



PLANNING COMMISSION AGENDA REPORT

MEETING DATE: OCTOBER 9, 2023

ITEM NUMBER: PH-1

SUBJECT: PLANNING APPLICATION 22-31 AND TENTATIVE TRACT MAP NO. 19246 (PTTM-23-0001) FOR A MASTER PLAN FOR A NINE-UNIT LIVE/WORK DEVELOPMENT AT 1540 SUPERIOR AVENUE

**FROM: ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT/
PLANNING DIVISION**

PRESENTATION BY: JEFFREY RIMANDO, ASSISTANT PLANNER

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RECOMMENDATION

Staff recommends the Planning Commission adopt a Resolution to:

1. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15332 (Class 32) In-Fill Development; and
2. Approve Planning Application 22-31 and Tentative Tract Map 19246 (PTTM-23-0001), subject to conditions of approval.

APPLICANT OR AUTHORIZED AGENT

The authorized agent is David Davutoglu and property owner is Berk Properties, LLC.

PLANNING APPLICATION SUMMARY

Location:	1540 Superior Ave; APN: 425-351-06	Application No:	PA-22-31 PTTM-23-0001 (19246)
Request:	Master Plan for the construction of nine, three-story, live/work units on a 21,610 square foot parcel (19,147 total net area), a deviation request from the minimum lot size for live/work developments, and a tentative tract map to establish a common interest development.		

SUBJECT PROPERTY:

SURROUNDING PROPERTY:

Zone:	MG (General Industrial)	North:	MG
General Plan:	Light Industrial	South:	MG (Industrial Way)
Lot Dimensions:	160 FT x 120 FT	East:	MG
Lot Area:	19,147 SF	West:	MG (Superior Avenue)
Existing Development:	One-story industrial building proposed to be demolished.		

DEVELOPMENT STANDARDS COMPARISON

Development Standard	19 West Urban Plan Stds. ¹	Proposed/Provided
Lot Size		
Lot Width	N/A	160 FT
Min. Lot Area	1 acre	0.44 acres ²
Min. Work Space	250 SF (each unit)	250 SF (each unit)
Density/Intensity		
FAR	1.0	0.98
Density (du/acre)	15-20	20
Building Height		
	4 stories / 60 FT	3 stories ³ / 42 FT
Building Coverage		
Max. Development Lot Coverage	90%	42%
Min. Open Space	30%	38%
Development Lot Building Setbacks		
Min. Front (Superior Ave)	15 FT	15 FT
Interior Side	0 FT	5 FT 6 IN
Street Side (Industrial Way)	10 FT	10 FT
Rear	0 FT	32 FT
Min. Distance Between Main Buildings	10 FT	25 FT
Parking		
Tenant Space	1.5 per unit (14 required)	14
Guest Space	1.5 per unit (14 required)	14 ⁴
TOTAL:	28	28
Final Action	Planning Commission	
CEQA Review	Exempt per CEQA Guidelines Section 15332 (Infill Development)	

¹ Pursuant to 19 West Urban Plan Table A, live/work development within the 19 West Urban Plan shall also comply with the Mesa West Bluffs Urban Plan [Table A2: Live/Work Standards].

² Deviation Required - Developments of less than one acre may be allowed as a deviation from this requirement provided that all other development standards are met.

³ Roof gardens/terraces are not considered a story pursuant to the Table A 19 West Urban Plan.

⁴ One parking space credited due to proposal of bicycle racks on site.

BACKGROUND

The subject site is located on the eastern corner of the intersection of Superior Avenue and Industrial Way. The property is zoned “General Industrial” (MG) and has a General Plan land use designation of “Light Industrial”. The site is located within the boundaries of the 19 West Urban Plan Area that provides for specific overlay provisions for mixed use development including live/work units. Pursuant to the 19 West Urban Plan, Live/work development standards shall be regulated pursuant to the Live/work provisions included in the Mesa West Bluff Urban Plan.

The site consists of an existing industrial building that is currently vacant and was previously used for “Share Our Selves” (a nonprofit health organization). The subject site is bounded by the current location of “Share Our Selves” to the north, an antique restoration store that is located across Superior Avenue to the west, the City of Newport Beach corporation yard to the south, and an auto repair use to the east. The adjacent properties are zoned “General Industrial” including the properties across Superior Avenue and Industrial Way. The proposed development site is located approximately 150 feet northwest of an existing live/work development with 60 units (“Level 1”).

The subject property is located within a half-mile from Orange County Transit Agency (OCTA) bus stops for the 47 Line (Fullerton-Balboa) and the 55 line (Santa Ana – Newport Beach).

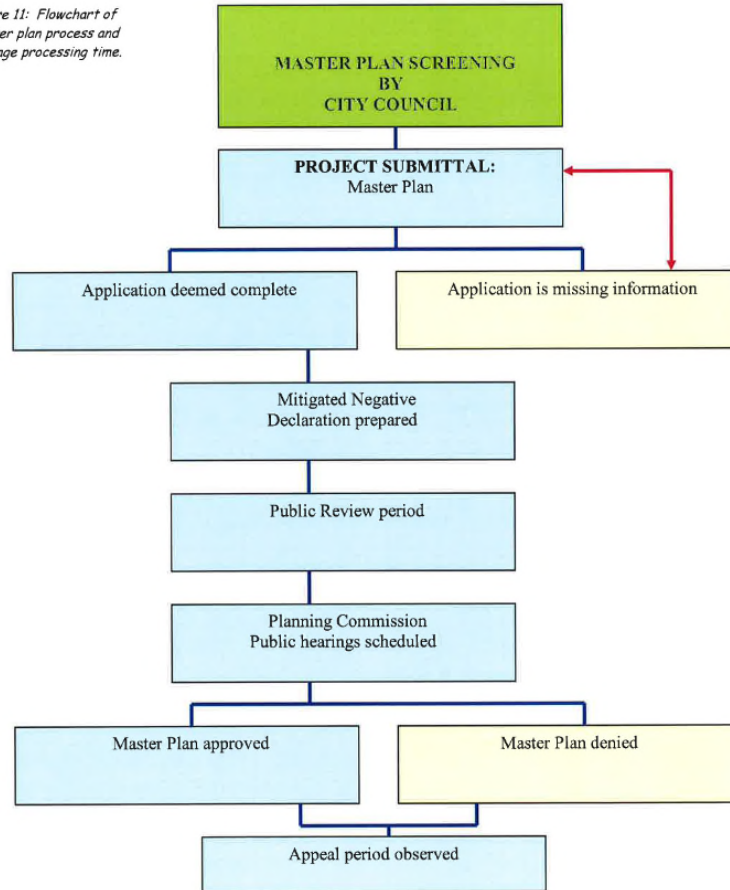
PROJECT HISTORY

As required by the 19 West Urban Plan, all proposed mixed-use projects (including live/work development) utilizing the Urban Plan are required to obtain a Master Plan. Exhibit 1, below, is a diagram of the City’s required Master Plan review process for the proposed live/work development:

Exhibit 1

Master Plan for Mixed-Use Overlay Project

Figure 11: Flowchart of master plan process and average processing time.



As shown above, the first step in obtaining a Master Plan is to apply for a Master Plan Screening which is considered by the City Council at a public meeting. On January 18, 2022, the project was presented to City Council for comments on the merits and appropriateness of the proposed development. Project exhibits for the screening included a conceptual site plan, floor plan, and renderings. Additional information, including the City Council Master Plan Screening agenda report, meeting minutes and the meeting video is provided by link below.

Agenda Report:

<https://costamesa.legistar.com/LegislationDetail.aspx?ID=5384363&GUID=93AC9879-2426-4E4F-A38C-2BC767C9DC57>

Minutes:

<https://costamesa.legistar.com/View.ashx?M=M&ID=893616&GUID=1277670D-DB1F-492F-9624-37671A6E7A89>

Video:

https://costamesa.granicus.com/player/clip/3816?view_id=14&redirect=true&h=4ee9502d9e7d4a3f9752f19273524a14

During the January 2022 screening of the project, the City Council provided the applicant with feedback regarding certain design aspects of the proposed development. Primarily, the City Council feedback included project design concerns that the development concept did not sufficiently emphasize street interaction, and the importance of the site being located at a prominent corner. The City Council indicated that the proposed location was appropriate for a live/work development; however, the proposed design concept generally lacked a connection between the buildings and pedestrian scale. The City Council encouraged the potential use of the work spaces as retail (such as “bodegas”) to activate the corner site.

The applicant has re-designed several components of the project based on the City Council’s specific comments as indicated below (City Council comments shown in bold italics):

- ***“The design is formulaic.”***
- ***“The design does not take advantage of the corner location.”***
- ***“The design must activate the streetscape.”***

In comparison of the previous proposed design reviewed by the City Council with the current design (see Images 1 and 2 below), the applicant has revised the exterior by reducing the corner massing by proposing additional structural articulations (stepping back the third level). Additional planter boxes are also now proposed around the perimeter of the street corner to improve pedestrian scale. In addition, the previous design consisted of similar “formulaic” floor plans, whereas the proposed design has been modified to now include three individual floor plans. To improve streetscape vitality and better activate the commercial component of the development, the ground-level exterior elevations now include larger windows and commercial signage.

Image 1 – Corner Rendering (2022 Screening Design)



Image 2 – Corner Rendering (Proposed Design)



DESCRIPTION

The project proposes a Master Plan to demolish the existing development, and to construct nine live/work units with attached garages and additional on-site parking. As required by the applicable Urban Plan provisions, the project proposes a Tentative Tract Map to subdivide the property for individual ownership (“common interest development”) of the units. The overall height of the proposed buildings is three floors, with a roof deck constructed above the third-floor level (42 feet maximum height). The maximum height permitted by the Urban Plan is 60 feet and four floors. The total FAR for the project is 0.98 (1.0 maximum permitted per the Urban Plan). The exterior elevation design has generally not changed from the City Council screening and are proposed to be comprised of modern materials and finishes (see the above Image 2 and the below Image 3).

Image 3 – Elevation on Superior Ave



The proposed parking complies with the minimum standards pursuant to the Urban Plan and is comprised of 28 off-street parking spaces (project parking is described in detail under the “Parking and Circulation” section of this report).

According to the 19 West Urban Plan, the development standards related to live/work development found within the Mesa West Bluffs Urban Plan shall be applicable to live/work development located within the 19 West Urban Plan area. As proposed, the project is in compliance with the applicable development standards, with the exception of minimum lot size. As permitted, the applicant is requesting a deviation from the minimum lot size standard as discussed further below (see the below report section “Deviations from the Urban Plan”). The table below summarizes the Urban Plan requirements compared to the proposed project.

Table 1

Development Standard	19 West Urban Plan /Mesa West Bluffs Live/Work Stds.	Proposed/Provided
Min. Lot Area	1 acre	0.44 acres
Min. Work Space	250 SF (each unit)	250 SF (each unit)
Max. Development Lot Coverage	90%	42%
Min. Open Space	30%	38%
Front Setback	15 FT	15 FT
Interior Side (right)	0 FT	5 FT 6 IN
Street Side (left)	10 FT	10 FT
Rear Setback	0 FT	32 FT
Min. Distance Between Buildings	10 FT	25 FT

ANALYSIS

19 West Urban Plan

The 19 West Urban Plan establishes an overlay zoning district which allows for limited residential development in specific areas of Westside Costa Mesa which are zoned industrial and commercial. The Urban Plan does not include any major intensification of land uses, ensuring that the development of live/work units or residential development can be adequately supported by the City’s existing circulation system. The emphasis of the plan is to improve the Urban Plan area by providing visual enhancement and encouraging the development of live/work units or residential loft development. A live/work unit is a mixed-use development composed of commercially or industrially oriented joint-work and living quarters in the same building.

The land use regulations within the Urban Plan may only be processed (“activated”) through a “Master Plan” entitlement. The first step in the process is the “Master Plan Screening”, which was conducted by City Council on January 18, 2022, as noted above. Pursuant to CMMC Table 13-29(c), the final review authority for Master Plans and Tentative Tract Maps is the Planning Commission.

Live/work units feature a building type that provides both employment and housing within an integrated development. As a hybrid of living and working quarters, live/work development contributes to the diversity of land uses. The Urban Plan offers flexible development standards and allows for deviations from the requirements to encourage live/work units (the applicant is proposing a deviation from minimum lot size). To

promote this type of urban housing, live/work units will typically not feature the same extent of open space amenities (pools, picnic areas, etc.), as those amenities in strictly residential areas. Increased densities up to 20 units per acre, and up to 1.0 FAR are permitted in live/work developments.

As permitted in the Urban Plan, land use regulations of the base zoning district are superseded by the regulations contained in the 19 West Urban Plan. Deviations to specific requirements are permitted if the property is greater than one-acre in size. Since the property is 0.44 acres, the project must comply with all development standards and is not eligible to request any additional deviations, with the exception of allowing for a lot size less than one-acre.

Floor/Site Plans

The proposed project consists of two buildings featuring five and four live/work units. The four-unit building proposes all storefronts facing Industrial Way, with parking and garages located in the rear. The five-unit building’s end unit features an additional storefront facing Superior Avenue with the four remaining units facing a walkway located at the north portion of the property.

The project includes three potential unit models ranging from 1,506 to 1,930 square feet of living area. Each unit is proposed with a ground floor workspace ranging from 297 to 507 square feet and an accessible restroom. The Urban Plan requires a minimum work space size of 250 square feet, and the workspace minimum area excludes bathroom, kitchen, balcony/mezzanines and hallways. The residential space is located above the proposed work areas and includes a second-floor living area featuring a kitchen, living space, half bathroom, study, and outdoor deck. The third-floor is proposed to include three bedrooms, and two full bathrooms. Unit type A1 is proposed to be constructed with private open space consisting of a second-floor deck and a third-floor roof deck with a total open space square footage of 235 square feet. Unit types A2 and A3 are proposed to be constructed with private open space consisting of a second-floor deck and a fourth-floor roof deck with a total open space square footage of between 279 and 334 square feet. The fourth floor is also proposed to include a mechanical area for the placement of HVAC and other mechanical equipment which is located behind a screening parapet. Table 2 below provides a summary description of the two proposed unit types.

Table 2: Unit Characteristics

Unit Number	Floor Area (Excluding Garage)	Bedroom Count	Bathrooms (Full/Half)	Parking (Garage/Open)	Work Area
Unit A1	1,506 SF	2	2/2	1/1	297 SF
Unit A2	1,620 SF	3	2/2	2/0	297 SF

Unit A3	1,930 SF	3	2/2	2/2	507 SF
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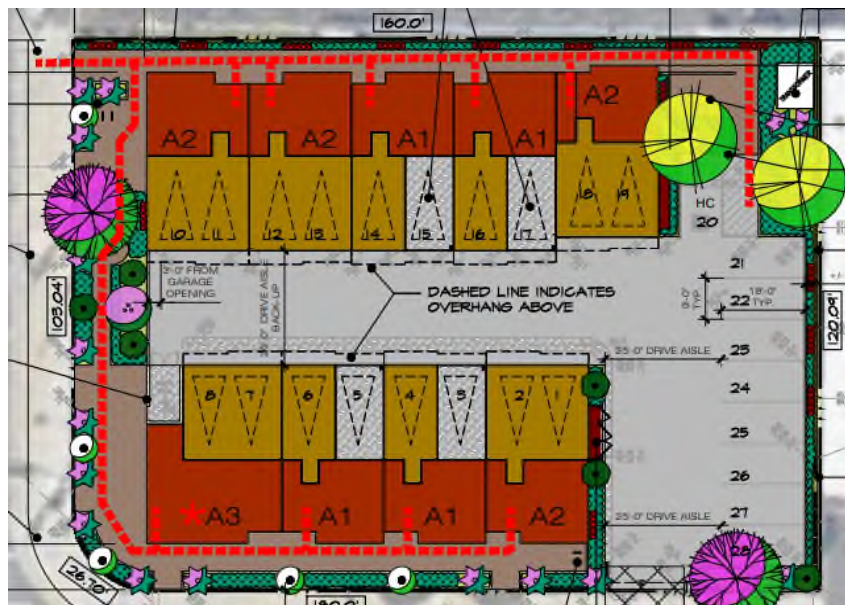
Parking and Circulation

The current site conditions include vehicular access from both Superior Avenue and Industrial Way. The project proposes to remove the existing driveway access from Superior Avenue and limit new driveway access to Industrial Way. The drive approach would provide access to all garages, the trash enclosure, and the open parking lot in the rear of the property

The Urban Plan indicates that live/work units up to 2,000 square feet are required to provide 1.5 tenant parking spaces per unit and 1.5 guest parking spaces (27 total parking spaces required for the proposed nine units). In compliance with required parking, the project proposes 14 tenant and 14 guest parking spaces. as proposed, five of the units have two-car garages and the other four units are provided with a one-car garage and an open carport. An additional nine open guest parking space are proposed in a communal parking lot at the rear of the property. The project also includes two bike racks in the northwest of the property which is credited as one parking space.

The proposed site plan includes two pedestrian walkways accessing the property (shown in red dash below in Image 4) – one on the north end of the project which provides access to the five northerly units, and a second walkway located on the south end of the project. Four units include storefronts oriented toward Industrial Way with direct access to the existing sidewalk, and the other proposed live/work units front the adjacent property (1500 Superior Avenue).

Image 4 – Elevation on Superior Ave



Traffic Evaluation

The Transportation Division completed a preliminary trip generation analysis to compare the proposed nine-unit project to existing transportation conditions. The projections (128 total daily trips) indicate that the proposed development would generate more trips compared to the existing light industrial use (21 daily trips). A transportation impact study is required for all development projects that generate 50 or more vehicle trip ends during a peak hour. As indicated below in Table 3, the maximum peak hour trips anticipated for the project is 11 trips in the AM peak hour period, and 14 trips in the PM peak hour period. Although the project does not necessitate a transportation impact study, the project will be subject to traffic impact fees to account for the proposed increase in total daily trips.

Table 3: Trip Generation Analysis

Land use	Units	Peak Hour Trips		
		AM	PM	Daily
Proposed Live/Work	9	11	14	128

Requested Deviations from the Urban Plan

As previously indicated, an approved Master Plan will allow new construction that does not comply with all applicable standards of the Zoning Code and the Urban Plan. Deviations may be granted through the approval process with consideration to the existing development configurations and compatibility of adjacent uses. A deviation has been proposed to allow for the project on a lot that is less than the minimum one-acre lot size. The Urban Plan specifically allows for this deviation provided that all other development standards are in compliance. The minimum lot requirement of one-acre has been challenging to meet for developers since it can be difficult to assemble smaller parcels – as is the case at this location. Because the minimum lot size deviation has been requested, no additional deviations are permitted per the Urban Plan.

Pursuant to the Urban Pan, in order for a deviation to be approved, the project must provide quality environments and substantial amenities. As proposed, the project includes high quality hardscaping with drought tolerant and native landscaping. The total number of proposed trees and shrubs exceeds the code minimum as discussed below in the “landscaping” Section of this report. Finally, the street facing landscaping is enhanced with several flowering trees that will provide visual interest and shade along Industrial Way and Superior Avenue. In addition, and as required by the code, all utilities will be undergrounded. Additional discussion regarding the required findings for the deviation pursuant to CMMC Section 13-83.52 is provided below under the “Findings” section of this staff report.

Design Guidelines

The proposed live/work project has been designed with contemporary design features including modern elements such as large windows, a mixture of exterior building materials, and a variety of vertical and horizontal articulation. The immediately surrounding neighborhood features a diverse collection of architectural styles including other live/work residences with contemporary influences. The Urban Plan Live/Work “architectural design guidelines” include the following design recommendations:

- ***“Building elevations should feature stepping forms both horizontally and vertically to soften and provide appropriate transitions among second-story, third-story and fourth-story elevations.”***

The proposed development been designed with articulation and off sets on the various elevations and floors to avoid an overly boxy appearance. The elevations facing Industrial Way includes a second story balcony, large second and third story windows, and large open storefronts on the ground level. A variety of building materials and textures are utilized throughout the project. Long, unbroken building facades have been avoided through the provisions of projections and articulations of different floors and building materials. The applicant has also re-designed the project to step the building structure at the corner elevation.

- ***“Building elevations should incorporate enhanced detailing, which may include articulations, projections and use of varied building materials.”***

A variety of building materials, vertical articulations, insets, and textures are utilized throughout the project design.

- ***“Architectural projections are encouraged to provide visual focus and emphasize some aspect of design such as an entryway or major windows.”***

The elevations facing Industrial Way include second-story balcony insets, large second and third-story windows, and large open storefronts on the ground (pedestrian) level.

- ***“Long, unbroken building faces should be avoided, and variety should be accomplished through variation in building and forms.”***

Long, unbroken building facades have been avoided through the provisions of projections and articulations at different floor elevations and the use of various building materials. The development features a variety of projections and feature articulation on each wall plane. Building materials include stucco, multiple

colored horizontal and vertical synthetic board siding, and metal balcony railings. Visual interest has been provided on the front elevations including the provisions of large open storefront windows and doors.

Fences and Walls

As required by Section 13-75(a) of the CMMC, the project includes a six-foot high block wall around the perimeter of the proposed master development lot. The final design of the fences and walls will be reviewed as part of the building permit submittal. Any future modifications to fencing will be subject to review and approval of the Planning Division and would require building permits to be issued prior to installation. The heights and locations of walls and fences shall comply with the CMMC requirements as well as applicable visibility standards for traffic safety.

Landscaping

The project proposes a total of 1,973 square feet of landscaping. The Urban Plan and CMMC Section 13-106 requires that landscape areas consist of California native and drought tolerant plant material and shall meet the minimum number of plants types based on the total landscape square footage. The project proposes landscaping that includes California native flowering trees - Palo Verde, Western Redbud, and Desert Willow. Native and drought tolerant shrubs are proposed to include Cleveland Sage, Bush Anemone, and Pride of Madeira. A variety of native and drought tolerant ground covers are proposed to cover 70 percent of the landscape area with the remainder of ground cover to be covered by mulch or compost as required by the landscape code. In addition, the landscaping proposes to exceed the total number of required trees by 10% and the total number of required shrubs by 239%. The setback along Superior Avenue and Industrial Way is proposed to be completely landscaped with the exception of areas meant for pedestrian access and vehicular ingress/egress. The total number of plants proposed is provided in Table 3 below and a color landscape pallet has been included in the plans on sheet L-2.

Table 3: Landscaping Requirements

	Requirement	Proposed
Tree Count	10 (one 15-gallon tree or larger per 200 square feet of landscape area)	11 (5 are proposed at 24-inch box)
Shrub Count	79 (one shrub for every 25 square feet of landscape area)	189
Ground Cover	1,381 SF (70% of landscape area)	1,381 SF

As part of the building permit plan check review, final landscape plans shall be prepared and certified by a California licensed landscape architect confirming that they comply with the CMMC and water efficiency landscape guidelines. Lighting is also required to be provided in all parking areas, vehicular access areas, and pedestrian walkways. The applicant will be required to submit lighting plans with the building permit plan set.

Utilities

The CMMC requires that new construction provide undergrounding of all utilities on site, including existing utility poles. As required, all new and existing utilities will be undergrounded. Any new backflow preventers or related equipment shall be installed outside of the front landscape setback and be screened from the view from any location on or off the site. As required by the CMMC, all utility meters will be screened from view from the public right of way and neighboring properties. Prior to building permit approval, the applicant shall submit for approval a comprehensive utilities plan that shows utility design compliance, undergrounding and required dedications/easements. Prior to construction, the comprehensive utility plan will be reviewed by both the City's Building Division and Public Works Department, and with the applicable utility agencies.

Tentative Tract Map 19246

Pursuant to the Mesa West Bluffs Urban Plan, live/work units are required to be developed as "common interest developments". The project tentative tract map proposes individual "air-space" ownership for the live/work units. Therefore, the building, walls, and common areas are owned communally by all owners through a homeowner's association (HOA), and the individual live/work condominium owner specifically controls the air space created by the walls of their unit.

As indicated in the "Tentative Tract Map Findings – CMMC Section 13-29(g)(13)" below, the project complies with all required findings to approve the Tentative Map. In addition, pursuant to Section 66474 of the California Subdivision Map Act, a proposed subdivision must be denied if one or more findings are made:

1. *"That the proposed map is not consistent with applicable general and specific plans as specified in Section 65451;*
2. *That the design or improvement of the proposed subdivision is not consistent with applicable general and specific plans;*
3. *That the site is not physically suitable for the type of development;*
4. *That the site is not physically suitable for the proposed density of development;*
5. *That the design of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat;*

6. *That the design of the subdivision or type of improvements is likely to cause serious public health problems; and*
7. *That the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. In this connection, the governing body may approve a map if it finds that alternate easements, for access or for use, will be provided, and that these will be substantially equivalent to ones previously acquired by the public. This subsection shall apply only to easements of record or to easements established by judgment of a court of competent jurisdiction and no authority is hereby granted to a legislative body to determine that the public at large has acquired easements for access through or use of property within the proposed subdivision.”*

None of the above findings of Section 66474 can be made or associated with the proposed subdivision as indicated in approval findings within the Findings below.

Allowable Uses

An integral part of the live/work units is the work component. A variety of small-scale services are encouraged by the Urban Plan with limited larger and commercial uses being permitted through discretionary review. Table 4 below shows the land use matrix which provides a list of permitted and conditionally permitted uses in live/work units as established in the 19 West Urban Plan. Uses “permitted by right” in a live work development are considered compatible with residential uses on the same development site. Only “conditionally” approved land uses would require subsequent review and action by the Planning Commission, at the time that the use is proposed. Parking requirements, hours of operation limitations, and other related conditions of approval would be stipulated for these conditional uses.

Table 4 – Live/Work Unit Land Use Matrix

LAND USE MATRIX	
P= Permitted, MC = Minor Conditional Use Permit, C= Conditional Use Permit	
LIVE/WORK UNITS	
• Artists, craftspersons, sculpture studios (woodworking, furniture restoration, painting, ceramics, etc.)	P
• Barber and beauty shops	P
• Catering	P
• Commercial art, graphic design, website designers	P
• Computer and data processing	P
• Legal, Engineering, Architectural, and Surveying services	P
• Offices: Professional, central admin., general, services to business	P
• Photocopying; Blueprinting and related services; photo finishing	P
• Printing and publishing	P
• Offices: medical/dental	MC
• Photography: Commercial	MC
• Photography: Portrait Studio	MC
• Recording studios	MC
• Studios: Dance; Martial arts; Music, Yoga, etc.	MC
• Retail Store	C
• Furniture repair and refinishing with incidental sales	C
VERTICAL/HORIZONTAL MIXED-USE DEVELOPMENT WITHOUT A LIVE/WORK COMPONENT REQUIRE A CONDITIONAL USE PERMIT IN THE MESA BLUFFS URBAN PLAN AREA	
<ol style="list-style-type: none"> 1. Pursuant to an approved master plan which specifies these operational characteristics and/or location of the business. 2. All other uses not specified in this table are either prohibited or may require a Conditional Use Permit, as deemed by the Development Services Director. 3. All other zoning classifications not specified in this table are not compatible with overlay district. 	

Required Studies

All live/work projects within the 19 West Urban Plan are required to submit a Noise Study, Phase I Environmental Assessment, and a Health Risk Assessment. The aforementioned studies were provided with the application and are attached to the report. The noise study was certified by a qualified acoustical engineer and indicated that the proposed construction design will meet the City’s Noise Ordinance requirements, specifically that interior noise levels will be 45 CNEL or less. A “Phase I Environmental Assessment” was provided and the environmental investigation concluded that no on-site hazardous were found. Finally, the Health Risk Assessment evaluates the potential health risk impacts of locating new residential units near surface streets and State highways. The evaluation was conducted and found that all potential applicable health risk contaminates are below the residential threshold, and therefore no mitigating measures would be required.

GENERAL PLAN CONFORMANCE

The proposed live/work development is consistent with the maximum allowable density of 20 dwelling units per acre in the 19 West Urban Plan area. The following analysis further evaluates the proposed project’s consistency with specific policies and objectives of the 2015-2035 General Plan.

1. **Objective LU-1A:** Establish and maintain a balance of land uses throughout the community to preserve the residential character of the City at a level no greater than can be supported by the infrastructure.

Consistency: The project is an infill live/work residential project under the allowable density for the 19 West Urban Plan area. Adequate infrastructure exists to serve the proposed project including water, electricity, gas, and sewer services. Therefore, the project is consistent with the General Plan objective. In addition, the project is in compliance with the Urban Plan Live/Work Architectural Design Guidelines and 19 West Urban Plan development standards.

2. **Policy LU-1.3:** Strongly encourage the development of residential uses and owner-occupied housing (single-family detached residences, condominiums, townhouses) where feasible to improve the balance between rental and ownership housing ownership opportunities.

Consistency: The project consists of demolishing an existing industrial property and constructing nine, multi-family residential ownership live/work units. Because the project consists of nine ownership units, the project complies with the policy. Further, the residential units are proposed generally less than 2,000 square feet which improve the affordability aspects for buyers; as compared to larger more expensive new homes. Lastly, the combined live/work aspects of the development also provide for greater ownership opportunities by reducing commuting costs, and combining live and work mortgage/rent payments.

3. **Objective LU-2A:** Promote land use patterns and development that contribute to community and neighborhood identity.

Consistency: The project would allow for the redevelopment of the existing industrial property. The proposed project would construct nine live/work units with high quality landscaping and designs. Perimeter walls will be constructed to ensure privacy of the existing and future uses. The four units adjacent to the street (Industrial Way) are oriented to face the street and features balconies, large windows, and storefronts that face the public right of way to increase visibility and neighborhood compatibility. As a result, the project complies with the objective.

4. **Policy HOU-2.1:** Facilitate the development of housing that meets the needs of all segments of the population including affordable housing and households with specialized needs

Consistency: The project includes specialized housing which includes both a workspace and a living space. The inclusion of both work and living space meets a need of specific populations looking to work from home or to operate small businesses out of their home. Therefore, the project complies with the policy.

5. **Policy HOU-3.2:** Encourage the development of well-planned and designed residential or mixed-use projects which, through vertical or horizontal integration, provide for the development of compatible residential, commercial, industrial, institutional, or public uses within a single project, neighborhood, or geographic area within the City.

Consistency: The project is a well-planned and designed mixed-use project. The project is compatible with surrounding uses including industrial, commercial and residential uses. The project improves the neighborhood by providing enhanced streetscape, large open store fronts facing the street, and enhanced landscaping.

ZONING AND 19 WEST URBAN PLAN CONFORMANCE

The City's base zoning district for the project site is "General Industrial". This zoning district is consistent with the "Light Industrial" General Plan Land Use Designation and provides provisions for a wide range of light and general industrial activities. As discussed under the analysis section, the project site is located within 19 West Urban Plan boundary and the project is a request for a Master Plan to develop a live/work mixed-use; therefore, CMMC Article 11- Mixed-Use Overlay District standards would apply to the proposed project and the provisions of this article supersedes certain requirements of the base "General Industrial" zoning designation.

As mentioned above, City Council adopted the Urban Plan which applied a mixed-use overlay zoning district to the project site. When activated by an approved Master Plan, the underlying zoning is superseded by the overlay zoning district. The 19 West Urban Plan prescribes the density and intensity for live/work development. The floor area ratio (FAR) and vehicle trip generation work in concert to ensure that new live/work developments do not exceed the capacity of the circulation system. Pursuant to an approval of the Master Plan and described in detail in this report, the proposed live/work development conforms with the 19 West Urban Plan.

FINDINGS

Pursuant to Title 13, Section 13-83.53(c), Master Plan Findings for Mixed-Use Overlay District, Section 13-83.53(d), Deviation from development standards findings and Section 13-29(g)(13), Findings for Tentative Maps, of the CMMC, in order to approve the project, the Planning Commission must find that the evidence presented in the administrative record substantially meets the following applicable required findings:

Master Plan Finding for Mixed-Use Overlay District Findings – CMMC Section 13-83.53(c)

- *The project is consistent with the general plan, meets the purpose and intent of the mixed-use overlay district, and the stated policies of the urban plan as applicable.*

The project is consistent with the General Plan in that the proposed development will encourage ownership housing, promote land use patterns and development that contribute to the community, facilitate the development of housing that meets the housing needs of different segments of the population, and to encourage well planned and designed mixed-use projects.

- The project includes adequate resident-serving amenities in the common open space areas and/or private open space areas in areas including, but not limited to, patios, balconies, roof terraces, walkways, and landscaped areas.

The project includes adequate open space areas and each unit is proposed to include private open space including a second story deck attached to the main living area ranging between 90 to 145 square feet. In addition, each unit is proposed to include a roof deck ranging between 145 to 189 square feet. Lastly, the site as a whole will be developed with significantly more landscaping than the existing development, and is in compliance with the Landscaping requirement of the Urban Plan.

- The project is consistent with the compatibility standards for residential development in that it provides adequate protection for residents from excessive noise, odors, vibration, light and glare, and toxic emanations.

The project is compatible with standards for residential development in that the development will protect residents from excessive noise, odors, vibration, light and glare, and toxic emanations. The applicant has supplied technical studies including a Noise Study, Phase I Environmental Assessment, and a Health Risk Assessment. The noise study was certified by a qualified acoustical engineer and indicated that the proposed construction will meet the City's Noise Ordinance requirements with standard construction techniques, specifically that interior noise levels will be 45 CNEL or less. The Phase I Environmental Assessment's reported that the site did not include toxic substances and that the project does not require any remediation. Finally, the Health Risk Assessment evaluates the potential health risk impacts of locating new residential units near surface streets and State highways. The evaluation was conducted and found that all potential contaminates are below the residential threshold and therefore, that no mitigating measures would be required. Therefore, the project is compatible with health standards required for residential development.

- The proposed residences have adequate separation and screening from adjacent commercial/industrial uses through site planning considerations, structural features, landscaping, and perimeter walls.

The project has adequate separation and screening from adjacent commercial and industrial uses. The closest industrial uses are to the left (north) and rear (east) of the proposed development behind existing block walls. The proposed northern building is located approximately five feet from the northern property line, and the adjacent use is a self-storage facility which will have minimal impact

on the live/work units. The rear (east) property line is adjacent to an automotive use and is separated from the live/work units by approximately 30 feet.

Deviation from Development Standards Findings – CMMC Section 13-83.53(d)

- *The strict interpretation and application of the mixed-use overlay district's development standards would result in practical difficulty inconsistent with the purpose and intent of the general plan and urban plan, while the deviation to the regulation allows for a development that better achieves the purposes and intent of the general plan and urban plan.*

The 19 West Urban Plan allows for the project to seek a deviation from the required lot size if all other standards are met. The minimum lot size is one-acre while the proposed lot size is 0.44 acres. As proposed, the project complies with all required standards with the exception of the minimum lot size requirement. The project succeeds in providing nine live/work units on a site less than one acre and meets the intent of the General Plan and Urban Plan in that quality live/work housing is provided and in exchange for the deviation, high quality landscaping is provided which exceeds the required number of plants, and the project focuses on pedestrian connectivity by facing nearly half of the unit's storefronts' toward Industrial Way.

- *The granting of a deviation results in a mixed-use development which exhibits excellence in design, site planning, integration of uses and structures and compatibility standards for residential development.*

The deviation for the development on a lot less than one-acre results in a development which exhibits excellence in design and site planning. The project includes well-crafted live/work units which complement the neighborhood and the City as a whole. The provision of extra landscaping, and the units facing Industrial Way with large open storefronts contributes to the project design excellence. The project complies with all other applicable Urban Plan standards and policies and therefore is compatible.

- *The granting of a deviation will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.*

The deviation will allow for a live/work development on 0.44 acre parcel which is less than the required one-acre minimum. As required for all live/work projects, various studies have been provided which demonstrate that the project is compatible with all required health standards. In addition, the project will not negatively impact public health, safety, and welfare in that the project will comply with all building and fire code requirements.

Tentative Tract Map Findings – CMMC Section 13-29(g)(13)

- The creation of the subdivision and related improvements is consistent with the general plan, any applicable specific plan, and the Zoning Code.

The proposed parcel map is consistent with General Plan Land Use Objectives LU-1A, LU-2A, and Policies LU-1.3 HOU-2.1 and HOU-3.2, in that adequate infrastructure exists to serve the proposed project; the subdivision allows for a project that would promote homeownership opportunities and improve the balance between rental and ownership housing in the City. The subdivision would allow for a redevelopment live/work project that improves the neighborhood with updated architectural aesthetics and landscaping. The parcel map would allow for a new live/work project that would not exceed the maximum allowable density of 20 units per acre and, therefore, would be consistent with the General Plan and 19 West Urban Plan. The project design would comply with all other development standards for a 19 West Urban Plan with the exception of the deviation requested for the minimum lot size. The project would provide additional market rate housing units consistent with satisfying the City's required Regional Housing Needs Assessment (RHNA).

- The proposed use of the subdivision is compatible with the General Plan.

The subject property has a General Plan land use designation of Light Industrial and is located within the 19 West Urban Plan overlay zone, which allows live/work residential uses at a maximum of 20 dwelling units per acre. The Floor Area Ratio (FAR) for the live/work project is 0.98 which is within the allowable FAR of 1.0 of the General Plan. The tract map proposes a live/work use that does not exceed the maximum density allowed per the General Plan and therefore, the proposed use is compatible with the General Plan.

- The subject property is physically suitable to accommodate the subdivision in terms of type, design and density of development, and will not result in substantial environmental damage nor public health problems, based on compliance with the Zoning Code and General Plan, and consideration of appropriate environmental information.

The existing property is relatively flat and suitable to accommodate nine new live/work units. The overall design reflects a quality project that is consistent with the intent of the Urban Plan, Zoning Code, and General Plan. The project studies have demonstrated that the project will not result in environmental damage nor public health problems.

- The design of the subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities in the subdivision, as required by State Government Code section 66473.1.

The Subdivision would meet the applicable live/work development standards including minimum open space for the development. The project includes windows

which will allow for passive heating and cooling. The buildings generally feature windows in the north and south orientation which will allow for the prevailing sea breezes to flow through the structure. The inclusion of new trees will also provide additional shade throughout the property.

- The division and development will not unreasonably interfere with the free and complete exercise of the public entity and/or public utility rights-of-way and/or easements within the tract.

The project has been reviewed by the Public Works Department and there are no anticipated conflicts with the public rights-of-way or other public easements.

- The discharge of sewage from this land division into the public sewer system will not violate the requirements of the State Regional Water Quality Control Board pursuant to Division 7 (commencing with State Water Code section 13000).

The applicant will be required to comply with all regulations set forth by the Costa Mesa Sanitation District as well as the Mesa Water District.

ENVIRONMENTAL DETERMINATION

The project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15332 (Class 32), In-Fill Development. Under Class 32, a project site must be less than five acres in area, have no significant environmental effects, be consistent with the General Plan and Zoning Code, have adequate utilities to serve the site, have no valuable habitat for endangered species, will not result in significant effects relating to traffic, noise, air quality, or water quality, and the site must be adequately served by all required utilities and public services is exempt from the provisions of CEQA. The proposed project meets the aforementioned CEQA exemption conditions as described below:

- The project is consistent with the mixed-use overlay zoning designation and the General Plan because it proposes less units than allowed by the Urban Plan maximum density (20 units per acre). In addition, the project complies with all zoning requirements including, open space, height, lot coverage, setbacks, and parking requirements.
- The proposed development occurs entirely within the City of Costa Mesa on a lot size of 19,147 square feet (0.44 of an acre).
- The existing disturbed project site has no value as a habitat for endangered, rare, or threatened species and includes two industrial developments, associated parking lots, and additional paving.
- Approval of the project will not result in any significant effects relating to traffic, noise, air quality, or water quality. Studies have been provided which indicate that there are no hazardous materials that require mediation, that the air quality of the proposed developments is within required thresholds, and that the noise associated

with the project complies with the City's noise ordinance. The anticipated project daily trips is 128, which can be accommodated by the existing traffic infrastructure. In regards to short term noise related to construction, construction activities generally are temporary and have a short duration, resulting in periodic increases in the ambient noise environment. Ground-borne noise and other types of construction-related noise impacts would typically occur during the site grading phase. Generally, this phase has the shortest duration of all construction phases. High ground borne noise levels and other miscellaneous noise levels can be created during this phase due to the operation of graders, tractors, and backhoes. Although sensitive receptors may be exposed to increased noise levels during project construction, Municipal Code Section 13-279 permits construction activities between 7:00 a.m. to 7:00 p.m. Monday through Friday, and 9:00 a.m. to 6:00 p.m. on Saturday. Construction activities are not allowed on Sundays or Federal holidays.

- The current uses on-site are adequately served by all required utilities and public services and these existing services can also accommodate the proposed live/work development.

Based on this analysis, the proposed live/work development project meets all criteria for a Class 32 Categorical Exemption pursuant to CEQA Guidelines Section 15332.

ALTERNATIVES

Planning Commission determination alternatives include the following:

1. Approve the project. The Planning Commission may approve the project as proposed, subject to the conditions outlined in the attached Resolution.
2. Approve the project with modifications. The Planning Commission may suggest specific changes that are necessary to alleviate concerns. If any of the additional requested changes are substantial, the hearing should be continued to a future meeting to allow a redesign or additional analysis. In the event of significant modifications to the proposal, staff will return with a revised Resolution incorporating new findings and/or conditions.
3. Deny the project. If the Planning Commission believes that there are insufficient facts to support the findings for approval, the Planning Commission must deny the application, provide facts in support of denial, and direct staff to incorporate the findings into a Resolution for denial. If the project is denied, the applicant could not submit substantially the same type of application for six months. However, because this project is subject to the Housing Accountability Act (Government Code Section 65589.5), if the Planning Commission denies or reduces the proposed density of the proposed housing project, and the development is determined to be consistent with applicable, objective general plan, zoning, and subdivision standards and criteria, including design review standards, the Planning Commission must make the following written findings:

- The housing development project would have a specific, adverse impact upon the public health or safety unless the project is disapproved or approved upon the condition that the project be developed at a lower density; and
- There is no feasible method to satisfactorily mitigate or avoid the adverse impact, other than the disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density. Feasible means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.

LEGAL REVIEW

The draft Resolution and this report have been approved as to form by the City Attorney's Office.

PUBLIC NOTICE

Pursuant to Title 13, Section 13-29(d) of the Costa Mesa Municipal Code, three types of public notification have been completed no less than 10 days prior to the date of the public hearing:

1. **Mailed notice.** A public notice was mailed to all property owners and occupants within a 500-foot radius of the project site. The required notice radius is measured from the external boundaries of the property.
2. **On-site posting.** A public notice was posted on each street frontage of the project site.
3. **Newspaper publication.** A public notice was published once in the Daily Pilot newspaper.

As of the date this report was circulated, no written public comments have been received. Any public comments received prior to the October 9, 2023 Planning Commission meeting will be provided separately.

CONCLUSION

Approval of the project would allow the development of nine new live/work condominium residential units which would increase the supply of home ownership opportunities in the City Costa Mesa as encouraged by the City's General Plan. The applicant has incorporated many of the design suggestions and comments of the City Council as indicated during the project screening, and the live/work development is consistent with the City's General Plan, Zoning Code and applicable Urban Plan provisions. The project is designed with high-quality materials and finishes, is compliant with applicable development standards, and the design would result in a general enhancement of the area. Therefore, staff recommends approval of the project.