



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 21, 2016

ITEM NUMBER: PH-3

SUBJECT: 2015-2035 GENERAL PLAN AND FINAL ENVIRONMENTAL IMPACT REPORT (EIR)
- SCH# 2015111053

DATE: JUNE 16, 2016

FROM: PLANNING DIVISION/DEVELOPMENT SERVICES DEPARTMENT

PRESENTATION BY: CLAIRE FLYNN, AICP, AND LAURA STETSON AICP, MIG

FOR FURTHER INFORMATION CONTACT: MINOO ASHABI, PRINCIPAL PLANNER
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RECOMMENDATION

1. Adopt Council Resolution adopting findings pursuant to the California Environmental Quality Act, adopting a Statement of Overriding Considerations, certifying the final environmental impact report (SCH#2015111053), and adopting a Mitigation Monitoring and Reporting Program for the 2015-2035 general plan.
2. Adopt Council Resolution approving and adopting the Costa Mesa 2015-2035 General Plan

PROJECT DESCRIPTION

The proposed project involves the following:

- **Final Environmental Impact Report (Final EIR)** - This is a Program EIR prepared in accordance with CEQA Guidelines Section 15168, which allows for the preparation of a Program EIR for a series of actions that can be characterized as a single project (SCH # 2015111053). The 2015-2035 General Plan is referred to as the General Plan Amendments or General Plan Update in the Final EIR.
- **2015-2035 General Plan** – An update to current General Plan, including all ten elements with the incorporation of the 2013-2021 Housing Element, which was adopted in 2014. The proposed amendments are related to: Land Use, Circulation, Growth Management, Conservation Element, Open Space and Recreation, Noise, Safety, Community Design, and Historical and Cultural Resources.

BACKGROUND

The City Council held two public hearings on May 17, 2016 and June 14, 2016. On June 14, 2016, Council directed staff to proceed with the following:

1. Direct staff to specify the following land uses for the proposed Multi-Use Center designation for the Fairview Developmental Center site in the 2015-2035 General Plan:
 - Maximum 582 residential units: Maximum 250 dwelling units at 5 du/acre and Maximum 332 dwelling units at 40 du/acre.
 - Minimum 25 percent Open Space/Park Uses (25.6 acres)
 - Maximum 0.25 FAR for Public/Institutional Uses for maximum 12 percent of the site (139,660 square feet).

Motion failed on 2-2 vote. (Council members Foley and Genis voted No, Mayor and Mayor Pro Tem voted Yes)

2. To include new General Plan policies pursuant to the Airport Land Use Commission's recommendation.

(Approved – 4-0 vote)

3. To include new General Plan goals/objectives/policies relating to promoting tourism and hotel/motel revitalization.

(Approved – 4-0 vote)

4. To initiate and process a General Plan Amendment (Low Density Residential) and Rezone for 2850 Mesa Verde Drive to be separate and apart from this General Plan Amendment process.

(Approved – 4-0 vote)

5. Remove Mesa Verde Center Node at the southwest corner of Mesa Verde Drive and Harbor Boulevard from Residential Incentive Overlay.

(Approved – 4-0 vote)

6. To initiate and process a General Plan Amendment/Specific Plan Amendment to establish an overlay zone to promote public storage uses along Newport Boulevard to be separate and apart from this General Plan Amendment process.

(Approved – 4-0 vote)

ANALYSIS

Program EIR Process includes Preparation of "Errata"

Pursuant to State Law, the Errata to the Program Draft EIR is now available as of Friday, June 10, 2016. The errata was still pending and therefore not available at the May 17th Council meeting (nor at the Planning Commission meetings). The errata was provided at the June 14th meeting and it reflected corrections to the Draft EIR shown in black-lined and strike-out text. Additional errata to the June 14th document is provided as Attachment 1. The original environmental conclusions of the Draft EIR were not changed.

The General Plan update required preparation of a Program EIR according to the CEQA Statute and Guidelines. A Program EIR addresses impacts at a broad level and does not include the level of detail associated with a project-level EIR. The Draft EIR was prepared and released for a 45-day public review period according to the CEQA requirements. The standard CEQA process involves soliciting comments on the Draft EIR and responding to those comments in the Final EIR.

Preparation of the Final EIR includes clarifying and correcting information per the comment letters, including addressing any typographical errors and internal consistency.

Following the close of the public review period on April 18, 2016, staff and the consultants began to prepare the Responses to Comments and errata to the Program DEIR; these are attached to this report as the Final EIR. The revisions to the document did not result in new impacts or change to any of the conclusions in the Draft EIR.

The Final EIR, which consists of the errata [provided for the June 14th and June 21st meetings] and final responses to comments, is the document recommended for certification by the City Council.

Action Items Requested by Council

The following items were discussed and required follow up responses by staff and consultants:

- *Pursuant to Councilmember Genis' comments, additional errata to the Final EIR which corrects map legends, typographical errors, and internal inconsistencies are attached (Attachment 1). Staff also included other errata and verified that no changes to the environmental conclusions of the Final EIR were made.*

For example, the errata included:

- Minor edits to maps and legends, etc.
 - Minor text edits to policies
 - Inclusion of three landmarks in the Community Design Element
 - A new exhibit identifying parks, public facilities, and institutions
- *Information Technology staff verified that the City's email system for the General Plan Update has been fully operational to date:*

After an examination of the system, IT staff confirmed the following:

- Based on a search on the specific email address "generalplan@costamesaca.gov" to ensure those emails are being received by the City email server, IT staff were able to produce results that validated receipt of all emails to that general plan address.
- Other than the two email communications (subsequently included in the Final Responses to Comments document), there were no other relevant emails during the public review period of March 4 to April 18 in the SPAM filter.

- Communications received during the public review period have been included in the Responses to Comments; All other subsequent communications after April 18th deadline have been provided in Council agenda materials.
- *There was a concern that all public comments submitted through the City's Website may have not been delivered to staff and not included in the EIR (one letter submitted on June 13, 2016).*

Staff in the IT department searched the spam filter (all incoming email traffic travels through this device first) for the resident that had issues with the email server. When staff searched for the email address sagonzales1@sbcglobal.net, we found several emails on 6-12-16 and one email from February 2016. There were no other emails from this resident that hit City servers. As indicated previously, IT staff also looked at the server system logs and found that at no time were the email or spam servers not operational.

A response memo to the issues noted in the letter dated June 13th was provided with the June 14th staff report as Attachment 3. The email submitted in February was an inquiry related to the CERT classes that the City offers and not related to the General Plan.

- *The traffic analysis did not include intersections outside the City limits, and comment letters received from the City of Irvine, Newport Beach [etc.] did not request additional analysis.*

The traffic analysis only included the transportation system within the City. The Circulation Element of the City's General Plan is applicable only to the City's network of roadways. Caltrans facilities, such as the freeway mainline and ramps, as well as neighboring roadways are not a part of the Circulation Element, and changes or modifications to these facilities are not addressed by the General Plan. As such, the traffic analysis that has been prepared in support of the General Plan Amendments focuses on City roadways using City analysis methodology. Future development that may occur in the City as a result of changes to the General Plan will be subject to project level analysis, which includes evaluation of impacts to Caltrans and other facilities when applicable and using analysis methodologies for those facilities that are acceptable to Caltrans such as those noted in the comment.

In addition, when the DEIR was circulated the City did not receive any traffic concerns from neighboring cities.

- *The original Newport Banning Ranch project at approximately 15,000 daily trips was included in the Draft EIR analysis.*

The General Plan Draft Environmental Impact Report assumes the development of Newport Banning Ranch project as originally proposed. The project was expected to generate approximately 15,000 daily trips, 900 morning peak hour trips and 1,400 evening peak hour trips. However, the current proposal for Banning Ranch reduced the size of the development by about 35%. This will result in a reduction of trips to and from the site and corresponding impacts to the roadway system. This reduction was not incorporated in the study.

Original Banning Ranch Project

| |
|--|
| Open Space – 252 acres |
| Visitor- Serving Resort – 75 rooms and 75,000 SF of commercial |
| Total Residential Units – 1,375 units |

Revised Banning Ranch Project

| |
|--|
| Open Space – 310 acres |
| Visitor- Serving Resort – 75 rooms and 75,000 SF of commercial |
| Total Residential Units – 895 units |

Reduction to Residential Footprint

| Proposed Residential | 2015 CCC October Hearing | April 2016 Current Plan | Change Since October 2015 |
|----------------------|--------------------------|-------------------------|---------------------------|
| Urban Colony | 17 acres | 12.4 acres | -4.6 Acres |
| North Village | 37 acres | 21.6 acres | -15.4 Acres |
| South Village | 14 acres | 9.7 acres | -4.3 Acres |
| Total | 68 acres | 43 acres | -24 Acres |

Reduction in Residential Units

| Proposed Residential | 2015 CCC October Hearing | April 2016 Current Plan | Change Since October 2015 |
|----------------------|--------------------------|-------------------------|---------------------------|
| Urban Colony | 606 units | 450 units | -156 Unit |
| North Village | 393 units | 195 units | -198 Units |
| South Village | 175 units | 250 units | -75 Units |
| Total | 1,174 units | 895 units | -279 Units |

Source: Coastal Commission Report

- *Pursuant to Councilmember Genis' comments, additional analysis to address water demand has been completed, and no new significant impacts to water supply are identified.*

At the hearing on June 14, 2016, the concern was raised regarding increased water use that would result from residential growth and whether supplies would be adequate. Water supply is addressed in the FEIR in Section 4.17 (Utilities and Service Systems). As described on page 4.17-1 of the FEIR, Mesa Consolidated Water District (MCWD) serves 85% of the City. Irvine Ranch Water District (IRWD) serves the balance. Groundwater supplies account for 75% MCWD's supplies and 77% of IRWD's; the balance consists of imported water purchased from the Metropolitan Water District of Southern California (MWD). Under California law, MCWD and IRWD are required to prepare an Urban Water Management Plan (UWMP) to support long-term resource planning and ensure that adequate water supplies are available to meet existing and future water demands. As noted on page 4.17-13 of the FEIR, both districts have determined that long-term water supplies are sufficient to meet projected demand even with growth and anticipated dry-year conditions. While the General Plan Amendments could result in additional growth that may not be fully accounted for in the current UWMPs, the General Plan includes policies aimed at reducing water use. Also, given the City's built-out

character, any new development would occur on currently developed properties. The new projects would result in the replacement of older, more intensive water use plumbing fixtures and land uses with modern, low-water-use fixtures, resulting in potential reductions in water use on a site-by-site basis. The City coordinates with both water agencies to keep them apprised of development proposals and General Plan amendments to help MCWD and IRWD incorporate these considerations into their water resource planning and management efforts.

Water supply will continue to be a key community concern into the future. All communities in California will face similar concerns as the population grows throughout the State. The water conservation mandates imposed by the Governor in 2015 target wasteful water use practices and are anticipated to result in increased awareness regarding water conservation and to put conservation practices in place that should have long-lasting impact.

- Pursuant to Councilmember Foley's request, an additional alternative for the Fairview Developmental Center site is being analyzed.

The trip generation summary table (below) provides 3 different alternative development scenarios for Fairview Developmental Center. The traffic model has been run several times to address Councilmember comments on different alternatives. A supplemental memo from Stantec will be provided by separate cover to evaluate and report any significant traffic impacts related to the alternative requested to be studied at the June 14, 2016 meeting. The conclusions of the trip generation study and recommendations from the traffic consultant are pending.

Fairview Developmental Center Site Land Use and Trip Generation Summary

| Land Use | Units | AM Peak Hour | | | PM Peak Hour | | | ADT |
|--|-------------|--------------|-----|-------|--------------|-----|-------|-------|
| | | In | Out | Total | In | Out | Total | |
| GENERAL PLAN TRAFFIC STUDY | | | | | | | | |
| Medium Density Residential | 200 DU | 30 | 98 | 128 | 104 | 60 | 164 | 1,634 |
| High Density Residential | 300 DU | 30 | 123 | 153 | 120 | 66 | 186 | 1,995 |
| Public Facility | 52 Acres | 2 | 2 | 4 | 4 | 4 | 8 | 98 |
| Passive Park | 26 Acres | 1 | 1 | 2 | 2 | 2 | 4 | 49 |
| Total Trip Generation | | 63 | 224 | 287 | 230 | 132 | 362 | 3,776 |
| JUNE 1, 2016 MIXED-USE CENTER DEVELOPMENT PLAN | | | | | | | | |
| Low Density Residential | 250 DU | 48 | 140 | 188 | 158 | 93 | 251 | 2,380 |
| High Density Residential | 332 DU | 33 | 136 | 169 | 133 | 73 | 206 | 2,208 |
| Institutional (Office) | 139.66 TSF | 191 | 27 | 218 | 35 | 173 | 208 | 1,540 |
| Passive Park | 25.65 Acres | 1 | 1 | 2 | 2 | 2 | 4 | 48 |
| Total Trip Generation | | 273 | 304 | 577 | 328 | 341 | 669 | 6,176 |
| Difference (Compared to the General Plan Traffic Study) | | | | | | | | |
| Trip Generation Increase | | 210 | 80 | 290 | 98 | 209 | 307 | 2,400 |
| JUNE 17, 2016 MIXED-USE CENTER DEVELOPMENT PLAN | | | | | | | | |
| Low Density Residential | 50 DU | 10 | 28 | 38 | 32 | 19 | 51 | 476 |
| High Density Residential | 300 DU | 30 | 123 | 153 | 120 | 66 | 186 | 1,995 |
| Institutional (Office) | 381.15 TSF | 522 | 72 | 594 | 95 | 473 | 568 | 4,204 |
| Passive Park | 45 Acres | 2 | 2 | 4 | 4 | 3 | 7 | 85 |
| Total Trip Generation | | 564 | 225 | 789 | 251 | 561 | 812 | 6,760 |
| Difference (Compared to the General Plan Traffic Study) | | | | | | | | |
| Trip Generation Increase | | 501 | 1 | 502 | 21 | 429 | 450 | 2,984 |
| Abbreviations: ADT – average daily trips DU – dwelling unit TSF – thousand square feet | | | | | | | | |

Please note the following:

1. *Clarification of the 15 du/acre reference for Fairview Developmental Center:*

For clarification purposes, it is important to note that the **original** General Plan density limits for the proposed Fairview Developmental Center site indicated a range of **15 du/acre** to 25 du/acre for residential uses [Draft General Plan/March 2016]. The second (June 1) Alternative proposed at the June 14, 2016 Council meeting in the staff report also reflected a *maximum range of 15 du/acre* (but up to 40 du/acre) for residential uses to provide development flexibility without exceeding the maximum residential unit cap. However, Council may choose to reduce the maximum density limits to 8 du/acre or lower for low density residential uses.

2. *Trip Budget for Multi-Use Center Designation:*

The City Council may decide to allocate a trip budget for the Fairview Development Center. A trip budget established for the Fairview Developmental Center site will allow development flexibility for the different land use classifications, while retaining the minimum requirement for Open Space. This discussion will be provided in the Stantec memo.

3. *Additional clarification regarding the Environmentally Superior Alternative is provided.*

According to the State CEQA Guidelines, when an EIR finds the “No Project” alternative to be the environmentally superior alternative, CEQA requires the lead agency to designate the next-best environmental alternative as the environmentally superior alternative. Generally, CEQA requires lead agencies to adopt the environmentally superior alternative in lieu of the proposed project, unless the lead agency finds a basis for rejecting the alternative. CEQA provides three bases for rejecting an alternative: (1) the alternative is not environmentally superior to the proposed project including all its mitigation measures, (2) the alternative fails to meet most of the basic project objectives, or (3) the alternative is infeasible for legal, economic, social, or other reasons.

Here, the EIR identifies the “No Project” alternative as environmentally superior because it would eliminate the significant and unavoidable air quality and greenhouse gas emissions impacts. The EIR goes on to explain that the next-best environmental alternative would be Alternative 2 (retaining the Public/Institutional designation on the Fairview Developmental Center site), which it designates as the environmentally superior alternative. However, as explained in the attached CEQA Resolution findings of fact, Alternative 2 is infeasible for three reasons. First, while it reduces impacts in most categories as compared to the General Plan Amendments, impacts to air quality and greenhouse gas emissions would still remain significant and unavoidable. Second, Alternative 2 does not meet most of the project’s basic project objectives. And third, Alternative 2 is infeasible for legal, economic, social, and other reasons. Therefore, the City Council is not obligated to adopt Alternative 2.

4. *Affordable Housing Requirements at Fairview Developmental Center Site and Applicable State Regulations.*

Government Code, section 14670.35 authorizes the Department of General Services, with consent from the State Department of Developmental Services, to lease up to 60 acres located within the grounds of Fairview Developmental Center for a period of up to 55 years, for the purpose of developing affordable housing for the employees of, and transitional housing for patient-clients of, Fairview Developmental Center.

Government Code, section 14670.36, which was adopted last year and became effective January 1, 2016, additionally authorizes the Department of General Services, with consent from the State Department of Developmental Services to lease to any person or entity real property not to exceed 20 acres located within the grounds of the Fairview Development Center for a period not to exceed 55 years. Any lease that the Department of General Services enters into shall, among other things, provide housing for individuals who qualify, and a minimum of 20% of the housing units developed shall be affordable to individuals with developmental disabilities. Therefore, the Department of General Services has the authority to lease less than 20 acres located within the Fairview Development Center if it so chooses and if the lease includes all other mandatory requirements of this section. Therefore, the provisions of Government Code, sections 14670.35 and 14670.36 are restrictions on leases that the Department of General Services enters, not land use restrictions on the City.

Government Code, section 65915(f), a density bonus means “a density increase over the otherwise maximum allowable residential density as of the date of the application by the applicant”. Thus, by law, if an applicant qualifies for and requests a density bonus, the additional units would be on top of what the otherwise maximum allowable residential density would be for the site under the General Plan.

5. *Orange Coast College addresses the inclusion of Mid-Century Modern structures on Orange Coast College (OCC) Campus on the list of Eligible Historical Resources.*

OCC is a state owned facility and outside the City’s jurisdiction. In 2015, OCC prepared a Program Environmental Impact Report (PEIR) for the Orange Coast College Vision 2020 Facilities Master Plan. The Final EIR makes reference to the cluster of Mid-Century Modern structures on campus and includes a mitigation measure for preservation or reuse of the historic structures:

- a. A Historic Structures Report shall be prepared prior to any alteration, relocation, or demolition of any contributing buildings, structures, objects, features, or landscape elements located within the identified OCC Historic District. The work shall be completed by a qualified historic preservation professional who meets the requirements of the U.S. Secretary of the Interior’s Professional Qualifications for history, architectural history, or historic architecture. The report shall be prepared in a manner consistent

with the recommended approaches outlined in the National Park Service Preservation Brief 43: The Preparation and Use of Historic Structures Reports The report shall document the significance and physical condition of all contributing buildings, structures, objects, features, and landscape elements with photographs, text narrative, and existing drawings.

6. *The level of detail and analysis for the General Plan Program EIR compared to a project-level EIR is discussed below.*

Under state law, a program EIR does not need to be at the same level of detail as a project level EIR: it examines a series or a broad range of related actions, in this case, several General Plan. The program EIR can be used in the future to examine projects that may be consistent with the general plan; however, staff and the decision-makers have the ability to determine what projects are not within the scope of the program EIR and can require specific analysis for projects that come subsequent to Program EIR. The Program EIR does not address everything in great detail and that there might be a need for individual development projects to be examined in detail to subsequent CEQA documentation that is indeed what the law allows to happen.

Final Program Environmental Impact Report (Final EIR) - SCH# 2015111053

This Final EIR has been prepared in accordance with the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.) and the State CEQA Guidelines (Cal. Code Regs., § 15000 et seq.). The DEIR is a Program EIR prepared in accordance with CEQA Guidelines Section 15168. Section 15168 allows for the preparation of a Program EIR for a series of actions that can be characterized as a single project.

The Final EIR consists of the DEIR, responses to comments received on the DEIR, and revisions to the DEIR in response to comments. The DEIR and FEIR address the following:

| | |
|---|---|
| <ul style="list-style-type: none"> • Aesthetics • Air Quality • Cultural Resources • Geology and Soils • Greenhouse Gas Emissions • Hazards and Hazardous Materials • Hydrology and Water Quality • Land Use and Planning | <ul style="list-style-type: none"> • Noise • Population and Housing • Public Services • Recreation • Transportation/Circulation • Utilities and Service Systems |
|---|---|

Unavoidable significant impacts have been identified with regard to air quality and greenhouse gas emissions. Sites exist within the City that are listed as hazardous waste facilities, hazardous waste properties, and/or hazardous waste disposal sites, as enumerated under California Government Code 65962.5.

PUBLIC COMMENTS

The Notice of Preparation was released on November 16, 2015. All public comments received during the 30-day review period are accessible at the following link:

<http://www.costamesaca.gov/ftp/generalplan2015-2035/Appendix%20B%20-%20Notice%20of%20Preparation.pdf>

Responses to Comments - Draft EIR

Public Comment Period

On March 4, 2016, the City released the draft 2015-2035 General Plan and DEIR for a 45-day public review ending on April 18, 2016. Both documents were available at local libraries, the City Hall and on the City's website at the following link:

<http://www.costamesaca.gov/index.aspx?page=1994>

As required by CEQA, all public hearing comments and correspondence received during the 45-day public review period are addressed in the Final "Response to Comments" document included as section 10.0 of the FEIR.

ALTERNATIVES

1. Certify the Final EIR and adopt the 2015-2035 General Plan, with any minor modifications to the Preferred Land Use Alternative. Modifications may involve removal of certain focus areas or overlay zones as currently proposed in the General Plan Update.
2. Continue the General Plan hearing to the meeting of July 5, 2016 to address any additional informational requests.

LEGAL REVIEW

The City Attorney's office and the City's contract environmental attorneys from Best, Best, & Krieger have approved the attached resolutions as to form.

CONCLUSION

The General Plan update process started in 2012. During the past three years, many workshops and study sessions that provided opportunities for the public to weigh in and discuss major land use and traffic issues. The 2015-2035 General Plan is a compilation of the revisions approved by the Council and updates in compliance with the latest State and regional requirements, such as the Complete Streets component. Most goals, policies and objectives have remained unchanged. The major land use changes are proposed for four percent of the City's overall area, which, if implemented are anticipated to be supported by the circulation improvements within the General Plan time frame.

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- Attachments:
1. [FEIR Errata](#)
 2. [General Plan Errata \(last update was dated May 6, 2016\)](#)
 3. [Memo addressing Correspondence Dated June 13, 2016](#)
 4. [Resolutions](#)