Date: August 26, 2020

To: COMMISSIONERS AND INTERESTED PERSONS

From: KARL SCHWING, DEPUTY DIRECTOR, SOUTH COAST DISTRICT
AMBER DOBSON, DISTRICT MANAGER, SOUTH COAST DISTRICT
LILIANA ROMAN, COASTAL PLANNER, SOUTH COAST DISTRICT

Subject: STAFF RECOMMENDATION ON CITY OF NEWPORT BEACH MAJOR
AMENDMENT NO. LCP-5-NPB-19-0016-1 (BALBOA VILLAGE PARKING
MANAGEMENT OVERLAY DISTRICT) for Commission Meeting of
September 9, 2020

SYNOPSIS

The City of Newport Beach is requesting that the Commission certify an amendment to the Implementation Plan (IP) portion of the Newport Beach certified Local Coastal Program (LCP). The LCP amendment would create a new Parking Management Overlay District (PM Overlay) category and implementing procedures in the IP and would also establish the first Parking Management District, PM-1 for the Balboa Village area of the City.

SUMMARY OF AMENDMENT REQUEST

The City Newport Beach submitted Local Coastal Program (LCP) Amendment No. LCP-5-NPB-19-0016-1 on April 19, 2019. It was the City’s first major LCP amendment submittal for that year. The subject amendment is an amendment to the certified Implementation Plan (IP) and was filed as complete on May 30, 2019. Pursuant to Section 30517 of the Coastal Act, a one-year time extension was granted at the July 10, 2019 Commission hearing providing until August 23, 2020 for Commission action on this item. However, Governor Newsom’s Executive Order N-52-20 tolled this deadline for an additional 60 days due to COVID-19 restrictions, making the deadline for Commission action on this item October 22, 2020. This report addresses the entire submittal.

Local Coastal Program Amendment Request No. LCP-5-NPB-19-0016-1 affects only the implementing ordinances portion of the certified LCP, and does not propose any land use changes. The Newport Beach Planning Commission held a public hearing on February 21, 2019 and the Newport Beach City Council held a public hearing on April 9, 2019 and passed City Council Resolution No. 2019-37 authorizing City staff to submit the LCP amendment to the Coastal Commission for certification. The current LCP amendment
request, submitted for Commission certification by City Council Revised Resolution No. 2019-37, is one of the City’s two LCP amendment requests for 2019.

SUMMARY OF STAFF RECOMMENDATION

Commission staff recommends that the Commission, after public hearing, deny the City’s proposed LCP Amendment No. LCP-5-NPB-19-0016-1 as submitted, and certify the proposed amendment only if modified pursuant to four suggested modifications. The suggested modifications are necessary to adequately carry out the provisions of the Land Use Plan (LUP). The suggested modifications are necessary to ensure the requested Balboa Village Parking Management District accommodates public transit and alternative modes of transportation, minimizes conflicts between commercial uses, residential uses, and coastal zone visitors during peak summer months, and does not result in adverse impacts to public access to the beach. If modified as suggested, the proposed changes to the IP will conform with and carry out the certified LUP.

The appropriate resolutions and motions begin on page 5. The suggested modifications can be found on page 7. The findings for denial as submitted and approval of the Amendment, if modified, begin on page 8.

ADDITIONAL INFORMATION

PLEASE NOTE THAT THIS WILL BE A VIRTUAL MEETING. As a result of the COVID-19 emergency and the Governor’s Executive Orders N-29-20 and N-33-20, this Coastal Commission meeting will occur virtually through video and teleconference. Please see the Coastal Commission’s Virtual Hearing Procedures posted on the Coastal Commission’s webpage at www.coastal.ca.gov for details on the procedures of this hearing. If you would like to receive a paper copy of the Coastal Commission’s Virtual Hearing Procedures, please call 415-904- 5202.

Further information on the City of Newport Beach LCP Amendment LCP-5-NPB-19-0016-1 may be obtained from Liliana Roman, Coastal Program Analyst, at (562) 590-5071. If you wish to comment on the proposed amendment, please do so via regular mail (directed to the South Coast District Office) or email (by emailing southcoast@coastal.ca.gov) by 5pm on Friday, September 4, 2020.
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EXHIBITS

Exhibit 1 – City of Newport Beach Resolution No. 2019-37

Exhibit 2 – Map of Balboa Village PM-1 Boundaries

Exhibit 3 – Proposed Change to the Certified Zoning Map
I. **OVERVIEW**

A. **STANDARD OF REVIEW**

The standard of review for the proposed amendment to the Implementing Ordinances (IP) of the City of Newport Beach certified LCP, pursuant to Sections 30513 and 30514 of the Coastal Act, is whether the IP amendment conforms with and is adequate to carry out the provisions of the Land Use Plan (LUP) portion of Newport Beach’s certified LCP.

B. **PUBLIC PARTICIPATION**

Section 30503 of the Coastal Act requires public input in LCP development. It states: “During the preparation, approval, certification, and amendment of any LCP, the public, as well as all affected governmental agencies, including special districts, shall be provided maximum opportunities to participate. Prior to submission of an LCP for approval, local governments shall hold a public hearing or hearings on that portion of the program, which has not been subjected to public hearings within four years of such submission.”

Section 30503 of the Coastal Act requires local governments to provide the public with the maximum amount of opportunities to participate in the development of the LCP amendment prior to submittal to the Commission for review. The City has held Planning Commission and City Council meetings with regard to the subject amendment request. All of those local hearings were duly noticed to the public. Notice of the subject amendment has been distributed to all known interested parties.

C. **PROCEDURAL REQUIREMENTS**

Pursuant to Section 13551 of Title 14 of the California Code of Regulations, the City resolution for submittal may specify that an LCP Amendment will either require formal local government adoption after the Commission approval, or that it is an amendment that will take effect automatically upon the Commission’s approval pursuant to Public Resources Code Sections 30512, 30513, and 30519. Here, if the Commission certifies the LCP amendment as submitted, no further City Council action will be necessary. The City’s submittal resolution indicates that the ordinance will only become final after certification by the Commission, but no formal action is required. Should the Commission deny the LCP amendment, as submitted, without suggested modifications, no further action is required by either the Commission or the City, and the LCP amendment is not effective. Should the Commission deny the LCP amendment, as submitted, but then approve it with suggested modifications, then the City Council may consider accepting the suggested modifications and submitting them by resolution to the Executive Director for a determination that the City’s acceptance is consistent with the Commission’s action. The modified LCP amendment will become final at a subsequent Commission meeting if the Commission concurs with the Executive Director’s Determination that the City’s action in accepting the suggested modifications approved by the Commission for LCP Amendment LCP-5-NPB-19-0016-1 is legally adequate. If the City does not accept the suggested modifications
D. DEADLINE FOR COMMISSION ACTION

The City of Newport Beach submitted Local Coastal Program (LCP) Amendment No. LCP-5-NPB-19-0016-1 on April 19, 2019. The subject amendment was filed as complete on May 30, 2019. Pursuant to Section 30517 of the Coastal Act, a one-year time extension was granted at the July 10, 2019 Commission hearing providing until August 23, 2020 for Commission action on this item. However, Governor Newsom’s Executive Order N-52-20 tolled this deadline for an additional 60 days due to COVID-19 restrictions, making the deadline for Commission action on this item October 22, 2020. This report addresses the entire submittal. Should the City not accept the suggested modifications within six months of the Commission’s action, then the LCP amendment remains uncertified and not effective within the coastal zone.

II. MOTION AND RESOLUTIONS

Following a public hearing, staff recommends the Commission adopt the following resolutions and findings. The appropriate motion to introduce the resolution and a staff recommendation are provided just prior to each resolution.

1. MOTION:

I move that the Commission reject the Implementation Plan Amendment No. LCP-5-NPB-19-0016-1 as submitted by the City of Newport Beach.

STAFF RECOMMENDATION OF DENIAL OF CERTIFICATION:

Staff recommends a YES vote. Passage of this motion will result in rejection of the Implementation Plan Amendment and adoption of the following resolution and findings. The motion passes only by an affirmative vote of the majority of the Commissioners present.

RESOLUTION TO DENY CERTIFICATION OF THE AMENDMENT AS SUBMITTED:

The Commission hereby denies certification of the Amendment to the Implementation Plan for the City of Newport Beach certified LCP as submitted by the City of Newport Beach and adopts the findings set forth below on grounds that the Amendment to the Implementation Plan as submitted does not conform with and is not adequate to carry out the provisions of the certified Land Use Plan. Certification of the Amendment to the Implementation Program would not meet the requirements of the California Environmental Quality Act as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the environment that will result from certification of the Amendment to the Implementation Program as submitted.
2. **MOTION:**

I move that the Commission certify the Implementation Plan Amendment No. LCP-5-NPB-19-0016-1 to the City of Newport Beach certified LCP if it is modified as suggested in this staff report.

**STAFF RECOMMENDATION: CERTIFICATION IF MODIFIED AS SUGGESTED:**

Staff recommends a **YES** vote on the motion. Passage of this motion will result in the certification of the IP Amendment with suggested modifications and adoption of the following resolution and findings. The motion to certify with suggested modifications passes only upon an affirmative vote of the majority of the Commissioners present.

**RESOLUTION TO CERTIFY WITH SUGGESTED MODIFICATIONS:**

The Commission hereby certifies Amendment No. LCP-5-NPB-19-0016-1 to the Implementation Plan for the City of Newport Beach certified LCP if modified as suggested and adopts the findings set forth below on grounds that the Amendment to the Implementation Plan with the suggested modifications will be in conformance with and adequate to carry out the provisions of the certified Land Use Plan. Certification of the Amendment to the Implementation Program if modified as suggested complies with the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the Implementation Plan on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment.
III. SUGGESTED MODIFICATIONS

Certification of the IP amendment is subject to the following modifications. The City’s proposed LUP amendment language changes are shown in single underline and single strikethrough. The Commission’s proposed new text added by suggested modification is shown bold and double underlined, and text suggested to be deleted is shown in double strikethrough.

Suggested Modification #1 – Modification to proposed language changes to IP Section 21.28.030 (A) Parking Management District Plan Required

21.28.030 Parking Management (PM) Overlay District.

A. Parking Management District Plan Required. Before approving a Coastal Zoning Map amendment reclassifying land to a PM Overlay District, the Commission and Council shall approve a parking management district plan. Each In conjunction with a Coastal Zoning Map LCP amendment reclassifying land creating a new Parking Management (PM) Overlay District, shall have a parking management plan shall be reviewed by the Commission and approved by the Council.

Suggested Modification #2 – Modifications to proposed language changes to IP Section 21.28.030 (D) Local Coastal Program Amendment Required

D. Local Coastal Program Amendment Required. The implementation creation of any future parking management district plans as a PM Overlay District shall require an amendment to the Local Coastal Program approved by the Coastal Commission.

Suggested Modification #3 – Addition of a new IP Section 21.28.030(E) requiring a CDP for any new parking management district plan

E. Coastal Development Permit Required. The parking management district plan required by Section 21.28.030(A), or any successor section, shall not become effective until the approval of a coastal development permit by the Commission. The coastal development permit shall implement the required parking management district plan implementation components contained in Section 21.28.030(B), or any successor section. Any change to the parking management district plan shall only be approved in compliance with Section 21.54.070 (Changes to an Approved Coastal Development Permit), or any successor section. These provisions do not amend, supersede or replace the conditions of any previously issued coastal development permit and an amendment to said coastal development permit from the permit issuing authority is required to implement any of these new parking management district plan provisions.
Suggested Modification #4 – Modifications to proposed new IP Section 21.28.030 (F) – Parking Management Overlay Districts Established.

E. F. Parking Management Overlay Districts and Plans Established. The parking management districts identified in this section and depicted in the referenced map exhibits adopted in Part 8 of Title 21 of the Municipal Code are established.

1. Balboa Village Parking Management Overlay District Plan (PM-1). Balboa Village Parking Management Overlay District PM-1 applies to all property located within Balboa Village between the Pacific Ocean, A Street, Newport Bay, and Adams Street, as depicted in the map of PM-1 - Balboa Village Parking Management Overlay District referenced in Section 21.80.035, or any successor section.

   a. Purpose. The purposes of the Balboa Village Parking Management Overlay District PM-1 are as follows:

      i. To protect the special community character of Balboa Village and enhance the pedestrian-oriented, traditional storefront character of Balboa Village by reducing requirements for new off-street parking facilities and the need for driveway curb cuts, traffic control devices and other parking-related improvements that are disruptive to this environment result in a loss of public on-street parking.

      ii. To establish parking programs to adequately serve the parking needs for Balboa Village residents, visitors and businesses and for recreational visitors to Balboa Pier and adjacent beaches and parks.

      iii. To modify the requirements of Chapter 21.40 (Off-Street Parking), or any successor chapter, to optimize the use of existing public and private parking spaces reflecting that Balboa Village has a large supply of public parking that is underutilized, except during the busiest summer weekends during the beach off-peak season.

      iv. Provide improved parking information and signage.

      v. Provide greater accommodation of public transit and alternative modes of transportation.

   b. Coastal Development Permit Required. The parking management district plan required by Section 21.28.030(A), or any successor section, shall not become effective until the approval of a coastal development permit by the City Council. The coastal development permit shall implement the required parking management district plan implementation components contained in Section 21.28.030(E) (1)(c), or any successor section. Any change to the parking management
b. **Existing Municipal Parking Facilities.** PM-1 includes the five (5) public parking lots within or near the District: 1) A Street lot, 2) Washington Street lot, 3) Palm Street lot, 4) Balboa Metered lot, and 5) Balboa Pier lot. In addition, PM-1 includes public on-street parking spaces along Balboa Boulevard, Palm Street, and Bay Avenue.

c. **Planned Parking Facilities.** Due to the high cost of land acquisition and construction and the underutilization of existing parking in the off-peak season, additional off-street parking facilities are not necessary to meet the demand of existing uses; however, parking demand shall be monitored and evaluated by the City every two years to determine whether additional District parking is necessary, economical, appropriate, and desirable. The City may acquire or lease parking facilities to make them available to the public.

d. **Parking Management District Plan, Implementation Components.**

i. **Existing Parking Facilities, Parking Supply.** The BVPMDP shall provide sufficient public parking spaces to meet the parking demand generated by visitors to the commercial district, Balboa Pier and adjacent beaches and parks. The BVPMDP shall include the six (6) public parking lots within or near the District: 1) A Street lot, 2) B Street lot, 3) Washington Street lot, 4) Palm Street lot, 5) Balboa Metered lot, and 6) Balboa Pier lot. In addition, the BVPMDP shall include a small number of on-street parking spaces along Balboa Boulevard, Palm Street, and Bay Avenue. The BVPMDP shall maintain the availability of spaces in these public parking facilities; however, should the need arise, the City may modify, add, or remove parking spaces to ensure safe and efficient operations and to meet parking demand. Any change to the number of spaces shall be processed through an amendment to the coastal development permit.
ii. Planned Parking Facilities. Due to the high cost of land acquisition and construction and the underutilization of existing parking, additional off-street parking facilities are not necessary to meet the demand of existing uses. Parking demand shall be monitored and evaluated by the City to determine whether additional District parking is necessary, economical, appropriate, and desirable. The City may acquire or lease parking facilities to make them available to the public.

iii. Required Off-Street Parking.

(A) **Non-residential Uses.** No off-street parking shall be required for any new non-residential use or intensification of an existing non-residential use, except for the following uses, as defined by Chapter 21.70 (Definitions), or any successor chapter: Assembly/Meeting Facilities, Commercial Recreation and Entertainment, Cultural Institutions, all Marine Services Uses, Schools, and Visitor Accommodations. Uses that require off-street parking shall provide said spaces in accordance with Chapters 21.40 (Off-Street Parking) and 21.38 (Nonconforming Uses and Structures), or any successor chapters.

(B) **Residential Uses.** Residential uses, including residential uses within a mixed-use structure, shall provide parking in accordance with Chapters 21.40 (Off-Street Parking) and 21.38 (Nonconforming Uses and Structures), or any successor chapters.

(C) **Preservation of Existing Off-street Parking.** Existing off-street parking spaces on a development site shall be preserved unless the elimination of spaces is authorized by the approval of a coastal development permit application.

(D) **Shared Parking for Non-residential Uses.** Notwithstanding the requirement of Title 21 of this Code that off-street parking be reserved for the use it
serves, the shared use of parking is allowed and encouraged. Shared parking shall be subject to the following requirements:

(1) **Required Off-street Parking.** When required, parking for non-residential uses may be satisfied by leasing nearby parking spaces at off-site locations within 1,250 feet of the parcel it serves. Development on multiple parcels with reciprocal access agreements is considered one site for parking purposes. If the spaces are required or otherwise leased to other uses, the hours of operation shall not significantly overlap. The distance between the parking facility and the use it serves shall be measured along public walkways from the closest portion of the parking facility to the main entrance of the use. The leasing of off-site parking to satisfy required parking shall be maintained in perpetuity when the use requires it and may only be discontinued if the use is discontinued.

(2) **Excess Parking.** Parking that is associated with an existing private parking lot which is not necessary to satisfy off-street parking requirements for the current use may be leased to other uses or made available to the general public.

(3) **Parking within Mixed-use Buildings.** Parking for different uses within a new, mixed-use building may be shared subject to the review and approval of a coastal development permit application.

(4) **Parking Reduction.** The reduction of required parking associated with a shared parking arrangement shall be subject to the review and approval of the Director when in compliance with the following conditions:

(a) Shared parking spaces are within 1,250 feet as described in Section
21.28.030(E)(1)(de)(iii)(D)(1), or any successor section.

(b) There is no significant overlap in the hours of operation or peak parking demand of the uses sharing the parking.

(c) The use of the shared parking facility will not create traffic hazards or impacts to surrounding uses.

(d) The property owners involved in the shared parking facilities provide a binding agreement or other legal instrument assuring the joint use of the parking facilities subject to the satisfaction of the Director.

(e) The Director may require the preparation and implementation of a parking management program for the development site to address potential parking conflicts.

(5) Section 21.40.110(A)(2) (Joint Use of Parking Facilities), or any successor section, does not apply to the Balboa Village Parking Management Overlay District.

(E) Private Parking Facilities Available to the General Public. Non-residential, off-street parking facilities are encouraged to be made available to the general public, even if the parking facility is required for existing developments. Subject to City Council review and approval, the City may enter into an agreement with the property owner for the use and/or management of the parking facility. Allowing general public access to private off-street parking facilities shall not affect the property's conformance with its required off-street parking. The agreement should, at a minimum, address the hours of availability for use by the general public, signage, maintenance, duration of agreement, and liability. General public parking fees at said private parking facilities shall reflect municipal parking facility rates.
iv. **Suspension of In-lieu Parking.** Uses within the Balboa Village Parking Management Overlay District shall not be eligible for in-lieu parking pursuant to Section 21.40.130 (In-Lieu Parking Fee), or any successor section. The requirement that existing uses within the Balboa Village Parking Management Overlay District participate in the in-lieu parking permit program shall be discontinued as of the effective date of the BVPMDP PM-1.

v. **Voluntary Employee Parking.** The City shall operate The BVPMDP shall include a voluntary Balboa Village Employee Permit Program that will include reduced fees and designated parking locations (excluding beach parking lots during peak summer months and peak use times) for employee parking during specified hours. **The City shall encourage employers to provide incentives for transit ridership and other transportation demand measures.**

vi. **User Groups.** The BVPMDP PM-1 shall provide sufficient parking to meet the needs for Balboa Village and visitors to Balboa Pier and adjacent beaches and parks, while taking into consideration time of use and seasonal demand variations. Parking shall be convenient and easily accessible for all user groups.

vii. **Parking Restrictions.** Restrictions on time of use and duration of parking shall be implemented to optimize use of both existing off-street and on-street parking spaces. Such restrictions may include variable pricing as a means to meet target occupancy levels, generate an appropriate level of turnover and encourage the use of alternative transportation.

viii. **Wayfinding Program.** The BVPMDP PM-1 shall include a wayfinding program to direct visitors to parking and bicycle facilities, public transit, pedestrian and bicycle access routes and important destinations. The wayfinding program may include the display of real-time availability data information by signage or by mobile phone applications.

ix. **Alternative Transportation.** The BVPMDP PM-1 shall accommodate and encourage the use of alternative transportation, including, but not limited to, the following:
(A) Non-motorized use of the Balboa Island Ferry;
(B) The Newport-Balboa Bike Trail;
(C) Bus parking in the Balboa Pier Main Lot;
(D) **New or additional** Public bicycle racks at street ends and other locations determined by the Public Works Director; and
(E) The accommodation **Expansion** of the summer trolley/shuttle service hours and stops and **of** ride-sharing services **including** appropriate **loading zones**.

IV. FINDINGS FOR DENIAL AS SUBMITTED, AND APPROVAL OF THE AMENDMENT IF MODIFIED AS SUGGESTED

The following findings support the Commission’s denial of the proposed Implementation Plan Amendment as submitted and approval if modified as suggested in Section III (Suggested Modifications) above.

The Commission hereby finds and declares as follows:

A. AMENDMENT DESCRIPTION

The subject Amendment Request No. LCP-5-NPB-19-0016-1 would create new procedures in the Implementation Plan (IP) portion of the Newport Beach certified Local Coastal Program (LCP) to create a new Parking Management Overlay District (PM Overlay) category and establish the first Parking Management District, PM-1 for the Balboa Village area of the City.

Soon after the LCP was certified by the Commission, the City submitted this subject IP amendment with six (6) proposed changes pertaining to Parking Management Districts. The City’s proposed deleted language is shown as strikethrough and proposed new language is shown in **underline**, as follows:

I. **Amend IP Section 21.28.030 to read as follows:**

21.28.030 Parking Management (PM) Overlay District.

A. **Parking Management District Plan Required.** Before approving a Coastal Zoning Map amendment reclassifying land to a PM each Parking Management (PM) Overlay District, shall have a parking management district plan reviewed by the Commission and approved by the Council shall approve a parking management district plan.

B. **Establishment of Parking Management Program(s).** The parking management district plan shall identify existing and planned parking facilities and establish parking management
programs necessary to adequately serve the parking needs of the area and address the following issues:
1. The provision of adequate, convenient parking for residents, guests, business patrons, and visitors of the coastal zone;
2. Optimizing the use of existing parking spaces;
3. Providing for existing and future land uses;
4. Reducing traffic congestion;
5. Limiting adverse parking impacts on user groups;
6. Providing improved parking information and signage;
7. Generating reasonable revenues to cover City costs;
8. Accommodating public transit and alternative modes of transportation.

C. **Exemptions.** The parking management district plan shall also include a formula or procedure establishing the extent to which commercial, residential, and mixed-use properties shall be exempted from the requirements of Chapter 21.40 (Off-Street Parking).

D. **Local Coastal Program Amendment Required.** The implementation of any future parking management district plans as a PM Overlay District shall require an amendment to the Local Coastal Program approved by the Coastal Commission.

E. **Parking Management Overlay Districts Established.** The parking management district identified in this section and depicted in the referenced maps exhibits adopted in Part 8 of Title 21 of the Municipal Code are established.

1. **Balboa Village (PM-1).** Balboa Village Parking Management Overlay District applies to all property located within Balboa Village between the Pacific Ocean, A Street, Newport Bay, and Adams Street, as depicted in the map of PM-1 - Balboa Village Parking Management Overlay District referenced in Section 21.80.035, or any successor section.

   a. **Purpose.** The purposes of the Balboa Village Parking Management Overlay District are as follows:

   i. To protect and enhance the pedestrian-oriented, traditional storefront character of Balboa Village by reducing requirements for new off-street parking facilities and the need for driveway curb cuts, traffic control devices and other parking-related improvements that are disruptive to this environment.

   ii. To establish parking programs to adequately serve the parking needs for Balboa Village and visitors to Balboa Pier and adjacent beaches and parks.

   iii. To modify the requirements of Chapter 21.40 (Off-Street Parking), or any successor chapter, to reflect that Balboa Village has a large supply of parking that is underutilized, except during the busiest summer weekends.

   b. **Coastal Development Permit Required.** The parking management district plan required by Section 21.28.030(A), or any successor section, shall not become effective until the approval of a coastal development permit by the City Council. The coastal development permit shall implement the required parking management district plan components contained in Section 21.28.030(E)(1)(c), or any successor section. Any change to the parking management district plan shall only be approved in
compliance with Section 21.54.070 (Changes to an Approved Coastal Development Permit), or any successor section.

c. Parking Management District Plan. The Balboa Village Parking Management District Plan ("BVPMDP") shall include the following components:

i. Existing Parking Facilities. The BVPMDP shall provide sufficient public parking spaces to meet the parking demand generated by visitors to the commercial district, Balboa Pier and adjacent beaches and parks. The BVPMDP shall include the six (6) public parking lots within or near the District: 1) A Street lot, 2) B Street lot, 3) Washington Street lot, 4) Palm Street lot, 5) Balboa Metered lot, and 6) Balboa Pier lot. In addition, the BVPMDP shall include a small number of on-street parking spaces along Balboa Boulevard, Palm Street, and Bay Avenue. The BVPMDP shall maintain the bulk of spaces in these public parking facilities; however, should the need arise, the City may modify, add, or remove parking spaces to ensure safe and efficient operations and to meet parking demand.

ii. Planned Parking Facilities. Due to the high cost of land acquisition and construction and the underutilization of existing parking, additional off-street parking facilities are not necessary to meet the demand of existing uses. Parking demand shall be monitored and evaluated by the City to determine whether additional District parking is necessary, economical, appropriate, and desirable. The City may acquire or lease parking facilities to make them available to the public.

iii. Required Off-Street Parking.

A. Non-residential Uses. No off-street parking shall be required for any new non-residential use or intensification of an existing non-residential use, except for the following uses, as defined by Chapter 21.70 (Definitions), or any successor chapter: Assembly/Meeting Facilities, Commercial Recreation and Entertainment, Cultural Institutions, all Marine Services Uses, Schools, and Visitor Accommodations. Uses that require off-street parking shall provide said spaces in accordance with Chapters 21.40 (Off-Street Parking) and 21.38 (Nonconforming Uses and Structures), or any successor chapters.

B. Residential Uses. Residential uses shall provide parking in accordance with Chapters 21.40 (Off-Street Parking) and 21.38 (Nonconforming Uses and Structures), or any successor chapters.

C. Preservation of Existing Off-street Parking. Existing off-street parking spaces on a development site shall be preserved unless the elimination of spaces is authorized by the approval of a coastal development permit application.

D. Shared Parking for Non-residential Uses. Notwithstanding the requirement of Title 21 of this Code that off-street parking be reserved for the use it serves, the shared use of parking is allowed and
encouraged. Shared parking shall be subject to the following requirements:

(1) **Required Off-street Parking.** When required, parking for non-residential uses may be satisfied by leasing nearby parking spaces at off-site locations within 1,250 feet of the parcel it serves. Development on multiple parcels with reciprocal access agreements is considered one site for parking purposes. If the spaces are required or otherwise leased to other uses, the hours of operation shall not significantly overlap. The distance between the parking facility and the use it serves shall be measured along public walkways from the closest portion of the parking facility to the main entrance of the use. The leasing of off-site parking to satisfy required parking shall be maintained in perpetuity when the use requires it and may only be discontinued if the use is discontinued.

(2) **Excess Parking.** Parking that is not necessary to satisfy off-street parking requirements may be leased to other uses or made available to the general public.

(3) **Parking within Mixed-use Buildings.** Parking for different uses within a new, mixed-use building may be shared subject to the review and approval of a coastal development permit application.

(4) **Parking Reduction.** The reduction of required parking associated with a shared parking arrangement shall be subject to the review and approval of the Director when in compliance with the following conditions:

a) Shared parking spaces are within 1,250 feet as described in Section 21.28.030(E)(1)(c)(iii)(D)(1), or any successor section.

b) There is no significant overlap in the hours of operation or peak parking demand of the uses sharing the parking.

c) The use of the shared parking facility will not create traffic hazards or impacts to surrounding uses.

d) The property owners involved in the shared parking facilities provide a binding agreement or other legal instrument assuring the joint use of the parking facilities subject to the satisfaction of the Director.

e) The Director may require the preparation and implementation of a parking management program for the development site to address potential parking conflicts.
(5) Section 21.40.110(A)(2) (Joint Use of Parking Facilities), or any successor section, does not apply to the Balboa Village Parking Management Overlay District.

E. **Private Parking Facilities Available to the General Public.** Non-residential, off-street parking facilities are encouraged to be made available to the general public, even if the parking facility is required for existing developments. Subject to City Council review and approval, the City may enter into an agreement with the property owner for the use and/or management of the parking facility. Allowing general public access to private off-street parking facilities shall not affect the property’s conformance with its required off-street parking. The agreement should, at a minimum, address the hours of availability for use by the general public, signage, maintenance, duration of agreement, and liability.

iv. **Suspension of In-lieu Parking.** Uses within the Balboa Village Parking Management Overlay District shall not be eligible for in-lieu parking pursuant to Section 21.40.130 (In Lieu Parking Fee), or any successor section. The requirement that existing uses within the Balboa Village Parking Management Overlay District participate in the in-lieu parking permit program shall be discontinued as of the effective date of the BVPMDP.

v. **Voluntary Employee Parking.** The BVPMDP shall include a voluntary Balboa Village Employee Permit Program that will include reduced fees and designated parking locations for employee parking during specified hours.

vi. **User Groups.** The BVPMDP shall provide sufficient parking to meet the needs for Balboa Village and visitors to Balboa Pier and adjacent beaches and parks, while taking into consideration time of use and seasonal demand variations. Parking shall be convenient and easily accessible for all user groups.

vii. **Parking Restrictions.** Restrictions on time of use and duration of parking shall be implemented to optimize use of existing parking spaces. Such restrictions may include variable pricing as a means to meet target occupancy levels, generate an appropriate level of turnover and encourage the use of alternative transportation.

viii. **Wayfinding Program.** The BVPMDP shall include a wayfinding program to direct visitors to parking facilities, pedestrian and bicycle access routes and important destinations. The wayfinding program may include the display of real-time availability data information by signage or by mobile phone applications.

ix. **Alternative Transportation.** The BVPMDP shall accommodate and encourage the use of alternative transportation, including, but not limited to, the following:

   (A) Non-motorized use of the Balboa Island Ferry;
   (B) The Newport-Balboa Bike Trail;
(C) Bus parking in the Balboa Pier Main Lot;
(D) Public bicycle racks at street ends and other locations determined by the Public Works Director; and
(E) The accommodation of trolley/shuttle and ride-sharing services.

II. Add the following definitions to Section 21.70.020(B):

“Balboa Island Ferry” means the ferry service connecting Balboa Island with the Balboa Peninsula.
“Balboa Pier Main Lot” means the public park lot adjacent to the Balboa Pier, located between Adams Street and A Street.

III. Add the following definition to Section 21.70.020(N):

“Newport-Balboa Bike Trail” means the system of bike lanes and paths from the Santa Ana River to West Jetty Park and generally depicted on the Bikeways and Trails Map of the Coastal Land Use Plan.

IV. Add new Section 21.80.035 to read as follows:


PM-1 - Balboa Village Parking Management Overlay District

V. Add "PM-1 Balboa Village Parking Management Plan Overlay District" map as shown as Exhibit 2 of this staff report

VI. Amend the Coastal Zoning Map to include the PM-1 overlay district symbol to Balboa Village area as shown as Exhibit 3 of this staff report

B. CONSISTENCY ANALYSIS

The standard of review for LCP Implementation Plan amendments is consistency with and ability to carry out the provisions of the certified LUP. The applicable LUP goals and policies are as follow:

LUP Policies: Commercial Parking

2.9.3-14. Develop parking management programs for coastal zone areas that achieve the following:

- Provides adequate, convenient parking for residents, guests, business patrons, and visitors of the coastal zone;
- Optimizes use of existing parking spaces;
- Provides for existing and future land uses;
- Reduces traffic congestion;
- Limits adverse parking impacts on user groups;
- Provides improved parking information and signage;
Generates reasonable revenues to cover City costs;
Accommodates public transit and alternative modes of transportation.

2.9.3-1. Site and design new development to avoid use of parking configurations or parking management programs that are difficult to maintain and enforce.

2.9.3-2. Continue to require new development to provide off-street parking sufficient to serve the approved use in order to minimize impacts to public on-street and off-street parking available for coastal access.

2.9.3-3. Require that all proposed development maintain and enhance public access to the coast by providing adequate parking pursuant to the off-street parking regulations of the Zoning Code in effect as of October 13, 2005.

2.9.3-4. Periodically review and update off-street parking requirements to ensure that new development provides off-street parking sufficient to serve approved uses.

2.9.3-5. Continue to require off-street parking in new development to have adequate dimensions, clearances, and access to insure their use.

2.9.3-6. Prohibit new development that would result in restrictions on public parking that would impede or restrict public access to beaches, trails or parklands, (including, but not limited to, the posting of “no parking” signs, red curbing, and physical barriers), except where such restrictions are needed to protect public safety and where no other feasible alternative exists to provide public safety.

2.9.3-7. If public parking restrictions are allowed to protect public safety, require new development to provide an equivalent quantity of public parking nearby as mitigation for impacts to coastal access and recreation, where feasible.

2.9.3-8. Continue to require properties with nonconforming parking to provide code-required off-street parking when new uses, alterations or additions result in increased parking demand.

2.9.3-9. Approve no application for a modification or waiver of off-street parking requirements that are found to impact public parking available for coastal access.

2.9.3-13. Encourage commercial and institutional development located near beaches and other coastal resources to provide parking for public access during weekends and holidays.

LUP Policies: Public Transit

2.9.1-1. Continue to implement the Transportation Demand Management Ordinance.
2.9.1-2. Continue to require new development to dedicate transit facilities, such as bus turnouts, benches, shelters and similar facilities, where appropriate.

2.9.1-3. Locate and design larger commercial and residential developments to be served by transit and provide non-automobile circulation to serve new development to the greatest extent possible.

2.9.1-4. Encourage the use of commercial and institutional parking areas for use as public parking during weekends and holidays in conjunction with public transit or shuttles to serve coastal recreational areas.

2.9.1-5. Encourage OCTA to continue and expand summer bus service to coastal recreational areas.

2.9.1-6. Maintain and enhance existing public water transportation services and encourage and provide incentives for expansion of these uses and land support facilities.

2.9.1-7. The City shall study alternative funding mechanisms to provide a low-cost public transportation system to serve beach areas impacted by traffic during summertime, peak-use periods. The City shall address feasible implementation measures for a summertime shuttle or other transit opportunities in the Implementation Plan of the LCP.

2.9.1-8. Employment, retail, and entertainment districts and coastal recreational areas should be well served by public transit and easily accessible to pedestrians and bicyclists. Streets, sidewalks, bicycle paths, and recreational trails (including the Coastal Trail) should be designed and regulated to encourage walking, bicycling, and transit ridership.

2.9.1-9. The City shall encourage employers to provide incentives for transit ridership (e.g. subsidies for transit use, shuttles to transit stations), ridesharing, vanpools, and other transportation demand measures designed to reduce vehicle miles traveled.

2.9.1-10. Encourage new developments to design projects to facilitate transit ridership and ridesharing through such means as locating and designing building entries that are convenient to pedestrians and transit riders.

LUP Policies: Bikeways and Trails

2.9.2-3. Develop and implement a uniform signing program to assist the public in locating, recognizing, and utilizing public bikeways and trails.

2.9.2-4. Design and site new development to provide connections to existing and proposed bikeways and trail systems.
2.9.2-5. Where appropriate, provide bicycle racks and hitching posts at public beaches and parks.

LUP Policies: Recreational Opportunities

3.1.1-1. Protect, and where feasible, expand and enhance public access to and along the shoreline and to beaches, coastal waters, tidelands, coastal parks, and trails.

3.1.1-2. Protect and enhance all existing public street ends providing public access to the shoreline, beaches, coastal parks, and trails.

3.1.1-9. Protect, expand, and enhance a system of public coastal access that achieves the following:

- Maximizes public access to and along the shoreline;
- Includes pedestrian, hiking, bicycle, and equestrian trails;
- Provides connections to beaches, parks, and recreational facilities;
- Provides connections with trail systems of adjacent jurisdictions;
- Provides access to coastal view corridors;
- Facilitates alternative modes of transportation;
- Minimizes alterations to natural landforms;
- Protects environmentally sensitive habitat areas;
- Does not violate private property rights.

3.1.1-11. Require new development to minimize impacts to public access to and along the shoreline.

LUP Policies: Recreational Opportunities and Support Facilities and Services

3.2.2-1. Continue to protect public coastal access recreational opportunities through the provision of adequate support facilities and services.

3.2.2-4. Develop parking management programs for coastal zone areas to minimize parking use conflicts between commercial uses, residential uses, and coastal zone visitors during peak summer months.

3.2.1-1. Protect, and where feasible, expand and enhance recreational opportunities in the coastal zone.

3.2.1-2. Continue to provide opportunities for a wide range of recreational activities at City parks and beaches.

3.2.1-5. Continue to allow recreational commercial uses in commercial areas adjacent to beaches and the bay.

Balboa Village Background – Area Description
The proposed IP amendment would create a Parking Management District Overlay in the Balboa Village area of the City. The proposed Balboa Village PM-1 would encompass all
property between the Pacific Ocean, A Street, Newport Bay and Adams street as depicted below and in greater detail in Exhibit 2 of this staff report.

Balboa Village is one of the oldest visitor-serving districts in the City. It is the historic center for recreational activities such as the Balboa Fun Zone, marine-related commercial uses including ferries to Balboa Island and Catalina Island, harbor tours, and recreational fishing excursions. Many of these visitor-serving facilities have become tourist attractions, including the Balboa Pavilion, the Fun Zone, and Balboa Ferry. Visitor-serving and recreational facilities located within its commercial area include restaurants and bars, snack bars, the Balboa Inn/Hotel, boat/bike/sports equipment rentals, and numerous shops selling specialized merchandise that primarily cater to visitors. The Balboa Pier and surrounding beaches are among the most popular with beachgoers in the peak summer months. Balboa Village is surrounded by residential neighborhoods along and flanking Balboa Blvd. Residential uses are also contained within the Balboa Village PM-1 boundaries consisting of medium-density (RM-2) and as part of mixed-use development (commercial ground floor and residential on upper floors).

On-street parking exists along most streets in Balboa Village. Parking spaces are metered and have time limits ranging from 30 minutes, 1 hour, to 2 hours. The certified LUP identifies the majority (73%) of 1,267 parking spaces in Balboa Village to be in public lots and on-street. Few businesses have on-site parking spaces dedicated to tenant or customer parking within the proposed PM-1. The Newport Landing parking garage is the only private, non-municipal parking structures in the area; it provides 180 spaces for the Newport Landing Restaurant, Whale Watching boats, sports fishing boats, and Catalina Island boat excursions.

### Public Parking Lots in Proposed PM-1

- **Peninsula Park Lot B:** 40 spaces
- **Peninsula Park Lot A:** 80 spaces
- **Washington St. Lot:** 7 spaces
- **Balboa Pier Beach Parking Lot:** 614 spaces, bus parking
- **Balboa Metered Lot:** 211 spaces
- **Palm St. Lot:** 60 spaces
The area includes one of the largest surface beach parking lots in the City, the Balboa Pier Beach Parking Lot with 614 parking spaces. In 2014, the Commission issued CDP 5-13-0506 to the City of Newport Beach for the installation of pay stations at the Balboa Pier Beach Parking Lot which also established parking fees and included an agreement regarding future fee changes. Additionally, three (A Street lot, Balboa Pier Beach Parking Lot, and Balboa Metered Lot) out of the five municipal parking lots included in the proposed PM-1 are in the Commission’s jurisdiction, in which case, the provisions of this LCPA are guidance only and any CDP covering those areas would need to be issued by the Commission.

The LUP further states, “All of the commercial areas in the coastal zone were originally developed at a time when little or no off-street parking was required. Therefore, a number of properties do not conform to current off-street parking requirements. In many coastal zone commercial areas, commercial parking demand is accommodated by on-street parking spaces and in public lots. This has created conflicts between commercial uses, residential uses, and coastal zone visitors.” While the City’s efforts to preserve the unique character of Balboa Village and improve parking availability for all user groups in the coastal zone are laudable, the primary concern is whether the proposed amendment would exacerbate a lack of off-street parking for commercial development that would then adversely impact coastal access opportunities.

**IP Section 21.28.030 - Parking Management (PM) Overlay District**

LUP Policy 2.9.3-14 allows for the development of parking management programs for coastal zone areas if the program: 1) provides adequate, convenient parking for residents, guests, business patrons, and visitors of the coastal zone; 2) Optimizes use of existing parking spaces; 3) Provides for existing and future land uses; 4) Reduces traffic congestion; 5) Limits adverse parking impacts on user groups; 6) Provides improved parking information and signage; 7) Generates reasonable revenues to cover City costs; and 8) Accommodates public transit and alternative modes of transportation. These are the same eight requirements enumerated in Section 21.28.030(B) – Establishment of Parking Management Program(s) in the certified LCP. No change is proposed to this certified language.

The City proposes a change to IP Section 21.28.030(A) – Parking Management District Plan Required. As certified, this section reads: “Before approving a Coastal Zoning Map amendment reclassifying land to a PM Overlay District, the [Planning] Commission and [City] Council shall approve a parking management district plan.” The intent here is for the City Council to review a Parking Management Plan when considering an LCP Amendment to create a new parking management district plan by means of a Parking Management Plan Overlay District. **Suggested Modification #1** is necessary to clarify that the parking management district plan is required to be submitted to the Commission in conjunction with the LCP amendment reclassifying land for a new PM Overly District. The proposed modification to Section 21.28.030(A) also necessitates **Suggested Modification #2** to provide the same clarification to Section 21.28.030(D) that the creation of any future parking management district plan as a PM Overlay District requires an amendment to the LCP.
The City, however, would like the authority to issue a CDP for the actual implementation of new parking management plans by means of an overlay district approved by the LCP amendment. Thus, the parameters of the plan would be a part of the LCP but the actual details of the plan would be included in a future City-issued CDP; therefore, the CDP and any future amendments would be reviewed by the Planning Commission. In the case of PM-1, which includes areas within both City and Commission jurisdiction, the CDP would have to be a consolidated permit issued by the Commission. **Suggested Modification #3** is necessary to ensure that the parking management district plan required by Section 21.28.030(A) shall not become effective until approval of a CDP by the Planning Commission, ensuring the City undergoes the necessary analysis and meets the requirements for the establishment of a Parking Management Program per IP Section 21.28.030(B). Any future changes to the parking management district plan would require an amendment to the CDP. An expansion of an Overlay District area would require a change to the Zoning Map, thus requiring an LCP amendment. Any future CDP amendments that would result in an expansion or change to the parking management plan would require a public hearing. However, “minor changes” to the plan (and thus the CDP) that the City considers to “not result in an expansion or change in operational characteristics of the use” can be approved by the Planning Director without a public hearing.

Additionally, **Suggested Modification #3** also establishes that these provisions do not supersede or replace the conditions of any previously issued CDP and an amendment to said CDP from the permit issuing authority is required to implement any of these new parking management plan provisions. For example, the proposed Balboa Village Parking Management District Plan includes all municipal parking lots in the Balboa Village area, including the Balboa Pier Beach Parking Lot, and CDP 5-13-0506 applies to this parking lot. Special Condition 1 of CDP 5-13-0506, issued by the Coastal Commission, not the City, established hourly parking rates, daily maximums, and peak holiday hourly rates and flat rates. Special Condition 2 of CDP 5-13-0506 is an agreement that any change in the rate charged for parking or method of fee collection will require Executive Director review to determine if a CDP amendment is required. Fee increases of 25% or more in any given year or 50% or more on a cumulative basis over any three consecutive year period or new development shall require an amendment. Thus, **Suggested Modification #3** is necessary to account for any underlying CDP special conditions and ensure that the parking management plan does not amend, supersede or replace those conditions.

**Balboa Village PM-1**

The proposed IP amendment would create a new IP Section 21.28.030(F)(1) establishing a new Parking Management Overlay District (PM-1) for the Balboa Village area. It identifies the boundaries of PM-1, identifies its purpose, and recognizes that a Balboa Village Parking Management District Plan (“BVPMMDP”) shall not become effective until approval of a CDP by the City. Thus, as proposed, if the IP amendment to create the first Parking Management District in the coastal zone at Balboa Village (PM-1) is approved, the details of the actual Parking Management District Plan would be part of a future CDP issued by the City. PM-1 would apply to all property located between the Pacific Ocean
and Newport Bay between Adams Street and A Street, the plan includes public parking on public streets and public and private parking lots.

The proposed Balboa Village PM-1 would include properties within Balboa Village between Adams Street and A Street, as depicted on Exhibit 2. As proposed, the Plan would modify off-street parking requirements as follows:

A. Eliminate Required, Off-street Parking for Most Commercial Uses. The Overlay District eliminates the off-street parking requirement for new or intensification of an existing uses with the exception of these specified uses that generate a high demand for parking that will continue to require off-street parking:

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assembly/ Meeting Facilities</td>
<td>Conference/ convention facilities, meeting halls, places of worship, and yacht clubs</td>
</tr>
<tr>
<td>Commercial Recreation and Entertainment</td>
<td>Arcades, amusement parks, billiard parlors/ pool halls, cinemas, and theaters</td>
</tr>
<tr>
<td>Cultural Institutions</td>
<td>Museums and libraries</td>
</tr>
<tr>
<td>Marine Services Uses</td>
<td>Boat yards, entertainment/excursions, and marine service stations</td>
</tr>
<tr>
<td>Residential Uses</td>
<td>Single/Two/Multi-family dwelling units and Mixed-Use</td>
</tr>
<tr>
<td>Schools</td>
<td>Art/dance/music, business/vocational, and professional</td>
</tr>
<tr>
<td>Visitor Accommodations</td>
<td>Bed and breakfast inns, hotels, motels, and time shares</td>
</tr>
</tbody>
</table>

B. Residential Uses. Residential uses shall continue to provide parking in accordance with IP Chapters 21.40 (Off-Street Parking) and 21.38 (Nonconforming Uses and Structures).

C. Preservation of Existing Off-Street Parking. The Plan requires the retention of existing parking spaces. Any reduction in private parking spaces must be approved through a CDP. The review process would evaluate whether the parking reduction would significantly adversely impact the overall parking supply of Balboa Village parking and ensure avoidance of adverse impacts to public access.

D. Shared Parking Facilities for Non-Residential Uses. There are approximately 120 off-street parking spaces dedicated to tenant or customer parking within the proposed PM-1. Making these spaces available for public use when they are not needed by the business would increase utilization of these existing parking resources. The Plan encourages the City to acquire or lease these
private parking spaces. When required, parking for non-residential uses may be satisfied by leasing nearly parking spaces at off-site locations within 1,250 feet of the parcel it serves.

E. Parking Reduction. The reduction of required parking associated with a shared parking arrangement would be allowed if the shared parking spaces are within 1,250 feet of the parcels they serve, will not create a traffic hazard or adversely impact surrounding uses, and do not create “significant overlap” in the hours of operation or peak parking demand of the uses sharing the parking.

F. Suspends Existing and Future In-Lieu Parking Fees. Given the Plan’s elimination of parking requirements for most commercial uses, the Plan would also eliminate the possibility for in-lieu parking fees. A voluntary in-lieu parking fee program allows proposed projects or uses to pay a designated fee rather than provide an on-site parking space. The City of Newport Beach has had a parking in-lieu fee for commercial uses since 1972. In response to concerns about the in-lieu fee program and its ability to fund new parking facilities, the City Council imposed a moratorium on the use of parking in-lieu fees and no new uses have been allowed to take advantage of the program since 1989. Those uses previously in the in-lieu parking program have continued to pay the fee on an annual basis into the City’s General Fund. Within Balboa Village, nine businesses participated in the in-lieu fee program, where a total of 93 spaces generated $13,950 in annual revenue for the City. However, the City suspended collection of in-lieu parking fees in 2015.

G. Voluntary Employee Parking. The BVPMDP shall include a Balboa Village Employee Parking Permit Program that will include reduced fees and designated parking locations for employee parking during specified hours.

H. Parking Restrictions. Restrictions on time of use and duration of parking shall be implemented to optimize use of existing parking spaces. Such restrictions may include variable pricing as a means to meet target occupancy levels, generate an appropriate level of turnover and encourage the use of alternative transportation.

I. Wayfinding Program. The BVPMDP would include a wayfinding program to direct visitors to parking facilities, pedestrian and bicycle access routes and important destinations. The wayfinding program may include the display of real-time availability data information by signage or by mobile phone applications.

J. Alternative Transportation. The BVPMDP would accommodate and encourage the use of alternative transportation, including, but not limited to the following:
A) Non-motorized use of the Balboa Island Ferry;
B) The Newport-Balboa Bike Trail;
C) Bus parking in the Balboa Pier Main Lot;
D) Public bicycle racks at street ends and other locations determined by the Public Works Director; and
E) The accommodation of trolley/shuttle and ride-sharing services.

LUP Policy 2.9.3-14 allows for the development of parking management programs. **Suggested Modification #4** to proposed IP Section 21.28.030(F)(1) is necessary to ensure that the purpose of the Balboa Village PM-1 clearly aligns with the parameters established in LUP Policy 2.9.3-14.

**Suggested Modification #4** includes safeguards that the IP contains the necessary detail and specificity to ensure that a future CDP to implement the Balboa Village Parking Management District Plan does not result in adverse impacts to coastal access and recreational opportunities, especially during the peak summer months when parking is most impacted by all user groups in Balboa Village. The modification ensures compliance with LUP policies to protect and enhance public access, the provision of public transit/alternate modes of transportation, the enhancement of public street ends to provide better public access to the shoreline and beaches, increasing the number of bicycle racks/hitching posts at public beaches and parks.

Additionally, **Suggested Modification #4** makes a minor but important correction to the number of existing parking facilities within the proposed PM-1 area, as submitted, PM-1 counted on six existing municipal parking facilities, however, the B-Street lot is not within the identified PM-1 area boundary per Exhibit 2, thus it is stricken out from the proposed new IP language.

Furthermore, **Suggested Modification #4** includes a modification to Section 21.28.30(F)(1)(d)(ii)(E)(vii) – Parking Restrictions which, as proposed, would allow for restrictions on time of use and duration of parking to be implemented to optimize use of existing parking spaces including variable pricing. However, since CDP 5-13-0506 which applies to the Balboa Pier Beach Parking Lot, the largest source of public parking in Balboa Village already sets parking rates and a mechanism for Commission review of any change in the rate charged, **Suggested Modification #4** strikes out language that would allow for variable pricing at municipal parking lots within PM-1. Furthermore, the certified LUP also includes Coastal Act Section 30213 which provides protection to lower cost visitor and recreational facilities, and as submitted, the LCP amendment does not adequately address the potentially adverse effects of variable pricing programs on low income users, such as its potential to disproportionately impact members of underserved communities and their access to the beach, therefore, for this additional reason, **Suggested Modification #4** strikes out proposed language to include variable pricing as a possible method to restrict parking in the proposed Balboa Village Parking Management District Plan.
Conclusion
With the suggested modifications described above, the Commission can find that the IP amendment conforms with and is adequate to carry out the provisions of the certified LUP, consistent with Section 30513 of the Coastal Act.

C. CONSISTENCY WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

As set forth in Section 21080.9 of the California Public Resources Code, the California Environmental Quality Act (CEQA) exempts local governments from the requirement of preparing an environmental impact report (EIR) in connection with its activities and approvals necessary for the preparation and adoption of a local coastal program (LCP). The Commission’s LCP review and approval program has been found by the Resources Agency to be functionally equivalent to the EIR process. (14 CCR § 15251(f).) Nevertheless, the Commission is required in approving an LCP submittal to find that the LCP conforms with the provisions of CEQA, including the requirement in CEQA section 21080.5(d)(2)(A) that the amended LCP will not be approved or adopted as proposed if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment.

The Commission finds that, for the reasons discussed in this report, the proposed IP amendment, with adoption of the suggested modifications listed in Section III of this report, is in conformity with, and adequate to carry out the land use policies of the certified LUP, as modified by the suggested modification. The Commission finds that approval of the LCP Amendment with suggested modifications will not result in significant adverse environmental impacts within the meaning of CEQA. Certification of the LCP if modified as suggested complies with CEQA because: 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the plan on the environment, and 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts which the LCP Amendment may have on the environment. The Commission finds that the proposed LCP amendment if modified as suggested will be consistent with Section 21080.5(d)(2)(A) of the Public Resources Code.