



# NOTICE OF PREPARATION

**Date:** November 6, 2013

**To:** Reviewing Agencies and Other Interested Parties

**Subject:** Notice of Preparation of a Draft Environmental Impact Report

**Project Title:** Lido House Hotel

**Project Applicant:** R.D. Olson Development

**Scoping Meeting:** November 20, 2013 at 6:00 P.M.

The purpose of this Notice of Preparation (NOP) is to notify potential Responsible Agencies (Agencies) that the Lead Agency, the City of Newport Beach, plans to prepare a Project-level Environmental Impact Report (EIR) for the proposed Lido House Hotel (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 §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.

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 §21080.4, Agencies must submit any comments in response to this notice no later than 30 days beginning November 6, 2013, and ending the close of business on December 5, 2013. This NOP is available for view at the City of Newport Beach Planning Division, 100 Civic Center Drive, Newport Beach, California 92660, and can also be accessed online at:

<http://www.newportbeachca.gov/ceqadocuments>.

All comments or other responses to this notice should be submitted in writing to:

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The City will conduct a public scoping meeting in conjunction with this Notice of Preparation in order to present the Project and 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, 2013, at 6:00 P.M. at the old City Council Chambers, 3300 Newport Boulevard.

**Project Location.** The 4.27 acre site (3300 Newport Boulevard) is located at the northeast corner of the intersection of Newport Boulevard and 32<sup>nd</sup> Street on the Balboa Peninsula in the Lido Village area of Newport Beach.

**Background and History.** The project site is currently occupied by the former Newport Beach City Hall Complex, which supports approximately 65,000 square feet of administration/office floor area (previously used to support the former City of Newport Beach City Hall) and the existing Newport Beach Fire Department Fire Station No. 2 that is approximately 7,100 square feet. The City relocated City Hall staff from the site to the new Civic Center located at Newport Center in May of 2013, although the City continues limited use of various buildings. Fire Station No. 2 remains staffed and in operation at the project site.

For the past two decades, the City has considered making changes to its City Hall. Beginning in 2001, a thorough analysis of the existing City Hall Complex was performed. The study found that the aging facility had several significant problems including insufficient work space, lack of adequate parking, lack of full Americans with Disabilities Act (ADA) accessibility to every aspect of the Complex, and inefficient heating, ventilation, air conditioning (HVAC) and electrical systems. A new City Hall building was needed; however, funding and location issues still needed to be resolved. The City's Facilities Finance Review Committee determined that Newport Beach had the financial means to build a new City Hall along with the ability to finance other key city infrastructure improvements. The location of a new City Hall was a matter of much public debate that was resolved in February 2008, when a special ballot measure, Measure B, was approved by voters. Measure B amended the City Charter to say that City Hall should be on city-owned land on Avocado Avenue in the Newport Center. With the location determined, the City began the planning, design, and construction process for a new City Hall. Construction began at the new site in May of 2010 and has since been completed.

Planning for the re-use of the existing City Hall Complex began in 2010, with comprehensive re-imagining of the entire Lido Village area. The overall goal was to revitalize the area and create an inviting place for residents, visitors, and businesses. In January of 2011, the City approved "Concept Plan 5B" that provided a vision for the Lido Village area including the re-use of the Former City Hall Complex. Concept Plan 5B is a non-binding, non-regulatory plan that suggested the site be used for a variety of uses including a small community center, public plazas and promenades, residential uses, commercial uses, public parking, and a fire station. The concept plan also suggested new aesthetic and pedestrian-oriented improvements to the existing public streets in the area (Newport Boulevard, Via Lido, 32<sup>nd</sup> Street, Via Oporto, and Via Malaga). Planning for the site continued in 2011 and 2012, with the creation and adoption of the *Lido Village Design Guidelines* following extensive public input and involvement. The Design Guidelines do not address future land uses, but rather describe the overall design themes for future development within Lido Village. Since the adoption of the Design Guidelines in January of 2012, the City has focused on identifying appropriate land uses for the site, including the density and intensity of that use.

On September 25, 2012, the City Council approved a project description described as the "City Hall Reuse Project." Development considerations at this site included amending the General Plan, Coastal Land Use Plan (CLUP), and Zoning Code designations from "Public Facilities" to new "Mixed Use" designations in order to allow for the reuse of the 4.27 (gross) acre property. If approved, these amendments would allow for redevelopment of the former City Hall Complex property with a combination of land uses, including up to 99 market rate multiple-family residential dwelling units (e.g., mid-rise apartment), a hotel with a floor area of up to a maximum of 99,674 square feet, and up to 15,000 square feet of specialty retail uses. The

proposed amendments would also establish a 55-foot maximum building height (with architectural features up to 65 feet in height) in order to accommodate four-story buildings. Demolition of the existing buildings, establishment of interim uses, or construction of a specific project was not contemplated at that time. An Initial Study/Negative Declaration (IS/ND) was prepared for the City Hall Reuse Project and brought to the City Council for consideration; however, the IS/ND was not adopted.

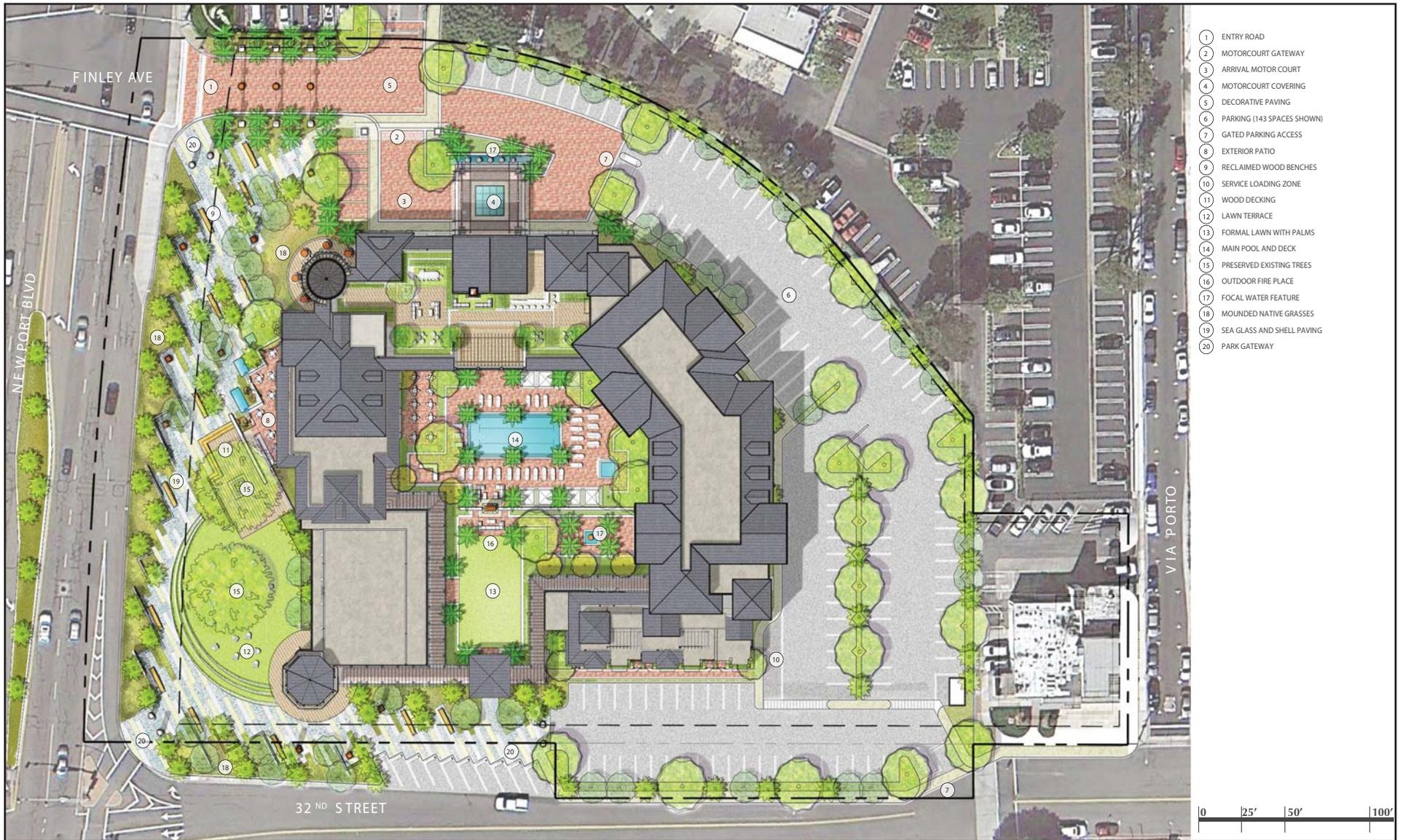
**Project Description.** The City plans to lease the majority of the site for the development of a 130-room Lido House Hotel, the subject of this Notice of Preparation; refer to Exhibit 1, *Conceptual Site Layout*. The proposed hotel would also include meeting rooms, accessory retail spaces, a restaurant, lobby bar, rooftop bar, guest pool and recreational areas, and all required appurtenant facilities including, but not limited to on-site parking, landscaping, utilities, and adjoining public improvements. The hotel would be no larger than 99,625 gross square feet. The project would also provide 143 surface parking spaces and would accommodate additional parking through active parking management including valet parking service.

The proposed architecture is planned to be consistent with the *Lido Village Design Guidelines*. The proposed structures would be approximately four-stories with architectural features up to 58.5-feet in height. The project would also include public open spaces consisting of pedestrian plazas, landscape areas, and other amenities proposed to be located along Newport Boulevard and 32<sup>nd</sup> Street. Landscaping within the public plaza space along Newport Boulevard would include a variation of grasses, shrubs, and trees. This plaza area would also include architectural features such as sea glass and shell paving, reclaimed wood benches, wood decking, a lawn terrace, and a park gateway.

The City is also considering relocating a portion of the existing, angled, metered parking on the north side of 32<sup>nd</sup> Street (just south of the old City Council Chambers) further to the east in front of St. James Church, which is located just west of Lafayette Road. Currently, there is excess street capacity along 32<sup>nd</sup> Street (just west of Lafayette Road) that would be modified in order to accommodate angled parking along the north side of 32<sup>nd</sup> Street in front of the church and travel lanes. This would also pull the curb line along the project site south and 32<sup>nd</sup> Street would be restriped with the intent to modestly “straighten” out the westbound traffic lane to improve vehicle maneuvering.

The project includes the following discretionary actions:

1. General Plan Amendment (GPA) - The amendment includes a text and map change to replace the existing Public Facilities (PF) designation for the site with a new mixed-use land use category (MU-H5) and establish density and intensity limits within Table LU-2 of the Land Use Element by establishing a new anomaly location.
2. Coastal Land Use Plan Amendment (CLUP) - The amendment includes a text and map change to replace the existing Public Facilities (PF) designation for the site with a new mixed-use land use category (MU) and establish density and intensity limits within Table 2.1.1-1. The proposed amendment also includes a change to Policy 4.4.2-1 to establish the policy basis for higher height limits.



- 1 ENTRY ROAD
- 2 MOTORCOURT GATEWAY
- 3 ARRIVAL MOTOR COURT
- 4 MOTORCOURT COVERING
- 5 DECORATIVE PAVING
- 6 PARKING (143 SPACES SHOWN)
- 7 GATED PARKING ACCESS
- 8 EXTERIOR PATIO
- 9 RECLAIMED WOOD BENCHES
- 10 SERVICE LOADING ZONE
- 11 WOOD DECKING
- 12 LAWN TERRACE
- 13 FORMAL LAWN WITH PALMS
- 14 MAIN POOL AND DECK
- 15 PRESERVED EXISTING TREES
- 16 OUTDOOR FIRE PLACE
- 17 FOCAL WATER FEATURE
- 18 MOUNDED NATIVE GRASSES
- 19 SEA GLASS AND SHELL PAVING
- 20 PARK GATEWAY

Source: WATG Architecture | Landscape.

3. Zoning Code Amendment - The amendment includes a text and map change to replace the existing Public Facilities (PF) zoning designation for the site with a new zone MU-LV designation (Mixed-Use-Lido Village) to establish density and intensity limits consistent with the proposed General Plan amendment. Development standards and allowed uses would also be established.
4. Site Development Review or Planned Development Permit - Either application process is authorized by the Zoning Code for the redevelopment of the site with the proposed Lido House Hotel and all appurtenant facilities. Redevelopment of the site includes the demolition of all on-site structures with the exception of Fire Station No. 2 and its appurtenant facilities. The project would include the provision of necessary utility connections to serve the proposed project. Public improvements consisting of modifying existing street improvements within abutting rights of way are also included. The project applicant would provide detailed plans including a site plan, floor plans, and elevation plans.
5. Conditional Use Permit – A Conditional Use Permit application for the proposed hotel including establishing necessary parking and any parking management provision.

**Environmental Analysis.** Due to the decision to prepare an Environmental Impact Report, an Initial Study was not prepared. This option is permitted under *CEQA Guidelines* Section 15063(a), which states that if the Lead Agency determines an EIR will be required for a project, the Lead Agency may skip further initial review and begin work on the EIR. The Draft EIR will focus on the following environmental issues:

- Aesthetics
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Recreation
- Transportation and Traffic
- Utilities and Service Systems

The Project-level EIR will particularly focus on the following topical areas:

*Aesthetics and Shade/Shadow.* The project represents a permanent change from the site's present visual character and could impact scenic vistas in the area, including those views from Sunset View Park, Cliff Drive Park, and Ensign View Park. The proposed project would also generate additional light and glare

during construction and at buildout and potentially shade shadow-sensitive uses as a result of increased heights. The Draft EIR will address aesthetics, shade/shadow, and light/glare issues.

*Air Quality.* The project may result in air quality impacts due to temporary construction-related emissions, as well as long-term air emissions from project operations associated with daily automobile traffic, in addition to energy consumption. Short-term construction air quality impacts that may occur include dust generation, construction vehicle emissions, and possible odors. With the development of the project, long-term air quality impacts may occur within the South Coast Air Basin. These issues will be addressed in the Draft EIR, including project consistency with regional air quality planning programs.

*Biological Resources.* The proposed project is primarily developed/disturbed, with the former City Hall Complex. The project site is not inhabited by native wildlife and vegetation, and is not known to support sensitive biological resources, other than six existing trees located on-site. The project could adversely impact these special status trees on-site. The Draft EIR will incorporate a *Habitat Assessment* and analyze the potential for biological resource impacts to tree species.

*Cultural and Historic Resources.* No culturally significant resources are known to exist at the site. The City of Newport Beach has previously conducted tribal consultation as required by Senate Bill 18 for the project site. However, the potential exists for the project to encounter unidentified prehistoric and historic resources that have not been subject to cultural resource studies. The Draft EIR will address potential cultural and historic resource impacts as a result of the proposed project.

*Geology and Soils.* The City of Newport Beach is situated within a seismically active region, capable of producing surface rupture, ground motion, liquefaction, or soil settlement of sufficient magnitude to damage buildings or structures during an earthquake. A *Geotechnical Report* will be incorporated into the Draft EIR and impacts associated with the potential for fault rupture, seismic hazards, landform modifications, and soil erosion will be considered.

*Greenhouse Gas Analysis/Climate Change.* Development of the proposed project could increase greenhouse gas emissions both during construction and operations of the project. The Draft EIR will analyze short-term construction activities, long-term operations, buildings, and transportation as these activities pertain to greenhouse gas emissions.

*Hazards and Hazardous Materials.* The existing on-site buildings and associated facilities are proposed to be demolished, which may result in the exposure to hazardous materials including asbestos, lead paints, and other hazardous materials. The Draft EIR will identify whether or not the proposed project would emit hazardous materials and/or interfere with any emergency response plans. Potential impacts to nearby residents and schools, if applicable, will also be evaluated.

*Hydrology and Water Quality.* The project site is situated adjacent to Newport Bay. According to flood hazard maps published by the Federal Emergency Management Agency, the project site is situated outside of the 100- and 500-year floodplains. The project would generate pollutants typical of urban development, which may adversely impact the beneficial uses of Newport Bay. The Draft EIR will analyze short-term temporary construction-related effects on hydrology and water quality; long-term project-related water quality; permanent changes to stormwater drainage and/or flooding; project-related impacts to groundwater quantity and quality; and off-site hydrology and water quality impacts.

Land Use and Relevant Planning. The proposed project will be evaluated in regards to consistency with the City of Newport Beach *General Plan, Municipal Code and Zoning Ordinance*, and the *Coastal Land Use Plan*. The proposed project will require a General Plan Amendment and Zone Code Amendment. The project's potential adverse impacts to adjacent land uses will also be evaluated through an analysis of short-term construction activities and long-term operations.

Noise. The development of the project may result in short-term construction noise and long-term changes in noise levels in the area due to traffic volume changes along area roadways. Project-related on-site activities and off-site mobile noise (from motor vehicles) may adversely affect adjacent sensitive receptors and locations through major travel routes in the City. The Draft EIR will summarize these potential noise-related issues.

Public Services and Utilities. Potentially affected agencies will be contacted to confirm relevant existing conditions, project impacts, and recommended mitigation measures. The discussion will focus on the potential alteration of existing facilities, extension or expansion of new facilities, and the increased demand on services based on the proposed land uses. The Draft EIR will evaluate the ability of the project to receive adequate service based on applicable City standards and, where adequate services are not available, will identify the effects of inadequate service and recommended mitigation measures.

Traffic and Parking. Potential impacts associated with construction-related traffic, project-related operational traffic, internal circulation, and emergency access of the project may occur. The project proposes various on-site and off-site circulation improvements, which may affect access, parking, and/or traffic volumes. The Draft EIR will summarize the results of a Traffic Impact Assessment addressing these issues and a Parking Study will be prepared that considers potential parking-related impacts.

Cumulative Impacts. Consistent with Section 15130 of the CEQA Guidelines, the Draft EIR will discuss cumulative impacts of the proposed project, addressing each topic covered in the environmental analysis.

Effects Not Found to be Significant. This section will discuss those environmental issues found not to have an impact as a result of the proposed project including.

Significant and Unavoidable Environmental Effects. This section will describe any significant and unavoidable impacts on the environment that cannot be avoided or reduced to a less than significant level with the application of mitigation measures.

Growth Inducing Effects. As a required discussion according to CEQA Section 15126.2(d), the Draft EIR will include a discussion of growth inducing effects. The anticipated growth conditions in the project area and parameters for consideration of any secondary impacts from growth will be discussed. The section will evaluate the potential for the proposed project to generate additional growth in the area using standard growth analysis criteria, such as the project's potential to foster economic or population growth or its potential to remove obstacles to population growth through extension of infrastructure.

Project Alternatives. Under CEQA, environmental documentation must include an analysis of a reasonable range of alternatives to the project, including the "No Project" alternative. Each alternative will be contrasted with the proposed project in terms of the extent to which project's objectives are met and a reduction in adverse impacts is achieved. The environmentally superior alternative will be identified.

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