



CITY OF

NEWPORT BEACH

City Council Staff Report

October 28, 2025
Agenda Item No. 20

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: Jaime Murillo, Acting Community Development Director - 949-644-3209, jmurillo@newportbeachca.gov

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TITLE: Resolution Nos. 2025-71 through 2025-74: Overriding Orange County Airport Land Use Commission's Determination of Inconsistency and Approving the Snug Harbor Surf Park at 3100 Irvine Avenue

ABSTRACT:

Back Bay Barrells, LLC seeks 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 (surf park). The site would be improved with approximately five acres of surfing lagoon 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."

For the City Council's consideration is the adoption of four resolutions to authorize the project by: 1) approving the General Plan Amendment; 2) approving the site development review, conditional use permit and modification permit; 3) certifying the Environmental Impact Report; and 4) overriding the August 7, 2025, Orange County Airport Land Use Commission (ALUC) determination that the project is inconsistent with the 2008 John Wayne Airport Environs Land Use Plan.

Pursuant to California Public Utilities Code Section 21676(b), approval of the project and the adoption of the resolution to override the ALUC requires a two-thirds majority vote of the City Council.

RECOMMENDATIONS:

- a) Conduct a public hearing;
- b) Adopt Resolution No 2025-71, *A Resolution of the City Council of the City of Newport Beach, California, Approving a General Plan Amendment for the Surf Park Project Located at 3100 Irvine Avenue (PA2024-0069)*;

- c) Adopt Resolution No 2025-72, *A Resolution of the City Council of the City of Newport Beach, California, Approving a Major Site Development Review, Conditional Use Permit, and Modification Permit to Authorize the Construction and Operation of the Surf Park with Ancillary Uses and Types 47 (On-Sale General Eating Place), 58 (Caterer), and 68 (Portable Bar) Alcoholic Beverage Control Licenses for the Property Located at 3100 Irvine Avenue (PA2024-0069)*;
- d) Adopt Resolution No 2025-73, *A Resolution of the City Council of the City of Newport Beach, California, Certifying Environmental Impact Report (State Clearinghouse SCH Number 2024110238), Including a Mitigation Monitoring and Reporting Program and Adopting Findings for the Surf Park Project Located at 3100 Irvine Avenue (PA2024-0069)*; and
- e) Adopt Resolution No 2025-74, *A Resolution of the City Council of the City of Newport Beach, California, Finding the Surf Park Project Located at 3100 Irvine Avenue Consistent with the Purposes of the State Aeronautics Act and Overriding the Orange County Airport Land Use Commission's Determination of Inconsistency with the 2008 John Wayne Airport Environs Land Use Plan (PA2024-0069)*.

DISCUSSION:

As shown in Figure 1 on the next page, the Newport Beach Golf Course (NBGC) is separated into three physically distinct areas: the northern, central, and southern portions. The northern portion is mostly located outside of 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 for the central portion, located at 3100 Irvine Avenue (Site).



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

The Site is located within an urban area of the City 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 currently developed with a 38-bay, partially covered, synthetic turf driving range, an approximately 1,050-square-foot putting green, a one-story, approximately 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 on the central portion of the NBGC and redevelop the Site into a new surf-focused outdoor commercial recreation use (surf park). As shown below in Figure 2, the Site would be improved with approximately five acres of surfing lagoon surrounded by viewing platforms, seating, pools, restrooms and landscaping.



Figure 2, Project rendering looking south

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 basins. Light poles 71 feet high would light the lagoon for evening use, focusing down onto the surf lagoon. Additional lagoon equipment, such as the heating equipment, would have a height of approximately 15 feet and would be located northeast of the surf lagoon, near the northernmost parking area. Hours of operation for the surf park are proposed from 6 a.m. to 11 p.m., daily. 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.

The project includes the construction of a new three-story, 50-foot tall, amenity clubhouse building 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. 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 project also includes construction of a two-story, 40-foot-high 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 area consistent with Table LU1 (Land Use Plan Categories) of the General Plan for properties categorized as Parks and Recreation.

The surf park will be served by 351 parking spaces across two surface lots, partially covered by 14- to 18-foot-high solar canopies. These canopies, along with solar panels on the surf park buildings, will provide onsite renewable energy to help offset the project's operational power needs.

As part of its operation and as an amenity for locals and a regional destination for visitors, the surf park anticipates hosting approximately 12 surf events or competitions annually. These special events will be ticketed and similar in scale to other local sporting events.

Golf operations are proposed to continue, with existing access maintained to the front six and back nine holes of the golf course. The NBGC currently operates under Use Permit No. UP1594, which will remain in full force and effect. Importantly, access to the northern and southern portions of the NBGC will be maintained both during construction and operation, minimizing any disruptions to golf availability.

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.

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 (SDR)** – To construct a nonresidential building larger than 20,000 square feet in area;
- **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 in height; and
- **Environmental Impact Report (EIR)** – To address reasonably foreseeable environmental impacts resulting from the legislative and project specific discretionary approvals.

General Plan Amendment (GPA)

The Site is designated as Parks and Recreation (PR) in the General Plan Land Use Element. Intended uses for PR designated properties include active and passive parks, golf courses, marina support facilities, aquatic facilities, tennis clubs and courts, private

recreation, and similar facilities. The Site is also identified as Anomaly Number 58 in Table LU2 and carries a 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 development limit by 39,772 square feet to 59,772 square feet. The Site's PR designation will remain unchanged. The updated Table LU2 for Anomaly Number 58 is provided as Exhibit C of Attachment A.

A complete consistency analysis of each applicable General Plan policy is included as Exhibit D of Attachment A. The analysis concludes that the project is consistent with the adopted goals and policies of the General Plan.

Charter Section 423 (Measure S) Analysis ("Greenlight")

Charter Section 423 requires voter approval for any major GPA. A major GPA is defined as one that significantly increases allowed density or intensity by 40,000 square feet of non-residential floor area, increases traffic by more than 100 peak hour vehicle trips (AM or PM), or increases residential dwelling units by 100 units. These thresholds apply to the total increase resulting from the amendment itself, plus 80% of the increases from other amendments affecting the same Statistical Area adopted within the preceding 10 years.

The Site is located within Statistical Area J-5. As required by Charter Section 423, prior amendments within statistical areas are cumulatively tracked for a period of 10 years at 80% of their initial values. One GPA within Statistical Area J-5 has been approved in the last 10 years. Trip generation for the purpose of the Charter Section 423 analysis was calculated using the blended rate for "public, semi-public, and institutional uses" as specified in City Council Policy A-18.

Table 1 below summarizes the calculations used to determine whether a vote is required. Notably, none of the thresholds outlined in Charter Section 423 are exceeded; therefore, no voter approval is required should the City Council choose to approve this GPA.

Table 1, Charter Section 423, Measure S Analysis for Statistical Area J-5.				
Amendments	Increased Density (DU)	Increased Intensity (SF)	Peak Hour Trip Increase	
			A.M.	P.M.
PA2020-041 (Shvetz Subdivision)	1	NA	0.75	1.01
Total Prior Increases	1	NA	0.75	1.01
80% of Prior Increases	.8	NA	0.60	.81
100% of Proposed 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

Tribal Consultation (Senate Bill 18 and Assembly Bill 52)

Pursuant to California Government Code Section 65352.3 (SB 18), a local government is required to contact the appropriate tribes identified by the Native American Heritage

Commission (NAHC) each time it considers a proposal to adopt or amend the General Plan. If requested by any tribe, the local government must consult for the purpose of preserving or mitigating impacts to cultural resources.

The City requested a Sacred Lands File (SLF) search on May 31, 2024, for the Site from the 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 the requirements of SB 18 and Assembly Bill 52, the City mailed notices of 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 good faith effort consultation with both tribes. Ultimately, they requested monitoring for tribal resources during ground disturbances. During the consultation process, 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 was identified in the SLF search for the Site as a tribe having traditional lands or cultural places in its vicinity, and the tribe further provided the City with substantial evidence identifying the Site as being within Ancestral Tribal Territory. Therefore, the City determined monitors from both tribes should be accommodated.

Major Site Development Review (SDR)

Approval of an SDR is required to construct a nonresidential building larger than 20,000 square feet. The required findings ensure the Project is a quality proposal that is consistent with the General Plan and Zoning Code, compatible with physical characteristics of the site and surroundings, and reduces or minimizes potential negative impacts.

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 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.

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. 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).

The Findings required to approve an SDR and the Facts in Support of Findings are provided in Exhibit C of Attachment B.

Conditional Use Permit (CUP)

The CUP provides a mechanism to evaluate uses that may be appropriate within a zoning district but require site-specific review to assess their potential impacts. Similar to an SDR, a CUP also considers whether the Project use is consistent with the General Plan, is permitted within the zoning district, and complies with all relevant provisions of the NBMC. A CUP also considers whether the design, location, size and operating characteristics of the Project are compatible with surrounding uses, and if the site is physically suitable to support the use, including access for public and emergency services, and whether the Project will be detrimental to the orderly growth of the City or pose a hazard to the public health, safety, or general welfare of nearby residents or businesses.

The Site is in the Open Space and Recreation (OSR) District of the Santa Ana Heights Specific Plan (SP-7). Golf courses and commercial recreation uses are permitted subject to the approval of a CUP. The Project also proposes to serve alcohol under a Type 47 (On-Sale General – Eating Place), Type 58 (Caterer License), and Type 68 (Portable Bar) ABC license. Therefore, the CUP must also evaluate consistency with Section 20.48.030 (Alcohol Sales) of the NBMC. Lastly, Chapter 20.40 (Off-Street Parking) of the NBMC does not specify a parking requirement for outdoor recreational uses. Instead, it allows the requirement to be established through a use permit and Section 20.90.050(E) (Site

Development Standards) of the NBMC requires approval of a CUP to construct a building taller than 18 feet.

Section 20.90.050(E) of the NBMC provides development standards for the Site, summarized below in Table 2:

Table 2, 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.

Parking Requirement

To determine an appropriate parking rate, a Parking Demand Analysis was prepared by Gibson Transportation Consulting, Inc., dated July 14, 2025 (Attachment E). The analysis uses detailed program data from Wavegarden, an international surf park operator, including attendance projections, staffing, operational assumptions, and average vehicle ridership (AVR) ratios. The City Traffic Engineer reviewed and accepted the analysis.

- Visitors

Table 3 summarizes expected daily attendance during a typical high-season weekday. Although weekend activity was also analyzed, the weekend AVR ratios effectively resulted in the high season weekday activity analysis being the more conservative of the two scenarios.

Based on operational modeling, a maximum of 388 visitors would be onsite at one time. Assuming two visitors per vehicle, the parking requirement for visitors is 194 spaces.

Table 3, 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

- Employees

The Project will employ 70 employees; however, only 35 employees are expected 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

The Project proposes 351 parking spaces, resulting in a surplus of 27 spaces. Notably, the analysis is conservative as it assumes all access is by private vehicle and does not account for alternative transportation modes such as transit, rideshare, biking, or walking.

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 Gen Analysis) was prepared by Gibson Transportation Consulting, Inc (Gibson), dated March 4, 2025, and is provided as Attachment F. 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 Analysis 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.

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

Special Events

Special events are contemplated as part of the Project's overall operations. The Conditions of Approval, provided in Exhibit B of Attachment B, establish limits on event capacity and hours under which events may occur without requiring notification to the City. Any event that exceeds these established thresholds, such as larger crowds, extended hours, or additional city resources, will require the Applicant to obtain a special events permit from the City in accordance with applicable regulations.

Utilities and Water Use

While the Project does not meet the thresholds established by SB 610 and SB 221 that would require preparation of a Water Supply Assessment, the EIR includes both a Water Demand Report (WDR) and a Water Supply Evaluation (WSE). The WDR assesses the Project's expected water use, while the WSE evaluates whether the City's existing water supplies are sufficient to meet that demand.

The WDR estimates the current water use of the Site, which includes three golf holes, the pro shop, clubhouse and restaurant, at approximately 19 acre-feet per year (AFY). Operation and maintenance of the proposed lagoon is expected to use approximately 70 AFY. This estimate accounts for draining, cleaning, evaporation and other losses. Additional amenities, including restrooms, warming pools, the clubhouse, and the visitor accommodation building, are projected to use another 19 AFY. Altogether, the total Project water demand is estimated at 89 AFY, which represents an increase of about 70 AFY over existing use. Currently, the golf course is primarily served by groundwater, while the Project will rely on potable water. Even with this change, the WSE concludes that the City has adequate water supplies to meet the Project's demand under a range of conditions, including normal years, single dry years, and multiple dry years.

The EIR also includes a Sewer Analysis, which determined that no upgrades to the existing Costa Mesa Sanitary District sewer mains are needed to serve the Project.

Noise

The EIR included a Noise Analysis to evaluate potential noise impacts on nearby sensitive receptors. The analysis examined potential noise increases at eight nearby locations, including the apartment building across Irvine Avenue, located approximately 170 feet from the Site boundary. The Noise Analysis concluded that there would be no significant impacts on sensitive receptors during either daytime or nighttime hours, demonstrating that the Project is appropriate for the site and is not expected to be detrimental to its surroundings.

CUP Summary

The Project has been reviewed and conditioned by all relevant City departments, including the Newport Beach Police Department, Newport Beach Fire Department, Utilities Department, building division, Recreation and Senior Services Department, and

Public Works Department, to help ensure compatibility with surrounding uses, including the mix of residential and commercial development. The consulted city departments have no objections to the Project, subject to the appropriate conditions of approval which are intended to ensure that the operation of the use will not pose a hazard to the public convenience, health, safety, or general welfare of those living or working in the neighborhood.

The Findings required to approve a CUP with alcohol sales, along with the Facts in Support of Findings are provided in Exhibit C of Attachment B.

Modification Permit

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. The Project proposes multiple retaining walls to create a level building pad that minimizes the need to dispose of or import soil. While retaining walls along the westerly property line comply with the maximum 8 feet above finish grade height limit established by with Section 20.30.040 (Fences, Hedges, Walls, and Retaining Walls) of the NBMC, 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, 4 inches above finish grade and require the approval of a modification permit.

Terraced walls, which achieve compliance with height limits, have been incorporated where feasible; however full terracing consistent with Section 20.30.040 would reduce usable site area and would impact the Project's viability. The tallest walls are set back, behind the Delhi Channel, and far from the centerline of Irvine Avenue. The walls are softened with landscaping, minimizing visibility and ensuring compatibility with neighborhood character. Figure 3 and 4 on the following page provide views of the existing condition and the taller retaining walls.



Figure 3: Existing and proposed, as seen from the southwest corner of Irvine Avenue and Mesa Drive.



Figure 4: Existing and proposed, as seen from Irvine Avenue, near The Jetty commercial center

No feasible alternatives exist that would meet grading and access requirements while achieving compliance with the 8-foot maximum.

The Findings required to approve a Modification Permit and Facts in Support of Findings are provided in Exhibit C of Exhibit B.

Planning Commission Review and Recommendation

On September 4, 2025, the Planning Commission held a duly noticed public hearing to consider the requested applications. Twenty-two members of the public spoke during the hearing, and 195 individuals submitted written comments. At the conclusion of the hearing, the Planning Commission adopted Resolution No. PC2025-008 by a unanimous vote (6 ayes, 1 recusal), recommending that the City Council approve the Project. The Planning Commission staff report, meeting minutes and resolution are included as Attachment Nos. G, H and I. Public comments received prior to the preparation of this report are provided as Attachment J.

Airport Land Use Commission (ALUC) Override

The Site is located approximately 0.4 miles southwest of John Wayne Airport (JWA) and falls within the Notification Area of the 2008 Airport Environs Land Use Plan (AELUP). In accordance with Section 4.3 of the AELUP and Section 21676(b) of the California Public Utilities Code (CPUC), the City is required to submit GPAs to the ALUC for a consistency determination with the AELUP.

On August 7, 2025, ALUC held a public hearing to consider the Project and determined by a vote of 5 to 1 that the Project is inconsistent with the AELUP. ALUC cited concerns related to noise exposure, safety and the concentration of people in areas susceptible to aircraft accidents, building height, and aircraft overflights.

Following this determination and after the Planning Commission hearing, the City Council conducted a public hearing on September 9, 2025, and adopted Resolution No. 2025-60, formally notifying ALUC and the California Department of Transportation, Division of Aeronautics of the City's intent to override ALUC's finding, as permitted under CPUC Section 21676(b). Notice of the Council's action was mailed on September 11, 2025, initiating a 45-day comment period.

The City received written comments from ALUC on October 8, 2025 (Attachment K). In its letter, ALUC reaffirmed its concerns related to noise exposure, safety, the concentration of people in areas susceptible to aircraft accidents, building height, and aircraft overflights. At the time of this report's preparation, the City had not received comments from the Division of Aeronautics. However, the deadline to respond to the Notice of Intent is Sunday, October 26, 2025. Any comments received will be addressed and provided as additional materials.

Project Consistency with AELUP Standards

- Noise

The Project is consistent with the AELUP's noise standards. Most of the Site lies within the 65 dB CNEL noise contour as identified in both the 1985 Airport Master

Plan and the 2014 JWA Settlement Agreement Environmental Impact Report (EIR No. 617). While the Project does not fall squarely into a single AELUP land use category, it represents a hybrid of "Community Facilities" and "Commercial" uses. Both categories are deemed "Normally Consistent" with the 65 dB Community Noise Equivalent Level contour, provided standard construction methods are employed. The Project will comply with all applicable noise insulation requirements under state law and the NBMC. Although the AELUP does not prohibit outdoor recreational uses within this contour, it recommends signage to inform the public of aircraft activity. The Project will incorporate such signage.

- Safety Zones

The 15.4-acre Site is trisected by three safety zones (Zones 2, 4 and 6), each of which includes specific limitations on land use and occupancy. The Project has been designed to comply with these restrictions, maintaining occupancy levels for normal operating conditions well within the allowable thresholds established by the AELUP and the Caltrans Airport Land Use Planning Handbook.

- Height

On May 6, 2025, the Federal Aviation Administration (FAA) issued a Determination of No Hazard to Air Navigation under 14 CFR Part 77, confirming that the Project's proposed building heights do not exceed the applicable imaginary surfaces. Although an FAA determination does not automatically equate to AELUP consistency, no obstruction has been identified under AELUP Section 2.1.3. As such, the Project's height is consistent with both FAA and AELUP height limitations.

- Overflights

Aircraft overflights of the Site will remain unchanged from existing conditions. While visitors to the Site will generally notice departing aircraft, it will be the same as the aircraft operations currently noticed over the golf course.

As a final review authority on legislative acts, the City Council may choose to override ALUC's determination with a two-thirds vote if it makes specific findings that the Project is consistent with the purpose of Section 21670 of the CPUC to protect the public health, safety, and welfare by ensuring the orderly expansion of airports and the adoption of land use measures that minimize the public's exposure to excessive noise and safety hazards within areas around public airports to the extent that these areas are not already devoted to incompatible uses.

FISCAL IMPACT:

Pursuant to General Plan Implementation Program 12.1, a fiscal impact analysis for the Project was prepared by Keyser Marston Associates, Inc., dated October 1, 2025 (Attachment L). The analysis uses a fiscal model to estimate the public revenues typically generated by each land use type, including property taxes, sales taxes, other taxes, and

various user charges and fees. City service costs are estimated based on the number of persons served (employees and visitors). Public service costs are then deducted from the estimated revenues to determine the net fiscal impact to the City.

The Project is projected to generate approximately \$760,400 in annual revenue for the City, with estimated annual service costs of \$504,690. This results in a net positive fiscal impact of approximately \$256,000 per year. In comparison, the existing improvements on the Site currently result in a negative fiscal impact of approximately \$14,000 annually.

ENVIRONMENTAL REVIEW:

In accordance with the California Environmental Quality Act (CEQA) and City Council Policy K-3, an Environmental Impact Report (EIR), referenced as State Clearinghouse No. 2024110238, was prepared for the Project by the City's environmental consultant, Environmental Planning Development Solutions, Inc., doing business as EPD Solutions.

Before taking action on the requested applications, the City Council must first review, consider, and certify the EIR (SCH No. 2024110238).

Draft EIR (DEIR)

The DEIR evaluated the environmental impacts associated with the construction and operation of the proposed Project.

During the initial environmental analysis, the Project was determined to have no potential to result in impacts in the following four CEQA topic areas: Agriculture and Forestry Resources, Mineral Resources, Population and Housing, and Wildfire. As a result, these areas were not analyzed in detail in the DEIR.

The DEIR included detailed analysis of the following CEQA topic areas:

- | | |
|-----------------------------------|---------------------------------|
| • Aesthetics | • Hydrology and Water Quality |
| • Air Quality | • Land Use and Planning |
| • Biological Resources | • Noise |
| • Cultural Resources | • Parks and Recreation |
| • Energy | • Public Services |
| • Geology and Soils | • Transportation |
| • Greenhouse Gas Emissions | • Tribal Cultural Resources |
| • Hazards and Hazardous Materials | • Utilities and Service Systems |

The DEIR concluded that, with implementation of the proposed mitigation measures, there would be no significant and unavoidable impacts resulting from the Project. All potentially significant impacts can be reduced to a less-than-significant level through mitigation.

A Notice of Availability for the DEIR was circulated for a 45-day public review and comment period, beginning May 23, 2025, and ending July 7, 2025. A total of 126

comments were received, and responses to those comments are included in the Final EIR.

Final EIR (FEIR)

The FEIR consists of the Draft EIR dated May 2025, written comments received during the public review period along with written responses to those comments, revisions to the Draft EIR, and the Mitigation Monitoring and Reporting Program (MMRP). The MMRP includes mitigation measures related to Biological Resources, Cultural Resources and Tribal Cultural Resources to reduce potentially significant adverse impacts to less-than-significant levels. In compliance with Assembly Bill 52, Tribal Cultural Resources were addressed through consultation requests that were combined with the SB 18 consultation process described earlier in this report. The MMRP also requires compliance with various plans, programs, and policies to reduce potential impacts related to Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, and Hydrology and Water Quality to a level of no impact.

Based on the complete environmental record, the Project, with mitigation measures incorporated, will result in no project-level impacts or only less-than-significant impacts. There are no known significant and unavoidable environmental effects associated with the Project.

The EIR (including the FEIR, DEIR, and appendices) is available online at the City's website: <https://www.newportbeachca.gov/ceqa>.

NOTICING:

Notice of this hearing and availability of the FEIR 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, agencies that provided comments on the DEIR, and posted on the subject property at least 10 days before the scheduled meeting. Additionally, the notice of hearing was emailed to the list of interested parties who had requested notice and all individuals that commented on the DEIR. Lastly, 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. 2025-71
Attachment B – Resolution No. 2025-72
Attachment C – Resolution No. 2025-73
Attachment D – Resolution No. 2025-74
Attachment E – Parking Demand Analysis
Attachment F – Gibson Trip Generation
Attachment G – Planning Commission Staff Report (September 4, 2025) (*Attachments Omitted*)
Attachment H – Planning Commission Meeting Minutes
Attachment I – Planning Commission Resolution No. 2025-018 (*Attachments Omitted*)
Attachment J – Correspondence
Attachment K – ALUC Comment Letters
Attachment L – Fiscal Impact Memorandum dated October 1, 2025
Attachment M – Project Plans