



NEWPORT BEACH

City Council Staff Report

April 28, 2026
Agenda Item No. 14

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Resolution No. 2026-26: 300 Newport Center Drive Condominiums
Appeal (PA2025-0102)

ABSTRACT:

For the City Council's consideration is an appeal of the Planning Commission's March 5, 2026, approval of the 300 Newport Center Drive Condominium Project. Appeals were filed by Supporters Alliance for Environmental Responsibility (SAFER) on March 12, 2026, and by Ken D. LaCroix, on behalf of Save Our Theater, on March 13, 2026. The project, located at 210 and 300 Newport Center Drive, includes demolition of the existing Regal Big Edwards theater and Body Design health/fitness facility, and construction of 150 residential condominium units with home offices and retail/café uses.

RECOMMENDATIONS:

- a) Conduct a de novo public hearing;
- b) Find that this project is not subject to further environmental review pursuant to Section 21083.3 of the California Public Resources Code (PRC) and Section 15183 of the California Environmental Quality Act (CEQA) Guidelines because the project is consistent with the previously certified Program Environmental Impact Report (SCH No. 2023060699) and statutorily exempt from the requirements of CEQA pursuant to Public Resources Code Section 21080.66; and
- c) Adopt Resolution No. 2026-26, *A Resolution of the City Council of the City of Newport Beach, California, Denying an Appeal and Upholding the Decision of the Planning Commission to Approve Major Site Development Review, Conditional Use Permit, and Vesting Tentative Tract Map to Demolish an Existing Movie Theater and Health/Fitness Facility and Construct 150 Residential Condominiums, a Café, and Home Offices Located at 210 And 300 Newport Center Drive and APNs 442-091-12 and 442-161-16 (PA2025-0102).*

DISCUSSION:

The subject properties are four parcels that together comprise a 4.17-acre site located at 210 and 300 Newport Center Drive and Assessor Parcel Numbers (APNs) 442-091-12 and 442-161-16 as shown in Figure 1 below (Property). The Property is on the southeast side of Newport Center Drive (East) and extends from Anacapa Drive to San Miguel Drive. It is currently improved with the Regal Edwards Big Newport, an approximately 73,892-square-foot, six-screen movie theater with 1,134 seats, an approximately 6,400-square-foot health/fitness business, and a 121-space surface parking lot.

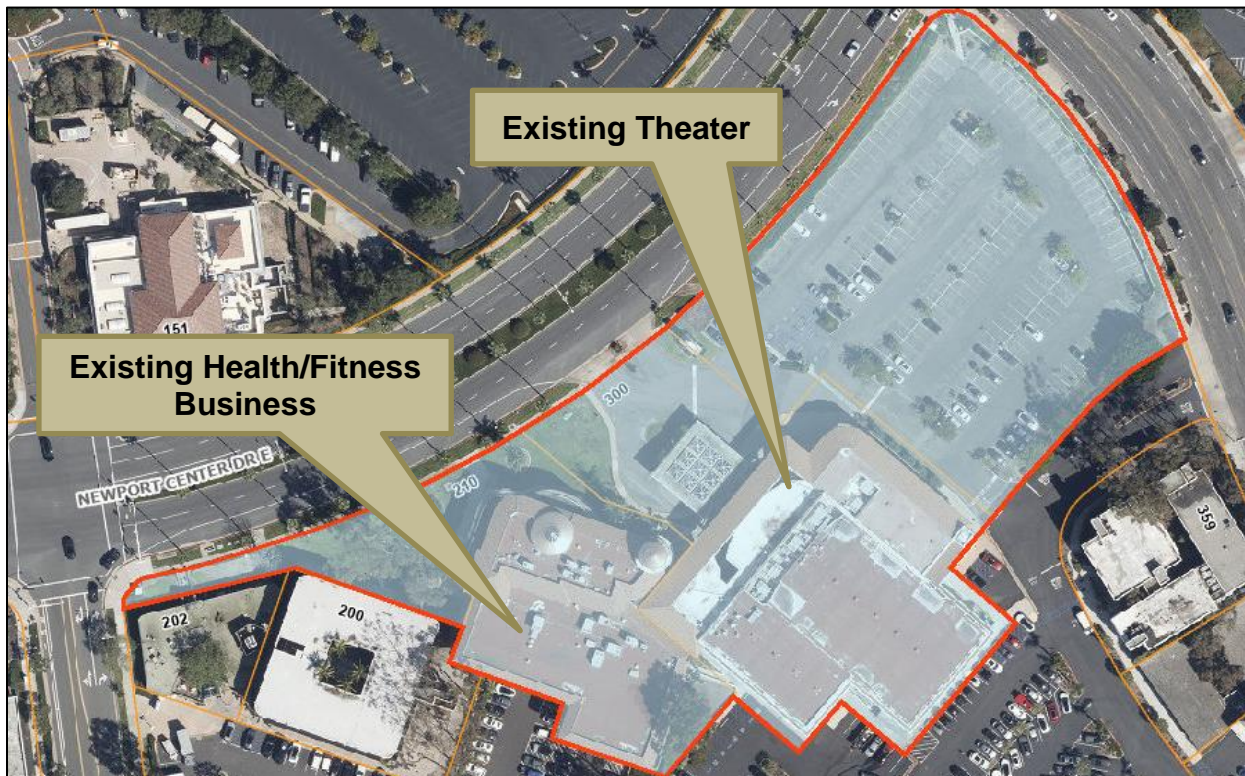


Figure 1, Existing Property

The Property is designated Regional Commercial Office (CO-R) by the General Plan Land Use Element and within Anomalies 36 and 37. It is located within the Office – Regional (OR) zoning district and HO-4 (Newport Center) subarea of the Housing Opportunity (HO) overlay zoning districts.

Project Description

The applicant proposes demolishing all existing improvements on the Property and constructing 150 residential condominium units and 343 parking spaces within two 22-story towers. The project also includes the construction of a retail/café space at the corner of San Miguel Drive and Newport Center Drive and nonresidential home office spaces that will be sold individually to owners of the residential condominium units. Project plans are included as Attachment G. A breakdown of the gross floor area and individual unit sizes are provided in Tables 1 and 2, respectively.

Table 1, Building Summary

Use	Floor Area (SF)
Residential	498,469
Resident Serving Amenities	31,621
Home Offices	18,060
Retail/Café	1,950
Parking Garage	158,750
Total	708,850

Table 2, Unit Summary

	2 Bedroom	3 Bedroom	4 Bedroom	Penthouse
Unit Size (SF)	2,127-2,408	2,459-2,579	3,104	6,419
Number of Units	70	72	6	2

Each residential tower is nearly identical and is connected through a podium that contains the home offices, retail/café, amenities, parking, and support facilities. The home offices are all within the main podium of the building along the street frontages and accessible via the public courtyards and interior of the podium. As depicted in Figure 2, the project will have a contemporary architectural style with neoclassical and mediterranean elements.

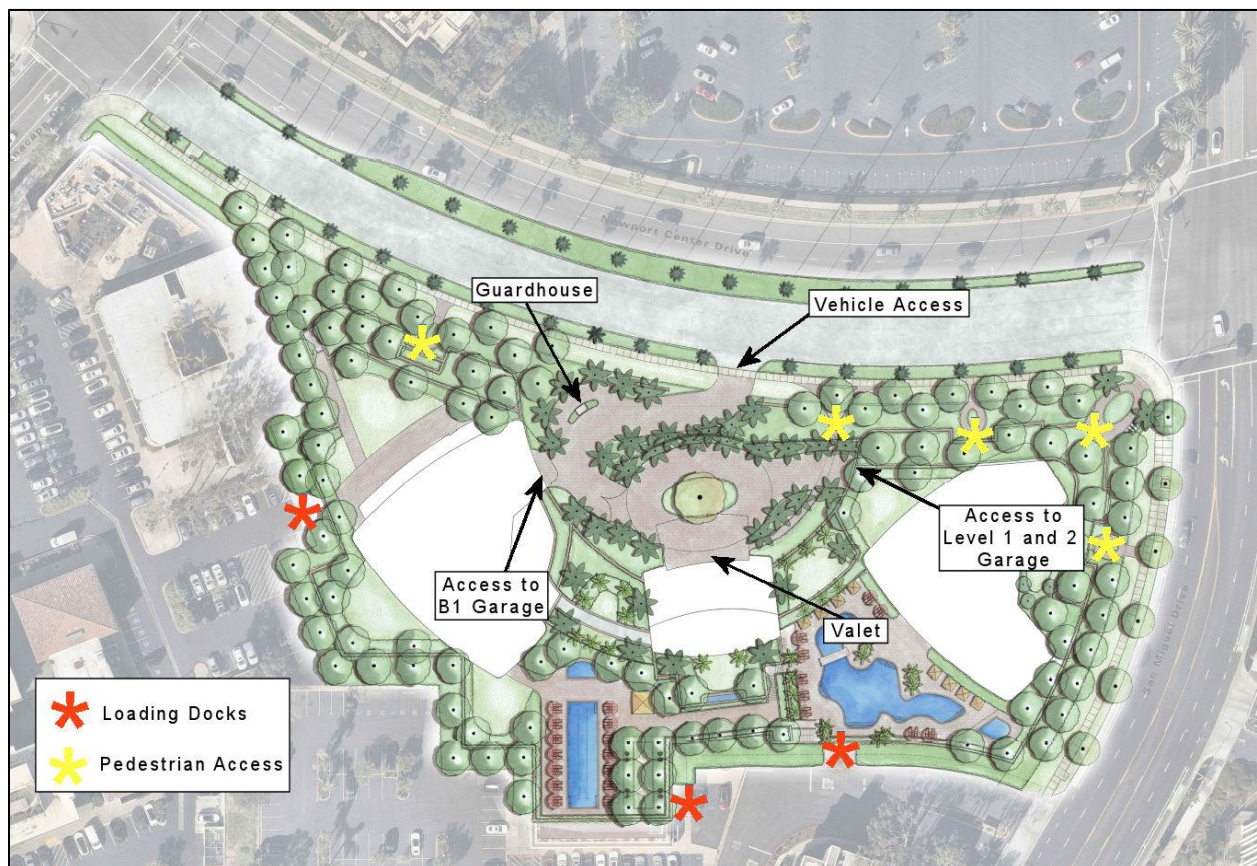


Figure 2, Project rendering from Newport Center Drive

Vehicular access to the Property is through a driveway on Newport Center Drive, which leads to a guardhouse and motorized gate restricting access to the motor court and valet drop off. The guardhouse will be staffed 24 hours a day, seven days a week to screen

visitors to the site. A vehicle turnaround is provided between the guardhouse and gate to facilitate an efficient flow of traffic by those denied access to the site. A bypass lane is provided to allow residents to skip the guardhouse and activate the gate with a transponder.

Three loading docks are proposed. One loading dock for delivery and moving trucks is provided on the southwest side of the basement level and accessible via the adjacent property on the southwest side of the Property. The other two loading docks are located on the southeast side of the first floor, which can be accessed from San Miguel Drive, across the property to the east. The southeastern loading dock provides trash storage and staging. The southern (central) loading dock provides access for delivery and moving trucks. Existing easements facilitate access to the three loading docks.



Publicly accessible open space (PAOS) is provided in four courtyards accessible via 8-foot-wide walkways along the public right-of-way. The PAOS courtyards would be open to the public and lead to exterior entrances for the home offices and retail/café. The retail/café space would be accessed from the public right-of-way at the intersection of San Miguel Drive and Newport Center Drive and is intended to serve the public in addition to onsite residents; however, an allowance is included to allow the conversion of the space into a private residential amenity in the future.

The project includes 12 separate home offices within the first and second floors of the building podium. Home offices are a unique commercial use in that they will be sold individually and exclusively to owners of the residential condominiums onsite. The home

offices range from approximately 350 to 1,500 square feet. The home offices are different from a typical business center commonly included in multi-unit buildings because each office will be owned and operated privately by a single resident. The home offices would not be available for use by other owners in the building. The home offices are essentially an elevated version of a home occupation and are anticipated to have limited traffic and employees. The home offices and café space on the first and second floors of the podium interface with the pedestrian scale and provide a more gradual transition to the high-rise towers. These commercial uses would also support a more active public realm.

A detailed version of the project description is provided in Attachment B to this staff report.

The following approvals are required to implement the proposed project:

1. **Major Site Development Review (SDR):** Required for any project proposing five or more residential units with a tract map. The site development review allows the City to review the proposed development and allows for deviations of 5 multi-unit objective design standards pursuant to Section 20.48.185 (Multi-Unit Objective Design Standards) of the Newport Beach Municipal Code (NBMC);
2. **Conditional Use Permit (CUP):** Required to waive 58 parking spaces for the proposed retail/ café and home office space required by the NBMC; and
3. **Vesting Tentative Tract Map (VTTM):** Requested to consolidate four lots into one 4.17-acre lot, pursuant to Chapter 19.12 (Tentative Map Review) of the NBMC and to allow for an airspace subdivision of the 150 residential units, home office, and retail/ café space for condominium purposes.

Planning Commission Hearing and Decision

On March 5, 2026, the Planning Commission conducted a noticed public hearing to consider the project. Comments were received both in support and opposition of the project.

Following receipt of public comments and deliberation, the Planning Commission adopted Resolution No. PC2026-004 by a unanimous vote (6 ayes, 0 nays) to approve the project. The staff report, resolution, and meeting minutes are provided as Attachment B, C and D, respectively.

Appeal

An appeal was filed on March 12, 2026, by SAFER (Appellant). The appeal cited concerns regarding compliance with the California Environmental Quality Act (CEQA).

The complete appeal application is provided as Attachment E.

A second appeal was filed on March 13, 2026, by Ken D. LaCroix on behalf of Save Our Theater (Appellant). The appeal cited the following factors of concern (as summarized):

- CEQA
- Loss of theater
- Applicability of objective design standards
- Aesthetics
- Newport Center height limits
- Findings related to Vesting Tentative Tract Map
- Parking waiver for home offices and retail
- Parking within nearby properties
- Lack of community benefits/fees for affordable housing
- Disclosures to residents regarding adjacent uses

The second appeal application is provided as Attachment F.

Response to Appeal

The analysis below addresses the concerns expressed by the Appellants.

CEQA and Economic Impacts

Both Appellants express concerns regarding the project's compliance with CEQA. Specifically, SAFER's appeal noted concerns regarding the adequacy of environmental review pursuant to CEQA, stating that there are significant environmental impacts unique to the project. The appeal did not specify the nature of the potential significant environmental impacts, nor did it provide evidence supporting this concern.

On July 23, 2024 the City Council adopted Resolution No. 2024-50 certifying Final Program Environmental Impact Report SCH No. 2023060699 (PEIR), approving a Mitigation Monitoring and Reporting Program (MMRP), and adopting Findings and a Statement of Overriding Considerations related to the implementation of the Housing Element involving amendments to the General Plan, Coastal Land Use Plan, and Title 20 (Planning and Zoning) and Title 21 (Local Coastal Program Implementation Plan) of the NBMC. The PEIR and MMRP can be viewed at: <https://www.newportbeachca.gov/CEQA>.

The purpose of the PEIR was to evaluate the potential environmental impacts of implementing the Housing Opportunity Overlay Zoning District. Specifically, the PEIR would:

- Analyze and disclose the cumulative environmental effects of the zoning amendments;
- Identify mitigation measures to potentially reduce or eliminate significant adverse impacts (e.g., air quality, water quality, biological resources, etc.);
- Provide a legal and informational foundation for decision-makers and the public before the zoning is adopted or amended; and

- Streamline future housing development by covering broad environmental issues at the program level, reducing the need for project-specific EIRs unless new significant impacts are identified.

The project also included a CEQA 15183 Consistency Analysis (Exhibit D of Attachment A) prepared by T&B Planning Inc., dated February 2026. The purpose of this analysis was to demonstrate that the proposed project is consistent with the PEIR and that no additional environmental impacts would result from the project.

As part of the consistency analysis, the Applicant provided several supporting technical reports including:

- Air Quality and Green House Gas Emission Analysis dated February 7, 2026
- Cultural Resources Assessment dated January 2026
- Preliminary Geotechnical Report dated February 9, 2026
- Phase 1 Environmental Site Assessment dated June 6, 2025
- Preliminary Water Quality Management Plan dated February 5, 2026
- Preliminary Hydrology Report dated February 2026
- Trip Generation Assessment dated January 29, 2026
- Water Demand Report dated January 2026
- Sewer Analysis Report dated January 2026
- Dry Utilities Memorandum dated December 9, 2025
- PEIR Mitigating Measure and Reporting Program Applicability Assessment

The CEQA 15183 Consistency Analysis and technical reports provided were peer-reviewed by City's CEQA consultant Kimley-Horn & Associates, Inc. Both the consistency analysis and peer review concluded that the project would not create any new significant impacts or significant impacts that are substantially more severe than those disclosed in the PEIR, therefore no further environmental review is required pursuant to CEQA Guidelines §15183.

SAFER, one of the Appellants, submitted a comment as part of the Planning Commission hearing regarding potential biological impacts related to bird strikes. A response was prepared by LSA Associates, Inc. dated March 5, 2026, addressing the concerns and it is included in Attachment A. The response concludes that the project is not unique or different from the housing projects analyzed in the PEIR and would not present a site-specific impact on biological resources that were not addressed in the PEIR.

The second Appellant, Save Our Theater, also expressed concerns regarding compliance with CEQA, stating that the CEQA documentation failed to address economic impacts related to surrounding businesses and "various other CEQA issues." The Appellant did not provide further clarification or evidence regarding the "other CEQA issues" cited. The preceding paragraphs provide a general response regarding CEQA.

Further, CEQA does not include thresholds or require analysis related to economic impacts to surrounding properties. The subject property allows a variety of land uses including both commercial uses and housing. Potential construction impacts to surrounding properties would be temporary in nature and a construction management

plan is required prior to permit issuance to address phasing, staging, noise and other areas of construction to reduce potential concerns.

Loss of Theater

The CEQA 15183 Consistency Analysis prepared by T&B Planning, Inc. includes a Cultural Resources Report prepared by LSA Associates dated January 2026. As the theater is over 50 years old and is proposed to be demolished as part of the project, the Cultural Resources Report includes a detailed evaluation of potential impacts to historic resources. The report concludes that the existing theater is not listed as a historic resource on the federal, State or City register nor is it eligible for listing as a historic resource. The existing building has been substantially modified from the original design and does not meet the established criteria for listing as a historic resource.

It should also be noted that at the March 5, 2026, Planning Commission meeting, a representative of the Edwards family, property owner of the site and original developer of the theater, provided testimony in support of the project. He noted that the movie theater business has yet to recover from the pandemic, and confirmed that Regal Cinemas, the current operator, has indicated it would like to exit its current agreement prior to the end of 2026.

Objective Design Standards and Aesthetics

The Appellant asserts that staff is not qualified to evaluate aesthetics and that the objective design standards do not apply to high-rise development. However, the standards identified in Section 20.48.185 (Multi-Unit Objective Design Standards) of the NBMC apply to all multi-unit development applications that include a residential density of a minimum of 20 dwelling units per acre. The project proposes a density of approximately 36 dwelling units per acre, therefore the standards apply. Although the standards were not developed with high-rise development in mind, the project nonetheless complies with 47 of the 52 standards, with only minor deviations proposed. As provided in Attachment A, the five objective design standard waivers are appropriate because strict compliance with the standards is not necessary to achieve the purpose and intent of this section and the project possesses compensating design and development features that offset impacts associated with the waivers.

The standards are objective, therefore, the project does not need to be evaluated by an architect or other design professional to determine compliance with Section 20.48.185. Additional discussion regarding aesthetics and compatibility is provided in Attachment A and Attachment B.

Height Limits

The project complies with the height limits established for the Property. The Housing Opportunity Overlay Zoning Districts maps for HO-4 Newport Center Area allows a base height limit for the Property of 270 feet. The project proposes a maximum height of 270 feet to the top of the residential tower buildings, inclusive of any rooftop appurtenances, when measured from established grade. Additionally, consistent with Footnote 7 of Table 2-16 of

Section 20.28.050 (Housing Opportunity [HO] Overlay Zoning Districts) of the NBMC, the project is not located on a parcel subject to the Sight Plane Ordinance (Ordinance No. 1371 and Ordinance No. 1596). Therefore, the project is consistent with the height limits for the Property.

Community Benefits/Fees to Offset Affordable Housing

The City does not have an inclusionary housing ordinance for properties in Newport Center. Therefore, the Applicant is not obligated to provide affordable housing or pay in-lieu fees regarding affordable housing.

The project is anticipated to generate approximately \$8,900,000 in in-lieu park dedication fees and \$4,900,000 in other development impact fees that would support police, fire, water, sewer and recreational services to support the City.

Parking

The Appellant asserts that the parking waiver for the nonresidential uses does not include restrictions on guest or employee parking and that the parking study does not address where service persons will park such as housekeepers or childcare workers.

A Parking Analysis and Parking Management Plan was prepared by Gibson Transportation Consulting, Inc. dated January 29, 2026 (Parking Study) and is included in Attachment A as Exhibit F. The Parking Study concludes that adequate parking is provided to support both the residential and non-residential uses. The project provides more than the minimum required parking to support the residential uses, including 45 parking spaces for visitors and 12 surplus parking spaces for support staff of the building as shown in Table 1 below.

Table 1, Required and Provided Parking

Requirement		Factor	Parking Required
Residential Parking (NBMC 20.28.050)			
2 Bedroom	1.8 space/unit	70 units	126
3+ Bedroom	2.0 space/unit	80 units	160
Visitor	0.3 space/unit	150 units	45
Subtotal Residential Parking Required			331
Subtotal Residential Parking Provided			343
Commercial Parking (NBMC 20.40.040)			
Office	1 space/250 sq ft	9,450 net sq ft	38
Cafe	1 space/100 sq ft	1,950 sq ft	20
Subtotal Commercial Parking Required			58
Subtotal Commercial Parking Provided			0
Total Parking Required			389
Total Parking Provided			343

The office space would only be occupied by owners of the residential units, thus would not generate its own parking demand. Potential visitors to the office suites could use the

visitor spaces intended for the residents' guests. There are several conditions of approval that regulate parking, including the following:

- All staff of the project shall park onsite.
- The home offices shall only be sold to those persons who own a condominium unit at the Property.
- The home offices shall not be subleased to another user.
- No staff shall be permitted for the home offices unless additional parking is provided.
- The HOA shall ensure that parking spaces for residential use are maintained for parking purposes.
- The HOA shall allow staff of the retail/café space to park within the 12 surplus residential parking spaces.

Therefore, onsite parking is sufficient, there are conditions of approval in place to manage the parking supply, and all concerns of the Appellant have been addressed. Residents and guests are not expected to impact parking within adjacent areas. Detailed facts in support of findings for the parking waiver are provided in Attachment A.

Findings for Vesting Tentative Tract Map

Resolution No. 2026-26 includes facts in support of findings for the Vesting Tentative Tract Map (Attachment A). The appellant did not provide additional evidence to demonstrate that the facts are insufficient to support the required findings for approval.

Disclosures Regarding Adjacent Uses

Conditions of Approval are included in the draft resolution requiring a deed notification and written disclosure statement, approved by the City Attorney, disclosing that the dwelling units are located in a mixed-use area and that the owner(s) or lessee(s) may be subject to impacts related to live entertainment, late hours, lighting, odors, high pedestrian activity levels, etc.

Alternatives and Housing Accountability Act Compliance

Should the City Council's review and evaluation of this project not coincide with City staff's recommendation, then the following alternative options are available to the City Council:

1. For projects that are fully consistent with objective general plan, zoning (including objective design standards), and subdivision standards, Housing Accountability Act (Government Code Section 65589.5), restricts the City's ability to deny, reduce density of, or make infeasible housing developments, unless specific findings can be made. In this case, the project does not meet all objective standards because it includes waivers to the Objective Design Standards (ODS) and nonresidential parking requirements. Therefore, should the City Council determine that there are insufficient facts to support one or more of the findings for approval for the requested ODS waivers or parking waiver, the City Council may propose

modifications to the project or deny the application and provide facts in support of denial of the site development review or conditional use permit.

2. The City Council may propose modifications or conditions to alleviate concerns; however, the proposed modifications should not result in the reduction of dwelling units or make the project infeasible. If the proposed modifications are substantial, the item could be continued to a future City Council meeting. Should the City Council choose to do so, staff will return with a revised resolution incorporating new findings and/or conditions.
3. In the case of denial or imposing a condition that the project be developed at a lower density or with any other conditions that would adversely impact feasibility of the proposed project, the City Council must articulate the factual basis (burden of proof on the City) to justify denial or reduction in density for making the following findings and direct staff to return with a revised resolution incorporating the articulated findings and factual basis for the decision:
 - (A) The housing development project would have a specific, adverse impact upon public health or safety unless the project is disapproved or approved upon the condition that the project be developed at a lower density. As used in this paragraph, a “specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.
 - (B) There is no feasible method to satisfactorily mitigate or avoid the adverse impact identified, other than the disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density.

FISCAL IMPACT:

As the project is not increasing overall allowed density nor is it changing allowed land uses through an amendment to the General Plan Land Use Element, a fiscal impact analysis was not prepared. However, a fiscal impact analysis was prepared by Keyser Marston Associates dated July 9, 2024, for the Housing Element Implementation Program Amendments. The analysis concluded that:

- Sales prices and assessed values in Newport Beach are all very high, benefiting General Fund revenues;
- Full buildout of all potential residential projects could have a net negative fiscal impact unless they continue to be developed at higher price points;
- Replacement of land uses that generate minimal public revenues can offset the negative impact of residential; and
- Any potential fiscal impacts may often be at least partially offset through payment of impact fees.

In this case, the project would improve an underutilized property with a new mixed-use development anticipated to sell at higher price points. As it includes a residential subdivision, the project is subject to Chapter 19.52 (Park Dedications and Fees) of the NBMC requiring an in-lieu fee assessed at a rate of \$59,575 per unit. The project will also be subject to development impact fees (DIF) of \$9.25 per square foot, along with any other typical City fees for new developments.

ENVIRONMENTAL REVIEW:

As discussed in more detail in the *CEQA and Economic Impacts* section of this report, the project is consistent with the California Environmental Quality Act (CEQA) Guidelines Section 15183, which provides an exemption for projects that are consistent with the development density established by existing zoning, community plan, or general plan policies for which an Environmental Impact Report (EIR) was certified. The City's Housing Implementation Program Final Program EIR (State Clearinghouse SCH Number 2023060699) was certified by the City Council on July 23, 2024.

The project is not subject to further environmental review pursuant to Section 21083.3 of the California Public Resources Code (PRC) and Section 15183 of the CEQA Guidelines because, inasmuch as the property involved is within the HO-4 Subarea, the project does not change the underlying land use or zoning designations; and would not result in new significant impacts or a substantial more adverse impact than addressed in the PEIR.

NOTICING:

Notice of this hearing was published in the Daily Pilot, mailed to all owners of property within 300 feet of the boundaries of the site (excluding intervening rights-of-way and waterways), including the Applicant, and posted on the subject property at least 10 days before the scheduled meeting, consistent with the provisions of the NBMC. Additionally, the item appeared on the agenda for this meeting, which was posted at City Hall and on the City website.

ATTACHMENTS:

- Attachment A – Resolution No. 2026-26
- Attachment B – March 5, 2026, Planning Commission Staff Report
- Attachment C – Resolution No. PC2026-004
- Attachment D – March 5, 2026, Planning Commission Minutes
- Attachment E – Appeal Application (SAFER)
- Attachment F – Appeal Application (Save Our Theater)
- Attachment G – Project Plans