

Attachment G

Planning Commission Staff Report
(September 4, 2025) (Attachments
Omitted)



CITY OF NEWPORT BEACH PLANNING COMMISSION STAFF REPORT

September 4, 2025
Agenda Item No.2

SUBJECT: Snug Harbor Surf Park (PA2024-0069)

- General Plan Amendment
- Major Site Development Review
- Conditional Use Permit
- Modification Permit
- Environmental Impact Report (SCH No. 2024110238)

SITE LOCATION: 3100 Irvine Avenue

APPLICANT: Back Bay Barrels, LLC

OWNER: Newport Golf Club, LLC

PLANNER: Joselyn Perez, Senior Planner
949-644-3312, jperez@newportbeachca.gov

PROJECT SUMMARY

A request to redevelop the central portion of the privately owned and operated Newport Beach Golf Course (NBGC). The existing driving range, 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 (i.e., a “surf park”). The site would be improved with approximately five acres of surfing lagoons surrounded by viewing platforms, seating, pools, a spa, restrooms, landscaping, and 351 surface parking spaces. The proposed hours of operation for the surf park are from 6 a.m. to 11 p.m., daily. The project includes the construction of a new three-story amenity clubhouse building and a two-story athlete accommodation building with 20 rooms. As golf operations are proposed to continue, existing access would be maintained to the NBGC holes identified as the “front six” and the “back nine.”

Although the proposed surf park is consistent with the current Parks and Recreation (PR) designation of the General Plan Land Use Element, the project requires a general plan amendment to increase the development limit of Anomaly Number 58, as identified in Table LU2 of the Land Use Element. Project implementation also requires a *major site development review* to construct a nonresidential building larger than 20,000 square feet, a *conditional use permit* to: (1) allow the operation of an outdoor commercial recreation use; (2) authorize alcohol sales within the amenity clubhouse and throughout the grounds of the surfing lagoon; (3) establish the appropriate parking rate; and (4) allow the construction of buildings taller than 18 feet, a *modification permit* to allow for the construction of retaining walls taller than 8 feet, and an *environmental impact report* to address reasonably foreseeable environmental impacts resulting from the legislative and project specific discretionary approvals.

RECOMMENDATION

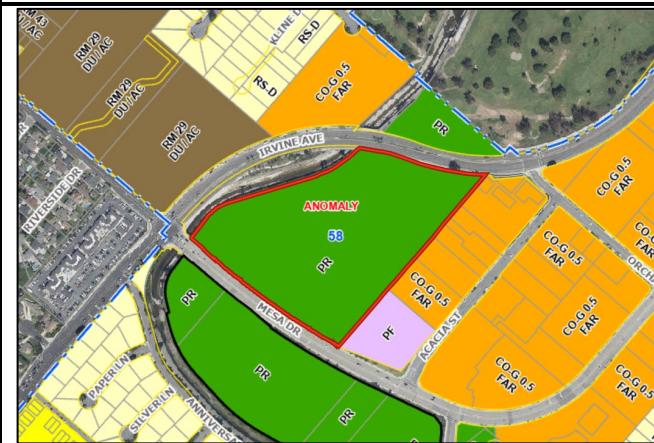
- 1) Conduct a public hearing;
- 2) Adopt Resolution No. PC2025-018 recommending the City Council take the following actions:
 - a. Certify the Environmental Impact Report filed as State Clearinghouse Number 2024110238; and
 - b. Approve the General Plan Amendment, Major Site Development Review, Conditional Use Permit, and Modification Permit filed as PA2024-0069 (Attachment No. PC 1).

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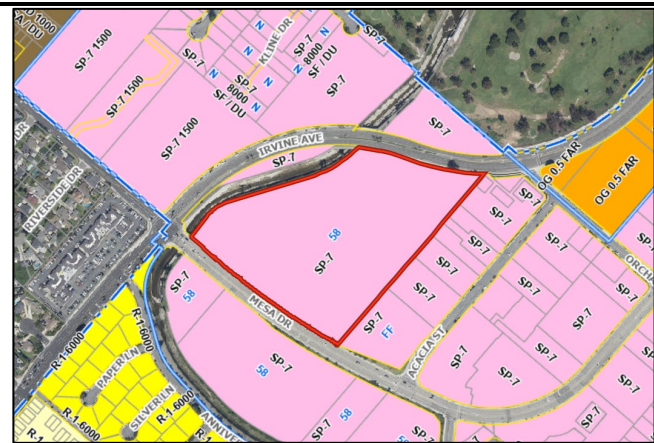
VICINITY MAP



GENERAL PLAN



ZONING



LOCATION	GENERAL PLAN	ZONING	CURRENT USE
ON-SITE	Parks and Recreation (PR)	Santa Ana Heights Specific Plan (SP-7); Open Space and Recreation (OSR)	Newport Beach Golf Course (driving range, putting green, 3 holes, restaurant and bar, pro-shop)
NORTH	General Commercial Office (CO-G)	SP-7; Professional and Administrative Office (PA)	The Jetty commercial center
SOUTH	PR	SP-7/OSR	6 holes of the NBGC (holes 3-8)
EAST	Public Facilities (PF), CO-G	SP-7; Business Park (BP)	Fire Station No. 7, multi-tenant office buildings
WEST	Multiple Residential (RM), Unincorporated Orange County	SP-7; Residential Multiple Family (RMF), Unincorporated Orange County	"Newport Bay Terrace" apartment complex, "The Ranch" retail shopping center

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INTRODUCTION

Project Setting

As shown in Figure 1 below, the Newport Beach Golf Course (hereafter “NBGC”) is separated into three physically distinct land areas: the northern, central, and southern portions. The northern portion is mostly located outside Newport Beach’s boundaries and is owned by the County of Orange. The central 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 at the central portion, located east of the intersection of Mesa Drive and Irvine Avenue and addressed as 3100 Irvine Avenue (Site).



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

The Site is located within an urban area that is considerably developed. Beginning to the north of the Site and moving clockwise, surrounding land uses include the “The Jetty” commercial center, holes 10-18 of the NBGC, multi-tenant office buildings, Newport Beach Fire Station No. 7, holes 3-8 of the NBGC, “The Ranch” retail shopping center, and multi-family residential. The Santa Ana Delhi Channel is located along the northwesterly Site boundary. 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).

The Site is currently developed with a 38-bay, partially covered, synthetic turf driving range, a 1,050-square-foot putting green, a one-story 8,975-square-foot clubhouse building, and three holes of the NBGC (holes 1, 2, and 9). The existing clubhouse includes a pro shop and a restaurant that seats 233 people, and a surface parking lot with 280 parking spaces.

Project Description

Back Bay Barrels, LLC (Applicant) proposes to remove all existing improvements to allow for the redevelopment of the Site into a new surf-focused outdoor commercial recreation use (i.e., a “surf park”). The Site would be improved with approximately five acres of surfing lagoons surrounded by viewing platforms, seating, pools, spa, restrooms, and landscaping. The surf lagoon will be divided into two 5.1-million-gallon basins that would be hydrologically separated by wave making equipment forming a heart-shaped surf lagoon that would be up to 13 feet deep. The 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 wave generating machinery, manufactured by the Wavegarden company, will use motorized mechanical paddles to create controllable and consistent waves. The lagoon would be heated and lit for evening use by 71-foot-high light poles with full cut-off lights focused downward. Additional lagoon equipment, such as the heating equipment and storage areas, would be approximately 15 feet high and would be located northeast of the lagoon, near the northern parking lot. As part of its operation as an amenity to locals and a regional destination for visitors, the surf park is anticipated to host approximately 12 surf events or competitions per year. The special events would be ticketed events, similar in scale to other local sporting events. Regular hours of operations for the surf park are proposed from 6 a.m. to 11 p.m., daily.

Supporting on-site improvements include 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. Alcohol service would be provided within the clubhouse and throughout the grounds through Type 47 (On-Sale General - Eating Place), Type 58 (Caterer License), and Type 68 (Portable Bar) Alcohol Beverage Control (ABC) Licenses. 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-tall 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.

The surf park is proposed to be served by 351 parking spaces within two surface lots that are partially covered by 14-foot- to 18-foot-high solar canopies. These canopies, in

conjunction with solar panels atop the surf park buildings, will provide onsite renewable energy to help offset the energy required to power its operations.

The project includes a robust open space and landscaping plan with roughly 20% of the total site, or 143,844 square feet, planted with drought tolerant ornamental landscaping. Nearly 35% of the site, or 235,650 square feet, will be provided as open space.

Also included in the project is the relocation of an existing, undersized driveway on Mesa Drive, roadway striping, and a sewer line upgrade and relocation. An artistic rendering of the surf park is provided in Figure 2 below to depict the context and several details discussed above.



Figure 2, A birds-eye view project rendering, looking south

The NBGC currently operates pursuant to Use Permit No. UP1594, which will remain in full force and effect as part of the project. The Applicant proposes to accommodate both parking and staging for golf and the project will retain existing access to the NBGC holes 10 through 18 (i.e., the “back nine”) and 3 through 8 (i.e., the “front six”) with modified operations on the Site. Importantly, access would be maintained both during construction and operation of the project, such that there should be limited to no lapses in the availability of golf.

The Applicant’s project description is included as Attachment No. PC 2 (Applicant’s Project Description). For the Applicant to be granted entitlement to implement the project, the Planning Commission must make a favorable recommendation to the City Council regarding the following requests:

- **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 LU2 of the General Plan Land Use Element;
- **Major Site Development Review (SDR):** To construct a nonresidential building larger than 20,000 square feet;
- **Conditional Use Permit (CUP):** 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 (MOD):** To allow for the construction of retaining walls taller than 8 feet; and
- **Environmental Impact Report (EIR):** To address reasonably foreseeable environmental impacts resulting from legislative and project specific discretionary approvals.

For this staff report, the above description is simply identified collectively as the “Project.”

DISCUSSION

Analysis

General Plan and Requested Amendment

The Site is identified as Parks and Recreation (PR) by the General Plan Land Use Element. As identified in Table LU1, “the PR designation applies to land used or proposed for active public or private recreational use. Permitted uses include parks (both active and passive), golf courses, marina support facilities, aquatic facilities, tennis clubs and courts, private recreation, and similar facilities.” It is also identified in Table LU 2 as Anomaly Number 58, which has a corresponding development limit of 20,000 square feet.

While the Project is fully consistent with the intended development type described for the PR designation, it requires a GPA to increase the 20,000-square-foot development limit for Anomaly Number 58 by 39,772 square feet to 59,772 square feet¹. The Site’s PR designation will remain unchanged.

¹The 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 designated as PR. Table LU1 exempts incidental buildings (e.g., maintenance equipment sheds, supply storage, and restrooms) and, on golf courses, support facilities for ground maintenance employees.

An amendment to the City's General Plan Land Use Element is a legislative act. Neither Title 20 (Planning and Zoning) of the Newport Beach Municipal Code (NBMC) nor the California Government Code Section 65000 et seq. set forth any required findings for either approval or denial of such amendments. However, the Project is consistent with and/or in furtherance of the following 76 General Plan policies, as listed in Table 1.

Table 1, General Plan Policy Consistency Review	
Element	Policy
<i>Land Use</i>	LU 1.6 (Public Views) LU 2.1 (Resident-Serving Land Uses) LU 2.2 (Sustainable and Complete Community) LU 2.5 (Visitor Serving Uses) LU 2.8 (Adequate Infrastructure) LU 3.1 (Neighborhoods, Districts, Corridors, and Open Spaces) LU 3.2 (Growth and Change) LU 3.3 (Opportunities for Change – Santa Ana Heights) LU 3.7 (Natural Resource and Hazardous Areas) LU 3.8 (Project Entitlement Review with Airport Land Use Commission) LU 4.1 (Land Use Diagram) LU 5.6.2 (Form and Environment) LU 5.6.3 (Ambient Lighting)
<i>Historical Resources</i>	HR 2.1 (New Development Activities) HR 2.2 (Grading and Excavation Activities) HR 2.3 (Cultural Organizations) HR 2.4 (Paleontological or Archaeological Materials)
<i>Circulation</i>	CE 2.2.1 (Safe Roadways) CE 7.1.1 (Vehicle Miles Traveled (VMT) Analysis) CE 7.1.2 (VMT Mitigation Measures) CE 7.1.5 (Support Facilities for Alternative Modes) CE 7.1.7 (Project Site Design Supporting Alternative Modes) CE 7.1.8 (Electric Vehicle (EV) Charging Stations) CE 9.1.10 (Development Requirements)
<i>Recreation</i>	R 1.12 (Aircraft Overflight and Noise) R 4.1 (Provision of Recreation Services) R 4.2 (Compatible Recreation Activities) R 4.3 (Variety of Programs) R 4.5 (Variety of Adult Recreational Programs)
<i>Natural Resources</i>	NR 1.1 (Water Conservation in New Development) NR 1.2 (Use of Water Conserving Devices) NR 3.4 (Storm Drain Sewer System Permit) NR 3.5 (Natural Water Bodies) NR 3.9 (Water Quality Management Plan) NR 3.10 (Best Management Practices) NR 3.11 (Site Design and Source Control) NR 3.12 (Reduction of Infiltration) NR 3.14 (Runoff Reduction on Private Property) NR 3.16 (Siting of New Development) NR 3.17 (Parking Lots and Rights-of-Way)

	NR 3.19 (Natural Drainage Systems) NR 3.20 (Impervious Surfaces) NR 4.3 (Restore Natural Hydrologic Conditions) NR 4.4 (Erosion Minimization) NR 6.1 (Walkable Neighborhoods) NR 6.4 (Transportation Demand Management Ordinance) NR 7.2 (Source Emission Reduction Best Management Practices) NR 10.2 (Orange County Natural Communities Conservation Plan) NR 10.3 (Analysis of Environmental Study Areas) NR 10.4 (New Development Siting and Design) NR 10.5 (Development in Areas Containing Significant or Rare Biological Resources) NR 10.6 (Use of Buffers) NR 10.7 (Exterior Lighting) NR 18.1 (New Development) NR 18.3 (Potential for New Development to Impact Resources) NR 18.4 (Donation of Materials) NR 20.1 (Enhancement of Significant Resources) NR 20.2 (New Development Requirements) NR 20.4 (Public View Corridor Landscaping) NR 23.1 (Maintenance of Natural Topography) NR 23.7 (New Development Design and Siting) NR 24.2 (Energy-Efficient Design Features) NR 24.3 (Incentives for Green Building Program Implementation)
<i>Safety</i>	S 4.7 (New Development) S 5.1 (New Development Design within 100-year Floodplains) S 5.2 (Facility Use or Storage of Hazardous Materials Standards) S 5.3 (Minimization of Flood Hazard Risk) S 7.1 (Known Areas of Contamination) S 7.2 (Development Design within Methane Gas Districts) S 7.4 (Implementation of Remediation Efforts)
<i>Noise</i>	N 1.1 (Noise Compatibility of New Development) N 1.7 (Commercial/ Entertainment Uses) N 1.8 (Significant Noise Impacts) N 4.2 (New Uses) N 4.6 (Maintenance of Construction Activities) N 5.1 (Limiting Hours of Activity)

A full General Plan consistency analysis, including complete policy language and justification, has been prepared for the Project and is available as Exhibit “F” to the draft resolution (Attachment No. PC 1).

Charter Section 423 (Measure S)

Pursuant to City Charter Section 423 and City Council Policy A-18, proposed GPAs are reviewed to determine if a vote of the electorate would be required because a project exceeds certain thresholds provided in Section 423 of the City Charter. GPAs are

reviewed separately and cumulatively with other projects in the same Statistical Area over the prior 10 years.

The Site is within Statistical Area J-5. One GPA within Statistical Area J-5 has been approved within the last 10 years and continues to be tracked, as required by the provisions of Charter Section 423. Trip generation for the purpose of implementing the Charter Section was calculated using the blended rate for “public, semi-public, and institutional uses,” as provided in City Council Policy A-18.

Table 2 below illustrates the calculations to determine if a vote is required. Notably, none of the thresholds specified by Charter Section 423 are exceeded, therefore no vote of the electorate is required should the City Council choose to approve this GPA.

Table 2, Charter Section 423 Analysis for Statistical Area J-5				
Amendments	Increased Density (DU)	Increased Intensity (SF)	Peak Hour Trip Increase	
			A.M.	P.M.
PA2020-041 (Shvetz Residential Subdivision)	1	0	0.75	1.01
Total Prior Increases	1	0	0.75	1.01
80% of Prior Increases	.8	0	0.60	.81
100% of Proposed Project PA2024-0069	0	39,772	59.66	59.66
Total	.8	39,772	60.26	60.26
Threshold	100	40,000	100	100
Remaining	99.2	228	39.74	39.74
Vote Required?	No	No	No	No

² Council Policy A-18 provides that a proposed amendment shall be added to 80% of previous amendments

Tribal Consultation (Senate Bill 18 and Assembly Bill 52)

The City requested a Sacred Lands File (SLF) search on May 31, 2024, for the Site from the Native American Heritage Commission (NAHC). On June 18, 2024, the NAHC responded that the findings of the search were positive and identified 20 Native American tribal representatives to contact for further information on potential tribal resources. To comply with both the requirements of SB 18 and Assembly Bill 52, the City mailed notices regarding the Project to all the listed tribes. The City received responses from the Gabrielino Tongva Indians of California (Gabrielino Tongva) and the Gabrieleño Band of Mission Indians - Kizh Nation (Kizh Nation). The City engaged in a good faith effort for consultation with both tribes and both tribes requested monitoring for tribal resources during ground disturbances. During the consultation process, the Kizh Nation requested to be the sole onsite monitor and asserted that the Gabrielino Tongva have no direct historical, ancestral, or cultural ties to Newport Beach. However, the Gabrielino Tongva tribe provided the City with substantial evidence identifying that the Site is within their

Ancestral Tribal Territory and were also identified in the SLF search that the Site is within traditional lands or cultural places for the Gabrieleno Tongva. Therefore, the City as Lead Agency determined that the mitigation measures allowing for tribal monitors from both tribes should be incorporated into Mitigation Monitoring and Reporting Program (MMRP) for the Project.

Zoning Code Consistency

The Site is located within the Open Space and Recreation (OSR) District of the Santa Ana Heights Specific Plan (SP-7). The SP-7/OSR District allows for local and buffer greenbelts by right, public and private utility buildings and structures subject to the approval of a minor use permit, and golf courses and commercial recreation subject to the approval of a CUP.

Subsection 20.90.050(E) (Site Development Standards) of the NBMC establishes minimum development standards for the Site as listed below in Table 3:

Table 3, Site Development Standards	
Building Site Area	One acre minimum
Building Height	18 feet maximum, unless otherwise provided for by use permit
Building Setbacks	20 feet minimum from all property lines
Off-Street Parking	Per Chapter 20.40
Lighting	All lighting shall be designed and located so that direct light rays are confined to the premises

The Project complies with the minimum building site area, required building setback, lighting standards, and is proposing a maximum building height of 50 feet above the existing grade for the amenity clubhouse and 40 feet above the existing grade for the visitor accommodation building. Existing grade for the purpose of measuring building height has been established pursuant to Section 20.30.050 (Grade Establishment) of the NBMC for properties where the slope of the lot is 5% or less. Parking for the Project was established in accordance with Chapter 20.40 (Off-Street Parking) of the NBMC. Furthermore, the Project proposes a trash enclosure consistent with section 20.30.120 (Solid Waste and Recyclable Materials Storage) of the NBMC.

Chapter 20.52 (Permit Review Procedures) of the NBMC provides that construction of a nonresidential building larger than 20,000 square feet in area requires approval of a major site development review. Additionally, approval of a conditional use permit is required to authorize the outdoor commercial recreation use, authorize alcohol sales, construct a building more than 18 feet in height, and to establish the required number of parking spaces, consistent with Table 3-10 (Off-Street Parking Requirements) of Chapter 20.40 (Off-Street Parking Requirements).

Lastly, the Project proposes multiple retaining walls to create the building pad. While retaining walls along the westerly property line comply with the maximum 8 feet above finish

grade height limit, the retaining walls along the easterly property line exceed the limit, with heights ranging from 9 feet, 11 inches above finish grade to 16 feet above finish grade and require the approval of a modification permit. While a modification permit is typically heard by the Zoning Administrator, Section 20.50.30 (Multiple Permit Applications) of the NBMC requires that multiple applications for the same project be processed concurrently and be reviewed and approved, modified, or denied by the highest review authority, which in this case is the City Council.

Major Site Development Review Findings

Section 20.52.080(F) (Site Development Review, Findings and Decision) of the NBMC requires the Planning Commission to make the following findings to recommend approving the SDR:

- A. The proposed development is allowed within the subject zoning district;*
- B. The proposed development is in compliance with all of the following applicable criteria:*
 - i. Compliance with this section, the General Plan, this Zoning Code, any applicable specific plan, and other applicable criteria and policies related to the use or structure;*
 - ii. The efficient arrangement of structures on the site and the harmonious relationship of the structures to one another and to other adjacent developments; and whether the relationship is based on standards of good design;*
 - iii. The compatibility in terms of bulk, scale, and aesthetic treatment of structures on the site and adjacent developments and public areas;*
 - iv. The adequacy, efficiency, and safety of pedestrian and vehicular access, including drive aisles, driveways, and parking and loading spaces;*
 - v. The adequacy and efficiency of landscaping and open space areas and the use of water efficient plant and irrigation materials; and*
 - vi. The protection of significant views from public right(s)-of-way and compliance with NBMC Section 20.30.100 (Public View Protection); and*
- C. Not detrimental to the harmonious and orderly growth of the City, nor endangers, jeopardizes, or otherwise constitutes a hazard to the public convenience, health, interest, safety, or general welfare of persons residing or working in the neighborhood of the proposed development.*

The proposed development complies with the applicable provisions of the General Plan, Zoning Code, and the Santa Ana Heights Specific Plan, while promoting efficient and thoughtful site planning and design. The Project introduces an outdoor commercial recreational use consistent with the Site's PR designation and furthers numerous General Plan goals and policies, as previously discussed.

The architectural style of the Project is a contemporary interpretation of Southern California's surf and beach culture, expressed through low-profile forms and natural materials. The material palette includes horizontal wood siding, exposed mass timber, architectural concrete, dark bronze metal accents, and glass. The proposed color palette includes earth tones such as driftwood browns, soft greys, sandy beige, and weathered whites. They are designed to blend into the environment and soften the built form against the natural backdrop. It incorporates harmonious building placement and a cohesive architectural theme, with curved structures that mirror the form of the surf lagoon, creating an integrated layout that minimizes conflicts with surrounding uses. Specific examples of intentional design include siting the clubhouse in a location that will help to shield any noise generated by the Project from the multi-family residential development located across Irvine Avenue.

The Project demonstrates compatibility with surrounding development in terms of bulk, scale, and visual character. Although it introduces more urbanized features compared to the current condition, it remains in scale with nearby commercial structures, which include multi-story commercial office buildings, and is designed to minimize public view impacts. Lighting, noise, and structural mass are managed through setbacks, landscape screening, and strategic orientation. The surf lagoon and supporting buildings are designed with water-efficient landscaping, efficient irrigation systems, and extensive open space totaling over 235,000 square feet, contributing to the Site's environmental performance. Access and circulation are also thoughtfully designed, with driveways configured to ensure safe ingress and egress, queuing controls, and clear separation of surf park and golf course operations. Vehicular access from Irvine Avenue will be provided via a right-turn-in, left-turn-in, and right-turn-out only driveway. Vehicular access from Mesa Drive via the relocated driveway will be restricted pursuant to Condition of Approval No. 90 to a right-turn-in and right-turn-out only configuration to help prevent conflicts with motorists queuing to turn left at the nearby signalized intersection.

The Project preserves key components of the existing NBGC and integrates them into the new development through shared infrastructure and facilities, maintaining recreational continuity during both construction and operation of the Project. Figure 3 below shows temporary access to the NBGC course during construction. Access to the remaining portions of golf during operation of the completed Project will be provided in an arrangement similar to the temporary access.

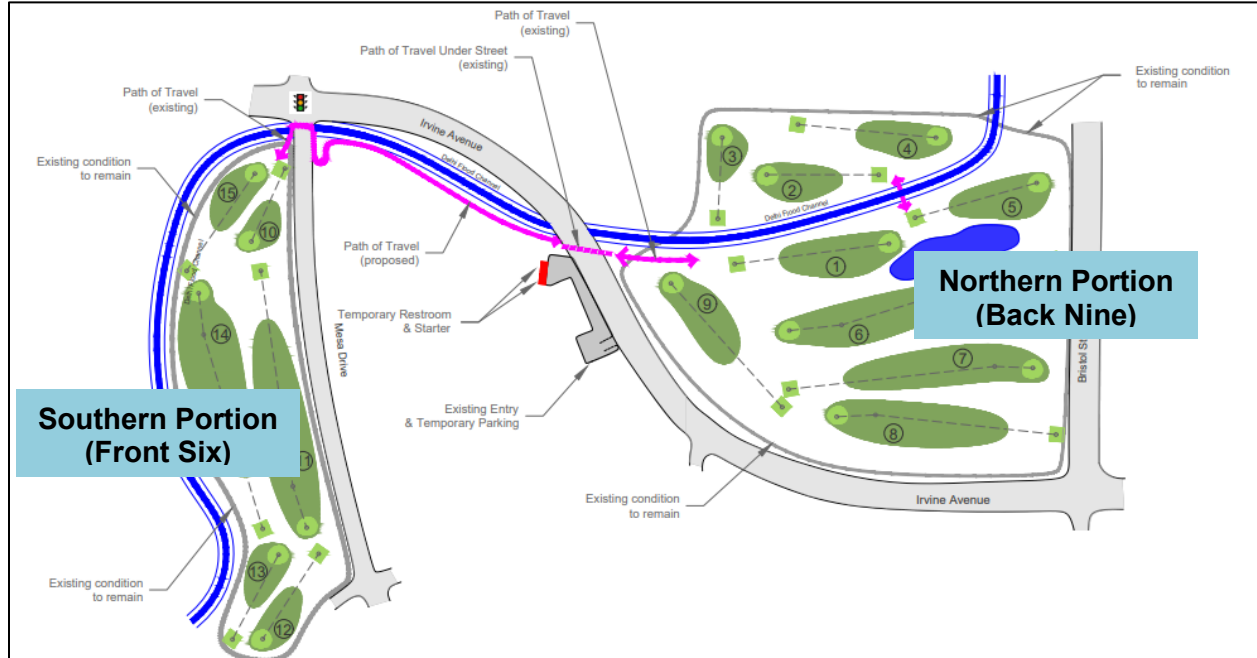


Figure 3, A conceptual plan showing the temporary layout with golf cart access shown in pink

Lastly, the Project is designed to protect any significant views from public rights-of-way in compliance with Section 20.30.100 (Public View Protection) of the NBMC. All development within the Site would be set back from adjacent streets and would not encroach on existing public views along the roadway corridors adjacent to the site. The closest designated public viewpoint is approximately 0.3-mile southwest of the Site, along Irvine Avenue and south of University Drive. The viewpoint provides views of the Upper Newport Bay Preserve. Bayview Park, adjacent to Upper Newport Bay Preserve, is also designated as a public viewpoint. As shown below in Figure 4, the Site is located northwest of these points not within the coastal scenic viewshed from either of these viewpoints. Therefore, the Project does not have the potential to obstruct public viewpoints or corridors, as identified on General Plan Figure NR 3 (Coastal Views).

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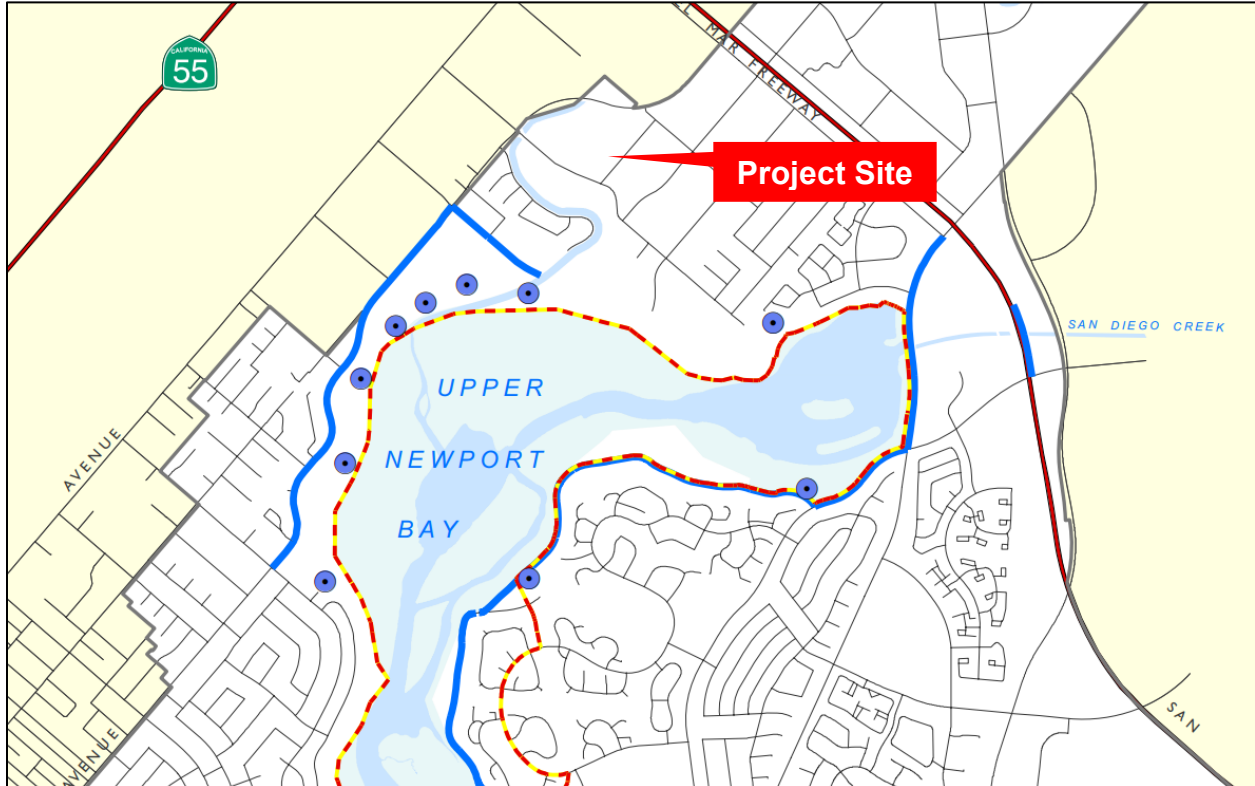


Figure 4: Map of designated viewpoints, from the Natural Resources element of the General Plan

The Project's compatibility with surrounding uses is discussed in greater detail under the "Conditional Use Permit Findings" header below.

Alcohol Sales Findings

The Applicant requests Type 47 (On-Sale General - Eating Place), Type 58 (Caterer License), and Type 68 (Portable Bar) ABC licenses in conjunction with the on-site amenities that are incidental to the surf park. When reviewing an application to allow an eating or drinking establishment to sell, serve, or give away alcohol, Section 20.48.030 (Alcohol Sales) of the NBMC requires the Planning Commission to consider impacts to adjacent uses and proximity to existing alcohol sales, both for on-site and off-site consumption. With its review, the Planning Commission must find that:

1. *The use is consistent with the purpose and intent of Section 20.48.030 (Alcohol Sales) of the Zoning Code.*

The purpose and intent of Section 20.48.030 is to maintain a healthy environment for residents and businesses by establishing a set of consistent standards for the safe operation of alcohol establishments. The Project has been reviewed by the Newport Beach Police Department (NBPD) and conditioned to ensure that the purpose and intent of this Section is maintained and that a healthy environment for all residents and

businesses is preserved. The Project will have alcohol service within the amenity clubhouse and throughout the grounds of the surfing lagoon. Alcohol service within the grounds will primarily be provided for the convenience of surf park patrons. While the restaurant and bar will generate some independent demand as discussed in the parking section below, the surf lagoon is the primary feature of the Project.

Live entertainment and dancing are not proposed as part of the regular operations of the restaurant. If the Applicant seeks to extend restaurant hours beyond 11 p.m., include live entertainment or dancing as part of regular operations, or seek additional ABC licenses (such a Type 48 (On-Sale General – Public Premises), a subsequent CUP will be required. An Operator License from the NBPd in accordance with Chapter 5.25 (Operator License for Establishments Offering Alcoholic Beverages for On-Site Consumption in Combination with Late Hours, Entertainment, and/or Dance) of the NBMC may also be required.

For this analysis, the NBPd prepared a Crime and Alcohol Related Statistics Report using the latest available data (2024) and a memorandum for the Project (Attachment No. PC 3). The data is incorporated into the factors for consideration in the draft Resolution (Attachment No. PC 1). Operational conditions of approval were recommended by the NBPd relative to the sale and service of alcoholic beverages and have all been incorporated in Exhibit “G” of the draft Resolution. These Conditions of Approval will help to ensure compatibility with surrounding uses to minimize alcohol-related impacts.

Parking Requirement

Chapter 20.40 (Off-Street Parking) of the NBMC does not provide a specific parking requirement for outdoor recreational uses and instead requires the parking requirement to be studied and established by a use permit. To determine an appropriate parking rate, a parking demand analysis (Parking Analysis) was prepared for the Project by Gibson Transportation Consulting, Inc., dated July 14, 2025, and is available as Attachment No. PC 4 (Gibson Parking Analysis). The Parking Analysis uses detailed programmatic attendance information and operational modeling data prepared by Wavegarden, who operates surf park facilities around the globe. The parking requirement developed for the surf lagoon and associated amenities are based on the projected attendance levels, corresponding employee estimates and operational parameters, and associated average vehicle ridership (AVR) ratios. The Parking Analysis was reviewed and accepted by the City Traffic Engineer.

Visitors

The anticipated number of visitors expected during a typical high season weekday are summarized below in Table 4. Attendance levels for the high season weekend activity were initially considered for this assessment, but the associated weekend AVR ratios effectively resulted in the high season weekday activity analysis being the more conservative of the two scenarios.

Table 4, Projected Attendance Levels	
Surf Lagoon	700 daily visitors
Surf Academy	140 daily visitors
Restaurant	280 daily visitors
Shops	70 daily visitors
Fitness/Yoga Facilities	210 daily visitors
Total	1,400 visitors per day

The modeling data estimates a maximum of 388 visitors will be onsite at any given time. The Parking Analysis assumes that two visitors will arrive per vehicle, resulting in a parking requirement for visitors of 194 spaces.

Employees

The Project will employ 70 employees, however only 35 employees are estimated to be onsite at any given time. The Parking Analysis assumes that each employee will arrive in their own vehicle, resulting in a parking requirement for employees of 35 spaces.

Golf

The Parking Analysis uses Parking Generation, 6th Edition (Institute of Transportation Engineers, 2023) to estimate the parking demand of the remaining holes of golf, as golf patrons will park on the Site. The remaining 15 holes of golf have a parking requirement of 95 spaces.

Total Parking Demand

Cumulatively, the total estimated parking demand for the Project is 324 spaces. It is worth noting that the Parking Analysis is conservative in that it did not consider the use of alternative transportation modes (e.g., public transit, rideshare, bike, walk, etc.) and the parking demand estimates assume that 100% of the visitors and employees would travel to and from the Site via automobile. Even without the use of alternative transportation, the Project's proposed 351 parking spaces will provide a 27-space surplus.

While the Project does not rely on valet parking to establish or satisfy parking requirements, the Parking Analysis did provide an operational plan for the use of valet which could be enacted during periods of heavier demand; special events, for example. Pursuant to Condition of Approval No. 94, a final parking management plan will be reviewed and approved by the City to ensure voluntary valet operations and internal gate operations can be fully accommodated onsite and in accordance with City standards.

Conditions of Approval Nos. 10, 11, 12, 13, and 94 have been incorporated into Exhibit "G" of the draft Resolution to regulate the number of available parking spaces, employee

parking, and parking management if demand exceeds the estimates of the Parking Analysis. Collectively, these Conditions of Approval will help to ensure the Project's operations are contained on the Site while giving the City tools to reevaluate in the future should the need arise.

Traffic

Chapter 15.40 (Traffic Phasing Ordinance) of the NBMC provides a framework for analyzing and evaluating the traffic impacts of projects that generate 300 or more new average daily trips (ADTs). To determine whether the Project generates 300 or more new ADTs and if a Traffic Impact Analysis (TIA) would be required, a trip generation analysis (Trip Generation) was prepared by Gibson Transportation Consulting, Inc, dated March 4, 2025, and is provided as Attachment No. PC 5 (Gibson Trip Generation). Gibson estimated the ADTs for the surf lagoon and ancillary amenities on the same projected attendance and operational characteristics described in the parking section above. The Trip Generation includes the ADTs from retaining 15 holes of golf when estimating the ADTs for the Project. The Project is anticipated to generate 1,996 ADTs.

Using the Trip Generation Manual, 11th Edition (Institute of Transportation Engineers, 2021), the current configuration of the NBGC is estimated to have 1,810 ADTs.

The Project will generate 186 net new ADTs and is under the 300 new ADT threshold that would require a TIA be prepared. The Trip Generation was reviewed and accepted by the City Traffic Engineer.

Conditional Use Permit Findings

Pursuant to Section 20.52.020(F) (Conditional Use Permits and Minor Use Permits) of the NBMC, the Planning Commission must consider following findings to recommend approval the CUP:

- 1. The use is consistent with the General Plan and any applicable specific plan;*
- 2. The use is allowed within the applicable zoning district and complies with all other applicable provisions of this Zoning Code and the Municipal Code;*
- 3. The design, location, size, and operating characteristics of the use are compatible with the allowed uses in the vicinity;*
- 4. The site is physically suitable in terms of design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle (e.g., fire and medical) access and public services and utilities; and*
- 5. Operation of the use at the location proposed would not be detrimental to the harmonious and orderly growth of the City, nor endanger, jeopardize, or otherwise*

constitute a hazard to the public convenience, health, interest, safety, or general welfare of persons residing or working in the neighborhood of the proposed use.

The Project is consistent with the General Plan, Santa Ana Heights Specific Plan, Zoning Code and Municipal Code as discussed in the preceding sections titled General Plan and Requested Amendment and Zoning Code Consistency. The remaining findings to recommend approval of a CUP are primarily related to the Project's compatibility with the surrounding area and the Site's adequacy for the Project. Although these are detailed within Attachment No. PC 1 to this report, a compatibility summary is provided below.

The Project proposes a 50-foot tall, amenity clubhouse and a 40-foot-tall visitor accommodations building. The buildings are ancillary to the surf lagoon and complete the visitor experience. While the Project would change the views of the Site from a golf course to a surf park, the buildings are setback from the public right-of-way, feature high quality materials and are intentionally designed, and the Project provides landscaping to enhance the visual quality of the surf park. Further, none of the proposed improvements will be taller than the existing net poles surrounding the NBGC. The driving range is surrounded by approximately 40 net poles that range in height from 25 to 80 feet, depending on location. Lastly, the proposed building heights are consistent with the nearby multi-tenant office buildings along Irvine Avenue and Birch Street. Specifically, the nearby office building at 3300 Irvine Avenue, approximately 400 feet to the northeast of the Site, which was recently approved pursuant to PA2024-0070 for a maximum building height of 41-feet, 6-inches above existing grade and architectural features up to 45 feet above existing grade. The Project will not appear out of place with the surrounding development.

The existing Site features varying topography with the high point of the site occurs within the driving range, behind Fire Station No. 7 and slopes downward, toward the Santa Ana-Delhi Channel and Irvine Avenue beyond. The surfing lagoon elevation and the finish floor of the buildings were designed with a goal of balancing the Site and maintaining access to the adjacent public streets. The Project orientation and layout were intentionally designed in consideration of the airport safety zones described in the preceding section titled Project Setting.

A Preliminary Water Quality Management Plan (WQMP) and a Preliminary Hydrology Report were prepared for the Project, both by Fuscoe Engineering, dated November 2024. The Project would maintain the existing drainage pattern and includes the installation of an onsite storm drainage system with four bioretention basins and an 18-inch storm drain to connect to the existing storm drain line. A Water Demand Report (December 2024) and a Sewer Analysis Report (January 2025), both prepared by Fuscoe Engineering and reviewed and accepted by the Utilities Department Director, concluded that the existing water and sewer infrastructure is adequate to serve the proposed Project, with no new water facilities required and sufficient sewer capacity to handle projected flows. The Project would be constructed according to Title 24 requirements of the 2022 California administrative code for water conservation and landscaping would be

implemented throughout the Project site, including implementation of bioretention basins that would limit runoff. BMPs for stormwater management would also be implemented to direct stormwater into landscape areas to use for irrigation. Additionally, the Project includes periodic draining of on-site basins, one basin per year on a rotating basis, into the sewer system, which will be coordinated and permitted through the Costa Mesa Sanitary District (CMSD) pursuant to Condition of Approval No. 93 which should help ensure proper management of intermittent peak flows.

The Site will be served by the Newport Beach Fire Department and the NBPD. The Project would not significantly increase the need for public services in the Project area, as fully demonstrated in the Public Services section of the DEIR. The Project proposes a maximum of 12 special events per year and anticipates the special events to be similar in nature to any local sporting event. Special events have been characterized as either a Level 1, 2, or 3 event depending on the duration of the event, number of attendees, and whether the event involves lane closures, traffic control, or City staff. The CUP authorizes a maximum of 12 Level 2 or Level 3 events per year and requires quarterly reporting on the events. The full list of conditions of approval for special events is provided as Conditions 129 through 146 in Exhibit "G" in the draft Resolution.

A Noise Analysis for the construction and operation of the Project was prepared by Urban Crossroads, dated May 15, 2025, as part of the DEIR. Project operation would generate onsite noise from typical commercial activity such as roof-top air conditioning units, parking lot activity, trash enclosure, loading of trucks for operational services, and also the wave making equipment. Additionally, the Project would include speakers located near the seating and surf lagoon areas. The Project proposes ceasing use of the speakers by 10 p.m. and is conditioned accordingly. The noise analysis and the DEIR ultimately concluded that the Project would achieve compliance with the City's noise standards and would not have noise impacts on sensitive receptors near the Site.

Project construction presents an opportunity to temporarily impact nearby persons residing or working in the neighborhood. Construction would take approximately 18 months and includes demolition, site preparation, grading, installation of infrastructure and utilities, followed by building construction, pavement, and then architectural coatings. As required by Condition of Approval No. 86, a construction management plan will be implemented to reduce construction-related disruptions.

The Project has been reviewed and conditioned by all relevant City departments, including the NBPD and the City Traffic Engineer to help ensure compatibility with the allowed uses within the vicinity, including the mix of residential densities and commercial uses, and that operation of the use would not be a hazard to the public convenience, health, interest, safety, or general welfare of persons residing or working in the neighborhood.

Modification Permit Findings

Pursuant to Section 20.52.050 (E) (Modification Permits) of the NBMC, the Planning Commission must make the following findings to approve a modification permit:

- A. *The requested modification will be compatible with existing development in the neighborhood;*
- B. *The granting of the modification is necessary due to the unique physical characteristic(s) of the property and/or structure, and/or characteristics of the use;*
- C. *The granting of the modification is necessary due to practical difficulties associated with the property and that the strict application of the Zoning Code results in physical hardships that are inconsistent with the purpose and intent of the Zoning Code;*
- D. *There are no alternatives to the modification permit that could provide similar benefits to the Applicant with less potential detriment to surrounding owners and occupants, the neighborhood, or to the general public; and*
- E. *The granting of the modification would not be detrimental to public health, safety, or welfare, to the occupants of the property, nearby properties, the neighborhood, or the City, or result in a change in density or intensity that would be inconsistent with the provisions of this Zoning Code;*

The Site features a significant grade differential of approximately 33 feet from the high point behind Fire Station No. 7 to the centerline of Irvine Avenue. To respond to these elevation changes, the Project includes a series of retaining walls, some exceeding 8-foot height limit, with a maximum exposed height of 16.4 feet above finish grade, plus a 6-foot security fence above. These walls are located along the southern and western boundaries of the surfing lagoon, areas where elevation changes are most pronounced and are designed pursuant to the Geotechnical Exploration prepared by Carl Kim Geotechnical, Inc., dated July 19, 2024. Retaining walls are a common feature in the surrounding area, which includes other elevated building pads, such as The Ranch commercial center and nearby apartment complex.

The tallest walls are set back, behind the Delhi Channel, and far from the centerline of Irvine Avenue. The walls are screened with landscaping, minimizing visibility and ensuring compatibility with neighborhood character. Figure 5 and 6 below provide views of the existing condition and the taller retaining walls.



Figure 5: Existing and proposed, as seen from the southwest corner of Irvine Avenue and Mesa Drive.



Figure 6: Existing and proposed, as seen from Irvine Avenue, near The Jetty commercial center

Terraced walls, which achieve compliance with height limits, have been incorporated where feasible; however full terracing consistent with Section 20.30.040 (Fences, Hedges, Walls, and Retaining Walls) of the NBMC would significantly reduce usable site area and would impact the Project's viability. Furthermore, the basins design and placement are specific to not put any lateral pressure on the Delhi channel. No feasible alternatives exist that would meet grading and access requirements while achieving compliance with the 8-foot maximum. Wall heights and section views are available in the Project Plans which are provided as Attachment No. PC 6 (Project Plans).

Local Coastal Plan

The Site is not located within the Coastal Zone but is immediately adjacent to its boundary, which occurs at the inland extend of the Mesa Drive right-of-way. The Project proposes three improvements within the Mesa Drive right-of-way: (1) the relocation of an existing driveway; (2) roadway striping (i.e., paint); and (3) utility upgrades. These activities are exempt from obtaining a Coastal Development Permit (CDP) pursuant to Section 21.52.035 (Projects Exempt from Coastal Development Permit Requirements) of the NBMC and do not require a CDP. As part of the Project review, City staff communicated this determination to the California Coastal Commission staff and received their concurrence.

Environmental Review

In accordance with the California Environmental Quality Act (CEQA) and City Council Policy K-3, a Draft EIR referenced as State Clearinghouse No. 2024110238 (DEIR) was prepared for the Project by the City's consultant Environment Planning Development Solutions, Inc., dba EPD Solutions.

Notice of Preparation

Pursuant to the requirements of CEQA, a Notice of Preparation (NOP) for the DEIR was distributed for a 30-day reviewing period from November 7, 2024, through December 6, 2024. The NOP was submitted to the State Clearinghouse (SCH) within the Governor's Office of Land Use and Climate Innovation (formerly Office of Planning & Research (OPR)), County Clerk, responsible and trustee agencies, county and cities bordering the site, adjacent properties, and organizations and individuals that have requested notification. In addition, the NOP was posted on the Project site, on the City's website, at City Hall, and at City libraries. The City emailed a "News Splash" to alert interested parties of the postings and mentioned the NOP in the City Manager's weekly newsletter known as the "Week in Review".

A public scoping meeting was held on November 20, 2024, at 6 p.m. in the Community Room at City Hall. Members of the public and public agencies were able to provide input on the scope and content of the DEIR at the scoping meeting. All comments received in

response to the NOP and at the Scoping Meeting are catalogued and provided in the DEIR. The DEIR and appendices are provided in the draft resolution as Exhibit “B”.

Draft EIR (DEIR)

The DEIR evaluated the environmental effects that could arise from the construction and operation of the Project.

During the preparation of DEIR, the Project was determined to have no potential to result in significant impacts under four CEQA topics: agriculture and forestry resources, mineral resources, population and housing, and wildfire. Therefore, these issue areas were not required to be analyzed in detail in DEIR.

The DEIR analyzed the following CEQA topics in detail: Aesthetics, Air Quality, Biological Resources, Cultural Resources, Energy, Geology and Soils, Greenhouse Gases, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use, Noise, Public Services, Parks and Recreation, Transportation, Tribal Cultural Resources, and Utilities. Of these topics, Mitigation Measures were required for: Biological Resources, Cultural Resources, Energy, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, and Tribal Cultural Resources. The required mitigation measures and parties responsible for implementation of the measures are described in the Mitigation Monitoring and Reporting Program (MMRP) which is provided as Attachment No. PC 7 (Mitigation Monitoring and Reporting Program) and as Exhibit “D” in the draft resolution. The Project satisfied the requirements of AB 52 to consider Tribal Cultural Resources by requesting consultation in a combined fashion with the SB 18 consultation request described earlier in the report.

The DEIR found that there would be no significant and unavoidable impacts resulting from the project, with the appropriate mitigation measures included in the MMRP.

A Notice of Availability of the DEIR was circulated similarly to the NOP released for a 45-day public review and comment period beginning on May 23, 2025, and ending on July 7, 2025. 126 comments were received and are responded to in the Response to Comments, which is provided in the draft resolution as Exhibit C.

Final EIR

The City Council will need to consider and certify the Final EIR when considering the project. The Final EIR will include an Introduction, Response to Comments, Revisions to the DEIR, and the MMRP.

Other Correspondence

Since the initial application filing in April, 2024, City staff has received multiple calls and emails regarding the Project. The received correspondence varied from inquiries on

Project status, Project components, business opportunities, to the merits of the Project. Individuals who contacted staff outside of designated public comment periods were offered information on the Project and/or asked if they wished to be added to the Interested Parties List to receive future notifications and updates. Correspondence received since the publication of the notice of public hearing but prior to finalizing the staff report are provided as Attachment PC No. 8 (Correspondence in Response to Public Hearing Notice).

Public Meetings and Hearings to Date

Specific aspects of the Project and items related to the Project have been considered prior to this meeting.

As previously mentioned, the Project required the preparation of an EIR. On August 27, 2024, the City Council authorized the City to enter into an agreement with EPD Solutions for the preparation of an EIR. While the contract amount was paid by the Applicant, due to the overall value of the Professional Services Agreement, the contract required approval from the City Council to execute.

After the DEIR was prepared by EPD Solutions and released for public comment, the Project was presented to the Planning Commission for a study session held on June 19, 2025. The study session provided an opportunity for the Planning Commission to review preliminary details and provide initial input. Commissioners requested enhancements to the plan set, additional information on the type of wave-making equipment to be used and type of ABC licenses to be obtained, clarity on the golf cart pathway, and respecting sightlines. Minutes from the June 19, 2025, Planning Commission Meeting are provided as Attachment No. PC 9 (Planning Commission Meeting Minutes, June 19 20205).

Airport Land Use Commission

The Site is located approximately 0.4-miles southwest of John Wayne Airport and within the notification area. Pursuant to the John Wayne Airport Environs Land Use Plan (AELUP), 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, and contained in 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.

As the Project includes a GPA, the Project requires review by Orange County Airport Land Use Commission (ALUC) for consistency with the AELUP. The City referred the matter to ALUC on June 13, 2025, and the Project was heard on August 7, 2025. By a

vote of 5 ayes, 1 no, ALUC found the Project is inconsistent with the AELUP. ALUC's staff report and final determination letter are included as Attachment Nos. PC 10 (ALUC Staff Report, August 7, 2025) and) PC 11 (ALUC Determination Letter). Staff believes the Project is consistent with the AELUP, as the Project is designed with the safety zones in mind and strategically places components (i.e., the lagoon, the amenity clubhouse, and visitor accommodation building) into the appropriate safety zones. Additionally, the Project does not propose structure or light standards at a height that would be considered a hazard to navigation by the Federal Aviation Administration. The City Council will be considering the issuance of a Notice of Intent to override ALUC's determination at its September 9, 2025, meeting.

Summary

If approved, the Project would allow for the construction and operation of a new surf-focused outdoor commercial recreation use. The surf park would provide approximately five acres of surf lagoons along with an amenity clubhouse building and 20-room visitor accommodations building. The facility would be open from 6 a.m. to 11 p.m., daily and would host up to 12 special events per year. The Project would support the continued operation of the NBGC on the northern and southern portions through providing access, as well as a golf starter shack, golf cart storage, and parking for golf course customers. Staff believes the project is consistent with Title 20 (Planning and Zoning) of the NBMC and the General Plan, as amended, as discussed in the analysis above. As evidenced in the draft Resolution provided as Attachment No. PC 1, all required findings have been substantiated with facts in support of each. Appropriate conditions of approval have also been included, which will help to ensure the Project maintains compatibility and is harmonious with the surrounding area.

Alternatives

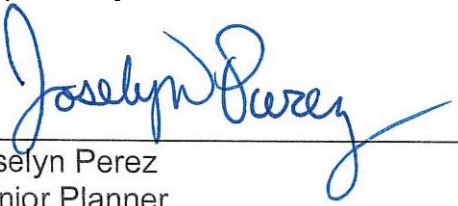
Should the Planning Commission determine the required findings cannot be made as presented, then the Planning Commission may:

1. Suggest specific changes that are necessary to alleviate concerns such as abrupt changes in scale, blending, screening, or project compatibility with the area. If the requested changes are substantial, the item could be continued to a future meeting. Should the Planning Commission choose to do so, staff will return with a revised resolution incorporating new findings and/or conditions after the Applicant has an opportunity to revise the Project accordingly; or
2. If the Planning Commission believes that there are insufficient facts to support the findings for approval and a denial action is more appropriate, the Planning Commission could recommend denial of the application to the City Council.

Public Notice

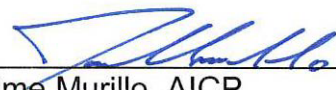
Notice of this hearing was published in the Daily Pilot, mailed to all owners of property within 300 feet of the boundaries of the site (excluding intervening rights-of-way and waterways) including the applicant, and posted on the subject property at least 10 days before the scheduled meeting, consistent with the provisions of the Municipal Code. Additionally, the notice of hearing was emailed to the list of interested parties who had requested notice. Lastly, item appeared on the agenda for this meeting, which was posted at City Hall and on the city website. The City emailed a the notice of hearing to interested parties that had requested notification.

Prepared by:



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Submitted by:



Jaime Murillo, AICP
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BMZ/jp

ATTACHMENTS

- PC 1 Draft Resolution
- PC 2 Applicant's Project Description
- PC 3 Police Department Memorandum
- PC 4 Gibson Parking Analysis
- PC 5 Gibson Trip Generation
- PC 6 Project Plans
- PC 7 Mitigation Monitoring and Reporting Program
- PC 8 Correspondence in Response to Public Hearing Notice
- PC 9 Planning Commission Meeting Minutes, June 19 20205
- PC 10 ALUC Staff Report, August 7, 2025
- PC 11 ALUC Determination Letter

01/18/23