



CITY OF NEWPORT BEACH ZONING ADMINISTRATOR STAFF REPORT

January 10, 2019
Agenda Item No. 2

SUBJECT: Newport Beach Country Club - Golf Club Site - Annual Development Agreement Review (PA2016-094)
▪ Annual Development Review No. DA2010-005

SITE LOCATION: 2 Clubhouse Drive (formerly 1600 East Coast Highway)

APPLICANT: Newport Beach Country Club

OWNER: Newport Beach Country Club, LLC

PLANNER: Rosalinh Ung, Senior Planner
(949) 644-3208, rung@newportbeachca.gov

ZONING DISTRICT/GENERAL PLAN

- **General Plan:** PR (Park & Recreation)
- **Zoning District :** PC-47 (Newport Beach Country Club)

PROJECT SUMMARY

The annual review of Development Agreement No. DA2010-005 for Newport Beach Country Club - Golf Club Site, pursuant to Section 15.45.080 of the Newport Beach Municipal Code and Section 6586501 of the California Government Code.

RECOMMENDATION

- 1) Conduct a public hearing;
- 2) Find the annual review is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15321, Class 21 (Enforcement Actions by Regulatory Agencies) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3;
- 3) Receive and file the Annual Report of Development Agreement for Newport Beach Country Club - Golf Club Site (Attachment No. ZA 2); and
- 4) Find that the applicant is in good faith compliance with the terms of Development Agreement No. DA2010-005; and upon completion of the project, no further review of the Development Agreement will be necessary.

BACKGROUND

On February 14, 2012, the City Council adopted Ordinance No. 2012-5, approving the Development Agreement (DA) for the development of a new 56,000 square foot golf clubhouse and related improvements. Improvements included a new parking lot and maintenance facility. The City Council also adopted a Planned Community Development Plan for the site and approved a new clubhouse design. The DA became effective on December 18, 2012. The term of the DA is ten years, or upon completion of the project in accordance with the terms and conditions of the DA, whichever comes first.

The DA is available online at: <http://www.newportbeachca.gov/developmentagreements>.

On December 18, 2012, the California Coastal Commission approved Coastal Development Permit No. CDP 5-12-103, for the construction of a new golf clubhouse, associated parking lot, maintenance facility, and all appurtenant improvements.

On April 25, 2014, the Community Development Director approved Staff Approval No. SA2014-003, for the following changes to the approved plans: 1) a reduction in the clubhouse building footprint; 2) minor changes to landscaping plans; 3) the addition of a swimming pool; 4) elimination of the new golf course maintenance building; 5) the addition of a new carport structure within the existing maintenance yard; 6) elimination of the existing frontage road adjacent to East Coast Highway; and 7) elimination of the previously proposed service entry and driveway from East Coast Highway.

On June 4, 2014, the California Coastal Commission approved Immaterial Amendment No. CDP 5.12.103-A1 to the approved CDP, for the changes consistent with the City's approval of SA2014-003.

On March 6, 2015, the Community Development Director approved Staff Approval No. SA2015-003 converting 1,164 square feet of golf cart and bag storage area within the basement to accommodate a larger employee lounge area, storage and mechanical rooms. The change resulted in an increase in the total gross floor area for entitlement purposes from 54,819 to 55,983 square feet. This minor change was found in substantial conformance with both the City's entitlement and the amended CDP. The basement modification was later scaled back reducing the total gross floor area of the building to 55,722 square feet.

On September 29, 2016, the Zoning Administrator conducted an annual review that included the golf clubhouse's construction period, from December 2014 and to September 2, 2016. At the hearing, the Zoning Administrator found Newport Beach Country Club demonstrated good faith compliance with the terms of the DA.

DISCUSSION

Section 15.45.080 of the Municipal Code requires the City to periodically review development agreements to determine if the applicant has complied with the terms of the agreement. The applicant is required to demonstrate good faith compliance with the terms of the agreement, and should the Zoning Administrator find that the applicant has not complied in good faith with the terms of the agreement; the Zoning Administrator should refer the matter to City Council.

The DA review covers the period of October 2016 to December 2018. The applicant has prepared a report with a complete list of accomplishments within the review period (Attachment ZA 2). The golf clubhouse and its ancillary improvements were fully completed in January 2017. The remaining 278 square feet that could be built will remain available for construction as an entitlement until the DA expires in December 2022. It should be noted that the DA requires a public benefit fee of \$10 per square foot subject to annual CPI adjustment payable to the City prior to the issuance of a building permit.

After reviewing the attached report and applicable documents, staff believes that the applicant is in good faith compliance with the terms and conditions of the DA.

ENVIRONMENTAL REVIEW

This annual review is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15321, Class 21 (Enforcement Actions by Regulatory Agencies) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential to have a significant effect on the environment. This section exempts actions by regulatory agencies to enforce or revoke a lease, permit, license, certificate, or other entitlement for use issued, adopted, or prescribed by the regulatory agency or enforcement of a law, general rule, standard, or objective, administered or adopted by the regulatory agency.

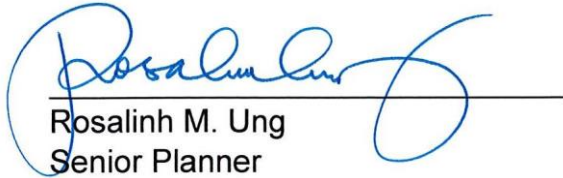
PUBLIC NOTICE

Notice of this review 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 hearing, consistent with the provisions of the Municipal Code. Additionally, the item appeared on the agenda for this meeting, which was posted at City Hall and on the City website.

APPEAL PERIOD:

An appeal or call for review may be filed with the Director of Community Development within 14 days following the date of action. For additional information on filing an appeal, contact the Planning Division at 949-644-3200.

Prepared by:



Rosalinh M. Ung
Senior Planner

JC/ru

Attachments: ZA 1 Vicinity Map
 ZA 2 NBCC Development Agreement Annual Report

Attachment No. ZA 1

Vicinity Map

VICINITY MAP



Annual Development Review No. DA2010-005
PA2016-094

2 Clubhouse Drive (1600 East Coast Highway)

Attachment No. ZA 2
NBCC Development Agreement
Annual Report 2017-2018

ANNUAL REPORT- 2017

Newport Beach Country Club

Pursuant to Section 7 of Development Agreement DA2010-005 for the Newport Beach Country Club, Inc. (NBCC) and now known as NBCC, LLC, an Annual Report is required for the Newport Beach Country Club Planned Community (PC) to provide an accurate record of the development that has occurred within the PC. This Annual Report documents NBCC compliance with the Development Agreement from September 15, 2016 to December 31, 2017.

Milestones

Entitlement Approvals

On October 23, 2008, an application was filed by the NBCC with the City of Newport Beach for the purpose of obtaining approval to redevelop the existing golf clubhouse of the NBCC. The following approvals were required in order to implement the project as proposed:

- a. A General Plan Amendment to increase the allowable development limit by 21,00 gross square feet from 35,000 to 56,000 gross square feet (Anomaly No. 74).
- b. A Planned Community Development Plan to provide development standards and design guidelines.
- c. A Site Development Review to allow the construction of a 54,819 square-foot golf clubhouse with a parking lot and maintenance facility.
- d. A Development Agreement as required pursuant to Section 15.45.020.A.2.c of the Municipal Code.

On January 24, 2012 the City Council approved, passed, and adopted the General Plan Amendment (GPA2008-005) and the Site Development Review (SD2011-003). On February 14, 2012 the City Council adopted the Development Agreement, and on February 28, 2012 the City Council adopted the Planned Community Development Plan.

Subsequent to obtaining City of Newport Beach approval, the NBCC filed an application with the California Coastal Commission (CCC) on April 6, 2012, and a Coastal Development Permit (CDP No. 5-12-103) was approved on December 18, 2012.

Prior to beginning construction, the NBCC requested minor revisions to the Site Development Review, which was reviewed and approved by the Community Development Director on April 25, 2014 (SA2014-003). The gross square footage for the golf clubhouse did not change and remained at 54,819 gross square feet.

Subsequently, on June 4, 2014 the CCC approved an Immaterial Amendment (CDP No. 5-12-103-A1) for the minor revisions.

During construction, the NBCC requested additional minor revisions to the Site Development Review, which was reviewed and approved by the Community Development Director on March 6, 2015 (SA2015-003). The gross square footage for the golf clubhouse increased to 55,983 gross square feet but remained under the maximum 56,000 gross square feet allowed per the Planned Community Development Plan.

A subsequent re-examination by the City and the Applicant of the floor area devoted to cart storage resulted in a 278 square-foot reduction in the gross floor area for the golf clubhouse from 55,983 square feet to 55,722 square feet. This reduction in gross floor area was identified and memorialized in the 2015 Annual Review for the NBCC and results in a remaining vested development right of 278 square feet.

Development Agreement Obligations

Section 3 of the Development Agreement for the NBCC required the payment of a Public Benefit Fee of \$10 per gross square foot. A payment in the amount of \$562,195.62 was paid at the issuance of the Building Permit for the new clubhouse (X2014-1604) on December 2, 2014.

An additional Public Benefit Fee of \$9,255.75 was paid due to the gross square footage increase approved by SA2015-003. With the payment of this additional amount, all terms and conditions of the Development Agreement will have been met. However, the applicant desires to keep the remaining vested development right of 278 square feet for future development and to continue monitoring consistent with the terms of the Development Agreement.

Construction

Construction was completed and a Certificate of Occupancy for the new clubhouse and basement was issued on October 17, 2016. The Certificates of Occupancy for the pool house and pool equipment buildings were issued on October 17, 2016 and October 19, 2016 respectively. The Permit Activity table below lists the NBCC building permits that were finalized from September 15, 2016 to December 31, 2017.

Permit Final	Permit Number	Permit Description
10/17/16	X2014-1705	Precise Grading
10/17/16	X2014-1604	Clubhouse w/Basement
12/20/16	X2014-3178	Rough Grading
12/20/16	S2014-0082	Swimming Pools
12/20/16	X2014-1607	Pool Entry Trellis
12/20/16	X2015-1209	Pool Enclosure Fence
12/20/16	X2014-1609	Maintenance Yard Fence
12/20/16	X2015-0702	Light Standards
12/20/16	X2015-1349	Freestanding Carport
12/20/16	X2015-1739	Clubhouse Spa – Men
12/20/16	X2015-1228	Clubhouse Spa – Women
12/20/16	X2016-3009	Flagpole Footing
1/17/17	X2014-1606	Pool House Building
1/19/17	X2014-1605	Pool Equipment Building