#### 2.1 PROJECT BACKGROUND, PURPOSE AND OBJECTIVES

#### 2.1.1 Project Background

The proposed project site is 8.05 acres in size and located near the northern border of the City of Newport Beach. Figure 2-1 shows the regional location of the proposed project site. The site is located on the northwest corner of MacArthur Boulevard and Jamboree Road in the City of Newport Beach, and is bounded on the north by an office building (3991 MacArthur Boulevard) that separates the project site from Bowsprit Drive, on the east by MacArthur Boulevard and on the west by Dove Street. A strip shopping center between the project site and Bristol Street (which runs parallel to SR 73) bounds the project on the south. The project site includes an office park known as Park MacArthur and an adjoining Avis rental car storage facility. It is surrounded by office uses on the north, east and west.

The proposed project site is currently developed with Platt College (a small graphic arts school with approximately 250 students), general office uses and the Avis rental car storage facility. It consists of two contiguous parcels which include the addresses 3901, 3931 and 3961 MacArthur Boulevard and 848 and 888 Dove Street. The parcel on the northern edge of the project site (3901, 3931 and 3961 MacArthur Boulevard) is approximately 5.05 acres in size and contains three separate buildings, while the southern parcel (848 and 888 Dove Street) is approximately three acres in size and also includes three separate buildings. These uses would be demolished to allow for redevelopment of the project site and construction of the proposed Lexus Dealership.

The buildings located on the northernmost parcel are part of the office park known as Park MacArthur. On this slightly larger than five-acre parcel are three buildings. Each of the three buildings is two stories in height and approximately 30,000 square feet in size. The building located at the south end of the site (3901 MacArthur Boulevard) is currently occupied by Platt College; the other buildings are used for general office purposes.

The southern portion of the site is developed with an Avis rental car storage facility that includes three structures: a 2,500 square-foot office structure located at 848 Dove Street; a 2,700 square-foot structure at the southwest corner of the site that includes office cubicles, restrooms, and an employee kitchen; and a 10,000 square-foot cinderblock "shop" building used primarily for rental car maintenance.



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SOURCE: Thomas Brothers Maps, 2004

Figure 2-1 Project Location Map The applicant proposes to redevelop the project site for a Lexus dealership with an automotive sales and service center. The site currently has a General Plan land use designation of "Administrative, Professional and Financial Commercial" on the north parcel, and "Retail and Service Commercial" on the south parcel. The project requires a change in General Plan land use designation for the north parcel from "Administrative, Professional and Financial Commercial" to "Retail and Service Commercial."

The site is currently zoned as Planned Community. General development regulations for the Planned Community zoning district at this location are set forth in "Planned Community Development Standards, Newport Place" and allows an auto center on the southern three acre parcel and office buildings on the northern five acre parcel. "Planned Community Development Standards, Newport Place" would be revised to accommodate the proposed use on both parcels. As in the existing Planned Community Development Standards, Newport Place, the revised text will include automobile centers as permitted uses subject to approval of a Use Permit.

#### 2.1.2 **Project Purpose and Need**

As the population of the City and the remainder of southern California increases, additional services, including commercial retail opportunities, are necessary. The development of the Newport Lexus automobile dealership would provide the residents of Newport Beach and the surrounding area with an additional retail commercial service. Furthermore, the development of the proposed project would provide an additional source of revenue for the City.

# 2.1.3 Project Objectives

The proposed project objectives are in accord with the specific goals of the City of Newport Beach Economic Development Objectives. These objectives are as follows:<sup>1</sup>

- The City Council recognizes that the City's ability to deliver quality municipal services is dependent on adequate tax revenues derived primarily from the properties and businesses located within the City.
- Healthy, thriving businesses not only increase property, sales and bed taxes they also provide employment opportunities that support local businesses and the strong residential property values that Newport Beach enjoys.

<sup>1</sup> City of Newport Beach Economic Development Policy <u>http://www.city.newport-beach.ca.us/Councilpolicies/K-10.htm</u>, accessed online August 2, 2004.

- The City Council seeks to promote economic activity within the City to maintain a healthy economy, provide revenue for high quality municipal services and infrastructure maintenance and improvements, and preserve the unique commercial villages in Newport Beach.
- All of these objectives serve the overriding purpose of protecting the quality of life of Newport Beach residents, and the City Council recognizes the need to balance economic development objectives with protection of the environment and the health and safety of the community.

The applicant's specific project objectives are:

- To better serve the existing Lexus customer base in Newport Beach;
- To expand Lexus' market share in Orange County and the Newport Beach area; and
- To construct a facility of high architectural quality, complementary to the Newport Beach image.

The project site is served by existing transportation infrastructure and is accessible by local residents. The Lexus dealership would create new temporary employment opportunities in the construction trades in the short-term and permanent employment opportunities in retail and service jobs. The proposed project would generate additional sales tax with which the City of Newport Beach may promote general welfare within the City.

# 2.2 PROJECT LOCATION AND SITE CHARACTERISTICS

# 2.2.1 Regional Setting

The proposed project is located less than one mile to the south and east of John Wayne Airport (JWA) and is less than one-quarter mile north of SR 73. It is approximately three miles southwest of the San Diego Freeway (I-405), two miles southwest of the University of California, Irvine, and two miles west of the San Joaquin Wildlife Sanctuary and University of California Natural Reserve System. The proposed project is located entirely within the boundaries of the City of Newport Beach adjoining the western border of the City of Irvine.

# 2.2.2 Physical Environmental Setting

The proposed project site is predominately flat with small slopes along the easterly boundary of the project site near the MacArthur Boulevard/Jamboree Road intersection and along Jamboree Road. The proposed project site consists of 8.05 acres and two separate parcels. Located on the northernmost parcel (3901, 3931 and 3961 MacArthur Boulevard) are three, two-story buildings. The buildings are currently occupied by Platt College (in one of the buildings) and general office

uses in the remaining two buildings. Located on the southernmost (848 and 888 Dove Street) parcel are an Avis rental car storage facility including two office structures and an automobile repair facility. Figures 2-2 and 2-3 present the existing conditions at the proposed project site showing the current development.

#### 2.2.3 Surrounding Land Uses

The proposed project is located in an area with primarily business and office uses. There is a small retail commercial shopping center located to the south along Bristol Street that stretches from Jamboree Road to Dove Street. The office buildings surrounding the site vary from one to two stories in height to approximately fifteen stories in height. The following land uses surround the site:

- North The site is bordered to the north by a three-story office building (3991 MacArthur Boulevard)
- East The site is bordered to the east by MacArthur Boulevard. Several high-rise office buildings are located across MacArthur Boulevard from the project site and several mid-rise buildings are located across the MacArthur/Jamboree from the site.
- South The site is bordered on the south by a shopping center whose occupants include Conroy's Flowers, Liquor-Mart, Supercuts, Yuki's Sushi, Celebrity Cleaners and Pizza Hut.
- West The site is bordered on the west by Dove Street. Quail Street intersects Dove Street and continues to the northwest from the property boundary separating the northern parcel from the southern parcel of the project site. A mid-rise building containing the offices of John Laing Homes (895 Dove Street) is located to the west of the property on the south side of Quail Street and a two-story building located at 901 Dove Street lies north of Quail Street. A Coco's Bakery and Restaurant (900 Bristol Street) is located to the southwest of the project site.

There are no sensitive receptors such as schools or residences within one half mile of the project site.

#### 2.3 **PROJECT DESCRIPTION**

The project applicant, Wilson Automotive Group, of Orange, California, proposes to develop a Lexus dealership showroom and an auto service building within a four-story parking structure for employee parking and storage of sales inventory. The existing buildings on the site would be



SOURCE: Environmental Science Associates

Newport Beach Lexus EIR / 204224 Figure 2-2 View of Platt College from Dove Street



Newport Beach Lexus EIR / 204224 **Figure 2-3** View of Avis Rent-A-Car Facility from Dove Street

SOURCE: Environmental Science Associates

demolished. The project includes amendment of the City of Newport Beach General Plan to change the land use designation of the five acre northern parcel from "Administrative, Professional and Financial Commercial" to "Retail and Service Commercial." The project also includes amendment of the Zoning district development regulations applicable to this site through revision of the text of "Planned Community Development Standards, Newport Place" to allow an automobile dealership on the northern five acre parcel. This amendment would allow general commercial uses, as currently defined in the Planned Community Development text, on the entire site. An automobile center would be permitted subject to approval of a Use Permit. The proposed development plans would involve the construction of a Lexus Dealership that would include the following elements:

- 33,700 square-foot showroom;
- Four-story parking structure with rooftop parking;
- 96,300 square-foot automotive parts and service center on first level of parking structure.

A site plan of the proposed project is shown in Figure 2-4. Although the showroom would be 33,700 square feet in size, the actual "footprint" of the project would be 27,700 square feet; the additional 6,000 square feet would be utilized in the form of a mezzanine. The overall showroom building height would be 35 feet. The showroom would be in the approximate center of the site. The showroom building main entrance would face northeast, toward MacArthur Boulevard. The showroom building would include an area for sales managers and service writers, a customer lounge, and a merchandise boutique. The rear of the showroom building (east side) would include the service reception area and cashier. The showroom would include two customer patios, one on the north side of the showroom and one on the east side of the showroom.

The automobile service center would be located within the parking structure and would consist of a 75,000 square-foot service area on the first floor. An additional 18,000 square-foot service area would be provided on the second floor of the parking structure. A car wash facility would be located adjacent to the southwesterly side of this building on the ground floor. Automobile inventory and employee parking are included in this structure.

Vehicular access from MacArthur Boulevard would be provided at the north end of the site. This entrance would be a right-in, right-out only and would provide access primarily to the showroom and, secondarily, to other areas of the dealership site. Vehicular access from Dove Street would be provided at three locations: into the automobile display lot on the northerly portion of the site; into the service write-up area between the showroom and service facility opposite the intersection of Dove Street and Quail Street; and at the southwesterly corner of the site near the car wash facility. The southwesterly entrance would be a gated and used primarily by service personnel and for service department test drives. Delivery trucks would access the site from Dove Street.



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SOURCE: Carlile Coatsworth Architects, Inc.

**Figure 2-4** Project Site Plan Up to 250 employees (at full operation) would work at the proposed Lexus dealership on a daily basis. The proposed hours of operation for the Lexus dealership showroom would be from 9:00 AM to 10:00 PM, seven days per week.

The automotive service center would be open to the public Monday through Saturday from 7:00 AM to 9:00 PM. The automobile service center would be closed on Sundays. Deliveries to the dealership could occur at any time.

#### 2.4 PROJECT APPROVALS AND INTENDED USES OF THIS DRAFT EIR

This Draft EIR includes discussion of State and local governmental discretionary approvals that may be required to construct or implement the proposed project, whether or not they are explicitly listed below. A summary of the known discretionary approvals required to implement the proposed project is provided in Table 2-1 as follows:

Approval	Description	Status
General Plan Amendment	To amend the General Plan land use designation from "Administrative, Professional, and Financial Commercial" to "Retail and Service Commercial" on a portion of the site.	Draft changes to be considered in conjunction with EIR certification and project entitlement.
Amendment to the Zoning Ordinance	To amend the "Planned Community Development Standards, Newport Place" text to include auto center use on northerly 5-acre parcel.	Draft changes to be considered in conjunction with EIR certification and project entitlement.
Use Permit	To allow the proposed use on the project site.	To be considered in conjunction with EIR and project entitlement.
Building/Grading Permits	To allow commencement of construction of proposed project.	To be considered at a future time after discretionary entitlements granted.

# TABLE 2-1SUMMARY OF REQUIRED APPROVALS

Source: City of Newport Beach, 2004.

#### 2.5 CUMULATIVE DEVELOPMENT

Cumulative impacts refer to the combined effect of proposed project impacts with the impacts of other past, present, and reasonably foreseeable future projects. The discussion of cumulative impacts need not be as detailed as the discussion of environmental impacts attributable to the

proposed project alone. The discussion is intended to be guided by the standards of practicality and reasonableness. The treatment of cumulative impacts in this Draft EIR is guided by the following:

- 1) According to Section 15355 of the 2001 *CEQA Guidelines*, "cumulative impacts" refer to two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts.
  - a) The individual effects may be changes resulting from a single project or a number of separate projects.
  - b) The cumulative impact from several projects is the change in the environment that results from the incremental impact of the project when added to other closely related past, present, and reasonably foreseeable probable future projects. Cumulative impacts can result from individually minor but collectively significant projects taking place over a period of time.
- 2) According to CEQA Section 15355, a "cumulative impact" consists of an impact which is created as a result of the combination of the project evaluated in the EIR together with other projects causing related impacts. An EIR should not discuss impacts that do not result in part from the project evaluated in the EIR.
- 3) According to CEQA, the mere existence of significant cumulative impacts caused by other projects alone shall not constitute substantial evidence that the proposed project's incremental effects are cumulatively considerable.

Therefore, the cumulative discussion in this Draft EIR focuses on whether the impacts of the proposed project under review are cumulatively considerable within the context of impacts caused by other past, present, or future projects. Cumulative impact discussions for each issue area are provided in the technical analysis contained within Chapter 3, Sections A through D. Table 2-2 Summary of Cumulative Project List provides a list of the cumulative projects that are considered in this cumulative environmental analysis, and comprise development projects planned in the proposed project area. Cumulative projects are those projects that are in various stages of the application and approval process, but have not yet been approved. The cumulative project list was compiled using project lists provided by the Planning Departments of the City of Newport Beach and the City of Irvine. Cumulative impacts analyzed in this Draft EIR (impacts from related projects in conjunction with the proposed project) would likely represent a conservative scenario that would over-estimate impacts for the following reasons:

• It is likely that some of the future projects will not be constructed or opened until after the proposed project has been built and occupied.

City	Project Name	<b>Project Description</b>
	Bridgeport (Newport Pier Area)	28 Apartments
		19.6 KSF Commercial
Newport		10.4 KSF Commercial Office
Beach	Mormon Temple	17.46 KSF Mormon Temple
	Saint Mark Presbyterian Church	34.8 KSF Church
		4.72 KSF Daycare
	Our Lady Queen of Angels	18.5 KSF Church
		250 Students
	St. Andrews Presbyterian Church	35.95 KSF Church
	Regent Newport Beach Hotel	156 Rooms
	Bonita Canyon	
	- Bluff Commercial Center	40.3 KSF Community Retail
		11.58 KSF Restaurant
	Newport Coast	3,180 SF Residential (954 future)
	*	1,880 Condo / MF Residential (564 future)
	Newport Ridge	2,107 SF Residential (632 future)
	1 0	1,281 MF Residential (384 future)
		102.959 KSF Commercial
	Lower Bayview Senior Housing	120 Senior Housing DU
	Bonita Canyon - Residential	436 Apartments
	Irvine Crossings	736 Apartments
		102.6 KSF Industrial
	Campus Center Phase IIB	202 Condominiums
Irvine	*	132.8 KSF Office
	Marble Mountain	221 Single-Family Dwelling
		330 Condominiums
	Mariners Church	35 KSF Health Club
		328.25 KSF Church
	Exodus Community Center and Tarbut V'Torah	48.73 KSF Health Club
	Expansion	83.49 KSF Church
	- High School	320 Students
	- Elementary/Middle School	160 Students
	- Child Care Center	27.78 KSF
	Central Park	1,380 Multi-Family Dwelling
		19.6 KSF Retail
		90.0 KSF Office
	Scholle Development	425 KSF Office / 7.5 KSF Restaurant / 54 KS
	·	Health Club / -12 KSF Office / -23 KSF Industria
= Dwelling U	nits SF = Single-Family (Residential	
F = Thousand S		

# TABLE 2-2SUMMARY OF CUMULATIVE PROJECTS

Source: Planning Departments of the City of Newport Beach and City of Irvine, 2004.

- Impact projections for future projects would likely be, or have been, subject to unspecified mitigation measures, which would reduce potential impacts.
- Many future projects are expressed in terms of gross square footage or are conceptual plans such as master plans that assume complete development; in reality, such projects may be smaller (i.e., the net new development) because of the demolition or removal of existing land uses resulting from development of the related project.

The potential for cumulative impacts to occur from the proposed project could occur:

- 1) Within Local Context: Development of the proposed project in conjunction with other projects in the nearby area could result in locally significant impacts (i.e., such as construction-related impacts).
- 2) Within the Regional Context: Development of the proposed project in conjunction with other projects could result in regionally significant impacts (i.e., such as air quality).

Approved project information was provided by the cities of Newport Beach and Irvine staff. Approved Projects are projects that have been approved, but are not yet built and fully occupied. A summary of Approved Projects for both Newport Beach and Irvine is provided in Table 2-3.

City	Project Name	
	Balboa Bay Club Expansion	
	Fashion Island Expansion	
	Temple Bat Yahm Expansion	
	Ford Redevelopment	
	Cannery Lofts Village	
	Hoag Hospital Phase II	
Newport Beach	CIOSA – Irvine Project	
	Newport Dunes	
	1401 Dove Street	
	Newport Auto Center Expansion	
	Olsen Townhome Project	
	Bayview Landing Senior Housing	
	Birch Bayview Plaza II	
	494/496 Old Newport Boulevard	
	401 Old Newport Boulevard	
	The Lofts at Von Karman	
	Essex Apartments	
Irvine	MetLife Apartments	
	Campus Center Phase I and IIA	
	2300 Michelson Office	

# TABLE 2-3SUMMARY OF APPROVED PROJECTS

Source: Planning Departments of the City of Newport Beach and City of Irvine, 2004.

#### 2.6 **PROJECT SCHEDULE**

The project is proposed to be completed in 2006. Total construction time is anticipated to last approximately 18 months.

Currently it is estimated that demolition would last approximately eight weeks, site grading and preparation would last approximately eight weeks and building construction would last approximately 14 months. Building construction could occur while site preparation is occurring on another portion of the site.