



PLANNING COMMISSION

AGENDA REPORT

MEETING DATE: APRIL 25, 2016

ITEM NUMBER: PH-3

SUBJECT: 2015-2035 GENERAL PLAN AND DRAFT ENVIRONMENTAL IMPACT REPORT (DEIR) - SCH# 2015111068

DATE: APRIL 7, 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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DESCRIPTION

The proposed project involves the following:

- 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.
- Draft Environmental Impact Report (DEIR) - 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.

RECOMMENDATION

1. Recommend that the City Council certify Environmental Impact Report – SCH No. 2015111068
2. Recommend that the City Council adopt 2015-2035 General Plan

BACKGROUND

Public Comment Period

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

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

Planning Commission Hearings

On March 14, 2016, the Planning Commission held a public hearing on the General Plan and received public comments on the proposed draft 2015-2035 General Plan and DEIR. The meeting was continued to March 28, 2016 to allow additional consideration of the proposed General Plan.

On March 28, 2016, the Planning Commission held a second public hearing and received additional public comments. The meeting was continued to April 11, 2016 for further review. A detailed discussion of public comments was included.

On April 11, 2016, the Planning Commission held a third public hearing. Issues discussed at the meeting are included with more detail in this report.

Previous Planning Commission reports could be accessed at the following links:

<http://www.costamesaca.gov/ftp/planningcommission/agenda/2016/2016-03-14/PH-1.pdf>

<http://www.costamesaca.gov/ftp/planningcommission/agenda/2016/2016-03-28/PH-1.pdf>

<http://www.costamesaca.gov/ftp/planningcommission/agenda/2016/2016-04-11/PH-1.pdf>

Correspondence

Staff has received a total of 43 comment letters on the Draft General Plan that are included as Attachment 1. Comments that were directly related to the DEIR are also included in the Response to Comments document included as Attachment 2.

April 11, 2016 Planning Commission Hearing

The Planning Commission requested additional information on the following issues:

1. **Population growth and trip counts** – The Commission received a Financial Feasibility report from The Natelson Dale Group Inc. (TNDG) that needed to be revised with respect to traffic data. The discrepancies between trip generation considered in the traffic analysis and the Fiscal Analysis Report have been revised; the new report and the consultant's bio are attached for reference (Attachment 6).

The market analysis was intended to answer the question: Will there be enough market demand for the development amounts proposed in the General Plan to actually be built over the next 20 years? For residential, industrial and hotel development, the answer is: Yes, there will be enough market demand to fully “build out” the General Plan capacity by 2035. For retail development, TNDG projects that the City will reach 85% of the potential development capacity by 2035. For office development, TNDG projects that the City will reach 78% of the potential development capacity by 2035.

The primary purpose of the of the model Fiscal Impact Model was to ensure that the proposed General Plan update will result in a Citywide land use mix that is fiscally balanced for the City. Based on the General Plan land use mix TNDG projects that the General Fund will achieve a surplus of \$3.1 million per year at buildout.

General Fund	FY 2014-2015 Actual	Projected Budget at Buildout (2015 \$)	Percentage Change Through Buildout
Total Revenues	\$113.0 million	\$128.1 million	13%
Total Expenditures	\$109.4 million	\$125.0 million	14%
Net Fiscal Cash Flow	\$3.6 million	\$3.1 million	

2. **Safety Element** – comparing the current Safety Element to the Draft 2015-2035 version, there were additional text added. The attached Errata refers to the new pages of the Safety Element.

3. **Fairview Park** – 2015-2035 General Plan includes Fairview Park under Open Space Land Use as currently assigned and does not change the current land use designation or the Fairview Park Master Plan. The Fairview Park Master Plan was adopted by City Council as a tool for the orderly implementation of the approved improvements for Fairview Park. Changes to the Fairview Park Master Plan are considered in compliance with City Council Policy 500-11, Implementation Procedures for the Fairview Park Master Plan. The Fairview Park Citizens Advisory Committee has been reconvened to review the current Master Plan and to recommend revisions or changes to the Master Plan. The Committee is currently on-hold pending the completion of the update of the City’s Open Space Master Plan of Parks and Recreation.

4. **Traffic Analysis** – clarification on the one percent overall increase on ADTs and the methodology used to run the traffic mode was requested. Stantec has prepared an explanation of the methodology which is included as Attachment 7. For the General Plan update, two future land use scenarios were analyzed, one based on the current General Plan Land Use Element and the other based on the Land Use Element proposed in the General Plan update. The land use database is applied in the traffic model to produce AM peak hour, PM peak hour and daily vehicle traffic generation estimates. The traffic generation estimates are based according to the

type of land use (e.g., housing, retail, office, hotel, schools, recreational, etc.) and are organized by defined zones to account for the specific location of each type of land use in the city. The following table illustrates comparison of the current General Plan buildout condition to the proposed, which shows in an incremental increase of one percent.

Land Use Type	Existing Conditions		Previous General Plan Buildout		Proposed General Plan Buildout	
	Amount	Daily Trips	Amount	Daily Trips	Amount	Daily Trips
Residential	42,623 DU	329,083	48,859 DU	372,815	51,894 DU	393,297
<i>Increase vs. Existing</i>			6,236 DU	43,732	9,271 DU	64,214
Commercial (a)	31,847 TSF	593,164	37,139 TSF	733,690	37,446 TSF	740,071
<i>Increase vs. Existing</i>			5,292 TSF	140,526	5,599 TSF	146,907
Miscellaneous (b)	–	96,543	–	122,620	–	110,772
<i>Increase vs. Existing</i>				26,077		14,229
Total Daily Trips		1,018,790		1,229,125		1,244,140
<i>Increase vs. Existing</i>				210,335 (+21%)		225,350 (+22%)
(a) Includes retail, office and industrial land uses.			Abbreviations: DU – dwelling unit			
(b) Includes schools, colleges, hotels, motels, hospitals, churches, golf courses, parks, fairgrounds, agriculture, etc.			TSF – thousand square feet			

5. **Impacts of Sober Living Homes on Traffic** – it was requested that trip generation associated with sober living and group homes be included in the traffic data. Existing counts account for traffic has been already generated by the sober living homes. For General Plan conditions, the impact of sober living homes on traffic is negligible.

Public Comments at April 11 Hearing

The following includes a summary of general public comments and staff’s responses:

- 1) **Fairview Park** – it was noted that repurposing of Fairview Park was not included in the current General Plan and the Draft Open Space Element includes policies that may add new uses to Fairview Park [referring to policies OSR-1(I) and OSCR-1(J)].

Response: The proposed 2015-2035 General Plan includes Fairview Park under Open Space Land Use as currently assigned. No change to the current land use designation is proposed or the Fairview Park Master Plan. The Fairview Park Master Plan was adopted by City Council as a tool for the orderly implementation of the approved improvements for Fairview Park. Changes to the Fairview Park Master Plan are considered in compliance with City Council Policy 500-11, Implementation Procedures for the Fairview Park Master Plan. The Fairview Park Citizens Advisory Committee has been reconvened to review the current Master Plan and to recommend revisions or changes to the Master Plan. The Committee is currently on-hold pending the completion of the update of the City’s Open Space Master Plan of Parks and Recreation.

- 2) **Affordable Housing** – request by multiple speakers to require affordable housing within Residential Incentive Overlays.

Response – the latest direction from City Council includes an initiative on the November election ballot to address affordable housing at citywide level. As a policy decision, the Planning Commission may choose to recommend new land use policies related to affordable housing and consider an affordable housing component as part of the Residential Incentive Overlays.

- 3) **Single Family Homes Data** – It's been noted that the proposed general plan include approximately 5,000 fewer single family units.

The current General Plan used the Low Density zoning designation to estimate the number of single family units. With the proposed General Plan, more accurate aerial and GIS data was used to count the actual existing dwelling units by parcel. The discrepancy is made even greater due to the fact that the methodology used in 2000 cannot accurately compensate for the areas in the City historically down zoned. These areas are zoned for single family but have legal non-conforming higher densities that were built before the down zoning occurred.

- 4) **Traffic Studies** – Clarification regarding the validity and current timing of traffic data in the traffic reports was requested.

Response: Existing traffic data used in the General Plan traffic analysis were collected between 2011 and 2015. Stantec prepared a memo on the methodology and data collection which is included as Attachment 7; their qualifications and experience is also included in the attachment.

DRAFT 2015-2035 GENERAL PLAN

The proposed amendments include revisions to all elements of the 2000 General Plan except the 2013-2021 Housing Element which was adopted in 2014. Those elements affected are Land Use, Circulation, Growth Management, Conservation Element, Open Space and Recreation, Noise, Safety, Community Design, and Historic and Cultural Resources.

The primary focus of the General Plan Amendments is to: 1) update the Land Use Policy Map to target revitalization efforts; 2) ensure that the Circulation Element comports with the amended land use plan, incorporates "complete streets" strategies, and addresses all current planning laws; and 3) update all other elements to incorporate provisions that respond to State laws adopted since 2002 (the adoption date of the current General Plan). The City has established 2035 as the horizon year for the amended General Plan, meaning that 2035 represents the year by which the City would expect that the General Plan's policies and programs would be realized and a new comprehensive review of the plan may be warranted.

Draft Program Environmental Impact Report (DEIR) - SCH# 2015111068

This DEIR 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.). This 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 Draft EIR includes an analysis of potential environmental impacts associated with the long-term implementation of the updated General Plan in relation to the following environmental topics.

<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
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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.

Responses to Comments - Draft EIR

As required by CEQA, all public hearing comments and submitted comments during the 45-day public review period are included and addressed in a "Response to comments" document included as Attachment 2.

ALTERNATIVES

If additional information is needed, Planning Commission may continue this hearing to a future date.

PUBLIC NOTICE

Availability of the DEIR and 2015-2035 General Plan has been published in the Daily Pilot and notices have been sent to State and Local agencies and the resident interest list established during the Notice of Preparation process. An email was also provided to all on the interest list that has been developed with the Great Reach process.

The Draft EIR and Technical Appendices will be available for review and comment for 45 days commencing March 4, 2016 at 8:00 am and ending on April 18, 2016 at 5:00 pm.

The Draft EIR and Technical Appendices are available at:

- 1) Costa Mesa City Hall, Development Services Department, 77 Fair Drive, Costa Mesa
- 2) Mesa Verde Library, 2969 Mesa Verde Drive East, Costa Mesa
- 3) Costa Mesa Library, 1855 Park Avenue, Costa Mesa.

6

- 4) City website: <http://www.costamesaca.gov/index.aspx?page=1994>

CONCLUSION

The General Plan update process started in 2012. During the past three year, there were many workshops and study sessions that provided opportunities to obtain public input and discuss major land use and traffic issues. The draft 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 Street 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, is anticipated to be supported by the circulation improvements within the General Plan time frame.



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CLAIRE FLYNN, AICP
Assistant Director
Development Services

- Attachments:
1. Resolutions
 2. Draft Response to Comments
 3. Correspondence Submitted on General Plan
 4. General Plan Errata
 5. Updated Memos from The Natelson Dale Group
 6. Memo from Stantec
 7. Verbal Comments at Public Hearings

Distribution:

- Director of Economic & Development Services/Deputy CEO
- Senior Deputy City Attorney
- Public Services Director
- City Engineer
- Transportation Services Manager
- Fire Protection Analyst
- File (2)

RESOLUTION NO. PC-16-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA, CALIFORNIA, RECOMMENDING THAT CITY COUNCIL CERTIFY ENVIRONMENTAL IMPACT REPORT SCH NO. 2015111068 FOR THE 2015-2035 GENERAL PLAN.

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the City of Costa Mesa (the "City") has undertaken an effort to update its General Plan in the 2015-2035 General Plan update (the "Project");

WHEREAS, under section 21067 of the Public Resources Code, and section 15367 of the State CEQA Guidelines (14 California Code of Regulations, tit. 14, §§ 15000 et seq.) the City is the lead agency for the Project;

WHEREAS, in accordance with State CEQA Guidelines section 15063, the City evaluated the Project by preparing an Initial Study in order to determine whether an environmental impact report was required;

WHEREAS, based on the Initial Study, the City determined that an environmental impact report should be prepared to evaluate the Project's potential environmental impacts;

WHEREAS, in accordance with State CEQA Guidelines section 15082, a Notice of Preparation ("NOP") was sent to responsible and trustee agencies on or around November 16, 2015, and published in the Daily Pilot, a newspaper of general circulation in the Project area, stating that a draft environmental impact report ("DEIR") would be prepared for the Project and inviting comments from responsible agencies, other regulatory agencies, organizations, and individuals;

WHEREAS, the City received written comments in response to the NOP, which assisted the City in identifying the issues and alternatives for analysis in the DEIR;

WHEREAS, the City's Planning Commission held a duly-noticed scoping meeting on November 30, 2015, to allow for comments regarding the issue areas for analysis in the DEIR;

WHEREAS, the DEIR (SCH#2015111068) was subsequently prepared and completed, addressing comments received in response to the NOP;

WHEREAS, in accordance with State CEQA Guidelines section 15085, a Notice of Completion of the DEIR was prepared and filed with the Office of Planning and Research on March 4, 2016;

WHEREAS, as required by State CEQA Guidelines section 15087(a), the City provided and publicly posted a Notice of Availability of the DEIR in the Daily Pilot, a newspaper of general circulation in the Project area;

WHEREAS, the above notices initiated a 45-day comment period extending from March 4, 2016, to April 18, 2016;

WHEREAS, during this public review period, copies of the DEIR were provided to approximately 40 public agencies and organizations, and were available for review at City Hall, the City website, the Mesa Verde Library, and the Costa Mesa Library;

WHEREAS, during this public review period, the City consulted with and requested comments from all responsible and trustee agencies, other regulatory agencies, and others pursuant to State CEQA Guidelines section 15086;

WHEREAS, the City's Planning Commission held four duly noticed public hearings on March 14, March 28, April 11, and April 25, 2016, during which the Planning Commission considered the DEIR, the Project and associated actions, and during these public hearings all persons wishing to testify in connection with the DEIR and the Project were heard, and the Planning Commission fully reviewed and considered the DEIR and the Project;

WHEREAS, prior to taking action, the Planning Commission has heard, been presented with, reviewed, and considered all of the information and data in the administrative record concerning the Project and associated actions, including the DEIR, and all written and oral evidence presented to it during all meetings and hearings.

BE IT RESOLVED that the Costa Mesa Planning Commission does hereby recommend to the City Council as follows: A DEIR was prepared for the Project in accordance with CEQA, the State CEQA Guidelines, and the City's Local CEQA Guidelines. The Planning Commission independently reviewed and considered the DEIR and based on its independent judgement finds the DEIR and environmental findings are adequate and objective. The Planning Commission finds that the DEIR fully complies with CEQA, the State Guidelines, and the City's Local Guidelines which are not intended to add additional mandatory procedures above and beyond those required by CEQA and the State CEQA Guidelines. The Planning Commission also considered the Draft Responses to Comments. Further, the Planning Commission finds that no significant new information has been added to the DEIR requiring recirculation of the DEIR under State CEQA Guidelines section 15088.5, nor have there been any substantial changes requiring a subsequent or supplemental EIR under Public Resources Code section 21166.

BE IT FURTHER RESOLVED THAT THE Costa Mesa Planning Commission hereby finds, based on consideration of the whole record before it, including the City's Local CEQA Guidelines, the DEIR and testimony heard at the public hearings, as follows:

1. Review Period: The City provided a 45-day public review period for the DEIR as required under CEQA Guidelines Sections 15087(e) and 15105 from March 4, 2016 to April 18, 2016; and

2. Compliance with Law: The DEIR was prepared, processed, and noticed in accordance with the California Environmental Quality Act (Public Resources Code section 21000 et seq.), the State CEQA Guidelines (14 California Code of Regulations Section 15000 et seq.) and the City's Local CEQA Guidelines; and

3. Independent Judgment: The DEIR reflects the independent judgment and analysis of the Costa Mesa Planning Commission;

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission finds that the DEIR and Project-related documents are on file and available for public review at Costa Mesa City Hall 77 Fair Drive, Costa Mesa, CA 92627. The Director of Development Services is the custodian of these documents.

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission hereby recommends that City Council **CERTIFY** Environmental Impact Report SCH #2015111068 for the 2015-2035 General Plan.

PASSED AND ADOPTED this 25th day of April, 2016.

Robert L. Dickson, Jr. Chair
Costa Mesa Planning Commission

RESOLUTION NO. PC-16-

**A RESOLUTION OF THE PLANNING COMMISSION OF
THE CITY OF COSTA MESA, CALIFORNIA,
RECOMMENDING THAT CITY COUNCIL ADOPT THE
COSTA MESA 2015-2025 GENERAL PLAN**

**THE PLANNING COMMISSION OF THE CITY OF COSTA MESA DOES HEREBY
RESOLVE AS FOLLOWS:**

WHEREAS, the City Council of the City of Costa Mesa adopted the 2000 General Plan by Resolution No. 02-08 on January 23, 2002;

WHEREAS, the General Plan is a long-range, comprehensive document that serves as a guide for the orderly development of Costa Mesa;

WHEREAS, by its very nature, the General Plan needs to be updated and refined to account for current and future community needs;

WHEREAS, the 2015-2035 General Plan, as an update of 2000 General Plan, will revise the following densities in the Land Use Element:

- Site specific FAR with a maximum of 0.64 on the 44-acre subarea of Segerstrom Home Ranch,
- Site specific FAR a maximum of 0.64 for office development and 0.54 for commercial/retail on the 23.5-acre former LA Times site,
- Site specific FAR of 1.0 for Sakioka Lot 2
- A new "Multi-Use Center" land use designation for Fairview Developmental Center site allowing: 0.25 FAR Institutional & Recreational Uses, 25 percent minimum requirement for park and open space purposes (approximately 25.6 acres). Maximum cap of 500 dwelling units for the entire site at 15 dwelling units per acre. Exception: 300 dwelling units at 25 dwelling units per acre allowed for the Shannon's Mountain site (12-acre development area at Shannon's Mountain)
- A new "Residential Incentive Overlay" land use designation for five nodes along Harbor Boulevard (total 27.4 acres) allowing a residential density of up to 40 du/acre.
- A new "Residential Incentive Overlay" land use designation for ten nodes along Newport Boulevard (total 30.3 acres) allowing a residential density of up to 40 du/acre.
- A revision to SOBECA Urban Plan allowing a site specific density of 40 du/acre and maximum of 450 units.
- A new "Harbor Mixed Use Overlay" land use designation for specific areas (24.6 acres) north of 19th Street allowing a mixed use development with maximum density of 20 du/acre and 1.0 to 0.25 FAR.

WHEREAS, the 2015-2035 General Plan, will not revise or substantially modify existing goals, objectives, and policies;

WHEREAS, the 2015-2035 General Plan's primary objectives are to provide development alternatives for approximately 5 percent of the land within the City, update technical information and projections, incorporate the Housing Element certified by the California Department of Housing and Community Development on January 21, 2014;

WHEREAS, public hearings were held on March 14, March 28, April 11, and April 25, 2016, by the Planning Commission in accordance with Section 65355 of the Government Code of the State of California, with all persons having been given the opportunity to be heard both for and against the said 2015-2035 General Plan and accompanying Program EIR State Clearing House No. 2015111068;

WHEREAS, on March 14, March 28, April 11, and April 25, 2016, the Planning Commission also conducted public hearings and reviewed and considered the Draft Program Environmental Impact Report SCH No. 2015111068 in accordance with State Law;

WHEREAS, the Planning Commission reviewed and considered errata pages to the originally circulated General Plan at the public hearings;

WHEREAS, the environmental review for the project was processed in accordance with the requirements of the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the City of Costa Mesa Environmental Guidelines;

WHEREAS, the Planning Commission recommended City Council certification of Environmental Impact Report SCH No. 2015111068 by separate resolution based on review and consideration of the Draft EIR and administrative record to date;

BE IT RESOLVED that the Costa Mesa Planning Commission does hereby recommend that the City Council **ADOPT** the 2015-2035 General Plan and related General Plan Errata.

PASSED AND ADOPTED this 25th day of April, 2016.

Robert L. Dickson, Jr. Chair
Costa Mesa Planning Commission

City of Costa Mesa General Plan Amendments

Environmental Impact Report
Response to Comments
Draft

SCH No. 2015111053

April 22, 2016

Lead Agency:

City of Costa Mesa
77 Fair Drive
Costa Mesa, California

This document is designed for double-sided printing to conserve natural resources.

Table of Contents

1	Introduction	2
2	Responses to Comments	4
	Agencies	6
	Response A-1 – California Department of Fish and Wildlife	6
	Response A-2 – California Department of General Services	6
	Response A-3 – California Department of Transportation (Caltrans)	7
	Response A-4 – City of Newport Beach	8
	Response A-5 – Irvine Ranch Water District (IRWD)	8
	Response A-6 – Orange County Airport Land Use Commission	9
	Response A-7 – Orange County Transportation Authority	9
	Organizations.....	10
	Response O-1 – Costa Mesa Affordable Housing Coalition	10
	Response O-2 – Orange County Fairgrounds Preservation Society	10
	Response O-3 – Public Law Center	10
	Response O-4 – The Kennedy Commission.....	10
	Response O-5 – Tribune Real Estate	10
	Response O-6 – SoCalGas	10
	Individuals.....	11
	Response I-1 – Eleanor Egan	11
	Response I-2 – Kim Hendricks	11
	Response I-3 – Cynthia McDonald	13
	Response I-4 – Robin Leffler.....	15
	Response I-5 – Elaine Dethlefsen.....	15
	Response I-6 – Tamar Goldmann.....	16
	Response I-7 – Reggie Mundekis	16
	Response I-8 – Corrine Stover	16
	Response I-9 – Beth Morley	16
	Response I-10 – William Harader, Laurene Keane, Lisa Lawrence, Judy Lindssay, Ralph Taboada, Anna Vrska, James Locker, Beverly Tazelaar, Janice Kressin, and Georgette Quinn	17
	Response I-11 – Cindy Black, Flo Martin, and Mary Spandoni.....	17

List of Tables

Table 1 DEIR Comments.....	4
----------------------------	---

Section 1: Introduction

This Final Environmental Impact Report (FEIR) has been prepared to comply with Sections 15089 and 15132 of the State California Environmental Quality Act (CEQA) Guidelines. As noted in §15089 (b) of the Guidelines, the focus of a FEIR should be on responses to comments on the Draft Environmental Impact Report (DEIR). Accordingly, this document incorporates the Costa Mesa General Plan Amendments DEIR, Volumes I through II (State Clearinghouse No. 2015111053) by reference in its entirety. The DEIR is available for review at the City of Costa Mesa, Development Services Department, 77 Fair Drive, Costa Mesa, California, and on the City's web site (http://www.ci.CostaMesa.ca.us/CD_Plan.html). The contents of this FEIR include the following four sections.

Section 2: Responses to Comments

The City published a Notice of Availability and circulated a DEIR for public review and comment for the period of March 4, 2016 through April 18, 2016. A total of 35 different pieces of correspondences were submitted to the City during the review period, including seven letters from public agencies, six letters from organizations, and 22 letters and emails from individuals. This section includes a list of all correspondence submitted to the City of Costa Mesa, each identified by a letter for later reference, together with the authors and the dates the letters were issued. Following this list, all of the letters are presented, with numbered brackets to highlight specific comments that are responded to in the next section.

Review of Environmental Documents

Section 15204 of the CEQA Guidelines provides guidance to the public in reviewing CEQA documents. This section is designed not to limit the scope of comments that can be submitted by the public but to focus comments on issues that are substantive to the environmental analysis. Commenting entities should focus on the adequacy of the document in identifying and analyzing impacts to the environment and identify any areas they believe to be inadequate. The guidance indicates that comments should be submitted in a manner that:

- Identifies a specific environmental effect
- Supports the effect and its significance with substantial evidence

Comments should include alternatives or mitigation measures to avoid or reduce identified, specific environmental effects. This section reiterates that the lead agency is bound by "reasonableness" and "good faith" in its analysis and that the lead agency is not required to respond to comments in the FEIR that do not identify significant environmental issues.

Each response provided herein is coded to correspond to the individual comment/author and each of the bracketed comments in that letter. A summary table is included with each response to identify if the response introduces "new significant information" under any of the four categories identified in Section 15088 et seq. of the CEQA Guidelines.

Evaluation of Comments

Section 15088 et seq. of the State CEQA Guidelines provides guidance on the evaluation and response to comments received during circulation of the DEIR. To summarize:

- The lead agency must evaluate all comments received during the public review period and prepare a written response to comments on significant environmental issues.
- The lead agency must provide the response to the commenting entity at least ten days prior to certification of the EIR.
- The response must:

- Identify any significant environmental issues raised in the comment;
- Explain, if necessary, why any recommendations provided in the comment were not accepted; and
- Be supported by reasoned analysis.
- Responses may be provided as direct revisions to the DEIR or as a separate section of the FEIR with marginal notes in the DEIR text indicating that it was subsequently revised.

A lead agency is required to recirculate the DEIR if "significant new information" is introduced during the public comment period. "Significant new information" includes:

1. New significant impacts
2. Substantial increases in the severity of impacts
3. Feasible alternatives or mitigation that would reduce significant impacts
4. Identification of inadequacies in the analysis

Recirculation is *not* required when new information is not significant, this includes:

- Revisions that clarify or amplify an adequate analysis
- Insignificant modifications (such as spelling and grammar corrections)

Section 3: Errata (NOT INCLUDED IN THIS DRAFT)

This section identifies revisions to the DEIR to incorporate clarifications developed in response to comments on the DEIR. Additions to the text are underlined and deletions have been stricken through. No substantial revisions were made to the DEIR and recirculation of the document is not required pursuant to CEQA.

Section 4: Notices and Distributions (NOT INCLUDED IN THIS DRAFT)

This consists of notices concerning the release of the Draft EIR for public review and comment, and the list of agencies, groups and individuals who were sent notices and/or a copy of the Draft EIR.

2 Responses to Comments

The Draft Environmental Impact Report (DEIR) was circulated for a 45-day public review and comment period beginning March 4, 2016 and ending April 18, 2016. Correspondence was received from several agencies and members of the public during this time period. Correspondence that pertained only the draft General Plan Amendments is not addressed in this document.

The correspondence listed in Table 1 (Draft EIR Comments Received) was submitted to the City of Costa Mesa concerning the DEIR. Written responses to each comment are subsequently provided. The following responses to comments include a summary to identify if the response will introduce "new significant information" under any of the four categories identified in Section 15088 et seq. of the California Environmental Quality Act (CEQA) Guidelines or if it does not introduce "new significant information." The four general categories are:

1. New significant impacts
2. Substantial increases in the severity of impacts
3. Feasible alternatives or mitigation that would reduce significant impacts
4. Identification of inadequacies in the analysis

**Table 1
Draft EIR Comments Received**

ID	Commenting Agency	Date
A-1	California Department of Fish and Wildlife	4/18/2016
A-2	California Department of General Services	4/15/2016
A-3	California Department of Transportation	4/16/2016
A-4	City of Newport Beach	4/11/2016
A-5	Irvine Ranch Water District	4/14/2016
A-6	Orange County Airport Land Use Commission	4/14/2016
A-7	Orange County Transportation Authority	4/18/2016
Commenting Organization		
O-1	Costa Mesa Affordable Housing Coalition	4/18/2016
O-2	Orange County Fairgrounds Preservation Society	4/06/2016
O-3	Public Law Center	4/18/2016
O-4	The Kennedy Commission	4/11/2016
O-5	Tribune Real Estate	4/18/2016
O-6	SoCalGas	4/21/2016
Commenting Individual		
I-1	Eleanor Egan	4/04/2016
I-2	Kim Hendricks	4/18/2016
I-3	Cynthia McDonald	4/18/2016
I-4	Robin Leffler	4/18/2016
I-5	Elaine Dethlefsen	4/18/2016
I-6	Tamar Goldmann	4/18/2016
I-7	Reggie Mundekis	4/18/2016
I-8	Corinne Stover	4/18/2016

ID	Commenting Agency	Date
I-9	Beth Morley	4/18/2016
I-10	William Harader, Laurene Keane, Lisa Lawrence, Judy Lindssay, James Locker, Ralph Taboada, Anna Vrska, Beverly Tazelaar, Janice Kressin, Georgette Quinn	Various
I-11	Cindy Black, Flo Martin, Mary Spandoni	Various
I-12	Wendy Leece	Various

Agencies

Response A-1 – California Department of Fish and Wildlife

A-1.1. This comment recommends that the City conduct more recent species surveys in the project area because the data used are 16 years old. The data was deemed to be adequate for a cursory level evaluation for the General Plan since most focus areas are already heavily impacted by development or agricultural use, and actual ground-disturbing activities are not authorized by the project. A November, 2015 CNDDDB report was generated for all land within the City, and the results were included in the DEIR (Table 4.4-6). The CNDDDB report included new information on the southern tarplant, including a population near the Talbert Natural Preserve reported in 2014.

The City will require site-specific biological surveys and impact evaluations on a project-by-project basis pursuant to CEQA, and such evaluations would include site-specific surveys and an updated CNDDDB search. *This response does not identify any new information.*

A-1.2. This comment recommends the preparation of a Biological Resources Technical Report for the FEIR. Again, because the project does not authorize any land-altering activities and projects proposed pursuant to the amended General Plan would require project-specific CEQA compliance, the need for a technical report at this point in time was deemed not to be warranted. Also see Response A-1.1. *This response does not identify any new information.*

A-1.3. This comment requests that City involve CDFW and USFWS in the review of the Costa Mesa Parks Master. The comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *response does not identify any new information.*

A-1.4. This comment requests that Policy OSR-1.0 include language regarding the need to consult with the wildlife agencies also. The comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *This response does not identify any new information.*

A-1.5. This comment recommends addressing the Polyphagous Shot Hole Borer (SHB) and Kuroshio SHB (both invasive beetles) in the Conservation, Open Space and Recreation and other elements. The comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *This response does not address any specific issue in the DEIR.*

Response A-2 – California Department of General Services

Response to Traffic Comments (Second and Third Full Paragraphs on Page 3): The suggestion to utilize the Institute of Transportation Engineer's (ITE) trip rate for "Government Office Complex" to estimate trips for future public facility uses is not consistent with the mix of uses currently envisioned by the General Plan for the site, which at this time does not include redevelopment as an office complex. The ITE Government Office Complex rate applies to government buildings that are similar to general office or business park uses. As stated in the General Plan, the Mixed-Use Center designation that is applied to this site will require a Master Plan for any future development project. At that time, the most appropriate trip generation rates for the proposed uses will be applied as part of the traffic analysis for a specific development project. *This response does not identify any new information.*

Response A-3 – California Department of Transportation (Caltrans)

A-3.1. 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, are not a part of the Circulation Element, and changes or modifications to Caltrans 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 facilities when applicable and using analysis methodologies for those facilities that are acceptable to Caltrans such as those noted in the comment. *This response does not identify any new information.*

A-3.2. As noted in the Response to Comment A-3.1, the Circulation Element is applicable only to the City's network of roadways, and the traffic analysis that has been prepared in support of the General Plan Amendments focuses on these City roadways using City analysis methodology. The type of analysis that has been prepared is appropriate for a long-range planning study of this time. The comment to provide queuing analysis of off-ramps and evaluation of intersection turn pockets, including identification of turn pocket storage lengths, is not appropriate for a citywide planning study of this type. 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 facilities when applicable and would include the detailed geometric design analysis requested by the comment. *This response does not identify any new information.*

A-3.3. In lieu of turning movement diagrams, peak-hour turn movement volumes for each of the intersections and scenarios that were analyzed are provided in tabular format in the ICU worksheets attached at the end of the traffic study in Appendix C of the DEIR. *This response does not identify any new information.*

A-3.4. The buildout General Plan roadway system includes the extension of the SR 55 freeway from 19th Street to Industrial Way and is based on a conceptual approach using cut-and-cover construction of a four-lane freeway extension. Extending the SR 55 freeway allows for reducing the number of lanes on Newport Boulevard between 19th Street and 17th Street from seven lanes to six lanes, as evidenced by the traffic volume reductions noted on Newport Boulevard under the 2035 scenarios that assume buildout of the General Plan roadway system (i.e., traffic that is diverted to the SR 55 freeway extension results in lower volumes on Newport Boulevard).

The cut-and-cover approach for the SR 55 extension is not expected to be implemented by the General Plan's planning horizon of 2035. Therefore, the traffic analysis included in Appendix C of the Draft EIR includes two highway plan scenarios for the year 2035. One scenario includes the SR 55 extension along with all other future roadway improvements that are a part of the City's Master Plan of Streets and Highways. The second 2035 scenario includes only those improvements certain to occur prior to 2035, which is referred to as the "constrained" network. The constrained network does not include the SR 55 extension. Therefore, the Draft EIR addresses 2035 scenarios both with and without the SR 55 extension. *This response does not identify any new information.*

A-3.5. Class IV bikeways are described in the General Plan on page C-19 and are illustrated in Figure C-5 on page C-18. Additionally, several potential locations for implementing future Class IV facilities are illustrated in Figure C-3 on page C-16. A reference to Class IV bikeways will be added to the EIR Section 4.16. *This response does not identify any new information that has a bearing on the adequacy of the DEIR analysis.*

Response A-4 – City of Newport Beach

A-4.1. The cut-and-cover approach for the SR 55 extension is not expected to be implemented by the General Plan's planning horizon of 2035. Therefore, the traffic analysis included in Appendix C of the Draft EIR includes two highway plan scenarios for the year 2035. One scenario includes the SR 55 extension, along with all other future roadway improvements that are a part of the City's Master Plan of Streets and Highways. The second 2035 scenario includes only those improvements certain to occur prior to 2035, which is referred to as the "constrained" network. The constrained network does not include the SR 55 extension. Therefore, the Draft EIR addresses 2035 scenarios both with and without the SR 55 extension. *This response does not identify any new information.*

A-4.2. The City of Costa Mesa will initiate an MPAH amendment process with OCTA for each of the roadway downgrades and deletions proposed in the Circulation Element (see page C-13 of the DEIR for discussion). The cooperative studies associated with the MPAH amendment will be conducted with all of the stakeholders that are affected, including the City of Newport Beach for the downgrades and deletions that are in close proximity to Newport Beach. The only exception is the East 22nd Street downgrade between Newport Boulevard and Orange Avenue. This downgrade was approved by OCTA at its September 14, 2015 Board meeting. This downgrade did not have any impact outside of the Costa Mesa limits, as it is minor segment. *This response does not identify any new information.*

A-4.3. The study previously prepared for deletion of the 19th Street bridge included mitigation at the Newport Boulevard/17th Street intersection and the Superior Avenue/17th Street intersection. The improvement at the Newport Boulevard/17th Street intersection required addition of a fourth northbound through lane. This was implemented with the Newport Boulevard widening project. The improvements identified at the Superior Avenue/17th Street intersection are identified for future implementation based on General Plan conditions. The DEIR General Plan analysis uses the most recent land use forecasts, and no additional impacts were identified with the removal of 19th Street bridge. *This response does not identify any new information.*

Response A-5 – Irvine Ranch Water District (IRWD)

A-5.1. The commenter requests that the DEIR be updated with new information about the service area and facilities of the IRWD. The clarifications are herein acknowledged and are part of the FEIR administrative record. *This response does not identify any new information that has a bearing on the analysis in the EIR.*

A-5.2. The commenter requests that instead of using the Water Resources Master Plan for the environmental analysis, the Water Supply Assessment (WSA) should have been used. In the case of this project, the WSA was not available at the time the Notice of Preparation was released in November, 2015. The NOP date establishes the baseline for existing conditions in the DEIR. The WSA was completed in early April, 2016 and thus was not available at the time of DEIR preparation.

According to the WSA provided by the IRWD, "currently available supplies of potable water are adequate to meet projected annual demands for both the baseline and with-project demand projects under the normal year conditions through the year 2036. Meeting both the single- and multiple-dry year annual demands for potable water at full buildout will require the completion of 'underdevelopment' supplies. 'Underdevelopment' supplies may necessitate the preparation and completion of environmental documents, regulatory approvals, and/or contracts prior to full construction and implementation. Adequate currently available potable water supply capacity is available to meet peak-flow (maximum day) demands for all demand projections through the year 2036."

The WSA further states that "currently available supplies of nonpotable water are adequate to meet projected annual demands for both the baseline and with-project demand projects under the normal year conditions through the year 2036."

It should be noted that the IRWD serves only approximately 15% of the City; the majority is served by the Mesa Consolidated Water District (MCWD). MCWD did not provide any comments on the DEIR. As noted in the discussion on beginning on page 4.17-12 of the DEIR, the project will increase demand for water. This analysis does not account for any long-term water savings achieved through plumbing system retrofits, increased use of drought-tolerant landscaping, and other measures. Such programs will be implemented pursuant to General Plan policies, as described on pages 4.17-13 and 4.17-14 of the DEIR. Also, it should be noted that MCWD, in its 2010 Urban Water Management Plan, assumes a flat demand in the next 25 years even with growth. This reflects MCWD's assumptions of reduced per capita consumption over time. Because MCWD's service area generally is contiguous with the corporate Costa Mesa limits (other than properties served by IRWD), the City and MCWD can continue to work cooperatively to achieve water conservation goals and assure that new development pursuant to General Plan policies, together with existing development, can be provided with adequate water supplies.

This response does not identify any new information that has a bearing on the analysis in the EIR.

A-5.3. The correction regarding the San Joaquin Reservoir is acknowledged. *This response does not identify any new information that has a bearing on the analysis in the EIR.*

A-5.4. The commenter requests that the DEIR reflect that the reflect IRWD's 2010 Urban Water Management Plan applies to the Santa Ana Heights area of Costa Mesa. The clarification is herein acknowledged and is part of the FEIR administrative record. *This response does not identify any new information that has a bearing on the analysis in the EIR.*

Response A-6 – Orange County Airport Land Use Commission

A-6.1. Responses under separate cover to be proved on April 25, 2016.

Response A-7 – Orange County Transportation Authority

A-7.1. The Response to Paragraph 3 Comment: Figure C-8 on page C-29 will be updated with the changes noted in the 2016 Bus Service Plan and bus route numbers will be added to the map. *This response does not identify any new information that has a bearing on the adequacy of the DEIR analysis.*

A-7.2. The Response to Paragraph 4 Comment: This comment addresses a policy in the General Plan regarding future funding of bus services. It does not reference any deficiencies in the Draft EIR.

Organizations

Response O-1 – Costa Mesa Affordable Housing Coalition

O-1.1. Since there were multiple commenters that had similar concerns regarding the issue of affordable housing, a master response is being prepared that will address all comment regarding this issue. The response will be provided under separate cover to be provided on April 25, 2016.

Response O-2 – Orange County Fairgrounds Preservation Society

O-2.1. The commenter requests that the full 2012 Pacific Amphitheater Settlement Agreement be included in the DEIR rather than just providing reference to the 1990 Court Order. The 2012 Settlement Agreement is on file at City Hall. It is acknowledged that the 2012 Settlement Agreement in effect sets forth noise requirements for the amphitheater. These requirements will continue to apply irrespective of adoption of the General Plan Amendments. *This response does not identify any new information that results in new significant impacts nor substantial increases in the severity of impacts.*

Response O-3 – Public Law Center

O-3.1. See master response under O-1.1 above.

Response O-4 – The Kennedy Commission

O-4.1. See master response under O-1.1 above.

Response O-5 – Tribune Real Estate

O-5.1. The comment regarding property ownership is noted as part of FEIR administrative record. The errata reflects this change. *This response does not identify any new information that has a bearing on the analysis in the EIR.*

O-5.2. The comment regarding corrected information about leaking underground storage tanks on the site (there are none) is noted as part of FEIR administrative record. The errata reflects this change. *This response does not identify any new information that has a bearing on the analysis in the EIR.*

O-5.3. The comment regarding the proper proposed designation of the Los Angeles Times site as Commercial Center instead of Urban Center Commercial is noted as part of FEIR administrative record. The errata reflects this change. *This response does not identify any new information that has a bearing on the analysis in the EIR.*

Response O-6 – SoCalGas

O-6.1. The commenter provided information regarding SoCalGas facilities and the services provided to the City and conditions under which SoCalGas provides services. This comment does not raise any issues with regard to the DEIR. No response is necessary.

Individuals

Response I-1 – Eleanor Egan

I-1.1. While the exterior noise standards for residential uses set forth in the City's Zoning Code specify 50 (dBA) to 55 (dBA) during certain time periods, the Costa Mesa General Plan further defines noise compatibility standards for residential uses to allow exterior noise levels at 65 CNEL. Specifically, the General Plan indicates that Costa Mesa's noise environment is dominated by vehicular traffic and aircraft operations at John Wayne Airport. To provide a baseline 2015 noise environment, noise contours were obtained from the Orange County Airport Land Use Commission and quantified for highway and local street traffic based on the General Plan traffic study.

Traffic noise levels can be reliably predicted using formulas that take into account traffic volume, speed, and the percentage of trucks. Baseline 2015 noise contours were calculated for all of the City's primary and major arterials, as well as the three freeways (I-405, SR-55, SR-73). Select secondary and commuter streets were also modeled. Noise generation for each roadway segment was calculated, and the distance to the 60, 65, and 70 dBA CNEL contours was determined.

Table N-3 of the General Plan provides a "Noise and Land Use Compatibility Matrix." For low-density residential uses and multi-family residential uses, community noise exposure (accounting for ambient traffic noise for example) is conditionally acceptable in the range of 60 to 70 CNEL and 65 to 75 CNEL, respectively.

New construction of residential development should be undertaken only after a detailed analysis of the noise reduction requirements and needed noise insulation features for both interior and exterior noise. Typical sound mitigation in the form of masonry sound walls may mitigate exterior noise levels to 65 dBA or lower. General Plan Policy N-1.A requires enforcement of "the maximum acceptable exterior noise levels for residential areas at 65 CNEL. Therefore, new residential development would require noise mitigation to attenuate exterior noise level of the 65 CNEL. Residential development projects in the City of Costa Mesa which have been approved since the adoption of the current General Plan in January 2002 have been found compliant with the exterior noise requirement of 65 CNEL. Exterior sound walls varying in height from six to eight feet are required in certain cases to provide the required noise mitigation.

Future residential development in the proposed Residential Incentive Overlay and Harbor Mixed-Use Overlay will be required to comply with the General Plan's conditionally acceptable noise levels.

This response does not identify any new information that has a bearing on the analysis in the EIR.

Response I-2 – Kim Hendricks

I-2.1. The commenter believes impacts on the burrowing owl should be considered "significant" in the DEIR rather than "less than significant with mitigation." The "less than significant with mitigation" conclusion is based on: 1) the fact that no impact will actually take place as a result of the City adopting the General Plan Amendments, and 2) the requirement of the DEIR that future development projects on both the Segarstrom Home Ranch site and the Sakioka site conduct site-specific surveys for the burrowing owl as part of CEQA review of the project prior to the City approving development on those sites. *This response does not identify any new information.*

I-2.2. This commenter questions why the DEIR concludes that there is no "critical habitat" in the planning area for the San Diego fairy shrimp when it is known to occur in Fairview Park and Talbert Regional Preserve. The reference to "critical habitat" refers to a formal designation applied by the U.S. Fish and Wildlife Service designated by a rule published in the Federal Register. Critical habitat receives protection under Section 7 of FESA through prohibition against destruction or adverse modification of critical habitat with regard to actions carried out, funded, or authorized

2 Response to Comments

by a Federal Agency. There is no officially designated critical habitat for the San Diego fairy shrimp in the planning area (USFWS 2000). That does not mean that there is not important habitat for the fairy shrimp in the planning area. Vernal pools are addressed in the DEIR, but amendments to the General Plan do not affect the vernal pools. *This response does not identify any new information.*

I-2.3. The DEIR provided a table of more common plants and animals in the planning area but was not meant to be an exhaustive list. A special status species list was included in the DEIR based on a November 2015 CNDDDB search. For any projects that involve ground-disturbing activities that could affect listed species, the City would require a biological evaluation as required by CEQA. Such a survey would require species surveys and impact analysis. *This response does not identify any new information.*

I-2.4. Illegal grading of a canyon in Fairview Park was not the subject the DEIR; the project consists only of specific amendments to the General Plan. No wetlands are contained within the specific amendment areas addressed in the DEIR. *This response does not identify any new information.*

I-2.5. Illegal grading of a canyon in Fairview Park was not the subject the DEIR; the project consists only specific amendments to the General Plan. Under CEQA, a project-specific cultural resource evaluation is required for any project that includes ground-disturbing activities that have the potential to support cultural resources. *This response does not identify any new information.*

I-2.6. The comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *This response does not identify any new information.*

I-2.7. Regarding the parks acreages, City staff has reviewed the numbers presented in Table 4.15-3, which is drawn from the draft General Plan. The General Plan will be modified to include minor adjustments based on more refined GIS data which show the Orange County Fairgrounds to encompass 150.04 acres. The City considers the Fairgrounds as a recreation use, not an institutional use, given the multifunctional aspect of the facility. With regard to Vanguard University, the acreage is approximately 37 acres; the 47.06 acres cited in Table 4.15-3 includes adjacent City Hall and its associated open space areas. Any differences between data presented in the 2000 General Plan and the proposed General Plan Amendments is attributed to the more precise method of data collection (GIS data) for the Amendments and/or rounding errors in the current General Plan. The adjustments in numbers above do not materially change the conclusion in the DEIR on page 4.15-6 that the City will experience a deficiency in parkland based on its goal of 4.26 acres per 1,000 residents. The policies in the General Plan have been crafted to address the deficiency over the long term. *This response does not identify any new information that has a bearing on the analysis in the DEIR.*

I-2.8. The comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *This response does not identify any new information.*

I-2.9. The comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *This response does not identify any new information.*

I-2.10. The comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *This response does not identify any new information.*

I-2.11. This comment reflects the opinion of the commentor only and requires no response.

I-2.12. This comment GHG Commenter wants to know why greenhouse gas emissions are allowed to exceed SCAQM standards. As stated in the DEIR the interim GHG emission thresholds are not intended to be applied to the program-level (for the entire general plan area), they are more accurately applied to specific projects. However, they do provide a guidepost for comparing incremental increases in emissions guided by the proposed General Plan Amendments. So while the projected full build out of the general plan could exceed thresholds, the general Plan does incorporate policies that support cooperation with and support of GHG reduction plans as well as requiring greenhouse gas emission analysis for individual projects.

Response I-3 – Cynthia McDonald

I-3.1. This comment notes that scenic vistas may be impacted by new development on the Segerstrom Home Ranch property due to allowable building heights in the amended General Plan. The General Plan does not contain any information regarding building heights; building intensity limits are stated only in terms of maximum floor area ratios (FAR). As stated in the DEIR, General Plan policies require developers to consider preserving and optimizing natural views in Costa Mesa. Such consideration of preserving views would be addressed in a project-specific CEQA document, as well as during design review of the project by the City. *This response does not identify any new information.*

I-3.2. This comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *This response does not identify any new information.*

I-3.3. The DEIR text correction noted. *This response does not identify any new information that affects the adequacy of the DEIR analysis.*

I-3.4. See master response under O-1.1 above.

I-3.5. General Plan policies while not actual mitigation are considered regulations which all projects that require City approval must comply with. As part of the CEQA process projects are assessed as to how they comply with applicable plans and policies of the City and other public agencies. Furthermore, at the CEQA stage, projects are subject to laws and regulations in affect at the time of the environmental review. Thus, future measures determined necessary to reduce air pollutants that are adopted by the City or other responsible agencies would apply to the project. Other concerns voiced about specific pollution 'hot spots' are acknowledged.

I-3.6. Please refer to response 1-2.12 above which addresses a similar concern. The concern about Banning Ranch is acknowledged.

I-3.7. This comment wonders why there is no mitigation provided for pedestrians and bicyclists exposed to traffic noise and noise echoed off tall building or sound walls. CEQA includes a list of impact thresholds that must be addressed for each environmental issue. For the noise analysis, thresholds are related to exposing persons to noise that is in excess of standards established by the local jurisdiction. The City's noise standards apply to interior and exterior noise in residential areas, and to construction-related noise. Traffic noise is analyzed on how it affects nearby residences, not on how it may affect individuals who may purposefully situate themselves in high noise areas (either by walking or riding a bicycle along a busy roadway). With regard to tall buildings, the General Plan provides for new development in dispersed, focused areas. Implementation of land use policy will not result in "canyons" of tall buildings. With regard to sound walls, no sound walls are proposed by the General Plan Amendments. *This response does not identify any new information.*

I-3.8. The comment regarding the Residential Overlay designation proposed at location on Harbor and Newport Boulevards does not address the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR.

2 Response to Comments

All policy questions and recommended changes will be addressed through the public hearing process. *This response does not identify any new information.*

I-3.9. The City utilizes LOS D as the performance standard for intersections during the AM and PM peak hours. Since the peak hours are the time of heaviest traffic conditions, achieving LOS D during the peak hour will generally result in better conditions during the remainder of the day. The City has identified a number of improvements to maintain LOS D conditions or better with buildout of the General Plan (refer to Table 3-8 in the General Plan traffic study). Please note that this threshold is similar to those of other neighboring cities. In addition, Irvine and Huntington Beach have policies that allow LOS "E" at intersections in certain areas.

The comment mentions that "twenty-one (21) additional intersections that will attain LOS "D" at one or more peak hours." Based on information in Table 4.16-13, sixteen (16) additional intersections will attain LOS "D" during one or more peak hours. The current General Plan would result in fourteen (14) additional attaining LOS "D." The comment points out one of the trade-offs faced by the City when balancing the needs of pedestrians and bicyclists with the needs of motorists. Often improving level of service for motorists will worsen conditions for pedestrians and bicyclists due to increased crossing distances and the potential loss of bicycle accommodations. The City utilizes LOS D as a target level of service for motorists (as opposed to utilizing LOS C or better), which minimizes the need to expand existing roadways with additional capacity and reduces impacts to pedestrians and bicyclists. Having a threshold of LOS C will require widening of most of arterials by one or two lanes.

I-3.10. Regarding accommodation of bicyclists and pedestrians, as referenced in the DEIR, the amended General Plan includes a comprehensive bicycle master plan and a pedestrian plan specifically purposed to address the long-term needs for active transportation. Please note that "Recommendations" under Active Transportation "Goals and Objectives" reflect the City Council direction. *This response does not identify any new information.*

I-3.11. This and other similar policies are included to limit automobile usage and encourage walking and using local shuttle if available. The City does not have any parking districts at this time. The costs for enforcement of current parking policies are realized from the revenues from the parking tickets. It is not anticipated to add any impacts to City budget. This is not an issue that affects any environmental issue and thus is not required to be addressed in the DEIR.

I-3.12. This comment questions whether the traffic analysis incorporates pass-through trips and the potential trips associated with density bonuses that could be applied to select properties. With regard to pass-through trips, the traffic model includes regional trips from destinations outside of Costa Mesa traveling through the City. With regard to potential residential density bonuses, the traffic model accounts for build-out consistent with proposed land use policy. This is a comprehensive approach that largely assumes full build-out of parcels. In practice, development does not occur at the maximum permitted densities. Thus, the model provides capacity for some projects to include density bonuses. In practice, the City receives very few requests for density bonuses. Therefore, the analysis is considered sufficient.

The trip generation estimates cited in the comment reflect the estimate of trips generated within the City of Costa Mesa itself. The roadway traffic forecasts that are reported in the General Plan traffic study include trips generated outside of the City that pass through the City. These forecasts are prepared using a traffic forecasting model that covers the entire Southern California region.

The City has multiple planned roadway and intersection improvements (refer to Table 3-8 in the General Plan traffic study) that will be implemented as the City builds out over time. These improvements have been developed to maintain the City's target threshold of LOS D.

I-3.13. The "Right of Way Reserve" classification on Garfield Avenue – Gisler Avenue bridge over Santa Ana River would be revisited in a few years and a determination of whether to remove this bridge from OCTA's Master Plan would be made. It is City's expectation that this bridge will be removed from the Master Plan as the City has largely complied

with all the mitigations required for this removal, including the widening of Harbor Boulevard – Adams Avenue. Other major projects are also in progress. It is likely that OCTA may continue to maintain the “Right of Way Reserve” for several more years or remove that designation. If the designation is removed, it does not automatically mean that a bridge would be built. OCTA and other agencies recognize that building such a bridge will require mutual agreement among all agencies, in addition to major funding allocation. The City’s current analysis follows the approved policies of OCTA and other agencies.

The Banning Ranch project, as originally proposed in their Draft Environmental Impact Report (DEIR) is included in traffic forecasting model used to prepare the General Plan traffic study. Therefore, the traffic forecasts shown in the traffic study includes the traffic generated by the Banning Ranch project.

I-3.14. The proposed 2015-2035 General Plan includes Fairview Park under Open Space Land Use as currently assigned and does not change the current land use designation or the Fairview Park Master Plan. The Fairview Park Master Plan was adopted by City Council as a tool for the orderly implementation of the approved improvements for Fairview Park. Changes to the Fairview Park Master Plan are considered in compliance with City Council Policy 500-11, Implementation Procedures for the Fairview Park Master Plan. The Fairview Park Citizens Advisory Committee has been reconvened to review the current Master Plan and to recommend revisions or changes to the Master Plan. The Committee is currently on-hold pending the completion of the update of the City’s Open Space Master Plan of Parks and Recreation.

I-3.15. The current General Plan used zoning designations to estimate the number of single family units. With the proposed General Plan, more accurate aerial and GIS data was used to count the actual existing dwelling units by parcel. The discrepancy is made even greater due to the fact that the methodology used in 2000 cannot accurately compensate for the areas in the City historically down zoned. These areas are zoned for single family but have legal non-conforming higher densities units that were built before the down zoning occurred.

I-3.16. Please the response to the Irvine Ranch Water District in Response A-5. The water supplier indicates that adequate supplies are available to meet projected future demand.

I-3.17. The alternatives analyzed were developed, as required by CEQA, to address alternatives that could reduce the potential significant adverse effects associated with the project. The concern that the alternatives do not reflect concerns or wishes of residents is not an environmental issue but reflects a policy issue that will be addressed during the public hearing process.

Response I-4 – Robin Leffler

I-4.1. The current General Plan used the Low Density zoning designation to estimate the number of single-family units. With the proposed General Plan, more accurate aerial and GIS data were used to count the actual existing dwelling units by parcel. The discrepancy is made even greater due to the fact that the methodology used in 2000 cannot accurately compensate for the areas in the City historically down-zoned. These areas are zoned for single-family but have legal nonconforming higher densities that were built before the down-zoning occurred. Thus, the DEIR appropriately assesses impacts against a more accurate baseline condition.

Response I-5 – Elaine Dethlefsen

I-5.1. This comment raises general concerns about impacts on quality of life, existing neighborhoods, parking, air pollution and greenhouse gas emissions, noise, water use, public services, traffic, and lack of open space, traffic congestion, and water shortages. All of these issues are responded to more specifically throughout this response to comments section. *This response does not identify any new information.*

Response I-6 – Tamar Goldmann

I-6.1. The commenter is concerned about water availability to serve future development and the increase in impervious surfaces that could hinder drainage percolation. The Irvine Ranch Water District provided comments on the DEIR. In the comment letter IRWD attached a March 2016 Water Supply Assessment (WSA) for the City planning area (see letter A-5 and response A-5.2 which summarizes the findings of the WSA). In summary, IRWD concluded that "currently available supplies of potable water are adequate to meet projected annual demands for both the baseline and with-project demand projects under the normal year conditions through the year 2036. Meeting both the single- and multiple-dry year annual demands for potable water at full buildout will require the completion of 'underdevelopment' supplies. 'Underdevelopment' supplies may necessitate the preparation and completion of environmental documents, regulatory approvals, and/or contracts prior to full construction and implementation. Adequate currently available potable water supply capacity is available to meet peak-flow (maximum day) demands for all demand projections through the year 2036." The full WSA is part of the FEIR.

With regard to impervious surfaces, any development project that goes forward in Orange County is subject to regulation by both the Santa Ana and the San Diego Regional Water Quality Control Boards (Regional Boards or RWQCBs). The Regional Boards are responsible for implementing the Clean Water Act and the California Porter-Cologne Act. These regulations address stormwater runoff. New projects are evaluated by the City on a project-by-project basis to ensure all regulations are met.

I-6.2. The comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *This response does not identify any new information.*

I-6.3. See master response under O-1.1 above.

I-6.4. The comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *This response does not identify any new information.*

Response I-7 – Reggie Mundekis

I-7.1. The new location of the Huscroft House is acknowledged and is part of FEIR administrative record. The errata reflects this change. *This response does not identify any new information that has a bearing on the analysis in the EIR.*

Response I-8 – Corrine Stover

I-8.1. The comment does not address the DEIR analysis nor does it question any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process. *This response does not identify any new information.*

Response I-9 – Beth Morley

I-9.1. This comment raises general concerns about impacts on housing density, noise, air pollution, lack of open space, traffic congestion, and water shortages. All of these issues are responded to more specifically throughout this response to comments section. *This response does not identify any new information.*

Response I-10 – William Harader, Laurene Keane, Lisa Lawrence, Judy Lindssay, Ralph Taboada, Anna Vrska, James Locker, Beverly Tazelaar, Janice Kressin, and Georgette Quinn

These comment letters and emails have been grouped as they all address the same comments.

I-10.1. The comments raise general concerns about impacts on quality of life, existing neighborhoods, parking, air pollution and greenhouse gas emissions, noise, water use, public services, traffic, and lack of open space, traffic congestion, and water shortages. All of these issues are responded to more specifically throughout this response to comments section. *This response does not identify any new information.*

I-10.2. The alternatives analyzed were developed, as required by CEQA, to address alternatives that could reduce the potential significant adverse effects associated with the project. The concern that the alternatives do not reflect concerns or wishes of residents is not an environmental issue but reflects a policy issue that will be addressed during the public hearing process.

Response I-11 – Cindy Black, Flo Martin, and Mary Spandoni

These comment letters and emails have been grouped as they all the issue of the timing of Planning Commission action on the DEIR and proposed General Plan Amendments.

I-11.1. The commenters were concerned that the City Planning Commission was going to certify the DEIR and adopt the General Plan before the end of the DEIR comment period, which was April 18, 2016. The Planning Commission hearing referenced was April 11, 2016. On that date, the Planning Commission voted to continue the hearing.

Response I-12 – Wendy Leece

Comments and corrections in regards of the Safety Element and Historical and Cultural Resources Element of the General Plan have been reviewed and applicable sections included as errata. The comment is not addressing the DEIR analysis nor is it relevant to any of the threshold criteria analyzed in the DEIR. All policy questions and recommended changes will be addressed through the public hearing process.



A  Semptra Energy utility

1919 S. State College Blvd.
Anaheim, CA 92806-6114

April 21, 2016

City of Costa Mesa
77 Fair Dr PO Box 1200
Costa Mesa, CA 92628

Attn: Minoo Ashabi

Subject: Environmental Impact Report for Year 2015-2035 General Plan; Costa Mesa

Thank you for providing the opportunity to respond to this Environmental Document. This letter is not to be interpreted as a contractual commitment to serve the proposed project but only as an information service. Its intent is to notify you that the Southern California Gas Company has facilities in the area where the above named project is proposed. Gas facilities within the service area of the project could be installed, altered or abandoned as necessary without any significant impact on the environment.

The availability of natural gas service is based upon conditions of gas supply and regulatory agencies. As a Public Utility, Southern California Gas Company is under the jurisdiction of the California Public Utilities Commission. Our ability to serve can also be affected by actions of federal regulatory agencies. Should these agencies take any action, which affect gas supply or the conditions under which service is available, gas service will be provided in accordance with the revised conditions.

This letter is also provided without considering any conditions or non-utility laws and regulations (such as environmental regulations), which could affect construction of a main and/or service line extension (i.e., if hazardous wastes were encountered in the process of installing the line). The regulations can only be determined around the time contractual arrangements are made and construction has begun.

Information regarding construction particulars and any costs associated with initiating service may be obtained by contacting our area Service Center at 800-427-2200.

Sincerely,

A handwritten signature in black ink, appearing to read "Katrina Regan".

Katrina Regan
Planning Supervisor
SouthEast Region - Anaheim Planning & Engineering

KR,rl
EIR.doc



REC'D APR 21 2016

BOARD OF DIRECTORS

April 18, 2016

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Ms. Mino Ashabi, Principal Planner
City of Costa Mesa
Development Services Department
77 Fair Drive, P.O. Box 1200
Costa Mesa, CA 92628-1200

Subject: Environmental Impact Report for the City of Costa Mesa's Year 2015-2035 General Plan

Dear Ms. Ashabi:

The Orange County Transportation Authority (OCTA) has reviewed the above referenced document. The following comments are provided for your consideration:

In February 2015, the OCTA Board of Directors approved the 2016 Bus Service Plan (Link: http://www.octa.net/pdf/FINAL_2016_SERVICE_CHANGE.pdf). This plan will reallocate bus service with the intention of increasing ridership.

Under Chapter 3: Circulation Element, Figure C-8: Transit Corridors on page C-29 provides a map with the existing OCTA bus service by service type. Please include the OCTA bus route numbers on the map, as well as, reflect the upcoming changes as provided in the aforementioned 2016 Bus Service Plan.

Though the General Plan under "Goal C-4: Promote Transportation Demand Management, Transit, and Efficiency" under Policy C-4.B.8 on Page C-41 indicates that the City will work with OCTA to improve transit services, OCTA does not have sufficient revenue to increase bus service levels. If there is additional new revenue in the future, these resources will be allocated to bus service that meets OCTA's service criteria, including: sustaining ridership and increasing transit usage.

If you have any questions or comments, please contact me by phone at (714) 560-5907 or by email at dphu@octa.net.

Sincerely,

Dan Phu
Manager, Environmental Programs

CHIEF EXECUTIVE OFFICE

Darrell Johnson
Chief Executive Officer

3.2



MARK A. REFOWITZ
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RICHARD SANCHEZ
ASSISTANT DIRECTOR
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OFFICE OF THE DIRECTOR

405 W. 5th STREET, 7th FLOOR
SANTA ANA, CA 92701
FAX: (714) 834-5506

March 25, 2016

Amy Wall
Assistant Director
Department of Developmental Services
Developmental Center Closure
1600 9th Street,
Sacramento, CA 94244-2020

Dear Ms. Wall:

The Orange County Health Care Agency (HCA) supports the City of Costa Mesa's General Plan use for the Fairview Developmental Center. The multi-use plan, which is the integration of a variety of land uses and intensities, will include a variety of residential, open space, and institutional uses. HCA has given thoughtful consideration to the ongoing need for services for the developmentally disabled and behavioral health communities that will be impacted by related transitions at the current site of the Fairview Developmental Center.

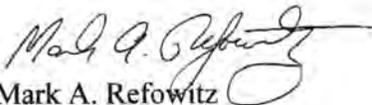
HCA has identified a need for a certain programs, which will demonstrate positive outcomes for those served as well as the community at-large. Services that have the greatest potential and uses include:

- **Health Resource Center/Federally Qualified Health Center (FQHC):** A satellite health clinic to treat the comorbid and complex medical conditions of clients. FQHCs must serve underserved populations and receive enhanced reimbursement for delivering services to populations in need. The benefit to the community is the availability of a clinic that serves underserved populations. The benefit to the FQHC is that it gets enhanced reimbursement, usually based on actual costs, and access to 340B discounted drug pricing, the Vaccines for Children Program, etc. This provides the opportunity to have a community-based clinic that can treat the former residents of the Fairview Developmental Center who will continue to reside in Orange County. These are complex clients who require specialized staff experienced in addressing and properly responding to their service needs. Current clinical staff of Fairview Developmental Center are potential employees of this FQHC. We anticipate that this clinic will be able to contract with CalOptima, our County-operated health system (COHS), and receive Medi-Cal reimbursement.

- **Supportive Housing:** Supportive housing is a combination of housing and services intended as a cost-effective way to help people live more stable, productive lives in their community. Supportive housing is a proven model for those who face the most diverse disabilities (e.g., intellectual disabilities, mobility and/or sensory impairments) or other serious challenges to a successful life. Supportive housing can be coupled with other services such as job training, life skills development, alcohol and drug abuse programs, community support services (e.g., child care, educational programs), and case management to populations in need of assistance. Supportive housing is intended to be a pragmatic solution that helps people have better lives. The primary goal of the program is to provide housing to people and to provide supportive services to assist individuals with treatment and development of the life skills necessary to remain in independent housing.

My staff has met with representatives of the City of Costa Mesa and discussed potential future uses of the Fairview Developmental Center complex that are consistent with both County and City goals. I stand ready to work collaboratively with the City of Costa Mesa and the State to develop the most comprehensive plan for the use of this property while compassionately assessing how to best meet the complex, special needs of the populations currently served and ultimately impacted by transitions related to the Center's closure.

Sincerely,


Mark A. Refowitz
HCA Director



April 11, 2016

REC'D APR 14 2016

Via Electronic & Regular Mail
mino.ashabi@costamesaca.gov

Mino Ashabi, Principal Planner
City of Costa Mesa
Development Services Department
77 Fair Drive, P.O. Box 1200
Costa Mesa, CA 92628-1200

Re: Notice of Availability of the Draft Environmental Impact Report for the City of Costa Mesa's Year 2015 - 2035 General Plan

Dear Ms. Ashabi:

Thank you of the opportunity to comment on the Draft Environmental Impact Report (Draft EIR) for the City of Costa Mesa's Year 2015 - 2035 General Plan. The City of Newport Beach ("City") submits the comments below.

The Circulation Element Page C-6 states that the "cut-and-cover approach" for the SR-55 extension "will not occur within the year 2035 planning horizon due to the significant costs and planning required". However, Page 4.16-27 in the Draft EIR shows that the 2035 Build-out Highway Network includes the four lane cut-and-cover freeway extension. In addition, Table 4.16-11 appears to show the cut-and-cover improvements as being included in the intersection analysis for the applicable intersections along Newport Boulevard. This needs to be clarified and consistent. If the cut-and-cover is feasible from a cost and planning perspective within the planning horizon, this needs to be fully explained.

In the Circulation Element Page C-13, there are several roadway downgrades being proposed. Will the City of Costa Mesa request that the Orange County Transportation Authority (OCTA) initiate the Master Plan of Arterial Highways (MPAH) Amendment process for these roadways? Will there be cooperative studies prepared for the amendments that include the adjacent stakeholder jurisdictions? In particular, Newport Beach is interested in the West 17th Street Downgrade, the East 22nd Street Downgrade, and the proposed Bluff Road Deletion.

When the 19th Street Bridge study was completed, there were intersections identified as deficient in Costa Mesa. Are the recommended improvements in that study included in the Circulation Element or elsewhere in the General Plan?

Good luck on your General Plan update and please feel free to contact me at (949) 644-3232 or PAIford@newportbeachca.gov if you have any questions.

3.5

Sincerely,



Patrick J. Alford
Planning Program Manager

cc: David Kiff, City Manager
Kimberly Brandt, Community Development Director
Brenda Wisneski, Deputy Community Development Director



AIRPORT LAND USE COMMISSION

FOR ORANGE COUNTY

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

April 14, 2016

Minoo Ashabi, Principal Planner

City of Costa Mesa – Development Services
77 Fair Drive, P.O. Box 1200
Costa Mesa, CA 92628-1200

REC'D APR 15 2016

Subject: DEIR for the City of Costa Mesa General Plan Amendment (2015-2035)

Dear Ms. Ashabi:

Thank you for the opportunity to review the Draft Environmental Impact Report (DEIR) for the City of Costa Mesa General Plan Amendment in the context of the *Airport Environs Land Use Plan (AELUP) for John Wayne Airport (JWA)*. We wish to offer the following comments and respectfully request consideration of these comments as you proceed with your DEIR and General Plan (GP) Amendment.

The City of Costa Mesa is located within the AELUP Notification Area for JWA. The DEIR and GP should address height restrictions and imaginary surfaces by discussing Federal Aviation Administration (FAA) Federal Aviation Regulation (FAR) Part 77 as the criteria for determining height restrictions for projects located within the airport planning area. To ensure the safe operation of aircraft activity at JWA, structures anywhere in the JWA airport planning area should not exceed the applicable elevations defined in FAR Part 77 (Objects Affecting Navigable Air Space). We recommend that the General Plan should include height policy language and a mitigation measure in the EIR that states that no new buildings will be allowed to penetrate the FAR Part 77 imaginary surfaces for JWA to ensure the protection of its airspace.

Within the proposed Land Use Element, it states that the FAA standard that is of most concern in Costa Mesa is the horizontal surface for JWA. The General Plan references the old standard of 203.68 feet above mean sea level (AMSL) as the horizontal surface for JWA, but that figure should be updated to 206 feet AMSL.

Also with respect to building heights, development proposals within the City, which include the construction or alteration of structures more than 200 feet above ground level, require filing with the FAA and Airport Land Use Commission (ALUC) notification. Projects meeting this threshold must comply with procedures provided by Federal and State law, and with all conditions of approval imposed or recommended by FAA and ALUC including filing a Notice of Proposed Construction or Alteration (FAA Form 7460-1). Depending on the maximum building heights that will be allowed within the General Plan, the City may wish to consider a mitigation and condition of approval specifying this 200 feet above ground level height threshold. In addition, any project that penetrates the Notification Surface for JWA is required to file FAA

Form 7460-1. The proposed Land Use Element (on page LU-18) discusses the threshold stated above but, instead of referring to filing FAA Form 7460-1 Notice of Construction and Alteration, the Land Use Element refers to filing a Notice of Landing Area Proposal (Form 7480-1) which is specific to heliports.

Portions of the City of Costa Mesa fall within the 60 and 65 dB(A) CNEL noise contours for JWA. The DEIR and GP Update should include policies and mitigations for development within these contours, especially if residential development is considered. Per the *AELUP for JWA*, all residential units within the 65 dB CNEL contour are typically inconsistent in this area unless it can be shown conclusively that such units are sufficiently sound attenuated for present and projected noise exposure so as not to exceed an interior standard of 45 dB CNEL. However, the ALUC recommends that residential uses not be permitted within the 65 dB CNEL contour. As for residential development within the 60 dB CNEL contour, the ALUC may not find residential units incompatible in this area, but would strongly recommend that residential units be limited or excluded from this area unless sufficiently sound attenuated not to exceed an interior level of 45 dB.

We appreciate that the proposed Land Use Element addresses consistency with the *AELUP for Heliports* by including the following language to your GP Update:

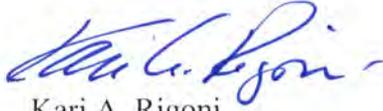
“The City will ensure that development proposals including the construction or operation of a heliport or helistop comply fully with permit procedures under State law, including referral of the project to the ALUC by the applicant, and with all conditions of approval imposed or recommended by the Federal Aviation Administration (FAA), ALUC, and Caltrans, including the filing of a Form 7480-1 (Notice of Landing Area Proposal) with the FAA. This requirement shall be in addition to all other City development requirements.”

Section 21676(b) of the PUC requires that prior to the amendment of a general plan or specific plan, or the adoption or approval of a zoning ordinance or building regulation within the planning boundary established by the Airport Land Use Commission pursuant to Section 21675, the local agency shall first refer the proposed action to the ALUC. To ensure land use compatibility with JWA, we recommend that the City include policy in its General Plan and a mitigation measure in the EIR, that states that the City shall refer projects to the Airport Land Use Commission (ALUC) for Orange County as required by Section 21676 of the California Public Utilities Code to determine consistency of projects with the *AELUP for JWA*.

With respect to project submittals, please note that the Commission wants such referrals to 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.

Thank you again for the opportunity to comment on the DEIR. Please contact Lea Choum at (949) 252-5123 or via email at lchoum@ocair.com should any questions arise.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kari A. Rigoni".

Kari A. Rigoni
Executive Officer

DEPARTMENT OF TRANSPORTATION

DISTRICT 12

3347 MICHELSON DRIVE, SUITE 100

IRVINE, CA 92612-8894

PHONE (949) 724-2000

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REC'D APR 16 2016

April 14, 2016

Ms. Minoo Ashabi

Principal Planner

77 Fair Drive

City of Costa Mesa

Costa Mesa, CA 92626

File: IGR/CEQA

SCH#:2015111053

IGR Log #: 4573-A

SR: 55, SR-73, I 405

Dear Ms. Ashabi:

Thank you for the opportunity to review and comment on the **Draft Program Environmental Impact Report (DEIR) for the City of Costa Mesa 2015-2035 General Plan Amendment Project**. The City of Costa Mesa proposes the adoption of updates to Land Use, Circulation, Growth Management, Conservation, Noise, Safety, Historical & Cultural Resources, Community Design, and Open Space and Recreation Elements. The land use and Circulation Elements establish overall development capacity, serve as a policy guide for physical development and character, and provide for a balanced circulation system including "complete streets" and a bike master plan. Remaining elements updated for consistency with Land Use and Circulation Elements and to reflect current General Plan law. The 2015-2035 Plan will incorporate the Housing Element, which was previously adopted in January 2014 and is valid through 2021. The General Plan update will apply to all properties within the City of Costa Mesa and its sphere of influence. The planning area encompasses 15.7 square miles and has a total population of approximately 110, 000. The nearest State routes to the proposed sites are SR-55, SR-73 and I-405.

Caltrans is a responsible and commenting agency on this project and has the following Comments:

1. The DEIR does not include an analysis on the State facilities' mainlines (merge, diverge, weave and basic freeway) that are within the boundaries of the City of Costa Mesa. Please submit this analysis for our review and comments. As indicated in our previous letter dated December 7, 2015: "When analyzing impacts to the traffic on the Caltrans Transportation Facilities; note, that all Intersection Capacity Analysis conducted within Caltrans Right of Way shall be performed using the most recent Highway Capacity Manual Methodology. A Queue Analysis shall be conducted for the off-ramps to determine that traffic will not spill back to the Freeway Mainline."
2. The traffic analysis for Caltrans facilities should include, ramps, intersections, and the 95th percentile queues on the off-ramps and on the left-turn lanes to the on-ramps at the

Ms. Minoo Ashabi
April 14, 2016
Page 2

signalized intersections. Also, provide a table of summary to indicate if the off-ramp and left-turn vehicle storage lanes have sufficient vehicle storage lengths.

3. Please provide traffic movement diagrams for AM and PM peaks for all traffic conditions, including traffic movement diagrams of trip generations only for the Current and the Buildout of the General Plan.
4. Traffic Study Page 2.2, Figure 2-1 and Page 3.19, Figure 3-4
Please explain the need for lane reduction on Newport Avenue segment south of 19th Street from a 7-lane (7M) configuration of the Existing Roadway System condition to a 6-lane (6M) configuration for the Year 2035 Buildout Roadway System condition.

Traffic Study- Page 2.3, Figure 2-2, Page 3.25 Figure 3-6 and Page 3.27 Figure 3-8
Please explain the reason for reduction of ADT volumes on Newport Avenue in the vicinity of 19th Street comparing the Existing ADT Volumes with the 2035 Current General Plan ADT Volumes and Proposed General Plan ADT Volumes. For example, Newport Avenue north of 19th Street has 92,000 ADT volumes for the existing condition while 2035 Buildout condition will only have 55,000 ADT volumes; also, Newport Avenue south of 19th Street has 66,000 ADT and 79,000 ADT for the Existing condition while Buildout condition will only have 31,000 ADT and 44,000 ADT volumes.

5. Please note that the Caltrans Highway Design Manual has been updated to include a new bicycle classification; Class IV Bikeways. Caltrans recommends to include this in Section 4.16 of the DEIR and Page C-15 of the Draft General Plan. Class IV – separated bikeways – Separated bikeways are for the exclusive use of bicycles and includes a separation required between the separated bikeway and the through vehicular traffic. The separation may include, but is not limited to, grade separation, flexible posts, inflexible physical barriers, or on-street parking.

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 HARAKE
Branch Chief, Regional-Community-Transit Planning
District 12



State of California – Natural Resources Agency
DEPARTMENT OF FISH AND WILDLIFE
South Coast Region
3883 Ruffin Road
San Diego, CA 92123
(858) 467-4201
www.wildlife.ca.gov

EDMUND G. BROWN JR., Governor
CHARLTON H. BONHAM, Director



April 18, 2016

Ms. Claire Flynn
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
claire.flynn@costamesaca.gov

REC'D APR 21 2016

**Subject: Comments on the Draft Environmental Impact Report for the
City of Costa Mesa 2015 to 2035 General Plan (SCH# 2015111068)**

Dear Ms. Flynn:

The California Department of Fish and Wildlife (Department) has reviewed the draft environmental impact report (DEIR) for the City of Costa Mesa 2015 to 2035 General Plan Amendment project. The City of Costa Mesa (City) requested comments on the DEIR by April 18, 2016. The following statements and comments have been prepared pursuant to the Department's authority as Trustee Agency with jurisdiction over natural resources affected by the project (California Environmental Quality Act, [CEQA] Guidelines § 15386) and pursuant to our authority as a Responsible Agency under CEQA Guidelines section 15381 over those aspects of the proposed project that come under the purview of the California Endangered Species Act (CESA; Fish and Game Code § 2050 *et seq.*) and Fish and Game Code section 1600 *et seq.* The Department also administers the Natural Community Conservation Planning (NCCP) program. The City is a non-participating landowner under the Central/Coastal Orange County NCCP/Habitat Conservation Plan (HCP).

The project area is the City's entire sphere of influence; the City is located in the County of Orange and surrounded to the north by the City of Santa Ana, to the south by the City of Newport Beach, the west by the Cities of Huntington Beach and Fountain Valley, and the east by the City of Irvine. Fairview Park and Talbert Regional Park are included in this sphere of influence; Talbert Regional Park is part of the Central Coastal NCCP/HCP Reserve. The project proposes focused amendments to several elements of its General Plan, including Land Use, Circulation, Growth Management, Conservation, Open Space and Recreation, Noise, Safety, Community Design, and Historic and Cultural Resources.

The Department offers the following comments and recommendations to assist the City in avoiding or minimizing potential project impacts on biological resources.

1. The DEIR references Table CON-1 (BonTerra Consulting, 2000) when describing plant communities present within the project area. The Department is unclear why studies 16 years old were used to aggregate this data, as this may not be adequate to analyze potentially significant impacts to biological resources, nor does it reflect the City's efforts to restore or create plant communities. For example, Table CON-1 shows that southern tarplant (*Hemixonia parryi* ssp. *australis*; California Native Plant Society Inventory of Rare and Endangered Plants list 1B.1) as, "possibly present" when a population of southern tarplant was created in Fairview Park during wetlands restoration over the last several years.

We recommend that tables within the Conservation Element and Table CON-1 in particular be updated with recent survey data such that impacts to these plant communities may be appropriately analyzed under CEQA.

2. A Biological Resources Technical Report was not included with the DEIR. In order to adequately review the significance of impacts to biological resources, the Department recommends that such a report be made available in the final EIR as an appendix, and that it include the following: 1) up to date surveys showing plant and wildlife communities within the City; 2) a figure depicting their locations within the sphere of influence; 3) a list of observed plant and animal species, including sensitive and listed species; we recommend that the CNDDDB be queried in order to obtain historical records of sensitive plant species and wildlife within the sphere of influence; and 4) a list of appropriate mitigation measures to avoid, minimize, or mitigate for impacts to plant and animal species and their habitats.
3. While the Conservation Element of the DEIR states that, "there are no plans to convert any of the open spaces identified in the General Plan," (CON page 14), it also states that, "...Fairview Park is one of the parks that may be repurposed to include other public amenities," (OSR page 18). Because of the diversity of biological resources present at Fairview Park and Talbert Regional Park, including sensitive species such as California gnatcatcher (*Poliioptilla californica californica*; Endangered Species Act (ESA)-listed threatened and a California Species of Special Concern), least Bell's vireo (*Vireo bellii pusillus*; ESA- and CESA-listed endangered), and southern tarplant, we request the City involve the Department in the review of the Costa Mesa Master Parks Plan when it is updated. Additionally, we suggest that the City involve the United States Fish and Wildlife Service (USFWS). The DEIR should be amended to include review of the Master Parks Plan by the Department and the USFWS (Wildlife Agencies).
4. The Department requests that Policy OSR-1.0 (OSR page 30), which currently states that, "Consult with law enforcement agencies, community policing groups, and Orange County Parks to create a safe and healthy environment at Talbert Regional Park, Fairview Park, and along the Santa Ana River," be amended in the final document to include consultation with the Wildlife Agencies.
5. The Polyphagous Shot Hole Borer (SHB) and Kuroshio SHB are invasive beetles (*Euwallacea* sp.) that vector a disease called Fusarium Dieback (FD). The FD interrupts the transport of water and nutrients in at least 38 tree species, including several species of sycamore, willow, and cottonwood, which can lead to death of the tree. FD is caused by the fungi the beetles use as a food source. The adult female beetle (1.8-2.5 mm long) bores tunnels beyond the tree's cambium where it lays its eggs and propagates the fungi species for food. With documented occurrences throughout Southern California, including the San Diego Creek drainage (University of California, Riverside (UCR); <http://eskalenlab.ucr.edu/distribution.html>), the spread of invasive SHBs could have significant impacts in Orange County ecosystems, specifically for those under analysis in the DEIR (e.g., parks and open spaces). Therefore, we recommend the final document consider the following with regard to the Conservation, Open Space and Recreation, and other elements:
 - a. the direct, indirect, and cumulative impacts that could occur from the potential spread of invasive SHBs as a result of proposed activities in the DEIR;

Ms. Claire Flynn
City of Costa Mesa
April 18, 2016
Page 3 of 3

- b. an analysis of the likelihood of the spread of invasive SHBs as a result of the invasive species' proximity to above referenced activities;
- c. figures within a Biological Resources Technical Report (see comment 2) that depict potentially sensitive or susceptible vegetation communities within the project area, the known occurrences of invasive SHBs within the project area (if any), and invasive SHB's proximity to above referenced activities; and
- d. best management practices to reduce the spread of invasive SHBs. Examples of such BMPs and additional information can be found on the UCR's Eskalen lab website: <http://eskalenlab.ucr.edu/avocado.html>.

We appreciate the opportunity to comment on the DEIR for this project and to assist the City in further minimizing and mitigating project impacts to biological resources. If you have any questions or comments regarding this letter please contact Jennifer Edwards at (858) 467-2717 or via email at Jennifer.Edwards@wildlife.ca.gov.

Sincerely,



Gail K. Sevens
Environmental Program Manager
South Coast Region

ec: Christine Medak (U.S. Fish and Wildlife Service)
Scott Morgan (State Clearinghouse)

April 15, 2016

VIA FEDERAL EXPRESS AND EMAIL

Mino Ashabi, Principal Planner
City of Costa Mesa – Development Services Department
77 Fair Drive
Costa Mesa, CA 92626
Email: mino.ashabi@costamesaca.gov

Re: Comments on Draft EIR for City of Costa Mesa Year 2015 – 2035 General Plan
SCH# 2015111068

Dear Ms. Ashabi:

On December 2, 2015 and January 26, 2016, the Department of General Services (DGS) provided comments on the Notice of Preparation for the City of Costa Mesa General Plan Draft Environmental Impact Report (DEIR). Those comments focused on the City's proposed policies, plans, and intent with respect to the Fairview Developmental Center (FDC) and future development on the site.

As explained in DGS's previous comments, the Department of Developmental Services (DDS) has submitted a closure plan for the FDC to the Legislature. (See <http://www.dds.ca.gov/fairviewNews/>). Senate Bill 82 signed in June 2015 (adding Government Code, § 14670.36; see attachment) authorizes the Director of DGS to lease up to 20 acres of the FDC site for the purpose of developing affordable housing for individuals with developmental disabilities (Shannon's Mountain). The success of Shannon's Mountain depends in large part on being able to retain flexibility in the number of units and density in order to attract affordable housing developers to propose economically feasible development for the site.

The state is concerned that the City's proposed 300-unit cap on the number of residential units and density and located on a 12-acre site for the Shannon's Mountain Project may unreasonably restrict the attractiveness of the site for the development that the Legislature and the Governor envisioned with SB 82 and frustrate the state's mandate to develop housing for developmentally disabled individuals.

The state lauds the City's goal in its proposed Land Use Element "to create new opportunities for housing and businesses, particularly in areas well served by transit and where reinvestment could enhance neighborhoods, districts, and nodes." But that goal would not be fulfilled with the short-sighted proposal to cap residential units in the FDC at 500 units, because doing so is likely to limit future decisions regarding transit service, as well as private investment and development decisions. This would particularly affect residents with developmental disabilities, who depend on public transit to a greater degree than other City residents. The City should consider allowing a greater number of

units in the FDC to maximize the reuse of a valuable infill site, help the City realize fewer external vehicle trips, and reduce greenhouse gases (GHG) and other air pollutant emissions. As the DEIR concludes that impacts associated with GHG emissions are significant and unavoidable, the City has an obligation to consider changes to the General Plan through alternative land use plans or mitigation that could help to reduce these impacts. DGS believes that allowing a greater number of units in the FDC, either through higher density land use designations or designating more land for more units, would improve the vehicle-miles-traveled by future FDC-area residents, visitors and employees.

A portion of the FDC is placed in the City's proposed Open Space Element; however, the FDC is already developed with 1.1 million square feet of improvements. The FDC is located in Planning Area 2, which is well-served by parks and open spaces and exceeds the park-to-population standard for neighborhood and community parks of 4.26 acres for every 1,000 persons and within ¼- to ½-mile walking distance to pedestrian access points. Planning Area 2 has 10.06 acres per 1,000 residents, and this ratio likely does not even include the shared use agreement for a portion of the FDC used for soccer fields. The additional amount of open space proposed to be designated within the FDC overburdens the state's property well in excess of the City's stated desired standard. With only 500 additional residential units, as proposed by the City, the area would require a minimum of 5.20 and a maximum of 5.73 acres of parks, depending on the housing product mix, not the 26.5 acres proposed in the General Plan.

The City's obligation to address its existing City-wide park service deficiency is better addressed through a wider distribution of such spaces across the City, not concentrated in the FDC area. Addressing it in the manner proposed for the FDC places a disproportionate burden on the state and future developers in this area, rather than more evenly distributing it city-wide. The FDC area is already well-served by the City-owned sports fields at the Jack Hammett Sports Complex located 1.8 miles northeast of the FDC, the private open space and recreation facilities such as the surrounding golf courses, the Orange County Fair and Event Center, and joint use of school facilities. Moreover, the City does not appear to have considered the fact that the state transferred the land for the adjacent two 18-hole golf courses to the City and land for the Fairview Regional Park to the County of Orange that was subsequently transferred to the City nor counted the golf courses or the state-owned fairgrounds in its open space/parks metrics. The City's proposed open space policies and implementation actions emphasize the need to pursue all means to expand and maximize benefits of a parks and recreation system. Therefore it does not seem reasonable to exclude the existing golf courses, fairgrounds and joint use facilities in the City's open space/parks calculations.

The proposed designation of 25 percent or 26.5 acres of state-owned land in the FDC for open space far exceeds the City's in-lieu fee program for parks. The City's parkland impact fee program indicates that a developer gets a credit for land dedicated and park improvements completed. But this fee program would also appear to apply to any proposed development in the FDC *after* the proposed re-designation of 25 percent of

the FDC area as open space, further burdening future developers of the FDC and significantly impeding the state's goal of developing affordable housing for the developmentally disabled.

Moreover, the City fails to consider the greater traffic impacts of concentrating so much of the City's additional recreational space in the FDC area, which increases vehicle trip lengths to this area from other areas of the City that do not have similar amenities and corresponding air pollutant and GHG emissions, as well as congestion on the roads leading to the FDC area.

The traffic study prepared for the DEIR indicates that the baseline used assumes a 350-bed hospital in the FDC; however, existing improvements already total 1.1 million square feet of buildings and supporting infrastructure. The traffic study assumes that in the future, 52 acres will be developed as public facilities and that it would generate only 434 average daily trips. Assuming a FAR of 0.25, this would support 566,000 square feet of development. A more appropriate trip generation rate would be Government Office Complex, which according to Trip Generation, 7th Edition, Institute of Transportation Engineers, Land Use 733, would generate 27.92 ADT per 1,000 square feet on weekdays, or 15,800 ADT for 566,000 square feet.

The traffic study further assumes that 26 acres in the FDC will be developed as passive park use, generating only 49 trips per day. The City has indicated, however, that its interest in this area is for soccer fields and ball parks for private athletic club use. According to Trip Generation, 7th Edition, Institute of Transportation Engineers, Land Use 488, one soccer field generates ± 71 weekday ADT, so 49 trips does not appear to be an accurate reflection of projected trip generation for these uses. Additionally, creating 26 acres of park and open space will require demolition some of the 1.1 million square feet of buildings and supporting infrastructure.

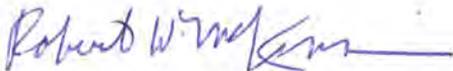
The range of alternatives in the DEIR only considers the comparative effects of leaving certain areas of the City's land use designations unchanged, including one in which the FDC simply retains its institutional designation. In its scoping comments dated December 2, 2015, DGS requested that the City analyze an alternative that assumes a mixed density development plan for the FDC that takes advantage of the existing built infrastructure, the region's High-Quality Transit Areas (HQTA), and the planned development (consistent with SB 82) to reduce per capita vehicle miles traveled and decrease per capita greenhouse gas emissions. The alternatives analysis presented in the DEIR does not acknowledge this suggested alternative, and the alternative analyzed in the DEIR that merely assumes a continued institutional use designation does not support the above goals. DGS reiterates its request for a good faith analysis of a more feasible and environmentally beneficial development alternative for the FDC. The state believes such a plan would better fulfill both the goals of the state for successful redevelopment of this area and the City's need for VMT, GHG, and air pollutant reductions.

The Department desires to be a cooperative partner with the City in facilitating the implementation of a shared vision for future development of the FDC. We hope that the City will consider these comments in good faith and reevaluate both its proposed land use designations and resulting impacts analysis to better accommodate both the state's mandate to feasibly develop housing for developmentally disabled individuals and CEQA's mandate to analyze and disclose as accurately as possible the potential resulting impacts of proposed development.

We would be happy to provide the City with any additional information it may require to improve its DEIR and proposed General Plan Update. We would also be pleased to meet and confer with the City prior to the issuance of the Final EIR to discuss our comments and suggestions for the FDC.

Thank you for your consideration of these comments.

Sincerely,



ROBERT W. MCKINNON
Assistant Branch Chief
Asset Management Branch

Enclosures

cc: Fariba Shahmirzadi, Assistant Deputy Director, Administrative Operations,
Department of Developmental Services
Marie W. Maddy, Chief, Facilities Planning and Support Section, Department of
Development Services



VIA HAND DELIVERY & EMAIL

October 6, 2015

The Honorable Stephen Mensinger
Mayor of the City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

RE: City of Costa Mesa Regular City Council Meeting, October 6, 2015;
Proposed General Plan Land Use Alternatives for the 2015-2025 General Plan
Update, Fairview Developmental Center

Dear Mayor Mensinger:

In June of this year, the California Legislature approved and the Governor signed into law Senate Bill 82 [SB82] (Chapter 23, Statutes of 2015) which added section 14670.36 to the Government Code.

This legislation authorizes the Director the Department of General Services, with the consent of the Director of the Department of Developmental Services, to lease up to 20 acres at the Fairview Developmental Center (FDC) at a price that will permit the development of affordable housing for people with developmental disabilities (Shannon's Mountain). This legislation also requires that a minimum of twenty percent (20%) of the housing units developed shall be available and affordable to individuals with developmental disabilities served by a regional center pursuant to the Lanterman Developmental Disabilities Services Act. In addition to meeting the affordability requirements, the developer of the project will be required to comply with Section 1720 of the Labor Code, for the purpose of prevailing wage requirements.

It has come to the state's attention that the city is updating their general plan and considering new land use designations for the FDC that would include a maximum of 500 dwelling units at a density of 15 dwelling units per acre (or a maximum of 25 dwelling units per acre with a density bonus). The state intends to proceed with the Shannon's Mountain project with the city as the lead agency for purposes of CEQA, building permits and inspections. However, at this time it is important to maintain maximum flexibility on the density for the Shannon's Mountain project since the project's financial feasibility will require a unit density greater than the proposed designation of 15 units per acre in order to meet the affordability goals. The state requests that the City include the 20 acres specified in SB 82 in the general plan update allowing a maximum of up to 40 units per acre, which density would be consistent with staff's initial recommendation (City Council/Planning Commission Joint Study Session on September 8, 2015) and with staff's recommendation to include the Residential Incentive Overlay into the general plan update allowing 40 dwelling units per acre for properties along

Harbor Boulevard (October 8, City Council 2015 Agenda). Additionally, the FDC is located within a designated High Quality Transit Area which usually has a minimum of 20 dwelling units per acre; therefore higher densities should be supportable.

Moreover, the state respectfully requests that the city not take any action regarding new land use designations for the balance of the FDC property that may conflict with state law or in any way impede the state's use of the property. At the present time, no decision has been made regarding the closure of the FDC. Even if FDC closes, portions of the property will continue serving the needs of the developmentally disabled community, e.g. Harbor Village and Shannon's Mountain and/or other housing programs or specialized services. Additionally, in the event FDC closes at some future date and portions are determined to be excess to the Department of Developmental Services' (DDS) needs, the first priority would be to determine whether or not the property could be repurposed for state use.

The state looks forward to working together with the city on Shannon's Mountain to provide housing for the developmentally disabled that will minimize density impacts on the area while improving the likelihood of financial feasibility. Please contact me at Robert.McKinnon@dgs.ca.gov or (916) 376-1814 if I can provide additional information.

Sincerely,



Robert W. McKinnon
Assistant Branch Chief, Asset Management Branch
Department of General Services

cc: City Clerk, City of Costa Mesa
Mayor Pro Tem Jim Righeimer, City of Costa Mesa
Council Member Katrina Foley, City of Costa Mesa
Council Member Sandra Genis, City of Costa Mesa
Council Member Gary Monahan, City of Costa Mesa
Claire Flynn, AICP, Asst. Development Services Director, City of Costa Mesa
Fariba Shahmirzadi, Assistant Deputy Director, Administrative Operations,
Department of Developmental Services
Marie W. Maddy, Chief, Facilities Planning and Support Section, Department of
Development Services

Attachments to Department of
General Services Letter Dated April
15, 2016 related to SB 82 is available
for review at the City Hall, Planning
Division



IRVINE RANCH WATER DISTRICT

15600 Sand Canyon Ave., P.O. Box 57000, Irvine, CA 92619-7000 (949) 453-5300

April 14, 2016

Minoo Ashabi
Principal Planner
City of Costa Mesa
Development Services Department
77 Fair Drive, P.O. Box 1200
Costa Mesa, CA 92628-1200

REC'D APR 17 2016

Re: Draft Environmental Impact Report for Costa Mesa's Year 2015-2035 General Plan

Dear Minoo Ashabi:

Irvine Ranch Water District (IRWD) has received and reviewed the Draft Environmental Impact Report (DEIR) for the City of Costa Mesa's 2015-2035 General Plan. IRWD offers the following comments.

The DEIR page 4.17-2 should be revised to indicate that IRWD encompasses approximately 115,531 acres or 181 square miles in south-central Orange County. IRWD serves all of the City of Irvine and portions of Tustin, Santa Ana, Newport Beach, Lake Forest, Costa Mesa, Orange and unincorporated areas of Orange County. In 1997, IRWD began providing water service to the Santa Ana Heights community. IRWD serves a population of 380,000 and provides water to approximately 110,000 domestic connections, which includes residential, commercial, industrial, fire protection, public authorities, construction, landscape irrigation and agricultural users. For fiscal year 2013-2014, IRWD delivered 63,834 acre-feet of treated (potable) water, 2,665 acre-feet of untreated (non-potable) water and 31,932 acre-feet of recycled water for a total of 98,431 acre-feet.

The DEIR page 4.17-3 should also be revised to indicate that approximately 23 percent of IRWD's water is purchased from MWD. This imported water comes from the Colorado River via the Colorado River Aqueduct and Northern California via the State Water Project. The remaining 77 percent of the supply comes from local groundwater wells. To alleviate its dependency of imported water, in 1979 IRWD began to develop a series of local wells called the Dyer Road Well Field Project. These wells, ranging from 400 to 1,200 feet in depth, extract high quality water from the Orange County Groundwater Basin. This groundwater now accounts for 77 percent of IRWD's total potable water supply.

Additionally on page 4.17-3, the DEIR discusses the Water Resources Master Plan (WRMP). While WRMPs are important, they are not updated often which may result in outdated information. IRWD conducts additional analysis, Water Supply Assessments (WSAs), for specific projects or areas and they are updated more frequently than WRMPs. For sections of the

Minoo Ashabi
Comment Letter Page 2
April 14, 2016

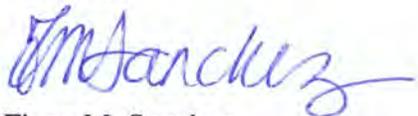
DEIR that discuss future groundwater supply and imports, IRWD recommends the City of Costa Mesa use the information presented in the most recent WSA, completed earlier this month. A copy of the most recent WSA completed is attached for your reference. Please contact IRWD's Planning Division at (949) 453-5300 for questions regarding WSAs.

The DEIR on page 4.17-4 should be revised to indicate that IRWD's San Joaquin Reservoir was converted from potable use to recycled water in late 2004.

Finally, on page 4.17-9 the DEIR should reflect that IRWD's 2010 Urban Water Management Plan (UWMP) applies to the Santa Ana Heights area of Costa Mesa. IRWD, like Mesa Consolidated Water District, updates its UWMP every five years and is in the process of preparing its 2015 UWMP. IRWD's 2015 UWMP is scheduled for adoption in June 2016 and will be submitted to the Department of Water Resources by the July 1, 2016 deadline.

Thank you for the opportunity to review this IS/MND. Please contact either the undersigned at (949) 453-5325 or Jo Ann Corey, Engineering Technician III, at (949) 453-5326 if you have any questions.

Sincerely,



Fiona M. Sanchez
Director of Water Resources

Attachment – Water Supply Assessment

cc: Eric Akiyoshi, IRWD
Jo Ann Corey, IRWD

Water Supply Assessment Information

Purpose of Assessment

Irvine Ranch Water District ("IRWD") has been identified by the City as a public water system that will supply water service (both potable and nonpotable) to the project identified on the cover page of this assessment (the "Project"). As the public water system, IRWD is required by Section 10910 *et seq.* of the Water Code to provide the City with an assessment of water supply availability ("assessment") for defined types of projects. The Project has been found by the City to be a project requiring an assessment. The City is required to include this assessment in the environmental document for the Project, and, based on the record, make a determination whether projected water supplies are sufficient for the Project and existing and planned uses.

Water Code Section 10910 (the "Assessment Law") contains the requirements for the information to be set forth in the assessment.

Prior Water Supply Assessments

IRWD does not allocate particular supplies to any project, but identifies total supplies for its service area. Because of IRWD's aggregation of demands and supplies, each assessment completed by IRWD is expected to be generally similar to the most recent assessment, with changes as needed to take into account changes, if any, in demands and supplies, and any updated and corrected information obtained by IRWD. Previously assessed projects' water demands will be included in the baseline. A newly assessed project's water demand will have been included in previous water supply assessments for other projects (as part of IRWD's "full build-out" demand) to the extent of any land use planning or other water demand information for the project that was available to IRWD.

The Project's water demand was included (as part of IRWD's "full build-out" demand) in previous water supply assessments performed by IRWD. In this water supply assessment, the project demand will be revised in accordance with updated information provided by the applicant and included in the "with project" demand. This Second Amended Assessment supersedes the Amended Assessment dated March 8, 2004, to adjust water demand figures as shown in Figures 1 through 8 based on reduced land use densities of the proposed Project development as requested by letter of the City of Orange dated April 1, 2016.

Supporting Documentation

IRWD prepares two planning documents to guide water supply decision-making. IRWD's principal planning document is IRWD's "Water Resources Master Plan" ("WRMP"). The WRMP is a comprehensive document compiling data and analyses that IRWD considers necessary for its planning needs. IRWD also prepares an Urban Water Management Plan ("UWMP"), a document required by statute. The UWMP is based on the WRMP, but contains defined elements as listed in the statute (Water Code Section 10631, *et seq.*), and, as a result, is more limited than the WRMP in the treatment of supply and demand issues. Therefore, IRWD primarily relies on its most recent WRMP. The UWMP is required to be updated in years ending with "five" and "zero," and IRWD's most recent update of that document was adopted June 13, 2011. IRWD's next update of that document is anticipated in June 2016.

In addition to the WRMP and the 2010 UWMP mentioned above, other supporting documentation referenced herein is found in Section 6 of this assessment.

Due to the number of contracts, statutes and other documents comprising IRWD's written proof of entitlement to its water supplies, in lieu of attachment of such items, they are identified by title and summarized in Section 2(b) of this assessment (written contracts/proof of entitlement). Copies of the summarized items can be obtained from IRWD.

Assessment Methodology

Water use factors; dry-year increases. IRWD employs water use factors to enable it to assign water demands to the various land use types and aggregate the demands. The water use factors are based on average water use and incorporate the effect of IRWD's tiered-rate conservation pricing and its other water conservation programs. The factors are derived from historical usage (billing data) and a detailed review of water use factors within the IRWD service areas conducted as a part of the WRMP. System losses at a rate of approximately 5% are built into the water use factors. Water demands also reflect normal hydrologic conditions (precipitation). Lower levels of precipitation and higher temperatures will result in higher water demands, due primarily to the need for additional water for irrigation. To reflect this, base (normal) WRMP water demands have been increased 7% in the assessment during both "single-dry" and "multiple-dry" years. This is consistent with IRWD's 2010 UWMP and historical regional demand variation as documented in the Metropolitan Water District of Southern California's ("MWD's") Integrated Resources Plan (1996) (Volume 1).

Planning horizon. For consistency with IRWD's WRMP, the assessment reviews demands and supplies through the year 2036, which is considered to represent build-out or "ultimate development".

Assessment of demands. Water demands are reviewed in this assessment for three development projections (to 2036):

- Existing and committed demand (without the Project) ("baseline"). This provides a baseline condition as of the date of this assessment, consisting of demand from existing development, plus demand from development that has both approved zoning and (if required by the Assessment Law) an adopted water supply assessment.
- Existing and committed demand, plus the Project ("with-project"). This projection adds the Project water demands to the baseline demands.
- Full WRMP build-out ("full build-out"). In addition to the Project, this projection adds potential demands for all presently undeveloped areas of IRWD based on current general plan information, modified by more specific information available to IRWD, as more fully described in Chapter 2 of the WRMP.

Assessment of supplies. For comparison with demands, water supplies are classified as *currently available* or *under development*:

- *Currently available* supplies include those that are presently operational, and those that will be operational within the next several years. Supplies expected to be operational in the next several years are those having completed or substantially completed the environmental and regulatory review process, as well as having necessary contracts (if

any) in place to move forward. These supplies are in various stages of planning, design, or construction.

- In general, supplies *under development* may necessitate the preparation and completion of environmental documents, regulatory approvals, and/or contracts prior to full construction and implementation.

IRWD is also evaluating the development of additional supplies that are not included in either *currently available* or *under-development* supplies for purposes of this assessment. As outlined in the WRMP, prudent water supply and financial planning dictates that development of supplies be phased over time consistent with the growth in demand.

Water supplies available to IRWD include several sources: groundwater pumped from the Orange County groundwater basin (including the Irvine Subbasin); captured local (native) surface water; recycled wastewater, and supplemental imported water supplied by MWD through the Municipal Water District of Orange County ("MWD OC"). The supply-demand comparisons in this assessment are broken down among the various sources, and are further separated into potable and nonpotable water sources.

Comparison of demand and supply. The three demand projections noted above (baseline, with-project and full build-out) are compared with supplies in the following ways:

- On a total *annual* quantity basis (stated in acre-feet per year (AFY)).
- On a *peak-flow* (maximum day) basis (stated in cubic feet per second (cfs)).
- Under three climate conditions: base (normal) conditions and single-dry and multiple-dry year conditions. (Note: These conditions are compared for *annual* demands and not for *peak-flow* demands. *Peak-flow* is a measure of a water delivery system's ability to meet the highest day's demand of the fluctuating demands that will be experienced in a year's time. Peak demands occur during the hot, dry season and as a result are not appreciably changed by dry-year conditions; dry-year conditions do affect *annual* demand by increasing the quantity of water needed to supplement normal wet-season precipitation.)

Summary of Results of Demand-Supply Comparisons

Listed below are Figures provided in this assessment, comparing projected potable and nonpotable water supplies and demands under the three development projections:

- Figure 1: Normal Year Supply and Demand – Potable Water
- Figure 2: Single Dry-Year Supply and Demand – Potable Water
- Figure 3: Multiple Dry-Year Supply and Demand – Potable Water
- Figure 4: Maximum-Day Supply and Demand – Potable Water
- Figure 5: Normal Year Supply and Demand – Nonpotable Water
- Figure 6: Single Dry-Year Supply and Demand – Nonpotable Water
- Figure 7: Multiple Dry-Year Supply and Demand – Nonpotable Water
- Figure 8: Maximum-Day Supply and Demand – Nonpotable Water

It can be observed in the Figures that IRWD's *supplies* remain essentially constant between normal, single-dry and multiple-dry years. This result is due to the fact that

groundwater and MWD imported water account for majority of all of IRWD's potable supply, and recycled water, groundwater and imported water comprise all of IRWD's nonpotable supply. Groundwater production typically remains constant or increases in cycles of dry years, even if overdraft of the basin temporarily increases, as groundwater producers reduce their demand on imported supplies to secure reliability. (See Section 4 herein.) As to imported water, MWD's Draft 2015 Urban Water Management Plan¹ (MWD UWMP) shows that MWD has sufficient supply capabilities to meet expected demands from 2020 through 2040 under a repeat of the 1990-1992 multiple dry-year hydrology and the 1977 single dry-year hydrology. (See Section 2(b) (1) "IMPORTED SUPPLY - ADDITIONAL INFORMATION," below, for a summary of information provided by MWD.) Recycled water production also remains constant, and is considered "drought-proof" as a result of the fact that sewage flows remain virtually unaffected by dry years. Only a small portion of IRWD's supply, native water captured in Irvine Lake, is reduced in single-dry and multiple-dry years. The foregoing factors also serve to explain why there is no difference in IRWD's supplies between single-dry and multiple-dry years.

A review of the Figures indicates the following:

- *Currently available* supplies of potable water are adequate to meet projected annual demands for both the *baseline* and *with-project* demand projections under the normal year conditions through the year 2036. (Figures 1, 2 and 3.)
- Meeting both single- and multiple-dry-year annual demands for *full build-out* will require the completion of *under-development* supplies. (Figures 2 and 3.)
- Adequate *currently available* potable water supply capacity is available to meet *peak-flow* (maximum day) demands for all demand projections through the year 2036. (Figure 4.)
- With respect to nonpotable water, *currently available* supplies are adequate to meet projected annual demands for both the *baseline* and *with-project* demand projections under both dry-year conditions through the year 2036. (Figures 5, 6, 7 and 8). IRWD has proceeded with the implementation of future nonpotable supplies, as shown in the Figures, to improve local reliability during dry-year conditions.

The foregoing Figures provide an overview of IRWD potable and nonpotable water supply capabilities. More detailed information on the anticipated development and use of supplies, which incorporates source costs and reliability issues, is provided in the WRMP.

Margins of safety. The Figures and other information described in this assessment show that IRWD's assessment of supply availability contains several margins of safety or buffers:

- "Reserve" water supplies (excess of supplies over demands) will be available to serve as a buffer against inaccuracies in demand projections, future changes in land use, or alterations in supply availability.
- Conservative estimates of annual potable and nonpotable *imported* supplies have been made based on connected delivery capacity (by application of peaking factors as described below in Section 2, footnote 1); additional supplies are expected to be

¹ MWD expects to adopt its Draft 2015 UWMP in April, 2016.

available from these sources, based on legal entitlements, historical uses and information provided by MWD. In addition to MWD's existing regional supply assessments, this assessment has considered MWD information concerning recent events. See "**Recent Actions on Delta Pumping**," below.

- Information provided by MWD, as the imported water supplier, concerning the adequacy of its regional supplies, summarized herein, demonstrates MWD's inclusion of reserves in its regional supply assessments. In addition to MWD's existing regional supply assessments, this assessment has considered MWD information concerning recent events. See "**Recent Actions on Delta Pumping**," below.
- Although groundwater supply amounts shown in this assessment assume production levels within applicable basin production percentages described herein, production of groundwater can exceed applicable basin production percentages on a short-term basis, providing additional reliability during dry years or emergencies.

Recent Actions on Delta Pumping. The Sacramento/San Joaquin Delta (Delta) is a vulnerable component in both the State and Federal systems to convey water from northern portions of California to areas south of the Delta. Issues associated with the Delta have generally been known for years; however, most recently, the continuing decline in the number of endangered Delta smelt resulted in the filing of litigation challenging permits for the operation of the Delta pumping facilities. On August 31, 2007, a Federal court ordered interim protective measures for the endangered Delta smelt, including operational limits on Delta pumping, which have an effect on State Water Project (SWP) operations and supplies. On June 4, 2009, a federal biological opinion imposed rules that further restrict water diversions from the Delta to protect endangered salmon and other endangered fish species. At present, several proceedings concerning Delta operations are ongoing to evaluate options to address Delta smelt impacts and other environmental concerns. In addition to the regulatory and judicial proceedings to address immediate environmental concerns, the Delta Vision process and Bay-Delta Conservation Plan (BDCP) process are defining long-term solutions for the Delta. In addition, State and federal agencies and water user entities are currently engaged in the development of the BDCP/California WaterFix, which is aimed at making physical and operational improvements to the SWP system in the Delta necessary to restore and protect ecosystem health, south of Delta SWP water supplies and water quality (MWD UWMP). Prior to the 2007 court decision, MWD's Board approved a Delta Action Plan in May 2007 that described short, mid and long-term conditions and the actions to mitigate potential supply shortages and to develop and implement long-term solutions. To address uncertainties in expected SWP supplies, in October 2007, MWD prepared 2007 IRP Implementation Report, in which MWD estimated that it could see as much as up to a 22% reduction on average of its SWP supplies based on the court order. To comprehensively address the impacts of the SWP cut back on MWD's water supply development targets, in December 2007, MWD brought to its Board a strategy and work plan to update the long-term Integrated Resources Plan (IRP). As part of its ongoing long term planning, in its 2010 IRP Update, MWD identified changes to the long-term plan and established direction to address the range of potential changes in water supply planning. The 2010 IRP also discusses dealing with uncertainties related to impacts of climate change (see additional discussion of this below), as well as actions to protect endangered fisheries. MWD's reliability goal that full-service demands at the retail level will be satisfied for all foreseeable hydrologic conditions remained unchanged in the 2010 IRP Update. The 2010 IRP Update emphasizes an evolving approach and suite of actions to address the water supply challenges that are posed by uncertain weather patterns, regulatory and environmental restrictions, water quality impacts and changes in the state and the region.

MWD's Adaptive Resource Management Strategy includes three components: Core Resources Strategy, Supply Buffer Implementation and Foundational Actions which together provides the basis for the 2010 IRP Update. The 2010 IRP Update expands the concept of developing a planning buffer from the 2004 IRP Update by implementing a supply buffer equal to 10 percent of the total retail demand. MWD will collaborate with the member agencies to implement this buffer through complying with Senate Bill 7 which calls for the state to reduce per capita water use 20 percent by the year 2020.

In January 2016, MWD adopted its 2015 IRP Update. In the 2015 IRP Update, MWD continued its adaptive management strategy and integrated future supply actions to improve the viability of potential contingency resources as needed, and to position the region to effectively implement these resources in a timely manner. The 2015 IRP finds additional action is needed in investments in conservation, local supplies, the California WaterFix, and stabilizing Colorado River supplies. Among the supply actions, MWD will continue to work collaboratively with state and federal agencies on the WaterFix, maximize its storage and transfer approach, and continue to develop and protect local supplies and conservation.

IRWD's Evaluation of Effect of Reduced MWD Supplies to IRWD: In the MWD UWMP, MWD states it has supply capability that would be sufficient to meet expected demands from 2020 to 2040 under single dry year and multiple dry year conditions.²

Based on the prior MWD 2007 IRP Implementation Report, as a result of the 2007 federal court order, MWD estimated that it could receive reduction of SWP supplies of up to 22% on average until a long term solution was implemented. For purposes of ensuring a conservative analysis, IRWD made an evaluation of the effect of the 22% estimated reduction of MWD's SWP supplies on its overall imported supplies. IRWD estimates that 22% reduction of SWP supplies conservatively translates to approximately 16% reduction in all of MWD's imported supplies over the years 2015 through 2035. For this purpose it is assumed that MWD's total supplies consist only of imported SWP and Colorado deliveries. Based on this estimate, this assessment uses a 16% reduction in MWD supplies available to IRWD for the years 2015 through 2036, using IRWD's connected capacity without any water supply allocation imposed by MWD. This reduction in MWD supplies is reflected in Figures 1, 2, 3, 5, 6, and 7.

Per the MWD UWMP, MWD performs water shortage planning in its Water Surplus and Drought Management (WSDM) Plan (1988) which guides MWD's planning and operations during both shortage and surplus conditions. Furthermore, MWD developed the Water Supply Allocation Plan (WSAP) (February 2009, updated December 2014) which provides standardized methodology for allocation of MWD's supplies during times of shortage. The WSDM Plan distinguishes between shortages, severe shortages and extreme shortages. These terms have specific meanings relating to MWD's ability to deliver water and the actions it takes. In June 2008, MWD's Board adopted a Water Supply Condition Framework to communicate the urgency of the region's water supply situation and the need for further water conservation to reduce regional demands, MWD uses the WSDM Plan and Framework to determine if a WSAP is recommended.

² MWD's UWMP utilized DWR's 2015 SWP Delivery Capability Report to estimate its SWP supplies for 2015 through 2040. These estimates incorporate the effect of regulatory requirements in accordance with biological opinions and also reflect potential impacts of climate change on SWP operations. Tables A.3-7 (MWD's UWMP) reflect a reduction of approximately 12% in MWD's expected average year SWP entitlement supplies. This amount is a smaller percentage reduction than MWD's 2007 estimate of 22% that was used by IRWD for purposes of this analysis. For purposes of a conservative analysis, IRWD uses the 22% reduction cited by MWD in its October 2007 IRP Implementation Report as the basis of IRWD's analysis.

As an alternative means of analyzing the effect of reduced MWD supplies on IRWD, Figures 1a, 2a, and 3a show IRWD's estimated supplies in all of the 5-year increments (average and single and multiple dry years) under a short-term MWD allocation scenario whereby MWD declares a shortage stage under its WSAP, and a cutback is applied to IRWD's actual usage rather than its connected capacity. IRWD's evaluation of reduced MWD supplies to IRWD as shown in Figures 1a, 2a and 3a conservatively analyzes the effect of up to a MWD level 5 Regional Shortage Level. In February 2009, IRWD updated Section 15 of its Rules and Regulations – Water Conservation and Water Supply Shortage Program and also updated its Water Shortage Contingency Plan which is a supporting document for Section 15. Section 15 of the Rules and Regulations serves as IRWD's "conservation ordinance". As stated in IRWD's Water Shortage Contingency Plan, use of local supplies, storage and other supply augmentation measures can mitigate shortages, and are assumed to be in use to the maximum extent possible during declared shortage levels. On April 14, 2015, MWD approved the implementation of its WSAP at a level 3 Regional Shortage Level and an effective 15% reduction in regional deliveries effective July 1, 2015, through June 30, 2016. As a result of IRWD's diversified water supplies, IRWD is reliant on MWD for only 20% of its total supplies. IRWD's evaluation of reduced MWD supplies to IRWD as shown in Figures 1a, 2a and 3a for a MWD level 5 Regional Shortage Level would include MWD's 2015 actions to implement a level 3 Regional Shortage Level and 15% reduction.

Under shortage scenarios, IRWD may need to supplement supplies with production of groundwater, which can exceed the applicable basin production percentage on a short-term basis, providing additional reliability during dry years or emergencies.³ In addition, IRWD has developed water banking projects in Kern County, California which may be called upon for delivery of supplemental banked water to IRWD under a short-term MWD allocation.⁴ IRWD may also convert non-potable water uses to recycled water as a way to conserve potable water. In addition, if needed resultant net shortage levels can be addressed by demand reduction programs as described in IRWD's Water Shortage Contingency Plan.

Listed below are Figures provided comparing projected potable water supplies and demands in all of the five year increments, under a temporary MWD allocation scenario:

- Figure 1a: Normal Year Supply and Demand (MWD Allocated) – Potable Water
- Figure 2a: Single Dry-Year Supply and Demand (MWD Allocated) – Potable Water
- Figure 3a: Multiple Dry-Year Supply and Demand (MWD Allocated) – Potable Water

³ In these scenarios, it is anticipated that other water suppliers who produce water from the Orange County Basin will also experience cutbacks of imported supplies and will increase groundwater production and that Orange County Water District (OCWD) imported replenishment water may also be cutback. The OCWD's "2014-2015 Engineer's Report on the groundwater conditions, water supply and basin utilization" references a report (OCWD Report on Evaluation of Orange County Groundwater Basin Storage and Operational Strategy) which recommends a basin management strategy that provides general guidelines for annual basin refill or storage decrease based on the level of accumulated overdraft. It states, "Although it is considered to be generally acceptable to allow the basin to decline to 500,000 AF overdraft for brief periods due to severe drought conditions and lack of supplemental water...an accumulated overdraft of 100,000 AF best represents an optimal basin management target. This optimal target level provides sufficient storage space to accommodate anticipated recharge from a single wet year while also providing water in storage for at least 2 or 3 consecutive years of drought." MWD replenishment water is a supplemental source of recharge water and OCWD estimates other main supply sources for recharge are available.

⁴ IRWD has developed water banking projects (Water Bank) in Kern County, California and has entered into a 30-year water banking partnership with Rosedale-Rio Bravo Water Storage District (RRB) to operate IRWD's Strand Ranch portion of the Water Bank. The Water Bank can improve IRWD's water supply reliability by capturing lower cost water available during wet hydrologic periods for use during dry periods. The Water Bank can enhance IRWD's ability to respond to drought conditions and potential water supply interruptions.

It can be noted that IRWD's above approach is conservative, in that IRWD evaluates the effect of the 16% reduction through 2036 and shows the effect of current allocation scenarios in all of the five-year increments but MWD reports that it has made significant progress in other water resource categories such as transfers, groundwater storage and developing other local resources, and supplies will be available from these resources over the long-term.

Climate Change. The California Department of Water Resources ("DWR") released a report "Progress on Incorporating Climate Change into Management of California's Water Resources" (July 2006), considering the impacts of climate change on the State's water supply. DWR emphasizes that "the report represents an example of an impacts assessment based on four scenarios defining an expected range of potential climate change impacts." DWR's major goal is to extend the analysis for long-term water resource planning from "assessing impacts" to "assessing risk." The report presents directions for further work in incorporating climate change into the management of California's water resources. Emphasis is placed on associating probability estimates with potential climate change scenarios in order to provide policymakers with both ranges of impacts and the likelihoods associated with those impacts. DWR's report acknowledges "that all results presented in this report are preliminary, incorporate several assumptions, reflect a limited number of climate change scenarios, and do not address the likelihood of each scenario. Therefore, these results are not sufficient by themselves to make policy decisions."

In MWD's 2015 IRP Update, MWD recognizes there is a significant uncertainty in the negative impact of climate change on water supply reliability. MWD plans to hedge against supply and environmental uncertainties by implementing a long term plan that provides resource development to offset the risk. Some risks and uncertainty will be addressed by following the findings of MWD's 2015 IRP Update. For longer term risks, MWD established a Robust Decision Making (RDM) approach that can show how vulnerable the region's reliability is to the longer-term risks.

Per MWD's UWMP, MWD continues to incorporate current climate change science into its planning efforts. MWD's 2015 IRP Update incorporates evaluating a wider range of water management strategies and seeking robust and adaptive action plans that respond to uncertain conditions as they evolve over time, and that ultimately will perform adequately under a wide range of future conditions. MWD's 2015 IRP Update supports the MWD Board adopted principles on climate change by: 1) Supporting reasonable, economically viable, and technologically feasible management strategies for reducing impacts on water supply, 2) Supporting flexible "no regret" solutions that provide water supply and quality benefits while increasing the ability to manage future climate change impacts, and 3) Evaluating staff recommendations regarding climate change and water resources against the California Environmental Quality Act to avoid adverse effects on the environment. Potential climate change impacts on state, regional and local water supplies and relevant information for the Orange County hydrologic basin and Santa Ana Watershed have not been sufficiently developed at this time to permit IRWD to assess and quantify the effect of any such impact on its conclusions in the Assessment.

Catastrophic Supply Interruption Planning. MWD has developed Emergency Storage Requirements (MWD UWMP) to safeguard the region from catastrophic loss of water supply. MWD has made substantial investments in emergency storage and has based its planning on a 100% reduction in its supplies for a period of six months. The emergency plan outlines that under such a catastrophe, non-firm service deliveries would be suspended, and firm supplies would be restricted by a mandatory cutback of 25 percent from normal year

demand deliveries. In addition, MWD discusses DWR's investments in improvements on the SWP and the long term Delta plan in its UWMP (pages 3-19 to 3-22). IRWD has also addressed supply interruption planning in its WRMP and 2010 UWMP.

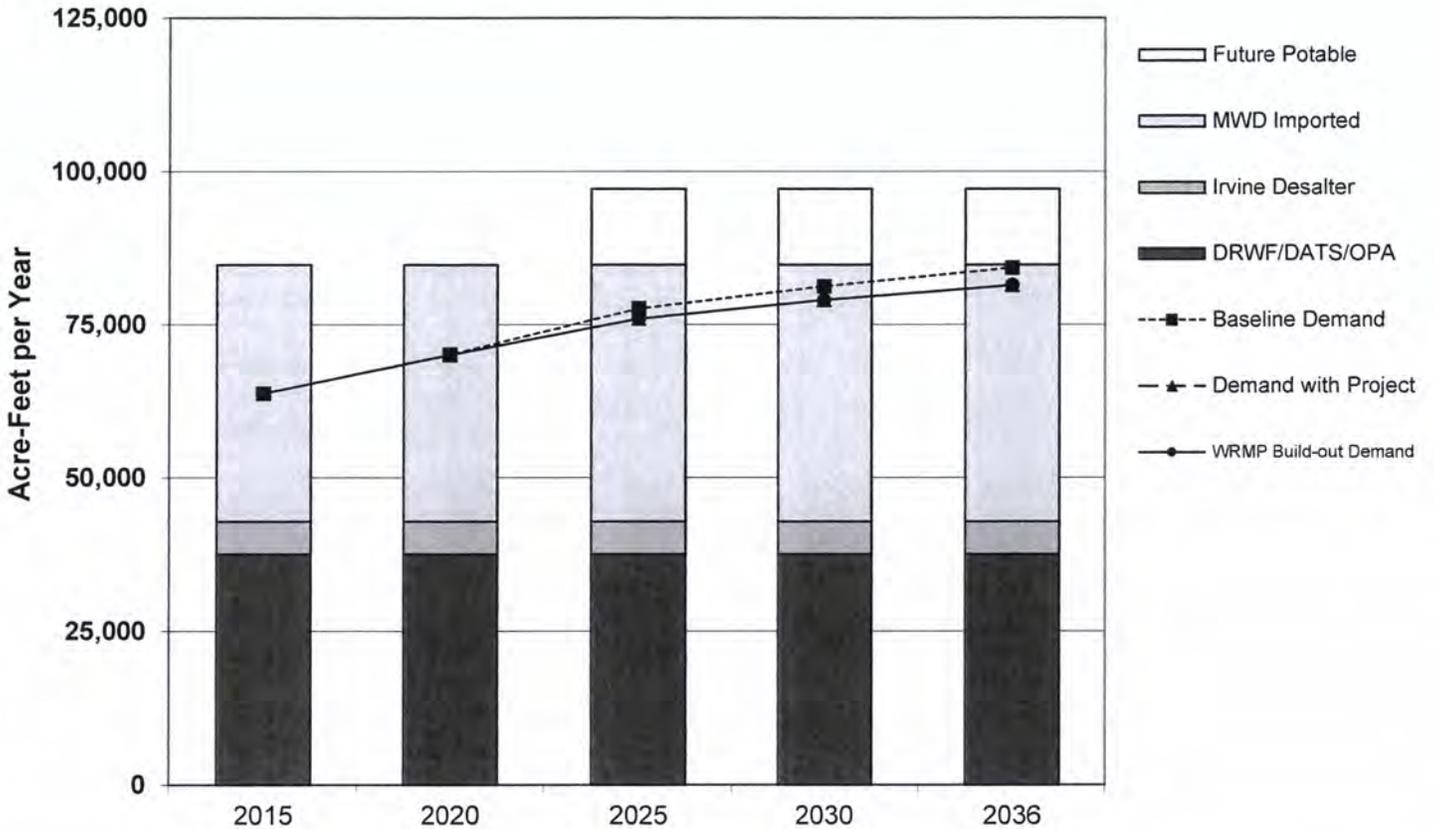
Recent Actions Related to Drought Conditions. In response to the historically dry conditions throughout the state of California, on April 1, 2015, Governor Brown issued an Executive Order directing the State Water Resources Control Board (SWRCB) to impose restrictions to achieve an aggregate statewide 25 percent reduction in potable water use through February 2016. The Governor's Order also includes mandatory actions aimed at reducing water demands, with a particular focus on outdoor water use. On May 5, 2015, the SWRCB adopted regulations which required that IRWD achieve a 16% reduction in potable water use from the 2013 levels. On November 13, 2015, Governor Brown issued an Executive Order directing the SWRCB to extend the 2015 Emergency Regulation through October 31, 2016 if drought conditions continued. On February 2, 2016, the SWRCB adopted an extended and modified Emergency Regulation. As a result of the modification, IRWD's mandated reduction was changed from 16% to 9% effective March 1, 2016. On April 14, 2015, MWD approved actions to implement the Water Supply Allocation Plan at a level 3 Regional Shortage Level and a 15% reduction in regional deliveries effective July 1, 2015, through June 30, 2016. IRWD has and will continue to implement actions to reduce potable water demands during the drought; however, this does not affect IRWD's long-term supply capability to meet the demands. As discussed under "IRWD's Evaluation of Effect of Reduced MWD Supplies to IRWD" (see above), IRWD has effectively analyzed an imported water supply reduction up to a level 5 Regional Shortage Stage in Figures 1a, 2a, 3a. These Figures do not reflect a reduction in demands thus representing a more conservative view of IRWD's supply capability. In particular, the reduction in demand mandated by Senate Bill 7 in 2010, requiring urban retail water suppliers to establish water use targets to achieve a 20% reduction in daily per capita water use by 2020, has not been factored into the demands in this analysis. Similarly, notwithstanding the Governor's order, IRWD's conservative supply-sufficiency analysis in Figures 1a, 2a and 3a does not include the ordered reduction in potable demands.

Detailed Assessment

1. **Supply and demand comparison**

Comparisons of IRWD's average annual and peak (maximum day) demands and supplies, under *baseline* (existing and committed demand, without the Project), *with-project* (baseline plus Project), and *full build-out* development projections, are shown in the following Figures 1-4 (potable water), Figures 5-8 (nonpotable water) and Figures 1a, 2a, and 3a (short term MWD allocation potable water). See also the "Recent Actions on Delta Pumping" above.

**Figure 1
IRWD Normal-Year Supply & Demand - Potable Water**



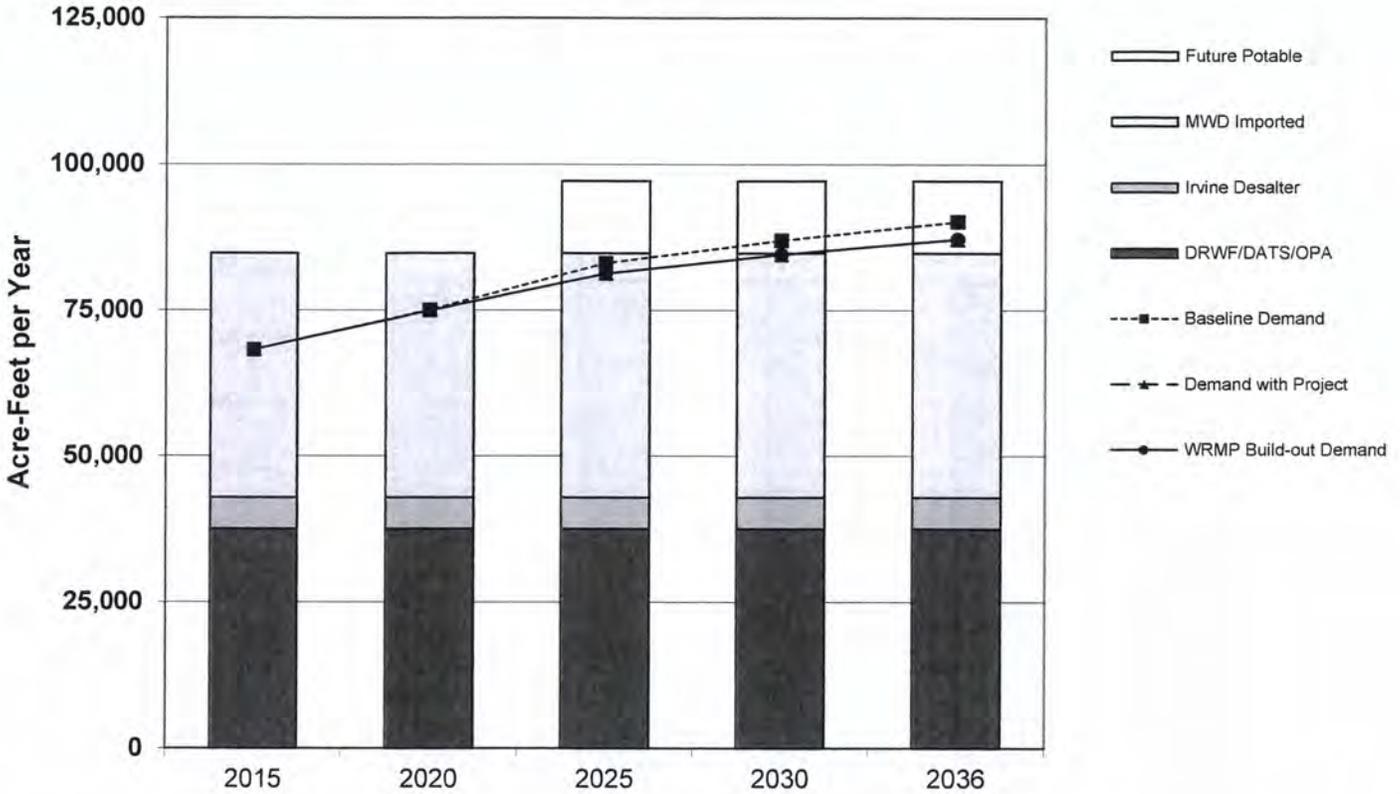
(in acre-feet per year)	2015	2020	2025	2030	2036
Current Potable Supplies					
MWD Imported (EOCF#2, AMP, OCF, Baker)	41,929	41,929	41,929	41,929	41,929
DRWF/DATS/OPA	37,533	37,533	37,533	37,533	37,533
Irvine Desalter	5,309	5,309	5,309	5,309	5,309
Wells 21 & 22	6,329	6,329	6,329	6,329	6,329
Baker Water Treatment Plant (native portion)	-	4,000	4,000	4,000	4,000
Supplies Under Development					
Future Potable	-	-	12,352	12,352	12,352
Maximum Supply Capability	91,100	95,100	107,452	107,452	107,452
Baseline Demand	63,753	70,137	77,635	81,261	84,276
Demand with Project	63,753	70,057	75,968	79,007	81,435
WRMP Build-out Demand	63,753	70,057	75,968	79,007	81,434
Reserve Supply with Project	27,347	25,043	31,484	28,445	26,017

Notes: By agreement, IRWD is required to count the production from the Irvine Subbasin in calculating available supplies for TIC developments (see Potable Supply-Groundwater).

MWD Imported Supplies are shown at 16% reduction off of average connected capacity.

Baker Water Treatment Plant will be supplied untreated imported water and native water from Irvine Lake.

**Figure 2
IRWD Single Dry-Year Supply & Demand - Potable Water**



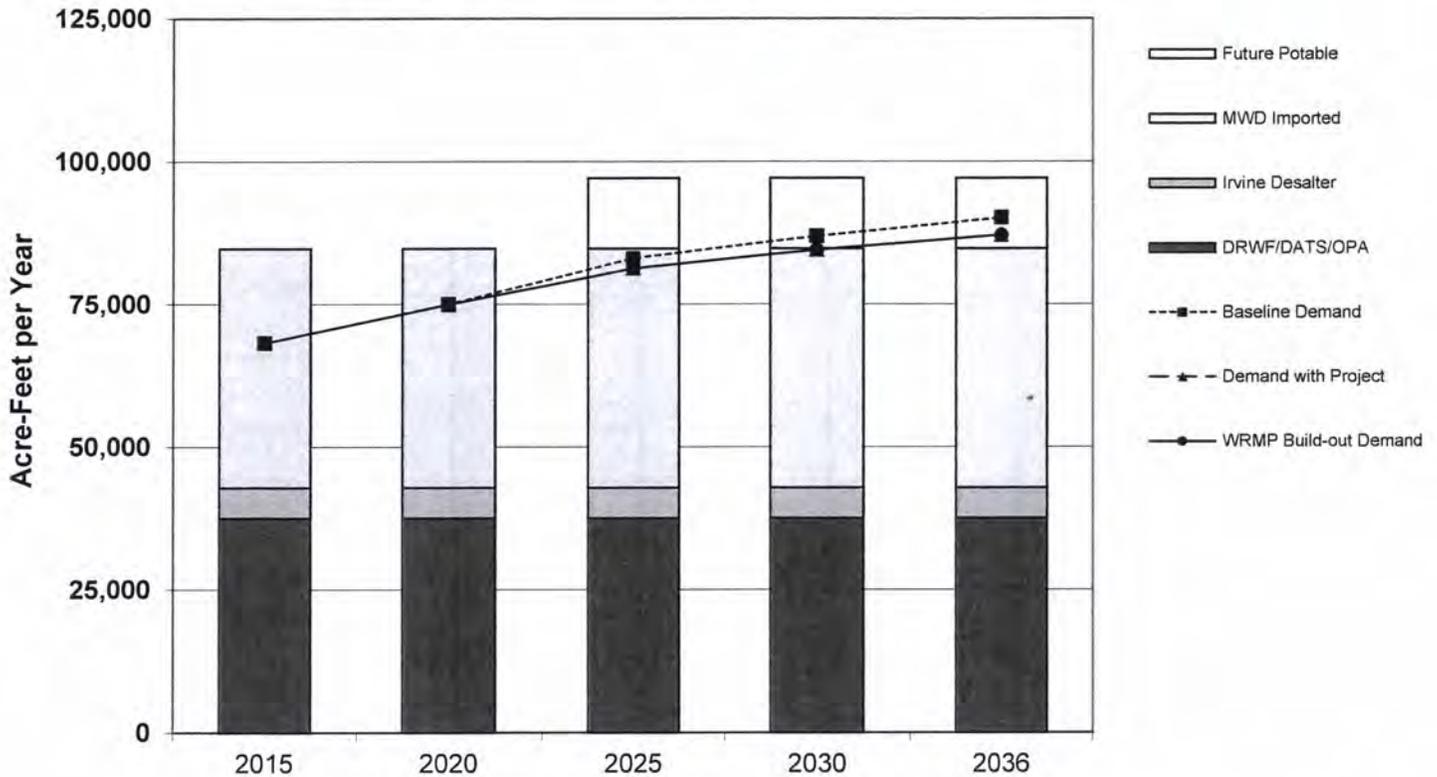
(in acre-feet per year)	2015	2020	2025	2030	2036
Current Potable Supplies					
MWD Imported (EOCF#2, AMP, OCF, Baker)	41,929	41,929	41,929	41,929	41,929
DRWF/DATS/OPA	37,533	37,533	37,533	37,533	37,533
Irvine Desalter	5,309	5,309	5,309	5,309	5,309
Wells 21 & 22	6,329	6,329	6,329	6,329	6,329
Baker Water Treatment Plant (native portion)	-	1,000	1,000	1,000	1,000
Supplies Under Development					
Future Potable	-	-	12,352	12,352	12,352
Maximum Supply Capability	91,100	92,100	104,452	104,452	104,452
Baseline Demand	68,216	75,047	83,069	86,950	90,175
Demand with Project	68,216	74,960	81,285	84,538	87,136
WRMP Build-out Demand	68,216	74,960	81,285	84,538	87,135
Reserve Supply with Project	22,884	17,139	23,167	19,914	17,317

Notes: Supplies identical to Normal-Year based on Metropolitan's Urban Water Management Plan and usage of groundwater under drought conditions (OCWD Master Plan). Demands increased 7% from Normal-Year. By agreement, IRWD is required to count the production from the Irvine Subbasin in calculating available supplies for TIC developments (see Potable Supply-Groundwater).

MWD Imported Supplies are shown at 16% reduction off of average connected capacity.

Baker Water Treatment Plant will be supplied untreated imported water and native water from Irvine Lake.

**Figure 3
IRWD Multiple Dry-Year Supply & Demand - Potable Water**



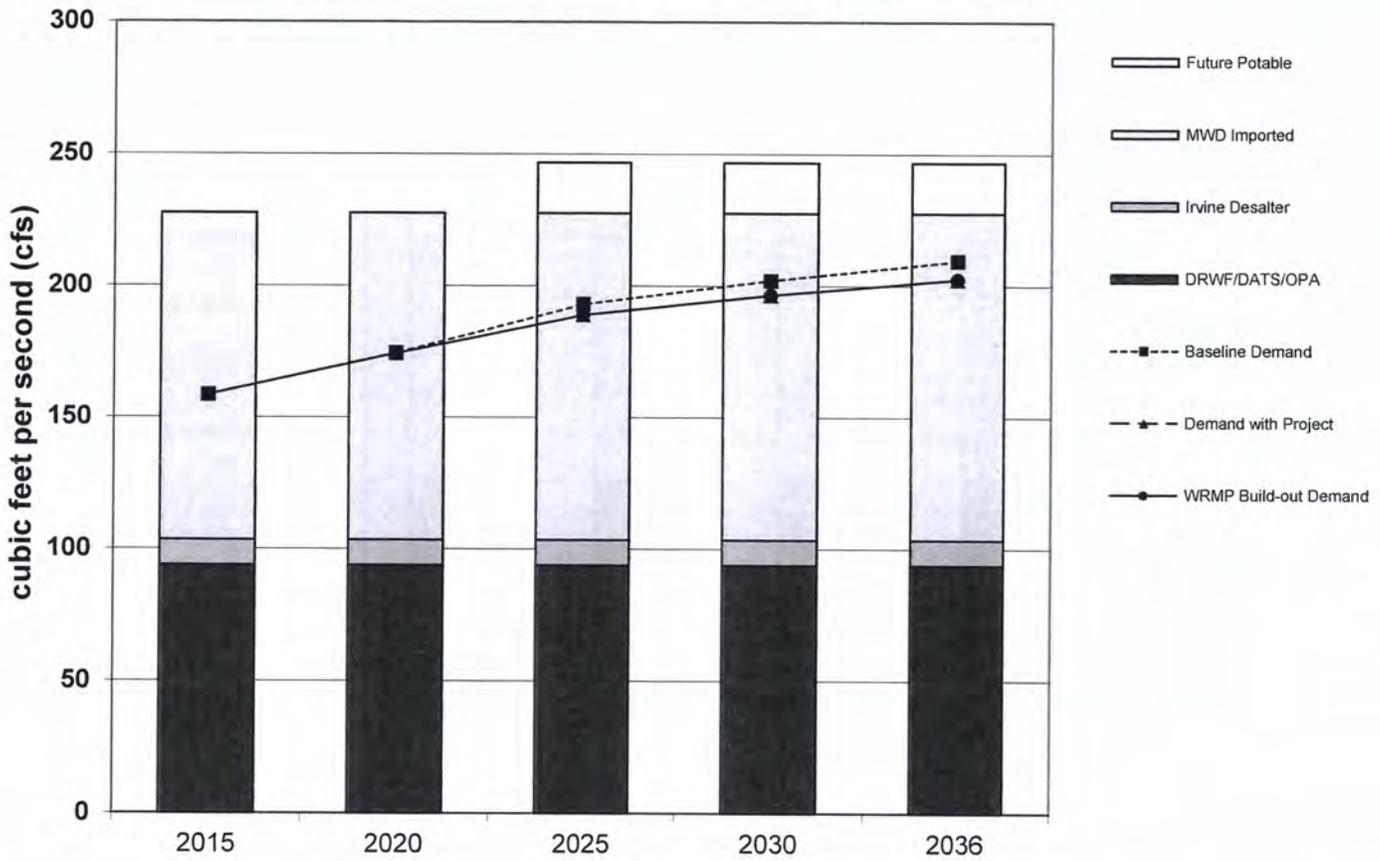
(in acre-feet per year)	2015	2020	2025	2030	2036
Current Potable Supplies					
MWD Imported (EOCF#2, AMP, OCF, B:	41,929	41,929	41,929	41,929	41,929
DRWF/DATS/OPA	37,533	37,533	37,533	37,533	37,533
Irvine Desalter	5,309	5,309	5,309	5,309	5,309
Wells 21 & 22	6,329	6,329	6,329	6,329	6,329
Baker Water Treatment Plant (native portic	-	1,000	1,000	1,000	1,000
Supplies Under Development					
Future Potable	-	-	12,352	12,352	12,352
Maximum Supply Capability	91,100	92,100	104,452	104,452	104,452
Baseline Demand	68,216	75,047	83,069	86,950	90,175
Demand with Project	68,216	74,960	81,285	84,538	87,136
WRMP Build-out Demand	68,216	74,960	81,285	84,538	87,135
Reserve Supply with Project	22,884	17,139	23,167	19,914	17,317

Notes: Supplies identical to Normal-Year based on Metropolitan's Urban Water Management Plan and usage of groundwater under drought conditions (OCWD Master Plan). Demands increased 7% from Normal-Year. By agreement, IRWD is required to count the production from the Irvine Subbasin in calculating available supplies for TIC developments (see Potable Supply-Groundwater).

MWD Imported Supplies are shown at 16% reduction off of average connected capacity.

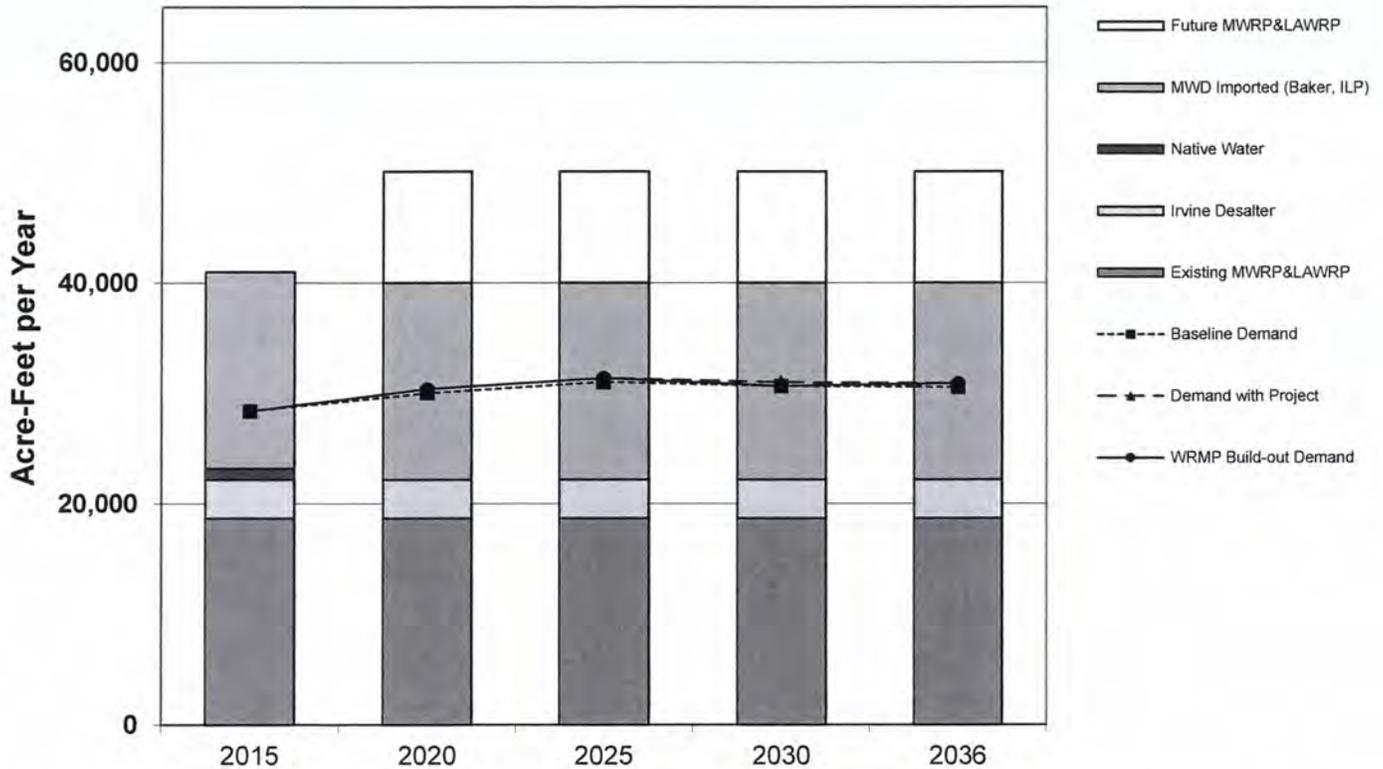
Baker Water Treatment Plant will be supplied untreated imported water and native water from Irvine Lake.

**Figure 4
IRWD Maximum-Day Supply & Demand - Potable Water**



(in cfs)	2015	2020	2025	2030	2036
Current Potable Supplies					
MWD Imported (EOCF#2, AMP, OCF, Baker)	124.1	124.1	124.1	124.1	124.1
DRWF/DATS/OPA	93.9	93.9	93.9	93.9	93.9
Irvine Desalter	9.5	9.5	9.5	9.5	9.5
Wells 21 & 22	10.9	10.9	10.9	10.9	10.9
Baker Water Treatment Plant	-	10.5	10.5	10.5	10.5
Supplies Under Development					
Future Potable	-	-	19.2	19.2	19.2
Maximum Supply Capability	238.4	248.9	268.1	268.1	268.1
Baseline Demand	158.5	174.4	193.0	202.0	209.5
Demand with Project	158.5	174.2	188.9	196.4	202.5
WRMP Build-out Demand	158.5	174.2	188.9	196.4	202.5
Reserve Supply with Project	79.9	74.7	79.2	71.7	65.6

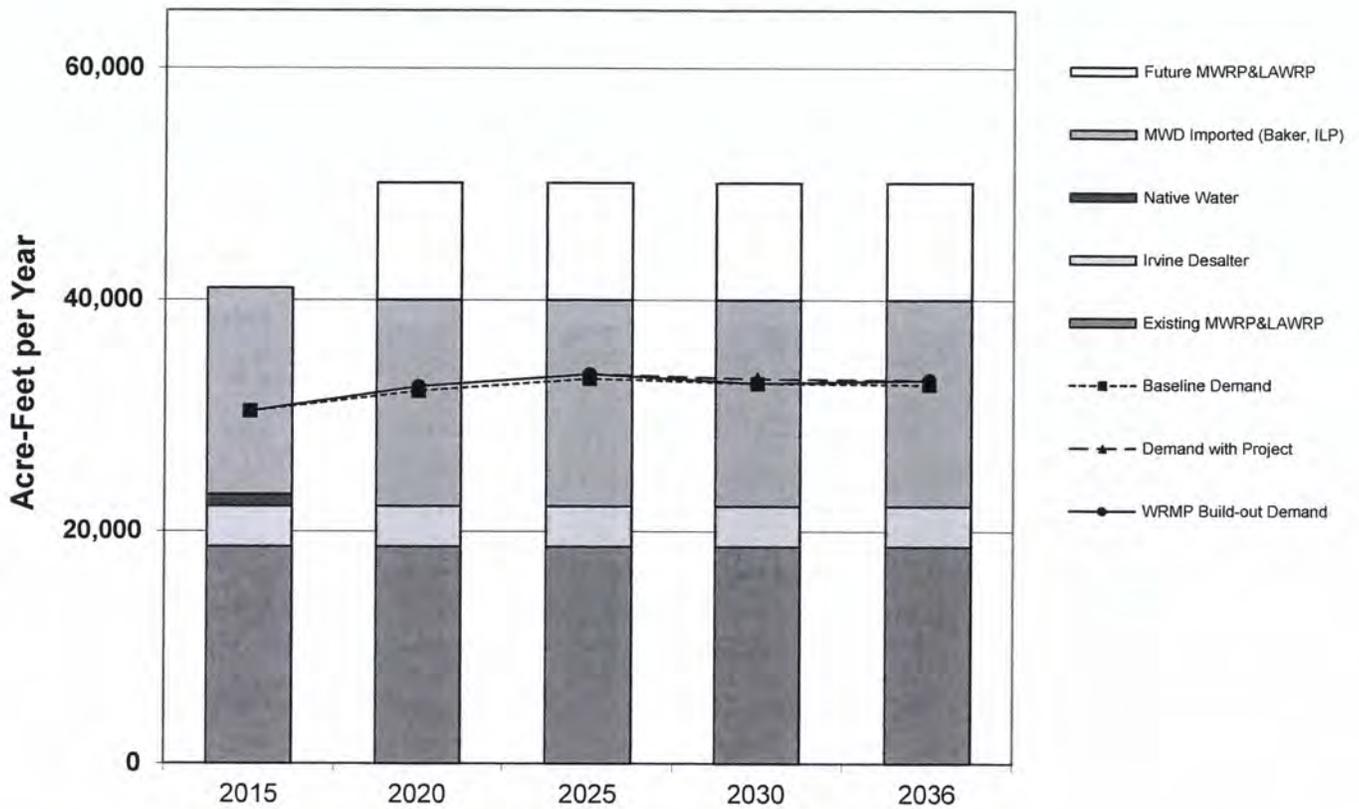
**Figure 5
IRWD Normal-Year Supply & Demand - Nonpotable Water**



(in acre-feet per year)	2015	2020	2025	2030	2036
Current Nonpotable Supplies					
Existing MWRP&LAWRP	18,657	18,657	18,657	18,657	18,657
Future MWRP&LAWRP	-	10,100	10,100	10,100	10,100
MWD Imported (Baker, ILP)	17,826	17,826	17,826	17,826	17,826
Irvine Desalter	3,514	3,514	3,514	3,514	3,514
Native Water	1,000	-	-	-	-
Maximum Supply Capability	40,997	50,097	50,097	50,097	50,097
Baseline Demand	28,381	30,013	31,010	30,625	30,540
Demand with Project	28,381	30,371	31,368	30,983	30,898
WRMP Build-out Demand	28,381	30,371	31,368	30,625	30,898
Reserve Supply with Project	12,616	19,726	18,728	19,472	19,199

Note: Downward trend reflects reduction in agricultural use over time.
 Native water will be treated to potable through the Baker Water Treatment Plant after 2016.
 MWD Imported Supplies are shown at 16% reduction off of average connected capacity.

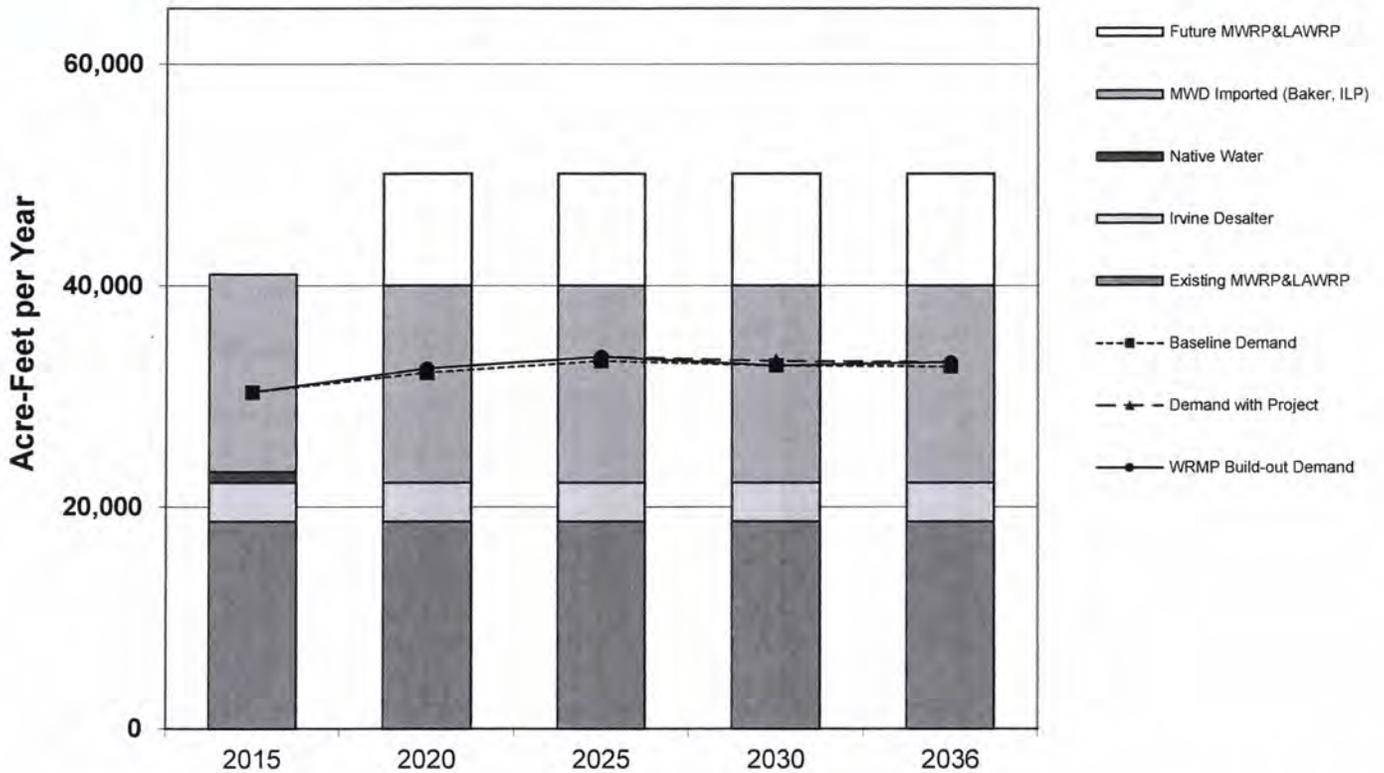
**Figure 6
IRWD Single Dry-Year Supply & Demand - Nonpotable Water**



(in acre-feet per year)	2015	2020	2025	2030	2036
<u>Current Nonpotable Supplies</u>					
Existing MWRP&LAWRP	18,657	18,657	18,657	18,657	18,657
Future MWRP&LAWRP	-	10,100	10,100	10,100	10,100
MWD Imported (Baker, ILP)	17,826	17,826	17,826	17,826	17,826
Irvine Desalter	3,514	3,514	3,514	3,514	3,514
Native Water	1,000	-	-	-	-
Maximum Supply Capability	40,997	50,097	50,097	50,097	50,097
Baseline Demand	30,368	32,114	33,181	32,769	32,677
Demand with Project	30,368	32,497	33,564	33,152	33,061
WRMP Build-out Demand	30,368	32,497	33,564	32,769	33,061
Reserve Supply with Project	10,629	17,600	16,533	16,945	17,036

Note: Downward trend reflects reduction in agricultural use over time.
 Native water will be treated to potable through the Baker Water Treatment Plant after 2016.
 MWD Imported Supplies are shown at 16% reduction off of average connected capacity.

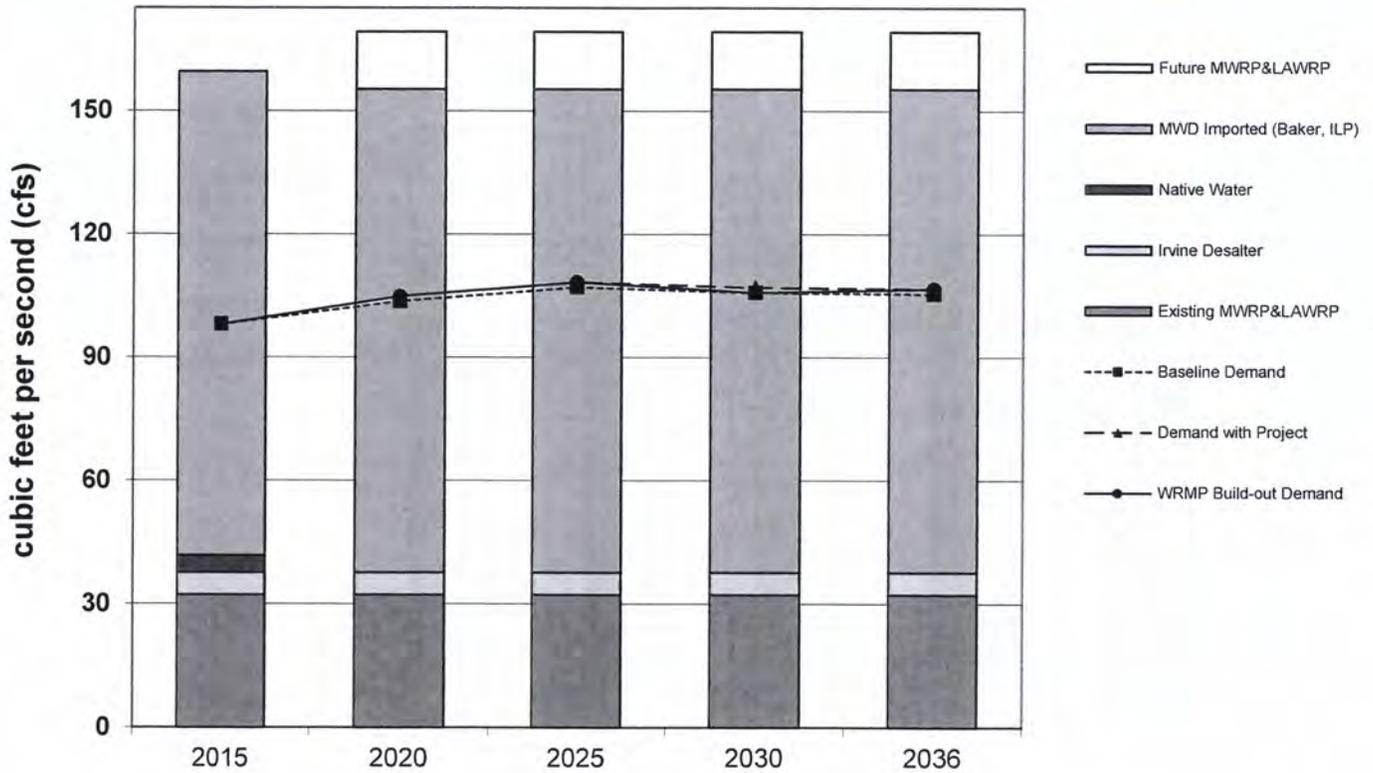
Figure 7
IRWD Multiple Dry-Year Supply & Demand - Nonpotable Water



(in acre-feet per year)	2015	2020	2025	2030	2036
<u>Current Nonpotable Supplies</u>					
Existing MWRP&LAWRP	18,657	18,657	18,657	18,657	18,657
Future MWRP&LAWRP	-	10,100	10,100	10,100	10,100
MWD Imported (Baker, ILP)	17,826	17,826	17,826	17,826	17,826
Irvine Desalter	3,514	3,514	3,514	3,514	3,514
Native Water	1,000	-	-	-	-
Maximum Supply Capability	40,997	51,097	50,097	50,097	50,097
Baseline Demand	30,215	31,870	32,838	32,415	31,988
Demand with Project	30,215	31,997	33,014	32,602	32,187
WRMP Build-out Demand	30,215	31,997	33,014	32,415	32,187
Reserve Supply with Project	10,781	19,100	17,083	17,495	17,910

Note: Downward trend reflects reduction in agricultural use over time.
 Native water will be treated to potable through the Baker Water Treatment Plant after 2016.
 MWD Imported Supplies are shown at 16% reduction off of average connected capacity.

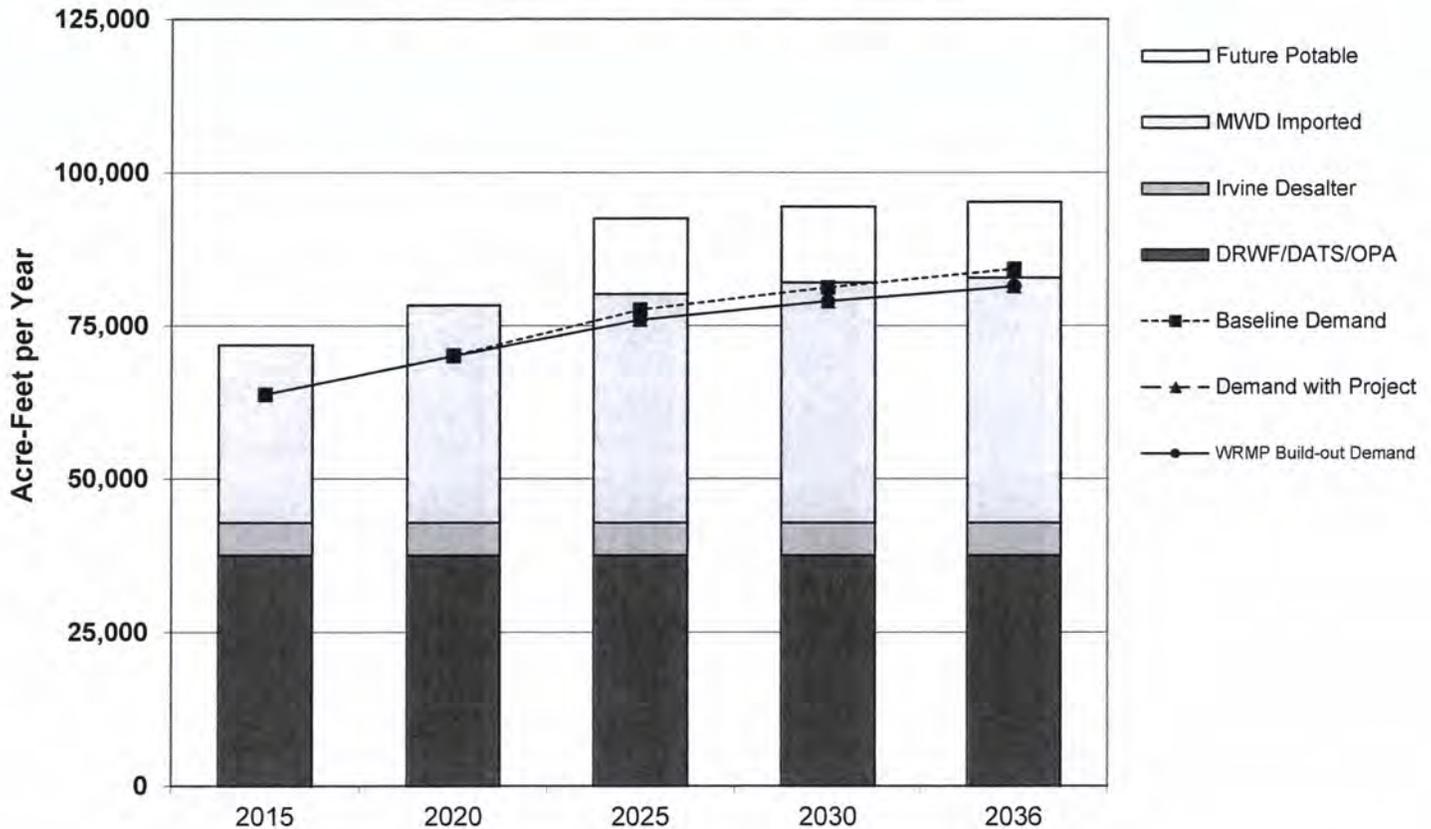
Figure 8
IRWD Maximum-Dry Supply & Demand - Nonpotable Water



(in cfs)	2015	2020	2025	2030	2036
Current Nonpotable Supplies					
Existing MWRP&LAWRP	32.2	32.2	32.2	32.2	32.2
Future MWRP&LAWRP	-	14.0	14.0	14.0	14.0
MWD Imported (Baker, ILP)	117.7	117.7	117.7	117.7	117.7
Irvine Desalter	5.4	5.4	5.4	5.4	5.4
Native Water	4.2	-	-	-	-
Maximum Supply Capability	159.5	169.2	169.2	169.2	169.2
Baseline Demand	98.0	103.6	107.1	105.8	105.5
Demand with Project	98.0	104.9	108.3	107.0	106.7
WRMP Build-out Demand	98.0	104.9	108.3	105.8	106.7
Reserve Supply with Project	61.5	64.4	60.9	63.5	62.5

Note: Downward trend reflects reduction in agricultural use over time.
 Native water will be treated to potable through the Baker Water Treatment Plant after 2016.

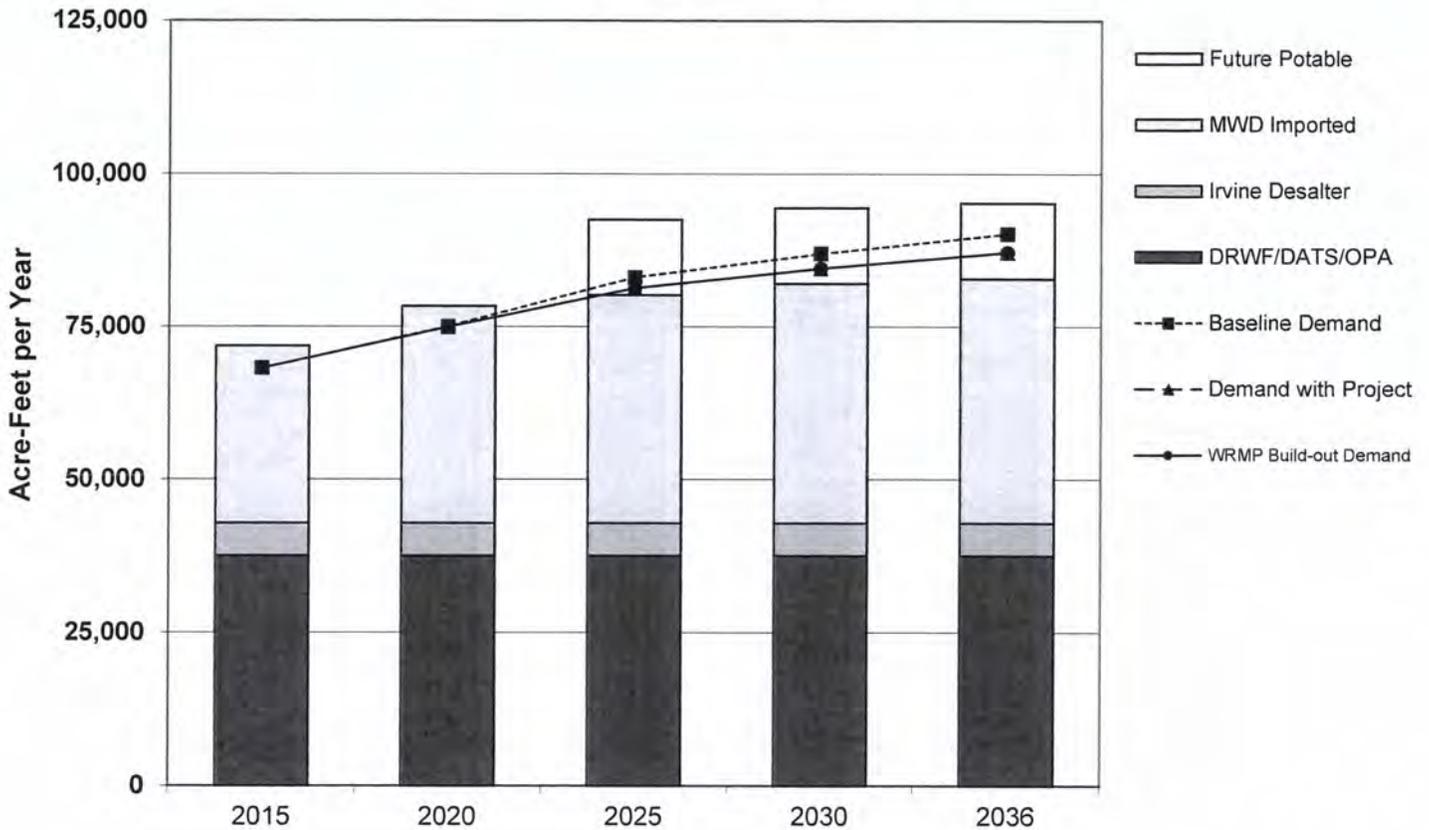
**Figure 1a
IRWD Normal-Year Supply & Demand - Potable Water
Under Temporary MWD Allocation***



(in acre-feet per year)	2015	2020	2025	2030	2036
Current Potable Supplies					
MWD Imported (EOCF#2, AMP, OCF, Baker)	29,000	35,500	37,311	39,214	40,002
DRWF/DATS/OPA	37,533	37,533	37,533	37,533	37,533
Irvine Desalter	5,309	5,309	5,309	5,309	5,309
Wells 21 & 22	6,329	6,329	6,329	6,329	6,329
Baker Water Treatment Plant (native portion)	-	1,000	1,000	1,000	1,000
Supplies Under Development					
Future Potable	-	-	12,352	12,352	12,352
Maximum Supply Capability	78,170	85,670	99,834	101,737	102,525
Baseline Demand	63,753	70,137	77,635	81,261	84,276
Demand with Project	63,753	70,057	75,968	79,007	81,435
WRMP Build-out Demand	63,753	70,057	75,968	79,007	81,435
Reserve Supply with Project	14,417	15,614	23,866	22,730	21,090

*For illustration purposes, IRWD has shown MWD Imported Supplies as estimated under a short-term allocation, Shortage Stage 3 in all of the 5-year increments. However, it is likely that such a scenario would only be temporary. Under a MWD Allocation, IRWD could supplement supplies with groundwater production which can exceed applicable basin percentages on a short-term basis or transfer water from IRWD's water bank. IRWD may also reduce demands by implementing shortage contingency measures as described in the UWMP. Under a MWD Allocation, the Baker WTP would be limited to available MWD and native water only.

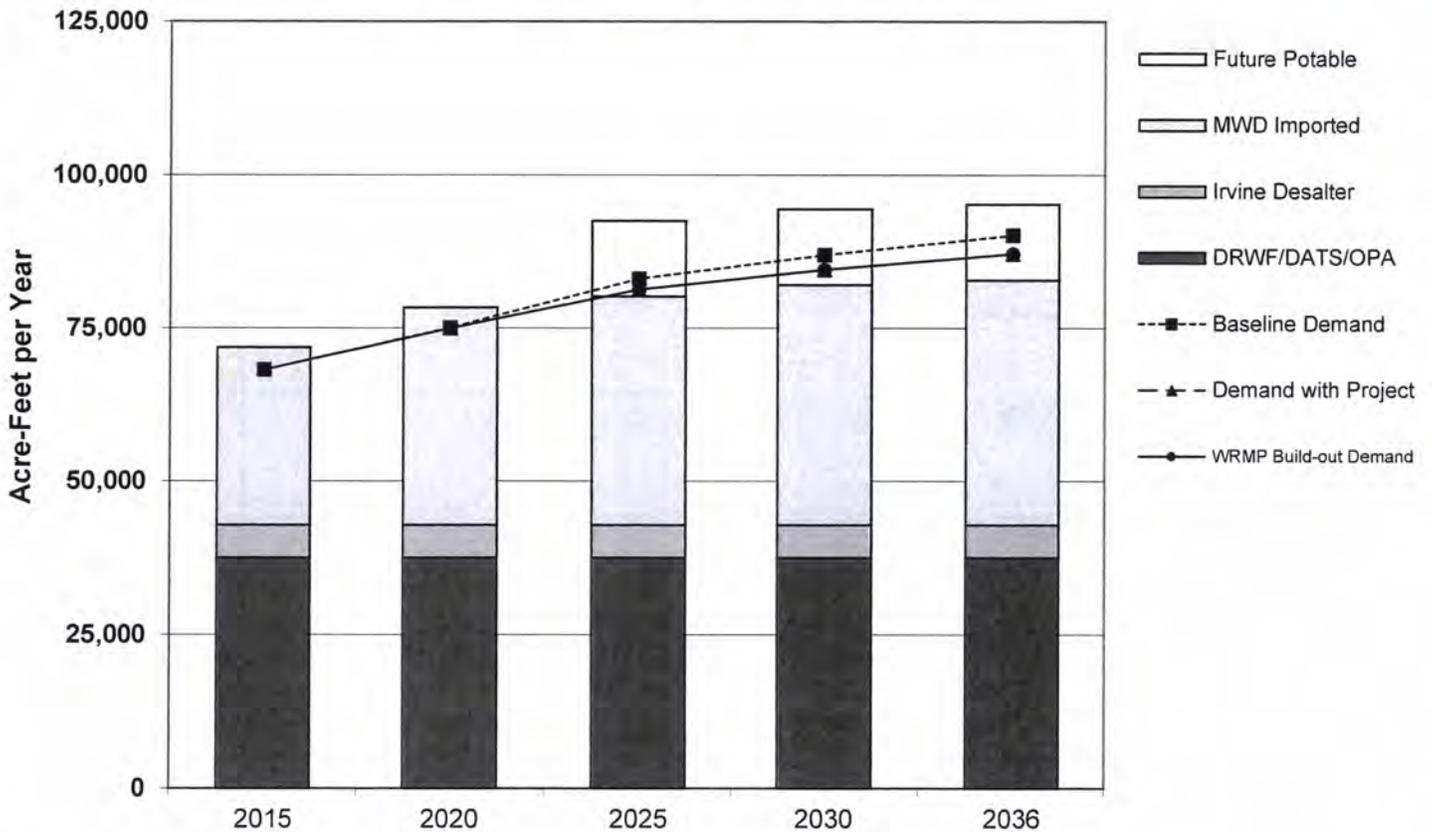
**Figure 2a
IRWD Single Dry-Year Supply & Demand - Potable Water
Under Temporary MWD Allocation***



(in acre-feet per year)	2015	2020	2025	2030	2036
Current Potable Supplies					
MWD Imported (EOCF#2, AMP, OCF, Baker)	29,000	35,500	37,311	39,214	40,002
DRWF/DATS/OPA	37,533	37,533	37,533	37,533	37,533
Irvine Desalter	5,309	5,309	5,309	5,309	5,309
Wells 21 & 22	6,329	6,329	6,329	6,329	6,329
Baker Water Treatment Plant (native portion)	-	1,000	1,000	1,000	1,000
Supplies Under Development					
Future Potable	-	-	12,352	12,352	12,352
Maximum Supply Capability	78,170	85,670	99,834	101,737	102,525
Baseline Demand	68,216	75,047	83,069	86,950	90,175
Demand with Project	68,216	74,960	81,285	84,538	87,136
WRMP Build-out Demand	68,216	74,960	81,285	84,538	87,136
Reserve Supply with Project	9,955	10,710	18,548	17,199	15,389

*For illustration purposes, IRWD has shown MWD Imported Supplies as estimated under a short-term allocation, Shortage Stage 3 in all of the 5-year increments. However, it is likely that such a scenario would only be temporary. Under a MWD Allocation, IRWD could supplement supplies with groundwater production which can exceed applicable basin percentages on a short-term basis or transfer water from IRWD's water bank. IRWD may also reduce demands by implementing shortage contingency measures as described in the UWMP. Under a MWD Allocation, the Baker WTP would be limited to available MWD and native water only.

**Figure 3a
IRWD Single Dry-Year Supply & Demand - Potable Water
Under Temporary MWD Allocation***



(in acre-feet per year)	2015	2020	2025	2030	2036
Current Potable Supplies					
MWD Imported (EOCF#2, AMP, OCF, Baker)	29,000	35,500	37,311	39,214	40,002
DRWF/DATS/OPA	37,533	37,533	37,533	37,533	37,533
Irvine Desalter	5,309	5,309	5,309	5,309	5,309
Wells 21 & 22	6,329	6,329	6,329	6,329	6,329
Baker Water Treatment Plant (native portion)	-	1,000	1,000	1,000	1,000
Supplies Under Development					
Future Potable	-	-	12,352	12,352	12,352
Maximum Supply Capability	78,170	85,670	99,834	101,737	102,525
Baseline Demand	68,216	75,047	83,069	86,950	90,175
Demand with Project	68,216	74,960	81,285	84,538	87,136
WRMP Build-out Demand	68,216	74,960	81,285	84,538	87,135
Reserve Supply with Project	9,955	10,710	18,548	17,199	15,389

*For illustration purposes, IRWD has shown MWD Imported Supplies as estimated under a short-term allocation, Shortage Stage 3 in all of the 5-year increments. However, it is likely that such a scenario would only be temporary. Under a MWD Allocation, IRWD could supplement supplies with groundwater production which can exceed applicable basin percentages on a short-term basis or transfer water from IRWD's water bank. IRWD may also reduce demands by implementing shortage contingency measures as described in the UWMP. Under a MWD Allocation, the Baker WTP would be limited to available MWD and native water only.

2. Information concerning supplies

(a)(1) Existing sources of identified water supply for the proposed project: IRWD does not allocate particular supplies to any project, but identifies total supplies for its service area, as updated in the following table:

	Max Day (cfs)	Avg. Annual (AFY)	Annual by Category (AFY)
Current Supplies			
Potable - Imported			
East Orange County Feeder No. 2	41.4	16,652	¹
Allen-McColloch Pipeline*	64.7	26,024	¹
Orange County Feeder	18.0	7,240	¹
	124.1	49,916	49,916
Potable - Treated Surface			
Baker Treatment Plant (includes imported and native)	10.5	6,858	⁶ 6,858
Potable - Groundwater			
Dyer Road Wellfield	80.0	28,000	²
OPA Well	1.4	914	
Deep Aquifer Treatment System-DATS	12.5	8,618	²
Wells 21 & 22	10.9	6,329	²
Irvine Desalter	9.5	5,309	³ 49,170
Total Potable Current Supplies	248.9		105,944
Nonpotable - Recycled Water			
MWRP (28 mgd)	37.3	26,970	⁴
LAWRP (5.5 mgd)	8.3	5,975	⁴
Future MWRP & LAWRP	6.7	4,820	⁵ 37,765
Nonpotable - Imported			
Baker Aqueduct	52.7	12,221	⁶
Irvine Lake Pipeline	65.0	9,000	⁷ 21,221
	117.7	21,221	21,221
Nonpotable - Groundwater			
Irvine Desalter-Nonpotable	5.4	3,514	⁸ 3,514
Nonpotable Native			
Irvine Lake (see Baker Treatment Plant above)	4.2	3,048	^{6,9} 3,048
Total Nonpotable Current Supplies	179.4		65,548
Total Combined Current Supplies	428.3		171,493
Supplies Under Development			
Potable Supplies			
Future Groundwater Production Facilities	19.2	12,352	12,352
Total Under Development	19.2	12,352	12,352
Total Supplies			
Potable Supplies	268.1		118,297
Nonpotable Supplies	179.4		65,548
Total Supplies (Current and Under Development)	447.5		183,845

1 Based on converting maximum day capacity to average by dividing the capacity by a peaking factor of 1.8 (see Footnote 5, page 24).

2 Contract amount - See Potable Supply-Groundwater(iii).

3 Contract amount - See Potable Supply-Groundwater (iv) and (v). Maximum day well capacity is compatible with contract amount.

4 MWRP 28.0 mgd treatment capacity (26,970 AFY RW production) and LAWRP 5.5 mgd tertiary treatment capacity (5,975 AFY)

5 Future estimated MWRP & LAWRP recycled water production.

6 After 2016, Baker Water Treatment Plant (WTP) will treat imported and native water. Baker Aqueduct capacity has been allocated to Baker WTP participants and IRWD will own 46.50 cfs in Baker Aqueduct after completion of Baker WTP, of which 10.5 cfs will be for potable treatment. IRWD will have 35 cfs remaining capacity for non-potable uses. The nonpotable average use is based on converting maximum day capacity to average by dividing the capacity by a peaking factor of 2.5 (see Footnote 9, page 27).

7 Based on IRWD's proportion of Irvine Lake imported water storage; Actual ILP capacity would allow the use of additional imported water from MWD through the Santiago Lateral.

8 Contract amount - See Nonpotable Supply-Groundwater (i) and (ii). Maximum day well capacity (cfs) is compatible with contract amount.

9 Based on 70+ years historical average of Santiago Creek Inflow into Irvine Lake. By 2020, native water will be treated through Baker WTP..

*64.7 cfs is current assigned capacity; based on increased peak flow, IRWD can purchase 10 cfs more (see page 24 (b)(1)(iii))

(b) Required information concerning currently available and under-development water supply entitlements, water rights and water service contracts:

(1) Written contracts or other proof of entitlement.^{5 6}

•POTABLE SUPPLY - IMPORTED⁷

Potable imported water service connections (currently available).

(i) Potable imported water is delivered to IRWD at various service connections to the imported water delivery system of The Metropolitan Water District of Southern California ("MWD"): service connections CM-01A and OC-7 (Orange County Feeder); CM-10, CM-12, OC-38, OC-39, OC-57, OC-58, OC-63 (East Orange County Feeder No. 2); and OC-68, OC-71, OC-72, OC-73/73A, OC-74, OC-75, OC-83, OC-84, OC-87 (Allen-McColloch Pipeline). IRWD's entitlements regarding service from the MWD delivery system facilities are described in the following paragraphs and summarized in the above Table ((2)(a)(1)). IRWD receives imported water service through Municipal Water District of Orange County ("MWDOC"), a member agency of MWD.

Allen-McColloch Pipeline ("AMP") (currently available).

(ii) Agreement For Sale and Purchase of Allen-McColloch Pipeline, dated as of July 1, 1994 (Metropolitan Water District Agreement No. 4623) ("AMP Sale Agreement"). Under the AMP Sale Agreement, MWD purchased the Allen-McColloch Pipeline (formerly known as the "Diemer Intertie") from MWDOC, the MWDOC Water Facilities Corporation and certain agencies, including IRWD and Los Alisos Water District ("LAWD"),⁸ identified as "Participants" therein. Section 5.02 of the AMP Sale Agreement obligates MWD to meet IRWD's and the other Participants' requests for deliveries and specified minimum hydraulic grade lines at each connection serving a Participant, subject to availability of water. MWD agrees to operate the AMP as any other MWD pipeline. MWD has the right to

⁵ In some instances, the contractual and other legal entitlements referred to in the following descriptions are stated in terms of flow capacities, in cubic feet per second ("cfs"). In such instances, the cfs flows are converted to volumes of AFY for purposes of analyzing supply sufficiency in this assessment, by dividing the capacity by a peaking factor of 1.8 (potable) or 2.5 (nonpotable), consistent with maximum day peaking factors used in the WRMP. The resulting reduction in assumed available annual AFY volumes through the application of these factors recognizes that connected capacity is provided to meet peak demands and that seasonal variation in demand and limitations in local storage prevent these capacities from being utilized at peak capacity on a year-round basis. However, the application of these factors produces a conservatively low estimate of annual AFY volumes from these connections; additional volumes of water are expected to be available from these sources.

⁶ In the following discussion, contractual and other legal entitlements are characterized as either potable or nonpotable, according to the characterization of the source of supply. Some of the nonpotable supplies surplus to nonpotable demand could potentially be rendered potable by the addition of treatment facilities; however, except where otherwise noted, IRWD has no current plans to do so.

⁷ See Imported Supply - Additional Information, below, for information concerning the availability of the MWD supply.

⁸ IRWD has succeeded to LAWD's interests in the AMP and other LAWD water supply facilities and rights mentioned in this assessment, by virtue of the consolidation of IRWD and LAWD on December 31, 2000.

operate the AMP on a "utility basis," meaning that MWD need not observe capacity allocations of the Participants but may use available capacity to meet demand at any service connection.

The AMP Sale Agreement obligates MWD to monitor and project AMP demands and to construct specified pump facilities or make other provision for augmenting MWD's capacity along the AMP, at MWD's expense, should that be necessary to meet demands of all of the Participants (Section 5.08).

(iii) Agreement For Allocation of Proceeds of Sale of Allen-McColloch Pipeline, dated as of July 1, 1994 ("AMP Allocation Agreement"). This agreement, entered into concurrently with the AMP Sale Agreement, provided each Participant, including IRWD, with a capacity allocation in the AMP, for the purpose of allocating the sale proceeds among the Participants in accordance with their prior contractual capacities adjusted to conform to their respective future demands. IRWD's capacity under the AMP Allocation Agreement (including its capacity as legal successor agency to LAWD) is 64.69 cfs at IRWD's first four AMP connections, 49.69 cfs at IRWD's next five downstream AMP connections and 35.01 and 10.00 cfs, respectively at IRWD's remaining two downstream connections. The AMP Allocation Agreement further provides that if a Participant's peak flow exceeds its capacity, the Participant shall "purchase" additional capacity from the other Participants who are using less than their capacity, until such time as MWD augments the capacity of the AMP. The foregoing notwithstanding, as mentioned in the preceding paragraph, the allocated capacities do not alter MWD's obligation under the AMP Sale Agreement to meet all Participants' demands along the AMP, and to augment the capacity of the AMP if necessary. Accordingly, under these agreements, IRWD can legally increase its use of the AMP beyond the above-stated capacities, but would be required to reimburse other Participants from a portion of the proceeds IRWD received from the sale of the AMP.

(iv) Improvement Subleases (or "FAP" Subleases) [MWDOC and LAWD; MWDOC and IRWD], dated August 1, 1989; 1996 Amended and Restated Allen-McColloch Pipeline Subleases [MWDOC and LAWD; MWDOC and IRWD], dated March 1, 1996. IRWD subleases its AMP capacity, including the capacity it acquired as successor to LAWD. To facilitate bond financing for the construction of the AMP, it was provided that the MWDOC Water Facilities Corporation, and subsequently MWDOC, would have ownership of the pipeline, and the Participants would be sublessees. As is the case with the AMP Sale Agreement, the subleases similarly provide that water is subject to availability.

East Orange County Feeder No. 2 ("EOCF#2") (currently available).

(v) Agreement For Joint Exercise of Powers For Construction, Operation and Maintenance of East Orange County Feeder No. 2, dated July 11, 1961, as amended on July 25, 1962 and April 26, 1965; Agreement Re Capacity Rights In Proposed Water Line, dated September 11, 1961 ("IRWD MWDOC Assignment Agreement"); Agreement Regarding Capacity Rights In the East Orange County Feeder No. 2, dated August 28, 2000 ("IRWD Coastal Assignment Agreement"). East Orange County Feeder No. 2 ("EOCF#2"), a feeder linking Orange County with MWD's feeder system, was constructed pursuant to a joint powers agreement among MWDOC (then called Orange County Municipal Water

District), MWD, Coastal Municipal Water District ("Coastal"), Anaheim and Santa Ana. A portion of IRWD's territory is within MWDOC and the remainder is within the former Coastal (which was consolidated with MWDOC in 2001). Under the IRWD MWDOC Assignment Agreement, MWDOC assigned 41 cfs of capacity to IRWD in the reaches of EOCF#2 upstream of the point known as Coastal Junction (reaches 1 through 3), and 27 cfs in reach 4, downstream of Coastal Junction. Similarly, under the IRWD Coastal Assignment Agreement, prior to Coastal's consolidation with MWDOC, Coastal assigned to IRWD 0.4 cfs of capacity in reaches 1 through 3 and 0.6 cfs in reach 4 of EOCF#2. Delivery of water through EOCF#2 is subject to the rules and regulations of MWD and MWDOC, and is further subject to application and agreement of IRWD respecting turnouts.

Orange County Feeder (currently available)

(vi) Agreement, dated March 13, 1956. This 1956 Agreement between MWDOC's predecessor district and the Santa Ana Heights Water Company ("SAHWC") provides for delivery of MWD imported supply to the former SAHWC service area. SAHWC's interests were acquired on behalf of IRWD through a stock purchase and IRWD annexation of the SAHWC service area in 1997. The supply is delivered through a connection to MWD's Orange County Feeder designated as OC-7.

(vii) Agreement For Transfer of Interest In Pacific Coast Highway Water Transmission and Storage Facilities From The Irvine Company To the Irvine Ranch Water District, dated April 23, 1984; Joint Powers Agreement For the Construction, Operation and Maintenance of Sections 1a, 1b and 2 of the Coast Supply Line, dated June 9, 1989; Agreement, dated January 13, 1955 ("1955 Agreement"). The jointly constructed facility known as the Coast Supply Line ("CSL"), extending southward from a connection with MWD's Orange County Feeder at Fernleaf Street in Newport Beach, was originally constructed pursuant to a 1952 agreement among Laguna Beach County Water District ("LBCWD"), The Irvine Company (TIC) and South Coast County Water District. Portions were later reconstructed. Under the above-referenced transfer agreement in 1984, IRWD succeeded to TIC's interests in the CSL. The CSL is presently operated under the above-referenced 1989 joint powers agreement, which reflects IRWD's ownership of 10 cfs of capacity. The 1989 agreement obligates LBCWD, as the managing agent and trustee for the CSL, to purchase water and deliver it into the CSL for IRWD. LBCWD purchases such supply, delivered by MWD to the Fernleaf connection, pursuant to the 1955 Agreement with Coastal (now MWDOC).

Baker Water Treatment Plant (currently available)

IRWD is currently constructing the Baker Water Treatment Plant (Baker WTP) in partnership with El Toro Water District, Moulton-Niguel Water District, Santa Margarita Water District and Trabuco Canyon Water District. The Baker WTP will be supplied with untreated imported water from MWD and native Irvine Lake water supply. IRWD will own 10.5 cfs of treatment capacity rights in the Baker WTP.⁹

•**POTABLE SUPPLY - GROUNDWATER**

(i) Orange County Water District Act, Water Code App., Ch. 40 ("Act"). IRWD is an operator of groundwater-producing facilities in the Orange County Groundwater Basin (the "Basin"). Although the rights of the producers within the Basin vis a vis one another have not been adjudicated, they nevertheless exist and have not been abrogated by the Act (§40-77). The rights consist of municipal appropriators' rights and may include overlying and riparian rights. The Basin is managed by OCWD under the Act, which functions as a statutorily-imposed physical solution. The Act empowers OCWD to impose replenishment assessments and basin equity assessments on production and to require registration of water-producing facilities and the filing of certain reports; however, OCWD is expressly prohibited from limiting extraction unless a producer agrees (§ 40-2(6) (c)) and from impairing vested rights to the use of water (§ 40-77). Thus, producers may install and operate production facilities under the Act; OCWD approval is not required. OCWD is required to annually investigate the condition of the Basin, assess overdraft and accumulated overdraft, and determine the amount of water necessary for replenishment (§40-26). OCWD has studied the Basin replenishment needs and potential projects to address growth in demand through 2035 in its Final Draft Long-Term Facilities Plan (January, 2006), last updated November 19, 2014. The Long-Term Facilities Plan is updated approximately every five years.

(ii) *Irvine Ranch Water District v. Orange County Water District*, OCSC No. 795827. A portion of IRWD is outside the jurisdictional boundary of OCWD. IRWD is eligible to annex the Santa Ana River Watershed portion of this territory to OCWD, under OCWD's current annexation policy (Resolution No. 86-2-15, adopted on February 19, 1986 and reaffirmed on June 2, 1999), and anticipates doing so. However, this September 29, 1998, Superior Court ruling indicates that IRWD is entitled to deliver groundwater from the Basin to the IRWD service area irrespective of whether such area is also within OCWD.

Dyer Road Wellfield (DWRf) / Deep Aquifer Treatment System (DATS) (currently available)

(iii) Agreement For Water Production and Transmission Facilities, dated March 18, 1981, as amended May 2, 1984, September 19, 1990 and November 3, 1999

⁹ The Baker WTP shall be supplied nonpotable imported water through the existing Baker Pipeline. IRWD's existing Baker Pipeline capacity (see Section 2(b)(1) NONPOTABLE SUPPLY – IMPORTED) shall be apportioned to the Baker WTP participants based on Baker WTP capacity ownership, and IRWD shall retain 10.5 cfs of pipeline capacity through the Baker WTP for potable supply and shall retain 36 cfs in Reach 1U of the Baker Pipeline capacity for nonpotable supply.

(the "DRWF Agreement"). The DRWF Agreement, among IRWD, OCWD and Santa Ana, concerns the development of IRWD's Dyer Road Wellfield ("DRWF"), within the Basin. The DRWF consists of 16 wells pumping from the non-colored water zone of the Basin and 2 wells (with colored-water treatment facilities) pumping from the deep, colored-water zone of the Basin (the colored-water portion of the DRWF is sometimes referred to as the Deep Aquifer Treatment System or "DATS".) Under the DRWF Agreement, an "equivalent" basin production percentage (BPP) has been established for the DRWF, currently 28,000 AFY of non-colored water and 8,000 AFY of colored water, provided any amount of the latter 8,000 AFY not produced results in a matching reduction of the 28,000 AFY BPP. Although typically IRWD production from the DRWF does not materially exceed the equivalent BPP, the equivalent BPP is not an extraction limitation; it results in imposition of monetary assessments on the excess production. The DRWF Agreement also establishes monthly pumping amounts for the DRWF. With the addition of the Concentrated Treatment System (CATS), IRWD has increased the yield of DATS.

Irvine Subbasin / Irvine Desalter (currently available)

(iv) First Amended and Restated Agreement, dated March 11, 2002, as amended June 15, 2006, restating May 5, 1988 agreement ("Irvine Subbasin Agreement"). TIC has historically pumped agricultural water from the Irvine Subbasin. (As in the rest of the Basin of which this subbasin is a part, the groundwater rights have not been adjudicated, and OCWD provides governance and management under the Act.) The 1988 agreement between IRWD and TIC provided for the joint use and management of the Irvine Subbasin. The 1988 agreement further provided that the 13,000 AFY annual yield of the Irvine Subbasin would be allocated 1,000 AFY to IRWD and 12,000 AFY to TIC. Under the restated Irvine Subbasin Agreement, the foregoing allocations were superseded as a result of TIC's commencement of the building its Northern Sphere Area project, with the effect that the Subbasin production capability, wells and other facilities, and associated rights have been transferred from TIC to IRWD, and IRWD has assumed the production from the Subbasin. In consideration of the transfer, IRWD is required to count the supplies attributable to the transferred Subbasin production in calculating available supplies for the Northern Sphere Area project and other TIC development and has agreed that they will not be counted toward non-TIC development.

A portion of the existing Subbasin water production facilities produce water which is of potable quality. IRWD could treat some of the water produced from the Subbasin for potable use, by means of the Desalter and other projects. Although, as noted above, the Subbasin has not been adjudicated and is managed by OCWD, TIC reserved water rights from conveyances of its lands as development over the Subbasin has occurred, and under the Irvine Subbasin Agreement TIC has transferred its rights to IRWD.

(v) Second Amended and Restated Agreement Between Orange County Water District and Irvine Ranch Water District Regarding the Irvine Desalter Project, dated June 11, 2001, and other agreements referenced therein. This agreement provides for the extraction and treatment of subpotable groundwater from the Irvine Subbasin, a portion of the Basin. As is the case with the remainder of the Basin, IRWD's entitlement to extract this water is not adjudicated, but the use of

the entitlement is governed by the OCWD Act. (See also, discussion of Irvine Subbasin in the preceding paragraph.) A portion of the product water has been delivered into the IRWD potable system, and the remainder has been delivered into the IRWD nonpotable system.

Orange Park Acres (currently available)

On June 1, 2008, through annexation and merger, IRWD acquired the water system of the former Orange Park Acres Mutual Water company, including well [OPA Well]. The well is operated within the Orange County Groundwater Basin.

Wells 21 and 22 (currently available)

IRWD completed construction of treatment facilities, pipelines and wellhead facilities for Wells 21 and 22. Water supplied through this project became available in 2013. The wells are operated within the Orange County Groundwater Basin.

Irvine Wells (under development)

(vi) IRWD is pursuing the installation of production facilities in the west Irvine, Tustin Legacy and Tustin Ranch portions of the Basin. These groundwater supplies are considered to be under development; however, four wells have been drilled and have previously produced groundwater, three wells have been drilled but have not been used as production wells to date, a site for an additional well and treatment facility has been acquired by IRWD. The production facilities can be constructed and operated under the Act; no statutory or contractual approval is required to do so. Appropriate environmental review would be conducted for each facility. See discussion of the Act under Potable Supply - Groundwater, paragraph (i), above.

• **NONPOTABLE SUPPLY - RECYCLED**

Water Recycling Plants (currently available)

Water Code Section 1210. IRWD supplies its own recycled water from wastewater collected by IRWD and delivered to IRWD's Michelson Water Recycling Plant (MWRP) and Los Alisos Water Recycling Plant (LAWRP). MWRP currently has a permitted tertiary capacity of 18 million gallons per day (MGD) and LAWRP currently has a permitted tertiary capacity of 5.5 MGD. Water Code Section 1210 provides that the owner of a wastewater treatment plant operated for the purposes of treating wastes from a sanitary sewer system holds the exclusive right to the treated effluent as against anyone who has supplied the water discharged into the sewer system. IRWD's permits for the operation of MWRP and LAWRP allow only irrigation and other customer uses of recycled water, and do not permit stream discharge of recycled water; thus, no issue of downstream appropriation arises, and IRWD is entitled to deliver all of the effluent to meet contractual and customer demands.

Water Reclamation Plant Expansion (currently available)

IRWD completed construction of the Michelson Water Reclamation Plant Phase 2 Capacity Expansion Project to tertiary capacity of 28 MGD. With this expansion, IRWD increased its tertiary treatment capacity on the existing MWRP site to produce sufficient recycled water to meet the projected demand in the year 2036. Additional reclamation capacity will augment local nonpotable supplies and improve reliability.

•**NONPOTABLE SUPPLY - IMPORTED**¹⁰

Baker Pipeline (currently available)

Santiago Aqueduct Commission Joint Powers Agreement, dated September 11, 1961, as amended December 20, 1974, January 13, 1978, November 1, 1978, September 1, 1981, October 22, 1986, and July 8, 1999 (the "SAC Agreement"); Agreement Between Irvine Ranch Water District and Carma-Whiting Joint Venture Relative to Proposed Annexation of Certain Property to Irvine Ranch Water District, dated May 26, 1981 (the "Whiting Annexation Agreement"). Service connections OC-13/13A, OC-33/33A. The imported untreated water pipeline initially known as the Santiago Aqueduct and now known as the Baker Pipeline was constructed under the SAC Agreement, a joint powers agreement. The Baker Pipeline is connected to MWD's Santiago Lateral. IRWD's capacity in the Baker Pipeline includes the capacity it subleases as successor to LAWD, as well as capacity rights IRWD acquired through the Whiting Annexation Agreement. (To finance the construction of AMP parallel untreated reaches which were incorporated into the Baker Pipeline, replacing original SAC untreated reaches that were made a part of the AMP potable system, it was provided that the MWDOC Water Facilities Corporation, and subsequently MWDOC, would have ownership, and the participants would be sublessees.) IRWD's original capacities in the Baker Pipeline include 52.70 cfs in the first reach, 12.50 cfs in each of the second, third and fourth reaches and 7.51 cfs in the fifth reach of the Baker Pipeline. These existing Baker Pipeline capacities have been apportioned to the Baker WTP participants based on Baker WTP capacity ownership. IRWD retains 10.5 cfs of the pipeline capacity for potable supply through the Baker WTP and retains 36 cfs in Reach 1U of the Baker Pipeline capacity for nonpotable supply (See also footnote 10, page 27). Water is subject to availability from MWD.

•**NONPOTABLE SUPPLY - NATIVE**

Irvine Lake (currently available)

(i) Permit For Diversion and Use of Water (Permit No. 19306) issued pursuant to Application No. 27503; License For Diversion and Use of Water (License 2347) resulting from Application No. 4302 and Permit No. 3238; License For Diversion

¹⁰ See Imported Supply - Additional Information, below, for information concerning the availability of the MWD supply.

and Use of Water (License 2348) resulting from Application No. 9005 and Permit No. 5202. The foregoing permit and licenses, jointly held by IRWD (as successor to The Irvine Company (TIC) and Carpenter Irrigation District (CID)) and Serrano Water District (SWD), secure appropriate rights to the flows of Santiago Creek. Under Licenses 2347 and 2348, IRWD and SWD have the right to diversion by storage at Santiago Dam (Irvine Lake) and a submerged dam, of a total of 25,000 AFY. Under Permit No. 19306, IRWD and SWD have the right to diversion by storage of an additional 3,000 AFY by flashboards at Santiago Dam (Irvine Lake). (Rights under Permit No. 19306 may be junior to an OCWD permit to divert up to 35,000 AFY of Santiago Creek flows to spreading pits downstream of Santiago Dam.) The combined total of native water that may be diverted to storage under these licenses and permit is 28,000 AFY. A 1996 amendment to License Nos. 2347, 2348 and 2349 [replaced by Permit No. 19306 in 1984] limits the withdrawal of water from the Lake to 15,483 AFY under the licenses. This limitation specifically references the licenses and doesn't reference water stored pursuant to other legal entitlements. The use and allocation of the native water is governed by the agreements described in the next paragraph.

(ii) Agreement, dated February 6, 1928 ("1928 Agreement"); Agreement, dated May 15, 1956, as amended November 12, 1973 ("1956 Agreement"); Agreement, dated as of December 21, 1970 ("1970 Agreement"); Agreement Between Irvine Ranch Water District and The Irvine Company Relative to Irvine Lake and the Acquisition of Water Rights In and To Santiago Creek, As Well As Additional Storage Capacity in Irvine Lake, dated as of May 31, 1974 ("1974 Agreement"). The 1928 Agreement was entered into among SWD, CID and TIC, providing for the use and allocation of native water in Irvine Lake. Through the 1970 Agreement and the 1974 Agreement, IRWD acquired the interests of CID and TIC, leaving IRWD and SWD as the two co-owners. TIC retains certain reserved rights. The 1928 Agreement divides the stored native water by a formula which allocates to IRWD one-half of the first 1,000 AF, plus increments that generally yield three-fourths of the amount over 1,000 AF.¹¹ The agreements also provide for evaporation and spill losses and carryover water remaining in the Lake at the annual allocation dates. Given the dependence of native water on rainfall, for purposes of this assessment only a small portion of IRWD's share of the 28,000 AFY of native water rights (4,000 AFY in normal years and 1,000 AFY in single and multiple-dry years) is shown in currently available supplies, based on averaging of historical data. However, IRWD's ability to supplement Irvine Lake storage with its imported untreated water supplies, described herein, offsets the uncertainty associated with the native water supply.

•NONPOTABLE SUPPLY - GROUNDWATER

Irvine Subbasin / Irvine Desalter (currently available)

(i) IRWD's entitlement to produce nonpotable water from the Irvine Subbasin is included within the Irvine Subbasin Agreement. See discussion of the Irvine

¹¹ The 1956 Agreement provides for facilities to deliver MWD imported water into the Lake, and grants storage capacity for the imported water. By succession, IRWD owns 9,000 AFY of this 12,000 AFY imported water storage capacity. This storage capacity does not affect availability of the imported supply, which can be either stored or delivered for direct use by customers.

Subbasin Agreement under Potable Supply - Groundwater; paragraph (iv), above.

(ii) See discussion of the Irvine Desalter project under Potable Supply - Groundwater, paragraph (v), above. The Irvine Desalter project will produce nonpotable as well as potable water.

• IMPORTED SUPPLY - ADDITIONAL INFORMATION

As described above, the imported supply from MWD is contractually subject to availability. To assist local water providers in assessing the adequacy of local water supplies that are reliant in whole or in part on MWD's imported supply; MWD has provided information concerning the availability of the supplies to its entire service area. In MWD's UWMP, MWD has extended its planning timeframe out through 2040 to ensure that MWD's UWMP may be used as a source document for meeting requirements for sufficient supplies. In addition, the MWD UWMP includes "Justifications for Supply Projections" (Appendix A-3) that details the planning, legal, financial, and regulatory basis for including each source of supply in the plan. The MWD UWMP summarizes MWD's planning initiatives over the past 15 years, which includes the Integrated Resources Plan (IRP), the IRP 2015 Update, the WSDM Plan, Strategic Plan and Rate Structure. The reliability analysis in MWD's 2015 IRP Update showed that MWD can maintain reliable supplies under the conditions that have existed in past dry periods throughout the period through 2040. The MWD UWMP includes tables that show the region can provide reliable supplies under both the single driest year (1977) and multiple dry years (1990-92) through 2040. MWD has also identified buffer supplies, including additional State Water Project groundwater storage and transfers that could serve to supply the additional water needed.

It is anticipated that MWD will revise its regional supply availability analysis periodically, if needed, to supplement the MWD UWMP in years when the MWD UWMP is not being updated.

IRWD is permitted by the statute to rely upon the water supply information provided by the wholesaler concerning a wholesale water supply source, for use in preparing its UWMPs. In turn, the statute provides for the use of UWMP information to support water supply assessments and verifications. In accordance with these provisions, IRWD is entitled to rely upon the conclusions of the MWD UWMP. As referenced above under Summary of Results of Demand-Supply Comparisons - Recent Actions on Delta Pumping, MWD has provided additional information on its imported water supply.

MWD's reserve supplies, together with the fact that IRWD relies on MWD supplies as supplemental supplies that need not be used to the extent IRWD operates currently available and under-development local supplies, build a margin of safety into IRWD's supply availability.

(2) Adopted capital outlay program to finance delivery of the water supplies.

All necessary delivery facilities currently exist for the use of the *currently available* and *under-development* supplies assessed herein, with the exception of

future groundwater wells, and IRWD sub-regional and developer-dedicated conveyance facilities necessary to complete the local distribution systems for the Project. IRWD's turnout at each MWD connection and IRWD's regional delivery facilities are sufficiently sized to deliver all of the supply to the sub-regional and local distribution systems.

With respect to future groundwater wells (PR No. 11881) and Baker WTP (PR No. 11747), IRWD adopted its fiscal year 2015-16 capital budget on June 8, 2015 (Resolution No. 2015-13), budgeting portions of the funds for such projects. (A copy is available from IRWD on request.) For these facilities, as well as unbuilt IRWD sub-regional conveyance facilities, the sources of funding are previously authorized general obligation bonds, revenue-supported certificates of participation and/or capital funds held by IRWD Improvement Districts. IRWD has maintained a successful program for the issuance of general obligation bonds and certificates of participation on favorable borrowing terms, and IRWD has received AAA public bond ratings. IRWD has approximately \$615.2 million (water) and \$784.8 million (wastewater) of unissued, voter-approved bond authorization. Certificates of participation do not require voter approval. Proceeds of bonds and available capital funds are expected to be sufficient to fund all IRWD facilities for delivery of the supplies under development. Tract-level conveyance facilities are required to be donated to IRWD by the Applicant or its successor(s) at time of development.

See also MWD's UWMP, Appendix A.3 Justifications for Supply Projections with respect to capital outlay programs related to MWD's supplies.

(3) Federal, state and local permits for construction of delivery infrastructure.

Most IRWD delivery facilities are constructed in public right-of-way or future right-of-way. State statute confers on IRWD the right to construct works along, under or across any stream of water, watercourse, street, avenue, highway, railway, canal, ditch or flume (Water Code Section 35603). Although this right cannot be denied, local agencies may require encroachment permits when work is to be performed within a street. If easements are necessary for delivery infrastructure, IRWD requires the developer to provide them. The crossing of watercourses or areas with protected species requires federal and/or state permits as applicable.

See also MWD's UWMP, Appendix A.3 Justifications for Supply Projections with respect to permits related to MWD's supplies.

(4) Regulatory approvals for conveyance or delivery of the supplies.

See response to preceding item (3).

See also MWD's UWMP, Appendix A.3 Justifications for Supply Projections with respect to regulatory approvals related to MWD's supplies.

3. Other users and contractholders (identified supply not previously used).

For each of the water supply sources identified by IRWD, if no water has been received from that source(s), IRWD is required to identify other public water systems or water

service contractholders that receive a water supply from, or have existing water supply entitlements, water rights and water service contracts to, that source(s):

Water has been received from all listed sources. A small quantity of Subbasin water is used by Woodbridge Village Association for the purpose of supplying its North and South Lakes. There are no other public water systems or water service contractholders that receive a water supply from, or have existing water supply entitlements, water rights and water service contracts to, the Irvine Subbasin.

4. Information concerning groundwater included in the supply identified for the Project:

(a) Relevant information in the Urban Water Management Plan (UWMP):

See Irvine Ranch Water District 2010 UWMP, sections 4-D through 4-J.

(b) Description of the groundwater basin(s) from which the Project will be supplied:

The Orange County Groundwater Basin ("Basin") is described in the Groundwater Management Plan ("GMP") 2015 Update Final Draft, dated June 17, 2015¹². The rights of the producers within the Basin vis a vis one another have not been adjudicated. The Basin is managed by the Orange County Water District (OCWD) for the benefit of municipal, agricultural and private groundwater producers. OCWD is responsible for the protection of water rights to the Santa Ana River in Orange County as well as the management and replenishment of the Basin. Current production from the Basin is approximately 331,000 AFY.

The Department of Water Resources has not identified the Basin as overdrafted in its most current bulletin that characterizes the condition of the Basin, Bulletin 118 (2003). The efforts being undertaken by OCWD to eliminate long-term overdraft in the Basin are described in the OCWD MPR, including in particular, Chapters 4, 5, 6, 14 and 15 of the MPR. In addition to Orange County Water District (OCWD) reports listed in the Assessment Reference List, OCWD has also prepared a Long Term Facilities Plan ("LTFP") which was received by the OCWD Board in July 2009, and was last updated in November 2014. The LTFP Chapter 3 describes the efforts being undertaken by OCWD to eliminate long-term overdraft in the Basin.

Although the water supply assessment statute (Water Code Section 10910(f)) refers to elimination of "long-term overdraft," overdraft includes conditions which may be managed for optimum basin storage, rather than eliminated. OCWD's Act defines annual groundwater overdraft to be the quantity by which production exceeds the natural replenishment of the Basin. Accumulated overdraft is defined in the OCWD Act to be the quantity of water needed in the groundwater basin forebay to prevent landward movement of seawater into the fresh groundwater body. However, seawater intrusion control facilities have been constructed by OCWD since the Act was written, and have been effective in preventing landward movement of seawater. These facilities allow greater

¹² OCWD has also prepared a Long-Term Facilities Plan which was received and filed by its Board in July 2009, and last updated in November 2014.

utilization of the storage capacity of the Basin.

OCWD has invested over \$250 million in seawater intrusion control (injection barriers), recharge facilities, laboratories, and Basin monitoring to effectively manage the Basin. Consequently, although the Basin is defined to be in an “overdraft” condition, it is actually managed to allow utilization of up to 500,000 acre-feet of storage capacity of the basin during dry periods, acting as an underground reservoir and buffer against drought. OCWD has an optimal basin management target of 100,000 acre-feet of accumulated overdraft provides sufficient storage space to accommodate increased supplies from one wet year while also provide enough water in storage to offset decreased supplies during a two- to three year drought. If the Basin is too full, artesian conditions can occur along the coastal area, causing rising water and water logging, an adverse condition. Since the formation of OCWD in 1933, OCWD has made substantial investment in facilities, Basin management and water rights protection, resulting in the elimination and prevention of adverse long-term “mining” overdraft conditions. OCWD continues to develop new replenishment supplies, recharge capacity and basin protection measures to meet projected production from the basin during normal rainfall and drought periods. (OCWD MPR and LTFP)

OCWD’s efforts include ongoing replenishment programs and planned capital improvements. It should be noted under OCWD’s management of overdraft to maximize its use for annual production and recharge operations, overdraft varies over time as the Basin is managed to keep it in balance over the long term. The Basin is not operated on an annual safe-yield basis. (OCWD MPR, section 3.2 and LTFP, section 6)

(c) Description and analysis of the amount and location of groundwater pumped by IRWD from the Basin for the past five years:

The following table shows the amounts pumped, by groundwater source:

(In AFY)

Year (ending 6/30)	DRWF/DATS/ OPA/21-22	Irvine Subbasin (IRWD)	Irvine Subbasin (TIC)	LAWD ¹³
2015	40,656	9,840	0	336
2014	42,424	10,995	0	376
2013	38,617	8,629	0	282
2012	37,059	7,059	0	0
2011	34,275	7,055	0	0
2010	37,151	8,695	0	3
2009	38,140	7,614	0	0

¹³ The water produced from IRWD’s Los Alisos wells is not included in this assessment. IRWD is presently evaluating the future use of these wells.

2008	36,741	4,539	0	16
2007	37,864	5,407	0	6
2006	37,046	2,825	0	268
2005	36,316	2,285	628	357
2004	30,265	1,938	3,079	101
2003	24,040	2,132	4,234	598
2002	25,855	2,533	5,075	744

(d) Description and analysis of the amount and location of groundwater projected to be pumped by IRWD from the Basin:

IRWD has a developed groundwater supply of 35,200 AFY from its Dyer Road Wellfield (including the Deep Aquifer Treatment System), in the main portion of the Basin.

Although TIC's historical production from the Subbasin declined as its use of the Subbasin for agricultural water diminished, OCWD's and other historical production records for the Subbasin show that production has been as high as 13,000 AFY. Plans are also underway to expand IRWD's main Orange County Groundwater Basin supply (characterized as *under-development* supplies herein). (See Section 2 (a) (1) herein). IRWD anticipates the development of additional production facilities within both the main Basin and the Irvine Subbasin. However, such additional facilities have not been included or relied upon in this assessment. Additional groundwater development will provide an additional margin of safety as well as reduce future water supply costs to IRWD.

The following table summarizes future IRWD groundwater production from currently available and under-development supplies.

(In AFY)

Year (ending 6/30)	DRWF ¹⁴	Future GW ¹⁵	IDP (Potable)	IDP (Nonpotable)
2020	43,300	0	5,640	3,898
2025	43,300	12,352	5,640	3,898
2035	43,300	12,352	5,640	3,898
2040	43,300	12,352	5,640	3,898

(e) If not included in the 2010 UWMP, analysis of the sufficiency of groundwater projected to be pumped by IRWD from the Basin to meet to meet the projected water demand of the Project:

¹⁴ See Potable Supply - Groundwater, paragraph (iii), above. DRWF non-colored production above 28,000 AFY and colored water production above 8,000 AFY are subject to contractually-imposed assessments. In addition, seasonal production amounts apply. This also includes 1,000 AFY for the OPA well and 6,300 for Wells 21&22.

¹⁵ Under development.

See responses to 4(b) and 4(d).

The OCWD MPR and LTFP examined future Basin conditions and capabilities, water supply and demand, and identified projects to meet increased replenishment needs of the basin. With the implementation of OCWD's preferred projects, the Basin yield in the year 2025 would be up to 500,000 AF. The amount that can be produced will be a function of which projects will be implemented by OCWD and how much increased recharge capacity is created by those projects, total demands by all producers, and the resulting Basin Production Percentage ("BPP") that OCWD sets based on these factors.¹⁶ Sufficient replenishment supplies are projected by the OCWD MPR to be available to OCWD to meet the increasing demand on the Basin. These supplies include capture of increasing Santa Ana River flows, purchases of replenishment water from MWD, and development of new local supplies. OCWD has completed its replenishment supply project, the Groundwater Replenishment System project ("GWRS"). The OCWD MPR indicates that the GWRS will produce over 100,000 AFY of new replenishment supply from recycled water.

Production of groundwater can exceed applicable basin production percentages on a short-term basis, providing additional reliability during dry years or emergencies. Additional groundwater production is anticipated by OCWD in the Basin in dry years, as producers reduce their use of imported supplies, and the Basin is "mined" in anticipation of the eventual availability of replenishment water. (OCWD MPR, section 14.6.)

See also, Figures 1-8. IRWD assesses sufficiency of supplies on an aggregated basis, as neither groundwater nor other supply sources are allocated to particular projects or customers. Under the Irvine Subbasin Agreement, IRWD is contractually obligated to attribute the Subbasin supply only to TIC development projects for assessment purposes; however, the agreement does not allocate or assign rights in the Subbasin supply to any project.

Sustainable Groundwater Management Act. Pursuant to the Sustainable Groundwater Management Act (SGMA), the DWR has designated the Orange County groundwater basin as a medium priority basin for purposes of groundwater management. By January 31, 2017, local groundwater producers must establish or designate an entity (referred to as a groundwater sustainability agency, or "GSA"), subject to DWR's approval, to manage each high and medium priority groundwater basin. The SGMA specifically calls for OCWD, which regulates the Orange County groundwater basin, to serve as the GSA for such basin.

¹⁶ OCWD has adopted a basin production percentage of 70% for 2015-16. In prior years OCWD has maintained a basin production percentage that is higher than the current percentage, and IRWD anticipates that such reductions may occur from time to time as a temporary measure employed by OCWD to encourage lower pumping levels as OCWD implements other measures to reduce the current accumulated overdraft in the Basin. Any such reductions are not expected to affect any of IRWD's currently available groundwater supplies listed in this assessment, which are subject to a contractually-set equivalent basin production percentage as described, or are exempt from the basin production percentage.

5. **This Water Supply Assessment is being completed for a project included in a prior water supply assessment. Check all of the following that apply:**

- Changes in the Project have substantially increased water demand.
- Changes in circumstances or conditions have substantially affected IRWD's ability to provide a sufficient water supply for the Project.
- Significant new information has become available which was not known and could not have been known at the date of the prior Water Supply Assessment.

6. **References**

Water Resources Master Plan, Irvine Ranch Water District, Updated 2007

Section 15 of the Rules and Regulations – Water Conservation and Water Supply Shortage Program, Irvine Ranch Water District, February 2009

Water Shortage Contingency Plan, Irvine Ranch Water District, February 2009

2010 Urban Water Management Plan, Irvine Ranch Water District, June, 2011

Southern California's Integrated Water Resources Plan, Metropolitan Water District of Southern California, March 1996

Proposed Framework for Metropolitan Water District's Delta Action Plan, Metropolitan Water District of Southern California, May 8, 2007

2007 IRP Implementation Report, Metropolitan Water District of Southern California, October 7, 2007

Board Letter, Action plan for updating the Integrated Resources Plan, Metropolitan Water District of Southern California, December 11, 2007

2010 Integrated Resources Plan Update, Metropolitan Water District of Southern California, October 2010

2015 Integrated Resources Plan Update, Metropolitan Water District of Southern California, January 2016

Draft 2015 Urban Water Management Plan, Metropolitan Water District of Southern California, March 2016

Master Plan Report, Orange County Water District, April, 1999

Groundwater Management Plan, Orange County Water District, March, 2004

Final Draft Long-Term Facilities Plan, Orange County Water District, January 2006

Long-Term Facilities Plan 2014 Update, Orange County Water District, November 2014

2014-2015 Engineer's Report on Groundwater Conditions, Water Supply and Basin Utilization in the Orange County Water District, Orange County Water District, February 2016

Progress on Incorporating Climate Change into Management of California's Water Resources, California Department of Water Resources, July 2006

April 6, 2016

Lisa Sabo, President
Orange County Fairgrounds Preservation Society
PO Box 4155
Orange, CA 92863

Minoo Ashabi, Principal Planner
City of Costa Mesa – Development Services Department
77 Fair Drive,
P.O. Box 1200
Costa Mesa, CA 92628-1200

Re: Draft Environmental Impact Report for the 2015-2035 General Plan March 4, 2016,
State Clearinghouse No. 2015111068

Dear Ms. Ashabi,

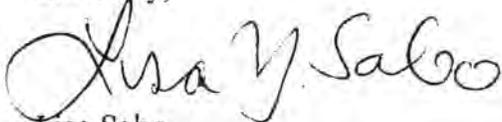
The Orange County Fairgrounds Preservation Society (OCFPS) is submitting comments with regards to the Draft Environmental Impact Report for the 2015-2035 General Plan March 4, 2016, State Clearinghouse No. 2015111068

OCFPS is a group of stakeholders including businesses and community members, of the 32nd District Agricultural Association (32nd DAA), more commonly known as the Orange County Fairgrounds and Orange County Fair and Event Center.

In 2012, OCFPS reached a settlement agreement regarding the continued operation of the Pacific Amphitheatre located on the 32nd DAA property (2012 Pac Amp Settlement Agreement). The 2012 Pac Amp Settlement Agreement included existing noise standards, required the hiring and usage of a qualified sound monitor for all events in the Pacific Amphitheatre and required that all users of the Pacific Amphitheatre and talent be contractually obligated to obey the noise limits and directions of the qualified sound monitor.

In Section 4 Environmental Impact Analysis, Noise 4.12, noise limits imposed by the terms of the 1990 Order are incorporated as part of the above referenced draft EIR. OCFPS requests that the entire agreement 2012 Pacific Ampitheatre Settlement Agreement be incorporated in the above referenced draft EIR. A copy of the 2012 Pacific Ampitheatre Settlement Agreement is attached to this document.

Sincerely,



Lisa Sabo
OCFPS President

SETTLEMENT AND RELEASE AGREEMENT
ORANGE COUNTY FAIRGROUNDS PRESERVATION SOCIETY vs. 32ND DISTRICT
AGRICULTURAL ASSOCIATION, a public agency,

(Orange County Superior Court, Case No. 30-2012-00538751)

This Settlement and Release Agreement ("Agreement") is being made by and among the following Parties: (1) Orange County Fairgrounds Preservation Society ("SOCIETY") and (2) 32nd District Agricultural Association, a California public agency ("ASSOCIATION"). SOCIETY and ASSOCIATION may be referred to herein individually as a "Party" or collectively as "Parties."

I. BACKGROUND RECITALS

1.1 ASSOCIATION is a California state institution that operates the Orange County Fairgrounds.

1.2 SOCIETY is a California non-profit corporation organized to preserve the Orange County Fairgrounds as a valuable public asset consistent with the rights of the surrounding residents of the City of Costa Mesa.

1.3 As part of the operation of the Orange County Fairgrounds, the ASSOCIATION adopted a Master Plan for the Development of the Fairgrounds (the "Master Plan"). In the fall of 2011, the Board of Directors of the ASSOCIATION approved the initiation of a planning process for the implementation of the Master Plan with respect to the Pacific Amphitheater providing for the reengineering of the berm, the relocation of the main entry north of the existing entry and the creation of paved multi-purpose areas in the space created by the reengineered berm (the "Project"). The proposed extent of the Project is described in Exhibit A.

1.4 The parties are in disagreement with respect to whether the initiation of the planning process amounted to a project within the meaning of the California Environmental Quality Act.

1.5 On December 15, 2011, the Board of Directors of the ASSOCIATION elected to treat the implementation of the Pacific Amphitheater improvements as a project under CEQA, reconsidering its previous action and approved proceeding with the design of Project.

1.6 On December 21, 2011, the ASSOCIATION filed a Notice of Determination with respect to the Project.

1.7 In the past there have been disputes among the ASSOCIATION, operators of the Pacific Amphitheater and homeowners living in adjacent neighborhoods with respect to the appropriate noise level standards that should apply to events at the Pacific Amphitheater.

1.8 In 1980, the City of Costa Mesa and the ASSOCIATION entered into a settlement agreement that, among other things, addressed noise related issues in residential zones.

1.9 In 1990, the court in the matter of Concerned Citizens of Costa Mesa, Inc. v. 32nd District Agricultural Association (Orange County Superior Court No. 42 07 28 and 55 65 08) established certain stair step sound level standards applicable to events at the Pacific Amphitheater.

1.10 Since 2003, when the ASSOCIATION commenced conducting events in the Pacific Amphitheater, the ASSOCIATION has employed a sound monitor (the "Sound Monitor") to monitor sound levels during Pacific Amphitheater events in the adjacent neighborhoods to ensure compliance with the Sound Level Standard. Since that time, very few complaints about noise from the Pacific Amphitheater have been received and all were resolved by the Sound Monitor by requiring the noise levels to be adjusted.

1.11 On January 20, 2012, SOCIETY filed a Petition for Writ of Mandate challenging the Project under the California Environmental Quality Act ("CEQA"), Public Resources Code, Sections 21000 *et seq.*, naming the ASSOCIATION as Respondent. The civil proceeding is known as Orange County Fairgrounds Preservation Society v. 32nd District Agricultural Association, a public agency, (Orange County Superior Court, Case No. 30-2012-00538751) ("Pacific Amphitheater Action"). That matter is now pending before Judge John C. Gastelum in Department C 09.

1.12 SOCIETY and ASSOCIATION desire to settle the Pacific Amphitheater Action once and for all in order to avoid the expense and delay of litigation and without any admission of liability.

1.13 The specific terms and conditions of this Agreement, as set forth in detail below, are a compromise and do not necessarily reflect the Parties' views of what may be required under CEQA or other laws.

1.14 Before executing this Agreement, each of the Parties consulted with separate, independent attorneys of their own respective choosing in order to review the terms and provisions of this Agreement and to satisfy themselves that executing it is in their respective best interests.

Against this background and for a valuable consideration, the receipt and sufficiency of which is now acknowledged, the Parties agree as follows:

2. OBLIGATIONS OF THE PARTIES

2.1 Obligations of ASSOCIATION

2.1.1 Marketing/Notice of Complaint System. The ASSOCIATION will maintain a complaint system both by telephone and internet which accepts and monitors complaints arising out of Pacific Amphitheater operations and promptly refers those complaints to the persons authorized to take remedial actions on the complaints. For sound complaints for an event at the Pacific Amphitheater, this referral shall be substantially immediate. The ASSOCIATION shall include advisements of contact information for the complaint system in its mailings to the nearby residential community including College Park, Mesa Del Mar and any other residential areas which may be

substantially impacted by operation of the Pacific Amphitheater and shall post the complaint system and contact information on its website.

2.1.2 Construction of Improvements. The ASSOCIATION shall cause improvements to the Pacific Amphitheater to be in compliance with the Master Plan which was the subject of the EIR Certified on August 23, 2003. The ASSOCIATION agrees that the Project shall be designed so that the sound attenuation aspects of the Pacific Amphitheater shall be at least as effective as the current configuration. Upon completion of the Project, the ASSOCIATION shall conduct appropriate analysis to confirm that this design standard has been met. The Parties agree that the Project as defined herein is consistent with the Master Plan. Any further changes to the Project or the Pacific Amphitheater shall be reviewed as required by law. The ASSOCIATION shall continue to study sound attenuation for the Pacific Amphitheater in connection with any further improvements to the Pacific Amphitheater and shall incorporate improvements and methods of operation which reasonably reduce sound levels reaching the residential neighborhoods from the Pacific Amphitheater at the discretion of the ASSOCIATION.

2.1.3 Sound Limits for Events at the Pacific Amphitheater. The residential zones sound level standards and limits applicable to the Pacific Amphitheater shall be as follows (the "Pac Amp Sound Level Standards"):

(a) Pacific Amphitheater Events During the Fair Season. For the purposes of this Agreement the term "Fair Season" shall mean one week prior to and one week following the state approved schedule for the Orange County Fair.

Sound Level Standards

<u>Sound Level</u>	<u>Time Period</u>	<u>Day of Week</u>
55 dB(A)	07:00 a.m. – 10:30 p.m.	Sun. – Thur.
50 dB(A)	10:30 p.m. – 07:00 a.m.	Sun. – Thur.
55 dB(A)	07:00 a.m. – 11:00 p.m.	Fri. – Sat.
50 dB(A)	11:00 p.m. – 07:00 a.m.	Fri. – Sat.

(b) Events Outside of the Fair Season

Sound Level Standards

<u>Sound Level</u>	<u>Time Period</u>	<u>Day of Week</u>
50 dB(A)	07:00 a.m. – 10:30 p.m.	Sun. – Thur.
45 dB(A)	10:30 p.m. – 07:00 a.m.	Sun. – Thur.
50 dB(A)	07:00 a.m. – 11:00 p.m.	Fri. – Sat.

50 dB(A)

11:00 p.m. – 07:00 a.m.

Fri. – Sat.

The sound levels emanating from the Pacific Amphitheaters shall not exceed:

1. The applicable Sound Level Standard for a cumulative period of more than thirty (30) minutes in any hour; or
2. The applicable Sound Level Standard plus five (5) dB(A) for a cumulative period of more than fifteen (15) minutes in any hour; or
3. The applicable Sound Level Standard plus ten (10) dB(A) for a cumulative period of more than five (5) minutes in any hour; or
4. The applicable Sound Level Standard plus fifteen (15) dB(A) for a cumulative period of more than one (1) minutes in any hour; or
5. The applicable Sound Level Standard plus twenty (20) dB(A) for any period of time.

In the event the ambient noise level exceeds any of the first four sound limit categories set forth above, the cumulative period applicable to the category shall be increased to reflect the ambient noise level. In the event the ambient sound level exceeds the fifth sound level category, the maximum allowable sound level shall be increased to reflect the ambient noise level.

2.1.4 Sound Level Monitoring. The ASSOCIATION shall monitor compliance with the Pac Amp Sound Standard as follows:

(a) The ASSOCIATION shall employ a sound professional or professionals (the "Monitor") to monitor sound levels in the surrounding residential neighborhoods during all Pacific Amphitheater events. The Monitor shall have the authority to require the sound system in the Pacific Amphitheater to be adjusted in order to comply with the Pac Amp Sound Level Standard. Prior to the first seasonal event at the Pacific Amphitheater utilizing amplified speech or music, the Monitor shall calibrate the sound system in order to comply with the Pac Amp Sound Level Standard.

(b) The monitoring to be conducted shall consist of aural observations and periodic readings from sound level meters. In the event the Monitor determines that the sound levels observed or measured exceed the Pac Amp Sound Standard in the Monitor's professional opinion, the Monitor shall cause the sound equipment within the Pacific Amphitheater to be adjusted in order to meet the Pac Amp Sound Standard.

(c) In the event of a noise complaint received from a residential neighborhood during a Pacific Amphitheater event, the Monitor shall proceed to the location of the residence from which the complaint was received and shall reasonably

promptly cause the sound equipment within the Pacific Amphitheater to be adjusted in order to conform to the Pac Amp Sound Level Standard if necessary.

(d) In the event SOCIETY believes that the Pac Amp Sound Level Standard is not being met, the SOCIETY may request and, if so requested, Monitor shall conduct a noise level analysis (the "Compliance Analysis") at the location specified in the courts order in the case of Concerned Citizens of Costa Mesa, Inc. v. 32nd District Agricultural Association (Orange County Superior Court No. 42 07 28 and 55 65 08), 947 Serra Way, Costa Mesa, CA. The SOCIETY shall be advised of the time and place of the Compliance Analysis, which shall occur during the next performance at the Pacific Amphitheater, and shall have the opportunity to attend and observe the Compliance Analysis. In the event the Monitor determines that no violation of the Pac Amp Sound Level Standard is occurring and SOCIETY makes a subsequent demand for a Compliance Analysis during the same Fair Season that also demonstrates that no violation of the Pac Amp Sound Standard is occurring, SOCIETY shall reimburse the ASSOCIATION for the cost of any such subsequent Compliance Analysis in the amount of One Thousand Dollars (\$1,000).

2.1.5 Compliance Riders and Monitoring. The ASSOCIATION shall not permit any event at the Pacific Amphitheater unless the persons staging and putting on the event have agreed to comply with this Agreement and the directions of the Sound Level Monitor. The ASSOCIATION shall cause any event at the Pacific Amphitheater involving amplified speech or music to be in compliance with this Agreement at its expense. This compliance effort shall include, but is not limited to, employment of the Monitor to evaluate sound levels in the adjacent neighborhoods during events at the Pacific Amphitheater and to respond to complaints as provided in Section 2.1.4.. Any complaints and all related sound level meter recordings shall be retained, noted and summarized in a report as to the number, the observed or sound level recorded, if any, and location of any complaints and compliance with this Agreement within 30 days after each event at the Pacific Amphitheater. The complaints, the record of the sound level meter recordings, and reports shall be public records of the ASSOCIATION, open for public inspection upon request, and maintained by the ASSOCIATION as required by law as a public records.

2.1.6 Avoidance of Simultaneous Events. Excluding events during the Fair, Pacific Amphitheater events shall not be scheduled during peak traffic hours or within one hour of the commencement or completion of another independent event on the Fairgrounds with a forecasted attendance of 10,000 persons or more.

2.1.7 Costs and Fees. The ASSOCIATION shall pay the Richard Spix, counsel for the SOCIETY, the sum of \$7,500.00 as costs and fees.

2.2 Obligations of Petitioner SOCIETY

2.2.1 Dismissal of Pacific Amphitheater Action. Not more than five (5) days after SOCIETY's attorney's receipt of the payments referenced above in Paragraph 2.1.7, SOCIETY shall cause a Request for Dismissal to be filed with the Orange Superior Court

in the Pacific Amphitheater Action, requesting the Court dismiss the Pacific Amphitheater Action in its entirety as to all parties with prejudice. Upon his receipt of a conformed copy of the Request for Dismissal and entry of Dismissal from the Court, SOCIETY's attorney shall provide a copy of the same to ASSOCIATION. Notwithstanding anything herein to the contrary, ASSOCIATION's actual disbursement of the amounts referenced above in Paragraph 2.1.7 to SOCIETY's attorney is and shall be an express condition precedent to their filing of the Request for Dismissal.

3. GENERAL PROVISIONS

3.1 Reliance on Representations/Warranties. Each representation and warranty made in this Agreement by any of the Parties has substantially induced the other Parties to enter into this Agreement. Each Party acknowledges and affirms that the other Parties are entitled to rely on that Party's representations and warranties without independent verification and that such reliance is reasonable under the circumstances of this Agreement.

3.2 Integration. This Agreement, including its Exhibit, which are integral and essential parts of the Agreement, constitutes and contains the entire agreement and understanding between the Parties concerning the subject matter of this Agreement. Unless otherwise expressly stated herein, this Agreement supersedes and replaces all prior negotiations and all agreements, proposed or otherwise, whether written or oral, concerning its subject matter. Notwithstanding the foregoing, except to the extent expressly provided in this Agreement, no other agreement or policy adopted or entered into by the ASSOCIATION is intended to be modified in any way. This Agreement shall be given independent vitality notwithstanding any other agreement or policy adopted or entered into by the ASSOCIATION.

3.3 Cooperation. The Parties shall cooperate in performing their obligations under this Agreement, execute all supplementary documents that may be required or convenient to the fulfillment of their obligations, and take all additional actions that may be necessary or appropriate to give full force and effect to the terms and conditions of this Agreement and that are not inconsistent with such terms and conditions. Each Party, diligently and in good faith, shall undertake all actions and procedures reasonably required to carry out the purpose and intent of this Agreement.

3.4 Notices. Any and all notices or other communications required or permitted by this Agreement or by law to be served on or given to any of the Parties shall, unless otherwise required by law, be in writing and be deemed duly served and given (a) when personally delivered to the Party to whom it is directed; or (b) when deposited with the United States Postal Service and sent via certified mail (return receipt requested), first-class postage prepaid. The following addresses shall be used for any and all notices:

For Orange County Preservation Society	Richard L. Spix The Law Offices of Spix and Martin 1505 East 17th Street, Suite 230 Santa Ana, California 926705
----------------------------------------	---------------------------------------------------------------------------------------------------------------------------

For 32nd District Agricultural Association	Roger A. Grable
--------------------------------------------	-----------------

Manatt, Phelps & Phillips, LLP
695 Town Center Drive, 14th Floor
Costa Mesa, California 92626

However, any Party may change the address to which notices or other communications are to be given under this Agreement by sending a notice of the change to the other Parties at their last address to have been designated under this Agreement.

3.5 Mutual Drafting, Use of Titles. The Parties participated equally in negotiating and drafting this Agreement, and nothing in it shall be construed against any particular Party on the basis that this Agreement was drafted by that Party. Headings and titles are used throughout this Agreement solely for the convenience of the Parties and are not an integral part of it.

3.6 Severability. If any term, condition, or application of this Agreement is held to be invalid, such invalidity shall not affect the Agreement's other terms, conditions, or applications that can be given effect without the invalid term, condition, or application. To this end, the Agreement is declared to be severable.

3.7 Waiver/Modification/Remedy Selection. No forbearance of enforcement or waiver of any breach of any term or condition of this Agreement shall be, nor shall it be construed to be, a waiver of any other breach of this Agreement, and no waiver shall be binding unless made in writing and signed by the Party waiving the breach. No change in the terms or conditions of this Agreement shall have any force or effect unless expressed in a writing signed by the Parties. A Party's pursuit or enforcement of fewer than all available remedies in the event of any breach or default under this Agreement shall not preclude that Party from pursuing or enforcing other or all available remedies in the event of any other breach or default under this Agreement unless otherwise prohibited by law.

3.8 Persons/Entities Bound. This Agreement shall be binding on and inure to the benefit of the Parties, jointly and severally, and to their successors, members, directors, officers, associates, employees, and agents.

3.9 Notice and Cure Procedure. Prior to initiating a judicial proceeding arising out of or in connection with this Agreement, the objecting Party shall first notify the responding Party in writing of its purported breach or failure, giving the responding a reasonable opportunity from receipt of such notice to cure such breach or failure. If the responding Party does not (a) cure the default; or (b) provides a mutually acceptable plan to cure the default, then the complaining Party may pursue its judicial remedies in accordance with this Agreement.

3.10 Enforcement by SOCIETY. The ASSOCIATION acknowledges that any action or proceeding arising out of this Agreement will satisfy the elements of the California Code of Civil Procedure Section 1021.5 that: the action enforces an important public right, involves a large number of persons, and that the burden of private enforcement outweighs the benefit conferred by the litigation. The ASSOCIATION further acknowledges that a breach of this Agreement constitutes irreparable harm and that damages would be inadequate within the

meaning of California Code of Civil Procedure Section 527 for all purposes in any action or proceeding.

3.11 Efficacy of Copy/Counterparts. This Agreement may be executed in counterparts, and each executed counterpart shall have the efficacy of a signed original. Photographic duplications of executed counterparts may be used, in the absence of any genuine issue as to their authenticity, in lieu of originals for any purpose. Each Party's executing signature may be transmitted to the others via facsimile, and such facsimile signature shall have the same effect as an original signature.

3.12 Effective Date. Unless otherwise explicitly set forth above, this Agreement shall take effect immediately upon its having been signed by each of the Parties.

3.13 Governing Law. This Agreement shall be governed by, and all rights and liabilities under it shall be determined in accordance with, the laws of the State of California.

3.14 Legal Expenses and Costs. Except as provided in Paragraph 2.1.7, the Parties shall each bear their respective attorney fees and other legal expenses and costs incurred in connection with the Pacific Amphitheater Action through the Effective Date and incurred in connection with the negotiation and execution of this Agreement.

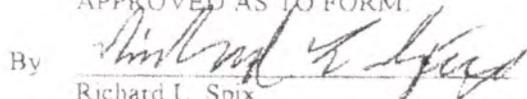
3.15 Authority to Bind. Each person signing this Agreement represents that he or she has full legal authority to bind the Party on whose behalf the person signs.

Signed:

By 
President
Orange County Fairgrounds Preservation
Society

Date 8-13, 2012

APPROVED AS TO FORM.

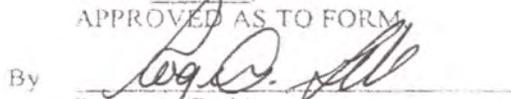
By 
Richard L. Spix
The Law Office of Spix and Martin
Counsel for Orange County Fairgrounds
Preservation Society

Date 8-13, 2012

By 
Jerome H Hoban, Chief Executive Officer
32nd District Agricultural Association

Date 8-13, 2012

APPROVED AS TO FORM.

By 
Roger A Grable
Manatt, Phelps & Phillips, LLP
Counsel for 32nd District Agricultural
Association

Date: 8-16, 2012

PH-1



www.kennedycommission.org
17701 Cowan Ave., Suite 200
Irvine, CA 92614
949 250 0909
Fax 949 263 0647

April 11, 2016

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

Received
City of Costa Mesa
Development Services Department

APR 11 2016

RE: Draft Environmental Impact Report (EIR) for 2015-2035 General Plan

Dear Chair Dickson and Planning Commission Members:

The Kennedy Commission (the Commission) is a broad based coalition of residents and community organizations that advocates for the production of homes affordable for families earning less than \$20,000 annually in Orange County. Formed in 2001, the Commission has been successful in partnering and working with jurisdictions in Orange County to create effective policies that has led to the new construction of homes affordable to lower income working families. As the City moves forward with the Draft Environmental Impact Report (DEIR) for the 2015-2035 General Plan, the Commission urges the City to consider the following:

1. Prioritize the development of affordable homes by including an additional land use alternative that specifically supports and encourages the development of homes affordable to lower income working households.
2. Re-classify the findings under Population/ Housing Impacts 4.13B and 4.13C regarding the displacement of existing housing and residents from "less than significant impact" to "potentially significant impact" necessitating the construction of replacement housing. The DEIR should be re-evaluated to acknowledge that the General Plan amendments **do** propose policies that **will** result in the displacement of substantial numbers of existing housing and numbers of people, necessitating the construction of replacement housing elsewhere in the City. While the proposed land use changes do not authorize a specific construction project, the proposed changes allows for development incentives that encourages future developments to occur. These future developments can potentially result in significant and direct impacts.

According to the DEIR, the proposed land use changes were identified as less than significant due to the "... likelihood that motels being used as housing would be removed is speculative, and ... the potential for a 'substantial number of people' being displaced is speculative."¹ However, the likelihood of removing motels that are currently being used as long term housing in the City is **not** speculative. The potential for a substantial number of tenants being displaced is **not** speculative. The proposed conversion of the Costa Mesa Motor Inn (CMMI) to multi-family residential development and the displacement of many lower income long term tenants at the CMMI is currently happening. In addition,

¹ Draft Environmental Report for the City of Costa Mesa's Year 2015-2035 General Plan, p. 4.13-10, March 2016.

the City also acknowledges and anticipates the implementation of the proposed land uses will be utilized to reduce specific uses such as motels citywide.²

The City should re-evaluate the potential significant impacts on motel tenants who would be displaced from proposed market-rate residential developments. Generally, motels provide last resort affordable housing for many lower income households and proposed market-rate residential developments will displace many at-risk families and lead them to homelessness. According to the DEIR, the report states:

“... because any specific property redevelopment would occur in the future, the specific number of person using that particular motel for long-term occupancy is not known at this time. The type of residential development that would replace existing commercial uses, including motels, is also unknown, but could include new commercial uses, including hotel or motel uses, or new residential development that includes affordable housing which, based on the densities, could accommodate and encourage development of housing for low-income persons.”³

Redevelopment of specific projects will certainly happen in the future but the City already has one specific example of a proposed development, the CMMI, that is currently benefitting from the development incentives (i.e., change in land-use and increase in density) provided by the Residential Incentive Overlay. The type of residential development replacing the CMMI will be 224 unit apartment complex at a site specific density of 54 du/ac, which notably is significantly higher than the Overlay’s density of 40 du/ac. While the specific number of long-term occupants are not known at this time for future developments, the City has already identified that there are approximately 160 occupied rooms at the CMMI and of that, 49 rooms are occupied by 66 long-term residents.⁴ Because the proposed development includes zero units affordable to the lower income tenants who currently live in the CMMI, all these existing tenants will be displaced, including the 49 rooms that have been identified and grandfathered as long-term tenants.

The DEIR identifies that the proposed amended Land Use Plan could increase residential development in the Focus Areas by 4,040 units.⁵ Of that total, 3,062 units have allowable densities of 40 du/ac which can accommodate the development of affordable housing.⁶ However, default densities of 30 du/ac and greater do not necessarily produce homes that are affordable to lower income working households. The proposed development at the

² Notice of Preparation City of Costa Mesa General Plan Amendment Program EIR, City of Costa Mesa, p. 4, November 16, 2015.

³ Draft Environmental Report for the City of Costa Mesa’s Year 2015-2035 General Plan, p. 4.13-9, March 2016.

⁴ City Council Agenda Report: General Plan amendment GP-14-04/ Rezone R-14-04/ Zoning Code Amendment CO-14-02/ And Master Plan PA-14-27 For Costa Mesa Apartments at 2277 Harbor Boulevard, City of Costa Mesa, p. 5, November 3, 2015.

⁵ Draft Environmental Report for the City of Costa Mesa’s Year 2015-2035 General Plan, p. 4.13-6, March 2016.

⁶ Draft Environmental Report for the City of Costa Mesa’s Year 2015-2035 General Plan, p. 4.13-6, March 2016.

CMMI is a cautionary example of project utilizing the Residential Overlay and not producing affordable homes.

The proposed development at the CMMI benefitted from the residential overlay and development incentives (i.e., change in land-use and increase in density) and did not set aside any homes that would be affordable to lower income households. While 20 units will be set-aside for moderate income families, the proposed rents, \$1,600 - \$1,800 are out-of-reach and not affordable to current CMMI tenants or potential lower income tenants in the City.

3. **Fairview Developmental Center:** Reinstate the General Plan land use overlay at the Fairview Developmental Center site that allows a development capacity of 1,000 du at a maximum density of 40 du/acre (not the currently proposed 500 du at 25 du/ac) as identified in the City Council/ Planning Commission Joint Study Session on September 8, 2015. Considering the state is requiring a set-aside for the developmentally disabled, the site presents the greatest potential and opportunity for the development of affordable homes. The State Department of General Services (DGS) also submitted a letter that was submitted to the Costa Mesa City Council on October 6, 2016, stating “**The state requests that the City include the 20 acres specified in SB 82 in the general plan update allowing a maximum of up to 40 units per acre...**” It is clear that DGS supports a maximum density of 40 du/ac at the Fairview site.

The density of 40 du/ac is also consistent to the other proposed residential incentive overlays along Harbor Boulevard, Newport Boulevard and SoBECA. At 40 du/ac versus 25 du/ac, the site will construct more units that will generate more rent subsidies/ revenue needed for the developmentally disabled households living at the Fairview Developmental Center. By decreasing the density to 25 du/ac versus 40 du/ac, the potential value of the center also decreases.

In addition, the City should conduct a financial analysis regarding the feasibility of proposing an affordable housing development at a lower density versus a higher density to be better informed as to which densities would facilitate a more successful development.

4. **South Harbor Boulevard Mixed-Use:** Approve the Harbor Mixed-Use Overlay that allows a maximum residential density of 20 du/ac **ONLY IF** new residential developments proposed in the overlay set-aside 20 percent of homes as affordable to lower income working households.

5. **Sakioka Site 2:** Approve a General Plan land use overlay at Sakioka Site 2 that allows a maximum residential density at 80 du/acre for up to 660 units **ONLY IF** new residential developments proposed at the site set-aside 20 percent of homes as affordable to lower income working households. In the City's 2014-2021 Housing Element, the Sakioka Site 2 was identified a potential opportunity site for the development of homes affordable to lower income households.⁷
6. **Harbor & Newport Boulevard Residential Overlay:** Approve a residential incentive overlay that includes new high density residential uses of up to 40 du/acre along Harbor Boulevard and Newport Boulevard **ONLY IF** new residential developments proposed in the overlay set-aside 20 percent of homes as affordable to lower income working households. In addition, motels located in the overlay should not be included unless any future/new residential developments that are proposed on these sites dedicate at least 20 percent of the homes to lower income working households.
7. **SoBECA Overlay:** Approve a maximum of 450 units at a density of 40 du/acre at the SoBECA Urban Plan Area **ONLY IF** new residential developments proposed in the overlay set-aside 20 percent of homes as affordable to lower income working households.
8. Conduct a study to evaluate the economic impacts of the proposed development incentives (i.e., land use changes/ rezoning and density increases) in the "focus areas."
9. Collaborate with the Costa Mesa Affordable Housing Coalition and community stakeholders to develop effective land use changes and residential incentive overlays in the General Plan Update that will increase affordable home opportunities for lower income working households.

Please keep us informed of any updates to the City's General Plan Update and if you have any questions, please feel free to contact me at (949) 250-0909 or cesarc@kennedycommission.org.

Sincerely,



Cesar Covarrubias
Executive Director

cc: Kathy Esfahani, Costa Mesa Affordable Housing Coalition

⁷ Housing Element for the Costa Mesa General Plan 2013-2021, p. 56, January 21, 2014.

PH-1



Building Industry Association of Southern California, Inc.
ORANGE COUNTY CHAPTER

April 11, 2016

Chair Robert Dickson and Planning Commission Members
City of Costa Mesa Planning Commission
77 Fair Drive
Costa Mesa, CA 92626

RE: COMMENTS ON THE GENERAL PLAN AND DRAFT ENVIRONMENTAL IMPACT REPORT (DEIR)

Dear Chair Dickson and Planning Commission Members:

The Building Industry Association of Southern California, Orange County Chapter (BIA/OC) is a non-profit trade association of over 1,100 companies employing over 100,000 people affiliated with the home building industry. The Orange County Chapter represents the largest member base within BIA Southern California. Our mission is to champion housing as the foundation of vibrant and sustainable communities.

As a key stakeholder in Orange County, the BIA/OC would like to offer our support for the City's General Plan update. In reviewing the document, we are pleased to see the environmentally positive land use elements being contemplated within this plan. Adding more housing in centrally located Costa Mesa, close to jobs and essential services, will help in balancing Orange County's jobs to housing ratio, assist in alleviating traffic, and contribute to State mandated environmental and regional planning policies.

Over the next 25 years, the Southern California Association of Governments (SCAG) predicts a population increase of 400,000 residents in Orange County. Additionally, according to a recent report by the California Legislative Analyst's Office, Orange County needs an additional 7,000 homes per year to meet demand. State wide, that number increases to a staggering 100,000 homes. By considering reasonable higher density housing, Costa Mesa will be adequately prepared to absorb this influx and contribute to the overall housing stock of the County and the State.

PRESIDENT
JIM YATES
RANCHO MISSION VIEJO

VICE PRESIDENT
PHIL BODEM
TAYLOR MORRISON

TREASURER
MIKE GARTLAN
KB HOME

SECRETARY
RICK WOOD
TRI POINTE HOMES

IMMEDIATE PAST PRESIDENT
JOAN MARCUS-COLVIN
THE NEW HOME COMPANY

TRADE CONTRACTOR V.P.
ALAN BOUDREAU
BOUDREAU PIPELINE CORPORATION

ASSOCIATE VICE PRESIDENT
MARK HIMMELSTEIN
NEWMAYER & DILLION, LLP

MEMBER-AT-LARGE
LAURA ARCHULETA
JAMBOREE HOUSING

MEMBER-AT-LARGE
SCOTT STARKEY
STARKEY COMMUNICATIONS

CHIEF EXECUTIVE OFFICER
MICHAEL BALSAMO

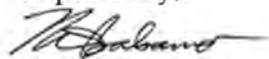
24 Executive Park, Suite 100
Irvine, California 92614
949.553.9500 | biaoc.com

3. 76

As always, we remain a resource to the City on important issues that are related to the well-being of our local communities.

Thank you for your time and thoughtful consideration.

Respectfully,



Michael Balsamo
Chief Executive Officer

Received
City of Costa Mesa
Development Services Department

APR 11 2016

PUBLIC  **LAW CENTER**

PROVIDING ACCESS TO JUSTICE
FOR ORANGE COUNTY'S LOW INCOME RESIDENTS

April 18, 2016
Chair Robert Dickson, Jr. and Planning Commission Members
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628

RE: Draft Environmental Impact Report (EIR) for 2015-2035 General Plan

Dear Chairman Robert L. Dickson, Jr. and Planning Commission Members:

This letter is a comment on the 2015-2016 Draft EIR Report. This letter is written on behalf of the Costa Mesa Motel Residents Association ("CMMRA"). CMMRA consists of long-term residents that have made the motels of Costa Mesa their 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.

The CMMRA encourages the Planning Commission to take the following steps:

1. The City should conduct its analyses of affordable housing development using both fixed site and scattered site models for preserving/creating affordable housing for the current motel residents who consider themselves part of the Costa Mesa community. The City can and should develop a model that integrates housing for disabled persons, elderly persons, and low-income working families into each of their proposed sites and all residential density proposals.

The Commission has openly opined that they felt the motel standard of living was inadequate—they have the chance to remedy their own concerns by developing adequate, low-income housing in this instance.

2. Make provisions with preference for the low-income families who utilize motels, integrating target percentages for affordable units or homes in each proposed development. The developments should address housing types both for residents who utilize motels for their affordability and stability and for those who use motels as housing of last resort.
3. Address the dislocation of low-income motel residents who call Costa Mesa their home and include them as a concretely impacted group in the EIR report. As a result, reclassify the findings under the Population/Housing Impacts to be "significant" or "potentially significant." The report is incorrect when it says that the "specific number of persons using that particular motel for long-term occupancy" is unknown. Multiple statistical reports have been conducted and thus the city does know how many long-term occupants

3.78

are currently living in motels and would be adversely affected. Thus, they also know the scope of the likely population displacement.

The City overtly acknowledges that the proposed land uses will reduce motel rooms citywide, so this negative impact on existing motel residents is not speculative, but highly likely, and the report should accurately reflect this reality.

4. Address and make provisions for relocation services and other necessary resources for those low-income residents who might be forced to move out of their units as a result of development at each site. Adopt a plan for homelessness prevention that can accommodate effected residents.

It is this City's obligation to merge the interests of redevelopment and the interests of meeting the needs of its residents. The City wants these properties to be redeveloped, continually citing them as eyesores. Therefore, the City must work together with owners and affordable housing experts to redevelop these sites to include low-income housing, especially for the current long-term occupants in Costa Mesa motels.

Please keep us informed of any updates to the City's General Plan Update and if you have any questions, please contact us at (741) 541-1010.

Sincerely,



Lili Graham

Richard Walker

Public Law Center Attorneys on behalf of CMMRA

3.79

Costa Mesa Affordable Housing Coalition

April 18, 2016

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

RE: Draft Environmental Impact Report (DEIR) for 2015-2035 General Plan

Dear Chair Dickson and Planning Commission Members:

The Costa Mesa Affordable Housing Coalition (the Coalition) believes the DEIR is seriously deficient: It fails to report accurately and fully the negative impacts certain proposed General Plan amendments will have on the already meager supply of affordable housing available to lower income residents of our city. Specifically, the Coalition believes the proposed “residential incentive overlays” for Harbor Boulevard and Newport Boulevard (collectively, the motel zone overlays) will lead to the massive displacement of lower income motel residents. Moreover, the DEIR ignores this expected adverse impact, mischaracterizing the impact as “less than significant” and thus not requiring the construction of replacement housing. This City must correct this significant error in the “Population/Housing” section of the DEIR.

The City Council majority has been very clear about its intentions in regard to the proposed motel zone overlays. Repeatedly, the Council majority has expressed the hope these overlays will “incentivize” a change of use in the motel properties located along Harbor Boulevard and Newport Boulevard which serve as last resort housing for Costa Mesa’s poor. As the City well knows, these motels, collectively consisting of 789 rooms, have become a significant source of de facto affordable housing in Costa Mesa because there is such a dearth of affordable housing available for lower income households.

Disregarding the housing needs of lower income motel residents, the City Council majority has proposed the motel zone overlays as a way to lure motel owners into converting their properties from their current use as de facto affordable housing into a new use: market rate, high density housing for upper income residents. Of course, virtually none of the current motel residents could afford to rent these new market rate apartments. Consequently, the conversion of motels into market rate apartments would necessarily displace hundreds, perhaps thousands of lower income motel residents. Moreover, because Costa Mesa has almost no affordable housing for these residents to move into, it is highly likely this massive displacement of motel residents will result in increased homelessness and overcrowding in the City, as well as the forced migration of motel residents from Costa Mesa to find affordable housing elsewhere.

To mitigate this severe adverse impact, the Coalition has asked the City to include in the motel zone overlays a requirement that 20% of the new apartments be affordable to low and very low income residents. The Council, however, has not acted on this request. Consequently, if the

motel zone overlays are adopted as currently proposed, motel residents will be displaced on a massive scale as motel owners take advantage of the lucrative “residential incentive” offered by the City.

In a stunning denial of this reality, the DEIR states as findings under Population/Housing Impacts 4.13.B and 4.13.C that the proposed motel zone overlays will have “less than significant” impact, will *not* “result in the displacement of substantial numbers of people,” and will *not* necessitate “the construction of replacement housing elsewhere.” **(Draft EIR, 4.13-8 - 4.13-10)** These defective findings flow from three “pie in the sky” assumptions (fictions, really) set forth in Impacts 4.13.B and 4.13.C.

Fiction #1

The DEIR states the hoped-for conversion of motels into market rate apartments will *not* result in a net loss of affordable housing because the increased densities offered in the city (40 units per acre in motel zone overlays, 80 units per acre in Sakioka Lot 2) will necessarily result in the construction of new affordable housing. What is the basis of this finding? The DEIR blithely assumes affordable housing will be constructed because “the City would have zoning in place to accommodate housing for lower-income households.” **(DEIR, 4.13-9)**

The fallacy in this reasoning is readily apparent from the recent example of the Costa Mesa Motor Inn. With the City’s encouragement and blessing, this 236-room motel will be demolished and replaced by new market rate apartments at a density of 54 units per acre. *Of the 224 new units, not a single unit will be affordable to lower income households.* Clearly, the mere fact the allowable density will “accommodate” lower income housing is no guarantee any of the resulting housing will actually *be* lower income housing. Unless the City requires a percentage of new units to be affordable to lower income families, the motel zone overlays will result in no new affordable housing and, instead, will cause a dramatic loss of affordable housing.

Fiction #2

The DEIR states the “likelihood that motels being used as housing would be removed is speculative, and . . . the potential for a ‘substantial number of people’ being displaced is speculative.” **~(DEIR, 4.13-9-10)~** This statement is almost laughable. It ignores the fact the City is creating the motel zone overlays precisely because the Council majority believes the overlays will result in the conversion of motels into market rate apartments—a goal the majority has long sought. Moreover, the statement ignores the powerful nature of the incentive offered. Again, the Costa Mesa Motor Inn stands as a cautionary example. The City’s offer to allow the motel owner to build high density market rate apartments (at 54 units per acre) in a commercial zone was an irresistible financial windfall for the property owner. The Costa Mesa Motor Inn owner jumped at the opportunity.

The other motel owners in the city are no less savvy than the owner of the Costa Mesa Motor Inn. Consequently, the following doomsday scenario is entirely predictable, not speculative: If the City adopts the motel zone overlays as proposed, with their supercharged financial incentive for converting motel properties into high density, market rate apartments, the City will lose a significant existing supply of de facto affordable housing. In fact, the City could eventually lose

all 789 rooms. That loss would be catastrophic for the City's lower income households who rely on motels as last resort housing.

Fiction #3

The final bit of magical thinking in the DEIR is that private social services agencies operating in the City (including HOPE Institute, Human Options, Orange Coast Interfaith Shelter, Serving People in Need, Share Our Selves, Mercy Housing, Families Forward) will be able to meet the housing needs of displaced motel residents. Strikingly, the DEIR fails to include any discussion of the actual services these groups provide or any analysis of their ability to house the hundreds or thousands of motel residents who could be displaced if motels close and are replaced with market rate apartments.

The undeniable truth is that there is no existing supply of available affordable housing in Costa Mesa that can accommodate the hundreds of households living in motels today. The need for affordable housing in our community is undeniable.

Costa Mesa must act to encourage the construction of new affordable housing. Until such housing is created, the City should do *nothing* to accelerate the loss of existing affordable homes. But accelerating loss is exactly what the proposed motel zone overlays will do— the zones will make nearly 800 existing affordable homes vanish. There is nothing fictional or speculative about that.

The City should correct the DEIR so everyone in Costa Mesa knows what is really at stake in this decision on the General Plan amendments.

Sincerely,

Kathy Esfahani

Kathy Esfahani
For The Costa Mesa Affordable Housing Coalition



www.kennedycommission.org
17701 Cowan Ave., Suite 200
Irvine, CA 92614
949 250 0909
Fax 949 263 0647

April 18, 2016

Ms. Minoo Ashabi
City of Costa Mesa – Development Services Department
77 Fair Drive
Costa Mesa, CA 92626

RE: Draft Environmental Impact Report (EIR) for 2015-2035 General Plan

Dear Ms. Ashabi:

The Kennedy Commission (the Commission) is a broad based coalition of residents and community organizations that advocates for the production of homes affordable for families earning less than \$20,000 annually in Orange County. Formed in 2001, the Commission has been successful in partnering and working with jurisdictions in Orange County to create effective policies that has led to the new construction of homes affordable to lower income working families. As the City moves forward with the Draft Environmental Impact Report (DEIR) for the 2015-2035 General Plan, the Commission urges the City to consider the following:

1. Incorporate and implement the recommendations outlined in the Costa Mesa Affordable Housing Coalition’s letter dated April 18, 2016.
2. Prioritize the development of affordable homes by including an additional land use alternative that specifically supports and encourages the development of homes affordable to lower income working households.
3. Re-classify the findings under Population/ Housing Impacts 4.13B and 4.13C regarding the displacement of existing housing and residents from “less than significant impact” to “potentially significant impact” necessitating the construction of replacement housing. The DEIR should be re-evaluated to acknowledge that the General Plan amendments **do** propose policies that **will** result in the displacement of substantial numbers of existing housing and numbers of people, necessitating the construction of replacement housing elsewhere in the City. While the proposed land use changes do not authorize a specific construction project, the proposed changes allows for development incentives that encourages and facilitates future developments to occur. These future developments, encouraged by the benefits provided in the residential overlay, can potentially result in significant and direct impacts.

According to the DEIR, the proposed land use changes were identified as less than significant due to the “... likelihood that motels being used as housing would be removed is speculative, and ... the potential for a ‘substantial number of people’ being displaced is speculative.”¹ However, the likelihood of removing motels that are currently being used

¹ Draft Environmental Report for the City of Costa Mesa’s Year 2015-2035 General Plan, p. 4.13-10, March 2016.

Ms. Mino Ashabi

April 18, 2016

Page 2 of 5

as long term housing in the City is **not** speculative. The potential for a substantial number of tenants being displaced is **not** speculative. The **term “speculative” should be removed from the DEIR** because these events are currently happening in the City and the leading example is the Costa Mesa Motor Inn (CMMI). The plans to convert the CMMI to a multi-family residential development has been submitted and approved by the City and the displacement of many lower income long term tenants at the CMMI is currently happening. It is also important to note that the **City also acknowledges and anticipates the implementation of the proposed land uses will be utilized to reduce specific uses such as motels citywide.**²

The City should re-evaluate the potential significant impacts on motel tenants who would be displaced from proposed market-rate residential developments. Generally, motels provide last resort affordable housing for many lower income households and proposed market-rate residential developments will displace many at-risk families and lead them to homelessness. According to the DEIR, the report states:

“... because any specific property redevelopment would occur in the future, the specific number of person using that particular motel for long-term occupancy is not known at this time. The type of residential development that would replace existing commercial uses, including motels, is also unknown, but could include new commercial uses, including hotel or motel uses, or new residential development that includes affordable housing which, based on the densities, could accommodate and encourage development of housing for low-income persons.”³

Redevelopment of specific projects will certainly happen in the future but the City already has one specific example of a proposed development, the CMMI, that is currently benefitting from the development incentives (i.e., change in land-use and increase in density) provided by the Residential Incentive Overlay. The type of residential development replacing the CMMI will be 224 unit apartment complex at a site specific density of 54 du/ac, which notably is significantly higher than the Overlay’s density of 40 du/ac. While the specific number of long-term occupants are not known at this time for future developments, the City has already identified that there are approximately 160 occupied rooms at the CMMI and of that, 49 rooms are occupied by 66 long-term residents.⁴ Because the proposed development includes **zero** units affordable to the lower income tenants who currently live in the CMMI, all these existing tenants will be displaced, including the 49 rooms that have been identified and grandfathered as long-term tenants.

² Notice of Preparation City of Costa Mesa General Plan Amendment Program EIR, City of Costa Mesa, p. 4, November 16, 2015.

³ Draft Environmental Report for the City of Costa Mesa’s Year 2015-2035 General Plan, p. 4.13-9, March 2016.

⁴ City Council Agenda Report: General Plan amendment GP-14-04/ Rezone R-14-04/ Zoning Code Amendment CO-14-02/ And Master Plan PA-14-27 For Costa Mesa Apartments at 2277 Harbor Boulevard, City of Costa Mesa, p. 5, November 3, 2015.

The DEIR identifies that the proposed amended Land Use Plan could increase residential development in the Focus Areas by 4,040 units.⁵ Of that total, 3,062 units have allowable densities of 40 du/ac which can accommodate the development of affordable housing.⁶ However, default densities of 30 du/ac and greater do not necessarily produce homes that are affordable to lower income working households. The proposed development at the CMMI is a cautionary example of a proposed development utilizing and benefiting from the Residential Overlay and not producing affordable homes for lower income households.

The proposed CMMI development benefitted greatly from the Residential Overlay and development incentives (i.e., change in land use and increase in density) that the developer was previously not entitled to. These City approved development incentives should be considered as a form of a public subsidy because the incentives are giveaways that provide significant windfalls and increase the property value of the proposed development. The City approved incentives/ public subsidies underscore a problem that the fails to ensure the giveaways are provided in the exchange of community benefits such as the development of affordable homes for lower income households. The developer for the proposed development at the CMMI did not set aside any homes that would be affordable to lower income households. While 20 units will be set-aside for moderate income families, the proposed rents, \$1,600 - \$1,800 are out-of-reach and not affordable to current CMMI tenants or potential lower income tenants in the City. In addition, by increasing the existing base density at the proposed development, the City is effectively circumventing the use of a density bonus (SB 1818) for proposed projects, which would have facilitated the development of new affordable homes for lower income households in the City.

The City's proposed land use changes, including the development incentives in the Residential Overlay, has significant value to it that will undoubtedly encourage and facilitate future developments. The implementation of the proposed land use changes should be thoroughly analyzed to identify all the significant impacts that will be imposed on the residents and community. Because future developers will benefit from the proposed land use changes, relocation assistance and replacement housing for displaced tenants at proposed developments should be thoroughly analyzed for significant impacts.

- 4. Fairview Developmental Center:** Reinstate the General Plan land use overlay at the Fairview Developmental Center site that allows a development capacity of 1,000 du at a maximum density of 40 du/acre (not the currently proposed 500 du at 25 du/ac) as identified in the City Council/ Planning Commission Joint Study Session on September 8,

⁵ Draft Environmental Report for the City of Costa Mesa's Year 2015-2035 General Plan, p. 4.13-6, March 2016.

⁶ Draft Environmental Report for the City of Costa Mesa's Year 2015-2035 General Plan, p. 4.13-6, March 2016.

2015. Considering the state is requiring a set-aside for the developmentally disabled, the site presents the greatest potential and opportunity for the development of affordable homes. The State Department of General Services (DGS) also submitted a letter that was submitted to the Costa Mesa City Council on October 6, 2016, stating “**The state requests that the City include the 20 acres specified in SB 82 in the general plan update allowing a maximum of up to 40 units per acre...**” It is clear that DGS supports a maximum density of 40 du/ac at the Fairview site.

The density of 40 du/ac is also consistent to the other proposed residential incentive overlays along Harbor Boulevard, Newport Boulevard and SoBECA. At 40 du/ac versus 25 du/ac, the site will construct more units that will generate more rent subsidies/ revenue needed for the developmentally disabled households living at the Fairview Developmental Center. By decreasing the density to 25 du/ac versus 40 du/ac, the potential value of the center also decreases.

In addition, the City should conduct a financial analysis regarding the feasibility of proposing an affordable housing development at a lower density versus a higher density to be better informed as to which densities would facilitate a more successful development.

5. **South Harbor Boulevard Mixed-Use:** Approve the Harbor Mixed-Use Overlay that allows a maximum residential density of 20 du/ac **ONLY IF** new residential developments proposed in the overlay set-aside 20 percent of homes as affordable to lower income working households.
6. **Sakioka Site 2:** Approve a General Plan land use overlay at Sakioka Site 2 that allows a maximum residential density at 80 du/acre for up to 660 units **ONLY IF** new residential developments proposed at the site set-aside 20 percent of homes as affordable to lower income working households. In the City’s 2014-2021 Housing Element, the Sakioka Site 2 was identified a potential opportunity site for the development of homes affordable to lower income households.⁷ In addition, by increasing the existing base density, the City is effectively circumventing the use of a density bonus (SB 1818) for proposed projects, which would have facilitated the development of new affordable homes for lower income households in the City.
7. **Harbor & Newport Boulevard Residential Overlay:** Approve a residential incentive overlay that includes new high density residential uses of up to 40 du/acre along Harbor Boulevard and Newport Boulevard **ONLY IF** new residential developments proposed in the overlay set-aside 20 percent of homes as affordable to lower income working households. In addition, motels located in the overlay should not be included unless any

⁷ Housing Element for the Costa Mesa General Plan 2013-2021, p. 56, January 21, 2014.

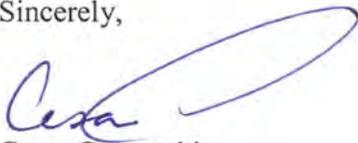
Ms. Minoo Ashabi
April 18, 2016
Page 5 of 5

future/new residential developments that are proposed on these sites dedicate at least 20 percent of the homes to lower income working households. In addition, by increasing the existing base density, the City is effectively circumventing the use of a density bonus (SB 1818) for proposed projects, which would have facilitated the development of new affordable homes for lower income households in the City.

8. **SoBECA Overlay:** Approve a maximum of 450 units at a density of 40 du/acre at the SoBECA Urban Plan Area **ONLY IF** new residential developments proposed in the overlay set-aside 20 percent of homes as affordable to lower income working households. In addition, by increasing the existing base density, the City is effectively circumventing the use of a density bonus (SB 1818) for proposed projects, which would have facilitated the development of new affordable homes for lower income households in the City.
9. Conduct a study to evaluate the economic impacts of the proposed development incentives (i.e., land use changes/ rezoning and density increases) in the “focus areas.”
10. Collaborate with the Costa Mesa Affordable Housing Coalition and community stakeholders to develop effective land use changes and residential incentive overlays in the General Plan Update that will increase affordable home opportunities for lower income working households.

Please keep us informed of any updates to the City’s General Plan Update and if you have any questions, please feel free to contact me at (949) 250-0909 or cesarc@kennedycommission.org.

Sincerely,



Cesar Covarrubias
Executive Director

cc: Kathy Esfahani, Costa Mesa Affordable Housing Coalition



Tribune Real Estate

April 18, 2016

Minoo Ashabi, Principal Planner
City of Costa Mesa – Development Services Department
77 Fair Drive, P.O. Box 1200
Costa Mesa, CA 92628-1200

Re: Former LA Times Printing Press Property Draft EIR Comments

Dear Ms. Ashabi,

On behalf of the Joint Venture of Kearny Real Estate Company and Tribune Media, which owns the Los Angeles Times site located at 1375 Sunflower Avenue, we offer the following comments on the Draft Environmental Impact Report (“Draft EIR”) for the Costa Mesa Year 2015-2035 General Plan. As a general matter, we are supportive of the City’s long-awaited effort to update its General Plan, and are appreciative of your efforts.

To that end, we offer the following technical comments and corrections:

First, the owner of the Los Angeles Times site is referred to as “Tribune Publishing” throughout the document. The current owner of the Property is in fact a joint venture of Kearny Real Estate Company and Tribune Media Company. Moreover, the ownership of the property isn’t relevant to the environmental impacts of the project. We respectfully request that the ownership references be updated to simply reflect the property as the “former LA Times printing press property” for identification, and use the word “owner” with reference to the former LA Times printing press property to avoid confusion.

Second, the Draft EIR, at page 4.8-6 includes the Los Angeles Times North Tanks on Table 4.8-4 (Leaking Underground Storage Tanks). This reflects outdated and therefore inaccurate information that we respectfully request be updated to reflect current information. Specifically, there are no leaking tanks on the site, and the remedial extraction system concluded its work in April 2014. Groundwater monitoring has been occurring in accordance with Orange County Health Care Authority (“OCHCA”) monitoring requirements. The OCHA is reviewing data collected to-date to determine whether the site satisfies the criteria for no further action. Groundwater sampling will continue until OCHCA so determines. The most recent monitoring data is attached for further reference.

Finally, we understand that the General Plan designates the Los Angeles Times site as Commercial Center. However, page 4.10-6, states that the Los Angeles Times site would be designated as Urban Center Commercial. We request that this and all such references be corrected to reflect the proper General Plan designation of Commercial Center.

Attachment to Tribune Real Estate
Letter Dated April 18, 2016 related to
Underground Tanks and Remediation
status is available for review at the
City Hall, Planning Division


PUBLIC LAW CENTER

PROVIDING ACCESS TO JUSTICE
FOR ORANGE COUNTY'S LOW INCOME RESIDENTS

April 18, 2016
Chair Robert Dickson, Jr. and Planning Commission Members
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628

REC'D APR 21 2016

RE: Draft Environmental Impact Report (EIR) for 2015-2035 General Plan

Dear Chairman Robert L. Dickson, Jr. and Planning Commission Members:

This letter is a comment on the 2015-2016 Draft EIR Report. This letter is written on behalf of the Costa Mesa Motel Residents Association ("CMMRA"). CMMRA consists of long-term residents that have made the motels of Costa Mesa their 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.

The CMMRA encourages the Planning Commission to take the following steps:

1. The City should conduct its analyses of affordable housing development using both fixed site and scattered site models for preserving/creating affordable housing for the current motel residents who consider themselves part of the Costa Mesa community. The City can and should develop a model that integrates housing for disabled persons, elderly persons, and low-income working families into each of their proposed sites and all residential density proposals.

The Commission has openly opined that they felt the motel standard of living was inadequate—they have the chance to remedy their own concerns by developing adequate, low-income housing in this instance.

2. Make provisions with preference for the low-income families who utilize motels, integrating target percentages for affordable units or homes in each proposed development. The developments should address housing types both for residents who utilize motels for their affordability and stability and for those who use motels as housing of last resort.
3. Address the dislocation of low-income motel residents who call Costa Mesa their home and include them as a concretely impacted group in the EIR report. As a result, reclassify the findings under the Population/Housing Impacts to be "significant" or "potentially significant." The report is incorrect when it says that the "specific number of persons using that particular motel for long-term occupancy" is unknown. Multiple statistical reports have been conducted and thus the city does know how many long-term occupants

391

are currently living in motels and would be adversely affected. Thus, they also know the scope of the likely population displacement.

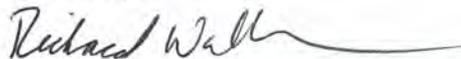
The City overtly acknowledges that the proposed land uses will reduce motel rooms citywide, so this negative impact on existing motel residents is not speculative, but highly likely, and the report should accurately reflect this reality.

4. Address and make provisions for relocation services and other necessary resources for those low-income residents who might be forced to move out of their units as a result of development at each site. Adopt a plan for homelessness prevention that can accommodate effected residents.

It is this City's obligation to merge the interests of redevelopment and the interests of meeting the needs of its residents. The City wants these properties to be redeveloped, continually citing them as eyesores. Therefore, the City must work together with owners and affordable housing experts to redevelop these sites to include low-income housing, especially for the current long-term occupants in Costa Mesa motels.

Please keep us informed of any updates to the City's General Plan Update and if you have any questions, please contact us at (714) 541-1010.

Sincerely,



Lili Graham

Richard Walker

Public Law Center Attorneys on behalf of CMMRA

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PH

RECEIVED
CITY CLERK

16 APR 11 AM 10:37

CITY OF COSTA MESA
BY SH counter

To: Mrs. Brenda Green, City Clerk

RE: Planning Commission 04/11/16

Public Hearing, item 1

Date: 04/11/2016

I am filing an objection to the above item. The comments and public input is, according to your documents, open for one more week. I question the ability to cut short the time for residents to make comments and submit emails and letters.

Hopefully, this was a typographical error and will be corrected, forthwith.



Sincerely,

Mary Spadoni

2474 Orange Avenue

Costa Mesa, CA 92627

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PH-1

2442 Andover Place
Costa Mesa, CA 92626
April 11, 2016

TO: ROBERT L. DICKSON, JR. Chair, Costa Mesa Planning Commission
JEFF MATHEWS, Vice Chair, Costa Mesa Planning Commissioner
STEPHAN ANDRANIAN, Costa Mesa Planning Commissioner
COLIN MCCARTHY, Costa Mesa Planning Commissioner
TIM SESLER, Costa Mesa Planning Commissioner

As per Page 9 of the Planning Commission's agenda for tonight's meeting, I read, "The Draft EIR and Technical Appendices will be available for review and comment for 45 [forty-five] days commencing March 4, 2016 at 8:00 am and ending on April 18, 2016 at 5:00 pm.

Costa Mesa's Office of the City Clerk provided me with a CD that has the large PDF of the Proposed General Plan, the Draft EIR and all Technical Appendices. I was intending to further study this material and submit comments all during this coming week.

On Page 14 of tonight's agenda, I read "...Costa Mesa Planning Commission hereby recommends...PASSED AND ADOPTED this 11th day of April, 2016."

I request that you not pass Item 1 of tonight's agenda. Please respect the citizens of Costa Mesa by following the letter of the law and providing us with the full 45-day period in which to submit our comments.

Respectfully submitted,



Flo Martin,
49-year resident of Costa Mesa, CA

Received
City of Costa Mesa
Development Services Department

APR 11 2016

3.94

PH-1

COLGAN, JULIE

Subject: Violation of process of CEQA

From: C B [mailto:cblack949@hotmail.com]

Sent: Monday, April 11, 2016 4:38 PM

To: GREEN, BRENDA <brenda.green@costamesaca.gov>; DUNN, MICHAEL <MICHAEL.DUNN@costamesaca.gov>; HATCH, THOMAS <THOMAS.HATCH@costamesaca.gov>

Subject: Violation of process of CEQA

Attn: Tom Hatch

City Manager/CEO of Costa Mesa
Brenda Green-City Clerk of Costa Mesa

Hello,

I am writing to voice my objection to what I believe a gross violation of due process of the California Environmental Quality Act-CEQA.

Listed as notice on the planning commission agenda for April 11, 2016:

Agenda notice for tonights Planning Commission:

Approve by adoption of Planning Commission Resolutions for the following actions:

1. Recommend that the City Council certify Draft Environmental Impact Report (DEIR) – SCH No. 2015111068 and;
2. Recommend that the City Council adopt 2015-2035 General Plan

<http://www.costamesaca.gov/index.aspx?page=1966>

The DEIR cannot certify and/or adopt the General Plan prior to the close of the comment period, which was noticed as March 4 2016 through April 18 2016.

"The General Plan and Draft Environmental Impact Report and Technical Appendices are available for review and comment for 45 days commencing March 4, 2016 at 8:00 am and ending on April 18, 2016 at 5:00 pm. Written comments on the Draft EIR must be submitted by April 18, 2016 by 5:00 pm to the City of Costa Mesa."

Please correct this error and clarify to the public that a mistake has been made. I also suggest that the comment period be extended as result of this error in notification.

Thank you,
Cindy Black

3.95

PH-1

COLGAN, JULIE

Subject: Costa Mesa Planning Commission - April 11, 2016 agenda, Public Hearing Item No. 1

From: Cynthia McDonald [<mailto:cmcdonald.home@gmail.com>]

Sent: Monday, April 11, 2016 10:26 AM

To: GREEN, BRENDA <brenda.green@costamesaca.gov>

Subject: Costa Mesa Planning Commission - April 11, 2016 agenda, Public Hearing Item No. 1

I hereby object to a hearing being held on Public Hearing Item No. 1 on the agenda for the April 11, 2016 Planning Commission meeting. This item incorrectly states that the Planning Commissioners will be voting to send the Draft Environmental Impact Report ("DEIR") to the City Council, however the comment period for the DEIR has not lapsed and written comments can still be submitted. The Planning Commission cannot take action until the comment period has lapsed and all comments have been submitted. Further, the agenda states that the Planning Commissioners can recommend that the City Council adopt the General Plan. That cannot happen because we do not have a final EIR yet.

Thank you for your consideration.

Cynthia McDonald
1181 Atlanta Way
Costa Mesa, CA 92626
(714) 549-5884

3.96

Cynthia McDonald
1181 Atlanta Way
Costa Mesa, CA 92626
(714) 549-5884
cmcdonald.home@gmail.com

April 18, 2016

VIA EMAIL ONLY

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

Re: Comments to Draft Environmental Impact Report prepared in connection with
General Plan update

Ladies and Gentlemen:

The following are my comments to the Draft Environmental Impact Report ("DEIR") and some, but not all, of my comments with respect to the Draft General Plan ("DGP"). Please make these comments and requests for additional information and/or modification to the DEIR and DGP part of the public record.

Overall Cohesive Plan for the City

The General Plan does not include a vision of how the City will develop an overall cohesive plan for the City for the next 20 years. While it contains suggestions that developers focus on creating gathering spots in their projects, there is no specific direction for that. Mention is made that the Triangle should be considered the downtown area. The closest thing we have to a central gathering place is the Neighborhood Community Center ("NCC"), which is slated to be reduced in size, rather than expanded. Walking in that area is not enjoyable and no new bike lanes are currently planned so that we can avoid automobile trips and transform the city to a bikeable/walkable city. There are no transit centers or hubs planned near the NCC or South Coast Plaza. The zoning for new housing along Harbor and Newport Boulevards is not specified to be strictly the true mixed-use type of development that would encourage people to get out of their cars and visit businesses on foot or by bike. While the most dense/intense land uses are focused away from the neighborhoods with single-family homes, the health and safety of the residents are jeopardized by the proposed changes to land use because of the impacts of increased traffic levels, air pollution and lack of adequate open space.

Vision Statements

While the vision statements are a welcome addition to the DGP, the residents suggested changes to the vision statements and requested additional statements that were ignored. What we see are vision statements that reflect the needs of developers, and not the direction that the residents want for the City. Protecting the residents is the primary responsibility of the City, and yet protecting and promoting the health, safety and quality of life of the residents is ignored.

Aesthetics

Impact 4.1.A, 4.1.B found on page 4.1-5 states:

“Impacts to scenic vistas and resources would be less than significant with implementation of draft General Plan policies.”

In the following paragraph it further explains

“As described above, scenic vistas within the City are limited to large areas of undeveloped land that offer views of scenic resources such as Upper Newport Bay, the Santa Ana River, and the Santa Ana Mountains. The proposed project will not alter scenic vistas located in existing parks or open space areas as none are subject to land use change. New development built on the Segerstrom Home Ranch and Sakioka Lot 2 sites could impact existing views of the Santa Ana Mountains since current land use policy allows buildings of heights greater than two stories; the proposed General Plan land use policies will continue this condition. However, with the implementation of the following Community Design Policies CD-5.A through CD-5.F below, potential impacts on scenic vistas and resources would be less than significant:”

What follows is Policy CD-5.A which provides for the preservation and optimization of natural views and open spaces in Costa Mesa. However, there is no assurance that views can be preserved because the buildings in the Segerstrom Home Ranch project are limited only by FAR and could be anywhere from five (5) to twelve (12) stories in height. These buildings have the potential to impede the view of the Santa Ana Mountains for residents who live west of that project. This impact needs to be added to the DEIR.

Land Use Element

The proposed changes will have irreversible impacts on the residents, some of which result in the form of air pollution, greenhouse gas emissions and noise pollution, which are discussed below.

There are also impacts to the quality of life of the residents. There is no plan for the City to create either central or neighborhood gathering spots, no inclusionary agreement for affordable housing and the proposed high-density housing is not located in walkable/bikeable areas or near

a transit center. Removal of height limitations for buildings south of the San Diego Freeway will degrade the quality of life for the residents.

With respect to the Existing Land Use Distribution on 4.10-1 of the DEIR, the Santa Ana Colleen Street Island has already been incorporated into the City.

The DEIR does not address what happens to displaced residents as a result of the rezoning of “problem motels” to high-density mixed-use residential. The City seems to think these people will move elsewhere, but since so many have family in the area, including children attending Newport-Mesa schools, and a few have employment, this subject matter needs to be addressed. Further, this displacement is an intentional attempt to change the demographics of the City.

Environmental Impacts

Air Pollution and Greenhouse Gas Emissions

As noted on page 2.4-1 of the DEIR:

“. . . the updated General Plan Amendments has the potential to result in significant, unavoidable environmental effects with regard to the following environmental issue areas:

- Air Quality Aesthetics (due to inconsistency with regional plans)
- Greenhouse Gas Emissions (due to inconsistency with regional plans)”

On page 4.3-15 of the DEIR, we see that the proposed General Plan Amendments will have the impact of the deterioration of air quality caused by the addition of 9,271 more dwelling units, 21,166 more residents and about 5.6 million square feet of nonresidential development. That section of the DEIR says:

“This could result in potentially significant impacts because air quality attainment goals could be delayed since the strategies adopted in the AQMP would not account for land use changes in the planning area.”

In other words, the City does not have a plan in place that can deal with the air pollution that comes with all this new development. Further, it says:

“Therefore, the proposed General Plan is inconsistent with the growth projections in the RTP/SCS and would be inconsistent with the 2012 AQMP.”

Despite that, the DEIR states that:

“the following policies in the updated General Plan support attainment of air quality goals through assessment and mitigation of future development projects . . .”

What is listed after that, among other things, are policies of the General Plan that would mitigate the impacts of the proposed development, some of which came out of the proposed Active Transportation Plan (“ATP”). However, those policies in the ATP were reclassified as “recommendations” at the time the City Council approved it. Mitigation needs to be something that is a concrete measure that can be taken to prevent an impact. It cannot be something that falls into the category of being a choice that might be opted for, or a wish list. Unless the City Council is going to change the DGP so that all the “recommendations” in the ATP are restored to policies, the DEIR needs to be edited to eliminate any reference to those policies/recommendations.

Not having an adequate plan to deal with air pollution puts the health of the residents at risk. I note that the monitoring station is located in an area that benefits from unimpeded breezes off the ocean due to its location near Costa Mesa Golf Course and Fairview Park and is not near the existing emission locations shown on Figure 4.3.2. There are other areas that receive a greater impact of air pollution, for example, the corner of Baker and Bear Streets which not only is impacted by the air pollution of three (3) nearby freeways, but also a busy arterial and the airport. While repurposing some of the light industrial in the SoBECA area might help air quality, it is not going to come close to eliminating the air pollution coming from the freeways, airport and the adjoining industrial park. Should the City allow a mixed-use component of 40-50* dwelling units per acre to be introduced to that area and other areas in the city, it would be at a significant risk to the health of all residents. *50 dwelling units with a density bonus applied.

There currently exists a toxic carbon monoxide “hot spot” at Hyland and MacArthur. Any increase in traffic caused by an increase in the use of land by elevating the allowable FAR in areas close to that hot spot would require mitigation. Expansion of the Los Angeles Times building is not likely to reduce that problem as it will bring an increase in traffic to that area over what currently exists. Any repurposing of the building needs to be accompanied by a plan to reduce auto and truck traffic. The adjacent rail line is an opportunity to provide pedestrian/bicycle access to that parcel and others in the area and should be incorporated into any redevelopment plan.

With respect to greenhouse gases, the California Air Resources Board has identified a cap and trade program as one of the strategies it will be using to reduce greenhouse gases. The City needs to anticipate that it will be required to be a part of that program and institute a plan to reduced greenhouse gases. As noted in Impact 4.7.B:

“The proposed General Plan Amendments have the potential to conflict with the 2012 SCAG RTP/SCS and CARB Scoping Plan—and thereby not attain GHG reductions

targets—because land use policy does not support the same level of population growth projected. **Impacts at the program level are significant and unavoidable.** [Emphasis added]

In addition, I note there is no mention of the impacts by the proposed Banning Ranch development. While the City is not responsible for that development, it is certain to be a part of the cumulative effects of the proposed General Plan Amendments. That cumulative impact and the impact of the proposed General Plan Amendments are unacceptable and need to be modified and a plan needs to be instituted to mitigate or eliminate those impacts.

Noise

In Section 4.12 of the DEIR much discussion is made to accommodating development of additional commercial, residential and mixed-use development in the specific focus areas and some attention is given to the impacts of the noise generated by that development. Mitigation includes Policy N-2-A which provides:

“Require the use of walls, berms, interior noise insulation, double-paned windows, and other noise mitigation measures, as appropriate, in the design of new residential or other new noise sensitive land uses that are adjacent to arterials, freeways, or adjacent to industrial or commercial uses.”

Page 4.12-16 contains the following explanation of Impact 4.12.C:

“Future population growth within the planning area would result in increased traffic and the need for roadway and intersection improvements necessary to maintain desired levels of service, despite this increase in traffic. Increases in traffic could result in permanent increases in ambient noise levels, e.g., where a roadway segment is proposed to be expanded with additional travel lanes over the long-term to achieve level of service standards. Roadway noise could also increase on an existing roadway that will carry increasing traffic volumes. In either set of circumstances, roadway noise levels could increase to beyond the levels considered acceptable for the adjacent land uses. This issue is addressed under Impact 4.12.C.”

However, no mitigation is provided for pedestrians and bicyclists who are continuously exposed to these increased noise levels. Further, no explanation is given as to how the City intends to mitigate the noise that is echoed off tall buildings or the sound walls that are required to mitigate noise so that it does not travel beyond the arterial into adjacent buildings.

Zoning

The rezoning of selected properties along Harbor Boulevard and Newport Boulevard from commercial to mixed-use overlay is nothing more than spot zoning in those areas, as the adjacent

properties will not be rezoned as well. This constitutes a targeted action by the City designed to benefit certain property owners and not others. Further, the impacts of traffic due to the eastside of Newport Boulevard being a one-way arterial will direct the traffic back into the Eastside neighborhood bringing air pollution impacts noted above. In addition, in the prior General Plan buildings south of the San Diego Freeway were limited to no taller than four (4) stories in height. The General Plan Amendments indicate that there is no limitation to which development must conform—all is needed to exceed this height is permission from the City Council. This shows a complete disregard for the wishes of the residents to retain the low profile coastal town feel.

Circulation (Transportation and Traffic) Element

At the end of Section 4.16 of the DEIR there is a statement that no mitigation is necessary because no impacts would result. While it is noted that an intersection is not considered to be at failure level to the City unless it is rated as a LOS of “F”, we have two intersections that currently attain LOS “D” at peak hours. One of those is Newport Boulevard and 17th Street, which is at “D” at both the AM and PM peak hours. The other is Newport Boulevard and 18th Street/Rochester Street in the PM peak hour. Many residents, myself included, feel that a LOS of “D” is unacceptable.

With the proposed General Plan Amendments, Table 4.16-13 shows **twenty-one (21)** additional intersections that will attain LOS “D” at one or more peak hours. While some of those intersections will be “improved” to add lanes by 2035, that mitigation effort will only exacerbate the problems faced by pedestrians and bicycles trying to cross wide intersections. If bicyclists and pedestrians cannot cross a street safely, then mobility is severely limited, access is denied, and cycling and walking as a mode of travel is discouraged.

More than two percent (2%) of the residents of Costa Mesa ride a bicycle to work and that number is growing. It is imperative that the City reverse its decision to label the policies in the ATP recommendations. Those policies were written as a direct response from residents requesting better and safer connectivity and facilities in the City. Further, as noted above, to use those policies as mitigation for impacts, they need to be classified as such.

Policy C-4.A.3 proposes implementation of “park-once approaches for multiuse districts and regional destinations areas”, which are commonly known as “parking districts.” While the concept of parking districts is a good one, implementation would require the hiring of additional parking enforcement personnel. On page 4.15-54 it is stated that:

“These policies, in conjunction with the parking supply and design standards requirements of the City’s Zoning Code, would ensure that adequate parking is provided on a project-by-project basis. Impacts would be less than significant.”

However, since the need for additional parking enforcement personnel would be ongoing, the impact on the City budget would be significant. The DEIR does not indicate that these parking districts would be located in areas with business improvement districts that would fund the cost

of the additional personnel. Clarification is needed to fully assess the impacts of these parking districts.

Table 4.16-6 indicates that there are currently 1,018,790 ADTs generated in the City and an estimated 1,244,140 ADT. This does not appear to include the 150,000 additional passthrough trips we currently experience or whether the passthrough trips are anticipated to increase. Was a calculation made to increase the trips in accordance with a density bonus that could be applied to selected properties? Please provide that information.

While mention is given to the downgrade of the Gisler Avenue/Garfield Avenue crossing of the Santa Ana River to a "Right-of-Way Reserve" status on the Orange County Master Plan of Arterial Highways, it is not clear if this is a fait accompli. If a formal change in status has not occurred, what will be the impact(s)? Please provide more information.

One glaring omission from the Circulation Element is the traffic impacts from the Banning Ranch project in Newport Beach. While that project is not part of the proposed General Plan Amendments, seven (7) intersections will be impacted by the Banning Ranch project, many of which are included in the twenty-one (21) impacted intersections show on Table 4.16-13. Will the addition of Banning Ranch traffic cause any of those seven (7) intersections to drop in level of service? Please provide a detailed answer to this, including what level of service is anticipated with the addition of Banning Ranch traffic given the current plans for that project.

In looking at this data and factoring in that there will be some impacts felt by the Banning Ranch project, I believe the statement that no mitigation is necessary is false. The additional traffic that comes with the proposed General Plan Amendments is one of the greatest impacts on the quality of life for the residents of Costa Mesa and steps need to be taken to eliminate those impacts.

Open Space

On page 4.14-9 of the DEIR it states:

"The City of Costa Mesa currently does not meet its goal of providing 4.26 acres of parkland per 1,000 persons."

Further down the page it is stated:

"As of 2015, the City had an estimated population of 110,524 residents. Based on the City's park standard goal of 4.26 acres for every 1,000 persons, approximately 471 acres of parkland are required to meet the City's goal. Assuming a build-out population of 131,690 residents, 561 acres would need to be acquired to achieve the goal."

On page 4.14-10 of the DEIR it asserts:

“Given the paucity of vacant land within the planning area, it could be reasonably assumed that acquisition and provision of an additional 561 acres of parkland would not [be] feasible. However, this impact is not considered significant since the possible inability of the City to meet its goal would not result in any direct or indirect environmental impact.”

Costa Mesa is comprised of more than just buildings and people. The most “livable” cities are as known for their open space. Having open space in cities provides many advantages: formal and informal sports and recreation, preservation of natural environments, provision of green space and even urban storm water management. Thus green space must be a key consideration in Costa Mesa if the health of a city and its residents are both considered important.

There is a growing body of research showing a connection between human health and well-being and the design and structure of towns, cities and regions. It is believed that planning decisions have a key role to play in combating growing levels of obesity and helping prevent lifestyle-related diseases through facilitating physical activity and positive mental health. The health benefits associated with access to public open space and parks include better perceived general health, reduced stress levels, reduced depression and more. An evaluation of the largest 85 cities in the United States found the health savings from parks was an estimated \$3.08 billion.

Thus, there are significant impacts from continually falling behind on acquiring new parkland for use by the residents. The City needs to identify priority areas for new parkland and pursue the acquisition and construction of facilities on that land. Failure to do so will result in substantial deterioration of existing facilities.

With respect to Fairview Park, on page OSR-18 of the DGP it states:

“Due to its size, Fairview Park is one of the parks that may be repurposed to include other public amenities. However, a balance between passive and active open space opportunities within the park will continue to be a key consideration.”

Due to the sensitive environmental and archeological issues of Fairview Park, this park must be left in a natural state and only requires efforts with respect to remediation or enhancement of that natural state. Simply stated: leave it alone.

Population and Housing

Data found on page 4.13-6 of the DEIR indicates that the City anticipates the addition of 11,078 more residents by 2035 or an increase of 9.76%. It also indicates the addition of 4,040 dwelling units by that same year (an increase of 9.48%). The increase in jobs is anticipated to be 17,147 more jobs by 2035 (19.64%). Note that some of these numbers do not comport with the numbers

found on page 4.3-15 of the DEIR. Please provide an apples-to-apples comparison or a corrected set of numbers.

It is not indicated what type of industries that anticipate this increase in employment and the wage levels of these new workers. The unavailability of suitable affordable housing for employees has proven to be a problem in the past for industries in that they are not able to retain skilled employees for this reason. It is important that the City adopt an inclusionary housing ordinance for this reason.

In addition, on page 4.13-6 of the DEIR it indicates there are 8,032 net acres in the City. In the second column of Table LU-2 on page LU-11 of the DGP it indicates there are 8,044. However, adding the numbers in that column, the number is actually 7,942.20. Please review the calculations in both documents and adjust for inconsistencies.

Utilities and Service Systems

Impact 14.d found on page 14.17-12 states:

“Implementation of the proposed General Plan Amendments would not require new or expanded water supply entitlements to be secured, and the proposed General Plan Amendments incorporate policies aimed at conserving water supplies.”

This indicates that there will be no impact by the addition of 9,271 dwelling units and 21,166 more residents to the City. Residents have been required to minimize water consumption because of the current drought conditions. Our water supply has not been completely replenished by the recent rains and we have been told that we need to continue curtailing our water consumption. To say that providing water service to 21,166 new residents will have no impact to the current residents is incredible. Please provide a detailed plan and policies for how the City is going to handle the lack of water and still add water service without any impact.

Alternatives

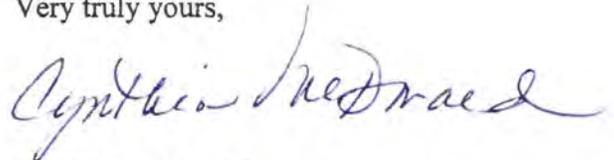
None of the proposed alternatives reflect the concerns or wishes of the residents that were expressed in the outreach meetings. Those concerns include, but are not limited to acquiring more open space, maintaining neighborhood character, bikeability and walkability of public streets, safe and efficient traffic circulation, and increasing homeownership to balance the ratio between homeownership to rental housing. In addition, affordable housing is a concern, particularly with respect to housing for seniors and those who have low and very low incomes.

City of Costa Mesa
April 18, 2016
Page 10

Please note that any request for information contained herein may not be my final request, as when I receive additional information that may generate more questions. Therefore, I reserve my right to make additional information requests. In addition, there are typographical, mathematical and other errors in the DGP that I will address separately when time allows.

Thank you for your attention and I look forward to reviewing the City's response.

Very truly yours,

A handwritten signature in blue ink that reads "Cynthia McDonald". The signature is written in a cursive style with a large, sweeping initial "C".

Cynthia McDonald

/cm

ASHABI, MINOO

Subject: FW: Comments to the DEIR

From: Robin Leffler [<mailto:wre2lef@sbcglobal.net>]

Sent: Monday, April 18, 2016 4:49 PM

To: FLYNN, CLAIRE <CLAIRE.FLYNN@costamesaca.gov>; General Plan <GeneralPlan@ci.costa-mesa.ca.us>

Subject: Comments to the DEIR

In the areas I looked at most closely there seem to be discrepancies in some of the figures presented for traffic and housing.

The traffic consultant who spoke at the 4/4/16 Planning Commission said the General Plan Update would generate only 10,000 more trips than build-out of the current General Plan. During the 4/5/16 City Council meeting a different consultant, one hired to analyze impacts from the "Smart Growth" voter initiative, reported traffic would increase by 15,015 trips if the proposed General Plan Updates were fully built. I am concerned that the City Council will not know which figures to rely on, or if either is accurate. These analyses are at odds, and the discrepancy must be resolved before the EIR is deemed complete.

From the 9/8/15 Joint City Council and Planning Commission Study session, the traffic analyst supplied data to the City Council, Planning Commission and Public (attachment 5, pg 41), that said Hospitals (incl. the Fairview Hospital Property) are deemed to generate 6,108 existing trips. With proposed Updates, the Property would generate 1,579 trips, for a stated loss of -4,529 trips from current GP. The motel properties are deemed to generate 12,793 existing trips and the same if the current GP is built out. With the proposed Updates, there would be a stated loss of -7,466 trips. Since neither Fairview Hospital or many of the Motels have been operating at peak capacity for many years the lower trip numbers are not accurate for existing conditions. The EIR should provide a more realistic view of the probable changes in traffic conditions before the EIR is deemed complete.

There also seem to be approximately 5000 housing units that are missing in the final analyses. (At this point they are MIA. Please send in a recovery unit to determine if they are dead, wounded, or POW. If possible, bring them out alive... (- sorry, this stuff gets so serious, I just had to do that.)) There does appear to be an approximate 5000 unit discrepancy. Before the EIR is deemed complete, the discrepancy must be accounted for. This will also affect final traffic figures and may affect other areas such as rental/ownership ratio or jobs/housing ratios.

All joking aside, it is critically important that Decision makers have an accurate idea of how traffic could change before they make their decision on the acceptability of the EIR.

Thank you for your consideration,
Robin Leffler
3000 Ceylon Road
Costa Mesa, Ca, 92626

3.107

ASHABI, MINOO

Subject: FW: Draft EIR Comments

From: Anna Vrska [<mailto:avraska7@gmail.com>]

Sent: Monday, April 18, 2016 4:29 PM

To: General Plan <GeneralPlan@ci.costa-mesa.ca.us>

Cc: GREEN, BRENDA <brenda.green@costamesaca.gov>; ARMSTRONG, GARY <GARY.ARMSTRONG@costamesaca.gov>

Subject: Draft EIR Comments

Good Afternoon,

The following are my comments to the Draft Environmental Impact Report. Please make them part of the public record.

The changes to certain parts of the City by the proposed General Plan Amendments are unacceptable because of the impacts those changes will have on residents. Those impacts are:

- Additional density that does not bring more homeownership opportunities to the City, but instead brings more apartments;
- Loss of height limitations on buildings south of the 405 freeway;
- Displacement of residents as a result of redevelopment of selected properties without a plan to provide replacement housing;
- No plan to provide affordable housing for seniors and low and very-low income residents;
- No concrete plan to add walkability and bikeability to the City;
- Increased parking issues;
- Lowering the level of service at 21 intersections in the City to the level of congestion experienced at Newport Boulevard and 17th Street;
- Increased air pollution and greenhouse gas emissions;
- Increased noise levels as a result of the canyon effect created by tall buildings and sound attenuating walls on arterial roads;
- Inadequate protective measures for biological and archeological resources at Fairview Park;
- Inability to provide new parks and open space to keep up with the substantial deterioration of existing facilities by the increase in use due to increase in population; and
- No plan to address the scarcity of water sources.

None of the alternatives offered by the City mitigate these impacts. The alternatives do not address protecting the health, safety and quality of life of the residents.

The Draft Environmental Impact Report needs to be rewritten to address the concerns of the residents including acquiring more open space, maintaining neighborhood character, bikeability and walkability of public streets, safe and efficient traffic circulation,

3.108

increasing homeownership to balance the ratio between homeownership to rental housing, and providing for more affordable housing.

Thank you.

Anna Vrska
2144 Orange Avenue. B
Costa Mesa, 92627

3.109

ASHABI, MINOO

From: FLYNN, CLAIRE
Sent: Monday, April 18, 2016 12:13 PM
To: ASHABI, MINOO; Laura Stetson; Jose M. Rodriguez
Subject: FW: GP Draft EIR

From: Ralph Taboada [<mailto:taboada1@sbcglobal.net>]
Sent: Monday, April 18, 2016 12:01 PM
To: General Plan <GeneralPlan@ci.costa-mesa.ca.us>
Cc: GREEN, BRENDA <brenda.green@costamesaca.gov>; ARMSTRONG, GARY <GARY.ARMSTRONG@costamesaca.gov>
Subject: GP Draft EIR

I have many concerns about the draft EIR. I do not believe it adequately addresses the following:

1. -- loss of height limitations on buildings especially south of the 405 freeway
2. -- no plan for replacement housing for residents displaced by redevelopment of selected properties
3. -- no plan to provide affordable housing for seniors and low and very low income residents
4. -- no concrete plan to add walkability and bikeability to the City
5. -- lowering of level of service at 21 intersections in the City to the level of congestion experienced at Newport Blvd and 17th Street.
6. -- additional density that does not bring more homeownership opportunities to the City but instead brings in more apartments
7. -- increased noise levels as a result of the canyon effect created by tall buildings
8. -- inability to provide new parks and open space to keep up with the substantial deterioration of existing facilities by the increase in use due to increase in population
9. -- increased air pollution and greenhouse gas emissions
10. -- no plan to address the scarcity of water resources

The EIR needs to be revised because it does not address protecting the health, safety, and quality of life of Costa Mesa residents. The draft needs to be revised because it does not address the concerns of residents such as acquiring more open space, maintaining neighborhood character, bikeability and the walkability of public streets.

Thank you
Ralph Taboada

ASHABI, MINOO

Subject: FW: Draft environmental impact report

From: Lisa Lawrence [<mailto:lrilawrence@prodigy.net>]

Sent: Monday, April 18, 2016 12:51 PM

To: General Plan <GeneralPlan@ci.costa-mesa.ca.us>

Cc: ARMSTRONG, GARY <GARY.ARMSTRONG@costamesaca.gov>; GREEN, BRENDA <brenda.green@costamesaca.gov>

Subject: Draft environmental impact report

To whom it may concern,

The changes to certain parts of the City by the proposed General Plan Amendments are unacceptable because of the impacts those changes will have on the residents. Those impacts are as follows:

- Displacement of residents as a result of redevelopment of selected properties without a plan to provide replacement housing;
- No plan to provide affordable housing for seniors and low and very-low income residents;
- No concrete plan to add walkability and bikeability to the City;
- Increased parking issues;
- Lowering the level of service at 21 intersections in the City to the level of congestion experienced at Newport Boulevard and 17th Street;
- Increased air pollution and greenhouse gas emissions;
- Increased noise levels as a result of the canyon effect created by tall buildings and sound attenuating walls on arterial roads;
- Inability to provide new parks and open space to keep up with the substantial deterioration of existing facilities by the increase in use due to increase in population; and
- No plan to address the scarcity of water sources.

Thank you for your consideration,

Sincerely,

Lisa Lawrence
1014 W. 19 th Street
Costa Mesa, CA. 92627
(949)631-4073

Sent from my iPhone

ASHABI, MINOO

Subject: FW: Comments to the DEIR associated with General Plan update

From: William Harader [<mailto:billcarolh@aol.com>]

Sent: Monday, April 18, 2016 9:57 AM

To: General Plan <GeneralPlan@ci.costa-mesa.ca.us>

Subject: Comments to the DEIR associated with General Plan update

The changes to certain parts of the City by proposed General Plan Amendments are not acceptable because of the impacts those changes will have on C.M.residents. Those impacts are the following:

Additional density that does not bring more homeownership opportunities to the City, but instead brings more apartments.

Need for height limitations on buildings south of 405 freeway;

Displacement of residents as a result of redevelopment of selected properties without a plan to provide replacement housing;

No plan to provide affordable housing for seniors and low income residents;

No concrete plan to add walkability and bikeability to the City;

Increased parking issues;

Lowering the level of service at 21 intersections in the City to the level of congestion experienced at NB Blvd. and 17th St.;

Increased air pollution and greenhouse gas emissions;

Increased air noise levels as a result of the canyon effect created by tall buildings and sound attenuating walls on arterial roads;

Inability to provide new parks and open space to keep up with substantial deterioration of existing facilities by the increase

in use due to increase in population; and

No plan to address the scarcity of water sources.

There are virtually none of the alternatives offered by the City to mitigate these impacts. The alternatives do not address protecting the health, safety, and quality of life of the residents. The Draft Environmental Impact Report needs to be rewritten to address the concerns of residents to acquiring more open space, maintaining neighborhood character, bikeability and walkability of public streets, safe and efficient traffic circulation, increasing homeownership to balance the ratio between homeownership to rental housing,, and providing for more affordable housing.

Thank you for your consideration,

William C. Harader
2802 Loreto Ave.
Costa Mesa,, CA 92626 714 546 6840

3.112

ASHABI, MINOO

Subject: FW: [BULK]

Importance: Low

From: Elaine Dethlefsen [<mailto:eddeth@aol.com>]
Sent: Monday, April 18, 2016 12:39 PM
To: GREEN, BRENDA <brenda.green@costamesaca.gov>
Subject: [BULK]
Importance: Low

I writing you to express my deep concern with the purposed General Plan Amendments. These are a few of items that concern me.

By allowing more and more apartments, this will increase the transit population, and decreases the homeowner population. Apartment dwellers do not have a vested interest in the community.

By not enforcing the height limitations on buildings, this has a big impact on the neighborhoods. Costa Mesa seems to be on a fast track to try and the second Los Angeles. Right now this city is a good example of very poor planning of neighborhood and business concerns. It is as if someone is throwing darts at the map of Costa Mesa, and where the dart lands, that is where the new buildings go up.

There is not any mention of plans for senior living, low income, biking accommodations, and new parks. I don't mean "sports fields".

Neither the city council, the planning commission, or the purposed draft address the following:

- Increased parking issues

- Air pollution and green house gas emissions

- Increase noise pollution from construction, cars, and high buildings creating canyons of pollution/noise.

- Increase water usage

- Increase need for fire and police Please keep in mind, the crime rate in Costa Mesa if now at **33%**.

- Increase in traffic. Right now it is impossible to travel in Costa Mesa at certain times of the day without running into a traffic jam.

- The negative impact of this unbridled building on the citizens' quality of life

This unchecked building phase that the government of Costa Mesa is forcing upon the citizens of Costa Mesa has got to STOP.

There are new houses going up at the end of my street right now. When I look at the houses, they do not have any yards, they are two story, and there is not any parking for the owners/guests. Can you explain where the children of these homeowners are going to play? Where are going to park?

The architecture does not fit with the neighborhood. Who is the architect for these projects??? The new apartments and homes going up all over town

looks like a five year old designed them . They are all square boxes.

Thank you for your attention to this matter.

Elaine Dethlefsen

3.113

ASHABI, MINOO

Subject: FW: General plan draft EIR resident comment- please add to the report and make part of the public record.

From: Laurene Keane [<mailto:getlaurene@yahoo.com>]

Sent: Monday, April 18, 2016 3:10 PM

To: General Plan <GeneralPlan@ci.costa-mesa.ca.us>; GREEN, BRENDA <brenda.green@costamesaca.gov>; ARMSTRONG, GARY <GARY.ARMSTRONG@costamesaca.gov>

Subject: General plan draft EIR resident comment- please add to the report and make part of the public record.

To Whom it May Concern:

Re: Draft EIR General plan-Costa Mesa

The following are my comments to the Draft Environmental Impact Report. Please make them part of the public record.

The changes to certain parts of the City by the proposed General Plan Amendments are unacceptable to me because of the impacts those changes will have on the residents.

The impacts that concern me are as follows:

- Additional density that does not bring more homeownership opportunities to the City, but instead brings more apartments;
- Loss of height limitations on buildings south of the 405 freeway;
- Displacement of residents as a result of redevelopment of selected properties without a plan to provide replacement housing;
- No plan to provide affordable housing for seniors and low and very-low income residents;
- No concrete plan to add walkability and bikeability to the City;
- Increased parking issues;
- Lowering the level of service at 21 intersections in the City to the level of congestion experienced at Newport Boulevard and 17th Street;
- Increased air pollution and greenhouse gas emissions;
- Increased noise levels as a result of the canyon effect created by tall buildings and sound attenuating walls on arterial roads;
- Inability to provide new parks and open space to keep up with the substantial deterioration of existing facilities by the increase in use due to increase in population; and
- No plan to address the scarcity of water sources.

None of the alternatives offered by the City mitigate these impacts. The alternatives do not address protecting the health, safety and quality of life of the residents. The Draft Environmental Impact Report needs to be rewritten to address the concerns of the residents, including acquiring more open space, maintaining neighborhood character, bikeability and walkability of public streets, safe and efficient traffic circulation, increasing homeownership to balance the ratio between homeownership to rental housing, and providing for more affordable housing.

I have attended many meetings where residents have voiced their concerns, and offered suggestions I would like to see included in the General plan.

Thank you for your consideration.
Laurene Keane
Costa Mesa Resident

3.114

ASHABI, MINOO

Subject: FW: General Plan Amendments

From: Georgette Quinn [<mailto:gquinn2@ca.rr.com>]

Sent: Monday, April 18, 2016 6:33 AM

To: MONAHAN, GARY <GARY.MONAHAN@costamesaca.gov>; RIGHEIMER, JIM <JIM.RIGHEIMER@costamesaca.gov>; FOLEY, KATRINA <KATRINA.FOLEY@costamesaca.gov>; GENIS, SANDRA <SANDRA.GENIS@costamesaca.gov>; Mayor <Mayor@costamesaca.gov>

Subject: General Plan Amendments

Hello, I am concerned about the fact that the city council is making changes to our city without listening to the residents. We could accept change if the changes took into consideration the of making Costa Mesa a city that is livable to all. Not just cramming in wherever you can high density housing that will bring in the following impacts:

- Additional density that does not bring more homeownership opportunities to the City, but instead brings more apartments;
- Loss of height limitations on buildings south of the 405 freeway;
- Displacement of residents as a result of redevelopment of selected properties without a plan to provide replacement housing;
- No plan to provide affordable housing for seniors and low and very-low income residents;
- No concrete plan to add walkability and bikeability to the City;
- Increased parking issues;
- Lowering the level of service at 21 intersections in the City to the level of congestion experienced at Newport Boulevard and 17th Street;
- Increased air pollution and greenhouse gas emissions;
- Increased noise levels as a result of the canyon effect created by tall buildings and sound attenuating walls on arterial roads;
- Inability to provide new parks and open space to keep up with the substantial deterioration of existing facilities by the increase in use due to increase in population; and
- No plan to address the scarcity of water sources.

None of the alternatives offered by the City mitigate these impacts. The alternatives do not address protecting the health, safety and quality of life of the residents. The Draft Environmental Impact Report needs to be rewritten to address the concerns of the residents including acquiring more open space, maintaining neighborhood character, bikeability and walkability of public streets, safe and efficient traffic circulation, increasing homeownership to balance the ratio between homeownership to rental housing, and providing for more affordable housing.

Thank you for your consideration.

Georgette M. Quinn DHST
OCASSE Delegate 2015-2016
1750 Whittier Ave
714-319-5053

3.115

ASHABI, MINOO

Subject: FW: DEIR Comments

On Apr 18, 2016, at 12:33 PM, Judy Lindsay <judy Lindsay@hotmail.com> wrote:

The following are my comments to the Draft Environmental Impact Report. Please make them part of the public record.

The changes to certain parts of the City by the proposed General Plan Amendments are unacceptable because of the impacts those changes will have on the residents. Those impacts are as follows:

- Additional density that does not bring more homeownership opportunities to the City, but instead brings more apartments;
- Loss of height limitations on buildings south of the 405 freeway;
- Displacement of residents as a result of redevelopment of selected properties without a plan to provide replacement housing;
- No plan to provide affordable housing for seniors and low and very-low income residents;
- No concrete plan to add walkability and bikeability to the City;
- Increased parking issues;
- Lowering the level of service at 21 intersections in the City to the level of congestion experienced at Newport Boulevard and 17th Street;
- Increased air pollution and greenhouse gas emissions;
- Increased noise levels as a result of the canyon effect created by tall buildings and sound attenuating walls on arterial roads;
- Inability to provide new parks and open space to keep up with the substantial deterioration of existing facilities by the increase in use due to increase in population; and
- No plan to address the scarcity of water sources.

None of the alternatives offered by the City mitigate these impacts. The alternatives do not address protecting the health, safety and quality of life of the residents. The Draft Environmental Impact Report needs to be rewritten to address the concerns of the residents including acquiring more open space, maintaining neighborhood character, bikeability and walkability of public streets, safe and efficient traffic circulation, increasing homeownership to balance the ratio between homeownership to rental housing, and providing for more affordable housing.

Thank you for your consideration.

Judy Lindssay
269 Sierks St.
Costa Mesa
(949) 722 1182

3.116

ASHABI, MINOO

Subject: FW: Development Planning

From: Corinne Stover [<mailto:calcs1224@gmail.com>]

Sent: Monday, April 18, 2016 11:32 AM

To: ARMSTRONG, GARY <GARY.ARMSTRONG@costamesaca.gov>; GREEN, BRENDA <brenda.green@costamesaca.gov>; FLYNN, CLAIRE <CLAIRE.FLYNN@costamesaca.gov>; rdickson.cmpc@gmail.com; twesler@gmail.com; colinkmccarthy@yahoo.com; sandranian@yahoo.com; aventru@ca.rr.com

Subject: Development Planning

April 18, 2016

From: Corinne P. Stover
1224 Conway Avenue
Costa Mesa, CA 92626

To: Cary Armstrong
City of Costa Mesa Development Department

Two-hundred forty-one years ago, Paul Revere rode through the countryside warning his countrymen, "The British are coming!" (According to poet Henry Wadsworth Longfellow, anyway.)

On this April 18th, your Costa Mesan "countrymen/women" hope to impress upon the Planning Department Planning Commission the need for a close look at what is being developed in this city.

In a time of severe drought, the concept "less is more" applies to a need for being qualitative about development.

It is not feasible to continue building quantitatively, filling available areas with apartments! In my opinion, the live-work concept was not thoroughly "vetted" for Costa Mesa. The developer, thinking it a good idea, did not plan funding for a monitoring system for compliance!

The Environmental Impact Report (EIR) is not meant to stymie development. It gives parameters for quality development.

Isn't that why we have criteria for compliance? Isn't it fitting for developers and planners to think first to accommodate compliance, rather than plan for modifications?

Where is quality when projects continually provoke modification? This is what I see happening in Costa Mesa: minimize area between buildings, let 2nd floors overhang lower floors, rooftops as "open space."

To paraphrase Longfellow, "The *Developers* are here!" This countrywoman wants our city's growth to be smart, waterwise, design-worthy, and allow for more mobility. Compliance begins and ends in the development department, equipped with all the concerns of its constituents from Summer, 2013. There were no hammers at those meetings! "The man with a hammer walks in search of a nail."

Copies: Brenda Green

3.117

Claire Flynn

Planning Commissioners:

Robert Dickson, Jr.,

Tim Sesler,

Colin McCarthy

Stephan Andranian

Jeff Matthews

3.118

April 18, 2016 (city general plan draft eir)

RECEIVED
CITY CLERK

City Council and Staff:

16 APR 18 PM 3:37

The following are my comments regarding the Draft Environmental Impact Report. Please make them part of the public record.

CITY OF COSTA MESA
BY SP

A very detailed Draft EIR still leaves several important issues in need of additional research and serious consideration.

WATER:

The draft EIR mentions several probable impacts of future development. I will focus on two where the problems are obvious to any educated layman: “ **necessity for additional water resources**” and impact on “groundwater recharge by **increasing impervious surfaces that could hinder percolation of drainage into subsurface aquifers.**”

Unfortunately, what was hoped to be a short-term drought is now seen as a likely long-term arid period. Several articles have recently been published warning that “Even when the epic drought ends,... California will still be losing water” (Jay Miglietti, Senior water scientist at NASA JPL. *L.A. Times*, April 16, 2016).

Unfortunately, the reduction of permeable surfaces is already common in permitted developments with first, reduced required setbacks, and then additional variances and the allowance of rooftop decks as “open space.” These practices must be stopped. In addition, any further reduction of permeable surfaces must not be permitted. The increased high density construction proposed in the draft general plan must not be allowed.

“**Necessity for additional water resources**” is **painfully obvious**. Our water district has done an outstanding job managing our resources through engineering and through encouraging conservation by residents resulting in Costa Mesa meeting its goal of a 20% reduction. The EIR duly recognizes these efforts.

However, *it is an unacceptable premise that additional technological advances and sacrifice on the part of residents will increase* to accommodate the increased population invited through the General Plan draft. Many residents have risen to the challenge. However, questions such as “Why should I take shorter showers in order to bring in excessive new population?” are increasingly voiced. There is no justification for a statement that more of the same, following the already substantial cutbacks, will reduce water consumption enough to accommodate this increasing population.

In order to claim “less than significant impacts” the city is obligated to **provide proof** through additional studies, and not just general statements. Among other studies, **average water usage per residence should be tallied, and the additional water cuts necessary per family based on the number of additional residences projected should be published. Current residents deserve to know what this increased density means in terms of less water for their families.**

In addition, credible projections for possible additional state-wide shortages must be researched and considered.

RESIDENTIAL DENSITY AND RESPECT FOR CITY RESIDENTS:

Current residents have spoken clearly that we wish to maintain the suburban atmosphere of Costa Mesa. Years ago, density and height limitations were discussed at length and maintenance of low-rise building south of the 405 was affirmed.

More recently, a couple years ago, the city held a "Great Outreach," inviting families from all over the city. Two outcomes which should be honored but have been ignored are notable:

1. Speakers—most of whom had not spoken in a public forum before—lined up to say, essentially, "Leave the Westside alone."
2. A presentation of building types among which the attendees were supposed to choose was presented in a meeting room. The choices for style and density were, essentially choices between "bad" and "worse." Eventually there was a general rebellion on the part of the attendees saying that **none of the choices were acceptable**. Since that request for public opinion, however, the city councilmen have ignored the will of the people and approved development far worse than the worst that the presenters had to offer.

ELIMINATION OF LOW-INCOME HOUSING VIA HARRASSMENT OF MOTEL OWNERS

While addition of low-income housing is a difficult problem, the current push for elimination of such housing is unconscionable. Developers are often given incentives and/or variances to tear down modest low-rise housing and put in the crowded, intrusive developments I mentioned above.

Even worse, through a concerted effort of harassment of motel owners and persistent demonizing of the motels and their residents, the limited amount of last-resort housing is being diminished. It's important to note that this housing is available through mutual agreements between the residents and the private business owners, with no demands for additional taxation or city interference. Besides the elimination of this mutually and privately agreed upon decision, the city is also interfering in private enterprise in a most unseemly manner.

Until and unless reasonable alternatives become available, the current private-sector solutions should absolutely be encouraged.

PARKING:

Despite the repeated protestations by councilmen that "Costa Mesa" has the tightest parking requirements in the county, it is obvious that parking issues are serious and getting worse.

We regularly hear requests in Council meetings for resident permit only parking. Excessive and increasing overflow parking is intruding on many neighborhoods and interfering with the "quiet enjoyment" of our homes and neighborhoods. This problem could be easily addressed, but the councilmen turn a deaf ear, and continue to make the problem worse. Sufficient resident and guest parking could easily be required of all new development—based on current parking needs and habits—not those of 20 years ago. Appropriate studies and inclusion in the general plan can easily be accomplished if the council heeds the demands of the public.

In areas where excessive parking is already a problem, the city has some obligation to develop creative solutions. "Mitigation" is already sorely needed. Increase of this problem is inexcusable and avoidable.

AIR QUALITY:

Air quality seems to be an area where significant impacts are acknowledged. While hard for a resident to see or quantify, it is extremely important. Air pollution is obviously diminished with increased traffic and idling at overburdened intersections. Reduction of the density which many residents are objecting to can help to protect our air quality.

Thank you for your attention, and a special thank you to city staff members who work so hard to meet competing demands.

Tamar Goldmann

*Tamar Goldmann
2324 College Dr.
Costa Mesa, CA 92626*

April 18, 2016

Greetings Draft Environmental Impact (DEIR) Review Staff,

Here are a few of my comments on the (DEIR) and references in the DEIR that lead to the *draft general plan 2016*. I have also included a few references to the 2000EIR for comparison purposes.

1. In Costa Mesa's Draft Environmental Impact Report 2016 (DREI) , page 4.4-15 under 'Biological Resources' -Impact 4.3A states: "Impacts to special status species and their habitat would be less than significant with implementation of draft General Plan policies and Mitigation Measure 4.3.A-1".

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Trying to make the impact appear as less than significant even with mitigation is not according to CEQA when it really is significant. The city therefore should place the burrowing owl under 'significant' instead of trying to lessen the impact by putting in under 'insignificant with mitigation'. The goal of the city should be to preserve natural resources not mitigate them.

I refer you to CEQA legislature on page 1-2, item J where it states that the lead agency (City of Costa Mesa) should "Prevent the elimination,,,,,and preserve for future generations representations of all plant and animal communities and examples of the major periods of California history."

Therefore, the draft eir should be corrected anywhere it states impacts to the burrowing owl 'less than significant with mitigation' and should properly state 'significant'. Where are the environmental surveys for the burrowing owl at the Segerstrom Home Ranch and Sakiota Lot 2 sites, which have potential for impacts according to page 4.4-16 of the DEIR?

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3.122

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So, to summarize, since planning and project are used synonymously, then there IS INDEED Critical Habitat in the planning area (Costa Mesa). Also, the *draft general plan*, it states on OSR-18, the city's vision of repurposing Fairview Park - which is part of Costa Mesa - whatever *area* you want to call it. AND, vernal pools on the east side of Fairview Park have been omitted from the draft general plan on page CON-5. These vernal pools are part of the Fairview Park Master Plan (FPMP) page 129 and should be noted as such.

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Sincerely,

Kim Hendricks

Costa Mesa Resident

3.126

Google Maps

2201-2275 Federal Ave, Costa Mesa, CA 92627

Walk 0.5 mile, 10 min



via Placentia Ave

10 min

0.5 mile

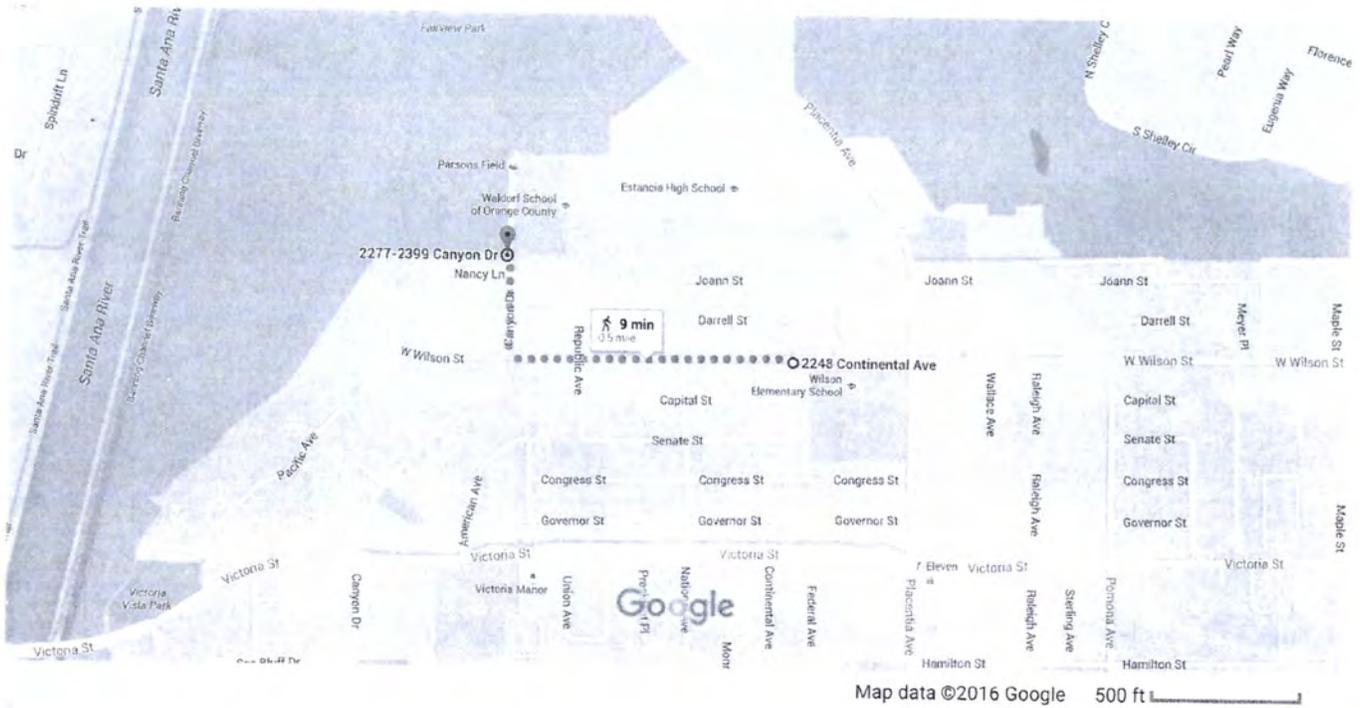
Google Maps

3027

Google Maps

2248 Continental Ave, Costa Mesa, CA 92627
2277-2399 Canyon Dr, Costa Mesa, CA 92627

Walk 0.5 mile, 9 min



via W Wilson St and Canyon Dr

9 min
0.5 mile

Google Maps

3.128

Google Maps

858 W Wilson St, Costa Mesa, CA 92627 to
2277-2399 Canyon Dr, Costa Mesa, CA 92627

Walk 0.5 mile, 10 min



via W Wilson St and Canyon Dr

10 min

0.5 mile

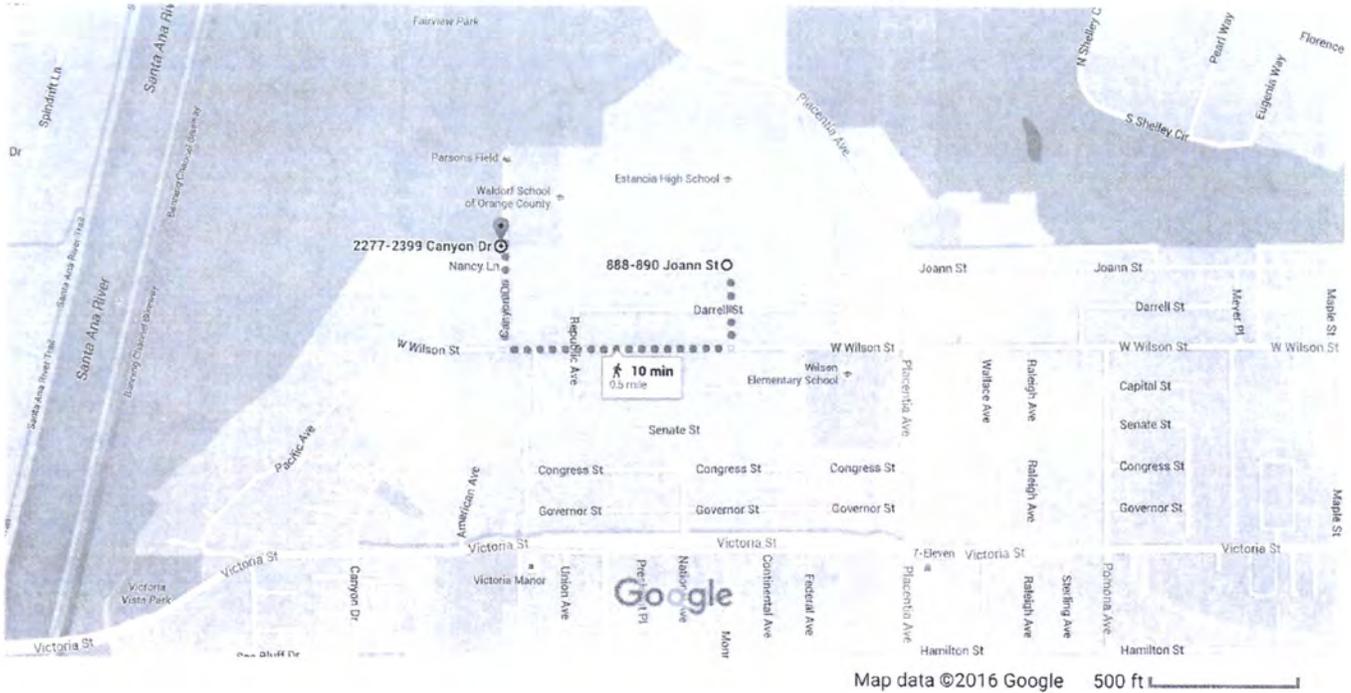
Google Maps

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Google Maps

888-890 Joann St, Costa Mesa, CA 92627 to
2277-2399 Canyon Dr, Costa Mesa, CA 92627

Walk 0.5 mile, 10 min



via W Wilson St and Canyon Dr

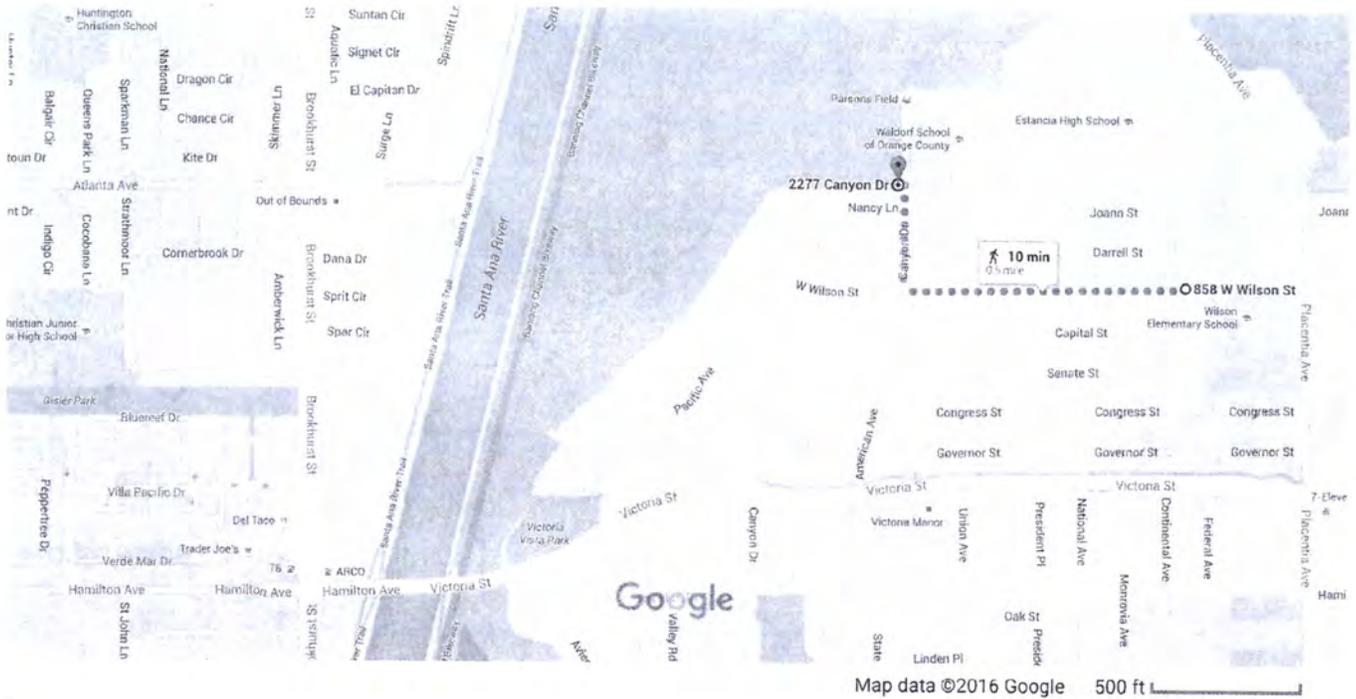
10 min

0.5 mile

Google Maps

Google Maps

858 W Wilson St, Costa Mesa, CA 92627 to 2277 Canyon Dr, Costa Mesa, CA 92627 Walk 0.5 mile, 10 min



via W Wilson St and Canyon Dr

10 min
0.5 mile

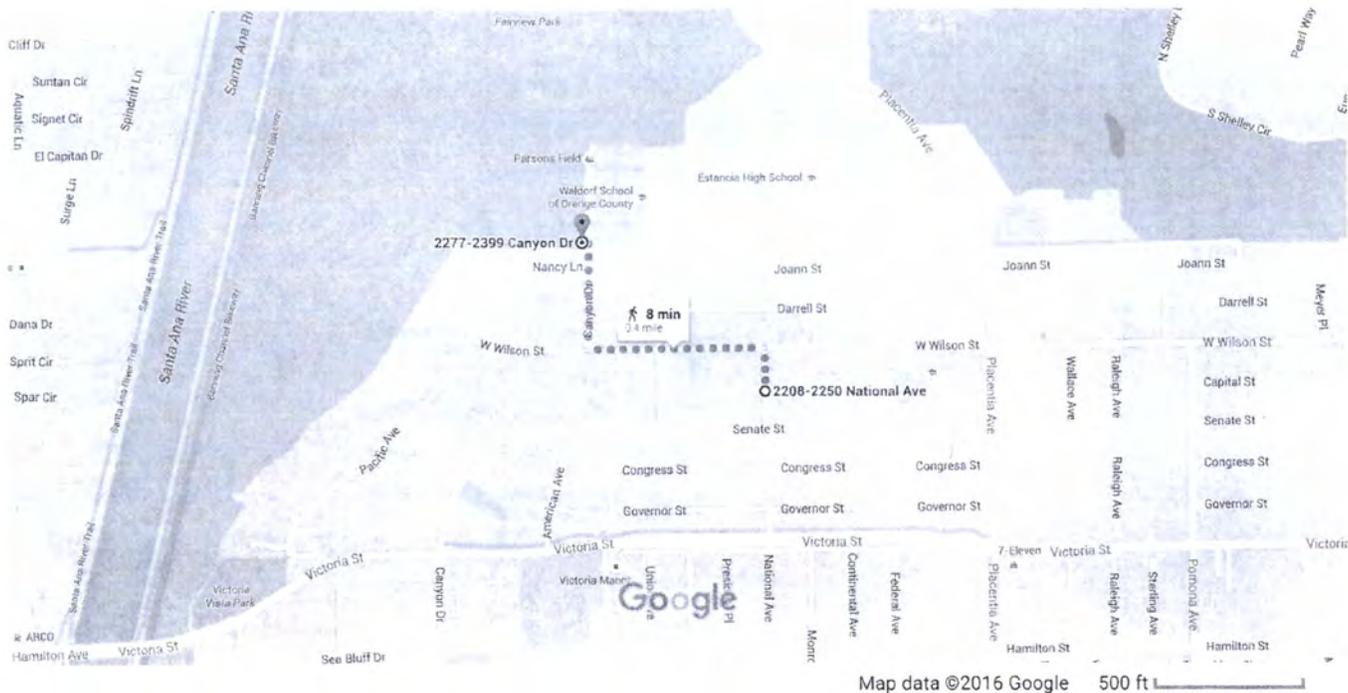
Google Maps

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Google Maps

2208-2250 National Ave, Costa Mesa, CA 92627 to 2277-2399 Canyon Dr, Costa Mesa, CA 92627

Walk 0.4 mile, 8 min



via W Wilson St and Canyon Dr

8 min
0.4 mile

Google Maps

See
OSR-14

RECEIVED
CITY CLERK

16 APR 19 AM 8:27

CITY OF COSTA MESA
BY SP

April 18, 2016

Re: Environmental Impact Report
General Plan Amendments

CC: Brenda Green, City Clerk
Gary Armstrong, Development Dep.

The following are my comments to the Draft Environmental Impact Report. Please make them part of the public record.

The changes to certain parts of the proposed General Plan Amendments are unacceptable because of the impact those changes would have on residents. Those impacts are as follows:

Additional density that does not bring more home ownership opportunities to the City, but instead brings more apartments

Loss of height limitations on buildings south of the 405 freeway

Displacement of residents as a result of the development of selected properties without a plan to provide replacement housing.

Environmental Impact Report
General Plan Amendments

No plan to provide affordable housing for seniors and low and very low income residents.

No concrete plan to add walk ability and bike ability to the City
Increased parking issues

Lowering the level of service at 21 intersections in the City to the level of the congestion experience at Newport Boulevard and 17th Street

Increased air pollution and greenhouse gas emissions

Increased noise levels as a result of the canyon effect created by tall buildings and sound attenuating walls on arterial roads

Inability to provide new parks and open space to keep up with the substantial deterioration of existing facilities by the increase in use due to the increase in population

No plan to address the scarcity of water sources

None of the alternatives offered by the City mitigate these impacts. The alternatives do not address protecting the health, safety and quality of life of the residents.

Page 3

The Draft Environment Impact Report needs to be rewritten to address the concerns of the residents including acquiring more open space and maintaining the neighborhood character

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Public streets need to be made safer with walk ability and bike ability as well as efficient traffic circulation

Increasing home ownership to balance the ratio with rental housing and providing more affordable housing

Thank you for your consideration.


Janice Kressin

2415 Santa Ana Avenue
Costa Mesa, CA 92627

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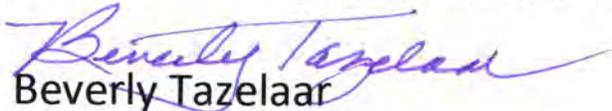
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Beverly Tazelaar

120-A Lisa

Costa Mesa, Ca 92627

949.646.3595

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BY SH

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James Locker

323 Sydney Lane

Costa Mesa, CA 92627

714.713.1477

3.139

ASHABI, MINOO

Subject: FW: Opposed to the General Plan Ammendments

From: Beth Morley [<mailto:Beth@SupplyTechnology.com>]

Sent: Tuesday, April 19, 2016 1:43 PM

To: General Plan <GeneralPlan@ci.costa-mesa.ca.us>

Cc: GREEN, BRENDA <brenda.green@costamesaca.gov>; ARMSTRONG, GARY <GARY.ARMSTRONG@costamesaca.gov>

Subject: Opposed to the General Plan Ammendments

To All~

I am very concerned, as well as opposed to the proposed General Plan Amendments. I am a 30 year resident on the West side of Costa Mesa. My specific objections is the lack of mitigation that the impact of housing density, noise and air pollution, lack of open space, enormous traffic congestion and scarcity of water will create.

PLEASE the draft Environmental Impact Report General Plan Amendments need to be REWRITTEN!

Thank you for your consideration~

Beth Morley
1072 Spinnaker Run
Costa Mesa, CA 92627
714-323-5188

3.140

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3.143

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Sincerely,

Kim Hendricks

Costa Mesa Resident

3.145

Wendy Leece's Notes
3/28/16

Also, There is a lot of
wasted space at the
end of sections in



CHAPTER II
HISTORIC AND CULTURAL
RESOURCES ELEMENT



CHAPTER 11 HISTORIC AND CULTURAL RESOURCES ELEMENT

The Historic and Cultural Resources Element identifies the historic and cultural resources found throughout the City. Goals and supporting policies related to the preservation of these resources are described in this Section.

11.1 PURPOSE

The purpose of this Historical and Cultural Resources Element is to promote the identification, protection, enhancement, perpetuation and use of improvements, buildings, structures, sites, districts, neighborhoods, natural features and significant permanent landscaping having special historical, archaeological, cultural, architectural, or community value in the City for the following reasons:

- ◆ To safeguard the City's heritage as embodied and reflected in such resources;
- ◆ To encourage public knowledge, understanding, and appreciation of the City's past;
- ◆ To foster civic and neighborhood pride and a sense of identity based on the recognition and use of cultural resources;
- ◆ To preserve diverse and harmonious architectural styles and design preferences reflecting phases of the City's history and to encourage complementary contemporary design and construction;
- ◆ To enhance property values and to increase economic and financial benefits to the City and its inhabitants; and
- ◆ To protect and enhance the City's attraction to tourists and visitors, thereby stimulating business and industry.

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11.2 RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

The policies of the Historical and Cultural Resources Element are directly related to the policies within the conservation and open space and recreation elements. The goals, policies, standards and proposals within the Historic and Cultural Resources Element are consistent with all other elements of the Costa Mesa 2000 General Plan.

11.3 SUMMARY OF EXISTING CONDITIONS

HISTORICAL DEVELOPMENT OF COSTA MESA

The history of Costa Mesa is the story of three communities of the past. An old boomtown called Fairview, the Boston farming colony of Paularino, and the Village of Harper once thrived within Costa Mesa's boundaries. Their growth and blending together played a significant role in the history of Orange County and California.

Sometime after 1800, three adobes were built along the bluffs of Costa Mesa overlooking the Santa Ana River. The first adobe, known as the Polloreno or Banning Adobe was located about one-third of a mile south along the bluff from Adams Avenue. It fell to ruin between 1903 and 1906 after treasure hunters dug around the old building looking for hidden gold. The second adobe, known as the Gabe Allen Adobe or the Estancia still exists. It is believed that the Estancia adobe was built by the padres from Mission San Juan Capistrano as a way station for herders. The third adobe, called the Rice Adobe was located just north of Gisler Avenue. This adobe was torn down by Edward Pomeroy, the owner at the time, in 1919, to keep treasure hunters off the property.

FAIRVIEW

Between the fall of 1887 and the summer of 1888, the town of Fairview was introduced. The town centered around the present day intersection of Adams Avenue and Harbor Boulevard. In October 1887, a syndicate consisting of local businessmen formed to purchase various tracts in the Newport District and develop portions of them. Over the next few years development of Fairview grew at a rapid pace. During this time, the Fairview Post Office was established in a corner drug store and the three-story Hotel Fairview was also completed. Four other developments demonstrated the rapid rise of this new town: the discovery of a hot mineral water spring and natural gas, the publication of a local newspaper, and the Santa Ana, Fairview & Pacific Railroad.

Despite attempts to promote the continuing development of Fairview, by spring of 1889 it was over. The town began to collapse as rapidly as it had appeared. By 1889 the land boom of Southern California was over. Many of the land transactions throughout the region fell through. Fairview's expansion was curtailed at this point. In mid-March, a severe rainstorm washed out a section of the Fairview Railroad tracks. The roadbed midway between Fairview and Santa Ana, next to the Santa Ana River, which had overflowed, was gone. In addition, many of the residents began to leave town including the editor and owner of the local paper, the town physician, the butcher, and the local sign painter. The once

3.148

crowded streets soon became deserted. Formerly successful business establishments boarded up their doors and windows.

By 1911, all that remained in Fairview was the town's schoolhouse, the hotel, and a few scattered houses. The first of all that remained and important part of the community to go was the Fairview public school. The Fairview school closed its doors in 1915 when it merged with the Harper District. In 1918, an earthquake cut off the flow of hot mineral water to the hotel resort. This closed the hotel almost immediately, and the structure was sold and demolished two years later. The few remaining residential houses succumbed to new development in the 1930's and 1950's or to accidents such as fire.

PAULARINO

Paularino was considered a typical farming community which contained approximately 800 acres bounded by today's Fairview Road to the west, Newport Boulevard on the east, the San Diego Freeway on the north, and by a boundary line approximately one-half mile south of Baker Street. The Paularino community did not amount to more than a name with a few scattered farm houses, one public school building, and a railroad siding complete with a loading platform and a warehouse. The Paularino railroad siding was located on what is now the west side of Newport Boulevard between Paularino Avenue and Baker Street. It was connected to the Santa Ana & Newport Railroad, which ran between Santa Ana and Newport Beach. The lack of growth of Paularino eventually led to its demise.

HARPER

Harper was named after a rancher who came to the area after the Fairview land boom. Building activity was quiet on the mesa from 1903 to 1906. Developers and oil discoveries during the next six years promoted further settlement. These two factors led to the addition of stores, schools, highways, water systems, and churches. Parallel with the land development, the area experienced its first oil boom, which served to promote and expand population. Three oil wells went up in 1906 just south of the present Newport Harbor High School location. In the latter part of 1907, several more wells were installed on the northern end of the Newport Heights Tract. The oil boom was short-lived. The oil that had been found turned out to be a thick, sticky substance and thus, very difficult to pump. Within two or three years the old derricks were abandoned. The growth and development of Harper fell back upon land development.

In 1920 the farming community of Harper was renamed to Costa Mesa. In the summer of 1920, the second store on Newport Boulevard, the Wayside Market, opened for business. Several more store buildings went up along the boulevard during 1921, including a garage and blacksmith shop, barber shop and soda fountain.

Development increased throughout Costa Mesa, until January 21, 1932 when the Costa Mesa Branch of the Bank of Balboa closed its doors. The Great Depression continued unabated to any extent through 1933 and 1934. In December 1933, the branch line of the Southern Pacific Railroad, which ran from Santa Ana to Newport Beach along Newport Boulevard through the heart of town, was abandoned. The tracks were pulled up some two years later.

Growth continued in 1940 with the opening of several commercial stores including the new Sprouse-Reitz Variety at 1830 Newport Boulevard, the Myers & Myers Department Store at 1816 Newport Boulevard, and the Post Office at

3.149

1809 Newport Boulevard. Through 1940 Costa Mesa continued to be recognized as a small town. Then World War II accelerated Costa Mesa's growth.

COSTA MESA AND THE SANTA ANA ARMY AIR BASE

As world tension mounted, additional military installations were planned throughout the nation. A prime contract was awarded to the Griffith Company of Los Angeles for the construction of the United States Air Corps Replacement Training Center. Construction of the base intensified after the United States formally declared war. On April 7, 1942, the base was renamed the Santa Ana Army Air Base (SAAAB). It consisted of three schools: the Air Force Classification Center, the Air Force Pre-Flight School for pilots, and the Air Force Pre-Flight School for bombardiers and navigators. The base eventually reached the size of 1,283 acres. It included the territory west from Newport Boulevard to Harbor Boulevard, south from Warehouse Road to the present Vanguard University. The main gate was located on Newport Boulevard.

After the war, in 1946, the War Department announced that the Base was for sale to any educational institution for the price of one dollar. Two hundred and forty-three acres of what had been choice farming land and sixty-nine old Air Force buildings were transferred from the War Assets Administration to the Orange Coast Junior College District. School opened for the first time on September 13, 1948. Also, in 1948, the Southern California Assemblies of God Churches purchased 126 acres of the Army Air Base from the War Assets Administration for a future campus. In 1950, a new Southern California Bible College opened. Today, all that remains of the SAAAB are a few "standardized designed" warehouses located near the corner of Dale Way and College Avenue, plus a few "standardized designed" buildings on the Orange County Fairgrounds, including the 1.4 acre Memorial Garden and Bird Sanctuary also located on the Fairgrounds.

PRESENT DAY HISTORICAL RESOURCES

To determine any existing evaluations and designations in the City of Costa Mesa, a records search and review of the National Register of Historic Places and its annual updates and, the 1995 California Historic Resources Inventory maintained by the State Office of Historic Preservation, was conducted. Table 13-1, *City of Costa Mesa Historic Resources Inventory*, reflects the results of the research conducted for the City of Costa Mesa.

CULTURAL RESOURCES

Costa Mesa is rich in archaeological resources. Indians first settled here prior to 1500 B.C. Over the years, discarded pottery and implements made of bone and stone found their way into the soil to await discovery hundreds or thousands of years later. Occasional burial sites have also been discovered. The most common indications of Indian habitation are concentrations of shells collected for food.

Seven previously recorded archaeological sites exist in Costa Mesa. These are primarily located on or near the bluffs overlooking the Santa Ana River or Upper Newport Bay. A brief description of each site follows. (The classification number indicates California - Orange County - site number.)

Ca-Ora-163. This site consists of two major segments located under what is now the Mesa Verde Country Club and surrounding homes. The site is described as a large elongated shell midden ranging from one to four feet in depth. (A midden is a

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heap of refuse - in this case shells - discarded from the kitchen or eating area of a previous civilization.) The site has been investigated on several occasions since 1938 and has yielded artifacts including hunting and food processing implements and human burials. The site has been subjected to considerable impacts due to the construction of the Country Club and adjacent homes, although portions of the site are believed to remain intact.

Ca-Ora-76. This location lies approximately 2,200 feet south of Ca-Ora-163 in the area around the intersection of Adams Avenue and Placentia Avenue. Like the previous site, substantial impacts have been incurred due to construction of residences and public streets, especially Adams Avenue. There are portions of the site which are believed to remain intact, near the intersection and in the vicinity of the Estancia Adobe. The site contains a shell midden with evidence of two habitation levels.

Ca-Ora-58 and Ca-Ora-506. Commonly referred to as the "Fairview Indian Site", these sites are located within the area of Fairview Park. Ca-Ora-76, described above, is believed to be a northerly extension of the same habitation complex on the bluff overlooking the Santa Ana River. Relatively minor damage has occurred in these areas as the land is largely undeveloped. The significance of these sites is indicated by the fact that they have both been placed on the National Register of Historical Places.

Ca-Ora-165. Located at the intersection of Valley Road and Victoria Street, this site is comprised of shell midden containing several stone artifacts. Although the site is assumed to have been largely destroyed by residential construction in the area, portions may underlie undeveloped properties north of Victoria Street along Canyon Drive and Pacific Avenue.

Ca-Ora-297. Several fragments of stone tools were found when the site, located at the northwest corner of 17th Street and Pomona Avenue, was surveyed in 1971. At that time, bulldozers were operating adjacent to and on the site, and it is assumed to have been destroyed as it is presently occupied by industrial buildings.

Ca-Ora-687. This site, located south of Bristol Street and east of Santa Ana Avenue, was recorded in 1978. The site consists of two distinct locations, the more recent having been occupied some time between 500 A.D. and 1500 A.D. Prior to 1980, artifacts were salvaged from the site due to impending development plans. Artifacts included fragments of stone tools and two human burials.

In July and August of 1978, a systematic survey was conducted of the remaining undeveloped areas in the City. This project included a search of previous records and a field survey of vacant land. Besides the seven previously recorded sites, the survey identified at least nine additional locations of possible archaeological significance based on surface observations. The actual significance of the sites can only be determined after subsurface testing. Further information can be obtained from the report prepared for the City of Costa by Archaeological Associates in 1978.

PALEONTOLOGICAL RESOURCES

Most of the paleontological resources in Costa Mesa are found in the Palos Verdes Formation - a collection of sand and gravel deposits approximately 100,000 years old. These deposits were made during the time the Costa Mesa area was covered by the Pacific Ocean. Often referred to as Palos Verdes Sand, these deposits contain evidence of the kinds of life that inhabited the area prior to man's arrival.

Scientists working in the Costa Mesa-Newport Beach area have identified more than 500 species of marine invertebrate fossils. These primarily include varieties of gastropods (marine snails) and bivalves (clams, oysters, mussels). Significant numbers of both marine and nonmarine vertebrate fossils have also been found (fish, birds, sea and land mammals).

Ten paleontologic localities have been identified within the City of Costa Mesa. These sites have been prioritized as to significance and urgency of action based on location and accessibility; mode of preservation; quality and abundance of specimens; ease of collecting; taxonomic composition (types of organisms) and diversity of the fossil assemblage; unique or special attributes; occurrence of previously undescribed, unusual or otherwise noteworthy taxa (genera or species); past, present and potential future contributions to academic research and public education. Sites were evaluated within the context of Orange County paleontological resources. The rating system ranges from first order (highest priority - recommended for in situ (in its present location on the site) preservation and accessibility for scientific study and public education to sixth order (poorly preserved fragments - no impact foreseen, no salvage recommended).

Sites identified in Costa Mesa are classified as third, fourth or fifth order. Third order (high priority) suggests further search for fossils prior to and during grading operations. Fourth order sites indicate the possibility of more significant resources being found beneath the surface. Monitoring by a qualified paleontologist of grading operations on and near the site is recommended. Fifth order sites include those not subject to impacts from impending development. Collections, especially for educational purposes, could be salvaged if destruction becomes imminent.

The sites, their approximate locations and significance are discussed below.

F-91. Near the intersection of Boa Vista Drive and Nevis Circle, a 1962 excavation produced the partial skeleton of a mastodon. The specimen was removed and is now on loan from the Costa Mesa Historical Society to the Natural History Foundation of Orange County. Although classified fourth order, the site has since been developed for single-family homes.

A-3129. This site is located on the plateau of Fairview Regional Park not far from the Fairview Indian Site. Fifty-two species of molluscs were identified here. The species identified indicate that the site has previously been covered by a bay or a protected beach. A-3129 has been classified as a fifth order site.

LACM-3267. This site is located at the northwest corner of 19th Street and Anaheim Avenue. An excavation here produced a mammoth tooth and a limb bone of an elephant (either mastodon or mammoth). Both are now in the collection of the Los Angeles County Museum. No further specimens were found and the site has since been developed. Fourth order classification has been assigned.

LACM-4219. A large assortment of vertebrate and invertebrate fossils were recovered from this site which is in the excavation for the Costa Mesa Freeway just south of Santa Isabel Avenue. Molluscs comprise the majority of the find and include more than 100 species. Vertebrate fossils recovered include those of fish, birds, sharks, sea lions and seals. The composition of the fauna suggests that this was once an open, shallow, sandy bottom marine environment. The site is considered to be third order.

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JDC-CM-1. This is the first of four sites discovered during research for the 1980 General Plan. This locality is in the cliff on the north side of Victoria Street east of the Santa Ana River. Fragmented shell material from bivalve and gastropod molluscs have been identified. A fifth order classification has been assigned.

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JDC-CM-2. Fossil molluscs occur in at least two separate intervals at this location. This fifth order site is in the west-facing bluffs of Canyon Park.

JDC-CM-2A. This site occurs directly north of JDC-CM-2 in a west-facing slope and contains numerous oyster shells and other molluscs. It lies stratigraphically above JDC-CM-2 and when considered together, they merit a third order priority.

JDC-CM-3. A small collection of shells representative of a bay-type environment can be found at this site located at the west end of 19th Street. The site is ranked fifth order.

JDC-CM-4. Although topographically lower than JDC-CM-2 and 2A, this site is younger or more recent. The site lies south of the bluffs containing sites JDC-CM-2 and 2A and is designated as a fifth order locality. It contains marine shells that barely, if at all, qualify as fossils due to their young geologic age.

VAC-CM-4. This site is located between Mesa Drive and Del Mar Avenue within the excavation for the Costa Mesa Freeway. Resources are similar to those found at LACM-4219 several hundred feet to the southwest. A wide variety of molluscs are exposed and in good condition, leading to the site's classification as third order.

11.4 HISTORIC AND CULTURAL RESOURCES ISSUES AND CRITERIA

HISTORICAL RESOURCES CRITERIA

The City of Costa Mesa, through provisions cited in the Municipal Code, has established procedures for preserving its designated historic and cultural resources. The provision relative to historic preservation is documented in the City's Historic Preservation Ordinance (Ordinance). The Ordinance was adopted on November 1, 1999 by the Costa Mesa City Council. The Ordinance encompasses significance criteria requirements, the obligations required of historic property ownership, and a broad range of incentives available to owners of historic properties.

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The Historic Preservation Ordinance states that a historic resource is any building, structure, natural feature, site, landscape, object or improvement which is of significance to the citizens of the City, the State, or the nation. To be designated a local landmark a historic resource must be over 50 years of age, or in special circumstances under 50 years, and meet one or more of the following:

- ◆ Exemplifies or reflects special elements of the City's cultural, social, economic, political, aesthetic, engineering, architectural, or natural history; or
- ◆ Is identified with persons or events significant in local, state, or natural history; or

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- ◆ Embodies distinctive characteristics of a style, type, period, or method of construction, or is a valuable example of the use of indigenous materials or craftsmanship; or
- ◆ Represents the work of a notable builder, designer, or architect; or
- ◆ ~~Contributes to the significance of an historic area, being a geographically definable area possessing a concentration of historic or scenic properties or thematically related grouping of properties which contribute to each other and are unified aesthetically by plan or physical development; or~~
- ◆ Has a unique location or singular physical characteristics or is a view or vista representing an established and familiar visual feature of a neighborhood community or of the City; or
- ◆ Embodies elements of architectural design, detail, materials, or craftsmanship that represents a significant structural or architectural achievement or innovation; or
- ◆ Is similar to other distinctive properties, sites, areas, or objects based on a historic, cultural, or architectural motif; or
- ◆ Reflects significant geographical patterns, including those associated with different eras of settlement and growth, particular transportation modes, or distinctive examples of park or community planning; or
- ◆ Is a type of building or is associated with a business or use which was once common but is now rare; or
- ◆ Yields, or may yield, information important in prehistory or history; and
- ◆ Retains the integrity of those characteristics necessary to convey its significance.

CULTURAL RESOURCE ISSUES

Development of sites containing archaeological resources brings the possibility of damage or destruction to those resources. Previously recorded and investigated sites in Costa Mesa have yielded artifacts at depths ranging from one to seven feet, with the greatest number of items being found between one and two feet. The construction of nearly any type of building or road involves excavation or scarification of the soil to a depth of one to two feet or more. Construction of parking lots and installation of groundcovers normally involve disturbance of the first six inches of soil or less. New shrubs and trees, however, require planting holes ranging from one to three feet in depth.

In summary, almost any kind of development on land containing archaeological resources will directly impact those resources. The scientific, cultural and educational value of historic or prehistoric artifacts can be severely reduced by such disturbance. Items may be damaged or lost and their distribution in the soil may be altered from the original condition, thus misleading investigators as to their use and the location of various activity centers within the original settlement.

Additional activities with potential for adversely impacting archaeological resources are vandalism and "pot-hunting". The latter term refers to the nonmalicious activities of persons simply looking for souvenirs for their own collections. Although

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no harm is meant, digging by unqualified persons results in disturbance to the site, damage to artifacts and loss of materials which might be valuable to a scientific investigation of the site.

PALEONTOLOGICAL RESOURCE ISSUES

The risk of impact to paleontological resources is much the same as for archaeological resources. Development or excavation on paleontological sites can destroy or disrupt resources to a point that they are lost or valueless. Paleontological resources are deposited in geologic strata and represent plants and animals over a larger area - not concentrated in specific small settlements. For this reason, fossil deposits may extend beyond the perimeters of an identified site.

11.5 DESCRIPTION OF HISTORICAL AND CULTURAL RESOURCE PROCEDURES

not nec. OK

HISTORICAL RESOURCES

The research conducted and analysis performed resulted in the identification of buildings that have been evaluated and classified according to the California Office of Historic Preservation categories 1 through 6 previously discussed. The following evaluation codes were found to apply to one or more surveyed properties and appear on the DPR 523 forms:

- 2S2 Determined eligible for separate listing in the National Register through a consensus determination by a federal agency and the State Historic Preservation Officer.
- 3S Appears eligible for separate listing in the National Register.
- 5S1 Not eligible for the National Register but of local interest because the property is eligible for separate designation under an existing local ordinance.
- 5D1 Not eligible for the National Register but of local interest because the property is a contributor to a fully documented district that is eligible for designation as a local historic district under an existing local ordinance.
- 5S3 Not eligible for the National Register but of local interest because the property is not eligible for separate designation under an existing local ordinance, but is eligible for special consideration in the local planning process.
- 6Z1 Found ineligible for listing in the National Register with no potential for any listing.

3.155

RESOURCES LISTING IN OR ELIGIBLE FOR THE NATIONAL REGISTER

One property in the survey area is currently listed as eligible for the National Register. This property is the Station Master's House located at 2150 Newport Boulevard.

Five properties, including the Station Master's House, in the survey area appear to meet the standards for listing in the National Register, and shown on Exhibit HCR-1. These properties have been given an OHP rating of "3S" and are as follows:

- ◆ 420 West 19th Street – Methodist Church
- ◆ 1900 Adams Avenue – Diego Sepulveda Adobe
- ◆ 3315 Fairview Road – Segerstrom House
- ◆ 3315 Fairview Road – Segerstrom Barn
- ◆ 2150 Newport Boulevard – Station Master House

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2012

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RESOURCES WORTHY OF LOCAL DESIGNATION

Twenty-six properties in the survey area have been evaluated as eligible for designation under an existing local historic preservation ordinance. The OHP rating classification given to these structures were "5S1" and "5D1." "5S1" applies to properties, which are eligible for individual designation under the local ordinance. "5D1" applies to contributors in recognizable groupings or districts which are likely to be designated as local historic districts.

RESOURCES WORTHY OF LOCAL NOTE

A total of 141 properties in the survey area were evaluated as worthy of note at the local level. These resources, primarily single-family residences, derive their significance from the historic development patterns and architectural characteristics which give the study area a cohesive identity. The OHP classification given to such buildings were "5S3" and were evaluated as eligible for special consideration in the local planning process.

In summary, the Citywide Survey conducted by PCR Services Corporation during July 1999, identified 4,332 properties that were constructed prior to 1954 (45 years or older), of which 3,348 were inventoried after completing the initial windshield survey and field research. Upon completion of in-depth field research and an intensive level survey approximately 29 properties were identified as significant federal, state, and/or local historic resources. Approximately 60 properties, including the 29 significant properties, were formally documented on State Inventory Forms (DPR523 forms).

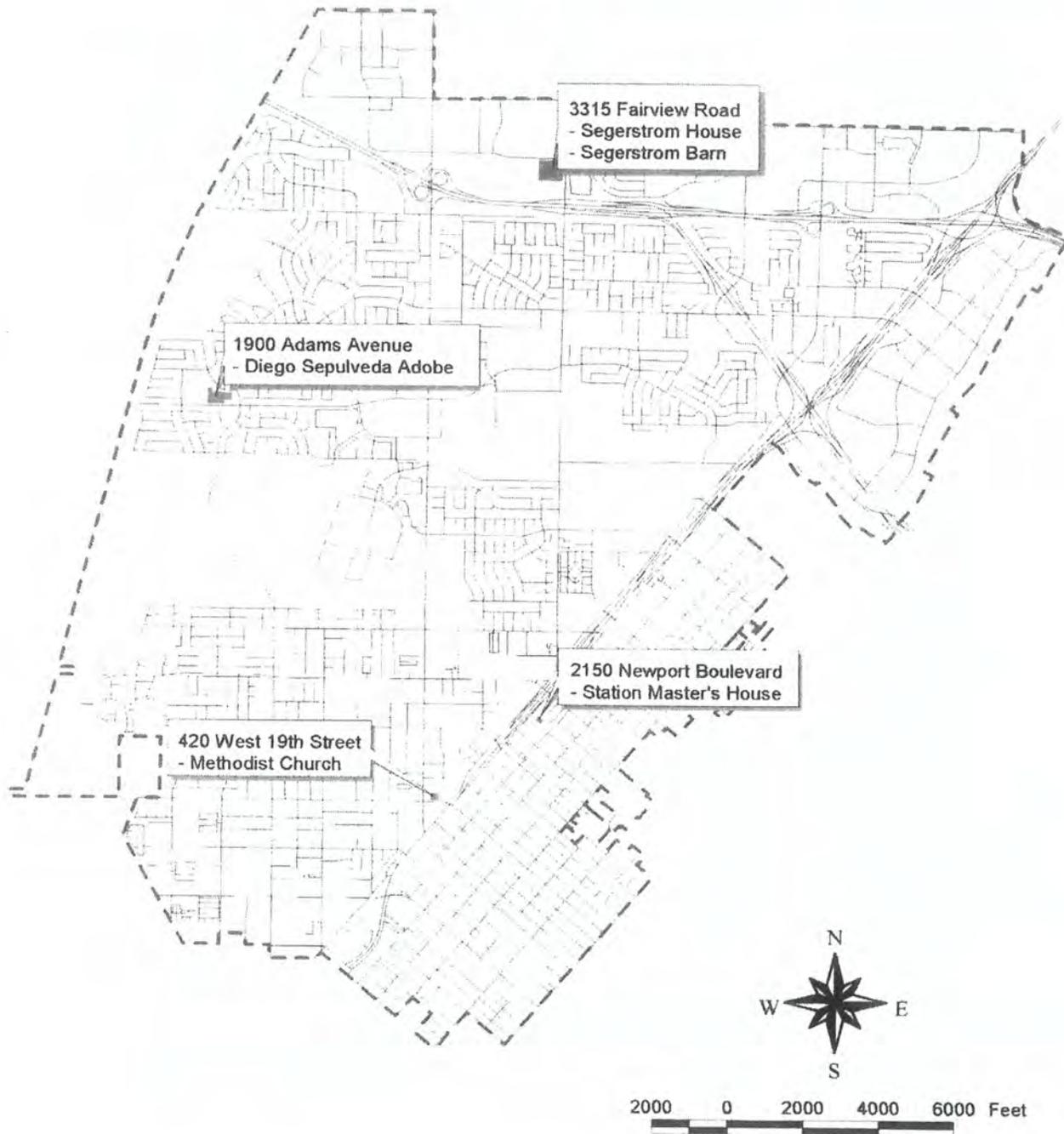
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CULTURAL RESOURCES

Impacts from development on archaeological resources may be mitigated in a variety of ways. The most obvious is to prohibit further development in archaeologically sensitive areas. However, this is normally not a practical solution unless the land is publicly owned or can be used, in its natural state, to satisfy open space requirements of a larger private development. Even if the "no development" alternative were feasible, and it may be in some cases, the possibility would remain for damage to the site from vandals or souvenir hunters. With proper design and

3.156

PROPERTIES THAT MEET THE STANDARDS FOR LISTING IN THE NATIONAL REGISTER



**TABLE HCR-1
HISTORIC RESOURCES INVENTORY**

Map #	Address	Year Built	Property Type	Comments
I. Sites Eligible for National Register Listing and Local Register Listing				
1	420 W. 19 th St.	1928	Religious	Spanish Colonial/Methodist Church
2	1900 Adams Ave.	c.1823	Adobe	Diego Sepulveda Adobe
3	3315 Fairview Rd.	1915	SF Residential	Craftsman/Segerstrom House
4	3315 Fairview Rd.	1928	Agricultural	Western Style/Segerstrom Barn
5	2150 Newport Blvd.	1880	Commercial	Queen Anne/Stationmaster House
II. Sites Eligible for Local Register Listing				
6	123 E. 18 th St.	1926	SF Residential	Spanish Colonial
7	127 E. 18 th St.	1926	SF Residential	Spanish Colonial
8	179 E. 18 th St.	1923	SF Residential	Bungalow/Tewinkle House
9	565-7 W. 18 th St.	1950	Government	Int'l. Style/Vet's Hall/Police Substation
10	1534 Adams Ave.	1963	Theater	Modern/International Style
11	147 Albert Place	c.1923	SF Residential	Bungalow
12	195 Albert Place	1924	SF Residential	Bungalow
13	1293 Baker St.	1928/30	SF Residential	Spanish Colonial/McClintock House
14	1950 Church St.	1928	Religious	Craftsman/Church
15	1817 Fullerton Ave.	c.1909	SF Residential	False Front/Blacksmith's Shop
16	137 Magnolia St.	c.1920	SF Residential	Bungalow/Blacksmith's House
17	200 Magnolia St.	1936	SF Residential	Monterey Style/Sparke's House
18	208 Magnolia St.	1927/40	SF Residential	Period Revival/Leroy Anderson
19	301 Magnolia St.	c.1923/39	Religious	Church
20	2180 Newport Blvd.	c.1962	Commercial	International Style/Stater Brothers
21	1734 Orange Ave.	c.1939/50	Religious	Mesa Bible Chapel
22	1835 Orange Ave.	1930	SF Residential	Craftsman/Bungalow
23	2048 Orange Ave.	1923	SF Residential	Craftsman/Bungalow
24	2172 Orange Ave.	1923	SF Residential	Craftsman/Pink House
25	2519 Santa Ana Ave.	1925	SF Residential	Bungalow
26	2529 Santa Ana Ave. ¹	1915	SF Residential	Bungalow/Huscroft House Relocated
27	1549 Tustin Ave.	1915	SF Residential	Craftsman/La Perle House
III. Sites Eligible for Local Register Listing as Historic District Contributors				
28	88 Fair Drive	1942	Military	Santa Ana Army/O.C. Fairgrounds
29	2701 Fairview Rd.	c.1950/55	Educational	Int'l Style/Orange Coast College

¹ This house has been relocated to a temporary location at the Orange County Fairgrounds until a permanent location can be determined.

3.158

Costa Mesa

protection, archaeological sites could become integral parts of public parks. This would be the preferred course of action with the Fairview Park sites, as they are probably the two most significant archaeological sites in Costa Mesa.

If development must occur over a known archaeological site, it may be possible to place fill over the site for protection and to install the least disruptive improvements (landscaping or open parking lots) on the filled area.

If archaeological deposits cannot be protected, it may be necessary to excavate artifacts to prevent their loss or damage. This process involves a systematic survey and delicate salvage operation to be conducted by qualified professional archaeologists. As most educational institutions and cultural organizations do not have sufficient staff or funds to undertake such operations without charge, financing must come from either the developer or the City.

Excavation is generally considered by archaeologists to be the last resort if artifacts cannot be preserved in situ. Preservation of the site is preferred in order that it may be studied by future generations having greater skills and more advanced methods and analytic abilities.

PALEONTOLOGICAL RESOURCES

The primary value of paleontological study is to determine the previous environment at the site. This can be done through scientific examination of the site and careful collection of the fossils for further study.

Disclosure of paleontological locations and proper study and collection of specimens prior to development are the primary results of project review. Once a site has been studied and sufficient material collected, discovery of paleontologic resources need not pose any further obstacle to development.

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11.6 GOALS, OBJECTIVES AND POLICIES

The goals, objectives and policies that address Historic and Cultural Resources Element are as follows:

**GOAL HCR-1:
HISTORIC RESOURCE CONSERVATION**

It is the goal of the City of Costa Mesa to provide its citizens with a high quality environment through the protection and conservation of historic and cultural resources.

Objective HCR-1A. Encourage the preservation and protection of the City's natural and man-made historic resources.

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HCR-1A.1
OK

Require, as part of the environmental review procedure, an evaluation of the significance of paleontological, archaeological, and historical resources and the impact of proposed development on those resources.

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re: Construction

add

HCR-1A.2 Require monitoring of grading operations by a qualified paleontologist or archaeologist when the site is reasonably suspected of containing such resources. If, as a result, evidence of resources is found, require the property to be made available for a reasonable period of time for salvage of known paleontological and archaeological resources by qualified experts, organizations, or educational institutions.

add section

HCR-1A.3 Require development on land containing known archaeological resources to use reasonable care to locate structures, paving, landscaping, and fill dirt in such a way as to preserve these resources undamaged for future generations when it is the recommendation of a qualified archaeologist that said resources be preserved in situ.

HCR-1A.4 Encourage the preservation of significant historic resources as identified on Table HCR-1 by developing and implementing incentives such as building and planning application permit fee waivers, Mills Act contracts, grants and loans, implementing the State Historic Building Code and other incentives as identified in the City's Historic Preservation Ordinance.

add

HCR-1A.5 Promote the preservation of significant historical resources and encourage other public agencies or private organizations to assist in the purchase and/or relocation of sites, buildings, and structures deemed to be of historical significance.

HCR-1A.6 Encourage development of an interpretive center for paleontological, archaeological, and historical resources at Fairview Park. The center may contain resources found in the park area as well as resources found throughout the City.

Detail

See EIR pp

- 4.5-11
- 4.5-12
- 4.5-13

Please include details we did in 2000

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Thank you

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Comments
City of Costa Mesa
2015 to 2035 General Plan

Chapter 8 Safety Element

April 18, 2016

By Wendy Leece
1804 Capetown Circle, Costa Mesa, 92627

Perhaps when the 2000 General Plan was written, citizens were concerned about the "Big One" and knowing our tax supported public safety services would be there for us in a disaster was a priority. However, today it is crime. Crime, fire and rescue, or tsunami? We are not worried about the latter but it is good the City gives us the information so our friends from Newport Beach can come up to the "Mesa".

In the 2000 General Plan Page SAF-1: "Man-made hazards can result from hazardous and toxic materials, fires and crime. Ultimately the Safety Element aims at reducing death, injuries, property damage and economic and social dislocation resulting from these hazards.

1. Please edit the draft and prioritize **crime and rearrange the order to put Emergency and Protection Response first in the order of Safety sections. *Emergency Protect and Response needs to be moved to the front of the line before all of the earthquake, etc. information.***

Rationale: Most Costa Mesa citizens would expect to read in an introduction to the Safety Element that there would be a strong statement of the City's efforts to protect residents from crime as more residents and businesses are added to Costa Mesa with increased densities and traffic.

Residents are aware of increasing crime with experiences of their own, Prop 47, realignment and the proliferation of sober living homes in Costa Mesa. Today's reality is that residents' property is being vandalized and cars and homes are being broken into.

The Draft Safety Element has the effect of ignoring important safety issues by removing some key paragraphs from the 2000GP Safety Element, generalizing the lofty goals, etc, and prioritizing instead the effects of Seismic Hazards, Ground Shaking, Aviation hazards, listing all the faults, etc. flooding, with maps in the first 16 pages.

The Costa Mesa citizen has to wade through 18 pages to begin to read what the City is going to do about crime. And a lot of what was written in the 2000 GP is for some reason omitted. To ignore this reality and pretend that these issues are not number one in the citizens' minds **diminishes the importance of the safety** of the public and presents an unrealistic picture to Costa Mesa citizens who want to know that their persons and property is being protected by the City.

The citizens, believing that protecting the public is the **number one responsibility** of the City, expect to read in the introduction how the City will protect them with the increase of new residents and businesses and traffic. Seismic issues, faults, liquefaction, etc. are important issues to be addressed very thoroughly in references to planning and development.

2. On page SAF-1 2000 GP "Relationship to Other General Plan Elements: Please update and restore this paragraph about the Safety Element. Not sure why it was omitted. It presents to the citizen a sense of cohesiveness with the entire GP. Please maintain the accuracy/integrity of the 2015 GP by making sure these elements are in fact, consistent with the other elements.

3. In all references to the Costa Mesa Fire Department **change to Costa Mesa Fire and Rescue Department.**

Other Important Issues:

Review the 2000 GP and restore the paragraph on page SAF-16 Fire Protection Paragraph 3 and 4 "modern cities...regarding the ISO ratings" "Costa Mesa has achieved and maintains a protection class two....." Citizens want to know about Insurance ratings.

Restore "fire suppression" information, and "hazardous materials incidents" information from the 2000 General Plan page SAF-18 Safety element.

On page S-19 add "The City purchased 4 rescue ambulances in _____ to improve the emergency rescue services to the residents or something to that effect.

Police Protection

See page SAF-18/2000GP please update and restore "The City of Costa Mesa Police Department is responsible for maintaining the social order within prescribed ethical and constitutional restrictions through the enforcement of local, State and Federal laws.

On page SAF-19/2000GP please restore and update the two paragraphs on the top regarding how many full time personnel the City has, volunteers, where the police department is located, when it was remodeled, and the substations. (ABLE no longer applies).

On page S-21/2015 GP please show the attribution for "it is one of the safest cities of its size in the nation." According to.....? Citizens want to know where this information comes from since we know that crime has increased.

Drainage Patterns—please update and restore "drainage patterns" 2 paragraphs from page SAF-12/2000GP because it describes a very important aspect of Costa Mesa's drainage issues and should not be omitted.

Geology see page SAF-2/2000GP—restore and update "Geologic structure" which was eliminated in 2015GP.

Page S-21/2015GP under "Key Emergency Protection and Response Issues" A great deal of space is spent on earthquakes, etc, yet no mention is made about the "geologic and seismic hazards which are constraints to development as mentioned on page SAF 22 of the 2000 GP. This is a "key emergency protection issue" to citizens and staff and developers must be cognizant in their planning.

From SAF-22/2000GP under Key issues "Geology" :The standards for development should be carefully regulated to minimize structural damage and loss of life, given that a fault zone runs through and adjacent to the City" must be restored."

Also, restore "Fire protection" "Additional development in the city will place new demands on the City of Costa Mesa Fire and Rescue Department. "

Also, restore under "police protection" the effects of new growth, residents and businesses: which "may require additional police services that will be dependent upon several variables"

On page S-21 "By developing and implementing targeted efforts..."How does one develop an effort? The City can continue to demonstrate its commitment to maintain community safety standards." Citizens would really like to know that we have an adequately staffed police force which addresses increasing crime and more people in Costa Mesa.

Please review all of the 2000 GP 8.4 Key issues and update and restore in the 2015 GP on page S-21.

Rewrite Objectives to include the words "when developing land use policies and when making public decisions relating to land development" Page SAF 23 2000 GP

Incorporate SAF 1A .5 2000GP in 2015 GP Goals Environmental and Manmade Hazard Protection: "Identify and publicize the extent of geologic and seismic hazards within Costa Mesa and advise affected residents and property owners of appropriate protection measures. Offer information regarding earthquake standards to reduce or eliminate structural damage"

Add to Geologic and Seismic Safety these principles:

SAF-1A.5

SAF-1A.6

SAF-1A.7

SAF-1A.8

SAF-1A.9

Update and include 2000 references to "Fire and Police Services and Public Safety Through Design" see Page SAF-24/2000GP

Thank you.

April 4, 2016

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF COSTA MESA:

PUBLIC COMMENT ON THE DEIR FOR THE PROPOSED GENERAL PLAN AMENDMENTS OF 2016 TO BE INCLUDED IN THE FINAL EIR.

The proposed amendments “Residential Incentive Overlay Harbor Boulevard” and “Harbor Mixed Use Overlay” and the discussion of them in the Land Use Element portion of the DEIR are inconsistent with the DEIR’s Noise Element findings.

All the following facts and figures are taken from the General Plan and EIR.

Section 13-280 of the Costa Mesa Municipal Code sets the residential exterior noise standard of 55 dB(A) from 7:00 A.M. through 11:00 P.M. and 50 dB(A) from 11:00 P.M. through 7:00 A.M.

In contrast, the measured noise levels along the segment of Harbor Boulevard that is to transition to high-density residential measure 71.5 Leq at Harbor and Adams (one block north of the Azulon senior housing complex) and 73.1 Leq at Harbor and 19th Street. The maximum measured at those locations are, respectively, 88.5 and 86.9 Lmax.

The EIR declares no significant impact because it states that implementing the City’s Municipal Code and the proposed General Plan Amendment policies will prevent the obvious impact from occurring. But it is impossible to implement a law limiting noise to 50 or 55 dB(A) on a major traffic corridor where the measured noise level is already far higher. Policy N-1.A says, “Enforce the maximum acceptable exterior noise levels for residential areas at 65 CNEL.” Even that policy, referring to a higher noise level, cannot reconcile the high noise volume on Harbor Boulevard with a level acceptable for residential development.

Therefore, implementing the City’s Municipal Code and General Plan Amendment policies means necessarily prohibiting residential development along the Harbor Boulevard corridor. Therefore, the proposed “Residential Incentive Overlay Harbor Boulevard” and “Harbor Mixed Use Overlay” cannot be adopted nor implemented, and therefore, the DEIR is internally inconsistent.

Respectfully submitted,

Eleanor M. Egan

3.165

GENERAL PLAN ERRATA (APRIL 25, 2016)

Land Use Element:

Page LU –29

Sakioka Lot 42, a 41-acre vacant parcel, located in the Town Center area of the City adjacent to Anton Boulevard (Area 87 of the North Costa Mesa Specific Plan), has a higher density limit of 80 units per acre with a maximum residential cap of 660 units a density limit of 22 du/acre with a total number of 890 units.

Safety Element

Page S-3

Geology

GEOLOGIC STRUCTURE

Costa Mesa lies adjacent to the Downey and Tustin portion of the Coastal Plain, where sedimentary and volcanic rocks in the subsurface attain great thickness. These deposits are composed mainly of volcanic, marine and nonmarine sedimentary rocks overlying is basement complex of granitic and metamorphic rock. The plan is immediately underlain by a thick sequence of alluvial sediments, which overlie the older sedimentary and volcanic rocks.

The main development of Costa Mesa is primarily on an uplifted mesa (Newport Mesa) bounded on the west, south, and east by steep cliffs (refer to Figure S-1, *Geologic Map*). Newport Mesa slopes gently northward from an elevation of 80 to 110 feet above sea level at the southern crest of the mesa to less than 40 feet above sea level at the northern boundary of the City. Approximately 80 percent of the City is located on this mesa.

Newport Mesa is the most southerly of a series of a discontinuous low hills and plains that extend along the Newport-Inglewood structural zone from the Santa Monica Mountains southeast to Newport Beach. These topographic features are inferred from both the physiographic and stratigraphic evidence to be essentially contemporaneous segments of the Sangamon Age (120,000 years Before Present) deformed lower terrace of the Palos Verdes Hills.

SOILS

Soils within Costa Mesa are variable, ranging from a predominance of clay with some silty sand in the northern half of the City to a predominance of silty sand with some sand and clay in the southern half (refer to Figure S-2 *Soil Types*). These generalized units were derived from a more detailed soils map contained in the soil survey of Orange County.

MINERAL RESOURCES

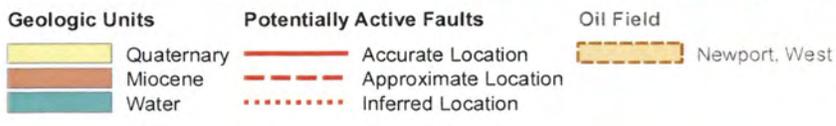
Oil

Portions of Costa Mesa overlay the West Newport Oil Field, which is located west of Placentia Avenue, along the City's western boundary (refer to Figure S-1, *Geologic Map*).

Currently the only active oil wells in Costa Mesa operate in the West Newport Field west of Whittier Avenue between 17th and 19th Streets. These wells produce a relatively low quality crude oil and remained in operation through the mid-1990s.

Peat Deposits

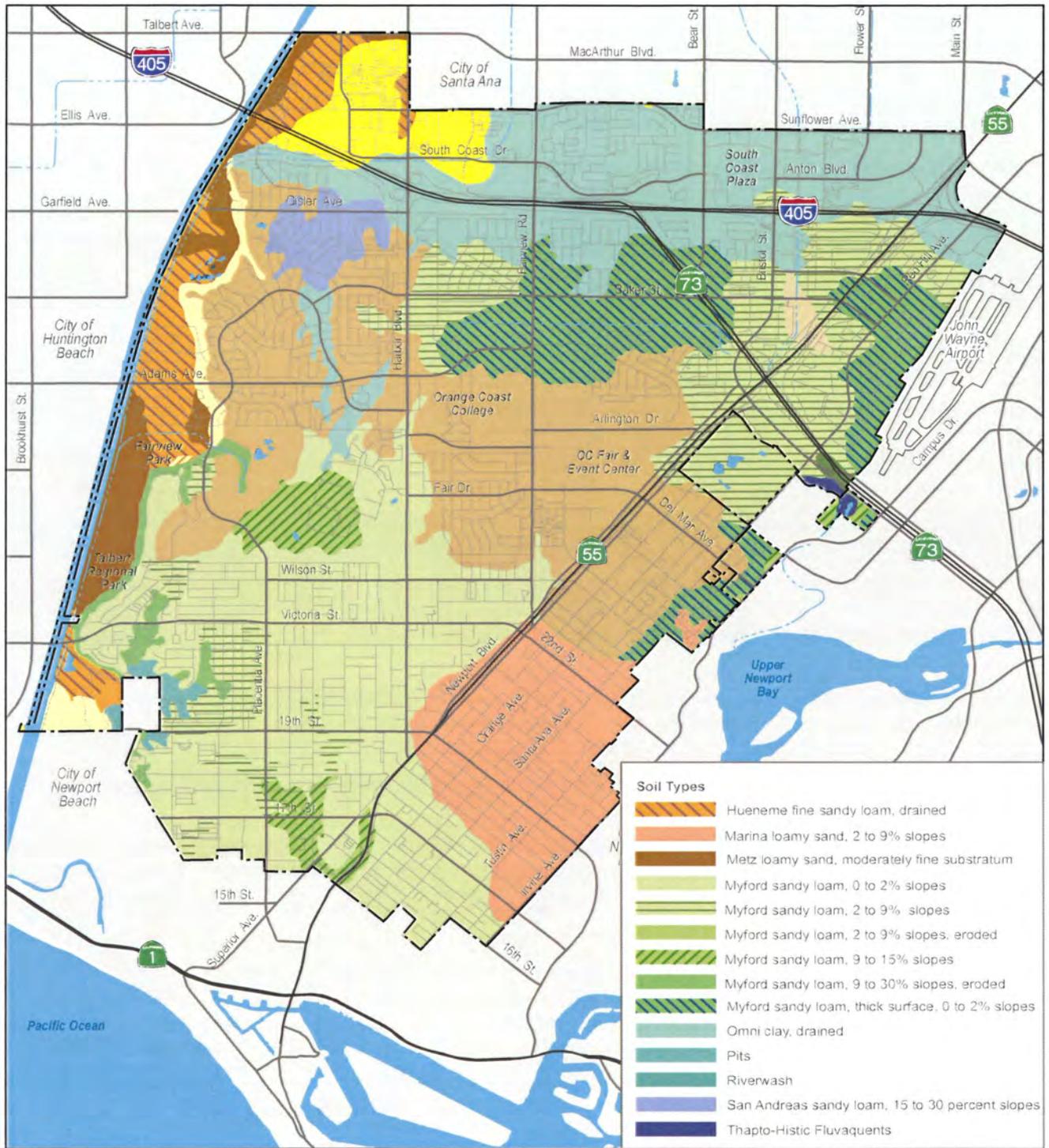
Peat deposits are located adjacent to the Santa Ana River and in the vicinity of Upper Newport Bay. The size of the deposits in Costa Mesa is not sufficient to justify extraction. However, peat does provide an unstable base for construction and must be removed prior to development.



Source: Department of Conservation, Division of Oil, Gas, and Geothermal Resources (Well Status), July 2015.



4.3



4.4

M E M O R A N D U M			
TO:	Daniel Inloes, AICP Senior Planner City of Costa Mesa	DATE:	April 18, 2016
FROM:	Roger Dale, Managing Principal The Natelson Dale Group, Inc. (TNDG)	FILE:	#4034
SUBJECT:	Costa Mesa General Plan Update – Documentation of Market Research Completed for Fiscal Impact Model		

TNDG’s work on the General Plan update included limited market research to develop realistic factors/assumptions for the Fiscal Impact Model (FIM). This memorandum provides documentation of that research.

Executive Summary

As described in greater detail below, TNDG’s market analyses project potential market demand for new development in Costa Mesa based on the City’s established position in the Orange County and southern California real estate markets, existing and projected demographic trends (for the City and the larger region), and available land capacity. ***In short, the market analysis is intended to answer the question: Will there be enough market demand for the development amounts proposed in the General Plan to actually be built over the next 20 years (the timeframe of the study)? For residential, industrial and hotel development, the answer is: Yes, there will be enough market demand to fully “build out” the General Plan capacity by 2035. For retail development, TNDG projects that the City will reach 85% of the potential development capacity by 2035. For office development, TNDG projects that the City will reach 78% of the potential development capacity by 2035.***

The market forecasts are an important input to the Fiscal Impact Analysis (FIA) completed for the General Plan update. The FIA is summarized in a separate memorandum and concludes that new development over the next 20 years will result in a mix of land uses that generates a positive fiscal balance for the City (i.e., General Fund revenues exceed General Fund costs).

TNDG’s market projections are briefly summarized as follows:

- **Housing.** The City currently has a total housing stock of 42,623 dwelling units. Per the proposed General Plan update, the capacity for new housing development would be 9,271 additional units, resulting in a total of 51,894 units at buildout. As this new development would be responding to Orange County’s strong demand for new housing,

TNDG projects that full buildout of the General housing capacity would be reached by 2035.

- **Retail.** The City has an existing inventory of approximately 10.2 million square feet of retail space. Based on the relatively conservative methodology used for this analysis (in which increases in retail market demand are assumed to proportionate to population growth), TNDG projects that the City could support approximately 600,000 square feet of new retail space by 2035. This would bring the City's total inventory of retail space (existing plus new) to approximately 10.8 million square feet, representing approximately 81% of the General Plan buildout capacity (12.7 million square feet).
- **Office.** Costa Mesa has an existing inventory of 7.2 million square feet of office space. TNDG projects that the City could absorb approximately 1.4 million square feet of additional office space by 2035. This would bring the City's total inventory of office space (existing plus new) to approximately 8.6 million square feet, representing approximately 78% of the General Plan buildout capacity (11.0 million square feet).
- **Industrial.** The City has an existing inventory of 13.1 million square feet of industrial space. Per the proposed General Plan update, there would be no additional capacity for new industrial space in the City. Thus, the City is already at 100% buildout for industrial land uses.
- **Hotels.** The City has an existing inventory of 1,877 hotel rooms. Under the proposed General Plan designations, the buildout capacity hotel facilities in the City would be 2,077 rooms (i.e., an addition of 200 rooms). TNDG believes that the incremental hotel demand of 200 rooms is likely to be readily achievable by the 2035 horizon considered in this analysis.

Overview

The Fiscal Impact Model (FIM) is designed to forecast City revenues and costs associated with new development as the City reaches buildout. As explained below, the FIM assumes that full buildout of the General Plan's residential development capacity will occur by 2035. For non-residential land uses, The Natelson Dale Group, Inc. (TNDG) has completed focused market research to estimate the degree to which the General Plan buildout capacities are likely to be reached by the residential buildout year of 2035. Based on the market research, TNDG has estimated "market adjustment factors" for land uses for which full buildout is not likely to occur by 2035. The market adjustment factors represent the percentage of full buildout which is likely to be achievable by 2035 based on order-of-magnitude market forecasts. The primary intent of

market-testing the non-residential land uses is to ensure that the FIM does not provide an overly optimistic financial forecast for the City based on unrealistic assumptions regarding the absorption of revenue-generating land uses (e.g., generation of sales taxes from new retail development).

Based on TNDG's market analysis, the fiscal projections provided in the FIM reflect the following land use assumptions:

Land Use	Existing Development	Theoretical Buildout	Market Adjustment Factor	Evaluated Buildout
Low density residential (DU's)	14,210	14,791	100%	14,791
Medium density residential (DU's)	4,370	4,992	100%	4,992
High density residential (DU's)	23,593	31,661	100%	31,661
Age-qualified housing (DU's)	450	450	100%	450
Retail square feet	10,232,000	12,737,000	85%	10,826,450
Office square feet	7,224,000	11,004,000	78%	8,583,120
Industrial square feet	13,087,000	13,078,000	100%	13,078,000
Hotels (rooms)	1,877	2,077	100%	2,077
Motels (rooms)	2,272	946	100%	946

Scope and Limitations of the Research

In order to develop realistic land use assumptions as inputs to the Fiscal Impact Model (FIM), TNDG completed focused market research on the following topics:

- Potential sales prices of future new housing units in the City;
- Total potential absorption of future new retail space;
- Total potential absorption of future new office space;
- Total potential absorption of future new industrial space;
- Total potential absorption of future new hotel rooms.

It should be emphasized that, consistent with the scope of the General Plan assignment, TNDG's market research was not intended to provide a full-blown feasibility analysis for

specific, near-term development projects. The market research provided here is limited in scope and is not intended to serve as an “official forecast” of market demand in the City. Instead, the scope of TNDG’s market analysis was narrowly focused on ensuring that the long-term land use assumptions in the FIM are conservative from the standpoint of potential budgetary impacts to the City. In this context, “conservative” means that the assumptions are intended to err on the side of under-estimating revenues and over-estimating costs. In this regard, TNDG’s approach to defining “market tested” land use assumptions for the FIM is based on the following considerations:

- The FIM assumes full buildout of the residential development capacity indicated in the General Plan. This assumption is conservative (i.e., errs on the side of overstating fiscal costs) in that it represents that maximum potential impact in terms of population growth and related demands for municipal services. For this reason, TNDG has not forecasted an absorption rate for residential development, but has focused on projecting the potential future *pricing* of new housing in the City. In an essentially built-out environment such as Orange County where there is strong market pressure for population growth, it is typically assumed that housing products that are competitively priced and responsive to market trends will be fully absorbed in the long term. For purposes of the fiscal impact analysis, the focus of TNDG’s market research related to housing was on defining realistic price points for the housing densities (and associated product types) envisioned in the General Plan. Again with the conservative orientation in mind, it was important to ensure that the market price assumptions are not overly aggressive (which would tend to overstate the City’s property tax revenue).
- With respect to commercial and industrial land uses, the focus of TNDG’s market analysis is to identify the potential amounts of development that could be absorbed over the next 20 years (i.e., by the 2035 buildout horizon assumed for residential development). As further described below, TNDG’s non-residential market projections are essentially “reality check” comparisons to the maximum development capacities proposed in the General Plan. In this regard, the analysis generally assumes that Costa Mesa’s potential for future non-residential development will generally reflect “fair shares” of regional demand based on historic trends, and will also generally mirror local/regional population and employment growth.

Summary of Research by Land Use

Residential Development. TNDG's market research for residential development focused on estimating average prices for new housing in the City. Three housing categories are considered:

Low Density (8 DUA maximum) – \$1,200,000
Medium Density (12 DUA maximum) – \$950,000
High Density (20 DUA maximum) – \$700,000

The estimated values are for ownership housing and are based on new projects currently selling in the City. Table A-1 provides a summary of this research.

Retail Space. The City has an existing inventory of approximately 10.2 million square feet of retail space. This space supports existing¹ taxable sales of \$3.6 billion per year. Not surprisingly (given the extraordinary concentration of retail sales in the City), taxable sales per capita in Costa Mesa are approximately three times the Statewide average. TNDG's analysis assumes that Costa Mesa's retail sales potential will grow in proportion to projected population growth. Based on this relatively conservative methodology (in which increases in retail demand are assumed to be constrained by population growth), TNDG projects that the City could support approximately 600,000 square feet of new retail space by 2035. This would bring the City's total inventory of retail space (existing plus new) to approximately 10.8 million square feet, representing approximately 85% of the General Plan buildout capacity.

Given Costa Mesa's well established status as a retail "powerhouse," it is conceivable that retail development will be added at a rate higher than population growth. However, for purposes of budget forecasting (which is inherently conservative), it would be highly speculative to predict how long it would take for the City to achieve full buildout of its retail development capacity. TNDG has therefore relied on the more conservative projection of new retail space supportable by 2035.

TNDG's retail demand calculations are shown on Tables B-1 through B-3.

Office and Space. TNDG's demand calculations for office space are provided on Tables C-1 through C-6. The office demand calculations are based on a top-down methodology whereby TNDG first projected potential demand for Orange County (based on projected employment

¹ The base year for the retail analysis is 2013 – the latest full year for which taxable sales data are available from the State Board of Equalization.

growth in industry sectors that utilize office space) and then projected the shares of countywide growth that could potentially be achieved in Costa Mesa.

Costa Mesa has an existing inventory of 7.2 million square feet of office space. Based on TNDG's demand projections, the City could potentially absorb an additional 1.4 million to 2.1 million square feet of office space by 2035. To be conservative (from the standpoint of the fiscal analysis), TNDG has assumed the low end of this range (approximately 1.4 million square feet) for projection purposes. This would bring the City's total inventory of office space (existing plus new) to approximately 8.6 million square feet, representing approximately 78% of the General Plan buildout capacity.

Industrial Space. The City has an existing inventory of 13.1 million square feet of industrial space. Per the proposed General Plan update, there would be no additional capacity for new industrial space in the City. Thus, the City is already at 100% buildout for industrial land uses.

Hotel Rooms. The City has an existing inventory of 1,877 hotel rooms. Under the proposed General Plan designations, the buildout capacity hotel facilities in the City would be 2,077 rooms (i.e., an addition of 200 rooms). Based on contemporary sizing standards for full-service hotel facilities, the increment of 200 rooms would essentially represent one new hotel in the City. Although it is beyond the scope of this study to provide a specific forecast of hotel demand (which tends to be somewhat site/project specific), TNDG believes that the incremental hotel demand of 200 rooms (one new hotel) is likely to be highly achievable by the 2035 horizon considered in the FIM. Thus, the FIM assumes that the City will achieve 100% of its hotel development capacity. This assumption is premised on the following indicators of hotel demand strength in the City:

- According to data from Smith Travel Research (a leading provider of hotel market information globally), no new hotels have been constructed in the City since 1989, suggesting that there is likely pent up demand for new facilities.
- Based on the 2014 and 2015 annual reports of the Costa Mesa Conference and Visitor Bureau, hotel occupancy rates in Orange County and Costa Mesa are strong and getting stronger. The City's hotel occupancy rate in 2014 (the year reported in the 2015 report) was approximately 80%. The hotel industry generally regards an occupancy rate above 70% as indicative of pent up demand. That is, hotels can typically operate profitably at an average annual occupancy level of 70%. Thus, existing demand (without even considering potential demand growth) would be sufficient to support additional rooms

*Memorandum to Daniel Inloes
April 18, 2016
Page 7*

in the City. The existing occupancy level of 80% (applied to the inventory of 1,877 rooms) translates to demand of approximately 548,000 occupied room nights per year. At the industry standard occupancy level of 70%, this number of room nights could support a total inventory of approximately 2,144 rooms. Thus, TNDG believes that the General Plan development capacity of 2,077 rooms will be readily achievable by 2035.

Please feel free to contact us if you have questions about our market projections.

Table A-1
Sample of Current Housing Projects Used to Estimate Average Price by Density Level
City of Costa Mesa Fiscal Impact Model

Name	Number of Units	Price Low	Price High	Price Midpoint	Price Used in FIM
Low Density Residential					
1053 Regatta Run	1	\$854,900	\$854,900	\$854,900	
1963 Rosemary Pl	1	1,100,000	1,100,000	1,100,000	
2040 Paloma Dr	1	1,425,000	1,425,000	1,425,000	
274 Virginia Pl	1	995,500	995,500	995,500	
262 Esther St	1	1,690,000	1,690,000	1,690,000	
<i>LDR Average</i>		<i>\$1,213,080</i>	<i>\$1,213,080</i>	<i>\$1,213,080</i>	\$1,200,000
Medium Density Residential Units					
Westreef	17	\$800,000	\$800,000	\$800,000	
Easthaven	14	1,000,000	1,100,000	1,050,000	
The Edge	19	806,647	823,389	815,018	
Latitude	11	1,000,000	1,250,000	1,125,000	
312 Nautica Way		949,000	949,000	949,000	
<i>MDR Average</i>		<i>\$911,129</i>	<i>\$984,478</i>	<i>\$947,804</i>	\$950,000
High Density Residential Units					
Seabright	26	\$600,000	\$650,000	\$625,000	
Brickyard West	14	675,000	690,000	682,500	
Maple Crossing	37	675,000	690,000	682,500	
Palmilla	11	675,000	690,000	682,500	
Superior Pointe	49	775,000	790,000	782,500	
Brickyard East	15	575,000	590,000	582,500	
Poet's Place	6	740,000	760,000	750,000	
Seahouse	33	575,000	800,000	687,500	
The Collective Eastside	8	900,000	1,000,000	950,000	
Bungalow 7	30	500,000	650,000	575,000	
City Common	28	700,000	800,000	750,000	
West Place	38	540,000	560,000	550,000	
<i>HDR Average</i>		<i>\$660,833</i>	<i>\$722,500</i>	<i>\$691,667</i>	\$700,000

Source: The Natelson Dale Group, Inc. (TNDG).

Table B-1
Calculation of Current (2013) Per Capita Taxable Sales by Retail Category
California and Costa Mesa

Retail Category	Per Capita Taxable Sales in 2013		2013 Actual/ Expected (Costa Mesa)	Projected Future Attraction Factor (Costa Mesa)	Projected Incremental Taxable Sales Per Capita (Costa Mesa)
	Costa Mesa	California			
Motor Vehicle and Parts Dealers	5,306	1,788	297%	100%	1,788
Home Furnishings and Appliance Stores	3,075	668	460%	250%	1,670
Bldg. Matrl. and Garden Equip. and Supplies	1,172	780	150%	100%	780
Food and Beverage Stores	1,269	665	191%	100%	665
Gasoline Stations	2,349	1,495	157%	100%	1,495
Clothing and Clothing Accessories Stores	9,213	918	1003%	500%	4,591
General Merchandise Stores	3,700	1,352	274%	150%	2,029
Food Services and Drinking Places	3,714	1,651	225%	150%	2,476
Other Retail Group	2,651	1,264	210%	150%	1,897
Total Retail and Food Services	32,448	10,582			17,391

Source: State Board of Equalization; State Department of Finance; TNDG.

Table B-2
Projected Growth in Retail Sales (dollars)
City of Costa Mesa
2013-2035

Population by Year:	2013	2035	Growth 2013-2035
Costa Mesa	111,568	131,208	19,640

Future Demand by Category (total taxable sales)	2013	2035	Growth 2013-2035
Motor Vehicle and Parts Dealers	591,944,000	627,053,972	35,109,972
Home Furnishings and Appliance Stores	343,121,000	375,928,271	32,807,271
Bldg. Matrl. and Garden Equip. and Supplies	130,765,000	146,092,555	15,327,555
Food and Beverage Stores	141,609,000	154,669,005	13,060,005
Gasoline Stations	262,069,000	291,433,292	29,364,292
Clothing and Clothing Accessories Stores	1,027,837,000	1,117,999,930	90,162,930
General Merchandise Stores	412,815,000	452,655,541	39,840,541
Food Services and Drinking Places	414,328,000	462,957,028	48,629,028
Other Retail Group	295,712,000	332,962,030	37,250,030
Total Retail and Food Services	3,820,200,000	3,961,751,623	341,551,623

Future Demand Growth (Food sales adjusted to include non-taxable sales)	Growth 2013-2035
Motor Vehicle and Parts Dealers	35,109,972
Home Furnishings and Appliance Stores	32,807,271
Bldg. Matrl. and Garden Equip. and Supplies	15,327,555
Food and Beverage Stores	45,710,018
Gasoline Stations	29,364,292
Clothing and Clothing Accessories Stores	90,162,930
General Merchandise Stores	39,840,541
Food Services and Drinking Places	48,629,028
Other Retail Group	37,250,030
Total Retail and Food Services	374,201,636

Source: TNDG

Table B-3
New Supportable Retail Space (in square feet)
City of Costa Mesa
2013-2035

Sales Per Square Foot Support Factors	
Auto Parts Stores	\$250
Home Furnishings and Appliance Stores	\$600
Bldg. Matrl. and Garden Equip. and Supplies	\$300
Food and Beverage Stores	\$500
Clothing and Clothing Accessories Stores	\$600
General Merchandise Stores	\$500
Food Services and Drinking Places	\$600
Other Retail Group	\$500
Additional Supportable Retail Space	
Auto Parts Stores	13,482 (1)
Home Furnishings and Appliance Stores	54,679
Bldg. Matrl. and Garden Equip. and Supplies	51,092
Food and Beverage Stores	91,420
Clothing and Clothing Accessories Stores	48,940
General Merchandise Stores	180,326
Food Services and Drinking Places	66,401
Other Retail Group	97,258
	603,598

(1) Assumes that auto parts sales account for 9.6% of total Motor Vehicle and Parts sales category.

Source: TNDG

Table C-1
Employment Forecasts by Industry Group
2015-2035
Orange County

Industry Group	2015	2020	2035
Natural Resources, Mining, & Construction	78,438	90,683	116,407
Manufacturing	155,974	152,333	146,300
Wholesale Trade	82,192	91,834	111,129
Retail Trade	150,850	163,187	186,773
Transportation & Utilities	28,614	29,668	31,565
Information	25,164	26,672	29,473
Financial Activities	114,954	127,162	151,247
Professional & Business Services	280,464	318,418	396,117
Educational & Health Services	185,589	207,040	249,876
Leisure & Hospitality	191,432	210,948	249,244
Other Services	44,600	44,600	44,600
Government	147,900	152,363	157,292
Total Nonfarm	1,486,171	1,614,906	1,870,025

Source: The Natelson Dale Group, Inc. (TNDG) based on estimates and forecasts prepared by the California Employment Development Department

Table C-2
Allocation of Employment by Land Use Category
Orange County

Percentage Distribution of Employees by Land Use:

Industry Group	Office Space	Industrial Space	Other		
Natural Resources, Mining, & Construction	20.0%	30.0%	50.0%	100.0%	
Manufacturing	0.0%	100.0%	0.0%	100.0%	
Wholesale Trade	20.0%	80.0%	0.0%	100.0%	
Retail Trade	5.0%	5.0%	90.0%	100.0%	
Transportation & Utilities	20.0%	30.0%	50.0%	100.0%	
Information	100.0%	0.0%	0.0%	100.0%	
Financial Activities	90.0%	0.0%	10.0%	100.0%	
Professional & Business Services	50.0%	20.0%	30.0%	100.0%	
Educational & Health Services	25.0%	0.0%	75.0%	100.0%	
Leisure & Hospitality	5.0%	0.0%	95.0%	100.0%	
Other Services	25.0%	50.0%	25.0%	100.0%	
Government	0.0%	0.0%	100.0%	100.0%	

Source: The Natelson Dale Group, Inc.

Table C-3
Projected Employment by Land Use Category
2015-2035
Orange County

Land Use Category	Employment by Year:		
	2015	2020	2035
Office	381,365	424,380	510,894
Industrial	339,778	356,048	390,457
Other	<u>765,028</u>	<u>834,479</u>	<u>968,673</u>
Total Nonfarm Employment	1,486,171	1,614,906	1,870,025

Source: The Natelson Dale Group, Inc.

Table C-4
Projected Change in Employment by Time Period
2015-2035
Orange County

Land Use Category	Change in Employment by Time Period:	
	2015-2020	2020-2035
Office	43,015	86,515
Industrial	16,269	34,409
Other	<u>69,451</u>	<u>134,194</u>
Total Nonfarm Employment	128,735	255,118

Source: The Natelson Dale Group, Inc.

Table C-5
Projected Demand for New Office Space
 2014-2035
 Orange County

Square Feet per Employee: 250

Demand in Square Feet (SF)

Office Demand		2014-2020	2020-2035	Total
Demand for New Space		10,753,675	21,628,692	32,382,367
Construction Demand @	110%	11,829,043	23,791,561	35,620,604
Net Demand for New Space		11,829,043	23,791,561	35,620,604

Source: The Natelson Dale Group, Inc.

Table C-6
Projected Demand for New Office Space - Costa Mesa
2014-2035

Projection Factors:

Share of Employment, 2012	5.5%
Share of Population, 2012	3.6%
Share of Employment, 2035	4.9%
Share of Population, 2035 (SCAG)	3.4%
Share of Employment Growth	2.4%
Share of Population Growth	1.5%
Share of Office Space, 2015	6.4%

		2014-2020	2020-2035	Total
Office Space @	6.0%	709,743	1,427,494	2,137,236
Office Space @	5.0%	591,452	1,189,578	1,781,030
Office Space @	4.0%	473,162	951,662	1,424,824

MEMORANDUM			
TO:	Daniel Inloes, AICP Senior Planner City of Costa Mesa	DATE:	April 18, 2016
FROM:	Roger Dale, Managing Principal The Natelson Dale Group, Inc. (TNDG)	FILE:	#4034
SUBJECT:	Costa Mesa General Plan Update – Summary of Fiscal Impact Model		

The attached report (“User’s Manual”) provides detailed documentation of the Fiscal Impact Model (FIM) that TNDG has developed as part of the General Plan Update process. This memorandum provides an overview of the FIM forecasts and projection methodology.

Executive Summary

The Fiscal Impact Model forecasts changes in the City’s General Fund revenues and costs that will result from future development in the City. The primary purpose of the model is to ensure that the proposed General Plan update will result in a Citywide land use mix that is fiscally balanced for the City. The model can also be used to evaluate the fiscal impacts of individual development projects.

Market Validation of General Plan Land Uses. TNDG has evaluated the fiscal impact of the General Plan based on a horizon year of 2035. For residential, industrial and hotel/motel development, TNDG has projected (based on market research summarized in a separate memo) that the City would achieve full buildout of the General Plan development capacity by 2035. However, for retail development TNDG projects that the City would only achieve 85% of buildout capacity by 2035, and for office development TNDG projects that the City would only achieve 78% of buildout capacity by 2035.

Current General Fund Cash Flow. During FY 2014-2015, the City’s general fund had a \$3.6 million surplus (i.e., revenues exceed expenditures by \$3.6 million)¹.

Projected General Fund Cash Flow at Buildout. Based on the General Plan land use mix (adjusted, as noted, for retail and office market constraints), TNDG projects that the General Fund will achieve a surplus of \$3.1 million per year at buildout. This number is projected in constant (2015) dollars (i.e., it reflects “real” dollar increases over and above inflation). Thus,

¹ Per the Comprehensive Annual Financial Report (CAFR) dated June 30, 2015. FY 2014-2015 is the latest year for which “actual” historic data are available.

TNDG projects that the proposed General Plan land use mix will have a positive fiscal impact on the City.

Land Use Assumptions

The fiscal projections summarized in this memorandum reflect General Plan buildout, and are based on the following land use, demographic and traffic assumptions:

Land Use	Existing Development	Theoretical Buildout	Market Adjustment Factor	Evaluated Buildout
Low density residential (DU's)	14,210	14,791	100%	14,791
Medium density residential (DU's)	4,370	4,992	100%	4,992
High density residential (DU's)	23,593	31,661	100%	31,661
Age-qualified housing (DU's)	450	450	100%	450
Retail square feet	10,232,000	12,737,000	85%	10,826,450
Office square feet	7,224,000	11,004,000	78%	8,583,120
Industrial square feet	13,087,000	13,078,000	100%	13,078,000
Hotels (rooms)	1,877	2,077	100%	2,077
Motels (rooms)	2,272	946	100%	946
Parks (acres)	592	618	N/A	618

Demographic / Traffic Factors	Existing	Evaluated Buildout
Resident Population ²	110,524	131,690
Jobs	87,657	92,823
Traffic (Citywide ADT) ³	944,853	1,042,726

² The buildout population of 131,690 residents assumes a residential vacancy rate of 5.14%. At full (100%). This assumed vacancy factor is based on the current vacancy rate in the City and is consistent with normal housing market conditions.

³ The projected ADT is based on factors from the General Plan traffic analysis completed by Stantec. However, the projected ADT for the FIM's "evaluated buildout" is lower than Stantec's buildout forecast since the FIM assumes that the City would achieve only 85% of buildout for retail development and 78% of buildout for office development.

5.19

The “evaluated buildout” numbers reflect reductions in the projected amounts of retail and office development based on market constraints. For example, whereas the theoretical buildout numbers would accommodate 12.7 million square feet of retail space (an addition of 2.5 million square feet over the existing base of 10.2 million square feet), the adjusted buildout number for retail (based on TNDG’s market analysis) would be 10.8 million square feet. This adjustment is critical to the reasonableness of the model results since the theoretical buildout numbers could potentially overstate retail development (and related sales tax revenue) by approximately 1.9 million square feet.

Fiscal Projections

Based on the above land use, demographic and traffic assumptions, the fiscal forecasts for General Plan buildout are as follows:

General Fund	FY 2014-2015 Actual	Projected Budget at Buildout (2015 \$)	Percentage Change Through Buildout
Total Revenues	\$113.0 million	\$128.1 million	13%
Total Expenditures	\$109.4 million	\$125.0 million	14%
Net Fiscal Cash Flow	\$3.6 million	\$3.1 million	

During FY 2014-2015, the City’s general fund had a \$3.6 million surplus (i.e., revenues exceed expenditures by \$3.6 million).Based on the General Plan land use mix (adjusted, as noted, for market constraints), TNDG projects that the General Fund will achieve a surplus of \$3.1 million per year at buildout. This number is projected in constant (2015) dollars (i.e., it reflects “real” dollar increases over and above inflation). As described further below, the indicated General Fund cash flow at buildout is based on relatively conservative revenue assumptions.

The attached printout includes selected tables from the General Plan component of the model; these tables summarize the major assumptions utilized to derive the revenue and cost projections. The projection methodology is documented in detail in the attached User’s Manual.

“Per capita” forecasting methodology

As noted on the attached tables, certain revenue and cost line items are projected using a per capita forecasting methodology, based on existing per capita factors derived from the City’s

5.20

budget. Given that some revenues and costs are affected by both residential and non-residential development, the analysis considers employee and visitor “populations” in addition to the resident population. For purposes of estimating population “equivalents” the following factors are applied to the employee and visitor populations:

- 1 employee is equivalent to 0.24 full-time residents
- 1 visitor (hotel guest) is equivalent to 0.75 full-time residents

These factors are consistent with generally accepted methodologies for this type of analysis and have been calibrated to Costa Mesa’s budget for purposes of this FIM.

Key Factors Affecting the Fiscal Impact Projections

Conservative Orientation of Projections. In developing the General Plan fiscal impact forecasts, TNDG has endeavored to be conservative from the standpoint of potential budgetary impacts to the City. In this context, “conservative” means that the assumptions are intended to err on the side of under-estimating revenues and over-estimating costs. Key assumptions in this regard include the following:

- The FIM assumes full buildout (by 2035) of the residential development capacity indicated in the General Plan. This assumption is conservative (i.e., errs on the side of overstating fiscal costs) in that it represents that maximum potential impact in terms of population growth and related demands for municipal services.
- The FIM assumes that, by the 2035 horizon year for the analysis, the City will achieve only 85% of the General Plan capacity for retail development. This assumption is based on the focused market analysis (summarized in a separate memorandum) completed by TNDG, which conservatively assumes that growth of the City’s retail base will be constrained by projected population growth. Given Costa Mesa’s well established status as a retail “powerhouse,” it is conceivable that retail development will be added at a rate higher than population growth. Hypothetically, if the City achieved full buildout of the General Plan’s retail development capacity, it would increase the projected annual surplus by approximately \$8.6 million (i.e., instead of the projected General Fund surplus of \$3.1 million per year, the General Fund would have a surplus of \$11.7 million per year). However, for purposes of budget forecasting, it would be highly speculative to predict how long it would take for the City to achieve full buildout of its retail

development capacity. TNDG has therefore relied on the more conservative projection of new retail space supportable by 2035.

- The FIM reflects relatively conservative assumptions regarding future growth in the City's assessed valuation (the basis for property tax calculations). Two major factors will contribute to future increases in the assessed valuation: 1) new development, and 2) periodic ownership changes of existing properties (allowing the sold properties to be re-assessed pursuant to Proposition 13 provisions).

For new housing development, TNDG believes that the FIM's assumed valuations are relatively conservative (sales prices ranging from \$700,000 for new high-density units to \$1.2 million for new low density units).

With respect to assessed value changes resulting from property turnovers, TNDG has assumed that 7% of properties will change ownership annually and that these turnovers will result in the sold properties being re-assessed at valuations 3% higher than their pre-sale (i.e., Proposition 13-restricted) assessed values.

Overall, the growth in total (Citywide) property tax revenue between now and buildout translates to an average annual growth rate of 1.3% (this is a "real" rate of increase over and above inflation). In comparison, the real average annual growth rate of the City's property tax revenue for the 16-year period between FY 1998-1999 and FY 2014-2015 was 2.6%. Thus, at approximately half the historic growth rate, the FIM projections are relatively conservative (which TNDG believes is appropriate for budgeting purposes given potential volatility in real estate prices).

One-time Budget Adjustments. Whereas most of the revenue and cost projections represent continuations of existing "trend lines" (adjusted as appropriate for changes in development, population, etc.), two key cost factors reflect major one-time shifts based on changing circumstances in the future:

- The model includes a cost adjustment of \$4.1 million to cover anticipated increases in the City's retirement (pension) obligations. This is assumed to be an annually-recurring additional cost.
- By buildout, the model assumes that the City's annual debt service costs will be reduced by \$3.7 million. This cost reduction reflects retirement of debt obligations between now and buildout.

Memorandum to Daniel Inloes
April 18, 2016
Page 6

Please feel free to contact us if you have questions or would like to discuss any aspect of the Fiscal Impact Model.

Table 1
FY 2015 Data Inputs
City of Costa Mesa Fiscal Impact Model

Population Factors	
Low Density Residential	3,187
Medium Density Residential	2,296
High Density Residential	2,296
Age Qualified Housing	2,296
Vacancy Rate	5.14%

City of Costa Mesa Assessed Valuation¹ **\$16,540,841,000**

Property Tax Revenue Factors	
Property Tax Rate (City's Share) ²	0.146536051
New Low Density Residential Value ⁴	\$1,200,000
New Medium Density Residential Value ⁴	\$950,000
New High Density Residential Value ⁴	\$700,000
New Age Qualified Housing Value ⁴	\$500,000
New Retail Space (AV/Sq. Ft.) ⁴	\$200
New Office Space (AV/Sq. Ft.) ⁴	\$150
New Industrial Space (AV/Sq. Ft.) ⁴	\$100
New Hotel Space (AV/Room) ⁴	\$100,000
New Motel Space (AV/Room) ⁴	\$50,000

New Taxable Sales Rates	
General Commercial ⁴	\$400.00
Regional Commercial ⁴	\$600.00
Retail ⁵	\$480.92
Office ⁴	\$0
Industrial ⁴	\$15.00

Property Transfer Tax Revenue Factors	
Property Transfer Tax Rate	0.055%
Property Turnover Rate	7.000%

Transient Occupancy Tax Revenue Factors	
Visitors per Room ³	1.75
Motel Occupancy Rate ³	40.0%
Hotel Occupancy Rate ³	75.0%
Motel Room Rate ³	\$50.00
Hotel Room Rate ³	\$150.00

Source: (1) Orange County Assessor, Annual Roll; (2) City of Costa Mesa, Finance Department; (4) TNDG.

- Notes: (2) Property Tax Rate is the average rate of all the tax rate areas in the City.
 (3) Estimate based on current transient occupancy tax levels.
 (4) Estimate based on current assessed value and sales tax totals.
 (5) Weighted Average

5.24

Table 2
Existing Land Uses by Category
City of Costa Mesa Fiscal Impact Model

Current Year Population³	110,524
Average LDR Persons per DU ²	3.19
Average MDR Persons per DU ²	2.30
Average HDR Persons per DU ²	2.30
Average AQH Persons per DU ³	2.30
Current Year Employees⁴	87,657

	Units/SF/Rooms¹	Existing Assessed Value Factors²	Existing Sales Tax Factors²
Residential			
Low Density Residential	14,210	\$330,000	
Medium Density Residential	4,370	\$288,000	
High Density Residential	23,593	\$288,000	
Age Qualified Housing	450	\$250,000	
Subtotal, Residential	42,623		
Commercial			
General Commercial	6,092,000	\$115	\$400.00
Regional Commercial	4,140,000	\$115	\$600.00
Retail	10,232,000	\$115	\$480.92
Office	7,224,000	\$90	\$0
Industrial	13,087,000	\$75	\$15.00
Subtotal, Commercial	30,543,000		
Overnight Lodging			
Hotel Rooms	1,877	\$100,000	
Motel Rooms	2,272	\$50,000	
Subtotal, Overnight Lodging	4,149		
Parks (Acres)	592		
Landscaped Medians (Acres)	12		

Source: (1) MIG Consulting; (2) TNDG; (3) California Department of Finance, E-5 Population Tables; (4) Southern California Association of Governments, Local Area Profiles.

Notes: (2) Estimates based on current population, assessed value, and sales tax totals.

5.25

Table 3
Derivation of Other Revenue Projection Factors
City of Costa Mesa Fiscal Impact Model

City of Costa Mesa Population	110,524
City of Costa Mesa, Daytime Employee Population	87,657
City of Costa Mesa, Overnight Lodging Visitor Population	1,314
Employee Weighting Factor	0.24
Visitor Weighting Factor	0.75
Effective Daytime Employee Population	21,038
Effective Overnight Lodging Visitor Population	985

Budget Category	Citywide GF Budget FY 2014/15	Allocation Basis¹	Relevant Population	Per Capita Revenue
Electric Franchise Fee	\$1,272,000	R+E+V	132,547	\$9.60
Cable Television Franchise Fee	\$1,300,000	R	110,524	\$11.76
Gas Franchise Fee	\$250,000	R+E+V	132,547	\$1.89
Solid Waste Hauler Franchise Fee	\$1,945,000	R+E+V	132,547	\$14.67
Business License	\$954,000	E	87,657	\$10.88
Licenses and Permits	\$139,100	R	110,524	\$1.26
Fines and Forfeitures	\$1,190,000	R+E+V	132,547	\$8.98
Use of Money and Property	\$276,300	NO CHANGE PROJECTED		
Fees and Charges	\$2,027,600	R	110,524	\$18.35
Other Government Agencies	\$1,045,300	R	110,524	\$9.46
Other Revenues	\$787,300	NO CHANGE PROJECTED		

5.26

Table 4
Derivation of Projection Factors for Police Protection Costs
City of Costa Mesa Fiscal Impact Model

City of Costa Mesa Population	110,524
City of Costa Mesa, Daytime Employee Population	87,657
City of Costa Mesa, Overnight Lodging Visitor Population	2,904
Employee Weighting Factor	0.24
Visitor Weighting Factor	0.75
Effective Daytime Employee Population	21,038
Effective Overnight Lodging Visitor Population	2,178

Budget Category	Citywide GF Budget FY 2015	Allocation Basis	Relevant Population	Per Capita Cost
Police Protection	\$41,016,560	R+E+V	133,740	\$306.69

5.27

Table 5
Derivation of Projection Factor for Parks & Community Services Costs
City of Costa Mesa Fiscal Impact Model

City of Costa Mesa Population	110,524
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<u>Budget Category</u>	<u>Citywide GF Budget FY 2015</u>	<u>Allocation Basis</u>	<u>Relevant Population</u>	<u>Per Capita Cost</u>
Total Parks & Community Services Budget	\$4,958,298			
Less: recreation fees and facility rentals	<u>(4,021,300)</u>			
Net City cost	\$936,998	R	110,524	\$8.48

5.28

Table 6
Derivation of Projection Factors for Development Services Costs
City of Costa Mesa Fiscal Impact Model



City of Costa Mesa Population	110,524
City of Costa Mesa, Daytime Employee Population	87,657
City of Costa Mesa, Overnight Lodging Visitor Population	2,904
Employee Weighting Factor	0.24
Visitor Weighting Factor	0.75
Effective Daytime Employee Population	21,038
Effective Overnight Lodging Visitor Population	2,178

<u>Budget Category</u>	<u>Citywide GF Budget FY 2015</u>	<u>Allocation Basis</u>	<u>Relevant Population</u>	<u>Per Capita Cost</u>
TOTAL GENERAL FUND EXPENDITURES				
Development Services Administration	\$645,891			
Planning				
Planning	1,627,661			
Planning Commission	27,600			
Building Safety				
Code Enforcement	879,310			
Building Safety	2,025,030			
OFFSETTING REVENUES				
Fire Permits	(108,000)			
Building Permits	(1,460,000)			
Electrical Permits	(227,000)			
Plumbing/Mechanical Permits	(279,600)			
Street Permits	(269,800)			
Zoning/Variance/CUP Fees	(147,500)			
Subdivision/Map Fees	(31,100)			
Environmental Impact Fees	(29,000)			
Plan Checking Fee	(408,000)			
HOME/CDBG Funds (1)	338,902			
NET DEVELOPMENT SERVICES COST	\$2,586,394	R+E+V	133,740	\$19.34

(1) HOME/CDBG funding in excess of current year Housing & Community Development budget.

5.29

Table 7
Derivation of Projection Factors for Fire Protection Costs
City of Costa Mesa Fiscal Impact Model

<u>Occupancy Type</u>	<u>Existing Number of Units, SF, or Rooms</u>	<u>Number of Incidents per Year</u>	<u>Incidents per Unit</u>
Single Family Unit	17,766	2,328	0.1310
Multi-Family Unit	25,304	2,294	0.0907
Retail (in 000's)	9,456	774	0.0818
Office (in 000's)	7,429	439	0.0591
Industrial (in 000's)	12,352	201	0.0163
Overnight Lodging	4,123	445	0.1078
Total		6,481	
<i>Fire Department 2015 Budget</i>		\$20,379,286	
Total Incidents per Year		6,481	
Cost per Incident		\$3,145	

5.30

Table 8
Estimate of Existing (2015) Traffic Trips by Land Use
City of Costa Mesa Fiscal Impact Model

Land Use Category	Development Units (2015)	ADT/Unit (2015)	2015 ADT	Total for General Plan Land Uses
Low Density Residential	14,210	9.52	135,290	140,822
Medium Density Residential	4,370	8.09	35,349	40,380
High Density Residential	23,593	6.65	156,896	210,549
Age Qualified Housing	450	3.44	1,548	1,548
Retail (000's square feet)	10,232	40.35	412,814	436,797
Office (000's square feet)	7,224	11.42	82,489	98,008
Industrial (000's square feet)	13,087	6.97	91,217	91,154
Hotel Rooms	1,877	8.17	15,335	16,969
Motel Rooms	2,272	5.63	12,793	5,327
Institutional	N/A	N/A	N/A	N/A
Parks (acres)	592	1.90	1,122	1,171
Other	N/A	N/A	N/A	N/A
Total Trips			944,853	1,042,726

Table 9
Public Services Expenditures
City of Costa Mesa Fiscal Impact Model

Budget Category	Citywide Budget FY 2015	Projection Basis	Number of Units	Percentage/ Per Unit Costs	
Administration	\$1,139,355	% Factor	N/A	8.55%	
Engineering	2,184,274	Per Capita (R+E+V)	133,740	\$16.33	
Transportation	2,027,273	Per Traffic Trip	944,853	\$2.15	
Maintenance Services	11,299,619				
Administration	288,016	% Factor	N/A	2.84%	
Parkway & Median Maintenance	868,040	Per Acre	12	\$72,337	
Park Maintenance	3,120,565	Per Acre	592	\$5,271	
Streets	1,294,758	Per Traffic Trip	944,853	\$1.37	
Graffiti Abatement	190,289	Per Capita (R+E+V)	133,740	\$1.42	
Storm Drain Maintenance	97,816	Percentage Input	N/A	1.0%	See Table DI-7
Signs and Markings	524,329	Percentage Input	N/A	1.0%	See Table DI-7
Facility Maintenance	1,555,672	Percentage Input	N/A	1.0%	See Table DI-7
Fleet Services	3,360,135	Percentage Input	N/A	1.0%	See Table DI-7
Total Public Services Expenditures	\$16,650,521				

Table 10
Administrative and Overhead Expenditures
City of Costa Mesa Fiscal Impact Model

Budget Category	Citywide Budget FY 2015
City Council	\$378,408
CEO's Office	7,872,268
Finance	2,843,051
City Attorney's Office	1,000,000
Information Technology	3,328,366
Non-Departmental	11,231,747
Total Administrative/Overhead Functions	\$26,653,840
Other General Fund Expenditures	\$81,569,759
Percentage of Administrative/Overhead Costs of Total General Fund	32.68%

5.33

Table 11
Existing and Projected Citywide Development by Land Use
City of Costa Mesa Fiscal Impact Model

	Existing	Theoretical Buildout	Market Adjustment Factor	Evaluated Buildout	Percentage Change Through Buildout
Residential (Dwelling Units)					
Low Density Residential ¹	14,210	14,791	100%	14,791	4%
Medium Density Residential ¹	4,370	4,992	100%	4,992	14%
High Density Residential ¹	23,593	31,661	100%	31,661	34%
Age Qualified Housing ¹	450	450	100%	450	0%
Subtotal, Residential	42,623	51,894		51,894	22%
Commercial (Square Feet)					
Retail ¹	10,232,000	12,737,000	85%	10,826,450	6%
Office ¹	7,224,000	11,004,000	78%	8,583,120	19%
Industrial ¹	13,087,000	13,078,000	100%	13,078,000	0%
Subtotal, Commercial	30,543,000	36,819,000		32,487,570	6%
Overnight Lodging (Rooms)					
Hotels ¹	1,877	2,077	100%	2,077	11%
Motels	2,272	946	100%	946	-58%
Subtotal, Overnight Lodging	4,149	3,023		3,023	-27%
Parks (Acres) ¹	592			618	4%
Landscaped Medians (Acres) ²	12			12	0%
Population:					
Residents ³	110,524			131,690	19%
Employees ⁴	87,657			92,823	6%
Overnight Lodging Visitors (average daily) ²	4,831			3,167	-34%
Total Population Equivalent²	135,185			156,343	16%
Traffic (Citywide ADT) ¹	944,853			1,042,726	10%

Source: (1) MIG Consulting; (2) TNDG; (3) California Department of Finance, E-5 Population Tables; (4) Southern California Association of Governments, Local Area Profiles.

Notes: (1) Retail Category includes General Commercial, Regional Commercial, and Auto Dealership space
(2) Hotel visitor totals are estimated by current transient occupancy tax levels in the City.

5.34

Table 12
Existing and Projected General Fund Budgets
City of Costa Mesa Fiscal Impact Model

<u>General Fund</u>	<u>Existing Budget FY 2015</u>	<u>Projected Budget at Buildout</u>	<u>Percentage Change Through Buildout</u>
Revenues			
Property Tax	\$24,051,900	\$36,057,794	50%
Property Tax in lieu of MVL	9,567,500	14,232,971	49%
Property Transfer Tax	621,700	959,468	54%
Transient Occupancy Tax	8,107,500	7,990,116	-1%
Sales and Use Tax	52,862,000	55,719,494	5%
Electric Franchise Fee	1,303,800	1,514,103	16%
Cable Television Franchise Fee	1,315,700	1,564,612	19%
Gas Franchise Fee	252,200	293,603	16%
Solid Waste Hauler Franchise Fee	2,167,900	2,489,270	15%
Business License Fees	943,900	1,000,107	6%
Licenses and Permits *	139,100	165,769	19%
Fines and Forfeitures	1,190,000	1,386,721	17%
Use of Money and Property *	276,300	276,300	0%
Fees and Charges *	2,027,600	2,415,996	19%
Other Government Agencies	1,045,300	1,245,530	19%
Other Revenues	787,300	787,300	0%
Total Revenues	\$106,659,700	\$128,099,155	20%
Expenditures			
Police Protection	\$41,016,560	\$47,735,090	16%
Fire Protection	20,379,286	23,199,683	14%
Public Services	16,650,521	18,839,919	13%
Parks & Community Services **	936,998	1,116,486	19%
Development Services **	2,586,394	3,010,067	16%
Overhead and Administration	26,653,840	30,683,286	15%
Incremental Retirement Obligations	-	4,122,416	N/A
Reduction in Debt Service	-	(3,738,618)	N/A
Total Expenditures	\$108,223,599	\$124,968,307	15%
Net Fiscal Cash Flow	(\$1,563,899) (1)	\$3,130,847	

(1) The negative cash flow in FY 2015-2016 does not reflect a structural deficit for the General Fund. The indicated "deficit" is due to the one-time use of fund balance from the prior year (related to the partial prepayment of a park loan and designation of some of those funds for capital projects).

* The amounts for these line items have been adjusted to exclude revenues that are cost-recovery fees and/or facility rental income (see Table DI-2).

** The amounts for these line items have been adjusted to exclude costs that are directly offset by user fees and/or facility income (see Table DI-4).

5.35

*Memorandum to Daniel Inloes
April 18, 2016
Page 7*

in the City. The existing occupancy level of 80% (applied to the inventory of 1,877 rooms) translates to demand of approximately 548,000 occupied room nights per year. At the industry standard occupancy level of 70%, this number of room nights could support a total inventory of approximately 2,144 rooms. Thus, TNDG believes that the General Plan development capacity of 2,077 rooms will be readily achievable by 2035.

Please feel free to contact us if you have questions about our market projections.

Table A-1
Sample of Current Housing Projects Used to Estimate Average Price by Density Level
City of Costa Mesa Fiscal Impact Model

Name	Number of Units	Price Low	Price High	Price Midpoint	Price Used in FIM
Low Density Residential					
1053 Regatta Run	1	\$854,900	\$854,900	\$854,900	
1963 Rosemary Pl	1	1,100,000	1,100,000	1,100,000	
2040 Paloma Dr	1	1,425,000	1,425,000	1,425,000	
274 Virginia Pl	1	995,500	995,500	995,500	
262 Esther St	1	1,690,000	1,690,000	1,690,000	
<i>LDR Average</i>		<i>\$1,213,080</i>	<i>\$1,213,080</i>	<i>\$1,213,080</i>	\$1,200,000
Medium Density Residential Units					
Westreef	17	\$800,000	\$800,000	\$800,000	
Easthaven	14	1,000,000	1,100,000	1,050,000	
The Edge	19	806,647	823,389	815,018	
Latitude	11	1,000,000	1,250,000	1,125,000	
312 Nautica Way		949,000	949,000	949,000	
<i>MDR Average</i>		<i>\$911,129</i>	<i>\$984,478</i>	<i>\$947,804</i>	\$950,000
High Density Residential Units					
Seabright	26	\$600,000	\$650,000	\$625,000	
Brickyard West	14	675,000	690,000	682,500	
Maple Crossing	37	675,000	690,000	682,500	
Palmilla	11	675,000	690,000	682,500	
Superior Pointe	49	775,000	790,000	782,500	
Brickyard East	15	575,000	590,000	582,500	
Poet's Place	6	740,000	760,000	750,000	
Seahouse	33	575,000	800,000	687,500	
The Collective Eastside	8	900,000	1,000,000	950,000	
Bungalow 7	30	500,000	650,000	575,000	
City Common	28	700,000	800,000	750,000	
West Place	38	540,000	560,000	550,000	
<i>HDR Average</i>		<i>\$660,833</i>	<i>\$722,500</i>	<i>\$691,667</i>	\$700,000

Source: The Natelson Dale Group, Inc. (TNDG).

To: Laura Stetson
MIG

From: Daryl Zerfass
Stantec

File: 2073007190

Date: April 20, 2016

Reference: Costa Mesa General Plan – Traffic Study Overview

These technical notes provide an overview of the traffic study conducted by Stantec Consulting Services Inc. (Stantec) for the City of Costa Mesa 2015-2035 General Plan. The traffic study, which is included as an appendix to the Draft Environmental Impact Report for the General Plan update, analyzes existing and future traffic conditions in the city and identifies future roadway circulation system improvements that are needed to accommodate the future land uses envisioned in the General Plan. The findings of the traffic study are applied to define the roadway circulation plan that is included in the General Plan Circulation Element.

A key planning tool that was utilized in the traffic study is a computerized travel demand forecasting model that was prepared specifically for the City of Costa Mesa. The city traffic model is a derivative of a countywide model maintained by the Orange County Transportation Authority (OCTA). The city model covers the same regional area as the OCTA model, but compared to the OCTA model, the city model incorporates a much greater level of detail within Costa Mesa in terms of the specification of land use information and the definition of the roadway circulation system.

A notable component of the city traffic model is a land use database for existing and future conditions. For the General Plan update, two future land use scenarios were analyzed, one based on the current General Plan Land Use Element and the other based on the Land Use Element proposed in the General Plan update. The land use database is applied in the traffic model to produce AM peak hour, PM peak hour and daily vehicle traffic generation estimates. The traffic generation estimates are based according to the type of land use (e.g., housing, retail, office, hotel, schools, recreational, etc.) and are organized by defined zones to account for the specific location of each type of land use in the city.

Table 1 on the following page summarizes the land use and daily vehicle trip generation for existing conditions and for buildout of the City under the previous General Plan and the proposed General Plan.

In the traffic model, the specific citywide trip generation estimates are combined with trip generation estimates for the remainder of the region that is covered by the model. Procedures established in the OCTA model are then used to create a set of trip patterns by connecting generated trips together, for example, a work trip generated by a household is connected with a workplace trip, a retail trip generated by a household or a workplace is connected with a trip generated by a retail site, a school trip generated by a household is connected with a trip generated at a school site, etc. The resulting "trip patterns" are distributed by the model onto the

Reference: Costa Mesa General Plan – Traffic Study Overview

existing and future roadway network to produce traffic volume estimates for the City's roadways and intersections.

Table 1 - Land Use and Trip Generation Summary

Land Use Type	Existing Conditions		Previous General Plan Buildout		Proposed General Plan Buildout	
	Amount	Daily Trips	Amount	Daily Trips	Amount	Daily Trips
Residential	42,623 DU	329,083	48,859 DU	372,815	51,894 DU	393,297
<i>Increase vs. Existing</i>			6,236 DU	43,732	9,271 DU	64,214
Commercial (a)	31,847 TSF	593,164	37,139 TSF	733,690	37,446 TSF	740,071
<i>Increase vs. Existing</i>			5,292 TSF	140,526	5,599 TSF	146,907
Miscellaneous (b)	–	96,543	–	122,620	–	110,772
<i>Increase vs. Existing</i>				26,077		14,229
Total Daily Trips		1,018,790		1,229,125		1,244,140
<i>Increase vs. Existing</i>				210,335 (+21%)		225,350 (+22%)
(a) Includes retail, office and industrial land uses.			Abbreviations: DU – dwelling unit			
(b) Includes schools, colleges, hotels, motels, hospitals, churches, golf courses, parks, fairgrounds, agriculture, etc.			TSF – thousand square feet			

The resulting future traffic forecasts are the basis for evaluating and sizing a General Plan roadway circulation plan to support the General Plan Land Use Element. The specific process involved a series of analyses to test various land use and circulation plans during the evolution of the General Plan update. With each step a land use and circulation plan was tested using the future traffic forecasts to calculate levels of traffic congestion at intersections and roadways throughout the city. Roadway and/or intersection improvements were then identified for locations where forecasted congestion levels were considered unacceptable. The traffic analysis of the final citywide land use plan was used to define the proposed General Plan Circulation Element roadway plan, which includes future improvements to widen or add arterial roadways and to improve intersection locations by adding and/or modifying intersection lanes.

The traffic analysis also evaluated and provided recommendations regarding the potential downgrade and deletion of various roadways on the General Plan roadway plan. The City of Costa Mesa is required to initiate a process with OCTA to amend the Orange County Master Plan of Arterial Highways (MPAH) for each of the following roadway downgrades and deletions that are proposed in the updated General Plan:

- **West 17th Street west of Placentia Avenue** – Downgrade from a four-lane secondary arterial roadway to a two-lane divided collector roadway.

Reference: Costa Mesa General Plan – Traffic Study Overview

- **West 19th Street west of Placentia Avenue** – Downgrade from a four-lane primary arterial roadway to a two-lane divided collector roadway.
- **East 22nd Street between northbound Newport Boulevard and Orange Avenue** – Downgrade from a four-lane secondary arterial roadway to a two-lane collector roadway.
- **Baker Street between Mesa Verde Drive and Royal Palm Drive** – Downgrade from a four-lane secondary arterial roadway to a two-lane collector roadway.
- **Bluff Road between Victoria Street and West 19th Street** – Delete from the General Plan roadway plan.

STANTEC CONSULTING SERVICES INC.

Daryl Zerfass, PE, PTP
Principal, Transportation Planning & Traffic Engineering
Phone: (949) 923-6058
Daryl.Zerfass@stantec.com

c. Raja Sethuraman, City of Costa Mesa
Minoo Ashabi, City of Costa Mesa



We are Stantec

We're active members of the communities we serve.
That's why at Stantec, we always *design with community in mind*.

The Stantec community unites more than 15,000 employees working in over 250 locations. We collaborate across disciplines and industries to bring buildings, energy and resource, and infrastructure projects to life. Our work—professional consulting in planning, engineering, architecture, interior design, landscape architecture, surveying, environmental sciences, project management, and project economics—begins at the intersection of community, creativity, and client relationships.

Founded: 1954 **Ownership:** Publicly Owned **Stock Exchange:** NYSE/TSX: STN **Gross Revenue:** CDN \$2.5 Billion (2014)

Corporate Headquarters: 10160 - 112 Street, Edmonton, Alberta, Canada, T5K 2L6

Leadership:

Bob Gomes—President & CEO
 Rich Allen—Executive Vice President & COO
 Dan Lefalvre—Executive Vice President & CFO
 Paul Allen—Executive Vice President
 Carl Clayton—Executive Vice President
 Tino DiManno—Executive Vice President
 Steve Fleck—Executive Vice President
 Gord Johnston—Executive Vice President
 Kirk Morrison—Executive Vice President
 Scott Murray—Executive Vice President
 Eric Nielsen—Executive Vice President
 Bob Seager—Executive Vice President
 Stanis Smith—Executive Vice President

Rankings:

No. 1 Top 300 Architecture/Engineering Firms (BD+C, 2015)
 No. 2 Top 130 Green Building Architecture Firms (BD+C, 2015)
 No. 6 Top 100 Pure Designers (ENR, 2015)
 No. 10 Top 89 International Architecture Firms (BD+C, 2014)
 No. 17 Top 150 Global Design Firms (ENR, 2015)
 No. 17 Top 100 Green Design Firms (ENR, 2015)
 No. 18 Top 200 Environmental Firms (ENR, 2015)
 No. 19 Top 500 Design Firms (ENR, 2015)
 No. 19 Top 225 International Design Firms (ENR, 2015)
 No. 44 Top 50 Program Management Firms (ENR, 2015)
 No. 83 Top 100 Construction Management-for-Fee Firms (ENR, 2015)

Sectors:

Airports	Municipal Government
Attractions, Arts & Entertainment	Oil and Gas
Bridges	Power and Energy
Commercial	Public Safety
Community Development	Roadways
Community Facilities	Science & Technology
Education	Sports and Recreation
Federal Government	State/Provincial Government
Healthcare	Transit & Rail
Industrial Buildings	Water
Mining	

Regions:

Alberta Central & Territories	New England
Alberta South	Nova Scotia & Newfoundland
Alberta North	Ontario GTA
Americas	Ontario North & East
British Columbia	Ontario Southwest
California South	Pacific North
Eurasia	Quebec
Gulf	Saskatchewan
Manitoba	Southeast
Mid-Atlantic	Southwest
Midwest	Tri-State
New Brunswick & P.E.I.	

One of Canada's Top Employers for Young People (2014)
 One of Canada's Greenest Employers (2014)
 One of Canada's Best 50 Corporate Citizens (2013)
 Alberta's Top 65 Employers (2014)
 No. 23 Top 31 Best Places to Work in Atlantic Canada (2014)



6.4

Daryl is a California registered traffic engineer and a certified professional transportation planner with 25 years of experience in multiple aspects of traffic engineering and transportation planning. He has a proven record of managing large-scale traffic studies efficiently and effectively. His projects include traffic impact studies for large-scale development projects, freeway facility and interchange studies for PSRs and PRs, General Plan updates, areawide transportation studies, traffic model development, and land-use related circulation studies.

EDUCATION

BS, Civil Engineering, University of California, Irvine, California, 1990

REGISTRATIONS

Professional Engineer #TR1824 (Traffic), State of California

Professional Transportation Planner #454, Transportation Professional Certification Board Inc.

MEMBERSHIPS

Member, Orange County Traffic Engineers Council

Member, Institute of Transportation Engineers

Associate Member, American Society of Civil Engineers

PROJECT EXPERIENCE

Transportation Planning

City of Lake Forest Transportation Mitigation Program - 2014 Update, Lake Forest, California (Project Manager)

Daryl was project manager for this update to the City of Lake Forest's traffic fee program. The Lake Forest Transportation Mitigation (LFTM) program is utilized to fund roadway improvements throughout the City with costs allocated to development projects. For this update, the City's travel demand model was updated based on current development proposals, and an updated improvement program was developed based on the new traffic forecasts. Cost estimates for the identified improvements were utilized to develop traffic impact fees for various types of land development projects.

One Valley One Vision General Plan Traffic Study*, County of Los Angeles, California (Project Manager)

Daryl was project manager for the comprehensive traffic analysis used in the preparation of the One Valley One Vision (OVOV) County Area Plan and City of Santa Clarita General Plan update. The OVOV effort was undertaken by the County and the City to create a single vision and guidelines for the future growth of the Santa Clarita Valley and the preservation of natural resources. Together, these plans allow for a 63% increase in housing units and a 130% increase in jobs, substantially improving the area's jobs/housing balance. The strategy of each plan focuses growth in areas near existing job centers, transit and infrastructure. The study effort included an update to the joint County/City traffic demand model, which was used to determine modifications to the Highway Plan based on new trip patterns resulting from the more compact OVOV land use plan. The traffic study served as a resource document for the project's environmental documentation as well as the new County and City Circulation Elements. The OVOV project was awarded SCAG's 2013 Compass Blueprint Excellence Award for Visionary Planning for Sustainability.

John Wayne Airport EIR Traffic Impact Analysis*, Orange County, California (Project Engineer)

Daryl was the lead project engineer for the preparation of the EIR traffic impact analysis that evaluated the extension and modification of the settlement agreement pertaining to operations of John Wayne Airport (JWA) in Orange County, CA. Three project scenarios, plus two project alternatives were evaluated as part of the study. Each had different implications with respect to air passenger volumes at JWA, with passenger volumes ranging from 8.4 MAP to 13.9 MAP, and the resulting vehicular traffic impacts on the surrounding circulation system were evaluated. The study included a validation of JWA's vehicular trip generation rates by collecting multi-day traffic counts at each of the airports access locations.

* denotes projects completed with other firms

0.5

Daryl Zerfass PE, PTE

Principal, Transportation Planning & Traffic Engineering

Bridge and Major Thoroughfare Construction Fee District Traffic Volume Forecasts*, Los Angeles County, California (Task Manager)

Daryl was responsible for updating the joint County/City travel demand model and for preparing traffic forecasts to be used for the development of traffic impact fees for multiple districts in unincorporated Los Angeles County and in the City of Santa Clarita. The Bridge and Major Thoroughfare Construction Fee Districts provide an equitable financing mechanism by which new development within an identified area will share the costs of providing full mitigation improvements. Daryl prepared long-range traffic forecasts based on the planned land development projects and determined roadway and intersection improvements that accommodate the significant amount of future traffic in this fast growing area of Los Angeles County.

Costa Mesa SOBECA/Westside General Plan Amendment*, Costa Mesa, California (Task Manager)

Daryl prepared the transportation analysis for two urban plan areas that were the subject of a General Plan Amendment by the City of Costa Mesa. The South on Bristol Entertainment Culture Arts (SOBECA) District and the Westside Plan Area were developed to provide for mixed-use zoning opportunities to supplement and enhance existing development. Our role on the project was to coordinate with City staff and the multi-discipline project team and prepare a traffic analysis in support of the City's General Plan Amendment.

Newhall Ranch Master-Planned Community*, Santa Clarita Valley, California (Project Manager)

Daryl was the project manager for the planning of the transportation system of this master-planned community in Los Angeles County, California. In total, the Newhall Ranch Specific Plan area and the adjacent planned communities consisted of over 27,000 residential dwelling units and over eight million square feet of commercial development. Various types of analysis have been prepared in support of the planning and entitlement process. These include the development of an overall phasing plan for on-site roadways, large scale impact studies that satisfy CEQA and NEPA requirements, traffic impact studies of individual development area, operational analysis of local circulation, and the development of fair-share nexus calculations for off-site impacts.

Traffic Operations

State Route 241 Tesoro Extension Regional Benefits and Independent Utility Analysis, Orange County, California (Project Manager)

Daryl was project manager for this traffic study to demonstrate the regional benefits and the independent utility of the proposed SR-241 Tesoro Extension (toll road) project. The Orange County Transportation Analysis Model (OCTAM) and a specially prepared focused sub-area model were used to forecast travel time and mileage information. VHT and VMT comparisons were utilized to show the benefits of the project.

Interstate 5/El Toro Road Interchange (PSR) Traffic Study, Orange County, California (Traffic Task Manager)

Daryl was the traffic engineering manager for the PSR traffic studies and the Traffic Engineering Performance Assessment (TEPA) prepared for the proposed reconstruction of the I-5/El Toro Road interchange. The study effort included the development of multiple interchange concepts that were evaluated using a microsimulation model. Design year traffic forecasts were derived using the Orange County Transportation Analysis Model (OCTAM) and the local sub-area models of the Cities of Lake Forest and Laguna Hills.

State Route 126 Feasibility Study Traffic Study, Los Angeles County (Project Manager)

Daryl was project manager for the traffic study that addressed the feasibility of enhancing the SR-126 corridor between Commerce Center Drive and the Ventura County line in the north Los Angeles County area. Improvements such as the addition of intersection turn pockets, installation of traffic signals, and adding additional travel lanes where needed were evaluated and a recommended corridor plan was developed. The enhancements will occur over time based on traffic capacity needs and a phasing plan for the improvements was determined based on land use growth projections. The study involved traffic operations analysis of the highway, signalized and unsignalized cross-street intersections, and the preparation of comprehensive traffic study reports.

Interstate 5 HOV Lane Access Conversion Project from State Route 57 to State Route 39 (PSR/PR) Traffic Study, California (Project Manager)

Daryl is project manager for the PSR (PR) traffic study that address the design of a "continuous access" feature that will convert the existing buffer separated and limited access HOV facilities to provide continuous access for I-5 between SR-57 and SR-39 (Beverly Boulevard).

* denotes projects completed with other firms

Public Comments Received at Public Hearings:

(The following are verbal comments that were not followed by a written letter)

Name	Meeting Date	Comment
Jay Humphrey	3/14/2016	Should consider bike paths on Adams similar to Anton Blvd.
Rick Huffman	3/14/2016	Provide examples of project densities and what they will look like when built
Diane Russell Housing Coalition	3/14/2016	40 du/acre for Fairview Developmental Center
Resident	3/14/2016	Not include Harbor Blvd. and 19 th Street new commercial in the General Plan update Oppose parking plans at Methodist Church at 420 W. 19 th Street
Wendy Leece	3/28/2016	Page HCR-8 to clarify how the historical and archeological resources are going to be preserved Page HCR-10 to include all 60 properties not just 29. Policy HCR-1, on page HCR-21 through A22, to have details of historical or archeological findings so nothing will be destroyed in new construction.
Jay Humphrey	3/28/2016	Cumulative impact of density Policy LU 2.8 referring to four-stories and addition of language unless otherwise approved by a General Plan Amendment.
Kristine Nulf	3/28/2016	Increase the density from 25-units per acre to 40-units per acre at the Fairview Developmental Center site so more affordable units will be available
Rick Huffman	3/28/2016	The projected 20 year build out if no new overlays took place in the current General Plan versus the proposed General Plan.
Robert Graham	3/28/2016	Elevators and built in vacuum systems should be required in new three-story developments, and patios on a roof for privacy.
Resident	3/28/2016	Stop using roof top decks as open space, eliminate the small lot ordinance, have an updated traffic study in the proposed General Plan and new sewers in the City.
Flo Martin	4/11/2016	Inclusion of policies prepared by the Walkability and Bikability Committee
Jay Humphrey	4/11/2016	Remove language with respect to repurposing Fairview Park
Resident	4/11/2016	Include added trips by rehab homes and impacts on City resources
Andrea Marr	4/11/2016	The City not having a Climate Action Plan and lack of affordable housing



PLANNING COMMISSION SUPPLEMENTAL MEMO

MEETING DATE: APRIL 25, 2016

ITEM NUMBER: PH-3

SUBJECT: 2015-2035 GENERAL PLAN AND DRAFT ENVIRONMENTAL IMPACT REPORT (DEIR) - SCH# 2015111068

DATE: APRIL 25, 2016

FROM: PLANNING DIVISION/DEVELOPMENT SERVICES DEPARTMENT

PRESENTATION BY: CLAIRE FLYNN, AICP AND LAURA STETSON AICP, MIA *OF*

FOR FURTHER INFORMATION CONTACT: MINOO ASHABI, PRINCIPAL PLANNER
(714) 754-5610 minoo.ashabi@costamesaca.gov

The Planning Commission agenda report for this item indicated that certain **Draft Responses to Comments** would be provided "under separate cover." Please find the supplemental draft responses to comment letters received from:

- Department of General Services
- Airport Land Use Commission
- Affordable Housing: Public Law Center, Kennedy Commission, Housing Coalition

Staff will review and present this additional material at the public hearing.

Also attached is a page of the Draft EIR which may have been excluded in the previous copies. This page does not identify any new or significant impacts. (see attached).

c: Distribution

Supplemental Draft Responses to Comments

Responses to California Department of General Services, Letter dated April 15, 2016

- A.2.1 The State Department of General Services (DGS) information related to the closure plan for the Fairview Development Center and the future development of affordable housing for individuals with developmental disabilities at Shannon's Mountains (Government Code Section 14670.36) is acknowledged and forwarded to the City's decision makers for review.
- A.2.2 DGS has expressed concerns regarding the restrictive nature of the proposed residential density limits in the Fairview Developmental Center property, specifically as these concerns relate to the Legislature's and Governor's objectives for affordable housing for developmentally disabled individuals pursuant to Senate Bill 2. The General Plan Update proposes an overall limit of 500 dwelling units for the Fairview Developmental Center site with maximum of 300 dwelling units for the Shannon's Mountain site. The Draft EIR does not evaluate or contemplate higher densities for this property. If the proposed "Multi Use Center designation" is adopted or the current "Public/Institutional designation" is unchanged, DGS would need to apply for a General Plan Amendment to allow greater residential densities.
- A.2.3 DGS suggests that the City consider higher densities in the FDC to maximize the use of the valuable infill site and provide housing opportunities for future transit dependent individuals. These comments are noted. The Draft EIR does not contemplate increased densities in the FDC nor provide EIR Alternatives analyses for greater densities beyond the 500 dwelling units. This change would require policy direction from the City's decisionmakers.
- A.2.4 DGS objects to the proposed requirement that 25 percent of FDC (26.5 acres) be developed or retained as open space. DGS believes that this open space requirement in the Multi Use Center designation in FDC would exceed the General Plan's current park-to-population standard (5.73 acres of parks) for a future proposed residential development of 500 units. These comments are noted.

DGS believes that it is the City's obligation to address the existing city-wide park service deficiency through a wider distribution of such spaces across the City, and not concentrated in the FDC area. These comments are noted.

DGS believes that the open space requirement is burdensome and is considered an impediment to the State's affordable housing goals for the developmentally disabled. These comments are noted.

A.2.5

As a policy document, the General Plan Update does not program specific recreational uses (i.e. soccer fields, sports parks, passive parks, ball fields, etc.) in the FDC. Subsequent environmental documentation will be required for any future development of FDC for active recreational uses. It would be speculative to assume air pollutant and GHC emissions and to identify roadway congestion based on future recreational uses which are unknown at this time. DGS' comments regarding the required demolition of 1.1 million square feet of buildings and supporting infrastructure, in order to accommodate 26 acres of park and open space, are noted.

Page 3, Paragraph 2: The development of specific projects in the Fairview Development Center (FDC) area will require detailed traffic studies.

Page 3, Paragraph 3: The DEIR assumes land uses that has been existing in the FDC site for the existing and current General Plan conditions. The use of Government Office Complex is not an intended use for this site and does not represent its actual or envisioned usage. The site did not have approximately 16,000 average daily trips even during its peak usage.

Page 3, Paragraph 4: The General Plan DEIR assumed Passive Park usage for the 26 acre site in the FDC. If specific usage such as soccer fields, private athletic fields, etc., are defined for this site, detailed traffic studies will required to assess impacts.

A.2.6

The Alternatives analysis in the Draft EIR includes an Alternative involving no change to the FDC's current Public/Institutional General Plan designation. This Alternative is intended to evaluate reduced environmental effects compared to the proposed General Plan Update (i.e. Multi Use Center designation). DGS requested that the City analyze an alternative that assumes a mixed density development plan for the FDC that takes advantage of the existing built mixed-use density development plan for the FDC that takes advantage of the existing built infrastructure, the region's High Quality Transit Areas, and planned development consistent with SB82. Evaluation of this alternative would involve speculative analyses assuming retention of all of the FDC buildings and specifying higher residential densities for the Shannon's Mountain property which are unknown at this time. Policy direction from the Council will be required. No changes to the Draft EIR are proposed.

Responses to Airport Land Use Commission, Letter dated April 14, 2016

- A.6.1 Comment noted. The ALUC staff recommends that the General Plan include height policy language and a mitigation measure in the Draft EIR stating that no new buildings will be allowed to penetrate the FAR Part 77 imaginary surfaces for John Wayne Airport to ensure protection of its airspace. The horizontal surface for JWA relates to a maximum 13 to 15 story (approximately) high-rise building. The California Public Utilities Code (Section 21676) requires that the City refer certain projects to the Airport Land Use Commission to determine consistency with the Airport Environs Land Use Plan (AELUP) for John Wayne Airport. Existing high rise buildings in Costa Mesa which are greater than 15 stories in height have been found consistent with the AELUP or have undergone overrule proceedings through the State of California Division of Aeronautics.
- A.6.2 The North Costa Mesa Specific Plan area includes existing high rise office buildings (i.e. Center Tower, Plaza Tower), as well as unbuilt entitlements for future high-rise buildings comprising 18 stories or greater. Because the suggested height policy would render existing and future unbuilt entitlements inconsistent with the General Plan, the comment is noted for the record. Policy direction from the City's decision-making bodies is required to include this suggested policy.
- A.6.3 The General Plan references the old standard of 203.68 feet above mean sea level (AMSL) as the horizontal surface for JWA. The Land Use Element shall be revised to reflect the current standard of 206 feet AMSL.
- A.6.4 As suggested by ALUC staff, the General Plan Land Use Element shall include the following policy:
- “Certain development proposals which may include the construction or alteration of structures more than 200 feet above ground level may require filing with the Federal Aviation Administration (FAA) and Airport Land Use Commission (ALUC) pursuant to Federal and State Law. If a filing requirement is determined to be necessary in accordance with the procedures provided by State/Federal agencies, the filing of a Notice of Proposed Construction or Alteration (FAA Form 7460-1) shall be required prior to review and consideration of the proposed development.” Land Use Element (page LU-18) refers to the threshold stated above. It shall be amended to refer to Filing FAA Form 7460-1 Notice of Construction and Alteration, and not to Form 7480-1.
- A.6.5 Comment noted. The ALUC staff suggests that residential uses not be permitted within the 65 dB CNEL contour. Per the AELUP for JWA, all residential units within the 65 dB CNEL contour are typically inconsistent in this area unless it can be shown conclusively that such units are sufficiently

sound attenuated for present and projected noise exposure so as not to exceed an interior standard of 45 dB CNEL. The General Plan Noise Element indicates that single-family residential and multi-family residential uses are conditionally acceptable within the 65 dB CNEL for exterior areas. Because interior noise areas can be further attenuated to levels within 45 to 55 dBA, it is possible that residential uses feature proper noise attenuation to further reduce interior noise levels. Therefore, the comment is noted and forwarded to the City's decision makers.

A.6.6 As suggested by ALUC staff, the Land Use Element shall include the following policy:

"The City will ensure that development proposals including the construction or operation of a heliport or helistop comply fully with permit procedures under State law, including referral of the project to the ALUC by the applicant, and with all conditions of approval imposed or recommended by the Federal Aviation Administration, ALUC, and Caltrans, including the filing of Form 7480-1 (Notice of Landing Area Proposed) with the FAA. This requirement shall be in addition to all other City development requirements."

A.6.7 As suggested by ALUC staff, the Land Use Element shall include the following policy:

"The City shall refer certain projects to the Airport Land Use Commission for Orange County as required by Section 21676 of the California Public Utilities Code to determine consistency of the project(s) with the AELUP for JWA."

**Master Response to the Affordable-Housing Related Comments by:
Kennedy Commission, Costa Mesa Affordable Housing Coalition, and the Public
Law Center**

Purpose of the Residential Incentive Overlay

The purpose of the General Plan Amendments' Residential Incentive Overlay is to encourage high density housing along major transportation corridors and the reuse and new development of underperforming uses. Harbor Boulevard and Newport Boulevard are major transportation corridors and well-served by public transit. Within the Residential Incentive Overlay there exist underutilized sites that are capable of being developed at a high density for residential reuse or other new development. Some of the commercial parcels covered by the Overlay include uses that frequently violate City building, health and safety codes, require frequent police response, are otherwise magnets for crime, or evidence detrimental physical, economic and social conditions.

Analysis of Housing and Population Impacts

The Residential Incentive Overlay reflects the City's policy decision to encourage the reuse and new development of underutilized parcels within heavily urbanized areas along the City's main transportation corridors. The Draft EIR acknowledges that the Overlay has the potential to cause persons who have been long-term occupants in existing motels located within the Overlay zone to move from the motel room if a property owner were to develop a parcel with a new use. Thus, the potential for displacement of motel occupants was evaluated in the Draft EIR.

The Draft EIR does not state that all displacement within the Residential Incentive Overlay is speculative. The Draft EIR states that the numbers of motels with the potential for reuse and new development under the higher densities allowed by the zone (or other permitted land use), the specific number of motel rooms used for long-term occupancy, the number of persons in long-term occupancy who might move if a property owner pursues new development, where such persons would relocate, or the types of housing or other permitted uses that would potentially replace existing motels, is currently unknown. (See DEIR, Impact 4.13.B.) The reasons these details are currently not known include the fact that the specific number of persons utilizing motels for long-term occupancy at the present time is not fully quantified or known, and even if it were known, this number may fluctuate monthly, seasonally, or annually. Further, the number of property owners who might choose to redevelop existing motel uses in the future is unknown, and will be influenced by future fluctuations in the housing and commercial use markets at the local, regional and national level. Any future land owner or housing developer may choose to develop a variety of product types, including new housing, new commercial, or new motel uses. Availing the higher densities allowed by the Residential Incentive Overlay is not mandatory.

Even if a property owner chooses to develop residential uses, it is not a given that all new high density residential development will be market rate or above-market rate. Zoning

that allows high density residential development, as well as many other state reforms and incentives and local incentives, facilitate and expedite the development of affordable housing. A number of incentives exist supporting the development of affordable housing, including exemptions from environmental review under CEQA for projects meeting certain requirements, the State Density Bonus Law, and government grants, subsidies or tax credits available to affordable housing developers and investors. Further, State law prohibits local agencies from denying permits for affordable housing projects on many grounds. Thus, while it may not be speculative to assume that some low-cost motels will be replaced with high density housing uses as a result of the General Plan Amendments, it *is* speculative to assume both that each existing motel will result in the displacement of a specific number of motel rooms with long-term occupants, and that each parcel currently being used for low-cost motel use will be replaced by market and above-market housing.

The State Department of Housing and Community Development (HCD), the agency vested with oversight of cities' General Plans, encourages high density land use and zoning. State law defines "high density" as residential density development that contains a minimum of 24 dwelling units per acre (du/ac). State HCD promulgates "Default Densities Appropriate to Accommodate Housing for Lower-Income Households by Region"; and, the City of Costa Mesa is included in the defined metropolitan jurisdictions for which properties zoned at a "default" density of 30 du/ac or more are *presumed to accommodate lower-income households*. The concept of default densities was codified in 2004 by Assembly Bill 2348 (Mullin), which amended the State General Plan and Housing Element law to establish and clarify the ability to provide greater residential development certainty through higher default densities. Here, by establishing the Residential Incentive Overlay that allows development up to 40 du/ac (and through other General Plan Amendments that allow development of up to 80 du/ac) the City "sets the table" to accommodate housing for lower income households. This upzone serves State objectives relating to affordable housing.

The Draft EIR does analyze the impacts of potential displacement. Consistent with State CEQA Guidelines Appendix G, the two thresholds analyzed are whether the project would "displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere" or "displace substantial numbers of people, necessitating the construction of replacement housing elsewhere." (See DEIR, Impacts 4.13.B and 4.13.C.) The Draft EIR concluded that substantial numbers of existing housing will not be displaced, because very few residential parcels will be subject to the Residential Incentive Overlay Zone, and the number of motel rooms that are likely used for long-term occupancy is relatively small. The Draft EIR concluded that substantial numbers of persons will not be displaced, based on the same grounds. Finally, even if substantial numbers of displacement were to occur, the Draft EIR concluded that the General Plan Amendments do not "necessitate the construction of replacement housing elsewhere." This is in part because the General Plan Amendments *encourage* the provision of *more* housing units than are currently provided in the City (or allowed under the existing General Plan and Zoning Code). For these reasons, the Draft EIR concluded Impacts 4.13.B and 4.13.C are less than significant.

CEQA does not require the analysis of economic or socio-economic impacts. While issues relating to the availability or adequacy of affordable housing within the City of Costa Mesa may be valid policy and legislative issues—ones which constituents are entitled to raise with their local policymakers—they are not environmental considerations requiring detailed analysis or mitigation under CEQA. Nonetheless, the Draft EIR considered affordability issues in its analysis of Impacts 4.13.B and 4.13.C. The analysis considered opportunities for persons to find housing in Costa Mesa in the future, the potential for high density development to increase affordable housing opportunities in the City, and the availability of shelters and homeless services in the City for at-risk populations.

Future Affordable Housing Provision

CEQA does not require that the City of Costa Mesa mandate that future developments include a given percentage of dwelling units to low income households. The decision to adopt an inclusionary housing ordinance, establish in-lieu fees, or implement some other mechanism requiring that affordable housing units be included in or paid for by future developments is a policy and legislative decision, left to the exercise of discretion and police powers by the local legislative body—the City Council. As described above, there are no potentially significant impacts identified in the Draft EIR relating to population and housing, therefore mitigation measures requiring inclusionary housing or in lieu fees are not required and would not reduce potentially significant impacts.

The General Plan Amendments do “up zone” several parcels within the City, to allow higher density residential developments, and more housing development opportunities overall, than are currently available or permitted in the City. Adoption of the General Plan Amendments will allow, by choice and by-right, for new residential development at densities of up to 30, 40, and 80 dwelling units per acre, depending upon the location of the project site. As explained above, higher residential density, by-right zoning is generally accepted as being beneficial to and encourages the inclusion of affordable housing under State statutes and legal precedent.

In addition, the General Plan Amendments increase and do not reduce the residential capacity of the City. The General Plan Amendments do not disallow residential development or reduce the allowable density of residential development on any of the parcels identified in the City’s Housing Element as accommodating affordable housing or the City’s fair share of the regional housing need. In fact, the General Plan Amendments do not “down zone” any parcels within the City.

The densities allowed under the Residential Incentive Overlay are not mandated densities; the standards provide a streamlined option for the City to encourage and meet density objectives and legal requirements. And, as noted, the Residential Incentive Overlay encourages high density housing along major transportation corridors and the reuse and new development of underperforming uses. No analysis to establish the appropriateness of the default density is required under State law, and the State (HCD and other reviewing entities) must accept such higher densities as appropriate and implementing statewide policies that encourage high densities. While some Orange County cities might avoid, even abhor, higher densities, the City of Costa Mesa has used,

and is using under the General Plan Amendments, higher densities to encourage residential development consistent with its State-certified Housing Element and the objectives and goals of the General Plan. Default densities are necessary and appropriate to accommodate housing for lower-income households, but, contrary to statements in some comment letters, inclusion of affordable housing is not mandatory under State law or legal precedent.

Current law demonstrates that providing affordable housing in the community will be accomplished through opportunities, such as the Residential Incentive Overlay, not mandates. California courts have consistently held that cities are not required to ensure that affordable housing is actually built, and have rejected arguments that the General Plan requires a city itself to produce or acquire affordable housing. The local housing needs identified in the General Plan are simply goals, not mandated acts.

With the proposed General Plan Amendments, the City will provide the opportunity for, but does not levy an obligation for, the inclusion of affordable housing in a new development in the event a property owner desires to avail the higher density allowed by the Residential Incentive Overlay.

Financial Analysis/Affordable Housing Model

The methodology applied in Chapter 3.14 of the Draft EIR to evaluate housing and population impacts adequately analyzed potential impacts, for the reasons identified above. There is no additional information or analysis that would be gained for purposes of the environmental analysis through the development or application of a new analysis model, or financial analysis focusing on affordable housing development potential. Where no substantially new information may be gleaned, an agency is not required to apply a new methodology to analyze potential environmental impacts.

Proposed Mitigation Measures

Where substantial evidence supports a conclusion that impacts are less than significant, mitigation is not required. In addition, mitigation measures that are infeasible, or will not reduce significant impacts, are not required. For these reasons, a mitigation measure requiring that 20% of all future residential development within the Harbor Mixed-Use Overlay, the Residential Incentive Overlay, the Sakioka 2 Site, and the SoBECA Overlay be made affordable is not mandated by CEQA. These are policy and legislative options the City Council is free to consider, but are not legally required to be adopted or imposed under CEQA.

The provision of relocation services to existing long-term occupants of motels located within the Residential Incentive Overlay is also not a required mitigation measure. As discussed above, there are no potentially significant impacts relating to displacement of persons or removal of existing residential development (if any) such that the construction of housing would be necessitated elsewhere. In addition, several supportive services and organizations operate within the City of Costa Mesa, including without limitation the

Orange Coast Interfaith Center (providing transitional housing services, including assistance in securing permanent housing), SPIN (providing move-in costs to permanent housing for families with children, as well as other rehousing and transitional housing programs), the Hope Institute (providing transition housing for specific populations), Human Options (providing supportive services including counseling and shelter for women, children, and families), Mental Health Activities Center, Share Our Selves Emergency Services (providing comprehensive case management services for the homeless), and Someone Cares Soup Kitchen (providing meal assistance).

Similarly, drafting and adopting a plan addressing homelessness would not mitigate any potential impacts as a result of the General Plan Amendments. As discussed above, the Draft EIR determined that impacts relating to the potential for displacement of persons or removal of existing residential development (if any) necessitating the construction of housing elsewhere was less than significant. Thus, no mitigation is required. Further, a plan addressing homelessness is not feasible mitigation even if displacement impacts were, *arguendo*, significant. Mitigation measures must be concrete, specific, enforceable, and performance-based. Deferring mitigation to a later date through the drafting of a future plan does not meet these requirements. A plan addressing homelessness is not required, nor would it provide concrete, specific, enforceable, and performance-based mitigation for the displacement of persons or removal of existing residential development, if any, as a result of the Residential Incentive Overlay.

Finally, identification and analysis of a land use alternative that specifically supports and encourages the development of homes affordable to lower income working households is not a feasible or effective alternative to the proposed General Plan Amendments. This is because the proposed General Plan Amendments in fact do encourage development of affordable housing through the upzoning of parcels throughout the City, to maximum densities of 30, 40 and 80 dwelling units per acre, as more fully discussed above. A land use alternative that mandates provision of affordable housing is also not a viable alternative, nor required by law. This is because the decision to mandate that affordable housing be provided in future developments is a policy and legislative decision—not a requirement under CEQA, the purpose of which is to address environmental impacts. Under CEQA, project alternatives must meet most of a project's objectives, be reasonably feasible, and reduce a project's significant environmental impacts. A land use alternative that mandates affordable housing does not meet these requirements.

**IMPACT
4.16.C*****Impact with respect to air traffic patterns would be less than significant.***

Future development pursuant to the proposed General Plan Amendments would not affect air traffic patterns because development pursuant to land use policy would be subject to land use and height restrictions established within the John Wayne Airport influence zones. Impacts on air traffic patterns would be less than significant; no mitigation is required.

**IMPACT
4.16.D*****Impact with respect to traffic hazards would be less than significant.***

One aim of the Circulation Element is to provide for safe traffic conditions citywide, for all mobility modes. The Circulation Element includes a number of policies aimed at enhancing safety and reducing traffic hazards. Specific policies are:

Policy C-1.A.3: Complete and annually maintain a needs assessment for traffic service levels and traffic safety. Develop and annually update a priority list of improvement projects, with priorities based on: 1) correcting identified hazards; 2) accommodating multimodal trips; 3) improving and/or maintaining peak-hour traffic volumes at critical intersections; 4) improving efficiency of existing infrastructure utilization; and 5) intergovernmental coordination.

Policy C-1.B.1: Implement traffic calming measures that discourage speeding and cut-through traffic on residential streets.

Policy C-1.B.5: Promote engineering improvements such as physical measures constructed to lower speeds, improve safety, or otherwise reduce the impacts of motor vehicles.

Policy C-2.A.2: Avoid frequent driveways for new development access in active pedestrian areas that create conflict points between pedestrians and vehicles.

Policy C-4.B.4: Encourage new development along major transit corridors to provide efficient and safe access to transit stops and public sidewalks.

Future street improvements that are programmed to implement the updated circulation network plan will be designed in accordance with all applicable standards relating to vehicle traffic, bicycles, and pedestrian safety. Impacts would be less than significant.

**IMPACT
4.16.E*****Impact with respect to emergency access would be less than significant.***

Inadequate emergency access can delay or prevent responders from arriving at an emergency location, thereby exacerbating an emergency situation leading to an increased potential loss of life and property. Future development will be subject to the provisions of the City's Fire Code with regard to providing adequate emergency access. The General Plan update does not include policies that would change standards related to emergency access, nor would it interfere with policy implementation. No impact would occur.



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April 25, 2016

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

RE: Draft Environmental Impact Report (EIR) for 2015-2035 General Plan

Dear Chair Dickson and Planning Commission Members:

The Kennedy Commission (the Commission) is a broad based coalition of residents and community organizations that advocates for the production of homes affordable for families earning less than \$20,000 annually in Orange County. Formed in 2001, the Commission has been successful in partnering and working with jurisdictions in Orange County to create effective policies that has led to the new construction of homes affordable to lower income working families. As the City moves forward with the Draft Environmental Impact Report (DEIR) for the 2015-2035 General Plan, the Commission urges the City to consider the following:

1. **Incorporate and implement the recommendations outlined in the Costa Mesa Affordable Housing Coalition's letter dated April 18, 2016.**
2. **As recommended in the City staff report, consider an affordable housing component for lower income working households as part of the Residential Incentive Overlays.¹**
3. **Prioritize the development of affordable homes by recommending new and effective land use policies in the General Plan Update that encourages the development of homes affordable to lower income working households.**
4. **Re-classify the findings under Population/ Housing Impacts 4.13B and 4.13C regarding the displacement of existing housing and residents from "less than significant impact" to "potentially significant impact" necessitating the construction of replacement housing.** The DEIR should be re-evaluated to acknowledge that the General Plan amendments **do** propose policies that **will** result in the displacement of substantial numbers of existing housing and numbers of people, necessitating the construction of replacement housing elsewhere in the City. While the proposed land use changes do not authorize a specific construction project, the proposed changes allows for development incentives that encourages and facilitates future developments to occur. These future developments, encouraged by the benefits provided in the residential overlay, can potentially result in significant and direct impacts.

¹ 2015-2035 General Plan and Draft Environmental Impact Report (DEIR), City of Costa Mesa Planning Commission Staff Report, p. 5, April 7, 2016.

According to the DEIR, the proposed land use changes were identified as less than significant due to the "... likelihood that motels being used as housing would be removed is speculative, and ... the potential for a 'substantial number of people' being displaced is speculative."² However, the likelihood of removing motels that are currently being used as long term housing in the City is **not** speculative. The potential for a substantial number of tenants being displaced is **not** speculative. The **term "speculative" should be removed from the DEIR** because these events are currently happening in the City and the leading example is the Costa Mesa Motor Inn (CMMI). The plans to convert the CMMI to a multi-family residential development has been submitted and approved by the City and the displacement of many lower income long term tenants at the CMMI is currently happening. It is also important to note that the **City also acknowledges and anticipates the implementation of the proposed land uses will be utilized to reduce specific uses such as motels citywide.**³

The City should re-evaluate the potential significant impacts on motel tenants who would be displaced from proposed market-rate residential developments. Generally, motels provide last resort affordable housing for many lower income households and proposed market-rate residential developments will displace many at-risk families and lead them to homelessness. According to the DEIR, the report states:

"... because any specific property redevelopment would occur in the future, the specific number of person using that particular motel for long-term occupancy is not known at this time. The type of residential development that would replace existing commercial uses, including motels, is also unknown, but could include new commercial uses, including hotel or motel uses, or new residential development that includes affordable housing which, based on the densities, could accommodate and encourage development of housing for low-income persons."⁴

Redevelopment of specific projects will certainly happen in the future but the City already has one specific example of a proposed development, the CMMI, that is currently benefitting from the development incentives (i.e., change in land-use and increase in density) provided by the Residential Incentive Overlay. The type of residential development replacing the CMMI will be 224 unit apartment complex at a site specific density of 54 du/ac, which notably is significantly higher than the Overlay's density of 40 du/ac. While the specific number of long-term occupants are not known at this time for future developments, the City has already identified that there are approximately 160 occupied rooms at the CMMI and of that, 49 rooms are occupied by 66 long-term

² Draft Environmental Report for the City of Costa Mesa's Year 2015-2035 General Plan, p. 4.13-10, March 2016.

³ Notice of Preparation City of Costa Mesa General Plan Amendment Program EIR, City of Costa Mesa, p. 4, November 16, 2015.

⁴ Draft Environmental Report for the City of Costa Mesa's Year 2015-2035 General Plan, p. 4.13-9, March 2016.

residents.⁵ Because the proposed development includes **zero** units affordable to the lower income tenants who currently live in the CMMI, all these existing tenants will be displaced, including the 49 rooms that have been identified and grandfathered as long-term tenants.

The DEIR identifies that the proposed amended Land Use Plan could increase residential development in the Focus Areas by 4,040 units.⁶ Of that total, 3,062 units have allowable densities of 40 du/ac which can accommodate the development of affordable housing.⁷ However, default densities of 30 du/ac and greater do not necessarily produce homes that are affordable to lower income working households. The proposed development at the CMMI is a cautionary example of a proposed development utilizing and benefiting from the Residential Overlay and not producing affordable homes for lower income households.

The proposed CMMI development benefitted greatly from the Residential Overlay and development incentives (i.e., change in land use and increase in density) that the developer was previously not entitled to. These City approved development incentives should be considered as a form of a public subsidy because the incentives are giveaways that provide significant windfalls and increase the property value of the proposed development. The City approved incentives/ public subsidies underscore a problem that the fails to ensure the giveaways are provided in the exchange of community benefits such as the development of affordable homes for lower income households. The developer for the proposed development at the CMMI did not set aside any homes that would be affordable to lower income households. While 20 units will be set-aside for moderate income families, the proposed rents, \$1,600 - \$1,800 are out-of-reach and not affordable to current CMMI tenants or potential lower income tenants in the City. In addition, by increasing the existing base density at the proposed development, the City is effectively circumventing the use of a density bonus (SB 1818) for proposed projects, which would have facilitated the development of new affordable homes for lower income households in the City.

The City's proposed land use changes, including the development incentives in the Residential Overlay, has significant value to it that will undoubtedly encourage and facilitate future developments. The implementation of the proposed land use changes should be thoroughly analyzed to identify all the significant impacts that will be imposed on the residents and community. Because future developers will benefit from the proposed land use changes, relocation assistance and replacement housing for displaced tenants at proposed developments should be thoroughly analyzed for significant impacts.

⁵ City Council Agenda Report: General Plan amendment GP-14-04/ Rezone R-14-04/ Zoning Code Amendment CO-14-02/ And Master Plan PA-14-27 For Costa Mesa Apartments at 2277 Harbor Boulevard, City of Costa Mesa, p. 5, November 3, 2015.

⁶ Draft Environmental Report for the City of Costa Mesa's Year 2015-2035 General Plan, p. 4.13-6, March 2016.

⁷ Draft Environmental Report for the City of Costa Mesa's Year 2015-2035 General Plan, p. 4.13-6, March 2016.

5. **Fairview Developmental Center:** Reinstate the General Plan land use overlay at the Fairview Developmental Center site that allows a development capacity of 1,000 du at a maximum density of 40 du/acre (not the currently proposed 500 du at 25 du/ac) as identified in the City Council/ Planning Commission Joint Study Session on September 8,

2015. Considering the state is requiring a set-aside for the developmentally disabled, the site presents the greatest potential and opportunity for the development of affordable homes. The State Department of General Services (DGS) also submitted a letter that was submitted to the Costa Mesa City Council on October 6, 2016, stating “**The state requests that the City include the 20 acres specified in SB 82 in the general plan update allowing a maximum of up to 40 units per acre...**”⁸ In addition, DGS submitted recent comments underscoring the important need to increase the density and development potential at the proposed site:

“The state is concerned that the City’s proposed 300-unit cap on the number of residential units and density... may unreasonably restrict the attractiveness of the site for the development that the Legislature and the Governor envisioned with SB 82 and frustrate the state’s mandate to develop housing for developmentally disabled individuals.”⁹

The density of 40 du/ac is also consistent to the other proposed residential incentive overlays along Harbor Boulevard, Newport Boulevard and SoBECA. At 40 du/ac versus 25 du/ac, the site will construct more units that will generate more rent subsidies/ revenue needed for the developmentally disabled households living at the Fairview Developmental Center. By approving a lower density of 25 du/ac versus 40 du/ac, the potential value of the center also decreases.

In addition, the City should conduct a financial analysis regarding the feasibility of proposing an affordable housing development at a lower density versus a higher density to be better informed as to which densities would facilitate a more successful development.

6. **South Harbor Boulevard Mixed-Use:** Approve the Harbor Mixed-Use Overlay that allows a maximum residential density of 20 du/ac **ONLY IF** new residential developments proposed in the overlay set-aside 20 percent of homes as affordable to lower income working households.

⁸ City of Costa Mesa Regular City Council Meeting, October 6, 2015; Proposed General Plan Land Use Alternatives for the 2015-2025 General Plan Update, Fairview Development Center, p. 1, October 6, 2015.

⁹ Comments on Draft EIR for City of Costa Mesa Year 2015 – 2035 General Plan, Department of General Services, p. 1-2, April 15, 2016.

7. **Sakioka Site 2:** Approve a General Plan land use overlay at Sakioka Site 2 that allows a maximum residential density at 80 du/acre for up to 660 units **ONLY IF** new residential developments proposed at the site set-aside 20 percent of homes as affordable to lower income working households. In the City's 2014-2021 Housing Element, the Sakioka Site 2 was identified a potential opportunity site for the development of homes affordable to lower income households.¹⁰ In addition, by increasing the existing base density, the City is effectively circumventing the use of a density bonus (SB 1818) for proposed projects, which would have facilitated the development of new affordable homes for lower income households in the City.
8. **Harbor & Newport Boulevard Residential Overlay:** Approve a residential incentive overlay that includes new high density residential uses of up to 40 du/acre along Harbor Boulevard and Newport Boulevard **ONLY IF** new residential developments proposed in the overlay set-aside 20 percent of homes as affordable to lower income working households. In addition, motels located in the overlay should not be included unless any future/new residential developments that are proposed on these sites dedicate at least 20 percent of the homes to lower income working households. In addition, by increasing the existing base density, the City is effectively circumventing the use of a density bonus (SB 1818) for proposed projects, which would have facilitated the development of new affordable homes for lower income households in the City.
9. **SoBECA Overlay:** Approve a maximum of 450 units at a density of 40 du/acre at the SoBECA Urban Plan Area **ONLY IF** new residential developments proposed in the overlay set-aside 20 percent of homes as affordable to lower income working households. In addition, by increasing the existing base density, the City is effectively circumventing the use of a density bonus (SB 1818) for proposed projects, which would have facilitated the development of new affordable homes for lower income households in the City.
10. **Conduct a study to evaluate the economic impacts of the proposed development incentives (i.e., land use changes/ rezoning and density increases) in the "focus areas."**
11. **Collaborate with the Costa Mesa Affordable Housing Coalition and community stakeholders to develop effective land use changes and residential incentive overlays in the General Plan Update that will increase affordable home opportunities for lower income working households.**

¹⁰ Housing Element for the Costa Mesa General Plan 2013-2021, p. 56, January 21, 2014.

Chair Dickson and Planning Commissioner Members
April 25, 2016
Page 6 of 6

Please keep us informed of any updates to the City's General Plan Update. We look forward to City's responses to our recommendations and if you have any questions, please feel free to contact me at (949) 250-0909 or cesarc@kennedycommission.org.

Sincerely,



Cesar Covarrubias
Executive Director

cc: Kathy Esfahani, Costa Mesa Affordable Housing Coalition

April 15, 2016

VIA FEDERAL EXPRESS AND EMAIL

Minoo Ashabi, Principal Planner
City of Costa Mesa – Development Services Department
77 Fair Drive
Costa Mesa, CA 92626
Email: minoo.ashabi@costamesaca.gov

Re: Comments on Draft EIR for City of Costa Mesa Year 2015 – 2035 General Plan
SCH# 2015111068

Dear Ms. Ashabi:

On December 2, 2015 and January 26, 2016, the Department of General Services (DGS) provided comments on the Notice of Preparation for the City of Costa Mesa General Plan Draft Environmental Impact Report (DEIR). Those comments focused on the City's proposed policies, plans, and intent with respect to the Fairview Developmental Center (FDC) and future development on the site.

As explained in DGS's previous comments, the Department of Developmental Services (DDS) has submitted a closure plan for the FDC to the Legislature. (See <http://www.dds.ca.gov/fairviewNews/>). Senate Bill 82 signed in June 2015 (adding Government Code, § 14670.36; see attachment) authorizes the Director of DGS to lease up to 20 acres of the FDC site for the purpose of developing affordable housing for individuals with developmental disabilities (Shannon's Mountain). The success of Shannon's Mountain depends in large part on being able to retain flexibility in the number of units and density in order to attract affordable housing developers to propose economically feasible development for the site.

The state is concerned that the City's proposed 300-unit cap on the number of residential units and density and located on a 12-acre site for the Shannon's Mountain Project may unreasonably restrict the attractiveness of the site for the development that the Legislature and the Governor envisioned with SB 82 and frustrate the state's mandate to develop housing for developmentally disabled individuals.

The state lauds the City's goal in its proposed Land Use Element "to create new opportunities for housing and businesses, particularly in areas well served by transit and where reinvestment could enhance neighborhoods, districts, and nodes." But that goal would not be fulfilled with the short-sighted proposal to cap residential units in the FDC at 500 units, because doing so is likely to limit future decisions regarding transit service, as well as private investment and development decisions. This would particularly affect residents with developmental disabilities, who depend on public transit to a greater degree than other City residents. The City should consider allowing a greater number of

units in the FDC to maximize the reuse of a valuable infill site, help the City realize fewer external vehicle trips, and reduce greenhouse gases (GHG) and other air pollutant emissions. As the DEIR concludes that impacts associated with GHG emissions are significant and unavoidable, the City has an obligation to consider changes to the General Plan through alternative land use plans or mitigation that could help to reduce these impacts. DGS believes that allowing a greater number of units in the FDC, either through higher density land use designations or designating more land for more units, would improve the vehicle-miles-traveled by future FDC-area residents, visitors and employees.

A portion of the FDC is placed in the City's proposed Open Space Element; however, the FDC is already developed with 1.1 million square feet of improvements. The FDC is located in Planning Area 2, which is well-served by parks and open spaces and exceeds the park-to-population standard for neighborhood and community parks of 4.26 acres for every 1,000 persons and within ¼- to ½-mile walking distance to pedestrian access points. Planning Area 2 has 10.06 acres per 1,000 residents, and this ratio likely does not even include the shared use agreement for a portion of the FDC used for soccer fields. The additional amount of open space proposed to be designated within the FDC overburdens the state's property well in excess of the City's stated desired standard. With only 500 additional residential units, as proposed by the City, the area would require a minimum of 5.20 and a maximum of 5.73 acres of parks, depending on the housing product mix, not the 26.5 acres proposed in the General Plan.

The City's obligation to address its existing City-wide park service deficiency is better addressed through a wider distribution of such spaces across the City, not concentrated in the FDC area. Addressing it in the manner proposed for the FDC places a disproportionate burden on the state and future developers in this area, rather than more evenly distributing it city-wide. The FDC area is already well-served by the City-owned sports fields at the Jack Hammett Sports Complex located 1.8 miles northeast of the FDC, the private open space and recreation facilities such as the surrounding golf courses, the Orange County Fair and Event Center, and joint use of school facilities. Moreover, the City does not appear to have considered the fact that the state transferred the land for the adjacent two 18-hole golf courses to the City and land for the Fairview Regional Park to the County of Orange that was subsequently transferred to the City nor counted the golf courses or the state-owned fairgrounds in its open space/parks metrics. The City's proposed open space policies and implementation actions emphasize the need to pursue all means to expand and maximize benefits of a parks and recreation system. Therefore it does not seem reasonable to exclude the existing golf courses, fairgrounds and joint use facilities in the City's open space/parks calculations.

The proposed designation of 25 percent or 26.5 acres of state-owned land in the FDC for open space far exceeds the City's in-lieu fee program for parks. The City's parkland impact fee program indicates that a developer gets a credit for land dedicated and park improvements completed. But this fee program would also appear to apply to any proposed development in the FDC after the proposed re-designation of 25 percent of

the FDC area as open space, further burdening future developers of the FDC and significantly impeding the state's goal of developing affordable housing for the developmentally disabled.

Moreover, the City fails to consider the greater traffic impacts of concentrating so much of the City's additional recreational space in the FDC area, which increases vehicle trip lengths to this area from other areas of the City that do not have similar amenities and corresponding air pollutant and GHG emissions, as well as congestion on the roads leading to the FDC area.

The traffic study prepared for the DEIR indicates that the baseline used assumes a 350-bed hospital in the FDC; however, existing improvements already total 1.1 million square feet of buildings and supporting infrastructure. The traffic study assumes that in the future, 52 acres will be developed as public facilities and that it would generate only 434 average daily trips. Assuming a FAR of 0.25, this would support 566,000 square feet of development. A more appropriate trip generation rate would be Government Office Complex, which according to Trip Generation, 7th Edition, Institute of Transportation Engineers, Land Use 733, would generate 27.92 ADT per 1,000 square feet on weekdays, or 15,800 ADT for 566,000 square feet.

The traffic study further assumes that 26 acres in the FDC will be developed as passive park use, generating only 49 trips per day. The City has indicated, however, that its interest in this area is for soccer fields and ball parks for private athletic club use. According to Trip Generation, 7th Edition, Institute of Transportation Engineers, Land Use 488, one soccer field generates ± 71 weekday ADT, so 49 trips does not appear to be an accurate reflection of projected trip generation for these uses. Additionally, creating 26 acres of park and open space will require demolition some of the 1.1 million square feet of buildings and supporting infrastructure.

The range of alternatives in the DEIR only considers the comparative effects of leaving certain areas of the City's land use designations unchanged, including one in which the FDC simply retains its institutional designation. In its scoping comments dated December 2, 2015, DGS requested that the City analyze an alternative that assumes a mixed density development plan for the FDC that takes advantage of the existing built infrastructure, the region's High-Quality Transit Areas (HQTA), and the planned development (consistent with SB 82) to reduce per capita vehicle miles traveled and decrease per capita greenhouse gas emissions. The alternatives analysis presented in the DEIR does not acknowledge this suggested alternative, and the alternative analyzed in the DEIR that merely assumes a continued institutional use designation does not support the above goals. DGS reiterates its request for a good faith analysis of a more feasible and environmentally beneficial development alternative for the FDC. The state believes such a plan would better fulfill both the goals of the state for successful redevelopment of this area and the City's need for VMT, GHG, and air pollutant reductions.

The Department desires to be a cooperative partner with the City in facilitating the implementation of a shared vision for future development of the FDC. We hope that the City will consider these comments in good faith and reevaluate both its proposed land use designations and resulting impacts analysis to better accommodate both the state's mandate to feasibly develop housing for developmentally disabled individuals and CEQA's mandate to analyze and disclose as accurately as possible the potential resulting impacts of proposed development.

We would be happy to provide the City with any additional information it may require to improve its DEIR and proposed General Plan Update. We would also be pleased to meet and confer with the City prior to the issuance of the Final EIR to discuss our comments and suggestions for the FDC.

Thank you for your consideration of these comments.

Sincerely,



ROBERT W. MCKINNON
Assistant Branch Chief
Asset Management Branch

Enclosures

cc: Fariba Shahmirzadi, Assistant Deputy Director, Administrative Operations,
Department of Developmental Services
Marie W. Maddy, Chief, Facilities Planning and Support Section, Department of
Development Services