



MINUTES

HUNTINGTON BEACH PLANNING COMMISSION

TUESDAY, OCTOBER 22, 2019
HUNTINGTON BEACH CIVIC CENTER
2000 MAIN STREET, HUNTINGTON BEACH, CALIFORNIA 92648

6:00 P.M. – COUNCIL CHAMBERS

CALL PLANNING COMMISSION MEETING TO ORDER

PLEDGE OF ALLEGIANCE – Led by Commissioner Mandic

P P P P P P P
ROLL CALL: *Scandura, Ray, Grant, Garcia, Kalmick, Perkins, Mandic*

AGENDA APPROVAL

A MOTION WAS MADE BY GRANT, SECONDED BY PERKINS, TO MOVE ITEM NO. 19-1011 AFTER PUBLIC COMMENTS, BY THE FOLLOWING VOTE:

AYES: Scandura, Ray, Grant, Garcia, Kalmick, Perkins, Mandic
NOES: None
ABSENT: None
ABSTAIN: None

MOTION APPROVED

THE MINUTES WILL REFLECT ITEMS IN THEIR ORIGINAL ORDER.

PUBLIC COMMENTS - NONE

PUBLIC HEARING ITEMS

19-845 ENVIRONMENTAL IMPACT REPORT (EIR) NO. 17-001, GENERAL PLAN AMENDMENT (GPA) NO. 17-001, ZONING MAP AMENDMENT (ZMA) NO. 17-001, ZONING TEXT AMENDMENT (ZTA) NO. 17-005, LOCAL COASTAL PROGRAM AMENDMENT (LCPA) NO. 17-001, AND DEVELOPMENT AGREEMENT (DA) NO. 19-001 (MAGNOLIA TANK FARM)

REQUEST:

To analyze the potential environmental impacts associated with the project; to amend the General Plan land use designation from Public (P) to Open Space-Conservation (OS-C), Open Space-Park (OS-P), Residential Medium Density (RM), and Commercial Visitor (CV) with a Specific Plan Overlay; to amend the zoning designation from Public-Semipublic with Oil Overlay and Coastal Zone Overlay (PS-O-CZ) to Specific Plan 18 with Coastal Zone Overlay (SP-18-CZ); to

establish the Magnolia Tank Farm Specific Plan including development standards for open space, residential, and visitor serving commercial uses, for the subject site; to amend the City's certified Local Coastal Program to reflect the land use and zoning changes proposed by the GPA, ZMA, and ZTA; and to enter into a development agreement between the City of Huntington Beach and SLF-HB Magnolia, LLC to 1) vest the permitted uses, density, intensity of use, and timing of phased development for a fifteen year term, 2) to ensure provision of monetary funds to improve open space/recreational facilities, and 3) to ensure off-site improvements.

LOCATION:

21845 Magnolia St., 92646 (west side at Banning Ave.).

ACTIONS:

The Planning Commission may take the following actions:

A. Applicant's Request

- 1) Recommend certification of Environmental Impact Report No. 17-001 as adequate and complete in accordance with CEQA requirements by approving draft City Council Resolution No. 2019-68 and forward to the City Council for adoption (Attachment No. 2); and
- 2) Recommend approval of CEQA Findings of Fact with a Statement of Overriding Considerations (Attachment No. 18); and
- 3) Recommend approval of General Plan Amendment No. 17-001 by approving draft City Council Resolution No. 2019-67 (Attachment No. 3), Zoning Map Amendment No. 17-001 with findings (Attachment No. 1) by approving draft City Council Ordinance No. 4188 (Attachment No. 4), Zoning Text Amendment No. 17-005 with findings (Attachment No. 1) by approving draft City Council Resolution No. 2019-66 (Attachment No. 5), Local Coastal Program Amendment No. 17-001 with findings (Attachment No. 1) by approving draft City Council Resolution No. 2019-65 (Attachment No. 6), and Development Agreement No. 19-001 with findings (Attachment No. 1) by approving draft City Council Ordinance No. 4187 (Attachment No. 7) for Proposed Project.

B. Staff's Revisions

- 1) Recommend certification of Environmental Impact Report No. 17-001 as adequate and complete in accordance with CEQA requirements by approving draft City Council Resolution No. 2019-68 and forward to the City Council for adoption (Attachment No. 2); and
- 2) Recommend approval of CEQA Findings of Fact with a Statement of Overriding Considerations (Attachment No. 18); and
- 3) Recommend approval with modifications of General Plan Amendment No. 17-001 by approving draft City Council Resolution No. 2019-67 (Attachment No. 3), Zoning Map Amendment No. 17-001 with findings (Attachment No. 1) by approving draft City Council Ordinance No. 4188 (Attachment No. 4), Zoning Text Amendment No. 17-005 with findings (Attachment No. 1) and staff

revisions (Attachment No. 8) by approving draft City Council Resolution No. 2019-66 (Attachment No. 5), Local Coastal Program Amendment No. 17-001 with findings (Attachment No. 1) by approving draft City Council Resolution No. 2019-65 (Attachment No. 6), and Development Agreement No. 19-001 with findings (Attachment No. 1) by approving draft City Council Ordinance No. 4187 (Attachment No. 7).

C. Deny

- 1) Recommend to not certify Environmental Impact Report No. 17-001 as adequate and complete in accordance with CEQA requirements; and
- 2) Recommend to not approve CEQA Findings of Fact with a Statement of Overriding Considerations; and
- 3) Recommend denial of General Plan Amendment No. 17-001, Zoning Map Amendment No. 17-001, Zoning Text Amendment No. 17-005, Local Coastal Program Amendment No. 17-001, and Development Agreement No. 19-001.

D. Continue Environmental Impact Report No. 17-001, General Plan Amendment No. 17-001, Zoning Map Amendment No. 17-001, Zoning Text Amendment No. 17-005, Local Coastal Program Amendment No. 17-001, and Development Agreement No. 19-001 and direct staff accordingly.

The Commission made the following disclosures:

- Commissioner Scandura toured the site with Commissioners Kalmick and Grant, and spoke with the applicant, staff, city attorney, and residents.
- Commissioner Ray visited the site and spoke with residents.
- Vice-Chair Grant toured the site with Commissioners Kalmick and Scandura, and spoke with the applicants and residents.
- Chair Garcia visited the site and spoke with residents.
- Commissioner Kalmick toured the site with Commissioners Scandura and Grant, and spoke with staff, residents, and the applicant.
- Commissioner Perkins visited the site and spoke with residents, staff, and the applicant.
- Commissioner Mandic spoke with residents, staff, and the applicant, and visited adjacent neighborhoods.

Ursula Luna-Reynosa, Director of Community Development, and Ricky Ramos, Senior Planner, gave the staff presentation and overview of the proposed project.

There was discussion on the following items: the permitting process for a development on the site, the Coastal Act preferences for visitor serving commercial uses in the Coastal Zone, the General Plan Update process, the applicable General Plan goals and policies, and the remediation at the adjacent Ascon site.

THE PUBLIC HEARING WAS OPENED.

James O'Malley, applicant, gave a lengthy presentation in support of Item No. 19-845, citing the community benefits, the development of a blighted site, and the housing and employment additions.

Dr. Joslin de Diego, resident, spoke in opposition to Item No. 19-845, citing concerns with the potential safety, health, parking, traffic, and wetland impacts.

John Hobson, Chamber of Commerce, spoke in support of Item No. 19-845, citing economic and community benefits and the potential for eco and bio tourism.

Scott SanFilippo, resident, spoke in support of Item No. 19-845, citing the addition of housing to the area.

Jami Marseilles, resident, spoke in opposition to Item No. 19-845, citing concerns with the potential health and safety impacts of disturbing the soil and developing next to the Ascon Landfill site.

Tom Bilich, resident, spoke in opposition to Item No. 19-845, asking that the remediation on the adjacent Ascon Landfill site be completed prior to any zoning changes or development onsite.

Steven LaMotte, resident, spoke in support of Item No. 19-845, citing the need for additional housing for purchase in the city.

Alicia Berhow, Oc Business Council, spoke in support of Item No. 19-845, citing the opportunity for more family housing, additional jobs in the city, and the innovative proposed uses.

Pye Ian, resident, spoke in opposition to Item No. 19-845, citing the potential health impacts from the adjacent Ascon Landfill site, and the potential financial impacts to residents.

Lisa Simpson, resident, spoke in opposition to Item No. 19-845, citing the potential negative climate, demographics, traffic, and community recreation impacts.

LeeAnn Poe, resident, spoke in support of Item No. 19-845, citing the community benefits, and the lack of high density zoning.

Roseann Andrus, resident, spoke in support of Item No. 19-845. She stated that a boutique hotel would be a unique addition to community that the design is compatible with the area and that she looks forward to the park access.

Richard Gomez, Southwest Regional Council of Carpenters, spoke regarding Item No. 19-845, stating that the project should be built by professional tradesmen.

Blake Garrett, resident, spoke in support of Item No. 19-845, stating the site is current blighted and underutilized, and encourage homeless encampments.

Dave Guido, resident, spoke in support of Item No. 19-845, stating he believes the proposal is the best use of the site.

Kate Spear, Local 11 Hospitality workers, spoke in opposition to Item No. 19-845, citing concerns with the Environmental Impact Report analysis, the potential

greenhouse gas and traffic impacts, and the lack of low income housing.

Richard Armendariz, resident, spoke in opposition to Item No. 19-845, citing concerns with the potential negative health impacts from any soil disturbance.

Harry Slusher, resident, spoke in support of Item No. 19-845, citing the sea level rise mitigation, and improved coastal access.

John Villa, HB Wetlands Conservancy, spoke in support of Item No. 19-845 citing the potential positive impacts to the residents with new parks and improved coastal access.

Brett Bashore, resident, spoke in opposition to Item No. 19-845, citing potential negative noise and air pollution impacts on an already impacted area.

Ann McCarthy, resident, spoke in support of Item No. 19-845, stating that the current zoning does not allow for uses that would benefit the community. She stated that she looks forward to the amenities the applicant is proposing.

Michelle Weedon, resident, spoke in support of Item No. 19-845, stating that she is excited for the new housing and the lodge hotel to replace the current blight.

Nancy Buchoz, resident, spoke in opposition to Item No. 19-845, citing concerns with the zoning change process, the impacts to the character of the neighborhood, and the potential noise impacts.

Trina Bilich, resident, spoke in opposition to Item No. 19-845, citing concerns with the potential negative health and environmental impacts, especially to an already impacted area.

Shammy Dingus resident, spoke in opposition to Item No. 19-845, stating that there are errors and too many unknowns in the EIR. She expressed concerns about placing a hotel in a residential area, and the potential negative traffic, parking, and emissions impacts.

Tara Barton, resident, spoke in opposition to the proposed hotel, citing concerns with the potential safety, traffic, and noise impacts to adjacent residents.

Sharon Messick, resident, spoke in opposition to Item No. 19-845, citing concerns with the potential negative impacts to land.

Stephanie Hanson, resident, spoke in opposition to Item No. 19-845, citing concerns with the EIR, the potential negative impacts to adjacent residents from the soil and vapor intrusion contamination.

Ryan Messick, resident, spoke in opposition to Item No. 19-845, citing the potential negative health impacts.

Robin Brogdon, resident, spoke in opposition to Item No. 19-845, citing concerns that the EIR is inadequate, the potential negative traffic impacts, and the large amount of development in the area.

Cari Swan, resident, spoke in opposition to Item No. 19-845, citing concerns that the EIR is inadequate, the need for more soils testing, and the current fraud investigation against the applicant.

Debra Schales, resident and project manager for the project, spoke in support of Item No. 19-845, stating that the proposal is preferable to the current zoning and that she looked forward to the proposed lodge hotel.

Adam Wood, resident and BIA, spoke in support of Item No. 19-845, citing the need for additional housing in the area due to the statewide housing crisis.

Milt Dardis, resident, spoke in opposition to Item No. 19-845, citing a need for additional soils testing and the potential negative traffic impacts.

Amber, resident, spoke in opposition to Item No. 19-845, citing concerns with the potential negative health impacts in addition to the current health impacts from the remediation at the adjacent Ascon site.

Jon Ely, resident, spoke in opposition to Item No. 19-845, citing concerns that the EIR is inadequate and does not address the impacts from the overall development in the area.

Robyn Sladek, resident, spoke in opposition to Item No. 19-845, citing the potential negative health and traffic impacts.

Season Baker, resident, spoke in opposition to Item No. 19-845, citing concerns with the potential negative health impacts.

Jacqueline Brodt, resident and HB Wetlands Conservancy and Friends of the Library, spoke in support of Item No. 19-845, citing the current blighted state of the site and the need for housing.

Bill Halligan, resident, spoke in support of Item No. 19-845, citing the need for remediation onsite, the potential amenities, and the housing opportunities.

James O'Malley, applicant, stated that he and his staff are available to answer any technical questions.

WITH NO ONE ELSE PRESENT TO SPEAK, THE PUBLIC HEARING WAS CLOSED.

There was discussion on the following items: the role of the Department of Toxic Substance Control (DTSC) in site remediation, the DTSC review process, the potential community benefits from the proposed zoning change, traffic impacts analysis, pile driving impact analysis, potential mitigation measures, compatibility with surrounding area, and the development agreement process.

A MOTION WAS MADE BY SCANDURA, SECONDED BY PERKINS, TO RECOMMEND CERTIFICATION OF ENVIRONMENTAL IMPACT REPORT NO. 17-001, WITH MODIFICATION TO THE MITIGATION MEASURES TO REQUIRE PEER REVIEW OF ALTERNATIVES TO PILE DRIVING, AS ADEQUATE AND COMPLETE IN ACCORDANCE WITH CEQA REQUIREMENTS BY APPROVING DRAFT CITY COUNCIL RESOLUTION NO. 2019-68 AND FORWARD TO THE

CITY COUNCIL FOR ADOPTION ; AND RECOMMEND APPROVAL OF CEQA FINDINGS OF FACT WITH A STATEMENT OF OVERRIDING CONSIDERATIONS; AND RECOMMEND APPROVAL OF GENERAL PLAN AMENDMENT NO. 17-001 BY APPROVING DRAFT CITY COUNCIL RESOLUTION NO. 2019-67, ZONING MAP AMENDMENT NO. 17-001 WITH FINDINGS BY APPROVING DRAFT CITY COUNCIL ORDINANCE NO. 4188, ZONING TEXT AMENDMENT NO. 17-005 WITH FINDINGS, STAFF REVISIONS, AND MODIFICATIONS REQUIRING DESIGNATED PARKING FOR MARSH PARK, AND INCLUDE SPECIFIC EXAMPLES OF REFERENCED PESTICIDES IN THE PESTICIDE MANAGEMENT PLAN BY APPROVING DRAFT CITY COUNCIL RESOLUTION NO. 2019-66, LOCAL COASTAL PROGRAM AMENDMENT NO. 17-001 WITH FINDINGS BY APPROVING DRAFT CITY COUNCIL RESOLUTION NO. 2019-65, AND DEVELOPMENT AGREEMENT NO. 19-001 WITH FINDINGS BY APPROVING DRAFT CITY COUNCIL ORDINANCE NO. 4187, BY THE FOLLOWING VOTE:

**AYES: Scandura, Grant, Kalmick, Perkins, Mandic
NOES: Ray, Garcia
ABSENT: None
ABSTAIN: None**

MOTION APPROVED

A MOTION WAS MADE BY KALMICK, SECONDED BY GRANT, TO FORWARD A MINUTE ACTION TO ASK CITY COUNCIL TO KEEP THE DEVELOPMENT AGREEMENT FEES THAT HAVE BEEN EXACTED FOR USE WITHIN THE AREA AS BEST AS POSSIBLE, BY THE FOLLOWING VOTE:

**AYES: Scandura, Ray, Grant, Garcia, Kalmick, Perkins, Mandic
NOES: None
ABSENT: None
ABSTAIN: None**

MOTION APPROVED

FINDINGS FOR APPROVAL - ZONING MAP AMENDMENT NO. 17-001:

1. Zoning Map Amendment (ZMA) No. 17-001 to amend the zoning designation of the ±29 acre site from Public-Semipublic with Oil Overlay and Coastal Zone Overlay (PS-O-CZ) to Specific Plan 18 (Magnolia Tank Farm Specific Plan) with Coastal Zone Overlay (SP-18-CZ) is consistent with the goals, objectives, policies, general land uses and programs specified in the General Plan as follows:

A. Land Use Element

Goal LU-1 – New commercial, industrial, and residential development is coordinated to ensure that the land use pattern is consistent with the overall goals and needs of the community.

Policy LU-1A - Ensure that development is consistent with the land use designations presented in the Land Use Map, including density, intensity, and use standards applicable to each land use designation.

Policy LU-1B - Ensure new development supports the protection and maintenance of environmental and open space resources.

The Specific Plan designation includes planning areas that will be consistent with the approved General Plan land use designations. It will provide additional lodging, visitor serving commercial, residential, and open space to serve residents and visitors. It will enhance the local economy, provide additional revenue to the City, create jobs, and provide additional attainable housing stock. A 70 foot wide Coastal Conservation area combined with an additional 30 feet of County flood control property will provide a 100 foot buffer from the Huntington Beach channel and the wetlands.

B. Coastal Element

Policy C 1.1.3 - The use of private lands suitable for visitor serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

Policy C 1.1.4 - Where feasible, locate visitor-serving commercial uses in existing developed areas or at selected points of attraction for visitors.

Goal C 2 - Provide coastal resource access opportunities for the public where feasible and in accordance with the California Coastal Act requirements.

Policy C 7.1.4 - Require that new development contiguous to wetlands or environmentally sensitive habitat areas include buffer zones. Buffer zones shall be a minimum of one hundred feet setback from the landward edge of the wetland . . .

The Specific Plan designation includes visitor serving commercial and open space to enhance opportunities for coastal recreation. A 70 foot wide Coastal Conservation area combined with an additional 30 feet of County flood control property will provide a 100 foot buffer from the Huntington Beach channel and the wetlands. The Specific Plan designation will allow the proposed Marsh Park next to the lodge which will offer a public view corridor to the ocean.

C. Housing Element

Policy 2.1 – Provide site opportunities for development of housing that responds to diverse community needs in terms of housing types, cost and location, emphasizing locations near services and transit that promote walkability.

Policy 2.2 – Facilitate the efficient use of land by allowing and encouraging commercial and residential uses on the same property in both horizontal and vertical mixed-use configurations.

In addition to visitor serving commercial and open space, the Specific Plan designation also allows a variety of home types to suit different life stages and market segments.

2. ZMA No. 17-001 to change the zoning of the subject site to Specific Plan is compatible with the zoning in the surrounding area because the Specific Plan will have four planning areas that are consistent with the approved General Plan designations. The Commercial Visitor (CV) planning area is compatible with the power plant to the west and provides a good

buffer between the power plant and the residences to the east. It is compatible with the residential area to the east given the proposed 155 foot buffer (100 foot wide Magnolia Street and proposed 55 foot wide Magnolia Park next to the lodge). The Residential planning area (15 dwelling units per acre maximum density) is compatible with and often located next to single family residential areas like the one across Magnolia Street which is designated Residential Low Density (7 dwelling units per acre maximum density). A 215 foot buffer (145 foot wide flood control channel and proposed 70 foot wide Open Space-Conservation (OS-C) area) separates the proposed Residential planning area from the power plant. Dwelling units constructed in this planning area will be required to incorporate noise mitigation such as perimeter block walls, raised residential patio walls, and construction methods to mitigate any noise from the power plant. The Residential planning area will be buffered from the CV area by the proposed interior roadway. A similar condition exists downtown where residential can be found across the street from the Hyatt and Hilton which are designated CV. Both the Coastal Conservation and Open Space – Parks and Recreation planning areas are compatible with the surrounding area and provide additional buffers between the proposed project and the surrounding uses.

3. A community need is demonstrated for the change proposed because the Specific Plan designation will allow the development of additional lodging, visitor serving commercial, residential, and open space at the subject site to serve residents and visitors. It will enhance the local economy, provide additional revenue to the City, create jobs, and provide additional attainable house stock.
4. Its adoption will be in conformity with public convenience, general welfare and good zoning practice because Specific Plan designation will implement the approved General Plan land use designations, is compatible with the zoning in the surrounding area, and will be buffered from existing uses. It will allow the development of additional lodging, visitor serving commercial, residential, and open space at the subject site to serve residents and visitors. It will enhance the local economy, provide additional revenue to the City, create jobs, and provide additional attainable house stock.

FINDINGS FOR APPROVAL - ZONING TEXT AMENDMENT NO. 17-005:

1. Zoning Text Amendment No. 17-005 to establish the Magnolia Tank Farm Specific Plan (MTFSP) for the ±29 acre subject site is consistent with and implements the adopted land use element of the General Plan and the certified Local Coastal Program Land Use Plan which include a Specific Plan Overlay for the subject site. In addition, the MTFSP includes four planning areas that conform to the adopted land use designations for the subject site. The MTFSP is consistent with applicable General Plan goals, objectives, and policies and is compatible with surrounding developments as follows:

A. Land Use Element

Goal LU-1 – New commercial, industrial, and residential development is coordinated to ensure that the land use pattern is consistent with the overall goals and needs of the community.

Policy LU-1A - Ensure that development is consistent with the land use designations presented in the Land Use Map, including density, intensity, and use standards applicable to each land use designation.

Policy LU-1B - Ensure new development supports the protection and maintenance of environmental and open space resources.

Policy LU-2D - Maintain and protect residential neighborhoods by avoiding encroachment of incompatible land uses.

Goal LU-4 - A range of housing types is available to meet the diverse economic, physical, and social needs of future and existing residents, while neighborhood character and residences are well maintained and protected.

Policy LU-4A - Encourage a mix of residential types to accommodate people with diverse housing needs.

Goal LU-11 - Commercial land uses provide goods and services to meet regional and local needs.

Policy LU-13A - Encourage expansion of the range of goods and services provided to accommodate the needs of all residents and the market area.

Goal LU-14 - Huntington Beach continues to attract visitors and provides a variety of attractions and accommodations during their stay.

Goal LU-14A - Encourage expansion of the range and location of available lodging for both tourist and business visitors.

Goal LU-14B - Encourage both coastal and inland visitor-serving uses to offer a wide spectrum of opportunities for residents and visitors.

The MTFSP provides for additional lodging, visitor serving commercial, residential, and open space to serve residents and visitors. It will enhance the local economy, provide additional revenue to the City, create jobs, and provide additional attainable house stock. It will be separated from residential uses to the east by Magnolia Street (100 ft.) and the proposed Magnolia Park (55-75 ft.) and from the AES power plant, industrial uses, and the wetlands to the west and south by the flood control channel (145 ft.) and proposed Coastal Conservation area onsite (70 ft.).

B. Coastal Element

Policy C 1.1.3 - The use of private lands suitable for visitor serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

Policy C 1.1.4 - Where feasible, locate visitor-serving commercial uses in existing developed areas or at selected points of attraction for visitors.

Goal C 2 - Provide coastal resource access opportunities for the public where feasible and in accordance with the California Coastal Act requirements.

Policy C 2.2.2 - Maintain existing pedestrian facilities and require new development to provide pedestrian walkways and bicycle routes between developments.

Objective C 2.4 - Balance the supply of parking with the demand for parking.

Policy C 2.4.7 - The streets of new residential subdivisions between the sea and the first public road shall be constructed and maintained as open to the general public for vehicular, bicycle, and pedestrian access. General public parking shall be provided on all streets throughout the entire subdivision. Private entrance gates and private streets shall be prohibited. All public entry controls (e.g. gates, gate/guard houses, guards, signage, etc.) and restrictions on use by the general public (e.g. preferential parking districts, resident-only parking periods/permits, etc.) associated with any streets or parking areas shall be prohibited.

Objective C 2.5 - Maintain and enhance, where feasible, existing shoreline and coastal resource access sites.

Policy C 2.6.6 - Promote public access to coastal wetlands for limited nature study, passive recreation and other low intensity uses that are compatible with the sensitive nature of these areas.

Goal C 3 - Provide a variety of recreational and visitor commercial serving uses for a range of cost and market preferences.

Policy C 3.2.2 - Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. On oceanfront, waterfront or nearshore areas or lands designated for visitor uses and recreational facilities, an assessment of the availability of lower cost visitor uses shall be completed at the time of discretionary review and an in-lieu fee in an amount necessary to off-set the lack of the preferred lower cost facilities in or near Huntington Beach shall be imposed.

Policy C 3.2.4 - Encourage the provision of a variety of visitor- serving commercial establishments within the Coastal Zone, including, but not limited to, shops, restaurants, hotels and motels, and day spas.

Policy C 4.1.2 - Designate lands for the provision of passive and visual open space on the Coastal Land Use Map, which provide a balance to the urban and suburban development of the Coastal Zone.

Policy C 4.7 - Improve the appearance of visually degraded areas within the Coastal Zone.

Policy C 7.1.4 - Require that new development contiguous to wetlands or environmentally sensitive habitat areas include buffer zones. Buffer zones shall be a minimum of one hundred feet setback from the landward edge of the wetland . . .

The MTFSP will allow visitor serving commercial and open space to enhance opportunities for coastal recreation. The proposed lodge will incorporate a guest house component with up to 40 rooms that are designated as lower cost overnight accommodations. A 70 foot wide Coastal Conservation area combined with an additional 30 feet of County flood control property will provide a 100 foot buffer from the Huntington Beach channel and the wetlands. The proposed Marsh Park next to the lodge will offer a public view corridor to the ocean and serve as a staging area for docent-led tours of the adjacent wetlands. A planned interior loop road serving the proposed development will add public parking to the area.

C. Housing Element

Policy 2.1 – Provide site opportunities for development of housing that responds to diverse community needs in terms of housing types, cost and location, emphasizing locations near services and transit that promote walkability.

Policy 2.2 – Facilitate the efficient use of land by allowing and encouraging commercial and residential uses on the same property in both horizontal and vertical mixed-use configurations.

Policy 3.1 – Encourage the production of housing that meets all economic segments of the community, including lower, moderate, and upper income households, to maintain a balanced community.

Policy 3.2 – Utilize the City's Inclusionary Housing Ordinance as a tool to integrate affordable units within market rate developments. Continue to prioritize the construction of affordable units on-site, with provision of units off-site or payment of in lieu housing fee as a less preferred alternative.

Policy 4.2 – Provide flexibility in development standards to accommodate new models and approaches to providing housing, such as transit-oriented development, mixed use and live/work housing.

In addition to visitor serving commercial and open space, the MTFSP would also allow a variety of home types, such as single family detached and attached homes, to suit different life stages and market segments. In order to create attainable housing, the applicant is proposing development standards that would allow product types that have been built in other parts of Orange County that are more compact and taller with reduced yards and parking compared to what the HBZSO permits. The project will comply with the City's affordable housing ordinance.

2. The MTFSP will enhance the potential for superior urban design in comparison with the development under the base district provisions that would apply if the plan were not approved because it will facilitate the coordinated development of commercial visitor, residential, and open space uses that will function as one community. The MTFSP will allow a variety of home types, such as single family detached and attached homes, to suit different life stages and market segments. In order to create attainable housing, the MTFSP includes development standards that would allow product types that have been built in other parts of Orange County that are more compact and taller with reduced yards and parking compared to what the Huntington Beach Zoning and Subdivision Ordinance (HBZSO) permits.
3. Deviations from the base district provisions that otherwise would apply are justified by compensating benefits of the MTFSP because it will allow residential product types that are more compact and taller with reduced yards and parking compared to the HBZSO which will facilitate the provision of attainable housing to suit different life stages and market segments consistent with current demand. A more compact residential development enables the proposed residential density while providing 5.6 acres of open space and coastal conservation areas.
4. The specific plan, with staff suggested modifications, includes adequate provisions for utilities, services, and emergency vehicle access. Public service demands will not exceed the capacity of existing and planned systems.

FINDINGS FOR APPROVAL – LOCAL COASTAL PROGRAM AMENDMENT NO. 17-001:

1. Local Coastal Program Amendment No. 17-001 to the Huntington Beach Local Coastal Program to reflect the land use and zoning changes proposed by the General Plan Amendment No. 17-001, Zoning Map Amendment No. 17-001, and Zoning Text Amendment No. 17-005 is consistent with the General Plan designations in that they provide for its implementation consistent with the Coastal Act which prioritizes visitor serving commercial and the provision of coastal access and recreation opportunities.
2. The proposed change to the Local Coastal Program is in accordance with the policies, standards and provisions of the California Coastal Act because it promotes the City's Local Coastal Program goals, objectives and policies by allowing a mix of uses with visitor serving commercial, including open space and coastal access opportunities, with residential uses on the inland side of the subject site. The proposed land uses will provide for future visitor serving commercial opportunities on the property including a lodge with a guesthouse component with 40 rooms that are designated as lower cost overnight accommodations and ancillary retail. A 70 foot wide Coastal Conservation area combined with an additional 30 feet of County flood control property will provide a 100 foot buffer from the Huntington Beach channel and the wetlands. The proposed Marsh Park next to the lodge will offer a public view corridor to the ocean and serve as a staging area for docent-led tours of the adjacent wetlands.
3. The development conforms with the public access and public recreation policies of Chapter 3 of the California Coastal Act because the MTFSP allows the development of a lodge with a guesthouse component with 40 rooms that are designated as lower cost overnight accommodations and ancillary retail to encourage coastal public access and recreation. A Coastal Conservation area with a public trail is planned next to the Huntington Beach channel and the wetlands. The proposed Marsh Park next to the lodge will offer a public view corridor to the ocean and serve as a staging area for docent-led tours of the adjacent wetlands. The proposed Magnolia Park will include a pedestrian walkway to facilitate coastal access. No existing coastal access will be impacted.

FINDINGS FOR APPROVAL - DEVELOPMENT AGREEMENT NO. 19-001:

Development Agreement No. 19-001 for the Magnolia Tank Farm property is consistent with the General Plan and Local Coastal Program because it assures the applicant that the proposed General Plan Amendment No. 17-001, Zoning Map Amendment No. 17-001, Zoning Text Amendment No. 17-005, and Local Coastal Program Amendment No. 17-001 are vested regardless of future changes in regulations. This will facilitate the development of a mixed use project on the site with additional lodging, visitor serving commercial, residential, and open space to serve residents and visitors consistent with the General Plan and Local Coastal Program. It will enhance the local economy, provide additional revenue to the City, create jobs, and provide additional attainable housing stock.

19-1011 COASTAL DEVELOPMENT PERMIT NO. 19-001/CONDITIONAL USE PERMIT NO. 19-001 (3RD STREET COMMERCIAL BUILDING)

REQUEST:

To construct a four-story building with approximately 1,660 sq. ft. of retail on the ground floor and 18,000 sq. ft. of office above with an accessible roof top

deck on an 8,475 sq. ft. vacant lot. The project includes one level of parking at the ground floor with 34 percent of the required parking in a vertical tandem configuration (car lifts) and one level of subterranean parking accessed by a car elevator and a valet parking service.

LOCATION:

321 3rd Street, 92648 (north side of 3rd St. between Orange Ave. and Olive Ave.)

ACTIONS:

The Planning Commission may take one of the following actions:

- A. Find the proposed project exempt from the California Environmental Quality Act pursuant to Section 15182 of the CEQA Guidelines and Government Code 65457 and approve Coastal Development Permit No. 19-001 and Conditional Use Permit No. 19-001 with suggested findings and conditions of approval. (Attachment No. 1).
- B. Continue the public hearing for Coastal Development Permit No. 19-001 and Conditional Use Permit No. 19-001 and direct staff to return with findings for denial.
- C. Continue the public hearing for Coastal Development Permit No. 19-001 and Conditional Use Permit No. 19-001 and direct staff accordingly.

Jane James, Planning Manager, stated that the applicant requested a continuance to the November 12, 2019, Planning Commission meeting.

A MOTION WAS MADE BY GRANT, SECONDED BY PERKINS, TO OPEN THE PUBLIC HEARING AND CONTINUE COASTAL DEVELOPMENT PERMIT NO. 19-001 AND CONDITIONAL USE PERMIT NO. 19-001 TO THE NOVEMBER 12, 2019, PLANNING COMMISSION MEETING, BY THE FOLLOWING VOTE:

AYES: Scandura, Ray, Grant, Garcia, Kalmick, Perkins, Mandic
NOES: None
ABSENT: None
ABSTAIN: None

MOTION APPROVED

CONSENT CALENDAR - None

NON-PUBLIC HEARING ITEMS - None

PLANNING ITEMS

Jane James, Planning Manager, reported on recent and upcoming city council meetings.

PLANNING COMMISSION ITEMS

Commissioner Scandura requested that staff provide a report on the impacts of AB68.

ADJOURNMENT: Adjourned at 10:35 PM to the next regularly scheduled meeting of Tuesday, November 12, 2019.

APPROVED BY:

Jennifer Villasenor, Acting Secretary

Michael Grant, Chairperson