



# PLANNING COMMISSION AGENDA REPORT

VII.3

MEETING DATE: JANUARY 22, 2007

ITEM NUMBER

**SUBJECT:** REZONE R-06-04 AND PLANNING APPLICATION PA-06-52, INCLUDING MASTER PLAN, VARIANCES, AND MINOR MODIFICATION MM-06-36 FOR PROPERTY LOCATED AT 2460/2472 NEWPORT BOULEVARD

**DATE:** JANUARY 10, 2007

**FOR FURTHER INFORMATION CONTACT:** CLAIRE L. FLYNN, AICP, SENIOR PLANNER  
(714) 754-5278

## DESCRIPTION

The proposed project consists of the following:

1. *Rezone* of subject property from C1 (Local Business District) to PDR-HD (Planned Development Residential - High Density).
2. *Master Plan* to construct "The Lofts at Newport Mesa" project: a 14-unit, two-story, attached multi-family residential condominium development.
3. *Variances* from open space requirements (42% required, 35% proposed) and from minimum lot area required in a planned development zone (one acre required; 0.91 proposed).
4. *Minor Modification* MM-06-36 for an 8-foot block wall (maximum 6-foot height allowed).

## APPLICANT

Johnny Lu of T4, LLC is the authorized agent.

## RECOMMENDATION

Recommend the following actions to City Council: (1) give first reading to the ordinance for Rezone R-06-04; (2) approve Planning Application PA-06-52, including master plan and variances, and (3) Minor Modification MM-06-36, by adoption of attached resolution.

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**PLANNING APPLICATION SUMMARY**

Location: 246/2472 Newport Blvd. Application Number: PA-06-52/R-06-04/MM-06-36

Request: (1) Rezone R-06-04; (2) Planning Application PA-06-52, including master plan for 14-unit common interest development, variances from open space and minimum lot size, and (3) Minor Modification MM-06-36 for 8-foot block wall

<b>SUBJECT PROPERTY:</b>		<b>SURROUNDING PROPERTY:</b>	
Zone:	<u>PDR-HD</u>	North:	<u>Commercial – Car Audio</u>
General Plan:	<u>Commercial Residential</u>	South:	<u>Commercial – Self-storage</u>
Lot Dimensions:	<u>Flag lot - irregular</u>	East:	<u>Multi-family Residential</u>
Lot Area:	<u>39,600 sq. ft.</u>	West:	<u>Newport Boulevard</u>
Existing Development:	<u>3 commercial buildings (vacant)</u>		

**DEVELOPMENT STANDARD COMPARISON**

<u>Development Standard</u>	<u>Required/Allowed</u>	<u>Proposed/Provided</u>
<b>Lot Size:</b>		
Lot Width (Development Lot)	NA	Over 100 ft.
Lot Area (Development Lot)	1 acre (43,560 sq. ft.)	.91 acres (39,600 sq. ft.) <sup>1</sup>
Lot Frontage	120 feet*	66 feet
<b>Density:</b>		
Zone – PDR-HD	Maximum 17.4 units per acre* 15 townhomes 1 du/2,500 sq. ft.	15 dwelling units per acre 14 townhomes 1 du/2,928 sq. ft.
General Plan – Commercial Residential	1 du/2,500 sq. ft.	1 du/2,928 sq. ft.
<b>Building Coverage (Development Lot):</b>		
Buildings	22,968 sq. ft.	14,077 sq. ft. (35%)
Paving		11,577 sq. ft. (29%)
OPEN SPACE	Minimum 42% of total site area Min. 16,632 sq. ft.	13,946 sq. ft. (35%) Open Space <sup>2</sup>
<b>TOTAL</b>		39,600 sq. ft. (100%)
Building Height:	4 stories	2 stories/27 ft.
Chimney Height	NA	29 ft.
2 <sup>nd</sup> Floor% of 1 <sup>st</sup> Floor	80%**	Building Complex A (Units A-E) =104% Building Complex B (Units F-K) =99% Building Complex C (Units L-P) =102%
<b>Building Setbacks/Perimeter Open Space</b>		
Front (Newport Blvd)	20 ft.	20 ft.
Side (left/right)	NA	5 ft./5 ft.
Rear (Multi-Family Residential)	NA	20 ft.
Private Open Space	Minimum 10' x 10'	Minimum 10' x 10'
<b>Parking:</b>		
Covered	14	28
Open	36	22
<b>TOTAL</b>	50	50
Back-up Distance for Vehicles	25 ft.	25 ft.
Block Wall Height	6 feet	8 feet <sup>3</sup>
Driveway Width:	16 ft.	16 ft.

\*Newport Blvd. Specific Plan standards; \*\* Residential Design Guidelines  
<sup>1</sup>Variance from minimum one-acre lot sized required; <sup>2</sup>Variance from 42% open space required; <sup>3</sup>Minor Modification for block wall height

NA = Not Applicable  
 Final Action Planning Commission  
 CEQA Review Exempt, Class 32, Infill Development

**BACKGROUND**

In July, 1996, City Council adopted the Newport Boulevard Specific Plan. The Newport Boulevard Specific Plan sets forth a comprehensive list of development policies and standards, incentives and implementation programs to ensure the long-term viability of the Newport Boulevard business district. The intent of the plan is to encourage viable commercial uses to continue and prosper as well as to provide marginal uses adequate incentives to redevelop or transition to residential uses.

The Commercial-Residential land use designation in the Newport Boulevard Specific Plan area allows properties to be rezoned for compatible residential development. Rezoning properties to residential is intended to revitalize this area and stimulate redevelopment. In addition, General Plan Policy HOU-3.1 encourages the conversion of existing marginal or vacant commercial properties to residential where feasible.

On July 6, 2004, City Council rezoned property located at 2436 Newport Boulevard (south of the project site) from C1 to R2-MD. This project represented the first residential development in the Newport Boulevard Specific Plan area. This project (currently under construction) is located three lots southwest of the project site. The 2436 Newport Boulevard project involved the following: (1) Design Review PA-05-19 for a nine-unit single-family detached common interest development; (2) Vesting Tentative Tract Map VT-16883 for the subdivision of the site into 9 numbered lots and one lettered lot; (3) minor modification for 8-foot high perimeter block wall.

**ANALYSIS*****Project Location***

The project site consists of two parcels (total .91 acres) located at 2460/2472 Newport Boulevard. The project site is located in the Newport Boulevard Specific Plan area, which encompasses the east side of Newport Boulevard between 19th Street and Mesa Drive. The General Plan land use designation is Commercial-Residential, and the zoning is C1 (Local Business District).

*Each of the project requests is discussed below.*

***Rezone R-06-04***

The proposed project involves a rezone of the property from Local Business District (C1) to Planned Development Residential - High Density (PDR-HD). The PDR-HD zoning is a compatible zoning district with the Commercial-Residential General Plan designation.

Following are justifications for approval of the rezone request:

- 1) Rezone of property would result in significant traffic reduction compared to General Plan conditions. The proposed project would result in a significant reduction (91

percent) in average daily trips compared to the maximum commercial development allowed in the General Plan, as shown in the table below.

Table A – Trip Generation Analysis

	ZONING	DEVELOPMENT	AM PEAK HOUR	PM PEAK HOUR	ANTICIPATED AVERAGE DAILY TRIPS
EXISTING GENERAL PLAN	C1	15,840 SQ. FT. (max 0.40 FAR)	25	99	1076
PROPOSED PDR-HD ZONE	PDR-HD	15 DWELLING UNITS (max 17.4 units per acre)	8	10	108
EXISTING USES	Local Business (C1)	6,760 sq. ft.	10	42	455
PROPOSED PROJECT	PDR-HD	14 DWELLING UNITS (15 du/ac)	7	9	94

The rezone of the property from commercial to residential use would result in an overall trip reduction of 91 percent compared to General Plan build out conditions. The maximum build out potential for low-traffic generating uses (i.e. commercial uses) would be a 15,840 sq. ft. office building with a projected trip generation of 1,076 ADT. Compared to the maximum buildout potential of 14 dwelling units in the PDR-HD zone, the average daily trips would decrease from 1,076 ADT to approximately 94 ADT (ninety-one percent).

- 2) Rezone request complies with Newport Boulevard Specific Plan, Zoning Code, and General Plan. The Newport Boulevard Specific Plan allows approved residential ownership projects to contain a maximum density of 17.4 dwelling units per acre (1/unit per 2,500 sq. ft.). This density criteria results in a maximum of 15 dwelling units allowed on the project site. The applicant is not seeking the maximum of 15 dwelling units. A 14-unit townhouse project is proposed.
- 3) Rezone allows redevelopment of project site for multi-family ownership housing. Staff believes the proposed multi-family residential development would be more appropriate for the site than a single-family detached product. While a small-lot subdivision has been approved at 2436 Newport Boulevard, just south of the project site, staff does not consider single-family development as a preferred option due to possible incompatibility with the existing commercial uses in this location along Newport Boulevard.

Rezoning the site to PDR-HD requires a variance from the minimum 1-acre lot size for Planned Development Residential zones. This aspect of the project is discussed in the following section.

## **Planning Application PA-06-52**

### **Master Plan**

Master plans are required for projects within the Planned Development Residential zones. This allows review of the structures' scale, location of windows, site planning, landscaping, and appearance, with the goal of promoting design excellence while giving consideration to the project's compatibility and consistency with the surrounding area.

The proposed project is called "The Lofts at Newport Mesa." It involves a master plan for a 14-unit multi-family attached, common interest development. All on-site structures will be demolished.

The following analysis summarizes the master plan's consistency with the following: 1) Newport Boulevard Specific Plan, 2) Zoning requirements for the PDR-HD zone, and 3) Residential Design Guidelines.

- "Front Patio Spaces" address impacts from adjacent self-storage facility by eliminating back yards that would have abutted the two-story storage building. The proposed project requires consideration of land use compatibility with residential and commercial neighbors. The project features a unique planning concept in that actively-used yard areas have been created in the front yard in the form of front patios with a minimum 10' x 10' dimension. The placement of these enclosed patios in the front yard eliminate the concern with the private open space abutting the two-story self-storage buildings, the enclosed front patios adjacent to the entry drive create a sense of community, and the landscaping and open areas will be visible to all residents along the entry drive.
- Overall architectural design promotes excellence and compatibility. The loft-style project features contemporary architecture. The concrete/steel construction, metal roofing, aluminum surfaces reinforce the urban village concept. While the project lacks physically-articulated walls, varied surface materials and balconies result in a well-designed residential project.
- Proposed parking meets City standards. The proposed project provides 28 parking spaces in two-car garages and 22 open parking spaces, for a total of 50 parking spaces. Proposed parking is in accordance with the City's parking requirements.
- Landscape Plan features plant palette consistent with City standards. The Landscape Plan is generally consistent with the City's standards for multi-family residential development. The Landscape Plan proposes a palette consisting of: gold medallion trees, rocky mountain junipers, and Chinese fringe trees. Different types of shrubs are proposed as well as marathon turf grass. The landscaped street setback is consistent with the City's landscape standards.

- Master Plan shall include a noise wall to conform with City's Noise Ordinance. The Costa Mesa 2000 General Plan requires that sensitive uses be located outside a 65 Community Noise Equivalent Level (CNEL) noise contour. Traffic noise may not be greater than the 65 CNEL exterior noise standards and 45 CNEL interior noise standards. According to the 2000 General Plan, existing (Year 2000) and expected (Year 2020) noise contours along the project site range from 65 to 70 CNEL.

The primary source of noise is from traffic on the Costa Mesa Freeway and Newport Boulevard. The front half of the property is located in the 70 CNEL noise contour and the back half in the 65 CNEL noise contour. Given that the front half of the property is in the 70 CNEL noise contour, noise attenuation for a five decibel reduction would be required.

A noise study completed for the property at 2436 Newport Boulevard indicated that outdoor noise levels could be attenuated to a minimum of 65 dBA with an 8-foot sound wall. Therefore, the proposed project is conditioned to provide 8-foot perimeter sound walls. An acoustical study is required to be completed prior to issuance of building permits to verify appropriate heights of sound walls and compliance with interior noise standards.

Typical residential construction achieves an average of 12 decibels of outdoor-to-indoor noise reduction with windows open. With windows closed, the outdoor-to-indoor noise reduction increases to an average of 20 decibels. In order to assume that windows can remain closed, adequate mechanical ventilation must be provided. An 8-foot high sound wall and landscape berming shall be required to reduce noise levels to a minimum of 65 CNEL. Staff recommends approval of minor modification for the 8-foot high sound wall (maximum 6-foot high allowed) for noise attenuation purposes.

### ***Variances from Minimum Lot Size and Open Space***

The proposed project involves two variance requests:

- (1) Variance from minimum lot size requirement. Code requires a minimum one-acre sized lot in the PDR-HD zone. The project area is 39,600 sq.ft. in size and is therefore 3,960 square feet short of that requirement.
- (2) Variance from open space requirement. If the property were rezoned from C1 to PDR-HD, the Planned Development Residential zone requires a minimum 42 percent of open space. The proposed project includes 35 percent of open space.

Code Section 13-29(g)(1) allows approval of a variance where there are special circumstances unique to the project site, such as:

- The project site exhibits unique physical conditions of the project such as an unusual lot size, lot shape, topography, or similar features.

- Where strict application of the zoning ordinance would deprive the property owner of privileges enjoyed by owners of other properties in the vicinity under identical zoning classification. Other factors (such as existing site improvements) may also be considered.

Staff supports approval of these variance requests for the following reasons:

- 1) Unusual shape of newly-created flag lot exhibits unique physical conditions required for variance approval. The project site involves consolidation of two marginal commercial properties. The parcel at 2472 Newport Boulevard is completely landlocked with an access easement through the automotive business property fronting Newport Boulevard. The combination of 2460 and 2472 Newport Boulevard properties results in a flag-shaped lot that would eliminate the need for an access easement and provide an opportunity for residential development on a odd-shaped property.

The lot size and dimensions do not meet the minimum 40,000 sq.ft. size and 120 foot street frontage recommended in the Specific Plan. Development potential on the flag lot will be limited unless special considerations are made. Therefore, staff considers the unusual shape, as well as the following discussion related to fire access, as a justification for approval of the variances from the minimum lot size and open space requirements.

- 2) Project complies with fire access requirements despite unusual lot width and depth. The flag lot will be 66 feet wide (at the narrowest point) and 300 feet deep. Given the unusually deep lot, the Fire Department required a hammer-head turn around and a 20-foot wide driveway for fire apparatus access; the zoning code only requires a 16-foot wide driveway. As a result, adherence to these requirements eliminated much of the area that would have been landscaping. The 42 percent open space requirement would likely be met if these fire access improvements were not mandated.

To alleviate this loss of landscaping, the applicant proposes a hybrid combination of living plants and solid materials called "Grasscrete." Grasscrete involves hardscape, live plant materials (no more than four inches tall), and dense river rock. The Grasscrete (3,466 sq.ft.) will be located along the hammerhead area and driveway to meet the fire access requirements and is considered open space (Landscaping Plan, Attachment X). The purpose of Grasscrete is two-fold. Grasscrete will visually provide the look of landscaping and also the functionality of a hard, driveable surface that could support a fire truck in emergency situations.

A condition of approval requires the Grasscrete to receive final approval of the Fire Chief to ensure that it be designed, constructed, and maintained to support Fire Department apparatus (68,000 lbs). Another condition of approval requires that larger, more mature trees (minimum 24-inch box trees) and shrubs

(minimum 5 gallon sizes) be installed throughout the property to create lush landscaping.

- 3) Strict application of zoning ordinance may discourage redevelopment in Specific Plan area and deprive property owner of similar privileges. The long-term vision of the Newport Boulevard Specific Plan is to encourage viable commercial businesses to continue to prosper and to encourage marginal uses to redevelop. The strict application of code requirements for minimum lot size and open space may discourage redevelopment, and thereby, deprive the property owner of the ability to redevelop this property in the same manner as other standard-sized properties in the Specific Plan.
- 4) Compliance with the goals of the Newport Boulevard Specific Plan is a consideration for variance approval. Lot consolidation and new ownership housing are primary goals of the Newport Boulevard Specific Plan. Furthermore, the Specific Plan indicates that development guidelines are not mandatory specifications and variations from such guidelines shall be based on the merits of a proposed project. Staff believes that the proposed project complies with these important Specific Plan goals and results in a housing development that is a significant improvement to the property's existing conditions.

#### **Minor Modification MM-06-36**

An 8-foot high perimeter wall will provide buffering from commercial neighbors. The commercial property at 2458 Newport Boulevard is located north of the project site and contains Beach Audio retail store and Performance Roofing offices. The Zoning Code requires that commercial properties abutting residential properties be set back twice the height of the commercial building. This setback distance is to provide adequate buffering of commercial uses from residential areas. The commercial building setbacks range from 30-35 feet to the proposed residential property. A condition of approval requires an 8-foot high perimeter wall to minimize visual and privacy impacts.

#### **Subdivision Map for Condominium Purposes**

The "Lofts at Newport Mesa" project will involve a one-lot airspace condominium subdivision, to be submitted at a later date. Staff has conditioned the Master Plan on the submission of the subdivision map for condominium purposes to ensure that these units are ownership units. In contrast to a traditional small-lot residential common interest development project, the airspace within the building structures will be owned by the new residents, and the outdoor yard areas will be held in common by the homeowner's association, with exclusive rights over certain yard areas by the individual property owner. Covenants, Conditions, and Restrictions (CC&Rs) are required to be recorded to ensure proper maintenance of the common areas.

**ENVIRONMENTAL DETERMINATION**

The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), CEQA Guidelines, and the City's environmental processing procedures. Pursuant to Section 15332 (In-Fill Development Projects) of the California Environmental Quality Act (CEQA) Guidelines, this project is exempt from CEQA.

**ALTERNATIVES CONSIDERED**

The Planning Commission has the following alternatives:

1. Recommend approval of the rezone, planning application and minor modification. Proposed residential development would be in conformance with the City's General Plan and Newport Boulevard Specific Plan, which encourage the conversion of existing marginal or vacant commercial properties to residential where feasible. While the Specific Plan was adopted about ten years ago, this will be the second residential project approved under the Newport Specific Plan.
2. Recommend denial of the application. No residential development could occur on the project site. The existing zoning would permit continuation of the existing office and storage uses, or redevelopment to permitted office or retail uses.

**CONCLUSION**

The applicant is interested in developing the subject property as a multi-family residential, common interest development. If the rezone and master plan were approved, this development would contribute 14 multi-family residences to the City's housing stock. Compared to General Plan conditions, the proposed project would reduce average daily traffic from the site by 91 percent. Staff considers this project as a good opportunity to convert an existing marginal commercial property to residential and ultimately provide increased homeownership opportunities in Costa Mesa.

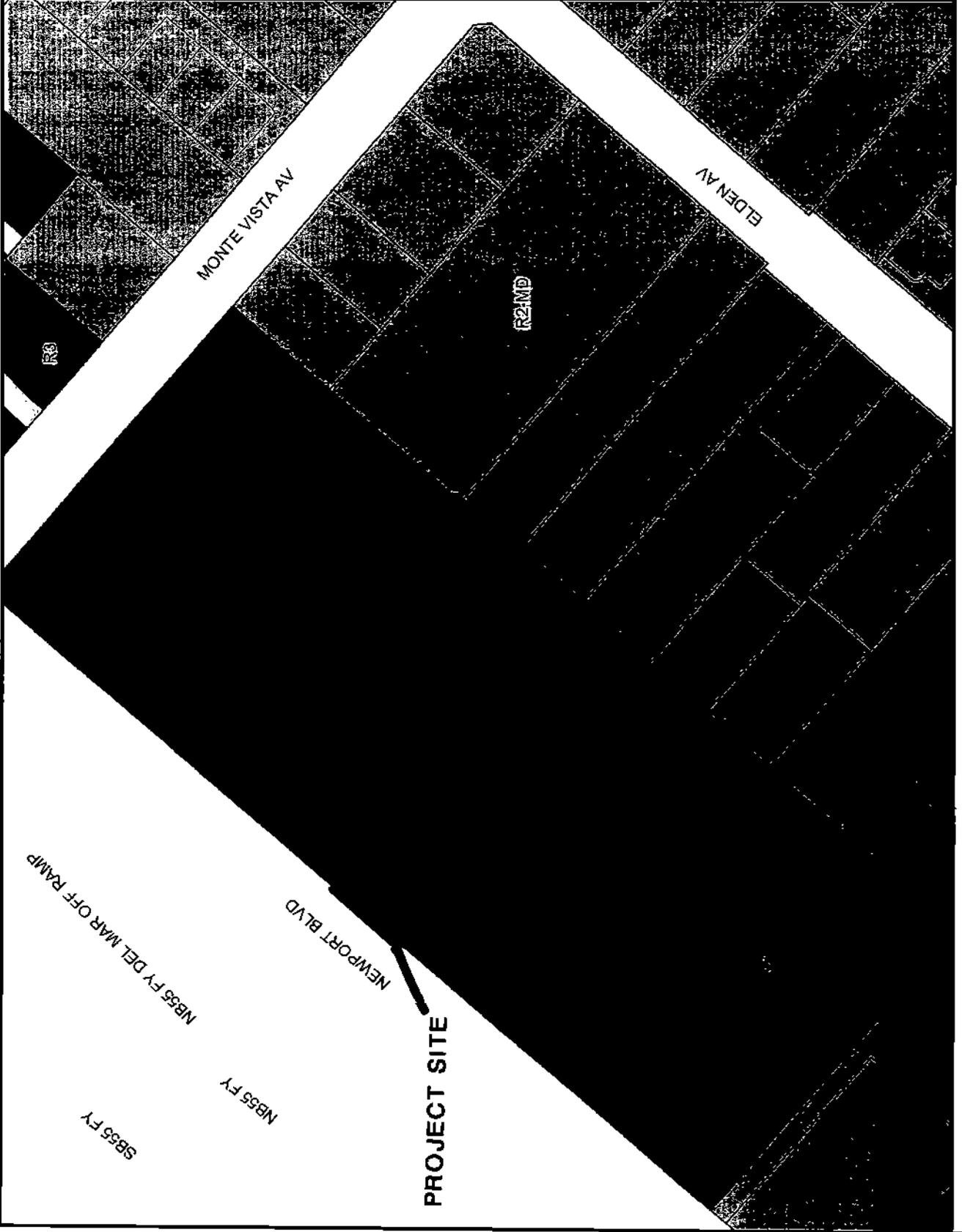
Attachments: 1. Vicinity Map  
1B. Site Photos  
2. Draft Planning Commission Resolution  
3. Site Plans/Elevations/Floor Plans

Distribution: Deputy City Attorney  
Deputy City Manager- Dev. Svcs. Director  
City Engineer  
Fire Protection Analyst  
Staff (4)  
File (2)

Johnny Lu  
Three Lads Development, LLC  
1992 Rosemary Place  
Costa Mesa, CA 92627

# 2460/2472 Newport Boulevard

Existing Zone



## Legend

Street Names

Parcel Lines

City Boundary

Zoning

- AP
- C1
- C1-S
- C2
- CL
- IBR
- IBR-S
- MG
- MP
- P
- PDC
- PDI
- PDR-HD
- PDR-LD
- PDR-MD
- PDR-NCM
- R1
- R2-HD
- R2-MD
- R3
- TC

Parcels





# **CITY OF COSTA MESA**

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DEVELOPMENT SERVICES DEPARTMENT

**FOR ATTACHMENTS NOT INCLUDED IN THIS REPORT,  
PLEASE CONTACT THE PLANNING DIV. AT (714)754-5245.**