

DATE: November 8, 2019

TO: Reviewing Agencies and Other Interested Parties

FROM: City of Newport Beach, Community Development Department, 100 Civic Center Drive, Newport Beach, California 92660

PROJECT TITLE/SUBJECT: Newport Village Mixed-Use Project - Notice of Preparation of an Environmental Impact Report and Notice of Public Scoping Meeting (PA2017-253)

PROJECT APPLICANT: MX3 Ventures - MSM Global

NOTICE OF PREPARATION REVIEW PERIOD: November 8, 2019 through December 9, 2019 (31 days)

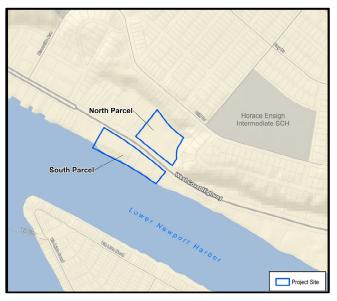
SCOPING MEETING: November 20, 2019 at 6:00PM in the Civic Center Community Room

The purpose of this Notice of Preparation (NOP) is to notify potential Responsible Agencies (Agencies) that the Lead Agency, the City of Newport Beach (City), will prepare an Environmental Impact Report (EIR) for the proposed Newport Village Mixed-Use Project (Project) and to solicit comments and suggestions regarding (1) the scope and content of the EIR and (2) the environmental issues and alternatives to be addressed in the EIR (California Environmental Quality Act [CEQA] Guidelines Section 15082). This NOP also provides notice to interested parties, organizations, and individuals of the preparation of the EIR and requests comments on the scope and contents of the environmental document.

PROJECT LOCATION:

The project site is located in the City of Newport Beach, which is at the western edge of Orange County (County), adjacent to the Pacific Ocean and is bordered by Costa Mesa to the northwest, Huntington Beach to the west, Irvine to the northeast, and unincorporated portions of Orange County to the southeast. The project site is approximately 9.4 acres and is located on six existing parcels that will be consolidated to two parcels on the north and south sides of West Coast Highway. The site is located in the Mariners' Mile corridor within the Coastal Zone. The south portion of the project site is adjacent to Lower Newport Harbor. A project vicinity map is provided to the right.

The Project's North Parcel is approximately 5.3 acres and located at 2000–2244 West Coast Highway. The Project's South Parcel is approximately 4.1 acres and located at 2001-2241 West Coast Highway. Existing development on the project site consists of a mix of retail, marine-related commercial, boat rental, service uses, office, and surface parking lots.



PROJECT DESCRIPTION:

MX3 Ventures – MSM Global (Project Applicant) proposes to demolish existing structures and redevelop the project site and construct a mixed-use development encompassing approximately 9.4 acres on the north and south sides of West Coast Highway in the Mariners' Mile corridor. The existing structures at 2241 West Coast Highway (A'maree's) and 2244 West Coast Highway (office/vehicle sales) would remain. All other structures will be demolished, and existing uses will be discontinued or relocated upon Project implementation. The Project includes a total of 122 residential dwelling units (14 residential condominium units on the South Parcel and 108 apartment units on the North Parcel) and 128,640 square feet of nonresidential floor area (including 96,905 square feet of existing and new office, 19,820 square feet of boat/vehicle sales, and 11,915 square feet of existing and new retail/food service). The design includes a new publicly accessible waterfront promenade and 827 surface,

structured, and subterranean parking spaces. The existing bulkheads would be reinforced and capped along the waterfront. The proposed marina design would add headwalk sections, a new gangway, and reduce the total number of slips from 68 slips to 63 slips. The maximum height of proposed buildings on the North Parcel is 26 feet for a flat roof and 31 feet for a pitched roofline and 35 feet for a flat roof on the South Parcel, as measured from established grade.

Development of the Project would require the following discretionary approvals from the City of Newport Beach:

- Approval in Concept for Coastal Commission review of the bulkhead improvements and partial marina re-design
- Coastal Development Permit to allow the construction of the Project and uses in the Coastal Zone
- **Conditional Use Permit** to allow a parking management program
- **Major Site Development Review** to consider the scope of the mixed-use Project and allow an adjustment of building height above the 26/31 feet base height limit to a maximum of 35 feet and the Project construction
- Tentative Tract Map to merge underlying parcels and allow 14 residential condominium units
- **Traffic Study** to consider the projected increase in vehicle trips resulting from the proposed Project pursuant to the City's Traffic Phasing Ordinance.

In addition to the discretionary actions described above, the Project would require coordination with California Department of Transportation (Caltrans) for improvements involving the public right-of-way at West Coast Highway.

NOTICE OF PREPARATION (NOP):

The City has prepared a project summary to provide an overview of the proposed development. The City has made a determination that a full-scope EIR, inclusive of all environmental topics with the exception of Agricultural & Forestry and Mineral Resources, is required for the proposed Project. The NOP and accompanying project summary can also be accessed online at: <u>http://www.newportbeachca.gov/ceqa</u>. Copies are available for review at the City of Newport Beach, Community Development Department, 100 Civic Center Drive, Newport Beach, California, 92660, and at the following locations:

Newport Beach Public Library Newport Beach Public Library Central Library Mariners Branch 1000 Avocado Avenue 1300 Irvine Avenue Newport Beach, California 92660 Newport Beach, California 92660 Newport Beach Public Library Newport Beach Public Library Balboa Branch Corona del Mar Branch 100 East Balboa Boulevard 410 Marigold Avenue Newport Beach, California 92660 Corona del Mar, California 92625

The City of Newport Beach requests your careful review and consideration of this notice, and it invites any and all input and comments from interested Agencies, persons, and organizations regarding the preparation of the EIR. Pursuant to CEQA Section 21080.4, comments must be submitted in response to this notice no later than 31 days after receipt of the NOP during the scoping period, which begins on November 8, 2019, and ends at the close of business on December 9, 2019. All comments or other responses to this notice should be submitted in writing to:

Makana Nova, AICP, Associate Planner City of Newport Beach, Community Development Department 100 Civic Center Drive Newport Beach, California 92660 <u>mnova@newportbeachca.gov</u> 949.644.3249

NOTICE OF PUBLIC SCOPING MEETING:

The City will conduct a public scoping meeting in conjunction with this NOP in order to present the Project, describe the EIR process, and to receive public comments and suggestions regarding the scope and content of the EIR. The meeting will be held on November 20, 2019, at 6:00PM at the Civic Center Community Room, 100 Civic Center Drive, Newport Beach, California 92660.

NEWPORT VILLAGE MIXED-USE PROJECT - PROJECT SUMMARY

The City of Newport Beach is the Lead Agency under CEQA for the preparation of an EIR for the proposed Newport Village Mixed-Use Project. Section 15161 of the State CEQA Guidelines states that an EIR "...should focus primarily on the changes in the environment that would result from the development of the Project. The EIR shall examine all phases of the Project including planning, construction, and operation."

Existing Setting

The project site is located in the City of Newport Beach, at the western edge of Orange County, adjacent to the Pacific Ocean and is bordered by Costa Mesa to the northwest, Huntington Beach to the west, Irvine to the northeast, and unincorporated portions of Orange County to the southeast. The project site is approximately 9.4 acres and is within the City's Mariners' Mile corridor and the Coastal Zone. Existing development on the project site consists of a mix of retail, marine related commercial such as boat rental/sales, service uses, offices, and surface parking lots consistent with "highway-oriented retail and marine-related commercial uses," as characterized in the General Plan. A portion of the project site is located within and adjacent to Lower Newport Harbor and the entire project site is located within the Coastal Commission's appeal jurisdiction boundary.

<u>North Parcel</u>: The approximately 5.3-acre North Parcel contains an office building in the western portion of the parcel, and two marine-related commercial uses in the middle and eastern portions of the parcel. The northern and eastern boundaries of the Project's North Parcel consist of a naturally occurring slope/bluff that ranges from 11 to 37 feet in height, although the project site itself is relatively flat sloping towards Lower Newport Harbor. The North Parcel is bordered to the west by a Holiday Inn Express and to the north and east by single-family residential at the top of the bluff along Cliff Drive and Kings Road. To the east is a single commercial structure occupied by the Novamar Yacht Insurance company, and to the south is West Coast Highway.

<u>South Parcel:</u> The approximately 4.1-acre South Parcel contains retail, marine-related commercial, office, and boat rental/sales uses. The South Parcel fronts West Coast Highway along its north boundary and extends south to the existing bulkhead and boardwalk promenade that is along the south boundary with Lower Newport Harbor. To the west, the South Parcel is bordered by a multi-tenant commercial development that contains a variety of retail and waterfront uses. On the east, the South Parcel is bordered by the Boy Scout's Newport Sea Base.

General Plan and Zoning

The Project is located in Mariners' Mile, with separate General Plan and Zoning designations for each of the two parcels.

<u>North Parcel</u>: The General Plan land use designation of the North Parcel is Mixed-Use Horizontal (MU-H1) and the zoning designation is Mixed Use-Mariners' Mile (MU-MM). The permitted uses under the MU-H1 designation include marine-related and highway-oriented general commercial, and the MU-MM designation allows uses such as the proposed multi-unit residential or vertical mixed-use structures (i.e., ground floor non-residential uses with residential above).

<u>South Parcel</u>: The South Parcel has a General Plan designation of Mixed-Use Water Related (MU-W1) and a zoning designation of Mixed-Use Water Related (MU-W1). MU-W1 permitted uses include multi-family residential, mixed-use, and commercial. The zoning designation of MU-W1 allows nonresidential uses, including the proposed marine-related and visitor-serving uses, and residential dwelling units may be intermixed.

Description of the Project

The Newport Village Mixed-Use Project proposes a 9.4-acre mixed-use development on two parcels located generally across from each other along West Coast Highway between Newport Boulevard and Dover Drive in the Mariners' Mile corridor.

The proposed Project consists of 14 residential condominium units on the South Parcel and 108 apartment units on the North Parcel, 128,640 square feet of nonresidential floor area (including 96,905 square feet of existing and new office, 19,820 square feet of boat and vehicle sales, and 11,915 sf of existing and new retail/food service uses), surface, subterranean, and structured parking, a new pedestrian promenade along the waterfront, public open space areas, landscaping, a reinforced/capped

bulkhead/seawall, marina improvements, retaining walls, wet and dry utility relocations and improvements, as well as improvements within the West Coast Highway public right-of-way, which would require coordination with Caltrans.

<u>North Parcel:</u> The 5.3-acre North Parcel, located on the north side of West Coast Highway, would include 7,900 sf of vehicle showroom space, 55,280 sf of office space, 108 multi-family residential apartment units, and a parking garage. The existing 17,000 sf office building at the northwestern portion of the site (2244 West Coast Highway) is included as office uses in the North Parcel office space total but is anticipated to remain as a pre-owned luxury automobile sales showroom, pursuant to Conditional Use Permit No. UP2018-010 for the foreseeable future.

<u>South Parcel:</u> The 4.1-acre South Parcel, located between West Coast Highway and Lower Newport Harbor, would include 11,920 sf of boat showroom space, 11,915 sf of retail and food service, 41,625 sf of office uses, 14 multi-family residential condominium units, docks, boat slips, and a parking structure. Although the 8,100 sf A'maree's building (2241 West Coast Highway) is anticipated to remain as a retail use for the foreseeable future, the Project assumes its ultimate re-use as a restaurant. Exhibit 1 depicts the Project's conceptual site plan.

Access and Parking

Access to the project site would occur from driveways off West Coast Highway, as described below. The North Parcel would be accessible from West Coast Highway via a single, two-way driveway. The residential uses within the South Parcel would be accessible from West Coast Highway via two gated two-way driveways located on opposite sides of the residential frontage on West Coast Highway. Access and parking for the retail/showroom, restaurant, and office uses on the South Parcel would be provided via one additional two-way driveway off West Coast Highway, near the center of the South Parcel and one egress driveway at the west end of the South Parcel.

One, four-level parking structure would be constructed as part of the proposed Project on the South Parcel, consisting of one level of partially subterranean parking and three additional levels of parking at and above-ground. The South Parcel would also include a parking garage with guest parking and separate assigned resident parking spaces for its 14 residential units. One, three-level parking structure would be constructed as part of the proposed Project on the North Parcel, consisting of one level of subterranean parking and two additional levels of parking at and above-ground.

The internal site circulation would consist of two-way vehicular circulation routes from the Project's driveways at West Coast Highway to and within parking and drop-off areas in both Project parcels. In the North Parcel, a one-way drop-off area would be provided at the center of the site off of the main driveway. The North and South Parcels have been designed to include pedestrian access paths. A new publicly-accessible boardwalk would be provided along the waterfront within the South Parcel. Additionally, the Project proposes modifications to the proposed dock layout adjacent to the South Parcel, including the Duffy Boat rental location, and the provision of a new accessible raised walkway.

Construction and Phasing

Development of the Project is anticipated to occur in three phases and would involve the demolition of select site structures. The first phase of Project construction would occur within the South Parcel and would involve construction of Buildings S2a (parking structure) and S2b (boat showroom and office) and would occur over a period of approximately 11 months.

The second phase would include construction of Building S1 (boat showroom, restaurant, office, and 14 condo units) on the South Parcel and would occur over a period of approximately 13 months. Within the South Parcel, Project improvements would require the demolition of the structures within the Newport Marina center including the buildings at the southern/southeastern portion of the parcel containing office uses and the buildings at the southwestern portion containing Duffy Electric Boat Sales and Rental Company. The existing building containing the A'maree's retail location would remain as part of the Project.

The third phase would include construction of Buildings N1, N2, N3, and N4 (108 apartments, parking structure, vehicle showroom, and office) within the North Parcel and would occur over a period of approximately 21 months. The above buildings are shown on Exhibit 1. Project improvements within the Project's North Parcel would require the demolition of the two existing structures used as boat sales facilities at middle and southern portions of the site. The office building (2244 West Coast Highway) within the North Parcel would remain as part of the Project.

During construction, major activities for all Project phases would include dewatering, demolition, mass excavation, temporary shoring, underground utility installation and relocation, pile driving, building construction, and landscaping. The Project would require approximately 47,100 cubic yards of soil to be exported from the site via haul trucks.

Alternatives to the Proposed Project

CEQA Guidelines Section 15126.6(a) requires that, "an EIR describe a range of reasonable alternatives to the Project, or to the location of the Project, which would feasibly attain most of the basic objectives of the Project but would avoid or substantially lessen any of the significant effects of the Project, and evaluate the comparative merits of the alternatives." The City will develop alternatives as part of the EIR process. The alternatives, which will include the CEQA-required No Project Alternative, will be determined once the technical analysis is complete and there is an understanding of the Project's potentially significant impacts.

Probable Environmental Effects of the Proposed Project

The City of Newport Beach has determined that all environmental topics, with the exception of Agricultural and Forestry Resources and Mineral Resources, will be included and analyzed in the EIR for the proposed Newport Village Mixed-Use Project.

- Aesthetics
- Air Quality
- Biological Resources
- Cultural Resources
- Energy
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality

- Land Use and Planning
- Noise
- Population and Housing
- Public Services
- Recreation
- Transportation
- Tribal Cultural Resources
- Utilities and Service Systems
- Wildfire

Anticipated Schedule

As currently envisioned, it is anticipated that the Draft EIR will be available for public review in summer of 2020. A 45-day public review period will be provided, after which responses to comments received will be prepared. The Newport Beach Planning Commission will then hold a public hearing and make a recommendation on certification of the EIR to the City Council. Public hearings are anticipated in fall of 2020. If approved, the Project would then proceed to the California Coastal Commission for review of a Coastal Development Permit.

Conclusion

The City of Newport Beach requests the public's careful review and consideration of this notice, and it invites any and all input and comments from interested agencies and persons regarding the preparation and scope of the Draft EIR.

