September 9, 2025 Agenda Item No. 22

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Resolution No. 2025-60: Notice of Intent to Override Orange County

Airport Land Use Commission's Determination of Inconsistency for the Snug Harbor Surf Park Project at 3100 Irvine Avenue

(PA2024-0069)

ABSTRACT:

Pursuant to Section 4.3 of the 2008 John Wayne Airport Environs Land Use Plan (AELUP) and Section 21676(b) of the California Public Utilities Code (PUC), the City of Newport Beach was required to submit the Snug Harbor Surf Park project, which would redevelop the central parcel of the privately owned Newport Beach Golf Course with a new surf-focused outdoor commercial recreation use and requires an amendment to the City's General Plan, to the Orange County Airport Land Use Commission (ALUC) for a consistency determination. ALUC conducted a public hearing on the matter on August 7, 2025, and found the project to be inconsistent with the AELUP.

For the City Council's consideration is a request to consider overriding the ALUC's finding of inconsistency. This action would authorize staff to formally provide notice, pursuant to Section 21676(b) of the PUC, to the ALUC and the State Department of Transportation, Aeronautics Program of the City's intention to override the ALUC inconsistency finding.

RECOMMENDATIONS:

- a) Conduct a public hearing;
- b) Find that the proposed overriding action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines because it has no potential for resulting in physical change to the environment, directly or indirectly; and
- c) Adopt Resolution No. 2025-60, A Resolution of the City Council of the City of Newport Beach, California, Notifying the Orange County Airport Land Use Commission (ALUC) and State Department of Transportation, Aeronautics Program of the City's Intention to Find that the Surf Park Project located at 3100 Irvine Avenue is Consistent with the Purposes of the State Aeronautics Act and Overrule ALUC's Determination that the Project is Inconsistent with the 2008 John Wayne Airport Environs Land Use Plan (PA2024-0069).

DISCUSSION:

As shown in Figure 1 below, the Newport Beach Golf Course (NBGC) is separated into three physically distinct land areas: the northern, center and southern portions. The northern portion is mostly located outside of Newport Beach's boundaries and is owned by the County of Orange. The center and southern portions are owned by Newport Golf Club, LLC. The NBGC is not a City-owned or City-operated golf course. The project is proposed on the center portion, located at 3100 Irvine Avenue (Site).



Figure 1, Extent of NBGC with project site outlined in red

The Site is categorized as Parks and Recreation (PR) by the Land Use Element of the General Plan and is zoned Santa Ana Heights Specific Plan/Open Space and Recreation (SP-7/OSR). It is located approximately 0.4-mile southwest of John Wayne Airport and is within the 2008 John Wayne AELUP Notification Area. As shown in Figure 2 below, the Site is trisected by Safety Zone 2 (Inner Approach/Departure Zone), Safety Zone 4 (Outer Approach/Departure Zone), and Safety Zone 6 (Traffic Pattern Zone) for the RW2L20R runway that is used by commercial aircraft. Most of the Site is located within the 65 dB Community Noise Equivalent Level (CNEL) contour pursuant to the 1985 Airport Master Plan Noise Contours and the northeast corner is located within the 70 dB CNEL contour. However, based on the noise contours the City adopted in 2023 pursuant to the 2014 John Wayne Airport Settlement Agreement Amendment Environmental Impact Report No. 617, the Site is located within the 65 dB CNEL contour, with the southwest corner in the 60 dB CNEL.

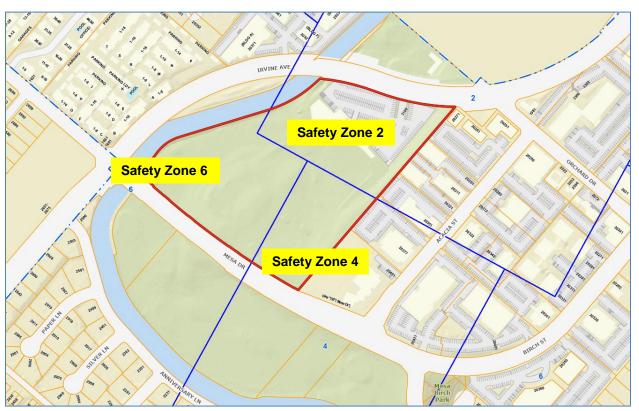


Figure 2, Project site with RW2L20R safety zones delineated

Proposed Project

Back Bay Barrels LLC (Applicant) proposes redeveloping the project site. The existing driving range and putting green, pro-shop, restaurant and bar, and three holes of golf would be removed and replaced with a new surf-focused outdoor commercial recreation use. The site would be improved with approximately five acres of surfing lagoons surrounded by viewing platforms, seating, pools, a spa, restrooms, landscaping and 351 parking spaces in two parking lots. The project includes the construction of a new three-story, 50-foot tall, amenity clubhouse which would provide a reception and lobby area, surf academy, fitness facility, yoga center, administrative offices, locker rooms, retail space, a restaurant, viewing suites, and a coffee and snack bar. The basement level would provide space for golf cart storage, along with surfboard storage, facility storage, and mechanical equipment. The project also includes a two-story, 40-foot athlete accommodation building with 20 rooms.

In total, the project would construct approximately 79,533 square feet of area; however, 19,761 square feet is excluded from the total development limit of the site as incidental building areas consistent with Table LU1 (Land Use Plan Categories) of the General Plan for properties categorized as Parks and Recreation. As golf operations are proposed to continue, existing access would be maintained to the golf course holes identified as the front six and the back nine. Hours of operation for the surf park are proposed from 6 a.m. to 11 p.m., daily.

As shown below in Figure 3, the surf lagoon would be divided into two, 5.1-million-gallon, hydrologically separated, basins that would be up to 13 feet deep. Wave machinery would bisect the two basins and be located within a 40-foot-wide by 350-foot-long above- and below-grade continuous footing structure. The lagoon would be lighted for evening use by 71-foot-high light poles that would be located adjacent to the lagoon with lights focused down onto the surf lagoon. Additional lagoon equipment, such as the heating equipment and storage areas, would have a height of approximately 15 feet and would be located northeast of the surf lagoon near the northernmost parking area.



Figure 3, Project rendering looking south

The following approvals are required from the City to implement the project as proposed:

- General Plan Amendment (GPA) To increase the development limit from 20,000 square feet to 59,772 square feet for Anomaly Number 58, as identified in Table LU 2 of the General Plan Land Use Element;
- Major Site Development Review To construct a nonresidential building larger than 20,000 square feet in area;
- Conditional Use Permit To allow the operation of an outdoor commercial recreation use, to authorize alcohol sales within the amenity clubhouse and throughout the grounds of the surfing lagoon, to establish the appropriate parking rate, and to allow the construction of buildings taller than 18 feet;
- Modification Permit To allow for the construction of retaining walls taller than 8 feet in height; and

 Environmental Impact Report – To address reasonably foreseeable environmental impacts resulting from the legislative and project specific discretionary approvals.

After publication of this staff report, the Planning Commission will conduct a duly noticed public hearing on September 4, 2025, to consider making a recommendation to the City Council regarding the requested approvals above.

Airport Land Use Commission Review

Section 4.3 of the AELUP and Section 21676(b) of the Public Utilities Code (PUC) require the City submit GPA's to ALUC for a consistency determination with the AELUP. ALUC conducted a hearing on the matter during a special meeting on August 7, 2025, with staff in attendance. ALUC determined the project is inconsistent with the AELUP. The ALUC staff report is included as Attachment B and the ALUC inconsistency determination letter is included as Attachment C

ALUC Override Process

As a final review authority on legislative acts, the City Council may choose to override ALUC's determination by following a two-step process as established in Section 21676 of the PUC. The first step in the process is to conduct a public hearing to adopt a resolution of intention to override, a copy of which would be sent to ALUC and the State Department of Transportation, Aeronautics Program (Caltrans) to provide formal notification of the City's intent. The draft resolution includes findings and facts in support of findings to override ALUCs inconsistency determination (Attachment A).

The second step in the process is that, no less than 45 days after notification has been sent to ALUC and Caltrans, the City Council may conduct a second public hearing to consider adopting a resolution to override the ALUC. At this time, the Council may also consider the project entitlements and take final action on the application.

The following points are important to consider:

- The Council's adoption of the attached notification resolution does not constitute
 the project's approval nor does it predispose the City Council's future action on
 either the project or the consistency determination;
- The attached resolution notifying ALUC and Caltrans of City's intent, and the
 resolution to overrule ALUC which will be presented at a future hearing, must be
 adopted by a two-thirds vote. Since there are seven Council members, five
 affirmative votes are needed to pass the resolution; and
- Should the City Council ultimately overrule the ALUC decision, that action will not immediately affect the City's status as a consistent agency with the AELUP. ALUC

would need to place an item on its future agenda to consider deeming the City an inconsistent agency.

As an alternative to overriding the ALUC determination, the City Council may direct the Applicant to work with ALUC and its staff to redesign the project in a manner that results in a determination of consistency. However, it should be noted that the Applicant has thoroughly analyzed and considered consistency with the AELUP and the project's compatibility with the California Airport Land Use Planning Handbook, putting the lesser populated uses within the higher safety severity zones. The City's submittal to ALUC for consideration, which includes analysis prepared by the Applicant, is available as Attachment D.

FISCAL IMPACT:

There is no fiscal impact related to this action; however, a fiscal impact analysis will be provided pursuant to General Plan Implementation Program 12.1 when the City Council considers the project.

ENVIRONMENTAL REVIEW:

Final action on the Project is not being considered at this time. A Draft EIR (State Clearinghouse No. 2024110238) was prepared for the project by Environment Planning Development Solutions, Inc., dba EPD Solutions and in compliance with the California Environmental Quality Act (CEQA). The Draft EIR analyzed all CEQA topics and found that there would be no significant and unavoidable impacts resulting from the project. CEQA topics requiring mitigation include Biological Resources, Cultural Resources, Geology and Soils, and Tribal Cultural Resources. The document was released for a 45-day public review and comment period beginning on May 23, 2025, and ended on July 7, 2025. The City Council will need to consider and certify the Final EIR, including response to comments, when considering the project entitlements at a future meeting.

Adoption of this notification resolution is not subject to CEQA pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Specifically, the resolution does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment because it is limited to the notification of the City's intent to overrule the ALUC determination and it does not authorize the development of the property or commit the City to approve the project.

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 Newport Beach Municipal Code. Additionally, the agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENTS:

Attachment A - Resolution No. 2025-60

Attachment B – ALUC Staff Report, dated August 7, 2025

Attachment C – ALUC Determination Letter, dated August 11, 2025

Attachment D - City's ALUC Submittal