to model the effects of the additional demands on the system and determine if upgrades are required. Mesa Water® Standard Specifications shall be used to calculate residential demand requirements based upon floor plans and the number of fixtures. The discussion on page 143 should clearly state whether or not the proposed project may require new or modified water facilities, including any potential offsite improvements. This evaluation should include consultation with District staff, and must consider the total water demand for the site, not just the incremental demand from this proposed project, per CEQA and District policy. As noted in Comment 4 below, the MND should at minimum acknowledge the potential for typical appurtenant utilities, such as new or modified hydrants, meters, vaults and valves, in order to provide water service to the project.
3. **Single Meter Policy:** Mesa Water's Single Meter Policy for individually owned units will be enforced and require the developer to provide a dedicated and sole easement to Mesa Water®.
4. **Water Conservation & Irrigation:** Dedicated irrigation metering for landscaped areas greater than 2,500 square feet shall be required. All landscaping shall be in accordance with the City of Costa Mesa Landscape Ordinance, irrigation fixtures shall be drip-irrigation type, and shall be a Water-Sense certified irrigation controller.

5. **Operating Pressure:** The Developer/Home Owners Association (HOA) shall be responsible for providing the necessary pressure increase beyond the meter above the minimum required (40 psi) by the Division of Drinking Water Standards to ensure proper functioning of all fixture units and fire protection systems.
6. **Site Access:** Private gates shall be prohibited where Mesa Water® facilities are blocked from access, including valves, backflow devices, service laterals, and meters. Exclusion of gates shall be incorporated into the dedicated Mesa Water® easements.
7. **Other Requirements:** All development work shall comply with Mesa Water® Rules and Regulations for Water Service and Mesa Water® Standard Specification and Standard Drawings. Both documents are available online at www.MesaWater.org.

Please contact Tim Beaman of my staff at (949) 207-5483 with any questions.

Regards,



Phil Lauri, P.E.
District Engineer



Community Development

cityofirvine.org

City of Irvine, One Civic Center Plaza, P.O. Box 19575, Irvine, California 92623-9575

(949) 724-6000

September 28, 2015

REC'D OCT 01

Mr. Ryan Loomis
Associate Planner
City of Costa Mesa
77 Fair Drive
P.O. Box 1200
Costa Mesa, CA 92626

Subject: Notice of Intent to adopt a Mitigated Negative Declaration (MND) and Initial Study for a 224 unit Apartment Project

Dear Mr. Loomis:

Thank you for the opportunity to comment on the Notice of Intent to adopt a MND and Initial Study for the 224 unit apartment project located at 2277 Harbor Boulevard. City of Irvine staff has reviewed the submittal and has no comments at this time.

If you have any questions, please contact me at 949-724-6314 or by email at dlaw@cityofirvine.org.

Sincerely,

David R. Law, AICP
Senior Planner

cc: Barry Curtis, Manager of Planning Services (via email)
Bill Jacobs, Principal Planner (via email)

-128-

From: Lopez, Ryan [<mailto:RLopez2@semprautilities.com>]
Sent: Thursday, October 08, 2015 1:49 PM
To: PLANNING COMMISSION <PLANNINGCOMMISSION@ci.costa-mesa.ca.us>
Subject: Costa Mesa Motor Inn motel @ 2277 Harbor Blvd.

Hello;

Your notification to adopt a Mitigated Negative Declaration Report has been received by So Cal Gas Distribution.

Be aware for your reference: **It may take 30 business days for a response.**

California Public Utility Commission Rules require notification of both SoCal Gas Transmission and SoCal Gas Distribution of all work being conducted. You will need to send a copy of your request and plans to:

Rosalyn Squires
So Cal Gas Transmission
9400 Oakdale Ave
Chatsworth, CA 91311
818-701-4546
RSquires@semprautilities.com

Thank you for your patience and cooperation.

Ryan Lopez
SoCalGas

Southeast Region - Anaheim HQ
Gas Operations - Planning & Engineering
Maps & Letters Desk
1919 S. State College Blvd
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(714) 634-5067
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PROVIDING ACCESS TO JUSTICE

October 9, 2015

FOR ORANGE COUNTY'S LOW INCOME RESIDENTS

Robert L. Dickson Jr.
Planning Commission
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628

RE: Comment on Initial Study/Mitigated Negative Declaration, 2277 Harbor Boulevard Project

Dear Commissioner Robert L. Dickson Jr.:

This letter is a comment to the September 10, 2015, *Initial Study/Mitigated Negative Declaration, 2277 Harbor Boulevard Project, City of Costa Mesa, Orange County, California* ("Initial Study"). This letter is written on behalf of the Costa Mesa Motel Resident Association ("CMMRA"). CMMRA consists of short- and long-term residents who consider the motels in Costa Mesa home. A majority of the members of CMMRA currently reside at Costa Mesa Motor Inn ("CMMI"), the location of the proposed project. In general, the members of CMMRA and the other residents of the motel are low-, very-low-, and extremely-low-income families, veterans, and other residents, many of whom are disabled.

A negative declaration under CEQA is inappropriate. The conversion of CMMI is likely to have a significant impact due to the adverse social and economic effects on the people of Costa Mesa. CMMRA urges its City's Planning Commission to reject the current proposal for a luxury apartment project at the Costa Mesa Motor Inn ("CMMI"). This project will cause a substantial displacement for the neediest and most vulnerable residents of Costa Mesa. CMMI has at least 63 units that are set aside for long-term occupancy and a similar amount of low-income units should be included in the new project.

The Planning Commission should reject the current proposal of converting CMMI into luxury apartments for a number of reasons, including: a) the plan lacks any requirement for providing low-income units; b) the inducement for substantial population growth will completely displace the current residents; c) there will be a significant loss of existing, low-income housing units; and d) there is a lack of alternative housing for Costa Mesa residents. The Planning Commission must require that a portion of the redevelopment project will include low-income units.

Plan Lacks Requirement for Providing Low-income Units

The current plan for redeveloping the CMMI does not include any low-income units, even though a substantial number of low-income people will be displaced by the demolition of the CMMI. The owner's about-face to create luxury apartments when the same owner has been operating a motel for low-income residents should not be encouraged. This owner for years has relied on the income of low-income residents and advocated on their behalf when City Council members from Costa Mesa targeted the CMMI for its poor operation. Yet now they do not want to work with low-income residents. It is this City's obligation to ensure that redevelopment occurs in a sensible way that meets the needs of all of its residents, without exclusion of its lowest income residents.

-130-

Complete Displacement of Current Motel Residents

This project will displace current residents and does not consider appropriate affordable replacement housing. The analysis of the population and housing impact is flawed as the *Initial Study* does not take into account that the inducement for population growth is for an altogether different demographic. The *Initial Study* fails to recognize the adverse impact of the project because it fails to recognize that the people that currently live and stay at the CMMI are low-income and unable to afford the luxury apartments proposed for this location. This displacement will have an adverse impact.

Contrary to the *Initial Study*'s conclusion, the displacement of the low-income residents of CMMI will have a significant impact and require the construction of replacement housing. While the *Initial Study* references affordable housing constructed between the years of 2008-2011, the *Initial Study* makes no reference to the number of currently available affordable units in Costa Mesa. In fact, the *Initial Study* entirely omits any data on current, available resources for low-income residents. This quite simply is because there is a major shortage of available affordable housing in Costa Mesa, which is why the City has relied on motels to shelter its low-income residents. Additionally, as recently as February 2015, Orange County Housing Authority reported that because the demand for affordable housing in Costa Mesa is so great, most of the affordable housing units currently have multiple-year waiting lists. Because of this lack of affordable housing, many residents displaced by the project will become homeless. Any project that increases homelessness is a significant adverse impact on the greater Costa Mesa community.

What affordable units are actually available at present in Costa Mesa? What services will be provided and measures will be taken to prevent any current residents of CMMI from becoming homeless? What specific assistance will a relocation consultant provide? With a lack of available affordable housing, replacement housing is necessary and any new construction at 2277 Harbor Boulevard should contain low-income units.

Loss of Low-income Housing Units

The *Initial Study* errs in claiming that the "existing use only provides temporary housing." The CMMI has been used as long-term housing for low-income residents for over a decade. As recently as October of 2014, CMMI reported to Costa Mesa that approximately 89 people currently live at CMMI in a long-term capacity. Even though Costa Mesa has attempted to eliminate long-term occupancy at motels, convert motels to only temporary housing, and updated its Housing Element to no longer rely on motels for affordable housing, these 89 residents are able to maintain their status as long-term residents under the grandfather clause of Costa Mesa's ordinance and the preliminary injunction granted in the case of Dadey, et al. v. City of Costa Mesa, No. 30-2014-00757962-CU-CR-CJC. Additionally, as stated in its 2008-2014 Housing Element, Costa Mesa has relied on motels, including CMMI, to provide affordable housing to Costa Mesa residents. CMMI has historically been allowed to use as much as 40 percent of its rooms to provide long-term housing. To the extent that the *Initial Study* claims CMMI only offers "limited stay options, and does not represent a permanent housing use," while at the same time recognizing that at least 50 units are in fact used on a long-term basis, it is inconsistent. Additionally, there is no data in support of this number.

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-131

What data has the *Initial Study* relied on in claiming that the current use provides only temporary housing? This conclusion is not based on any evidence, is in fact contrary to the actual use, and is inconsistent with the *Initial Study*. What data does the *Initial Study* rely on for calculating the present number of units used as long-term housing?

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CONT

Lack of Housing for Costa Mesa Residents

While the *Initial Study* makes note of resources to assist low-income residents in need of housing, it makes no reference of their present availability. As but one example of scant resources available to low-income residents, while hundreds of Orange County residents are receiving Housing Choice Vouchers, currently Orange County Housing Authority is not accepting any new applicants for these vouchers.

What vouchers and other housing assistance are currently available to low-income residents of Costa Mesa? What capacity in Costa Mesa do these resources have to provide for additional residents?

Even if such resources were presently available, displacing a minimum of 89 residents would cause a major strain on these resources. Such an impact would adversely affect all those who presently rely on those resources and such a social and economic effect would be significant.

5

Most of the long-term residents of CMMI have built their lives around living at CMMI. They are near their jobs, their doctors, and their children's schools. Many residents at CMMI do not have personal transportation and rely on CMMI's location for its convenient access to shopping centers and all of life's basic necessities. Such convenience is especially critical to the disabled residents of CMMI.

What support is there for the claim that the majority of residents will leave by attrition? What support is there for the claim that residents may not even stay in Costa Mesa when these residents have built their lives around living in Costa Mesa? The conclusion that these residents will leave by attrition or not stay in Costa Mesa is not based on any credible evidence and is just self-serving speculation. Instead of providing for its residents, including its most needy, the City is turning its back on their needs in exchange for just profit.

Sincerely,



Lili Graham
Richard Walker
Public Law Center
Attorneys on Behalf of CMMRA

-132-

Costa Mesa Affordable Housing Coalition

October 10, 2015

Chair Robert L. Dickson, Jr. and Planning Commissioner Members
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

RE: Initial Study/ Mitigated Negative Declaration- 2277 Harbor Boulevard Project

Dear Chair Dickson and Planning Commission Members:

On behalf of the Costa Mesa Affordable Housing Coalition (the Coalition), I am writing to express our concerns about serious inadequacies in the Initial Study/ Mitigated Negative Declaration (Initial Study) regarding the 2277 Harbor Boulevard Project (the project). We are particularly disturbed the Initial Study mischaracterizes the effect that closure of the Costa Mesa Motor Inn (CMMI) will have on the city's housing stock available for lower income residents. The Initial Study is **wrong** in stating the project will have "less than significant impact" in regard to displacing "substantial numbers of existing housing" and that, as a result, there is no need for "construction of replacement housing elsewhere." (Initial Study, p. 121.)

As our Coalition has explained to the Planning Commission at numerous public hearings, the CMMI has for years served as last resort housing for Costa Mesa's poor. Until 2014, when the City began aggressively pushing the owner of the CMMI to change the property's use to upscale, high density residential, the motel's 236 rooms, 40% of which were used for "long term stays," were **consistently full**, providing housing for hundreds of lower income residents, including families with children, disabled people, and seniors who could find no alternative affordable housing in Costa Mesa. Consequently, the closure of the CMMI to make way for luxury apartments that include **zero** units affordable to these lower income households will result in a **significant adverse impact** on "existing housing" in our City.

236 rooms of last resort housing will be lost. CMMI's existing tenants will be priced out of the new apartments, displaced without effective relocation benefits/assistance and at risk of becoming homeless. The Coalition is very concerned the proposed development will not only effectively remove existing "affordable homes" from the City's housing stock, but it will very likely increase Costa Mesa's existing homeless problem.

Obviously, the Coalition has serious concerns about the project. The Coalition believes the success of the project will depend on the City's leadership in thoroughly analyzing and addressing the project's environmental impacts. The Coalition urges the City to take the following recommendations into consideration:

1. **Place this agenda item on hold and not vote on it.** The project has the potential to impose a negative impact on our community. The timeline for the project is being rushed through and the concerns of the community have not been thoroughly addressed. The Coalition has outreached to the developer and its local representatives over the past couple of months to discuss our concerns on the project. To-date, we have not received any response from them.

There needs to be meaningful community outreach and the incorporation of public input that reflects the decision-making and planning process for the project. The City has the ability to slow down the process to ensure the needs of the community are addressed. The Coalition requests the City to place this agenda item on hold and help facilitate a meeting that will include the developer, city staff, the Coalition and the community to further discuss the concerns on the project.

2. **Under the Population/ Housing environmental factor, re-classify the displacement of existing housing and residents from “less than significant impact” to “potentially significant impact” necessitating the construction of replacement housing.** The Initial Study did not thoroughly evaluate and analyze the potential impacts the proposed project would have on the displacement of current tenants at the CMML. There is no specific relocation plan in place to ensure the tenants, especially the long term tenants, have affordable housing options that are readily available near transit and job centers in the City.

At the last City Council meeting on October 6, Mayor Mensinger stated that over 150 tenants are currently living at the CMML. Significantly, according to the Initial Study, there are long-term tenants in 50 units of the CMML.¹ Because the project includes **zero** units affordable to the lower income tenants who currently live in the CMML, all these existing tenants will be displaced, including the long-term tenants living in 50 of the units. While the developer will hire a relocation consultant to provide at least one on-site visit and offer relocation services to assist tenants in finding replacement housing,² these services would not be enough to realistically help tenants relocate and find housing in the City.

The chances of finding existing housing that are affordable to lower income families in the City or anywhere else in the County is extremely low. In the City’s 2008-2014 Housing Element planning period, only **one** low-income home was constructed in the City³ and there are currently **no** other proposed affordable home developments for lower income families in the City’s development pipeline. With the serious lack of affordable homes, the housing crisis in the City is exacerbated with the rising and out-of-reach rents in the City. The average asking rent in the City is \$1,840 and that is a 6.3% increase from the year before.⁴ While the term “affordable” is defined as a household that spends less

¹ Initial Study, Mitigated Negative Declaration 2277 Harbor Boulevard Project, City of Costa Mesa, p. 121, September 10, 2015.

² Initial Study, Mitigated Negative Declaration 2277 Harbor Boulevard Project, City of Costa Mesa, p. 122, September 10, 2015.

³ Housing Element For The Costa Mesa General Plan 2013-2021, City of Costa Mesa, p. 10, January 21, 2014.

⁴ Feeling the Pinch? Local Rent Prices Hit A Record High, The Orange County Register, January 16, 2015.

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-13A-

than 30 percent of their household income on housing costs,⁵ many renters are paying more. In the City, many renters overpaid and spent approximately 44% of their income towards rent.⁶ In addition, a substantial amount of households in the City are lower income families. Approximately 39 percent of households earned less than \$50,000 per year.⁷

According to the report, "...even if localized displacement occurred, it would not occur in substantial amounts as to warrant the need for replacement housing that would have a significant effect on the environment."⁸ We believe this is a wildly misleading statement. The amount of tenants being displaced will be much larger than the report indicates. The reason the report says localized displacement will not occur in "substantial amounts" is because it is not going to happen all at once. Instead, localized displacement at the CMMI is **already happening**, discreetly, in preparation for the project. Once the current tenants vacate the units, none of the newly vacant units are "advertised as vacant."⁹ Since 2014, the CMMI has been systematically displacing potential tenants by intentionally not allowing them to rent these vacant rooms. This practice has negative impacts on the community as more and more individuals and families who are at-risk of being homeless will have not where else to go. They may end up on homeless on the streets. Because this displacement is happening discreetly at a slower rate, it is not being analyzed and quantified.

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3. **Re-analyze and re-confirm the correct number of affordable units constructed in the City.** The Initial Study states: "Between 2008-2011, a total of 618 affordable units were constructed."¹⁰ However, in the City's 2014-2021 Housing Element, the report identifies only **one** low-income home was constructed in the City during the 2006-2014 Housing Element planning period.¹¹ Where in the city were these "618 affordable units" constructed? Are these units affordable to lower income working families or are the units affordable to moderate and above moderate income households? Also, are these units deed-restricted?

4. **Not exclude affordable homes from detailed analysis in the Initial Study.** With high housing costs and significant lack of affordable homes, many workers and families, especially those who earn lower wages, struggle financially to live close to where they work. Compared to other cities in Orange County, housing costs are significantly higher in Costa Mesa and simply out of reach for extremely low-, very low- and low-income families. These impacts not only hurt workers and families, but may also have negative environmental impacts to the City.

4

With the lack of vacant land in the City, the project at the CMMI provides a great opportunity for the development of homes to be set-aside as affordable to lower income

⁵ Housing Element For The Costa Mesa General Plan 2013-2021, City of Costa Mesa, p. 31, January 21, 2014.

⁶ Lower Rents Might Cost You More: High Cost of Housing Chips Deeply into Low-Wage Earners Pay, The O.C. Register, April 18, 2015.

⁷ Profile of the City of Costa Mesa Local Profiles Report 2015, SCAG, p.10, May 2015.

⁸ Initial Study: Mitigated Negative Declaration 2277 Harbor Boulevard Project, City of Costa Mesa, p. 122, September 10, 2015.

⁹ Initial Study: Mitigated Negative Declaration 2277 Harbor Boulevard Project, City of Costa Mesa, p. 122, September 10, 2015.

¹⁰ Initial Study: Mitigated Negative Declaration 2277 Harbor Boulevard Project, City of Costa Mesa, p. 121, September 10, 2015.

¹¹ Housing Element For The Costa Mesa General Plan 2013-2021, City of Costa Mesa, p. 10, January 21, 2014.

working families. By living in an affordable home development that's near transit services, such as the frequent OCTA buses servicing Harbor Boulevard, many residents, especially lower income working residents, can rely on the bus for their commute to and from work and to other destinations. Residents and workers who take transit become less dependent on driving their automobiles and can help decrease the environmental impacts of traffic congestion, vehicle miles travelled (VMT) and greenhouse gas (GHG) emissions. In addition, lower wage employees working at the Harbor Center across the street from the CMMI can also greatly benefit from living in close proximity to where they work. The employees would only have to walk across the street to their job site without needing to drive. Not only will the development of affordable homes help reduce VMT and GHG emissions, the proximity of the affordable homes to jobs will create a more walkable and healthier Costa Mesa.

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The environmental impacts of a development are especially less drastic when people can afford to live and spend their money in the same community in which they work. With low wages and high housing costs, many workers live in other cities and become dependent on their automobile to commute to and from work and other destinations. These trips may increase traffic congestion and air pollutants that not only negatively impact the environment but also the quality of life for residents in the City. Addressing these environmental impacts will also align with the Sustainable Communities and Climate Protection Act of 2008 (SB 375) and help the City implement and comply with the regional goals of SB 375.

- 5. Only approve the Initial Study in exchange for community benefits where the developer commits to dedicating at least 20% of homes affordable to families at extremely low-, very low- and low-income levels at the project.** Given the City's high housing costs and serious lack of affordable homes, many individuals and families have turned to motels such as the CMMI as their last resort housing. With the proposed residential development, nearly all of the motel's existing tenants will be priced out, displaced, and may be at-risk of becoming homeless.

One of most effective solutions to homelessness is the development of permanent affordable homes. The proposed project will effectively take out existing "affordable" homes from the City's housing stock. The City has control over land use decisions and should take this great opportunity to request for community benefits that addresses the existing housing needs of the City. By changing the land use designations and up-zoning the existing property, the City has created additional value on the property and would be giving away these tremendous benefits to the developer. While these giveaways provide significant windfalls and increases the property values of the proposed development, what community benefits does Costa Mesa get in return? With the lack of vacant land and funding for the development of affordable homes, the City should capitalize on this great opportunity by recapturing the increased value through community benefits. New proposed developments requesting additional development standards should only be approved in exchange for community benefits such as a set-aside of affordable homes for lower income families.

5

Other jurisdictions in Orange County have taken a stand for their residents and have requested new residential developments provide community benefits to the City. In the City of Santa Ana, the Housing Opportunities Ordinance applies to residential developments that request a discretionary approval (e.g., change in land use designation, zoning, density etc.). The Ordinance requires 15 percent of new homes to be affordable for low and very low-income households. In the City of Laguna Niguel, the City's Gateway Specific Plan allow increases in density in exchange for the provision of important community benefits such as the development of affordable homes. Laguna Niguel has two market rate rental developments that have set-aside homes that are affordable to lower income families.

6. Reinstate extended stay units/ long term stays at motels in the City. As stated throughout this letter, the CMMI provides last resort housing for hundreds of low income individuals and families. Currently, the CMMI has at least 50 units that are occupied by long-term tenants. Until 2014, the CMMI had a Conditional Use Permit that allowed up to 90 rooms (40 percent of all rooms) to be rented out as long-term stay units. In 2014, however, the City adopted an ordinance effectively outlawing long-term stays at the motels, including the CMMI, that provide last resort housing to the City's poor. Without long term stays at the motels, individuals and families are only allowed to stay 28 days before they are kicked out the motel. Without any other viable housing options, many individuals and families are subjected to moving from motel to motel.

In the years before it adopted that ordinance, the City specifically identified motels as an alternative option for affordable housing. In the City's 2008-2014 Housing Element, it specifically states: "the City recognizes a need to use motel/hotel rooms as a housing alternative for extended stay... extended stay units provide alternative affordable housing choices." Since that planning period, the City has not added any affordable housing for lower income households. Consequently, motels are still needed in the City to "provide alternative affordable housing choices." In light of this recognition, the City should reinstate its policies regarding extended stay units/long term stays at motels.

7. Be consistent with the General Plan goals, objectives and policies. The Initial Study states the project is consistent with the General Plan goals, objectives and policies; however, it is actually not consistent in that it is failing to meet the expectations of the following:

- a. Goal Lu-1, Land Use: "...to provide its citizens with a balanced community of residential uses... to satisfy the needs of the social and economic segments of the population"¹² and;
- b. General Plan Land Use Objective LU-1A1: "to provide for the development of a mix and balance of housing opportunities... in consideration of the needs of the business and residential segment of the community."¹³

¹² Initial Study Mitigated Negative Declaration 2277 Harbor Boulevard Project, City of Costa Mesa, p. 100, September 10, 2015.

¹³ Initial Study Mitigated Negative Declaration 2277 Harbor Boulevard Project, City of Costa Mesa, p. 100, September 10, 2015.

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The City has not expanded housing choices for lower income residents living near transit and job opportunities. In the City's Housing Element 2008-2014 planning period, while 1,047 moderate and above moderate income homes were constructed, only one low-income home was constructed in the City.¹⁴ In the City's Urban Master Plan, 501 units are entitled, under-construction or completed.¹⁵ Not one of these units are affordable to lower income working families. The City has only prioritized it's efforts to building homes that are affordable to moderate- and above moderate-income households.

8. Provide a detailed jobs-housing "fit" analysis. Different from jobs-housing balance, which evaluates the number of jobs to the number of homes in a specific geographic location, the jobs-housing fit provides a more detailed analysis. The jobs-housing fit analyzes the discrepancies between the types of jobs and wages (especially for low-wage jobs) that are available in a City and the housing costs and opportunities that are available in the City.

Locating homes, especially affordable homes, near job centers (i.e. Harbor Center), mass transit and neighborhood amenities will create a more walkable, healthier and sustainable Costa Mesa. As the City evaluates and addresses the potential environmental effects of the project at the CMMI, the **Coalition strongly urges the City to prioritize the development of homes affordable to lower income working families as an effective strategy to decrease negative environmental impacts.**

The Coalition looks forward to hearing the City's response to our concerns. We hope that the City and the CMMI developer/ owner will be a community partner in helping facilitate the development of affordable homes for lower income families. Not only will affordable homes help mitigate negative environmental impacts by decreasing VMT and GHG emissions, it will also make Costa Mesa a better place to live in.

Please keep us informed of any upcoming meetings and proposed changes regarding the proposed project. If you have any questions, please free to contact Kathy Esfahani at kmesfahani@att.net.

Sincerely,

Kathy Esfahani

Kathy Esfahani
For The Costa Mesa Affordable Housing Coalition

¹⁴ Housing Element For The Costa Mesa General Plan 2013-2021, City of Costa Mesa, p. 10, January 21, 2014.

¹⁵ City of Costa Mesa Urban Master Plan Developments Attachment 2, City Council Planning Commission Joint Study Session, Proposed Urban Plan Amendment to Amend the SOBEC A and Westside Urban Plans, p. 9, September 8, 2015.

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DEPARTMENT OF TRANSPORTATION

DISTRICT 12

3347 MICHELSON DRIVE, SUITE 100

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LETTER F

October 12, 2015

Mr. Ryan Loomis
City Of Costa Mesa
77 Fair Drive
P.O. BOX 1200
Costa Mesa, CA 92628

File: IGR/CEQA
SCH#: 2015091026
IGR Log #: 4495
SR-55

Dear Mr. Loomis:

Thank you for the opportunity to review and comment on the **Initial Study/Mitigated Negative Declaration (IS/MND) the Costa Mesa Motor Inn Motel**. The 4.15-acre project site is currently occupied by the 236-room (94,500 sf) Costa Mesa Motor Inn motel at 2277 Harbor Boulevard in the General Commercial land use designation and C1 zone (Local Business District). The proposal involves demolishing the existing motel and construction of a four-story, 224-unit luxury apartment project. The project requests a base density of 40 du/acre, and a density incentive for an additional 58 dwelling units to be justified by (a) Provision of a 20 affordable units for moderate-income households, and (b) Complete demolition of the Costa Mesa Motor Inn. Parking will be provided on a five level parking structure containing 503 parking spaces. The project site is located at 2277 Harbor Boulevard in the in the City of Costa Mesa and the nearest state facility is SR-55.

Caltrans is a commenting agency on this project and has no comments at this time. However, in the event of any activity in Caltrans' right of way, an encroachment permit will be required.

Please continue to keep us informed of this project and any future developments that could potentially impact State transportation facilities. If you have any questions or need to contact us, please do not hesitate to call Maryam Molavi at (949) 724-2241.

Sincerely,

MAUREEN EL HARAQUE

Branch Chief, Regional-Community-Transit Planning
District 12



AIRPORT LAND USE COMMISSION

FOR ORANGE COUNTY

3160 Airway Avenue • Costa Mesa, California 92626 • 949.252.5170 fax: 949.252.6012

October 9, 2015

REC'D OCT 15

Ryan Loomis, Associate Planner
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628-1200

Subject: 2277 Harbor Boulevard 224-Unit Apartment Project

Dear Mr. Loomis:

Thank you for the opportunity to review the Initial Study for the proposed residential development project located at 2277 Harbor Boulevard, Costa Mesa, in the context of the Airport Land Use Commission's *Airport Environs Land Use Plan for John Wayne Airport (JWA AELUP)*. The proposed project involves the development of 224 apartment units on a 4.15 acre site. The proposed project would also require an amendment to the City's General Plan in order to change the existing land use designation from General Commercial to High-Density Residential. We wish to offer the following comments and respectfully request consideration of these comments as you proceed with preparation of your Mitigated Negative Declaration (MND).

1

As discussed in the initial study, the proposed project is located within the Federal Aviation Regulation (FAR) Part 77 Notification Area for JWA. We suggest that the MND discuss the height at which the notification surface would be penetrated compared to the proposed building heights. The initial study states that notice to the Federal Aviation Administration (FAA) is required. We also recommend that the MND include a discussion of the proposed project's location within the FAR Part 77 Obstruction Imaginary Surfaces for JWA. As noted in the initial study the proposed project is not located within the Airport Impact Zones or Airport Safety Zones for JWA.

2

A referral by the City to the ALUC may be required for this project due to the location of the proposal within a JWA AELUP Planning Area and due to the nature of the required City approvals (i.e., General Plan Amendment and Zone Change) under PUC Section 21676(b). In this regard, please note that the Commission suggests such referrals be submitted to the ALUC for a determination, between the Local Agency's expected Planning Commission and City Council hearings. Since the ALUC meets on the third Thursday afternoon of each month, submittals must be received in the ALUC office by the first of the month to ensure sufficient time for review, analysis, and agendaing.

3

ALUC Comments -2277 Harbor Blvd.
224-Unit Apartment Project
October 9, 2015
Page 2

LETTER G
page 2 of 2

Thank you for the opportunity to comment on this initial study. Please contact Lea Choum at (949) 252-5123 or via email at lchoum@ocair.com if you need any additional details or information regarding the future referral of your project.

3
CONT

Sincerely,



Kari A. Rigoni
Executive Officer



Edmund G. Brown Jr.
Governor

STATE OF CALIFORNIA
Governor's Office of Planning and Research
State Clearinghouse and Planning Unit



Ken Alex
Director

October 13, 2015

LETTER H

Ryan Loomis
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628

REC'D OCT 16

Subject: 2277 Harbor Boulevard Project
SCH#: 2015091026

Dear Ryan Loomis:

The State Clearinghouse submitted the above named Mitigated Negative Declaration to selected state agencies for review. The review period closed on October 12, 2015, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,

Scott Morgan
Director, State Clearinghouse

1

-142-



Edmund G. Brown Jr.
Governor

STATE OF CALIFORNIA
Governor's Office of Planning and Research
State Clearinghouse and Planning Unit



Ken Alex
Director

October 16, 2015

LETTER I
page 1 of 2

Ryan Loomis
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628

REC'D OCT 20

Subject: 2277 Harbor Boulevard Project
SCH#: 2015091026

Dear Ryan Loomis:

The enclosed comment (s) on your Mitigated Negative Declaration was (were) received by the State Clearinghouse after the end of the state review period, which closed on October 12, 2015. We are forwarding these comments to you because they provide information or raise issues that should be addressed in your final environmental document.

The California Environmental Quality Act does not require Lead Agencies to respond to late comments. However, we encourage you to incorporate these additional comments into your final environmental document and to consider them prior to taking final action on the proposed project.

Please contact the State Clearinghouse at (916) 445-0613 if you have any questions concerning the environmental review process. If you have a question regarding the above-named project, please refer to the ten-digit State Clearinghouse number (2015091026) when contacting this office.

Sincerely,

Scott Morgan
Director, State Clearinghouse

Enclosures
cc: Resources Agency

1

DEPARTMENT OF TRANSPORTATION

DISTRICT 12

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LETTER 1
page 2 of 2

October 12, 2015

Mr. Ryan Loomis
City Of Costa Mesa
77 Fair Drive
P.O. BOX 1200
Costa Mesa, CA 92628

File: IGR/CEQA
SCH#: 2015091026
IGR Log #: 4495
SR-55

Dear Mr. Loomis:

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Caltrans is a commenting agency on this project and has no comments at this time. However, in the event of any activity in Caltrans' right of way, an encroachment permit will be required.

Please continue to keep us informed of this project and any future developments that could potentially impact State transportation facilities. If you have any questions or need to contact us, please do not hesitate to call Maryam Molavi at (949) 724-2241.

Sincerely,

Maryam Molavi for

MAUREEN EL HARAKE

Branch Chief, Regional-Community-Transit Planning
District 12

PH-3

ROSALES, MARTHA

Subject:

FW: Planning Commission report item #PH3

LETTER J

-----Original Message-----

From: Rick Huffman [mailto:huffmanrj@gmail.com]

Sent: Monday, October 12, 2015 3:49 PM

To: FLYNN, CLAIRE <CLAIRE.FLYNN@costamesaca.gov>; ARMSTRONG, GARY

<GARY.ARMSTRONG@costamesaca.gov>; rdickson.cmpc@gmail.com

Subject: Planning Commission report item #PH3

Dear Commission Members,

I want to talk about the developer's vision for the future of Costa Mesa.

For Harbor Bld. they want to go up, up, up.

Harbor Bld. of Cars will also be known as Apartment Row. Think a scaled down version of Wilshire Bld. in L.A. for Costa Mesa.

One overlay plan being proposed calls for changing commercial to mixed use high density residential on 6 sites totaling 24.6 acres at 20 units per acre, 4 stories, 60' high. That is at least 492 units and even more for density bonuses.

1

An additional plan calls for changing commercial to super high density on 6 sites totaling 27.4 acres at 40 units per acre, 4 stories, 60' high and 5 or 6 level parking structures. That is at least 1096 units and even more with bonuses.

Costa Mesa Luxury Apartments is part of this overlay proposal although it seems to be just a spot zone change at the moment.

Similar zoning changes are in the works for Newport Bld. and SOBECA with similar 40 unit per acre zoning. Add to that Home Ranch proposals for 1.2 million sq. ft. of office space. There is more in other areas but I'm running out of space.

I want to replace blighted areas too. But not by building a hodge podge of apartment buildings that are totally out of character with our city.

Let's start listening to the residents! These zoning changes provide no proposals for parks, open space, village centers with plazas and sidewalk shops. How about some lower density, lower height, bigger set backs? How about bike-ways and walkways for safe active transportation?

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Let's start embracing the principles of smart growth so we don't get overwhelmed by growth for the sole benefit of the growth machine.

Sincerely,
Rick Huffman

-145-

October 12, 2015

**VIA MESSENGER
AND E-MAIL**

Honorable Robert L. Dickson, Jr., Chair, and
Members of the Costa Mesa Planning Commission
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

Re: Planning Commission Agenda Item for October 12, 2015, Public Hearing No. 3, re: 224-Unit Luxury Apartment Complex at 2277 Harbor Blvd.

Dear Chair Dickson and Members of the Planning Commission:

We are writing on behalf of our clients, Phil Luchesi and his company, Luchesi Enterprises. Luchesi Enterprises owns Pals Vacuum Sewing Center, and Mr. Luchesi owns the underlying property on which this business is operated, located at 2299 Harbor Boulevard. Mr. Luchesi's property is located immediately adjacent to the proposed 224-unit luxury-apartment project that is on the Planning Commission's agenda for its meeting of October 12, 2015, as item PH-3 (the "Project"). While our client is generally supportive of the Project, he does have concerns that he would like to see addressed before the Planning Commission makes a recommendation on the Project to the City Council.

As you know, the Project proposes a General Plan amendment and a rezoning of the 4.15-acre Project site to accommodate 224 multi-family residential units. The Project would be built at a density of over 2.5 times that specified for high-density residential development in the City's current General Plan and Zoning Ordinance ("ZO"). It would also be built to a height of 60 feet, including a 5-story garage, which is taller than the 4-story height-limit currently imposed by the General Plan. By comparison, Pals Vacuum Sewing Center, a long-time City business, is a small, single-story building, approximately 2,500-square-feet in size, located on an approximately 11,000-square-foot lot.

Mr. Luchesi leases portions of his property to five mobile-service providers, each of which has erected a separate cellular tower—approximately 60-feet in height—near the common boundary with the Project site. Mr. Luchesi is legitimately concerned that the proposed Project—with a building height of up to 60 feet (which is twice the height allowed under the site's current zoning designation)—could interfere with cellular reception and thereby compromise the substantial private and public value associated with the cellular towers. Mr. Luchesi thus respectfully asks the Planning Commission to impose certain conditions on the Project to address his concerns.

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Honorable Robert L. Dickson, Jr., Chair,
and Members of the Planning Commission
Page 2

First, prior to any approval of the Project, a qualified consultant should prepare a report analyzing the potential impacts of the Project on the adjacent cellular antennas, and the Project buildings should be modified as needed to eliminate any actual or potential risk of interference with the equipment demonstrated by this report. Second, the Project proponent should be required to indemnify Mr. Luchesi and his tenants, and their collective successors, against any damage or interference to the cellular equipment that is directly or indirectly attributable to the Project. Third, the developer should be required to provide appropriate notices to new residents informing them of the nearby cellular equipment, and should require the Project's residents (on behalf of themselves and their successors) to release Mr. Luchesi and his lessees, and their successors, from any claim of damages related to the cellular equipment.

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CONT

We would also like to ensure that the Project will not result in any other adverse impacts to Mr. Luchesi's property, particularly with respect to drainage, traffic, and parking. Please ensure that adequate conditions are imposed to ensure that the Project runoff does not discharge onto neighboring properties, and that the proposed off-site median and related traffic improvements do not adversely impact access to our client's property. The traffic study suggests that the Project will only provide 13 guest parking spaces. Our client does not believe that this number of spaces is sufficient for 224 residential units and is concerned that guests will end up parking on his property as a result. Please require the developer to provide the number of guest spaces required by the City Code. Mr. Luchesi would also like the opportunity to review and comment on the design and height of the proposed block wall to be installed by the Project proponent between the two sites.

3

We think the above requests are reasonable and can be validly imposed as conditions on the Project, especially given that new development in the City must be designed so as to "not adversely impact surrounding developments," as well as to protect the "integrity of neighboring development." (General Plan, Policy LU-1C.1; ZO § 13-29(g)(5).)¹

Please note that we do have additional concerns regarding the City's proposed approval of the Project entitlements. Amongst other issues, we believe the Project (i) could be subject to a spot-zoning challenge, (ii) likely involves inconsistencies with the City's General Plan, (iii) proposes a density bonus that is greater than allowed by state and local law, and (iv) is based on a mitigated negative declaration ("MND") that contains various inconsistencies and shortcomings in the analysis of the Project's impacts. That said, depending upon the resolution of our client's primary concerns set forth above, we reserve the right to raise these additional objections in a separate detailed letter to the City prior to final action on the Project.

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¹ See also, General Plan Policy LU-IF.5 (requiring compatibility between new uses and existing uses); accord Policy HOU-3.2 and ZO § 13-29(e)(1).



Honorable Robert L. Dickson, Jr., Chair,
and Members of the Planning Commission
Page 3

Please include this letter as part of the materials considered by the Planning Commission at tonight's hearing on this item. We thank you for your consideration of our clients' views on these important matters. Although neither I nor my client will likely be able to attend the meeting this evening, we look forward to hearing from the City in the near future. In that regard, please do not hesitate to contact me with any questions regarding this correspondence at any time.

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Very truly yours,

RUTAN & TUCKER, LLP

Mark J. Austin

MJA

cc: Ryan Loomis
Brenda Green
Tom Duarte, Esq.

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