



CAPITAL VENTURES • COMMUNITY DEVELOPMENT • PROPERTY MANAGEMENT

September 26, 2013

Mr. Ed Selich, Chairman
Land Use Element Advisory Committee
City of Newport Beach
100 Civic Center Drive
Newport Beach, C 92657

Attn: Brenda Wisnewski

Re: Clarification of Request for increase in the Residential Unit Cap in the Airport Area

Dear Chairman Selich and Ms. Wisnewski:

We sent a letter dated September 16, 2013 requesting an increase in the residential unit cap for the Airport Area (replacement units) to be included in the proposed LUE Amendment being reviewed by the LUE Amendment Committee. As the owners of a majority of the property and buildings in the 19+ acre parcel known as Newport Corporate Plaza, (bounded by Von Karman, Birch, Campus and Teller), we sincerely appreciate the Committee's careful consideration for our initial request and the Council's support for the concept at the Study Session on September 24, 2013.

We believe that the opportunity to implement the MU-H2 designation of the existing General Plan is contingent on the addition of additional replacement units and on the creation of a quality mixed use project with hotel, residential and retail. Recognizing that the goal of the committee has been to include amendments that are traffic neutral, we initially proposed only the addition of 700 replacement units. As we undertake the major effort to begin the entitlement of the property for a mixed use development of residential, retail and possibly a hotel, the land uses are permitted in the General Plan but current traffic assumptions are an issue that needs resolution. To that end, we wish to clarify our request to offer two options for your consideration as follows:

1. The addition of 700 replacement units (traffic neutral)
2. A mixed use proposal of residential, hotel and retail (850 residential units, 150 hotel rooms, and 85,000 SF of retail, for an additional 5,000 trips)

To the extent a project description for the LUE Amendment environmental document can evaluate these two options, then there is an opportunity to examine the traffic assumptions in the Traffic Model and to evaluate the traffic impacts of both options, with the possibility of allowing the mixed use project beyond the traffic neutrality objective. We would like our traffic engineer to work with the City Traffic Engineer and the city's consultant from Urban Crossroads to examine these two options.

We appreciate your review of this request and look forward to a positive recommendation to the LUE Amendment Committee. We thank you for your efforts to work with us to address this important opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read 'Frank T. Suryan, Jr.', with a stylized flourish at the end.

Frank T. Suryan, Jr.
Chairman & CEO

Attachment

Cc: Gregg Ramirez, City of Newport Beach
Woodie Tescher, The Planning Center
Carol McDermott, Government Solutions, Inc.