



CITY COUNCIL / PLANNING COMMISSION
JOINT STUDY SESSION AGENDA REPORT

MEETING DATE: SEPTEMBER 8, 2015

ITEM NUMBER: 1

SUBJECT: PROPOSED GENERAL PLAN LAND USE ALTERNATIVE FOR THE YEAR 2015-2025
GENERAL PLAN UPDATE

DATE: SEPTEMBER 1, 2015

FROM: DEVELOPMENT SERVICES DEPT.

PRESENTATION BY: GARY ARMSTRONG, AICP, DEV. SVCS. DIRECTOR
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Purpose of Study Session

The purpose of this study session is to obtain input from the Planning Commission and City Council on proposed General Plan land use changes for the Year 2015-2025 General Plan. After incorporating comments from the study session, staff will seek Council direction on a recommended land use strategy for the General Plan update.

Scheduling of City Council Public Meeting on October 6, 2015

While State Law does not require the City Council to give formal direction on a preferred land use plan, staff will be requesting authorization from Council to proceed with a land use strategy.

The proposed General Plan land use alternative will be presented by staff to the City Council on October 6, 2015. Staff will ask for Council direction to proceed with a specific General Plan land use plan.

Preparation of General Plan EIR Underway

The draft land use plan presented to the City Council during the workshop does not require formal approval by the City Council to allow City staff to proceed with preparation of the Land Use Element amendments, other minor General Plan Amendments, and the associated Environmental Impact Report (EIR). The land use plan is a recommendation based on all work with the community and policy makers that has been completed to date, and this recommendation will receive full public review through both publication of the draft General Plan Amendments and the EIR.

The EIR, in addition to analyzing the potential environmental effects resulting from the proposed General Plan Amendments, will examine alternatives to the proposals. While as required by law, the alternatives analysis will focus on alternatives capable of reducing any significant environmental effects that the EIR identifies as associated with the draft

General Plan Amendments (and the draft land use plan in particular), staff would like the EIR to consider any alternatives that the Council directs. This approach will provide for broad public disclosure of any alternatives that may be considered during the public review process, once the draft General Plan Amendments and EIR are published.

BACKGROUND

Previous Study Sessions in 2014 on Preferred Land Use Strategy

The information presented at the September 8th joint study session is primarily based on the input received from the General Plan workshops and prior study sessions to date.

In 2014, two study sessions were held on January 24, 2014 and April 29, 2014. Staff presented several DRAFT land use alternatives and requested input from the City Council and Planning Commission. A summary of the last study session is included as Attachment 1.

The following was directed by City Council and addressed by staff in this report:

1. **Remove residential overlay north of 405-Freeway within Harbor Gateway:** Remove any incentive for residential development and preserve these areas for future corporate expansion and job growth.

Follow-up: the incentive areas were removed from Preferred Land Use Map.

2. **Remove all Harbor dealerships from overlay zones:** Exclude all car dealerships and large commercial centers and focus on including underutilized and marginal commercial parcels on Harbor Boulevard south of Victoria Street. This area is intended to promote lot consolidation for marginal commercial properties and provide a synergy between Harbor Boulevard commercial corridor and 19th Street focusing on the Triangle as the downtown.

Follow-up: the areas has been revised to exclude large assembled parcels and car dealerships.

3. **Allow residential development incentive in SoBECA District without changing the existing boundaries:** – Reduce the proposed expansion to the north of Baker Street and to maintain the existing outline of SoBECA. The development incentive would be to allow site density of up to 40 du/acre with an overall development cap of 20 du/acre for the overlay area (maximum 780 units - 39 acres x 20).

Follow-up: the area northeast of SoBECA was removed and the boundaries are consistent with the existing overlay area.

4. **Be more selective with residential overlay zone area for Newport Boulevard (east of 55-freeway):** Significantly reduce the proposed area on Newport Boulevard and instead focus on a few blocks with marginal and underutilized commercial and motel uses (not including any current residential developments). Exclude residential built in the last 10-15 years with established homeowners associations. The residential development incentive would be for site specific density of 40 du/acre within the focused areas. The remaining areas of Newport

Boulevard would still be subject to Newport Boulevard Specific Plan that allows up to 17 du/acre and mixed use development.

Follow-up: the area was significantly reduced to only a few blocks including marginal commercial and motel sites. The remainder will still be subject to the current Newport Boulevard Specific Plan.

5. **Promote residential overlay along select sites on Harbor Boulevard:** Provide a residential incentive overlay of up to 40 du/acre for 7 sites along Harbor Boulevard and Newport Boulevard including blocks similar to Newport Boulevards with marginal commercial and motel uses.

Follow-up: the area was significantly reduced to only a few blocks including marginal commercial and motel sites.

6. **Exclude Mobile Home Parks from any changes:** Do not include any mobile home parks in the incentive areas. As directed by City Council, the focused areas have been refined and do not include any mobile home parks. There are mobile home parks within the Westside overlays that have not been included in the General Plan Update and will remain as is.

Follow-up: all mobile home parks are excluded from the Propose Land Use Alternative.

7. **Complete Economic Feasibility Study to evaluate fiscal costs of high density residential development:** Conduct a feasibility study for the proposed land use changes, focusing on the fiscal impact of added residential development.

Follow-up: The scope of services with the consultant (MIG) was modified in 2014 to include a Fiscal Impact Study (approved by City Council on June 17, 2014). The study includes compilation of data on existing citywide land use mix and preparation of a fiscal impact study when the preferred land use alternative is selected. The contract also includes a digital model that could be used for preparation of a preliminary model for any future development at staff level. The study will be submitted under a separate cover.

8. **Update Park Impact Fees [Task completed.]** – Council expressed concerns with the impacts of higher density development on City Parks. Because of new apartment housing development and since the proposed changes to land uses allowed for higher density residential development, a park impact fee study was initiated in 2014.

Follow-up: A new ordinance was adopted that will go into effect on November 30, 2015. New apartment projects will be subject to a park impact fee of \$5,000 per unit.

9. **Analyze additional intensity for Home Ranch:** With the last Preferred Land Use Alternative Plan, a maximum square footage of 1.2 M and 300 residential units were proposed. No change is proposed related to the proposed maximum intensity; however, as requested by the property owners, the allowable building heights were reduced from 12 to 5 stories. The proposed intensity would allow a maximum of 1.2

million square feet of office/ commercial square footage and a maximum of 40 dwelling units per acre for the residential component of a mixed-use development or a maximum of 40 dwelling units per acre for an independent residential community. The maximum residential density of 40 units per acre for 12-acre site or 300 units.

10. **No significant changes to Sakioka Lot 2:** A General Plan and Specific Plan Amendment in 2011, approved a maximum allowable density of 1.0 FAR and 660 residential units for this site at a maximum density of 28 du/acre. Other than adjusting the maximum allowable density from 28 du/acre to 40 du/acre (without changing the trip budgets), no changes to Sakioka Lot 2 are identified. Specifically, no change to the trip budget is proposed.

11. **Fairview Developmental Center:** A representative from the Fairview Developmental Center (Robert Sterling) has *tentatively* indicated that he will be attending the joint study session and available for any questions on FDC.

There is new information that state will be closing the facility in the near future. Similar to the Fairground site that was planned for sale in 2009; staff is recommending adopting a variety of land uses in addition to the current General Plan land use designation of Public / Institutional to allow the most flexibility for future development of the site. (Technical memo dated August 10, 2015 attached).

New Requests from Other Developers to be Included in the General Plan Update

- LA Times site at 1375 Sunflower Avenue – The property owner of the Tribune site has purchased an adjacent 4.0-acre site, which together brings the overall site area to over 23 acres. A proposal was received from Tribune Real Estate on April 2, 2015 requesting a change in the land use designation from Industrial Park to Urban Center Commercial or General Commercial with significantly higher FAR as part of the General Plan update (Attachment 4) for potential office campuses and mixed use development. Since the proposal was submitted at a time that the General Plan was significantly underway, the property owner was advised to:
 - a. *Option One: Independently process a privately initiated General Plan Amendment for the property under a different track and processing timeframe that may be in advance of the General Plan Update process. OR*
 - b. *Option Two: Complete a traffic study prepared by the applicant reflecting their General Plan amendment proposal and request that Council direct staff to incorporate the proposed change as part of the General Plan Update process.*

With regard to Option One, the applicant would be required to assess the impacts associated with this proposed land use change and possible property development scenarios, particularly with regard to traffic impacts. Because the environmental analysis and documentation might be completed prior completion of the EIR for the citywide General Plan Amendments, the analysis would not take into account the proposed land use changes in other areas of the City and properties north of I-405 in particular. Thus, the Planning Commission and City Council would not have the opportunity to examine the proposal in light of other contemplated land use

changes. However, under this option the applicant would be responsible for mitigating any specific environmental impacts associated with the proposal.

With regard to Option Two, the environmental impacts associated with the applicant's proposal would be considered in light of other land use and circulation changes proposed by City staff for the General Plan as a whole. This approach would be more comprehensive. Any mitigation measures involving circulation system improvements would be funded in part through development impact fees paid at the time individual development applications move forward. It is recommended that a development agreement be negotiated and executed for this site.



A change from industrial uses to mixed use and commercial uses appears to result in an approximate fivefold increase in average daily trips. The following refers to the General Plan Table on Urban Center Commercial land use designation and related development agreements:

**TABLE LU-7
MAJOR DEVELOPMENTS
URBAN CENTER COMMERCIAL LAND USE DESIGNATION**

Major Development	Development Agreement Maximum Non-Residential Building Sq.Ft./FAR	Maximum Allowable Residential Units	General Plan Maximum A.M. Peak Hour Trip Budget	General Plan Maximum P.M. Peak Hour Trip Budget	North Costa Mesa Specific Plan Applies
Automobile Club of Southern California* (3333 Fairview Road)	967,000 sq.ft. 0.56 FAR	0	1,190**	1,576**	No
Metro Pointe* (901 South Coast Drive only)	592,281 sq.ft. 0.48 FAR	0	729**	965**	Yes
South Coast Metro Center/Experian* (443-595 Anton Blvd.- odd numbers only)	Residential Option: 1,335,386 sq.ft. 0.69 FAR Non-Residential Option: 1,546,180 sq.ft. 0.79 FAR	Residential Option: 484 high-rise residential units per the location in the North Costa Mesa Specific Plan.	Residential Option: 1,931** Non-Residential Option: 1,886**	Residential Option: 1,976** Non-Residential Option: 1,994**	Yes
Sakioka Lot 2* (325 Anton Blvd.)	863,000 sq.ft. 0.50 retail FAR 0.60 office FAR	0	1,062**	1,407**	Yes

* A development agreement governs this property that specifies the maximum building square footage and floor area ratio.
** Vehicle trips per hour.

- Robinson Pharma site at 1683 Sunflower Street – Rose Equities has also expressed interest in a change in the land use designation to allow mixed use development including a high-density residential component. This would be similar to LA Times site in terms of timing and staff would need direction from City Council to proceed with any land use changes. The intensification of the land use will require traffic mitigation that will need to be further assessed.



If this is a city initiated General Plan Amendment, the applicant will not be responsible for funding or implementation of any traffic improvements as may be necessary beyond the required mitigation impact fees. It is recommended that a development agreement be negotiated and executed for this site.

PROPOSED LAND USE ALTERNATIVE

During the last review in April 2014, the proposed area for change was approximately 15 percent of the area of all land uses within the city. The revised plan includes only 4 percent of the area of the City and the majority (96%) is left unchanged (Attachment 8 - No Change Map). As previously noted, the strategy behind targeted land use changes is to identify specific areas that allows the City to maximize development potential such as the vacant land north of Interstate 405, motel nodes and marginal commercial land uses located along major freeways, Harbor Boulevard, and Newport Boulevard.

The focus areas for the proposed land use alternatives are based on their individual development potential and existing land uses, and the boundaries were established based on proximity to sensitive uses. For each of the focus areas a description of the intent of the land use district is provided in Attachment 6 - Land Use Alternatives. The focus areas are further described in a series of maps (Attachment 7 – Maps) that include the existing land use, existing General Plan designations, and proposed alternative designations, along with likely build out information and trip generation rates for each mapped condition.

Each focus area has been studied for land use opportunities that promote desirable uses. The boundaries were established with the intent to minimize impacts to existing low density residential, large commercial and industrial properties. The alternatives include a variety of residential and commercial intensities for most of the focus areas to encourage discussion and provide a range of options for consideration. A brief summary of the land use changes for each focus area is provided as follows:

- **Segerstrom Home Ranch**

This alternative would revise the North Costa Mesa Specific Plan development standards for the 43.57-acre Segerstrom Home Ranch sub-area, which is located south of Coast Drive and north of Interstate 405. Currently, the Specific Plan for this sub-area allows up to 760,000 square feet of office and office-related uses at an FAR of 0.40. The recommended alternative would allow



residential uses at a maximum density of 40 dwelling units (300 units) and an increase in the FAR to 0.64 (1.2M SF). Parking structures would be encouraged to create opportunities for plazas and open spaces integral to development. Restrictions would apply to residential development within 500 feet of Interstate 405, including the use of buffering, sound walls, landscaping, air filtration systems, and similar measures to reduce noise and air quality impacts.

- **Sakioka Lot 2**

Consistent with the allowable densities, the recommended Land Use would allow a maximum residential density of 40 dwelling units, or 660 units per acre and an FAR of 1.0. This designation is intended to encourage moderate-scale mixed-use development that balances high-density residential and professional office uses. Commercial and retail uses would also be allowed to support surrounding residential and professional office uses. Restrictions would apply to residential development within 500 feet of Interstate 405, including the use of buffering, sound walls, landscaping, air filtration systems, and similar measures to reduce noise and air quality impacts.



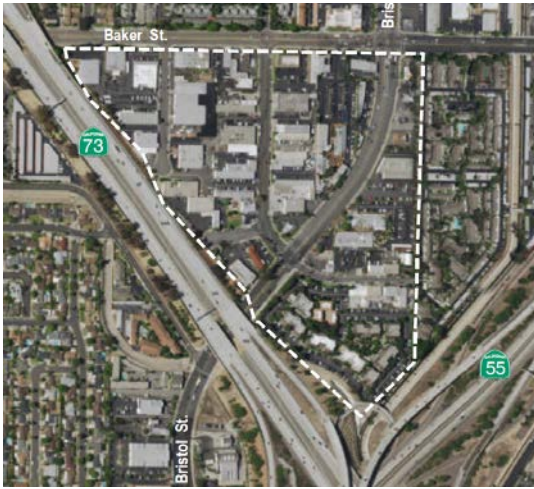
- **Residential Overlay of 40 du/acre along Harbor Boulevard and Newport Boulevard**

The *Residential Overlay* would create opportunities for residential development at strategic locations along Harbor Boulevard and west side of Newport Boulevard. This designation would allow for new-high density residential uses of up to 40 du/acre in areas where only commercial uses were previously allowed. Buildings can be up to four stories in height, provided privacy concerns of established neighborhoods are adequately addressed through the setbacks of upper stories or other design approaches.

The *Residential Overlay* would create opportunities for residential development at strategic locations Newport Boulevard east of the freeway. This designation would allow for new-high density residential uses of up to 40 du/acre in areas where only mixed use and residential development up to 17 du/acre were previously allowed. The Overlay would also increase development opportunities on underutilized motel and commercial properties. Buildings can be up to four stories in height, provided privacy concerns of established neighborhoods are adequately addressed through the setbacks of upper stories or other design approaches.

- **SoBECA**

This area applies to the established *SoBECA Urban Plan* bounded by Baker Street, Bristol Street, and State Route 73 (Corona Del Mar Freeway).



The *SoBECA Urban Plan* will continue to include a mix of housing and retail/service commercial businesses, light industrial uses, creative studios, retail campuses, and entertainment and restaurant uses that attract local residents and visitors. Permitted development approaches would be mixed-use development that combines residential and commercial uses, as well as stand-alone uses. This designation would emphasize commercial uses and would aim to expand the established innovative, eclectic, and unique uses that demonstrate the importance of homegrown and

incubator-type businesses to the local economy. The integration of innovative public spaces and “hangout” areas for special events would be highly encouraged.

The maximum residential density of the Urban Plan is site specific density of 40 dwelling units with an overall cap of 20du/acre or (784 maximum units). The maximum building floor-area ratio of 1.25, and a maximum height of four stories or 60 feet is consistent with the existing overlay.

- **Harbor Mixed-Use Overlay Zone**

This mixed-use corridor area is intended to promote lot consolidation for marginal commercial properties and provide a synergy between Harbor Boulevard commercial corridor and 19th Street focusing on the Triangle as the downtown.

- **Fairview Development Center**

The center provides a unique opportunity for residential and office campuses because of its golf course setting. A new General Plan Land use designation is proposed to allow:

- 0.25 FAR Institutional
- 0.40 FAR Corporate Headquarters Only for Commercial Office Building/Single Tenant
- 40 du/acre for 25-acre site; maximum 1,000 units



No Change Areas

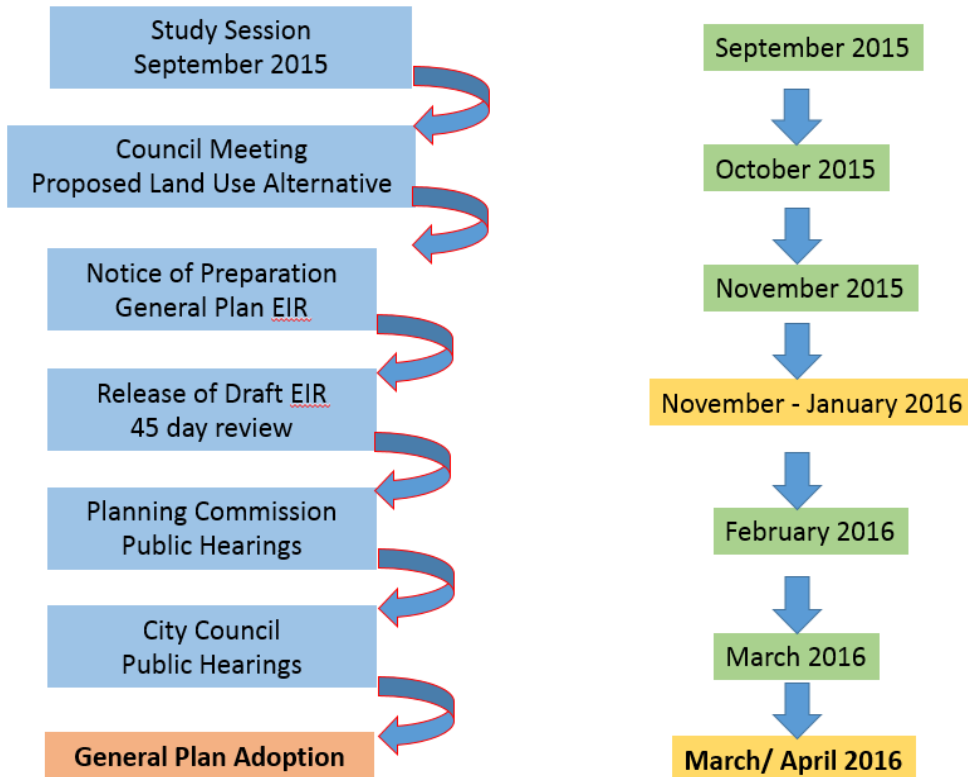
The vast majority of neighborhoods in the City will not see any change to their General Plan Land Use Designation. These no change areas apply to more than 96 percent of the City where no land use changes are proposed. Please refer to Attachment 8 “No Change Map” for the areas where no land use changes are anticipated by this General Plan update.

Preferred Land Use Alternative

Staff is seeking input from City Council on preferred land use alternatives for each focus area. A preliminary comparison of the current General Plan buildout shows an approximate increase of 18.8% in the overall City ADTs (relative to existing land uses) compared to 22.8% increase with the proposed land uses (an increase of approx. 4%) (Attachment 5).

Once a recommended alternative has been identified a comprehensive Traffic Model Run will be performed. The Traffic Model Run will more accurately calculate anticipated overall traffic volumes for the City, including the preferred land Use changes, and how those trips will be distributed around the City. The Traffic Model Run will predict traffic volumes and levels of service grades for major roadways and intersection throughout the City. This information will be presented to City Council in the October meetings.

General Plan – Updated Project Schedule



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Attachments: 1 – [Summary of April 29, 2014 Meeting](#)
2 – [Councilmember Genis Comments](#)

- 3 - [Technical Memo for Fairview Development Center](#)
- 4 - [Tribune Site Correspondence](#)
- 5 - [Summary Sheet – ADT totals](#)
- 6 - [Land Use Alternatives – Descriptions](#)
- 7 - [Land Use Alternatives – Maps](#)
- 8 - [No Change Map](#)

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