

ATTACHMENT A

ORDINANCE NO. 2025-17

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, APPROVING THE THIRD AMENDMENT TO DEVELOPMENT AGREEMENT NO. DA2012-003 FOR THE PROPERTY AT 4321 JAMBOREE ROAD LOCATED WITHIN UPTOWN NEWPORT PLANNED COMMUNITY (PA2025-0010)

WHEREAS, Section 200 of the City Charter, of the City of Newport Beach ("City"), vests the City Council with the authority to make and enforce all laws, rules and regulations with respect to municipal affairs subject only to the restrictions and limitations contained in the City Charter and the State Constitution, and the power to exercise, or act pursuant to any and all rights, powers, and privileges or procedures granted or prescribed by any law of the State of California;

WHEREAS, an application was filed by Uptown Newport Jamboree, LLC ("Applicant") with respect to a 25.05-acre property located at 4141-4321 Jamboree Road, 4251-4291 Uptown Newport Drive and 4288 Half Dome Place, legally described as Parcels 1 through 4 of Parcel Map No. 2013-108 ("Property");

WHEREAS, the Applicant proposes to amend Section 4.5 (Light Industrial Land Uses) of Development Agreement No. DA2012-003 ("Third Amendment to DA"), to extend the existing light industrial land uses currently operating as Tower Semiconductor (AKA TowerJazz) located within future Phase 2 of Uptown Newport Planned Community (PC-58) by 3.5 years, from March 12, 2027, to September 12, 2030 ("Project");

WHEREAS, the Property is designated Mixed-Use Horizontal 2 (MU-H2) by the General Plan Land Use Element and located within the Uptown Newport Planned Community Zoning District (PC-58);

WHEREAS, the Property is not located within the coastal zone; therefore, a coastal development permit is not required;

WHEREAS, the Newport Beach City Council ("City Council") adopted Ordinance No. 2013-5 on March 12, 2013, approving the Uptown Newport Planned Community Development Plan ("Uptown Newport PC");

WHEREAS, the City Council adopted Ordinance No. 2013-6 on March 12, 2013, approving Development Agreement No. DA 2012-003 ("DA") for the development of up to 1,244 residential dwelling units, 11,500 square feet of retail commercial uses and 2.05 acres of parklands which took effect on April 11, 2013;

WHEREAS, the DA is dated March 12, 2013, for reference purposes, and was recorded in the Official Records of Orange County on March 26, 2013, as document number 2013000180939;

WHEREAS, the Applicant transferred ownership of individual parcels which comprise the entire Property on February 14, 2014 and assigned the DA as it pertains to Parcel 1 to TSG-Parcel 1, LLC, a Delaware limited liability company; as it pertains to Parcels 2 and 4 to Uptown Newport Jamboree, LLC, a Delaware limited liability company; and as it pertains to Parcel 3 to TPG/TSG Venture I Acquisition, LLC, a Delaware limited liability company (collectively, the "Landowners") with each Landowner agreeing to be bound by all the terms, covenants and conditions relating to the DA;

WHEREAS, the City Council adopted Ordinance No. 2015-11 on May 12, 2015, approving the First Amendment to the DA to defer the timing of payment of public benefit fees and park in-lieu fees to the City;

WHEREAS, the City Council adopted Ordinance No. 2024-24 on October 22, 2024, approving the Second Amendment to DA to authorize park in-lieu fee credits to be applied towards public benefit fees in certain limited circumstances;

WHEREAS, the Applicant submitted an application on April 30, 2025, requesting the Third Amendment to DA, which is attached hereto as Exhibit "A," and incorporated herein by reference, to allow a 3.5-year extension of the light industrial uses located at the TowerJazz facility, from March 12, 2027, to September 12, 2030;

WHEREAS, a public hearing was held by the Planning Commission on June 19, 2025, in the Council Chambers at 100 Civic Center Drive, Newport Beach, California. A notice of the time, place, and purpose of the hearing was given in accordance with Government Code Section 54090 *et seq.* ("Ralph M. Brown Act") and Chapters 15.45 (Development Agreements) and 20.62 (Public Hearings) of the Newport Beach Municipal Code ("NBMC"). Evidence, both written and oral, was presented to and considered by, the Planning Commission at this hearing;

WHEREAS, at the hearing, the Planning Commission adopted Resolution No. PC2025-009 by a unanimous vote (7 ayes, 0 nays), recommending the City Council approve the Third Amendment to DA;

WHEREAS, a public hearing was held by the City Council on July 22, 2025, in the City Council Chambers located at 100 Civic Center Drive, Newport Beach. A notice of time, place and purpose of the public hearing was given in accordance with Government Code Section 54950 *et seq.* ("Ralph M. Brown Act"), and Chapters 15.45 (Development Agreements) and 20.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to, and considered by, the City Council at this hearing;

WHEREAS, the City Council finds the Third Amendment to DA is consistent with the General Plan and Uptown Newport Planned Community Development Plan (PC-58), NBMC and Subdivision Map Act as the Third Amendment to DA will simply extend the implementation of the Phase 2 development which consists of mixed housing types, supporting retail use and a one-acre public park; and

WHEREAS, the City Council finds the Third Amendment to DA does not affect nor make changes to the allocated number of residential units, approved uses, and parcel and site designs allowed by the Uptown Newport PC and remains consistent with the land uses, densities, and intensities of the Uptown Newport PC, the General Plan Land Use designation of Mixed-Use Horizontal-2 and the Airport Business Area Integrated Conceptual Development Plan.

NOW THEREFORE, the City Council of the City of Newport Beach ordains as follows:

Section 1: The Third Amendment to Development Agreement No. DA2012-003, which is attached hereto as Exhibit "A", and incorporated herein by reference, is hereby approved.

Section 2: A California Environmental Quality Act ("CEQA") Consistency Memorandum has been prepared and determined that all significant environmental concerns for the Third Amendment have been addressed in the previously certified Environmental Impact Report No. ER2012-001 (SCH No. 2010051094), First Addendum No. ER2012-001 and Second Addendum No. ER2020-001, and in compliance with the California Environmental Quality Act ("CEQA") set forth in California Public Resources Code Section 21000 *et seq.*; CEQA's implementing regulations set forth in CCR Title 14, Division 6, Chapter 3 ("CEQA Guidelines") and City Council Policy K- 3 (Implementation Procedures for the California Environmental Quality Act) to ensure that the Project will not result in new or increased environmental impacts. The CEQA Consistency Memorandum prepared for the Project is attached hereto as Exhibit "B" and incorporated by reference.

The City Council finds that judicial challenges to the City's CEQA determinations and approvals of land use projects are costly and time consuming. In addition, project opponents often seek an award of attorneys' fees in such challenges. As project applicants are the primary beneficiaries of such approvals, it is appropriate that such applicants should bear the expense of defending against any such judicial challenge, and bear the responsibility for any costs, attorneys' fees, and damages which may be awarded to a successful challenger.

Section 3: The recitals provided in this ordinance are true and correct and are incorporated into the substantive portion of this ordinance.

Section 4: If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 5: The Mayor shall sign and the City Clerk shall attest to the passage of this ordinance. The City Clerk shall cause the ordinance, or a summary thereof, to be published pursuant to City Charter Section 414. This ordinance shall be effective thirty (30) calendar days after its adoption.

This ordinance was introduced at a regular meeting of the City Council of the City of Newport Beach held on the 22nd day of July, 2025, and adopted on the 26th day of August, 2025, by the following vote, to-wit:

AYES: _____

NAYS: _____

ABSENT: _____

Joe Stapleton, Mayor

ATTEST:

Molly Perry, Interim City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE



Aaron C. Harp, City Attorney

Attachment: Exhibit "A" –Third Amendment to Development Agreement
Exhibit "B" - CEQA Consistency Memorandum

Exhibit “A”
Third Amendment to Development Agreement

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City of Newport Beach
100 Civic Center Drive
Newport Beach, CA 92660
Attn: City Clerk

(Space Above This Line Is for Recorder's Use Only)

This Agreement is recorded at the request and for the benefit of the City of Newport Beach and is exempt from the payment of a recording fee pursuant to Government Code Sections 6103 and 27383.

THIRD AMENDMENT TO DEVELOPMENT AGREEMENT

between

CITY OF NEWPORT BEACH

and

TSG-PARCEL 1, LLC, AND UPTOWN NEWPORT JAMBOREE, LLC

CONCERNING UPTOWN NEWPORT PROPERTY

THIRD AMENDMENT TO DEVELOPMENT AGREEMENT

(Pursuant to Newport Beach Municipal Code Chapter 15.45 and California Government Code sections 65864-65869.5)

This THIRD AMENDMENT TO DEVELOPMENT AGREEMENT (the “**Third Amendment**”) is dated for reference purposes as of the _____ day of _____, 2025 (the “**Amendment Date**”), and is being entered into by and between the CITY OF NEWPORT BEACH (“**City**”), on the one hand, and TSG-Parcel 1, LLC, a Delaware limited liability company, and Uptown Newport Jamboree, LLC, a Delaware limited liability company (collectively, the “**Landowner**” or “**Landowners**”), on the other. City and Landowners are sometimes collectively referred to in this Second Amendment as the “**Parties**” and individually as a “**Party**.”

RECITALS

A. Uptown Newport LP, a Delaware limited partnership was the owner of that certain real property located in the City of Newport Beach, County of Orange, State of California commonly referred to as Uptown Newport, located at 4311-4321 Jamboree Road (Assessor Parcel Nos. 445-131-02 and 445-131-03) (the “**Property**”).

B. City and Uptown Newport LP entered into that certain Development Agreement dated March 12, 2013, for reference purposes and recorded in the Official Records of Orange County on March 26, 2013, as document number 2013000180939 (the “**Agreement**”). All terms not otherwise defined in this Third Amendment shall have the meanings given them in the Agreement.

C. Uptown Newport, LP transferred ownership of individual parcels that comprise the entire Property and assigned the Agreement as it pertains to Parcel 1 to TSG-Parcel 1, LLC, a Delaware limited liability company; as it pertains to Parcel 3 to TPG/TSG Venture I Acquisition, LLC, a Delaware limited liability company; and as it pertains to Parcels 2 and 4 to Uptown Newport Jamboree, LLC, a Delaware limited liability company as recorded in the Official Records of Orange County on February 14, 2014, as document numbers 2014000060354 and 2014000060352 (the “**Partial Assignment**” or “**Partial Assignments**”). With respect to Parcel 3, the Agreement has terminated pursuant to Section 2.4 of the Agreement because (1) Parcel 3 has been finally subdivided and leased to ultimate users (residents) for a period of more than one year, (2) a final Certificate of Occupancy has been issued for all buildings contained in Parcel 3, (3) the duties under the Agreement and the Uptown Newport Development Plan have all been satisfied with respect to Parcel 3, and (4) all Master Site Improvements have been completed for Parcel 3.

D. The City Council adopted Ordinance No. 2015-11 on May 12, 2015, approving the First Amendment to Development Agreement (“**First Amendment**”) adjusting provisions related to the timing of payment of public benefit fees and park in-lieu fees which was recorded in the Official Records of Orange County on July 6, 2015, as document number 2015000349840.

E. The City Council adopted Ordinance No. 2024-24 on October 22, 2024, approving the Second Amendment to Development Agreement (“**Second Amendment**”) to add Section 4.6 (Park In-Lieu Fee Credits) to authorize park in-lieu fee credits be applied towards public benefit fees certain limited circumstances.

F. With the transfer of ownership of Parcels 1-4, the legal description of the Property as described in Exhibit “A” to the Agreement remains the same, however, new street addresses and Assessor Parcel Nos. were established as set forth in Exhibit “C” to the Second Amendment, as modified in Exhibit “C” to this Third Amendment.

G. The Parties now wish to enter into this Third Amendment to extend the existing light industrial land uses currently operating as Tower Semiconductor (AKA TowerJazz) located within future Phase 2 of Uptown Newport Planned Community (PC-58) by 3.5 years, from March 12, 2027, to September 12, 2030.

H. On March 13, 2007, the City Council adopted Ordinance No. 2007-6, entitled “Ordinance Amending Chapter 15.45 of City of Newport Beach Municipal Code Regarding Development Agreements” (the “**Development Agreement Ordinance**”). This Third Amendment is consistent with the Development Agreement Ordinance.

I. This Third Amendment is consistent with the City of Newport Beach General Plan, including without limitation the General Plan’s designation of the Property as “Mixed-Use Horizontal-2,” Airport Business Area Integrated Conceptual Development Plan, and the Uptown Newport Planned Community Development Plan.

J. On June 19, 2025, the Planning Commission held a properly noticed public hearing on this Third Amendment and considered the testimony and information submitted by City staff, Landowners, and members of the public. On June 19, 2024, consistent with applicable provisions of the Development Agreement Statute and Development Agreement Ordinance, the Planning Commission adopted Resolution No. PC2025-009, recommending the City Council approve this Third Amendment.

K. In recognition of the significant public benefits that the Agreement, as amended, provides, the City Council has found that this Third Amendment: (i) is consistent with the City of Newport Beach General Plan as of the date of the Agreement, the First Amendment, the Second Amendment, and this Third Amendment; (ii) is in the best interests of the health, safety, and general welfare of City, its residents, and the public; (iii) is entered into pursuant to, and constitutes a present exercise of, City’s police power; (iv) is consistent and has been approved consistent with the final Environmental Impact Report (No. ER2012-001) (SCH#2010051094) (“**EIR**”) that has been certified by the City Council on or before the Agreement Date, which analyzed the environmental effects of the proposed development of the Project on the Property, and all of the findings, conditions of approval and mitigation measures related thereto; and (v) is consistent and has been approved consistent with provisions of California Government Code section 65867 *et seq.* and Chapter 15.45 of the Newport Beach Municipal Code.

L. On July 22, 2025, the City Council held a properly noticed public hearing on this Third Amendment and considered the testimony and information submitted by City staff, Landowners, and members of the public. On August 26, 2025, consistent with applicable provisions of the Development Agreement Statute and Development Agreement Ordinance, the City Council held second reading and adopted Ordinance No. 2025- , finding the Third Amendment to be consistent with the City of Newport Beach General Plan and approving this Third Amendment.

AGREEMENT

NOW, THEREFORE, City and Landowners agree as follows:

1. Section 4.5 (Light Industrial Land Uses) of the Agreement is hereby amended as follows:

“4.5 Light Industrial Land Uses.

Light industrial land uses will cease on the Property as of September 12, 2030.”

2. All of the Recitals in this Third Amendment are incorporated into the Agreement. Exhibits A and B are attached to the original Agreement and Exhibit C, which is attached hereto and incorporated by reference to this Third Amendment. Exhibits A through C are incorporated by reference to the Agreement, First Amendment, Second Amendment and this Third Amendment as follows:

EXHIBIT DESIGNATION	DESCRIPTION
A	Legal Description of Property
B	Depiction of the Property
C	Property Addresses and Assessor Parcel Numbers

3. **Full Force and Effect.** Except as modified by this Third Amendment, the Second Amendment, First Amendment, and Agreement shall remain in full force and effect.

4. **Recitals.** The Recitals set forth above are true and correct and incorporated herein by reference.

5. **Counterparts.** This Third Amendment may be signed by the Parties in different counterparts and the signature pages combined shall create a single document binding on all Parties.

6. **Recordation.** The City Clerk of City shall record this Third Amendment in the Office of the County Recorder of the County of Orange within the period required by California Government Code section 65868.5 and City of Newport Beach Municipal Code section 15.45.100. The date of this Third Amendment and the date of recordation of this Third Amendment shall not modify or amend the Effective Date or the Termination Date of the Agreement.

[SIGNATURE PAGE FOLLOWS]

**LANDOWNERS SIGNATURE PAGE TO
THIRD AMENDMENT TO DEVELOPMENT AGREEMENT**

“LANDOWNERS”

UPTOWN NEWPORT JAMBOREE, LLC,
a Delaware limited liability company

Name: _____

Title: _____

Name: _____

Title: _____

TSG-PARCEL 1, LLC,
a Delaware limited liability company

Name: _____

Title: _____

Name: _____

Title: _____

**CITY SIGNATURE PAGE TO
THIRD AMENDMENT TO DEVELOPMENT AGREEMENT**

“CITY”

CITY OF NEWPORT BEACH

By: _____
Joe Stapleton, Mayor

ATTEST:

Molly Perry, Interim City Clerk

APPROVED AS TO FORM:

Aaron C. Harp, City Attorney

Attachment: Exhibit C - Property Addresses and Assessor Parcel Numbers

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

State of California
County of _____}

On _____, 20____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

(seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

State of California
County of _____}

On _____, 20____ before me, _____, Notary Public, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

(seal)

EXHIBIT C

PROPERTY ADDRESSES AND ASSESSOR PARCEL NUMBERS

APNs:

445-134-01 thru 16, 18 thru 34, and 36
445-133-07 and 08

Addresses:

4141 Jamboree
4201 Jamboree
4301 Jamboree
4321 Jamboree
4251, 4261, 4271, 4281, 4291
Uptown Newport Drive
4288 Half Dome Place

Exhibit "B"
CEQA Consistency Memorandum

TECHNICAL MEMORANDUM

DATE	May 27, 2025
TO	Community Development Department City of Newport Beach
ADDRESS	100 Civic Center Drive Newport Beach, CA 92660
CONTACT	Rosalinh Ung, Principal Planner
FROM	JoAnn Hadfield, Principal
SUBJECT	CEQA Environmental Review for the Proposed Revision to the Uptown Newport Development Agreement (3 rd Amendment) to Extend Tower Jazz Operations 3.5 Years
PROJECT NUMBER	CNB-27

PURPOSE OF THIS MEMORANDUM

The purpose of this memorandum is to document PlaceWorks' review of applicable environmental documentation and processes pursuant to the California Environmental Quality Act (CEQA) to determine whether the proposed 3rd Amendment to the Uptown Newport Development Agreement (proposed project) is within the scope, and consistent with, the previous entitlement approvals for the Uptown Newport Planned Community (PC-58). The discussion includes the following:

- » Background - Uptown Newport Environmental Review to-date
- » Proposed Project – description of the proposed amendment to the Uptown Newport Development Agreement.
- » EIR Phasing Assumptions and Analysis
- » Uptown Newport Development Status
- » Proposed Project Consistency Review – review of the currently proposed project with respect to the permitted land uses, environmental analysis and regulatory requirements described in the Uptown Newport EIR as addended.
- » Conclusion – summary of whether the proposed project is consistent and within the scope of the Uptown Newport EIR as addended.

BACKGROUND – UPTOWN NEWPORT ENVIRONMENTAL REVIEW

The subject property is located in the Airport Area and approximately 25.05 acres in size. The site is surrounded to the north, west, and south by commercial/office uses within the Koll Center Newport office park. Jamboree Road borders the eastern property line and the University of California, Irvine North Campus.

The Uptown Newport Planned Community, among other entitlements, was approved on March 12, 2013, and the original Environmental Impact Report (EIR) was certified on February 26, 2013 (State Clearinghouse No. 2010051094) for the removal existing office and industrial uses and construction of 1,244 residential units, 11,500 square-feet (SF) of neighborhood-serving retail space and approximately two acres of public park in two primary phases. Subsequently, two EIR Addendums were approved as described below:

- » Addendum No. 1 to the Uptown Newport EIR – addresses alternative and phasing of the 11,500 square-foot commercial component, which included the elimination of commercial component on Lot 3 of Tract Map 17763 and replacement of 7 additional residential units; relocation of 3,500 square-foot retail use to Lot 2 and 3,000 square-foot retail use to Lot 1 of Phase 1, and remaining commercial component to be developed in Phase 1 and/or Phase 2. Approved March 23, 2017.
- » Addendum No. 2 to the Uptown Newport EIR – addresses construction of a room/enclosure within an existing building for an existing TowerJazz’s 2,230-gallon anhydrous ammonia tank (alternative mitigation in comparison to EIR). Approved July 28, 2020.

PROPOSED PROJECT

The applicant proposes to extend the terms of TowerJazz’s lease agreement by seeking a 3.5-year extension of the original termination date. This request is to extend the sunset date stated the Development Agreement from March 12, 2027, to September 12, 2030.

- » An amendment to the Uptown Newport Development Agreement (3rd amendment) to extend the Sunset date of TowerJazz Semiconductor operations to September 12, 2030.

The proposed project would not alter any of the land uses approved for the project site. Changes would be limited to an extension of the timeline for buildout of the development as assumed in the EIR.

EIR PHASING ASSUMPTIONS AND ANALYSIS

The following are the land use statistics by phase as included in Chapter 3, *Project Description*, of the Uptown Newport EIR (Table 3.2):

Uptown Newport Land Use Summary (EIR Table 3.2)

	Phase 1	Phase 2	Total
Number of Units	680	564	1,244
Developable Area (ac.)	8.65	10.02	18.67
Park Area (ac.)	1.03	1.02	2.05
Retail (sf)	11,500	0	11,500
Right of Way Area (ac.)	2.61	1.72	4.33
Total Area (ac.)	12.29	12.76	25.05

The EIR describes the proposed General Phasing of the project as follows:

The project would be developed in two primary phases, as shown on Figure 3-6, *Site Plan and Phasing Plan*, and detailed in Table 3-2, *Land Use Summary*. The first phase of the project is projected to commence in 2013 and be completed by 2018. Timing for Phase 2 would be contingent on the existing lease of the TowerJazz building, which is currently set to expire in March 2017, but could be extended to as late as March 2027. This DEIR conservatively assumes that Phase 2 could commence as early as spring 2017 with buildout through 2021.

The operation of the TowerJazz facility, an existing semiconductor manufacturing facility, is expected to continue as an interim use after the development of Phase 1. This DEIR, therefore, addresses the potential impacts of the Phase 1 development (an interim condition with 680 residential units and 11,500 square feet of commercial uses) operating adjacent to the TowerJazz facility. Similarly, an SCE substation at the northwest corner of Fairchild Road and Jamboree Road would remain after Phase 1 development and be eliminated during Phase 2 development.

Figure 1-1 shows the approved Phasing Plan for the project. Note that the retail use location in Lot 2 was revised per the March 2017 EIR Addendum to highlight portions to be developed in Phase 1 and Phase 2.

UPTOWN NEWPORT DEVELOPMENT STATUS

As of May 2025, Phase 1 located on the westerly side of the property is nearly completed with a total of 548 units allotted to the following projects that are in various improvement stages:

- » **One Uptown Newport.** a 458-unit apartment project inclusive of 92 affordable units (completed and occupied);
- » **Parkhouse Residences.** a 30-unit condominium project (near completion);
- » **Uptown Newport Residences.** a 60-unit condominium project (entitled); and
- » **Phase 1 Park.** a one-acre public park (improved and open to public).

None of the retail use has been developed.

After the approval of Uptown Newport Planned Community, the entitlement for 77 Phase 1 units was transferred to the 1300 Bristol residential project within the same statistical area of the City. The remaining entitlement for Uptown Newport Phase 1 unbuilt units is therefore 55 units.

Phase 2 is located on the easterly side of the property and currently occupied by TowerJazz Semiconductor and its ancillary uses. Phase 2 will not be developed until the TowerJazz lease expires, and this use has vacated from the project site. Phase 2 will include the remaining residential uses allocated in Phase 1 (55 units), the 564 units allocated for Phase 2, and the one-acre park and 11,500 SF commercial/retail use.

PROPOSED PROJECT CONSISTENCY REVIEW

As summarized above, development thus far has occurred within the development envelope defined and analyzed for each project phase in the EIR. Also as described, future Phase 2 development is now proposed to include some development originally proposed for Phase 1. With the proposed Development Agreement

Amendment, the next phase, including full build-out of the project, would be extended by approximately 3.5 years in comparison to the description in the EIR.

Although the EIR described the potential TowerJazz lease extension to 2027, inclusive of two 5-year lease extensions, the EIR analyzed the construction schedule assuming buildout under expiration of the lease in 2017. It concludes that this would be the most conservative analysis as the impacts would be more concentrated. Under this scenario, it was assumed that there would be some overlap of the construction schedule for the two phases (during 2017 and 2018). Under the 2027 lease expiration, there would be no overlap of the construction phases and related impacts.

As with the extended lease agreement to 2027 considered in the EIR, under the proposed Development Agreement Amendment extending Tower Jazz's lease until September 12, 2030, there would be no construction overlap between Phase 1 and Phase 2. This would reduce the impacts as analyzed in the EIR. For example, the daily maximum air quality and greenhouse gas emissions quantified for the project would be reduced since they would only reflect the maximum daily for activities for each phase independently.

Since there are no land use changes proposed in the Development Agreement Amendment, the project would not affect any of the EIR analysis related to operational impacts (e.g. air quality, GHG, public service, utilities). Similarly, the proposed DA Amendment would not affect the area disturbed by the proposed project or the physical resources that could be impacted. Since none of the Phase 2 land uses would be developed until the TowerJazz facility is vacated and related hazards are remediated as described in the EIR, the lease extension would not alter the impacts as analyzed and mitigated pursuant to the EIR.

Furthermore, approval of the DA Amendment would not alter the findings of the cumulative impact analyses throughout the EIR. Although the full impact of the project would be extended, the total, incremental impact of the project on the environment upon buildout would not change. The net impact would be the same as analyzed in the EIR. Additionally, as the Uptown Newport Planned Community is entitled, the impact contribution of this project has been/will be included in the environmental assessment for future projects as a related project for cumulative analyses.

CONCLUSION

Based on our review as documented above, the proposed revision to the Uptown Newport Development Agreement (3rd Amendment) to extend TowerJazz operations approximately 3.5 years is consistent within the scope of the certified, February 2013, Uptown Newport EIR, as addended, for this project. No additional environmental review pursuant to CEQA is required.



Figure 1-1: Phasing Diagram