

APPENDIX A
NOTICE OF PREPARATION





NOTICE OF PREPARATION

Date: March 16, 2009
To: Reviewing Agencies and Other Interested Parties
Subject: Notice of Preparation Draft Environmental Impact Report
Project Title: Newport Banning Ranch

The purpose of this Notice of Preparation (NOP) is to notify potential Responsible Agencies (Agencies) that the Lead Agency, the City of Newport Beach, plans to prepare a Program Environmental Impact Report (EIR) for the Newport Banning Ranch Project (Project) and to solicit comments and suggestions regarding (1) the scope and content of the EIR and (2) the environmental issues and alternatives to be addressed in the EIR (California Environmental Quality Act [CEQA] Guidelines §15082). This NOP also provides notice to interested parties, organizations, and individuals of the preparation of the EIR and requests comments on the scope and contents of the environmental document.

As the Lead Agency, the City of Newport Beach requests that Agencies respond to this notice in a manner consistent with CEQA Guidelines §15082(b). The attached summary of the Project's probable environmental effects and alternatives is not an analysis of the Project or its impacts. The Project summary information is intended to provide said Agencies, persons and organizations with sufficient information describing the Project and the environmental issues that will be addressed in the EIR so that meaningful responses and comments can be provided.

The City of Newport Beach requests your careful review and consideration of this notice, and it invites any and all input and comments from interested Agencies, persons, and organizations regarding the preparation of the EIR. Pursuant to CEQA §21080.4, Agencies must submit any comments in response to this notice no later than *30 days after receipt of this notice*. The City will accept comments from other parties regarding this notice through the close of business on April 17, 2009.

All comments or other responses to this notice should be submitted in writing to:

Debby Linn, Contract Planner
City of Newport Beach
Planning Department
3300 Newport Boulevard
Newport Beach, California 92658

The City of Newport Beach will also accept responses to this notice by e-mail received through the close of business on April 17, 2009. If e-mail comments are submitted with attachments, it is recommended that the attachments be delivered in writing to the address specified above. Virus protection measures and variety of formats for attachments can limit the ability for the attachments to be delivered. E-mail responses to this notice may be sent to dlinn@city.newport-beach.ca.us.

All parties that have submitted their names and mailing addresses will be notified of the availability of the Draft EIR. If you wish to be placed on the mailing list, have any questions, or need additional information, please contact the person identified above at (949) 718-1848.

Scoping Meeting

The City will hold a Public Scoping Meeting to solicit comments on the scope of the EIR at 7:00 PM on April 2, 2009, at Newport Beach City Hall, 3300 Newport Boulevard, Newport Beach, California 92658, as required by CEQA Guidelines §15082(c)(1).

NEWPORT BANNING RANCH PROJECT SUMMARY

The Newport Banning Ranch Project (Project) proposes the development of up to 1,375 residential dwelling units, 75,000 square feet of commercial uses, and 75 overnight resort accommodations on a Project site of approximately 401 acres. These uses are consistent with the description of the proposed land uses for this property in the Newport Beach General Plan, adopted by the City and its electorate in 2006. The Project Applicant has submitted applications for a Planned Community Development Plan, a Master Site Plan, a Zoning Code Amendment, and a Vesting Tentative Tract Map to the City for review. More specific information regarding the Project location and setting, existing conditions and the proposed development, including the necessary discretionary approvals, are set forth below.

Existing Setting

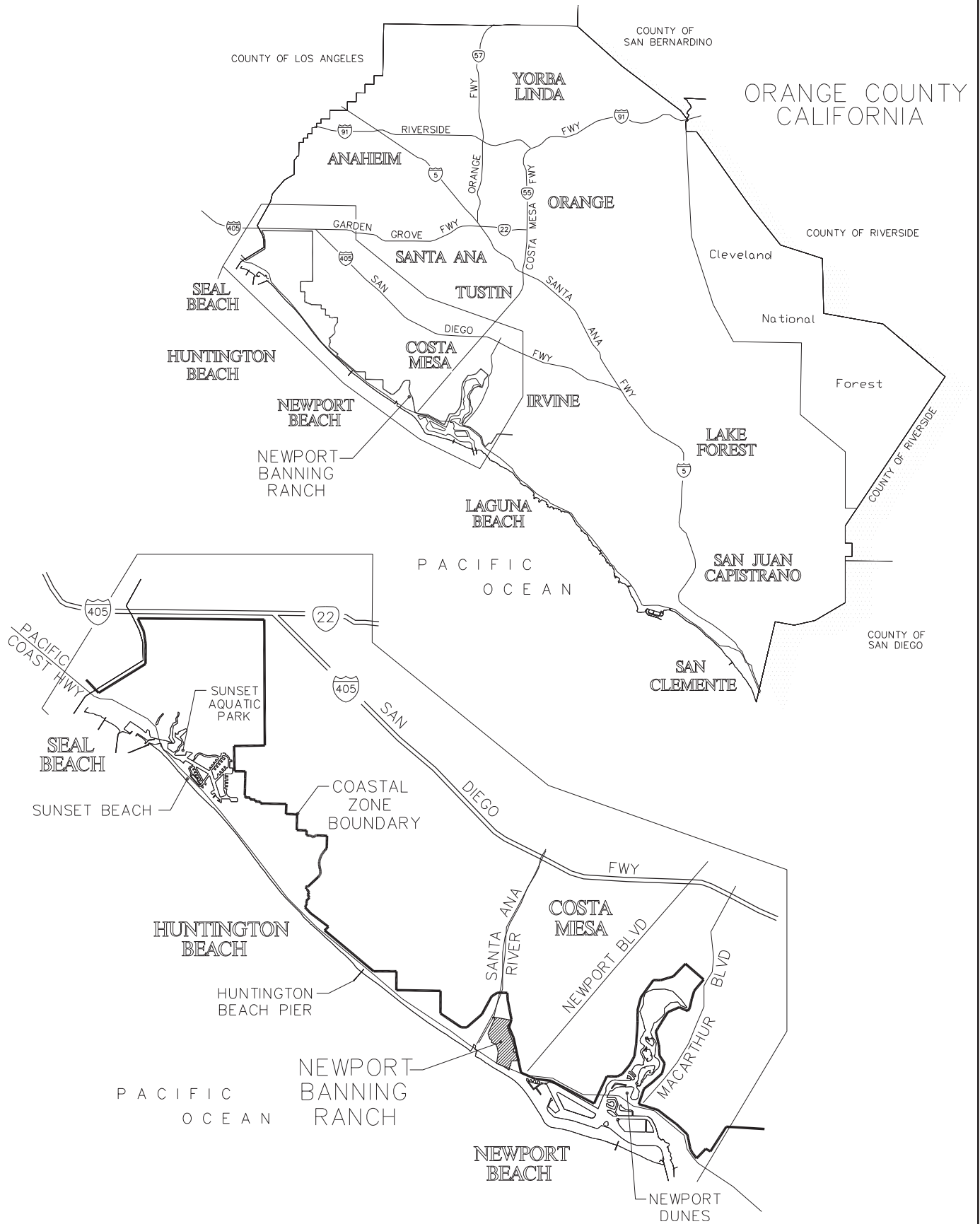
The Newport Banning Ranch Project site (Project site) encompasses approximately 401 acres. Approximately 40 acres of the Project site are located within the incorporated boundary of the City of Newport Beach; the remainder of the Project site is within unincorporated Orange County, in the City of Newport Beach's adopted Sphere of Influence, as approved by the Local Agency Formation Commission of Orange County. The entire Project site is within the boundary of the Coastal Zone as established by the California Coastal Act. A regional location map and local vicinity map are provided as Exhibits 1 and 2, respectively.

The Project site is generally bound on the north by Talbert Nature Preserve/Regional Park in the City of Costa Mesa and residential development in the City of Newport Beach; on the south by West Coast Highway and residential development in the City of Newport Beach; on the east by residential, light industrial, and office development in the Cities of Costa Mesa and Newport Beach; and on the west by the U.S. Army Corps of Engineers (ACOE) wetlands restoration area and the Santa Ana River. The City of Huntington Beach is west of the Santa Ana River. At its nearest point, the Project site is less than 0.25 mile inland from the Pacific Ocean. There is no interior public access to the Project site.

The Project site is primarily undeveloped but has been in active operation as an oil field since the mid-1940s. The Project site contains approximately 500 producing/potentially producing and abandoned oil well sites and related oil facility infrastructure, including but not limited to pipelines, storage tanks, power poles, machinery, improved and unimproved roadways, buildings, and oil processing facilities. Of the approximately 500 oil well sites, the City of Newport Beach operates 16 wells and an oil processing facility proximate to the southwestern boundary of the Project site, accessed from West Coast Highway. West Newport Oil Company, the current operator of the oil field, operates approximately 90 producing/potentially producing oil well sites.

The Project site topography is characterized by lowland and upland mesa areas which generally divide the Project site. From south to north, the site's topography becomes more gradual and transitions to sloping hillsides. The lowland mesa (lowland) areas encompass approximately one-third of the Project site and comprise the northwestern portion of the property. Elevations range from approximately one foot to ten feet above mean sea level (msl). The upper mesa areas comprise approximately two-thirds of the Project site in its southern and eastern portions. Elevations range from approximately 60 feet above msl in the southwestern area to approximately 105 feet above msl in the eastern-central area. Bluffs¹ traverse the Project site; extend along the southwestern and southern edges of the upper mesa portion of the Project

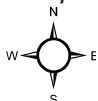
¹ Per the City of Newport Beach Municipal Code, "bluff" is any landform having an average slope of 26.6 degrees (50 percent) or greater, with a vertical rise of 25 feet or greater.

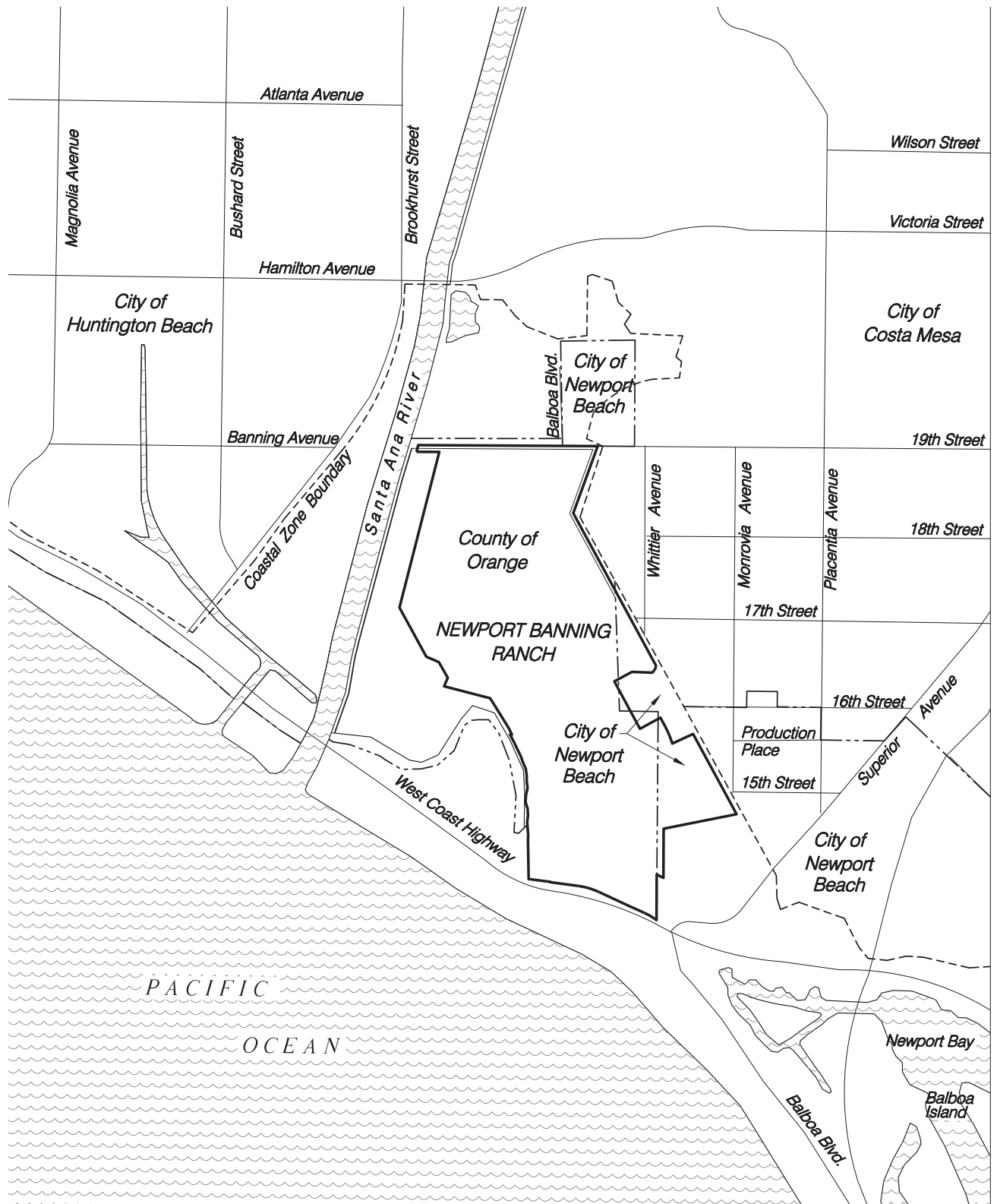


Regional Map

Exhibit 1

Newport Banning Ranch

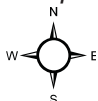




Local Vicinity Map

Exhibit 2

Newport Banning Ranch



site; and serve to visually separate the majority of the Project site from West Coast Highway. The upper mesa area contains three arroyos with the southern arroyo being the largest; the middle arroyo being the smaller; and the northern arroyo being the smallest of the three.

Newport Banning Ranch is located adjacent to the Newport-Inglewood Fault, which generally extends from the City of Newport Beach to the City of Inglewood. Splays of the fault have been mapped on the Project site. Proposed habitable structures would be required to be set back from these fault zones pursuant to State guidelines.

Although the Project site has been disturbed by historic and ongoing permitted oil operations and is largely dominated by non-native vegetation, it contains diverse flora and fauna. Native vegetation that remains intact on the Project site consists of several large patches of maritime succulent scrub and southern coastal bluff scrub. This vegetation supports several special status species, including the coastal California gnatcatcher (*Polioptila californica californica*), a federally listed species, and the coastal cactus wren (*Campylorhynchus brunneicapillus couesi*), a California Department of Fish and Game (CDFG) Species of Special Concern. The lowland supports special status plants (e.g., southern tarplant [*Centromadia parryi* ssp. *australis*]) and a number of wetland habitats, including areas of tidal coastal salt marsh that support the State-listed Endangered Belding's savannah sparrow (*Passerculus sandwichensis beldingi*); southern willow scrub; and southern willow forest that support the State and federally listed Endangered least Bell's vireo (*Vireo bellii pusillus*) and a variety of special status nesting raptors. In addition, vernal pools occur on the Project site and may be occupied by the San Diego fairy shrimp (*Branchinecta sandiegoensis*), a federally Endangered species.

The Project site includes aquatic habitat areas that fall under the jurisdiction of the ACOE and the CDFG streambed protection program. The Project site also includes areas that may be defined and regulated under the California Coastal Act (CCA) as either wetlands or environmentally sensitive habitat areas (ESHAs) and may be defined by the City of Newport Beach Coastal Land Use Plan (CLUP) as an Environmental Study Area (ESA). The Project site contains areas of upland scrub communities, as well as riparian and wetland habitat.

Surrounding Land Uses

As depicted on Exhibit 3, the Project site is generally bound by the land uses listed below.

North: Talbert Nature Preserve, an approximately 180-acre County of Orange nature preserve and wilderness park facility located in the City of Costa Mesa.

Newport Terrace, a residential development located in the City of Newport Beach.

South: West Coast Highway, a State highway.

Lido Sands, a single-family residential community in the City of Newport Beach, located south of West Coast Highway.

Single-family and multi-family residential units located south of Lido Sands within West Newport Beach.

East: Residential developments, including the California Seabreeze community, located generally between 19th Street and 18th Street contiguous to the Project site in the City of Costa Mesa.



Surrounding Land Uses

Exhibit 3

Newport Banning Ranch



Uses that transition from residential to light industrial and office located between 18th Street and Newhall Street.

A Newport-Mesa Unified School District-owned parcel adjacent to the Project site. The parcel, located predominantly in the City of Newport Beach, is used for storage.

A City of Newport Beach Utilities Yard accessed from West 16th Street.

Between 16th Street and 15th Street, uses adjacent to the Project site include Carden Hall, a private school for kindergarten through 8th grade, office uses, and light industrial uses.

Additional residential uses south of 15th Street, including the condominium developments of Newport Crest, Newport Knolls, and Seawind Newport in the City of Newport Beach.

The City of Newport Beach's proposed Sunset Ridge Park, located contiguous to the Project site's southeastern boundary.

West: Santa Ana River. West of the Santa Ana River is the City of Huntington Beach.

Semeniuk Slough (Oxbow Loop). The Semeniuk Slough is a remnant channel of the Santa Ana River that branches off the Santa Ana River and receives runoff from the adjacent oil fields, wetlands, and upper mesa areas including the Cities of Newport Beach and Costa Mesa.

Approximately 92 acres of ACOE-restored wetlands (full tidal wetlands) border the westernmost and southwestern portions of the Project site and are adjacent to the Santa Ana River. This area is a part of the Santa Ana River Flood Control Project.

Newport Shores, a 440-home residential community in the City of Newport Beach, abutting the Project site to the southwest.

Property Owner

Newport Banning Ranch, LLC is the Project Proponent and Project Applicant.

General Plan Land Use

The General Plan Update was adopted by the City Council on July 25, 2006, and approved by the voters on November 6, 2006. The *City of Newport Beach General Plan* establishes criteria and standards for land use development in the City as well as its Sphere of Influence. The Project site is designated as Open Space/Residential Village (OS[RV]). The OS(RV) land use designation allows for both a Primary Use (open space) and an Alternative Use (residential village) of the Project site as described below:

Primary Use:

“Open Space, including significant active community parklands that serve adjoining residential neighborhoods if the site is acquired through public funding.”

Alternative Use:

“If not acquired for open space within a time period and pursuant to terms agreed to by the City and property owner, the site may be developed as a residential village containing a mix of housing types, limited supporting retail, visitor accommodations, school, and active community parklands, with a majority of the property preserved as open space. The property owner may pursue entitlement and permits for a residential village during the time allowed for acquisition as open space.”

As the open space acquisition option is described in the General Plan, it would include consolidation of oil operations; restoration of wetlands; the provision of nature education and interpretative facilities and an active park containing playfields and other facilities to serve residents of adjoining neighborhoods; and the construction of the north-south Primary Arterial² extending from Coast Highway to a connection with an east/west arterial roadway.

If, however, the property is not acquired for open space within a time period and pursuant to terms agreed to by both the City and property owner, the Project site could be developed as a residential village containing a mix of housing types, limited supporting retail, visitor accommodations, a school, and active community parklands with a majority of the property preserved as open space. The General Plan identifies the maximum intensity of development allowed on the property to include 1,375 residential units, 75,000 square feet of retail commercial uses oriented to serve the needs of local and nearby residents, and 75 hotel rooms in a small boutique hotel or other type of overnight visitor accommodation.

A majority of the Project site is located in the unincorporated Orange County area with a General Plan designation of “Open Space”. As a part of the Project, these unincorporated areas would be annexed to the City.

The proposed Project would allow for the development of up to 1,375 residential units, 75,000 square feet of retail commercial uses, and 75 hotel rooms consistent with General Plan designated “Alternative Use” for the Project site.

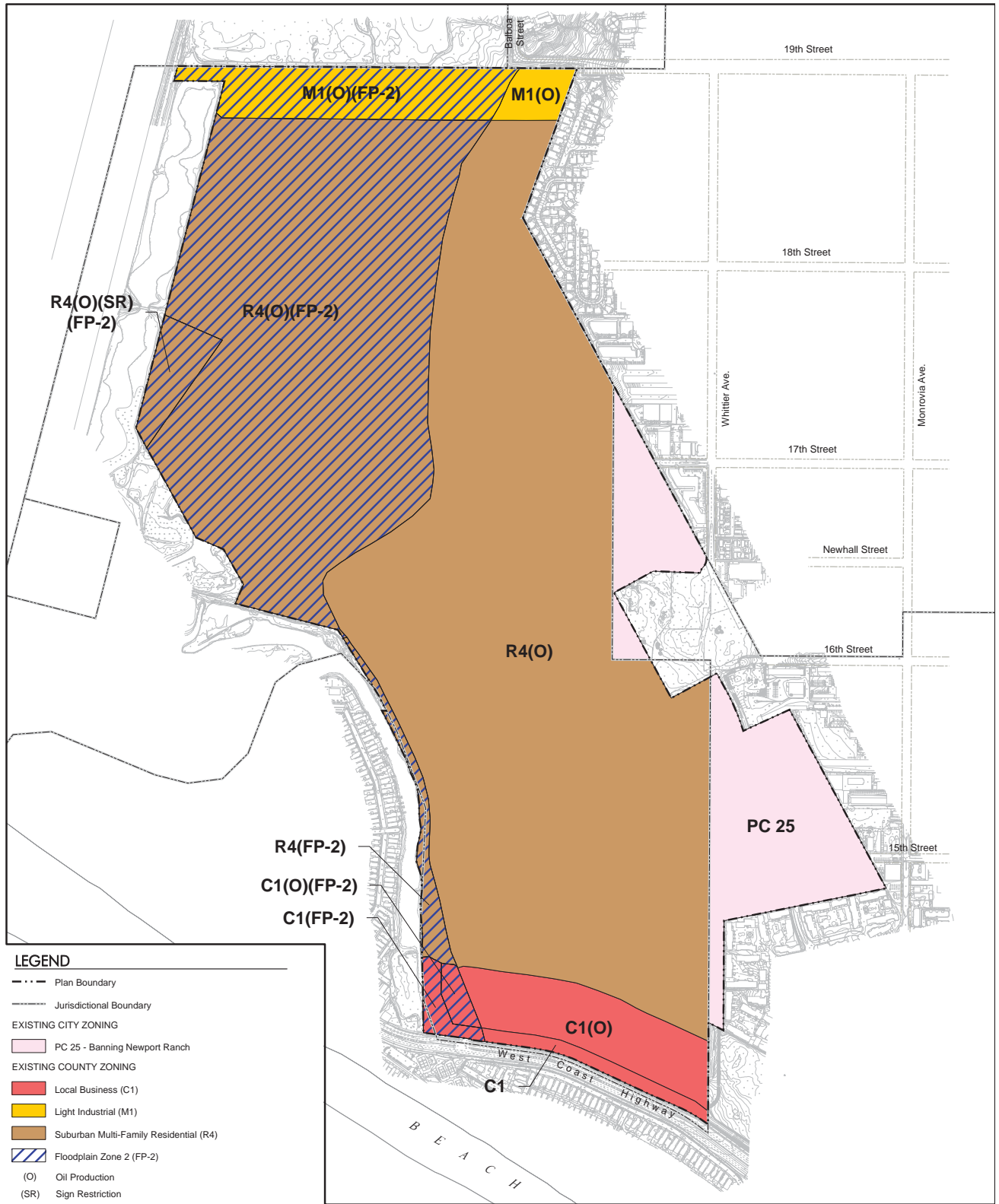
Proposed General Plan Amendment

The Project may require an amendment to the General Plan Circulation Element Master Plan of Streets and Highways. The General Plan Master Plan of Streets and Highways depicts a future Primary Arterial through Newport Banning Ranch from West Coast Highway to 15th Street. The Project Applicant is proposing to reserve right of way that would allow for the future construction of this road from West Coast Highway connecting to 16th Street instead of 15th Street. The construction of the road is not proposed as a part of the Newport Banning Ranch Project. This change in proposed alignment of the road as well as other refinements to the circulation system may require an amendment to the Circulation Element Master Plan of Streets and Highways. It is also anticipated that these changes may require a corresponding amendment to the Orange County Master Plan of Arterial Highways.

Existing Zoning

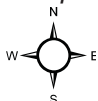
The existing zoning designations for the Project site are depicted in Exhibit 4. The approximate 40-acre portion of the Project site located within the jurisdictional boundaries of the City of Newport Beach is zoned “Planned Community District 25” (PC-25). The City of Newport Beach

² **Primary Arterial**—A primary arterial highway is usually a four-lane, divided roadway. A primary arterial is designed to accommodate 30,000 to 45,000 Average Daily Trips (ADT) with a typical daily capacity of 34,000 vehicles per day (VPD) (Source: City of Newport Beach General Plan Circulation Element).



Existing Zoning

Newport Banning Ranch



Municipal Code §20.35.010 states that a PC District is intended to “Provide for the classification and development of parcels of land as coordinated, comprehensive projects so as to take advantage of the superior environment which can result from large-scale community planning...Include various types of land uses, consistent with the General Plan, through the adoption of a development plan and text materials which set forth land use relationships and development standards”. The boundary of the existing Planned Community District (PC-25) includes this portion of the Project site as well as parcels outside the boundaries of the Project site including the Newport-Mesa Unified School District parcel. PC-25 zoning permits residential and professional office/light industrial uses.

The remaining approximately 361 acres of the Project site are located in unincorporated Orange County and within the City’s Sphere of Influence. This portion of the Project Site has not been zoned by the City and retains County zoning designations. County zoning for the Project site includes several zoning districts that permit residential, commercial, and light industrial/employment uses. Approximately 319 acres are zoned for R-4 Suburban Multi-family residential uses, approximately 23 acres area zoned for C-1 Local Business commercial uses, and approximately 19 acres for M1 Light Industrial employment uses. Overlay zones, including Oil Production, Sign Restriction, and Floodplain Zone 2 apply to portions of the property. The R-4 Zone permits one dwelling unit for each 3,000 square feet of net land area (i.e., approximately 14.5 dwelling units/acre [du/ac]).

Proposed Zoning

The proposed Project includes a request for the approval of a Zone Change to change the zoning of the Project site to the Newport Banning Ranch Planned Community (NBRPC) Zoning District. The Project Applicant has submitted the Newport Banning Ranch Planned Community Development Plan in support of the requested zone change. The proposed Newport Banning Ranch Planned Community Development Plan: a) provides zoning regulations for the entire Project site and b) serves as pre-annexation zoning for that portion of the Project site within the City’s Sphere of Influence. Pursuant to annexation by the City of the Project site within the City’s Sphere of Influence, the NBRPC would serve as zoning upon annexation of this area. As a part of the proposed Planned Community Development Plan, the Project Applicant has proposed an amendment to the City of Newport Beach Municipal Code Chapter 20.65, Height Limits, to permit a maximum building height within the NBRPC area of 50 feet for the Visitor-Serving Resort and Residential Districts and a maximum of 65 feet for the proposed Mixed-Use/Residential Land Use District.

Upon approval by the City, the NBRPC zoning would replace the PC-25 zoning as it applies to the Project site.

Relationship to California Coastal Act

The City’s certified Coastal Land Use Plan (CLUP) designates the Project site as a Deferred Certification Area (DCA) due to the fact that it is largely outside the City’s incorporated boundary; as such, a project plan is necessary in order to address land use, public access, and the protection of coastal resources.

Neither the City of Newport Beach nor the County of Orange has a certified Local Coastal Program for the Newport Banning Ranch site. The City does not have a certified Implementing Actions Program as part of its Local Coastal Program and, therefore, does not have the authority to issue Coastal Development Permits.

Proposed California Coastal Act Compliance

Should the City approve the PC zoning, a master site plan, a vesting tentative tract map and a pre-annexation development agreement between the City and the Developer, the Project Applicant will request approval of a corresponding Coastal Development Permit from the California Coastal Commission. It is anticipated that the Coastal Development Permit would include approval of the master site plan, vesting tentative tract map, and pre-annexation development agreement.

Description of Project

The Project proposes up to 1,375 residential dwelling units, 75,000 square feet of commercial uses, and 75 visitor serving resort accommodations. The proposed Master Land Use Plan is depicted on Exhibit 5 and a statistical summary describing the Development Plan is provided as Table 1.

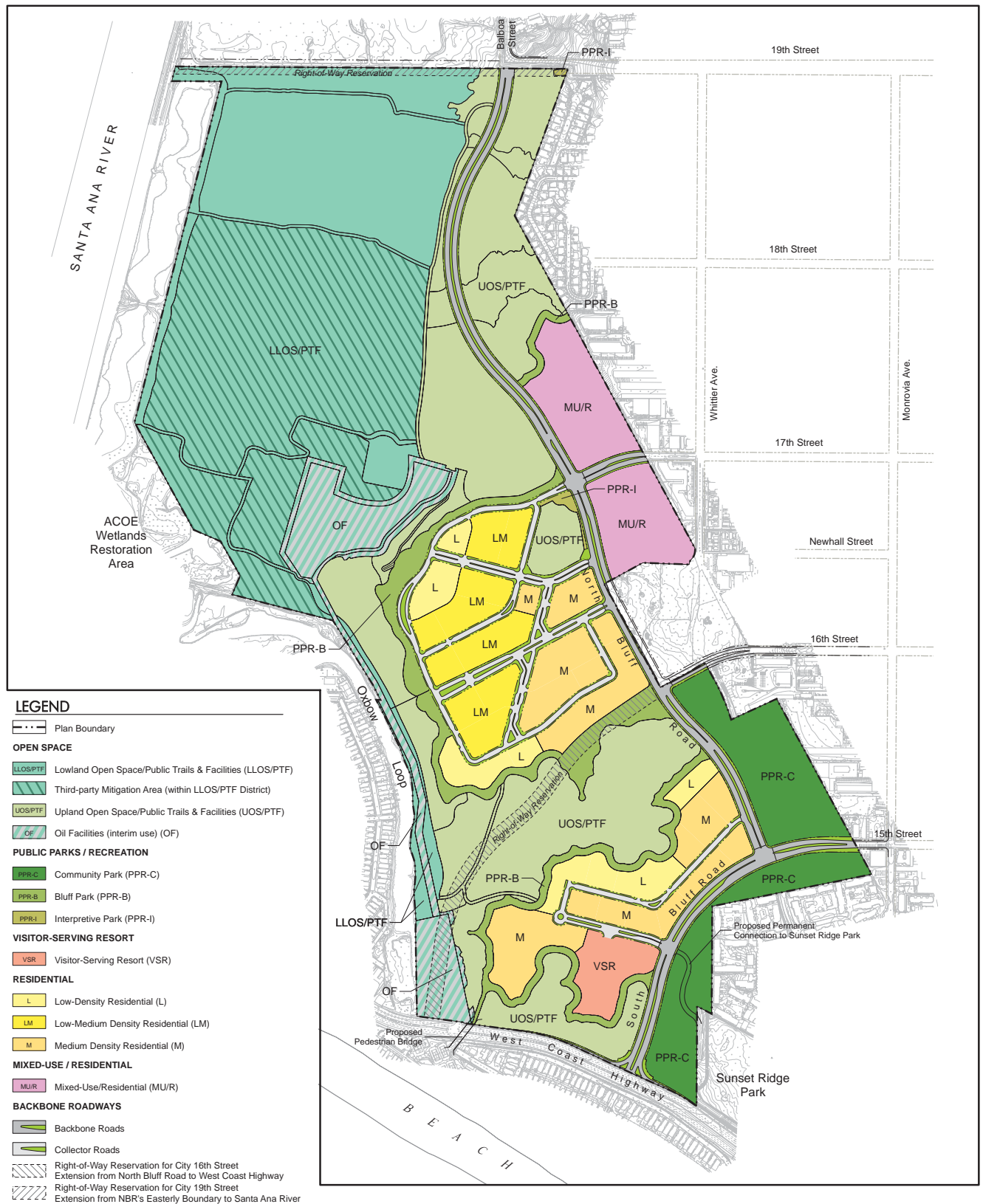
Disposition of Oil Facilities

To allow for the implementation of the Project, existing oil wells that are located within proposed development and open space areas would be abandoned and these areas would be remediated. No active wells would be retained within these areas. All producing/potentially producing and abandoned oil well sites would be abandoned and/or re-abandoned in compliance with State and local regulatory requirements. Oilfield tanks, equipment, pipelines, structures, roadways, and related facilities would be demolished and removed from the Project site. Soil impacted by oil operations would be remediated to applicable oversight agency standards. It is anticipated that a certain percentage of the soil/material from the oil remediation and oil well closure process would not be recyclable or suitable for use on site and would be exported for proper disposal at permitted facilities.

The following provides a summary description of the Land Use Districts.

Residential District

The Project proposes approximately 68 of the 401 acres for development of 569 residential dwelling units. As identified in Table 1, of the 569 residential units, 57 units are proposed as Low Density Residential (L); 163 units are proposed as Low-Medium Residential (LM); and 349 units are proposed as Medium Density Residential (M). The proposed Residential District would allow for a range of housing types and densities to address a range of income levels and lifestyles. A mix of housing types would be provided, including single-family detached, single-family attached, and multi-family units. Residential development would be sited in the southern and central portions of the Project site (Exhibit 5) and developed as smaller village areas with a variety of architectural styles and product types. The proposed PC zoning includes provisions allowing for the transfer of residential units within the Residential District or between Residential areas and Mixed-Use/Residential Land Use areas in accordance with the provisions of the proposed Planned Community Development Plan which require that the transfer not result in an increase of more than 15 percent of the total number of Planned Dwelling Units established for the Land Use District, that the total number of dwelling units within the Mixed Use/Residential District does not exceed the number of Planned Dwelling Units for that district, and provided the total number of units does not exceed 1,375.



Conceptual Master Land Use Plan

Exhibit 5

Newport Banning Ranch



**TABLE 1
NEWPORT BANNING RANCH STATISTICAL SUMMARY**

Land Use District		Gross Acres ^a	Planned Dwelling Units ^b	Maximum Permitted Commercial (sf)	Maximum Permitted Overnight Accommodations (Rooms)
Open Space					
LLOS/PTF	Lowland Open Space/Public Trails and Facilities ^d	131	—	—	—
UOS/PTF	Upland Open Space/Public Trails and Facilities ^{c, d}	92	—	—	—
OF	Consolidated Oil Facilities (interim use) ^c	20	—	—	—
Subtotal Open Space		243	—	—	—
Parks/Recreation					
PPR-C	Community Park	25	—	—	—
PPR-B	Bluff Park ^{c, d}	19	—	—	—
PPR-I	Interpretive Parks ^d	1	—	—	—
Subtotal Public Parks/Recreation		45	—	—	—
Visitor-Serving Resort					
VSR	Visitor-Serving Resort	5	—	—	75
Subtotal Visitor-Serving Resort		5	—	—	75
Residential^f					
L	Low Density Residential (up to 8 DU/Ac)	13	57	—	—
LM	Low-Medium Density Residential (up to 16 DU/Ac)	21	163	—	—
M	Medium Density Residential (up to 24 DU/Ac)	34	349	—	—
Subtotal Residential		68	569	—	—
Mixed-Use/Residential^f					
MU/R	Mixed-Use/Residential	18	806	75,000	—
Subtotal Mixed-Use/Residential		18	806^g	75,000^h	—
Total Land Use Districts					
		379	1,375ⁱ	75,000^{h,g}	75
Backbone Roadways					
—	North Bluff Road	14	—	—	—
—	South Bluff Road	5	—	—	—
—	15 th Street	1	—	—	—
—	16 th Street	1	—	—	—
—	17 th Street	1	—	—	—
Total Backbone Roadways		22	—	—	—
Total					
		401 acres	1,375 duⁱ	75,000 sf^h	75 rooms

TABLE 1 (Continued)
NEWPORT BANNING RANCH STATISTICAL SUMMARY

Land Use District	Gross Acres ^a	Planned Dwelling Units ^b	Maximum Permitted Commercial (sf)	Maximum Permitted Overnight Accommodations (Rooms)
<p>sf: square feet DU: dwelling unit Ac: acre</p> <p>^a Gross acres are rounded to the nearest whole number and are typically measured to centerlines of adjacent local road rights-of-way where such roads are shown on the plan (Exhibit 5). Refinements to the gross acres within each Land Use District are permitted subject to the criteria set forth in the proposed Newport Banning Ranch PC Development Plan.</p> <p>^b Planned dwelling units may be transferred from one Residential or Mixed-Use/Residential Land Use District to another in accordance with the provisions of the Newport Banning Ranch PC Development Plan, provided the transfer does not result in an increase of more than 15% of the total number of Planned Dwelling Units established for the Land Use District.</p> <p>^c The right-of-way reservation for the 16th Street extension, from North Bluff Road to West Coast Highway, encompasses approximately 7 acres, including approximately 2 acres of the Bluff Park District, 3 acres of the Upland Open Space/Public Trails and Facilities District, and 2 acres of the Oil Facilities District.</p> <p>^d The right-of-way reservation for the 19th Street Extension from Newport Banning Ranch's easterly boundary to the Santa Ana River encompasses approximately 3 acres, including less than 1 acre (approximately 0.5 acre) of the Upland Open Space/Public Trails and Facilities District, less than 1 acre (approximately 0.1 acre) of the Interpretive Parks District, and approximately 2 acres of the Lowland Open Space/Public Trails and Facilities District.</p> <p>^e Gross acres for the Bluff Park District and Interpretive Parks District may include fuel management zones, interpretive trails and facilities, and landscape focal points and greens.</p> <p>^f Gross acres for Residential Districts and the Mixed-Use/Residential District may include fuel management zones, privately owned and maintained parks and recreation facilities, and landscape focal points and greens.</p> <p>^g For the Mixed-Use/Residential District, the number of Planned Dwelling Units is the same as the maximum number of permitted dwelling units.</p> <p>^h Up to 2,500 square feet of commercial uses may be transferred to a Residential Land Use District in accordance with the provisions of Chapter 3, "Land Uses and Development Standards", of the Newport Banning Ranch PC Development Plan, provided the total area of commercial uses for the Planned Community does not exceed 75,000 sf.</p> <p>ⁱ A maximum 1,375 dwelling units are permitted within the Newport Banning Ranch PC Development Plan irrespective of maximum permitted dwelling units for individual Land Use Districts within the Newport Banning Ranch PC Development Plan.</p>				

Mixed-Use/Residential District

The Mixed-Use/Residential District (MU/R) (High Density, up to 46.0 du/ac provides for the development of up to 806 units and 75,000 square feet of retail uses on 18 acres on the eastern side of North Bluff Road north and south of 17th Street, adjacent to the City of Costa Mesa. The MU/R District permits residential development with the potential for lofts, live-work units vertically and/or horizontally integrated with retail uses. The proposed Project includes an application for an amendment to the City's Municipal Code to allow a maximum height of 65 feet in portions of the MU/R District of the NBRPC.

Up to 75,000 square feet of retail development are proposed in this District. Neighborhood commercial uses are proposed to serve on-site residents and nearby off-site residents.

Affordable Housing

Affordable housing units are proposed as a part of the Project, and would likely be developed within the Mixed-Use Residential District. The City of Newport Beach requires that projects of more than 50 units prepare an Affordable Housing Implementation Plan (AHIP) that specifies how the development will meet the City's affordable housing goal.

Visitor-Serving Resort District

A Visitor-Serving Resort (VSR) is proposed on approximately five acres of the Project site. Consistent with the General Plan, the resort could have a maximum of 75 guest rooms. Resort

amenities could include but not be limited to restaurants, shops, a fitness center, a swimming pool, a health spa, conference facilities, and banquet rooms.

Open Space District

The proposed Project designates approximately 243 of the Project site's 401 acres for Open Space uses. The Open Space District comprises three categories: (1) Lowland Open Space/Public Trails and Facilities (LLOS/PTF); (2) Upland Open Space/Public Trails and Facilities (UOS/PTF); and (3) Consolidated Oil Facilities (OF).

Approximately 131 acres are designated as LLOS/PTF. The LLOS/PTF area is generally located in the northwestern portion of the Project site and is contiguous to the ACOE Wetlands Restoration Area. This LLOS/PTF area would include wetland restoration areas, water detention and cleansing areas, public interpretive trails and viewpoints, and habitat conservation areas. The LLOS/PTF area includes an approximately 75-acre area designated as a "Third-party Mitigation Area" to be used by entities outside of the Project site for restoration and/or payment for restoration in exchange for compensation for impacts from projects outside Newport Banning Ranch.

Approximately 92 acres are designated as the UOS/PTF area extending from the northern to southern boundary of the Project site both east and west of Bluff Road. This area includes land that would be retained in open space, areas for habitat and wetlands restoration, and areas for public interpretive trails and viewpoints. Trails in this area would connect to trails in the Lowland Open Space, public parks and trails on the site and off site, and proposed residential areas within Newport Banning Ranch.

Approximately 20 acres are designated OF for use as an oil production facilities consolidation area. All existing oil wells that are located within proposed development and other open space areas would be abandoned and remediated on the 20-acre OF area. No active wells outside the consolidated oil facilities sites would be retained. As a part of the Project, oil operations would continue to be allowed within the OF area within two consolidation sites connected by a non-exclusive joint-use easement oil access road. One site is located in the southwestern corner of the property with access from West Coast Highway. The second site is located in the central portion of the Project site contiguous to the Lowland Open Space (LLOS/PTF). Upon cessation of all oil operations, the two consolidated oil operations areas would be remediated, abandoned, and restricted to open space uses.

The Project Applicant proposes that all Open Space areas be reserved as open space in perpetuity through an irrevocable offer(s) of dedication, deed restrictions or conservation easements over all designated open space and dedicated to a public agency or offered to a qualified non-profit organization in a phased program that would be implemented after receiving all local, State, and federal approvals needed to complete the Project. Much of the Open Space consists of degraded habitat that would need to be restored to increase its function and value. Some restoration would occur as mitigation for Project impacts; some would be undertaken above and beyond mitigation requirements as part of the Project's design; and a portion of the open space would be available for restoration by third parties or on behalf of third parties to mitigate for impacts associated with projects outside the Project site.

Parks/Recreation District

The proposed Project includes 45 acres for a Parks/Recreation District, including 25 acres for a Public Community Park, 19 acres for a privately owned and publicly accessible Bluff Park, and

1 acre for a privately owned and publicly accessible Interpretive Park. The parks proposed as part of the Project are described below.

Community Park. Approximately 25 acres are proposed for a Public Community Park to include passive and active park and recreational uses for both surrounding communities and future residents of Newport Banning Ranch. The Community Park site is proposed east of Bluff Road from West Coast Highway to 16th Street. Potential park uses could include sports fields, hard courts (basketball and/or tennis), tot lot(s), open-play turf areas, picnic facilities, trails, and parking.

Bluff Park. Approximately 19 acres are proposed for a privately owned and maintained Bluff Park to include approximately 2 linear miles of public trails and vista points available for public use. Seating and interpretive signage would be provided at major viewpoints.

Interpretive Parks. Approximately one acre is proposed for Interpretive Parks to include a vernal pool preservation area (located southwest of the proposed intersection of Bluff Road at 17th Street) and the proposed Talbert Trailhead Staging Area (located at the northeastern corner of the Project site). The vernal pool interpretive area could include signage kiosks and displays. The Talbert Trailhead/Staging Area would provide public access to a regional network of on- and off-site nature trails via a trail through the Upland Open Space. Public parking is proposed on site and off site along the southern side of 19th Street. The Interpretive Parks are planned to be privately owned and maintained but accessible to the public.

Circulation

Public access to the Project site does not currently exist. Access to oil operations is provided from West Coast Highway in the City of Newport Beach and from 17th Street in the City of Costa Mesa.

West Coast Highway. The primary entrance to the Project site is proposed from West Coast Highway, a Major Arterial.³ Construction of the planned intersection into the Project site from West Coast Highway consistent with the standards of the City of Newport Beach General Plan Circulation Element and the Orange County Master Plan of Arterial Highways may require the widening of a portion of the northern side of West Coast Highway from Superior Avenue to a point west of the Project site. Because West Coast Highway is a State Highway, California Department of Transportation (Caltrans) approvals would be required.

Bluff Road. As a part of the Project, Bluff Road would be constructed from a southern terminus at West Coast Highway to a northern terminus at 19th Street. The City of Newport Beach General Plan Circulation Element and the Orange County Master Plan of Arterial Highways depict a north-south roadway through the Project site in this general location. The City's Circulation Element designates this roadway as a Primary Arterial.

Bluff Road would serve as the primary roadway through the Project site, would intersect with the proposed extensions of 15th Street, 16th Street and 17th Street within the Project site, and would connect to 19th Street to the north. The intersection of 19th Street at Balboa Boulevard would be reconfigured to accommodate Bluff Road. The implementation of Bluff Road may be phased.

³ **Major Arterial**—A Major Arterial highway is typically a six-lane, divided roadway that is designed to accommodate 45,000 to 67,000 ADT with a typical daily capacity of 51,000 vehicles per day (VPD). Major arterials carry a large volume of regional through traffic not handled by the freeway system (Source: City of Newport Beach General Plan Circulation Element).

Access into the City of Newport Beach's proposed Sunset Ridge Park is proposed from Bluff Road within the Project site. An interim connection from Bluff Road through the Project site connecting to Sunset Ridge Park may be constructed as a part of the Sunset Ridge Park project. This connection will be identified as a part of the proposed Sunset Ridge Park Project.

15th Street. 15th Street is designated as a Primary Arterial in the City's General Plan. Currently, 15th Street does not connect to the Project site. The extension of 15th Street from the Project site to Monrovia Avenue is proposed as a part of the Project. In order to extend 15th Street as proposed, the City would need to obtain the necessary right-of-way.

16th Street. The extension of 16th Street from its existing terminus at the City of Newport Beach Utilities Yard to the Project site is proposed as a part of the Project. This off-site improvement to 16th Street would be partially constructed on Newport-Mesa Unified School District property and be within the right-of-way easement provided for the City of Newport Beach Utilities Yard to join the existing roadway at the easterly School District property line.

17th Street. In the Project vicinity, 17th Street is designated as a Secondary Arterial.⁴ 17th Street currently terminates at the boundary of the Project site and would be extended through the site to connect with the proposed construction of North Bluff Road.

Non-Vehicular Circulation. The proposed Project includes footpaths, trails, and on-street and off-street bike trails. Trail connections would connect to the existing Santa Ana River Regional Trail System. A pedestrian bridge over West Coast Highway with a landing in West Newport Park is proposed to provide connectivity from the beach through the Project site to existing Santa Ana River trail connections and the Talbert Nature Preserve to the north. Since West Coast Highway is a State Highway, Caltrans approvals would be required for the pedestrian bridge.

Utilities

Both on-site and off-site utility connections and improvements would be required to serve the proposed Project. Utilities necessary to serve the Project include but are not limited to domestic water, wastewater collection and disposal, electricity, gas, telephone, and cable television.

Reclaimed water facilities do not exist in the vicinity of the Project site. As a part of the Project, the Project Applicant may provide a separate, on-site water system to irrigate the parks, open space, and common areas. The separate system would be built to reclaimed water standards but initially be connected to the domestic system. At a time when reclaimed water is available, the system could be disconnected from the domestic potable water system and connected to the reclaimed water line.

Grading

It is anticipated that approximately 1,200,000 cubic yards (cy) of excavation would be required as part of site development. Cuts would generally vary from 1 foot to 10 feet but may be up to 25 feet; fill would generally vary from 1 foot to 30 feet, but could reach up to 60 feet in limited

⁴ **Secondary Arterial**—A Secondary Arterial highway is a four-lane roadway (often undivided) that distributes traffic between local streets and Major or Primary arterials. Although some Secondary arterials serve as through routes, most provide more direct access to surrounding land uses than Principal, Major, or Primary Arterials. Secondary arterials carry a daily capacity ranging from 20,000 to 30,000 ADT with a typical daily capacity of 23,000 VPD (Source: City of Newport Beach General Plan Circulation Element).

areas. Approximately 1,600,000 cy of additional, corrective/remedial grading is anticipated to implement geotechnical/soils recommendations.

Bluff Restoration

The bluff/slope edge has been eroded as a result of pipeline crossings related to oil operations and uncontrolled drainage through the Project site including urban runoff from Newport Beach and Costa Mesa. As part of the Project grading would be conducted to restore and revegetate the bluff/slope edge and to limit further degradation. Drainage, which currently flows over the bluffs and slopes, would be intercepted and redirected.

Development Phasing/Project Implementation

The Project Applicant proposes to implement the Project starting in the southern portion of the Project site closest to West Coast Highway. Initial phases would include the development of residential uses, resort uses, and a portion of the proposed Community Park, along with internal roadway access and infrastructure improvements. In general, development would be constructed from south to north. Concurrently, there would be ongoing protection, oil facilities cleanup, remediation, and restoration of the Project site.

Alternatives to the Proposed Project

CEQA Guidelines §15126.6(a) requires that, “an EIR describe a range of reasonable alternatives to the Project, or to the location of the Project, which would feasibly attain most of the basic objectives of the Project but would avoid or substantially lessen any of the significant effects of the Project, and evaluate the comparative merits of the alternatives.” The range of alternatives to be addressed for the Project will include alternatives that are specifically required (i.e., No Project; No Action/No Development) by CEQA. Additional land use alternatives to be addressed could include a reduced development alternative and a design alternative. Land Use alternatives currently being considered by the City for analysis in the EIR include but are not limited to the Open Space Alternative and the No Action/No Development Alternative. At least one Circulation Alternative will be considered.

Open Space Alternative

The City of Newport Beach General Plan Land Use Element prioritizes the retention of the Project site for open space. The General Plan Land Use designation of OS(RV) is intended for the preservation of the Project site as open space, restoration of wetlands and other habitats, the development of a community park, and the consolidation of oil extraction and processing facilities. This alternative would also allow for the future construction of roadways through the Project site consistent with the City of Newport Beach Circulation Element. These roadways are: (a) a north-south Primary Arterial with a southern terminus at West Coast Highway to a northern terminus at 19th Street; (b) a Primary Arterial extending from West Coast Highway and connecting to 15th Street; and (c) the extension of 17th Street as a Secondary Arterial on to the Project site and connecting with the north-south Primary Arterial.

No Action/No Development Alternative

The No Action Alternative assumes existing conditions on the Project site and continued use of the property for oil production operations. No uses other than oil operations would occur on the Project site. Oil consolidation, clean up, and remediation would not occur and public access would not be provided.

In addition to other potential land use alternatives, the EIR will address circulation alternatives. These alternatives may include but not be limited to the following:

Circulation Alternative

As previously described, the City of Newport Beach General Plan Circulation Element and Orange County Master Plan of Arterial Highways depict a north-south roadway connection from West Coast Highway to 19th Street through the Project site. This Alternative would provide a north-south connection from West Coast Highway to 17th Street. As an alternative to the Project's construction of a roadway connection from West Coast Highway to 19th Street, this alternative includes a right-of-way dedication within the Open Space Land Use District for future implementation by the City and/or other public agency of Bluff Road between 17th Street and 19th Street. This alternative is described in the Project Applicant's Draft Planned Community Development Plan and Master Site Plan.

Anticipated Discretionary Project Approvals

Project implementation will require approvals from multiple agencies.

City of Newport Beach

City of Newport Beach discretionary actions that could be approved based on this EIR would include the following:

- Certification of the EIR.
- Approval of a Pre-Annexation City of Newport Beach General Plan Amendment to the Circulation Element Master Plan of Streets and Highways, if required.
- Adoption of a Pre-Annexation Zone Change to zone the Project site as Planned Community (CA 2008-004) and an amendment to the Banning-Newport Ranch Planned Community (PC-25) District Regulations to remove the Project site from the boundaries of PC-25.
- Approval of an amendment to the City of Newport Beach Municipal Code Chapter 20.65, Height Limits, to permit a maximum building height of 50 feet in the Visitor-Serving Resort District and Residential District and a maximum height of 65 feet within certain portions of the Mixed-Use/Residential Land Use District of the NBRPC.
- Approval of a Newport Banning Ranch Planned Community Development Plan that includes: land use districts/permitted land uses, community regulations, site development standards/regulations, and design guidelines.
- Approval of a Master Site Plan that is anticipated to include: habitat restoration plan, fuel management plan, master grading, master roadway improvements, master infrastructure and utilities, master water quality plans, master landscape plans, master architectural design, and community transition/interface plans.
- Approval of a Traffic Phasing Ordinance (TPO) analysis.
- Approval of a Pre-Annexation and Development Agreement.
- Approval of a Vesting Tentative Tract Map.

- Approval of an Affordable Housing Implementation Plan (AHIP).

Subsequent activities would be examined in the light of the Program EIR to determine whether additional CEQA documentation would be required pursuant to the requirements of CEQA §21166 and CEQA Guidelines §§15162 and 15168 for subsequent approvals.

In addition to the approvals identified above, the Project is subject to other discretionary and ministerial actions by the City as part of Project implementation. Additional City approvals include but are not limited to site development permits, tract maps, grading permits, use permits, sign permits, and building permits.

Responsible and Trustee Agencies

Future implementation of the Project would require permits and/or approvals from the following agencies:

- **CDFG:** Section 1600 Streambed Alteration Agreement.
- **California Coastal Commission:** Coastal Development Permit inclusive of the Master Site Plan, Vesting Tentative Tract Map, and Pre-Annexation and Development Agreement.
- **Regional Water Quality Control Board:** Section 401 Certification.
- **Local Agency Formation Commission:** Annexation of unincorporated area into the City of Newport Beach; Water Agency boundary change.
- **Caltrans:** Encroachment Permit for the pedestrian bridge over West Coast Highway; additional actions would be required for the widening of West Coast Highway.
- **California Department of Conservation, Department of Oil, Gas and Geothermal Resources:** Approval related to site remediation activities.
- **Orange County Transportation Authority:** Amendment to the Master Plan of Arterial Highways, if required.
- **Regional Water Quality Control Board and Orange County Health Care Agency:** Approval related to oil well/facility abandonment and site remediation.

Federal Agencies

- **USFWS:** Section 7 Consultation, and
- **ACOE:** Section 404 Permits.

Probable Environmental Effects of the Proposed Project

The Project has the potential to have significant impacts on a number of environmental factors. Using the City of Newport Beach Environmental Checklist as a guide, at least one impact area has been identified as having a “Potential Significant Impact” in the following areas, and will be addressed in the EIR:

Aesthetics and Visual Resources

Air Quality

Biological Resources	Climate Change
Cultural Resources	Geology and Soils
Hazards and Hazardous Materials	Hydrology and Water Quality
Land Use and Planning	Mineral Resources
Noise	Population and Housing
Public Services	Recreation
Transportation/Circulation	Utility and Service Systems

The only topic identified on the City's Environmental Checklist that is not required for assessment in the EIR is agricultural resources. The Project site does not contain Prime Farmland, Unique Farmland, or Farmland of Statewide Importance. No portion of the Project site is covered by a Williamson Act Contract. Additionally, the Project site is not zoned for agriculture.

Anticipated Schedule

The Project schedule, as currently envisioned, anticipates a Draft EIR to be available for public review in fall 2009. A 45-day public review period will be provided, after which responses to environmental comments received will be prepared. Public hearings before the Planning Commission and City Council are expected to start in spring 2010.

MINUTES OF THE AGENCY SCOPING MEETING
RE: NEWPORT BANNING RANCH PROJECT

THURSDAY, APRIL 2, 2009

3:15 P.M.

MARY E. PIERCE, CSR 6143

CITY REPRESENTATIVES AND CONSULTANTS

SHARON WOOD, Assistant City Manager
DANA PRIVITT, BonTerra Consulting
DEBBY LINN, LINN & ASSOCIATES
MIKE ERICKSON, RBF
SERINE CIANDELLA, KIMLEY-HORN AND ASSOCIATES, INC.

PROJECT APPLICANT REPRESENTATIVES

MIKE MOHLER, NEWPORT BANNING RANCH
CHRIS YELICH, NEWPORT BANNING RANCH
GEORGE BASYE, NEWPORT BANNING RANCH
RUDY HOLSTEIN, NEWPORT BANNING RANCH
MARICE WHITE, SCHUBERT FLINT
PAUL EDWARDS, FORMA
JOHN OLIVIER, FUSCOE ENGINEERING

SPEAKERS

ED BRANNON, STATE OF CALIFORNIA, DIVISION OF OIL & GAS
CHRIS UZO-DIRIBE, COUNTY OF ORANGE
PAUL FROST, STATE OF CALIFORNIA, DIVISION OF OIL & GAS
ERIC CHAVEZ, NATIONAL MARINE FISHERIES SERVICES
MICHELLE MA, COASTLINE COMMUNITY COLLEGE

NEWPORT BEACH, CALIFORNIA; THURSDAY, APRIL 2, 2009

3:15 P.M.

MS. WOOD: Good afternoon. Thanks for coming. My name is Sharon Wood. I'm Assistant City Manager in Newport Beach. You are at the scoping session for the environmental impact report for the Newport Banning Ranch project, and as you may know, this is really the last piece of vacant, developable land in Newport Beach or our sphere of influence, so this is a really important project for us. So we look forward to your input and participation in what's going to be a pretty complicated project.

And we again thank you for coming today, and I'll do some quick team introductions. The City's contract planner is Debby Linn of Linn & Associates. Our contract traffic engineer, who is working as a City staff person, is Mike Erickson of RBF. Serine Ciandella of Kimley-Horn will be doing the traffic study itself. Dana Privitt from Bonterra Consulting is heading up the environmental consultant team.

And then on the project applicant side, we have Mike Mohler and George Basye and Chris Yelich from Newport Banning Ranch. Marice White from -- I've all the sudden

forgotten the name of your company.

MS. WHITE: Schubert Flint.

MS. WOOD: Thank you.

Paul Edwards from FORMA, and John Olivier from Fuscoe Engineering.

I'm sorry.

MR. HOLSTEIN: And Rudy Holstein with Newport Banning Ranch.

MS. WOOD: There's almost more of us than there are of you, but I'm sure that won't be the case for the public this evening.

So I'm now going to ask Dana Privitt to take it away.

MS. PRIVITT: Thank you, Sharon.

As Sharon said, the purpose of today's meeting is to really get your input on the overall scope for the environmental impact report. We're not at a point where we're talking about the merits of the project or to be able to provide you with results of the analysis at this point. We're really kind of at the very beginning.

If you didn't get any of the handouts that are in the lobby, there are speaker cards, there's sign-in sheets and some handouts with some information about the project.

So today we're just going to keep this very informal and provide you with just kind of an overview of the project and what we're intending to address in the EIR and kind of the overall moving forward schedule for this project.

As you may know, site is about 401 acres. Of that, about 40 of those acres are within the incorporated boundaries of the City. The remainder of the site is in unincorporated Orange County but entirely within the City's sphere of influence. So the City will be the lead agency for all of the environmental documentation and processing of the project through the City.

The entire site is within the coastal zone as established by the California Coastal Act. The site is generally bound by Talbert Nature Preserve, which is in Costa Mesa, and residential development within Newport Beach, to the south by West Coast Highway, and south of the highway is additional residential development and the ocean.

To the east is really a mix of uses, including residential, light industrial, office and some educational uses, both within the City of Costa Mesa and the City of Newport Beach. And to the west, predominantly the Santa Ana River, the Army Corps of Engineers restored wetlands.

And then further to the west of the river is the City of Huntington Beach.

As is shown on the map that's furthest to my right, shows kind of the existing topography and the oil uses on the site. It's an active oil field, has been since the mid 1940s. There's approximately 500 producing and potentially producing and abandoned oil wells on the site, as well as related oil facilities, including an infrastructure including pipelines, storage tanks, power poles, different kinds of machinery, improved and unimproved roads, et cetera.

The City operates 16 of those wells and an oil processing facility. Their facilities are accessed from Coast Highway. And West Newport Oil Company, who's the current operator of the site, has approximately 90 producing and potentially producing wells on the site at this particular time.

The City has a relatively unique General Plan designation for this site. When the City adopted their General Plan Update in 2006, they actually adopted a dual General Plan land use designation for this site.

The primary designation -- well, it's designated open space, residential village. The primary use is considered open space, the alternative use being

residential, residential village.

And in order for the site to be retained as open space requires that the property be acquired through public funding. So to forward that potential effort, in 2008 the City Council's directive was to look into what the potential cost for a party to acquire the property and how much that would be.

That report was completed in December of 2008, came up with a range of values in terms of acquisition as individual parcels or as an entire parcel. That information is on the City's web site.

If the site is not developed, and so on a parallel tract the applicant is pursuing the alternative use, which would be to develop the site with uses that are consistent with the Residential Village General Plan designation, which allows for 1,375 residential dwelling units, 75,000 square feet of retail uses, 75 resort units and requires that a minimum of 50 percent of the site be retained in open space with parklands and also does assume roadway improvements through the site.

So the project that the applicant is proposing at this time is consistent with the City's General Plan alternative uses for the site. Of that, as shown in your handouts and as shown in these exhibits, 1,375 residential

dwelling units are proposed. About 68 acres are proposed as the primary residential areas for about 569 of those dwelling units at varying densities and varying types of products.

Up to -- I'm not sure if my pointer will work, but up in this area here, which is the Mixed Use Residential District, which is about 18 acres, this being 17th Street. So to the north and south of 17th Street, the applicant is proposing that there be -- that that be the primary area for the residential, 75,000 square feet of retail uses, as well as high density residential up to about 806 units, and this would also include the proposed location for some of the affordable housing for the project site, which is being proposed as part of the project.

Further down in the southern area is the proposed Visitors Serving Resort District. It's about five acres of the site, and it's proposed for about 75 resort units, as well as related amenities such as banquet and conference facilities, potential spas, those kinds of uses.

Then throughout the site are various locations that are shown in primarily -- some of it being in the dark green. In terms of Park Districts, about 45 acres of the site are proposed for park uses, community park about 25 acres. Then there is a bluff park, which is somewhat of

a linear park that goes around 19 acres, and one acre up in this area as an interpretive park area. This site has vernal pools, and this is an area that is proposed for preservation.

And then of the 401 units, approximately 243 acres are proposed to be retained in open space, and of that all but 20 would be used in the upland and lowland areas, lighter green areas, for open space, wetland restoration, habitat conservation and restoration, as well as water detention and cleansing, and it would allow for trails and viewpoints through this area.

And within the lower area, which is about 131 acres of the open space area, about 75 acres of that area is being proposed by the applicant for -- as a third party mitigation banking area. This would be an area that would not be restored as part of the project, but could in the future be used by non-project-related projects if they need to provide for habitat mitigation. So it's kind of a future area that could be used for mitigation for non-project-related impacts.

Additionally, about 20 acres of the site would be -- of the open space would be oil production facility where oil activities would be consolidated per -- up in this general area, connected down to existing oil operations.

This is where the City's operations are.

As we talked about, and I'm sure you know, that it's an existing facility, but as part of the project, any existing oil wells that are in areas that are proposed for development or proposed in open space areas would be abandoned and those areas remediated. There would be no active oil wells in areas where there would be development and no active oil wells outside of the two areas that I identified.

In those two areas, oil activities would continue to be allowed uses, and upon their future cessation, they would be remediated, as well, and become part of the open space acreage for the project.

The applicant is proposing that all the open space be reserved in perpetuity through an irrevocable offer or offers of dedication, deed restrictions or conservation easements over the entire open space area and that these areas be dedicated to either a public agency or a qualified nonprofit organization.

With respect to circulation, there is no public access to the project site right now. The primary access would be from West Coast Highway into the project site. This may require some widening of Coast Highway on the north side of the roadway from Superior to west of the project

entrance. Bluff Road, which would be the primary general north-south roadway through the project site, is proposed to go north-south through the site from Coast Highway up to 19th Street.

The City's Circulation Element and Orange County's Master Plan of Arterial Highways depicts a roadway through the site, and the City's Circulation Element shows it as a primary arterial. Connections are proposed from Bluff Road to 15th Street, 16th Street, 17th and up to 19th Street. The 19th Street bridge is not a part of the project.

15th Street would need to be extended across private property to Monrovia, 16th Street would be extended from its existing terminus at the City's utility yard, and 17th Street would be extended onto the site from its existing terminus at the project site.

As well, the City's General Plan and Master Plan of Arterial Highways showed another road connection through the project site down to Coast Highway, shown as a future primary arterial.

The applicant is proposing to reserve the right-of-way for the future construction of this roadway, which is shown on the City's General Plan Coast Highway up to 15th Street. The applicant is proposing instead that that connection go from Coast Highway or reserving

right-of-way for future building of a road from Coast Highway instead of from -- to 16th Street instead of 15th Street. This may require an amendment to the City's Circulation Element, and it may require amendment to the County Master Plan of Arterial Highways.

Additionally, roadway -- non-vehicular trails are proposed through the site, as well as a pedestrian bridge that would go across Coast Highway and land in an existing West Newport Park.

There are probably, not surprising anyone, a lot of discretionary actions associated with this project. These include, obviously, preparation, and actions that the applicant is requesting to be considered as part of the EIR would be the Circulation Element amendment, if required, a zone change to a designation of Planned Community.

A portion of the site right now that is within the boundaries of the City are within an existing Planned Community designation, so as part of that, this site would go out of that existing Planned Community 25 designation.

The remainder of the site right now has County general -- has County zoning designations on it. So in entirety, it would have one City designation of Planned Community.

There is also a request for an amendment to

Municipal Code to increase heights to 50 feet within the Resort District and Residential District and to 65 feet within the Mixed-use Residential District, which is the area shown here.

Additionally, the applicant has prepared and is requesting approval of a Planned Community Development Plan, which includes all of the land use designations, proposed land use restrictions, community regulations, site development regulations, design guidelines, as well as a master site plan that we expect will include habitat restoration plans, fuel management, on a master level grading plans, road improvements, utilities, water quality and landscaping plans, et cetera.

The project also requires a transportation Traffic Phasing Ordinance as part of the City's requirements for projects of this kind, a pre-annexation development agreement, that applicant is also requesting a vested map, and the project requires approval of the Affordable Housing Implementation Plan. That's the City.

Should the project move forward through the City, there's obviously a lot of other approvals that are required. The project needs to go through the Coastal Commission, would require a Coastal Development Permit. Things that affect Cal Trans require encroachment permits

and potentially additional permits with respect to biological resources.

Permits and agreements would be required from Department of Fish and Game, U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service. There's, obviously, actions that will be required related to the remediation of the site, as well.

With the exception of agricultural resources, the EIR will be looking at all of the issues that you will find on a CEQA checklist, from aesthetics to we will be doing air quality and climate change technical studies.

Surveys are being conducted right now with respect to biological resources. We'll be addressing prehistoric and historic archeological resources. There will be consultation with the Native American tribal representatives as required by SB 18. Paleontological surveys, geotechnical, hydrology, water quality, technical reports are being prepared.

We'll be looking at land use in terms of compatibility, policies of the City, policies of the Coastal Act. Noise studies will be done with respect to construction and long term use of the site.

Obviously, we'll be looking at all requirements for public services and utilities, including recreational

facilities. And, of course, last but not least, we will be doing a traffic study.

The EIR will be looking at various alternatives, not all of which have been determined, but some of which we know in compliance with CEQA that we will be looking at from no development of site, which would be retention of the site in oil production. We'll be looking at the no project alternative, which is the really open space alternative that I mentioned before, which allows for the site to be retained in open space, proposes but does not provide funding for restoration of wetlands and other habitats, proposes community parks, consolidation of oil resources and facilities and proposes roadways through the project site.

We will also be looking at another circulation alternative, which instead of the north-south Bluff Road extending to 19th Street, which would have a terminus of the road at 17th Street. So there would be an offer of a roadway dedication for the remainder, but it would terminate at 17th Street. And then there would be a right-of-way dedication for the remainder should the City or another party choose to construct that in the future. We also expect and will probably be looking at design or reduced development alternatives.

So where we are right now is the Notice of Preparation is out for public review. The review period started on the 17th, ends on April 17th, provides agencies, as well as the public, with opportunities to comment on what the scope of the environmental document should be.

We're holding an agency scoping meeting here today. Glad you were able to come. We're holding a public scoping meeting at 7:00 o'clock tonight.

The City envisions that the draft EIR will be available for public review in late fall of this year, at which point then we will be doing responses to comments and with an expectation to start hearings in the spring of next year, at which point if the City chooses to certify the EIR and to select a project, then, as I mentioned before, there are subsequent approvals that would require before it could even come back to the City for any kind of action in terms of the required annexation, requires a coastal development permit from the Coastal Commission.

So with that, we would like to give you an opportunity to make any comments you might have, if you have any questions that we might be able to answer today. As I indicated, we're just in the process of getting started preparing technical reports. Several of you we've met with, but certainly don't have technical conclusions at this

point in time.

Thank you.

So if anyone has questions, if you want to come up, you can. If you want to talk loud enough so that it could be recorded, that would be fine, as well. If no one has questions, you can have a cookie. Take the afternoon off.

MR. BRANNON: Ed Brannon with the State of California, Division of Oil and Gas. Interested in your plans for dealing with the active wells you're going to plug and abandon, the idle wells you're going to plug and abandon and the wells that probably are -- possibly are not plugged to current standards that you'll be plugging and abandoning.

What is your plan as far as that situation goes?

MS. PRIVITT: Do you want to address that?

I think that for purposes of the EIR, obviously we're going to have to look at the potential environmental impacts related to abandoning and/or reabandoning wells. We'll have to look at any kind of residual effects in terms of any soil remediation.

The applicant is in the process of preparing some of that information. We know that some of the wells have been abandoned. Some of them will have to be reabandoned based on new requirements. We're really at

that initial point in the stage of the project, but certainly it will be a part of the overall plan for processing the project.

And if the applicant has additional information that they want to provide today, otherwise, you know, as we proceed there will be more information available about that issue.

Chris.

MS. UZO-DIRIBE: Is there any conflict --

MS. PRIVITT: Could you state your name for the record so people other than me know who you are?

MS. UZO-DIRIBE: My name is Chris Uzo-Diribe with the County of Orange.

MS. PRIVITT: We'll get it for you.

MS. UZO-DIRIBE: Is there any conflict between the land use designation of the County and the City's land use designation? Because much of this site is within the County.

MS. PRIVITT: In terms of the General Plan, there is a General Plan designation over the entire site in terms of a City General Plan designation. So the entire site right now is designated, and the City as lead agency has a designation for it which is the Open Space/Recreation Residential Village designation, the difference being that

part -- the majority of the site right now has zoning designations that are County designations.

In terms of the General Plan, the whole site is designated by the City right now.

MS. UZO-DIRIBE: So the EIR is going to address what, both the City and the County designations?

MS. PRIVITT: Well, as the lead agency, the primary focus will be looking at the compatibility with the City's designations since the entire site is either within the City or its sphere, but obviously, we're going to need to look at --

MS. UZO-DIRIBE: The County.

MS. PRIVITT: -- the County, as well.

MR. FROST: Paul Frost with the Division of Oil and Gas.

I'm concerned about the out-of-service pipelines that are in the open space areas and not in the residential areas. I understand the development for the residential and the resort areas will have to be remediated and the wells plugged and abandoned to current standards, but I'm concerned about the selling off of the open space land and the removal of the out-of-service pipelines and facilities on that land prior to any sale.

Would Newport Banning Ranch be responsible for

removal and remediation of the sites or the purchaser of the property or --

MS. PRIVITT: Well, the assumption as we know it is that all areas that are within open space and/or proposed for development, those areas would be remediated.

MR. MOHLER: That's correct.

MR. YELICH: That's correct.

MS. PRIVITT: So that will --

MR. MOHLER: If I may, the nuance that Dana was talking about earlier was that within the 75-acre area I think you're focusing on it would still be clean, but the vegetation work would be subject to third-party mitigation. Everything but that 75 acres would be either mitigated or kept intact. It would be clean of all oil according to standards, including the 75 acres. At this point in time, the plan does not contemplate the developer doing the environmental vegetation work in that 75 acres. Instead we invited in third-party mitigation participants to fund that. But separate that from the oil cleanup. Oil cleanup would still occur in that area.

MR. FROST: I'm not concerned about spills and contamination. I'm concerned about how to service lines and facilities that exist on that northern parcel that is going to be deemed open space. The Division could face

liabilities if the operator/developer doesn't come forward and remediate that property, remove facilities.

MR. YELICH: Right now the project proposes to properly clean those areas up and remove the infrastructure.

MR. BRANNON: Ed Brannon, Division of Oil and Gas again.

Including the well plugging -- see, the key we're concerned about here also is if you get this into a restoration situation and the wells are not plugged and abandoned to current standards, when you get into a, say, restored area and you have to move in a rig and do something like that, things get real dicey.

So we're concerned about all this being done up front.

MR. YELICH: That's what's contemplated, and I'd be happy to spend some time at the exhibit with you after the meeting and answer any questions, but that's part of the plan.

MS. PRIVITT: And I apologize if that wasn't clear, but the intent is that from the positions of oil and oil-related facilities, there would be a consolidation in this area and in this area with the roadway. Everything else would be required for all facilities to be abandoned or reabandoned and there be remediation of all of those

areas.

The 75 acres that Mike Mohler mentioned, while there would be remediation to your standards, that would be an area that would not have habitat restoration work being done for, so -- but the underlying would require remediation prior to that as part of the application.

MR. BRANNON: Ed Brannon, Division of Oil and Gas.

And we could then look to the Banning Ranch folks then as a responsible party when we're interacting at some point in time as we go through this process then; is that correct?

MR. YELICH: I'd like to spend some time -- I think the answer is yes, but I'd like to spend some time trying to explain how this will unfold, and I think I can answer most of your questions.

MR. BRANNON: Thank you very much.

MS. PRIVITT: Yes.

MR. CHAVEZ: Eric Chavez, National Marine Fisheries Service.

I think I understand, but just to verify, with any development plan, the open space and the third-party mitigation area, that would be included within any of the alternatives you're talking about? MS. PRIVITT: That has not been determined. At this point in time it's

the proposal for the proposed project, but we're still in the process of really flushing out what all the alternatives would be.

So the answer is neither yes nor no. It has not yet been determined the extent to which those other factors would be part of those alternatives. MR. CHAVEZ: Okay.

MS. PRIVITT: Yes.

MS. MA: Michelle Ma, public relations, Coastline Community College.

Is there low income residential included in this project, this proposal?

MS. PRIVITT: There is affordable housing.

MS. MA: And do you know what percentage that is?

MR. MOHLER: 15.

MS. PRIVITT: 15 percent.

MS. MA: How is that defined? Is it defined by the County or City, like income levels?

MS. PRIVITT: I'm going to let Sharon answer that question.

MS. WOOD: Well, we haven't determined yet exactly what income level would be served within that 15 percent. That's what the affordable housing implementation plan would be.

MS. MA: Okay.

MS. WOOD: But the requirement under our housing element is for that 15 percent to serve very low, low and moderate.

MS. MA: Is that concentrated into that one portion of the development, or is it mixed throughout all these --

MS. WOOD: We don't know that yet.

MS. MA: Not yet. Thanks.

MS. PRIVITT: If there's no more questions, I appreciate you all coming. Outside there's some comment cards, as well as some that you can fold and mail back in. As I indicated, the review period for the Notice of Preparation is the 17th. We'll stay around if you have more questions, and I very much appreciate you all coming today.

(Whereupon the meeting was adjourned
at 3:50 p.m.)

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

I, MARY E. PIERCE, Certified Shorthand Reporter 6143 for
the State of California, certify:

That I attended the foregoing hearing and that all
comments made at the time of the proceedings were recorded
stenographically by me and that the foregoing transcript
is a true record of the proceedings and all comments made
at the time thereof.

I hereby certify that I am not interested in the event

of the action.

IN WITNESS WHEREOF, I have subscribed my name this 22nd
day of April, 2009.

Certified Shorthand Reporter
in and for the State of California

MINUTES OF THE PUBLIC SCOPING MEETING
RE: NEWPORT BANNING RANCH PROJECT

THURSDAY, APRIL 2, 2009

7:12 P.M.

MARY E. PIERCE, CSR 6143

09-123

CITY REPRESENTATIVES AND CONSULTANTS

SHARON WOOD, Assistant City Manager
DANA PRIVITT, BonTerra Consulting
DEBBY LINN, LINN & ASSOCIATES
MIKE ERICKSON, RBF
SERINE CIANDELLA, KIMLEY-HORN AND ASSOCIATES, INC.

PROJECT APPLICANT REPRESENTATIVES

MIKE MOHLER, NEWPORT BANNING RANCH
CHRIS YELICH, NEWPORT BANNING RANCH
GEORGE BASYE, NEWPORT BANNING RANCH
RUDY HOLSTEIN, NEWPORT BANNING RANCH
MARICE WHITE, SCHUBERT FLINT
PAUL EDWARDS, FORMA
JOHN OLIVIER, FUSCOE ENGINEERING

GENERAL PUBLIC SPEAKERS

TERRY WELSH
BRUCE BARTRAM
KEVIN NELSON
DOROTHY KRAUS
ROD HAGEMAN
PATRICIA WEBER
JAMES QUIGG
JAN VANDERSLOOT
MELODY PERRY
STEVE RAY
STEPHANIE BARGER
SANDRA GENIS
JENNIFER IRANI
GINNY LOMBARDI
SUE WILLIAMS
CHRIS BUNYAN
MATT STREIFF
BRIAN BURNETT
NORM SUKER
STEVEN BROWN

NEWPORT BEACH, CALIFORNIA; THURSDAY, APRIL 2, 2009

7:12 P.M.

MS. WOOD: Good evening. Thank you for coming to this city's first public meeting on the Newport Banning Ranch project. I'm Sharon Wood. I'm Assistant City Manager.

Before I say anything else, I think this belongs to one of you. This was left in the lobby. The tab on the folder says "bitter" --

UNIDENTIFIED MAN: That's me, Sharon.

MS. WOOD: Well, there's some familiar faces out here. I remember a number of you from the meetings that the project proponent held sometime ago to get your input on the project, and since then they have completed their project proposal and their application package to the City, and all of that is available on our web site if anybody wants to take a look at it.

And so what we're starting now is the City's review process of the proposal that the property owners have presented to us, and this is the first step in that process. We're about to start preparing an environmental impact report, and you have presumably all received the Notice of Preparation, and tonight will be your first opportunity to

give comments to the City tonight on what you think we should include in the environmental impact report.

I'd like to introduce the members of our team so you will know who we're working with. First is Dana Privitt from BonTerra Consulting, and her firm is heading up the environmental impact report.

To the far right is Debby Linn, who's our contract planner and project manager. Hers is the name and e-mail and phone number that you see on the web site and the primary contact for you on the project. In the middle is Mike Erickson from RBF. He is acting as the City's contract staff for traffic issues on this. And to his right is Serine Ciandella from Kimley-Horn and Associates, and she will be doing the traffic study portion of the environmental impact report.

And you may already be familiar with the members of the applicant's team, but they may help answer some questions, so let me introduce Chris Yelich and Mike Mohler and George Basye and Rudy --

MR. HOLSTEIN: Holstein.

MS. WOOD: Holstein. At least I got the first name right tonight.

-- all from Banning Ranch, and Marice White from Schubert Flint, who does the public outreach for the

applicants.

So I'm going to turn the evening over to Dana Privitt.

MS. PRIVITT: Thank you, Sharon.

As Sharon said, I'm with BonTerra Consulting. We're under contract to the City of Newport Beach to prepare the environmental impact report for the proposed project.

In the lobby, just so you know, there are speaker cards. So if you want to speak tonight, I'd appreciate it if you could bring one of those up with you. When we get ready, at that point then I'll have you come up to the microphone so that everyone can hear your comments.

There's also information in the lobby in terms of the handout that provides kind of an overview of the project, and there's also some large eight and a half by eleven white pieces of paper that if you don't want to make verbal comments tonight and want to take home, you can fold it over. It has the address of the City. Just put it in the mail. Then we'll have your comments for the record.

So tonight what we're planning on doing is to introduce the applicant's proposed project to you, and the real objective of this meeting tonight is for all of you, whoever wants to speak, to get an understanding of the project, as well as to provide us with some early input on

the issues that we should be addressing in the EIR.

We're not here tonight to talk about the merits of the project, of whether it's a good project or a bad project. We don't have conclusions for technical studies. We're right at the beginning of the whole process.

So we may not have answers to questions. We're really looking for your input tonight so that as we move through the process we can address the concerns of the community to the best we can in the EIR.

What I'm going to do is just briefly have Mike Mohler from Newport Banning Ranch come up and go over -- briefly introduce his team and their objectives for the project, and then I'm going to go over the actual description of the project.

MR. MOHLER: Good evening. It's nice to see all of you again. I feel like we're starting to get to know white a few of you very, very well. I'll be very brief tonight.

Again, in George Basye, Chris Yelich and myself, you've got the decision-making matrix for our organization. You will at virtually any key meeting see the three of us. I handle the day-to-day operations and the day-to-day strategic work, but we work very closely, the three of us, so that we can get together with you, bring principals into the room instead of intermediaries and help get the

intelligence and the information out to you so that you can make an informed judgment with respect to what we're doing.

The project I'm going to -- this is the City's meeting, so we won't describe our own project. Carefully allow the City to do their job and stay out of that end of it. But what it does represent is the implementation of the commitments and the processes that were contained within the General Plan Update, which was approved by the City and the voters in a citywide election in 2006.

The plan is consistent in every respect to the General Plan as approved by the City Council and voters. It actually exceeds the General Plan Update in two major areas. One is the amount of open space, and also exceeds the General Plan requirements with respect to public park acreage.

And again, Dana can go through the particulars. This is the City's meeting, so I'm just going to close our comments by letting you know what I let you know when we started this process about two years ago with you. We're here. If you don't have a business card, we've got plenty of them. Contact George, Chris, myself, Marice for tours if you'd like a tour of the property, come in and meet with us at our office, to have us meet with you at your homes or your meeting places.

We started the ball rolling two years ago with a grass-roots level outreach program, and we're going to continue that all the way through. We will never deny you access to us.

So as you come out of this meeting and as the process unfolds, remember that with a flip of a phone call, we can pull ourselves together and sit down with you and continue to give you answers to your questions.

So thank you very much.

MS. PRIVITT: Okay. I'm just going to kind of go over, spend a few minutes going over the project. The site's about 401 acres. Of that, approximately 40 acres is located within the boundaries of the City of Newport Beach. The remainder of it is actually in the unincorporated Orange County, but the entire site is within -- of that property within the City's sphere of influence.

So in that respect, the City of Newport Beach will act as the lead agency for all of the California Environmental Quality Act (CEQA) documentation and for actions on the project that are under the jurisdiction of the City.

The entire site is within the coastal zone as established by the California Coastal Act. The site is bounded to the north by the Talbert Nature Preserve, which

is in the City of Costa Mesa, and there's residential development also to the north in the City of Newport Beach, to the south generally bounded by West Coast Highway, and south of the highway is residential development. The site's approximately a quarter of an acre inland from -- a quarter of a mile inland from the ocean.

To the east there's a mix of land uses, both within the City of Costa Mesa and Newport Beach, residential development, light industrial, some office development, some educational uses. And to the west the site's generally bounded by the Santa Ana River and about 92 acres that are owned by the U.S. Army Corps of Engineers as a restored wetlands area, and then west of the river is the City of Huntington Beach.

As many of you probably know, the site is an existing active oil field and has been under oil operation since the mid 1940s. There's approximately 500 producing, potentially producing and abandoned oil wells on the site and related oil facilities and infrastructure. This includes things like pipelines and storage facilities, tanks, power poles, improved and unimproved roads, buildings and oil processing facilities.

The City operates approximately 16 of those wells, and their wells are located down in the southern

portion of the site, and access to those is from West Coast Highway.

And West Newport Oil Company, who's the current oil operator on the site, is currently operating about 90 producing and potentially producing wells on the site.

As you're all probably quite familiar, the City has a unique General Plan designation for this site. When the City adopted the General Plan in 2006, it established a dual land use designation for the site, with the primary designation being Open Space and the alternative use being Residential Village.

In order for the site to be retained as open space, it requires that at a certain point that the property be acquired through public funding. So in 2008, the City Council's directive was to move ahead to prepare an analysis to determine what the potential acquisition cost would be to acquire that property.

That study was done and completed in December of 2008 -- it's on the City's web site -- and established a range of potential acquisition costs from acquiring it in individual pieces all the way up to if it was bought as a single parcel.

At the same time and on a kind of a parallel process, the project applicant is requesting that the City proceed with an EIR that would look at that alternative use,

which is development of that site, and that if the property is not acquired, the Residential Village land use designation that's shown on the General Plan would allow for up to 1,375 dwelling units, 75,000 square feet of retail uses, 75 resort units.

It requires that a minimum of 50 percent of the site be retained in open space, including use as parks and for roadways to be constructed through the site.

The proposed project, as Mr. Mohler indicated, is consistent with the land use designation for this alternate use of Residential Village. As proposed by the applicant, that would be 1,375 dwelling units.

Approximately 569 of those units would be on approximately 68 acres of the 401 acres, be of varying densities and different types of residential uses, and those are shown in this area down through here.

Then in this pink area, this is 17th Street. So north and south of 17th Street, which is about 18 acres, is proposed as a Mixed-use Residential District where there could be up to 806 residential units. So that would be a high density level of development. And the applicant is proposing that the majority of the 75,000 square feet of retail uses be in that location.

As part of the project there would be a five-acre

Visitor-serving Resort District down in this area. This is Coast Highway. This is where they're proposing the resort, which would have 75 units and related facilities, such as potential restaurants, spa, fitness center, conference uses, that sort of a thing.

And then as part of the project, they're also proposing that 45 acres of the site be used for park and recreational uses. That would include 25 acres for community park use, as well as 19 acres for a bluff and linear park, and one acre in this general location, which is an area where there's existing vernal pools on the site, and that would allow for the preservation of those vernal pools.

And then of the 401 acres, approximately 243 acres would be retained in open space. These are the upland areas here, the lowland areas. Actually, these are the lowland areas, upland areas, but the kind of dark green and light green areas.

So the 223 acres would be used as open space areas for wetland preservation and restoration, habitat preservation and restoration. It would also allow for water detention and cleansing, and it would allow for trails and viewpoints through that open space area.

Of the 101 acres of the lowland open space area, approximately 75 of those acres is proposed by the applicant

to be a third-party mitigation area. It's an area that, as would with the remainder of the site, require remediation to remove oil-related facilities and soil remediation but would not have any kind of habitat restoration so that if in the future there were projects unrelated to this project that required habitat restoration, this would be an area where that could occur. So it would be non-related to the project.

And then approximately 20 acres of the Open Space District would be for oil production facilities, this area right in here connected to a roadway down to existing oil facility operations in this area. This is where the City's -- some of the City's facilities are right now.

So all of the existing oil wells within the proposed development areas and the open space areas as part of the project would be abandoned and the area remediated. There would not be any active oil operations or wells outside of the two areas that I identified. Oil operations would be permitted in those two areas to be continued. When those at some point in the future cease operation, that area, as well, would have to be remediated and would then become part of the open space on the project site.

The applicant is proposing that the long term use of the open space be reserved in perpetuity with an

irrevocable offer or offers of dedication or deed restrictions or conservation easements over those areas and that it's proposing that be dedicated either to a public agency or be offered to a qualified nonprofit organization.

With respect to vehicular circulation, there's no public access right now onto the project site. The primary entrance to the proposed project is proposed from West Coast Highway at an intersection into the project site. This may require some minimal widening and improvements on Coast Highway on the north side from Superior to slightly west of the project entrance.

Bluff Road is proposed to run generally north-south through the project site. The City of Newport Beach's Circulation Element and the Orange County Master Plan of Arterial Highways both depict a north-south roadway through the project site, and the City's Circulation Element designate this as a primary arterial.

As part of the project, this Bluff Road would have connections over to 15th Street, 16th Street to 17th Street, and as I indicated, go from Coast Highway up to 19th Street. 15th Street currently does not connect over to the project site and would require off-site improvements to connect, to be extended to Monrovia.

16th Street would be extended from its existing

terminus at the City's utilities yard to the project site, and 17th Street currently ends at the project site and then would be extended onto the project site.

As part of the City's General Plan and the Master Plan of Arterial Highways, a second roadway is shown through the project site from West Coast Highway over to 15th Street. The applicant is proposing that right-of-way be reserved on the project site that would allow for that road to be built in the future, but is proposing that that road connect to 16th Street instead of 15th Street.

That action may require an amendment to the City's Circulation Element, and it may require an amendment to the Master Plan of Arterial Highways.

I also wanted to note in terms of the extension of Bluff Road to 19th Street that the project is not -- as part of the project -- the 19th Street bridge is not a part of the project. It would not be constructed as part of the project.

Additionally, and as I mentioned, there would be pedestrian/bike trails through the project site, and there is also a proposed pedestrian bridge over Coast Highway extending from the project site and landing in West Newport Park.

As you may imagine, there's a lot of

discretionary actions that are required to move this project ahead, and many of the actions that the applicant has requested to be addressed as part of the EIR are the potential amendment to the Circulation Element of the General Plan, a pre-annexation zone change.

The site -- the fact portion of the site that is within the City of Newport Beach has an existing Planned Community designation on that, but it's part of a smaller Newport PC text, which is the Banning Newport Ranch PC text PC 25.

The remainder of the site actually still has County zoning designations on it. So the whole entire site, if approved, would have just a Planned Community designation on it to allow the kinds of uses that we just talked about.

The applicant's also requesting an amendment to the Municipal Code to increase the building height within the Resort District and Residential District to 50 feet and 65 feet within the Mixed-use Residential District. Again, that is the pink area on the project site.

Another action would be to approve the Planned Community Development Plan, and those would be the things that would include all of the land use plans, all of the development regulations, all the design guidelines.

The master site plan is envisioned to include

habitat restoration plans, fuel management plans, grading information, infrastructure improvements, water quality plans, landscaping architectural guidelines.

Project also requires a Traffic Phasing Ordinance analysis, a TPO analysis. It requires a pre-annexation development agreement. The applicant is requesting a vesting tentative map for the site, and the project requires an Affordable Housing Implementation Plan.

That's just the City. There's also a lot of approvals that would be required. Should the EIR and should a project be approved, the applicant would have to go then to the California Coastal Commission. Project would be -- the project site is in the coastal zone, requires a coastal development permit.

The project would have to go to LAFCO, the Local Agency Formation Commission, for annexation into the City. It also requires permits and agreements for biological resources from U.S. Fish and Wildlife Service, California Department of Fish and Game, Army Corps of Engineers, approvals from Cal Trans related to improvements to Coast Highway and the pedestrian bridge, a myriad of different actions that would have to occur subsequent to any action that would occur by the City of Newport Beach.

So as I indicated, we are just at the very

beginning. We anticipate that with the exception of the issue of agricultural resources, all issues that could be addressed to the EIR that are on the City's checklist form would be addressed, includes aesthetics, preparation and analysis of air quality, climate change. Biological surveys are being conducted on the project site. Cultural resources for prehistoric and historic resources are being conducted.

Consultation with Native American tribal representatives as identified by the Native American Heritage Commission, which is required by Senate Bill 18, will be conducted by the City. Paleontological surveys will be prepared, issues related to geology, seismicity, hazardous materials in terms of soil remediation, hydrology, water quality management.

We'll be looking at land use in terms of the compatibility of these proposed uses with existing and future development in the area, whether -- analysis of policies of the City's General Plan and the Coastal Act.

We'll be looking at and preparing a noise analysis to look at construction noise and long term noise that would be generated by uses at the site, looking at issues of population and housing, addressing a myriad of public services and utilities and recreation issues in terms of

the provision of adequate services and utilities to the project site. And a traffic study will be prepared.

And then we'll also -- as part of the EIR, we'll be addressing alternatives to the proposed project. These are kind of initial alternatives that we're looking at. Some of them are just required in accordance with CEQA, one of them being the no project or the no development alternative, which would be retaining the site as an existing oil facility.

We would be looking at a no project alternative, which is really the City's Open Space alternative or designation for the site. And again, that allows for the site to be an open space, would allow for future restoration of wetlands and other habitats, would allow for a future community park and consolidation of oil resources, the extraction facilities, and would also allow for roadways through the project site.

We anticipate that we would probably be looking at a reduced development or a design alternative or both. We will also be looking at a circulation alternative that instead of the extension of Bluff Road all the way to 19th Street, would terminate and connect to 17th Street. And as part of that, the right of way would still be dedicated for a potential future extension of Bluff Road up to 19th

Street so that it could occur subsequent to the project but would not be a part of the project.

So when we talk about preparing the environmental impact report, it's looking at all of these issues. It identifies what the potential impacts of the project would be. It identifies ways to try to avoid those environmental impacts or to mitigate for those impacts, and it looks at alternatives.

It does not reach a conclusion whether the project should be approved or not. It's information that goes to the decision makers, Planning Commission and then subsequent to the City Council for them to consider on whether or not they want to approve the project, an alternative to the project or to not approve a project or an alternative.

So where we are right now is the Notice of Preparation is out for review. The review period started on March 17th and goes to April 17th. There's a few copies of it out on the table. Some of you probably got them in the mail. And it's also on the City's web site.

We're having this scoping meeting tonight so you can get some information, more information about the project and identify any issues you want addressed in the EIR.

The draft EIR will be prepared. Once it is

ready, potentially towards the end of this year, that draft EIR will go out for public review. You will receive notice, and then everyone has an opportunity to review and comment on that document.

Responses to those environmental impacts are made, and then the City will enter into public hearings, Planning Commission hearings, City Council meetings on that project. So you have opportunities right now to comment. You'll have opportunities to comment on the draft EIR and through all of the hearing process.

And as I mentioned before, the City's actions are not the last actions on the project. It has to go to Coastal Commission and LAFCO. So there's subsequent actions that are mandated in order for this project to go forward.

What I would like to do at this time is turn the meeting over to you. So if you have submitted a speaker card or if you just want to come up and make comments on the scope of the document, what I'd ask you to do is to come up to the microphone and to identify yourself for the record and provide us with any comments.

As I indicated, again, we're really here to talk about the environmental process and not the positives or negatives of the project, and we're not in a position to

really provide you with answers to questions in terms of findings of reports because we're really at this infant stage and starting the project.

So I have a few cards, and I don't know if you also wanted to come up and speak for the record, but I'll put your name one by one and then -- yes.

What I'm going to do is I'm going to call off the names of the people who gave me cards, and if they also want to come up besides this, I'll give you an opportunity. Otherwise, I'll just take your comments.

MELODY PERRY: Can we ask questions about the project?

MS. PRIVITT: You can. I just don't know that we'll be able to give you answers.

MELODY PERRY: That's fine.

MS. PRIVITT: Terry Welsh?

MR. WELSH: Hi. My comment is on Native American issues.

MS. PRIVITT: If you could put your name first so that --

MR. WELSH: Oh. Yeah, my name is Terry Welsh.

My comment is I think that there is Native American remnants and remains on Banning Ranch, and I would like to see the environmental impact report pay especially close attention to this issue, and I would like to see experts

brought in, including local academics, representatives from the tribes and citizens themselves, as well as the Native American Heritage Commission, and I'd like to see things go really slowly on this. And if there's any evidence of Native American habitation in the past, let's go very slowly.

I think that Bolsa Chica, there was a problem where they found some Native American remains and dug them up, and it upset some of the descendants of these people. So let's try to avoid repeating that. Thanks.

MS. PRIVITT: Ethan Young.

MR. YOUNG: I don't need to speak. I just had questions.

MS. PRIVITT: Bruce Bartram.

And I will apologize if I mispronounce anyone's name.

MR. BARTRAM: Good evening. My name is Bruce Bartram. I live at 2 Seaside Circle in Newport Beach, which is the Seawind Newport complex, which is number eight on the Exhibit 3 of the Notice of Preparation, the EIR.

My concerns or one of my concerns is I wish that the EIR would address the project's consistency with the General Plan. According to the Coalition of General Plan Accountability web page, the General Plan Advisory Committee stated that the General Plan, which was approved

by the voters, would accomplish some of the following:
Reducing traffic citywide by nearly 30,000 trips each day over the life of the plan, reducing potential new commercial and office space by more than two million square feet, support efforts to acquire Banning Ranch for permanent open space, taking strong action to prevent or reduce water pollution in the bay and ocean and enhance natural resources.

Also, I would like the EIR to note that the General Plan has been amended specifically in 2008 by voters of Newport Beach through Measure B. I assume that you should be aware that that involved the approval of the purchase of land that had been designated as open space to build the new City Hall and administrative buildings by the central library on Avocado Avenue.

So it's important to note that that area that is now going to be the future home of City Hall and administration buildings of this city was designated as open space, and since this is now going to be built up, that's less open space that the City can acquire and use to fulfill its open space requirement as is required under the General Plan.

So that should be kept in mind by the EIR preparation group.

MS. PRIVITT: Thank you.

MR. BARTRAM: Thank you.

MS. PRIVITT: Kevin Nelson?

MR. NELSON: Hello. Kevin Nelson. I think my first comments would be to make sure that in the -- over the very long term, let's say at least 50 years, that we look at the impact of climate change on a number of aspects of this project.

Number one could be the -- actually will be the impact of climate change on sea level rise, which will then cover large areas of our current beach area. Now, the beach area is, of course, the -- Newport Beach's primary recreational area right now, and that could be removed to a great extent by climate change.

So therefore, we might be in a situation that should be studied thoroughly again where the upland area of Banning Ranch is one of the last remaining recreational areas where we really have some space, some, shall we say, overflow. Call it, you know, emergency land.

And, you know, the climate change is an indisputable fact. Sea level rise is a given along with that, needs to be considered.

Also, climate change as it affects the California water supply. We have -- this is an evolving

situation which needs to be looked at in a worst case scenario, not a best case scenario, but with the worst case scenario described in full if climate change lowers the fresh water availability for the whole of California, as is expected.

There are studies that show that Lake Mead, for instance, could be dry by the year either 2030 or 2050. I'm sorry. I don't know -- the exact point in time I'm not sure about right now.

But there are very critical scientists researching that are stating that climate change's impacts on water availability in this state and the West overall will be much more drastic than is currently being planned for.

In regards to water supply, the applicant has said that the Newport Beach's will-serve letter is based on a 2006 study of water resources. Well, that data probably is -- probably was derived from 2004-2005. We are in a much different situation now with the impacts of climate change. The water shortage is just beginning to be felt, so that needs to be fully understood.

Along with that impact, the other impact that should be studied is the consequent rise in food prices that we are all going to undergo as water for projects like Banning

are taken away -- is taken away from farmers, thereby causing higher food prices, more importation of food, which then again by that fact will increase climate change even greater because we're shipping the food from -- you know, from more distant places.

This is -- there are studies, for instance, that show that farming in California could be nonexistent at the end of the century due to water shortages.

I would say, as well, that -- the north-south Bluff Road. The applicant has said that they are going to be so generous as to give us the lowlands as open space. Well, along with that what needs to be considered is the fact that this north-south Bluff Road terminating at 19th Street will very much degrade the recreational value of that land that they said that they are generously giving to the public.

The noise impacts of that road will seriously degrade the experience of that lower portion of the property, that open space area, and it will also degrade the existing park area of Talbert at the end of 19th Street stretching towards Victoria and Hamilton.

I would say that the traffic that this project could generate, will generate, could lead to some impacts on the service level for Hoag emergency services. So we

have very busy intersections. Hoag is obviously a very busy place with minimal parking and not a lot of access. There they are right now.

MELODY PERRY: Good timing.

MR. NELSON: Yeah, good timing. I was waiting for that.

We have a very impacted traffic situation, and that needs to be considered fully for someplace as key to the area as Hoag is.

I would say I am wondering whether the recreational areas included in the development are even enough to serve the development's population, let alone the rest of us who are still looking for places to recreate.

There will be probably a social impact to this project that should be studied. You have in Costa Mesa -- unfortunately, you have some of the more dense areas of Costa Mesa, you know, apartments and multiple families living in single homes, very dense populated area that is -- that we are going to add even more people to that western area of Costa Mesa, which is -- if you were to look at the typical scenario there, there's a slight increase in crime.

That area of Costa Mesa is under some crime pressure, and I think we will likely be adding just more potential sort of criminal pressure by the fact of adding

that much more population.

To be more specific on the water projection scenario, I think that a 50- to 100-year projection of water supplies for this project would be very advisable and should be a definite requirement because, again, State laws -- the law and the water supply situation is just catching up or the projections for water availability are just catching up to the emerging realities.

I would say that the applicants should be required to give a full sketch of a reduced project, of a project that is greatly reduced due to all the social and other impacts that we'll be describing, and they should, therefore, come out with a very detailed plan on a project that is, shall we say, 50 acres after we get through with --

MS. WOOD: Why don't you wrap it up.

MR. NELSON: That would cover it right now.

MS. WOOD: Thank you.

MS. PRIVITT: One thing that I will mention.

Mr. Nelson indicated that a water study needed to be done. As part of the EIR, a water supply assessment is currently being prepared, so that will be based on new and existing information.

Dorothy Kraus.

MS. KRAUS: Hi, my name is Dorothy Kraus, and I live in Newport Crest, which is right here, and I'm concerned about the environmental impact that this project will have on air quality and noise.

My questions are what environmental factors are considered in the areas of air quality and noise that will be created by the dramatic increase in motorized vehicle traffic feeding from 15th and 16th Streets into the Banning Ranch development via backbone road, which is south of Bluff Road, and North Bluff Road as referenced in the exhibit.

Additionally, in the EIR report please identify the impacts to the environmental factors of air quality and noise and explain the degree of impact resulting from increased traffic on the roadways that I've identified.

Thank you.

MS. PRIVITT: Thank you, Miss Kraus.

Rod Hageman.

MR. HAGEMAN: Thank you.

I'm part of Newport Crest, as well. I think I'm addressing you, Sharon, more than anything.

MS. WOOD: It's really the court reporter who needs to hear you better than anybody.

MR. HAGEMAN: Seems to me we're kind of kicking the can down the road here submitting to EIR, Corps of Engineers,

Coastal Commission and so on before we know if we can provide the water.

The government has recently made comments on this. The Governor said we should reduce our water by 20 percent. This was just in the last week. Orange County is studying the impacts of water shortage, and even Newport has asked for the voluntary 10 percent reduction in the use of water.

My simple mathematics suggest that there will be 1500 additional hookups through Mr. Mohler's project. Now, that's 6 percent of what exists now. So we're on a 9 percent level right now, and we're suggesting that we're going to increase it up by 6 percent. Part of that is in the City, but part of it is in the County, and we're going to take in somebody's laundry here from another county -- from the County?

I think we're reaching a little bit beyond for the water resources. We're in the third year of this water drought, and it's difficult to determine how far that will go, and it seems to me that the City, before it goes on these people, considers the impact on the general population.

The population is now giving up water, and it would be giving up even more for this. We know the developers have to put in on-site and off-site improvements,

curbs, gutters, storm drains, sanitary drains. Why don't they also have to provide their own water, the old BYOB. They could put a desalination plant down on the beach below their property and pump it up here, and so they'd be totally self-contained. So I think the City needs to consider this problem before we engage all of the further political requirements. Thank you.

MS. PRIVITT: Thank you, Mr. Hageman.

Patricia Weber.

MS. WEBER: Hi, I'm Patricia Weber. I'm an elementary schoolteacher, and I live in Mesa Verde down the street from Hoag over in Costa Mesa.

I'm concerned about accommodating 2,000 families with proper placement in schools. If they have one to two children per home, that would be two to four thousand new students in the Newport-Mesa School District, and as you know, the schools in this area are already overflowing, sometimes turn away their own neighborhood students. I know that because my children went to Harbor View right here in Newport Beach, and they have been recently this year turning away their own neighborhood children because there's not enough room for them.

So I want to know if you're planning on adding -- if this project is going to add to the overcrowded schools,

overcrowded classrooms, or if taxpayers are going to have to build a new school or two because two to four thousand children -- most schools take about 500 children, so it would take quite a few schools if each house had one child or two children.

I don't know where the money would come from to do that. We're already laying off teachers, and, you know, you know the State of California's budget. Where are they going to get the money to build schools or hire more teachers?

Secondly, if you opened up closed schools, who would pay for busing these children to the closed schools? And also, can Orange County Transportation Authority afford to purchase additional buses to accommodate the increase in the population?

So I would ask that you look at these issues very carefully. They are really going to impact the needs of existing families and taxpayers within Newport-Mesa School District.

Secondly, as a resident of Mesa Verde, Hoag is my nearest hospital and all my neighbors, as it is yours in Newport Beach, and I'm worried about the increased traffic on 17th and 19th, Superior, PCH and Placentia.

As it is already, I've lived here for about 20 years and have seen it increase over the years, and I cannot

imagine the increase with a huge housing project like this. I'm worried that this is going to delay response time, for individuals can always bring their emergency cases to the hospital -- sorry. I have a little bit of laryngitis -- also delay response time for emergency vehicles out, and I'm concerned about the impact of this project on Hoag Hospital, someone else mentioned with their severe parking problem and on the emergency room at Hoag, which is already crowded.

Considering the correlation of high crime with densely developed areas -- I know they studied it in LA, and I don't want to repeat the same thing that's happened in LA here because we already have a highly dense population. That pink area where they're talking about putting the five-, six-story or five-story buildings in the densely -- I want to say condensed, but populated buildings right up against that Shalimar Street area, and it's is a high crime area.

And I don't know if that's really good planning because you already have that area under pressure, and then adding more density, there's empirical studies against that because of the correlation in crime without any recreational space in that immediate area.

I know you're talking about recreational space

in other areas of the project, but that immediate area, that pink area is going to be highly impacted with possibly a lot more crime, and it's already -- it's already kind of a tragic area.

I'm wondering if the gain in property tax that the City is going to get from this project is going to be enough to pay for all these problems because I don't know how it's going to if you have to build schools, you're going to have to add police, fire, teachers, ambulances, as well as vehicles, emergency vehicles.

And I think these are really serious issues, you know, that I would like your group to study and to bring back to the community with your findings.

Thank you.

MS. PRIVITT: James Quigg?

MR. QUIGG: That's me, I think. Quigg, James Quigg, Q-u-i-g-g. Just a couple comments.

I see you're making reference to climate change. I presume that would include the oceans, which looks like there's certainly expanding and we're losing land. That seems to be fairly factual. In that respect, I think the issue of tsunamis is very significant since a significant portion of that area probably would be affected by a tsunami.

And then lastly my comment is regarding

Green-light. I haven't seen anything specifically regarding Green-light. I'm sure that will be addressed by the City. Thank you.

MS. PRIVITT: Thank you, Mr. Quigg.

Jan Vandersloot.

MR. VANDERSLOOT: Good evening. Jan Vandersloot, Newport Beach.

My comments. Number one, I would like to have the EIR couched in terms of evaluating the biological resource environmentally sensitive habitat areas consistent with the Coastal Act and not consistent with the Newport Beach Certified Land Use Plan.

In the application, they analyzed the ESHA areas using Newport Beach criteria, not Coastal Act criteria, and that makes a difference because the Newport Beach CLUP is able to denigrate the value of the ESHAs by saying that they're isolated, by saying they're fragmented and by saying that they're degraded. So a lot of the coastal sage scrub areas on the property, a lot of the native grasslands on the property are not being properly classified as ESHA because the biologists are analyzing it in terms of the Newport Beach CLUP saying that they're degraded, saying that they're isolated and fragmented, and those terms are foreign to the Coastal Act.

Coastal Act does not mention anything about degradation. In fact, the Bolsa Chica decision of 1999 specifically affirmed that ESHA is ESHA whether or not it's degraded, whether or not trees are dying. If you have an area that is habitat, then that area -- for sensitive species, then that area ought to be considered as ESHA.

And, in fact, when -- I was on the General Plan Advisory Committee for Newport Beach. When we were first considering Banning Ranch, they were considering the whole Banning Ranch as ESHA. Subsequently the City decided, well, we don't want to call it -- we want to call it an environmental study area or ESA rather than ESHA, but the fact of the matter is is that whole land is designated as critical habitat for the gnatcatcher, and it has several different sensitive and endangered species, not only the gnatcatcher but the burrowing owl, the cactus wren, the least Bell's vireo, the San Diego fairy shrimp. It really is a biologically diverse piece of land and ought to be considered in total as ESHA.

So far the biology reports are seriously denigrating the biological value of that property, and they're only applying, like, a 50-foot buffer, which against the environmentally sensitive area, 50 feet is something that you find in the Newport Beach CLUP, but there's nothing

like that in the Coastal Act.

Most of the sensitive coastal areas in California at least have a hundred feet buffer, and Bolsa Chica they even have a hundred meter buffer. Especially when you're talking about areas that need large amounts of land, like the burrowing owl. The burrowing owl needs a lot of grasslands.

All that developed area that you're talking about in areas C1 and C2, those areas are burrowing owl habitats. They have native grasslands which are not being adequately described so far in the applicant's biology report. All that stuff needs to be redone, needs to be better cataloging of where the native vegetation is, and we ought to look at that land as something that's not an oil field.

The oil field itself is an artifact that is being placed on top of what really is a biodiversity park. We've just -- just recently the equipment has been out there. The native grasses, the native cultural sage scrub has been naturally repopulating itself and all the little oil roads that they have there, but the equipment came and they just scraped all that native vegetation off.

Even though the oil pads under there, they're abandoning a lot of them and all you see is just a little

stick in the middle of it, but they're clearing out a whole 60- to 100-foot area and just scraping off the vegetation.

That's not being very environmentally sensitive or responsible, and we have to look at that property as what it would look like if that land were allowed to be -- revegetate itself even naturally without doing any kind of remediation but just let the land restore itself. That can be done on that property.

I would like you to -- the EIR to look at a reduced development footprint where what you analyze for development is what is already urbanized on the property. So if you look -- if you go on that property, look at it, you can see that there are big parking lot areas, there are areas that have sheds on them, there are areas that have a lot of garbage that is stored on pavement.

If you just take that area and develop it in a reduced development profile, you may only have -- you may be able to develop, like, 20 or 30 acres and not disturb the rest of the habitat, which essentially is virgin open space.

The only thing that is impacting it are these artificial oil roads that the equipment -- that they come in and scrape off the native vegetation on the oil roads just to be able to have a truck drive on it. I think that

kind of -- as they're letting go of these oil wells, the land is going to restore itself.

Another comment I'd like to make is where are these children going to go to high school? The closest high school seems to be Estancia High School, but since it's in Newport Beach, the tendency might be to send them to Newport Harbor High School, and now we have a lot of traffic rather than going up Placentia that is now going to go across town on 15th, 16th and 17th across Newport Boulevard and impacting the residential neighborhood of Newport Heights, which is already very heavily impacted by traffic going to the Newport Harbor High School.

If Newport Harbor High School is the destination for the children that are going to high school from this development, there should be consideration in EIR's closing off those streets or impeding the through traffic to those streets. And I'm talking about 15th Street and 16th Street and Clay Street. These streets are going to be heavily impacted by traffic from the Banning Ranch development if it goes through as proposed.

I would also like to see an analysis in the EIR of all the funding sources that could be used to acquire this property pertaining to the Newport Beach first priority of keeping it as open space. I don't believe Mike Mohler

is correct when he says that this project completely complies with the Newport Beach General Plan because this project is the backup plan. It's if the Newport Beach General Plan cannot be accomplished.

But to accomplish it, we need to identify the funding sources, and we need to identify funding sources from people that don't have a conflict of interest or who are otherwise impeded by previous confidentiality agreements.

The people that the City has hired to do the appraisal, for example, one of those people had a conflict of interest. He could not identify the process used for acquiring the Bolsa Chica Mesa because he was involved with the acquisition of Bolsa Chica Mesa by the State, and therefore, he could not apparently tell how they did it there.

You know, how did they actually accomplish the purchase of 103 acres of Bolsa Chica Mesa for \$65 million, and why does not the City Appraiser report have that information in it? You know, why would then -- and the reason why is because this particular person had a confidentiality agreement, so he could not say, for example, that the company got tax breaks or that there is something else that -- some other form of compensation that allowed

the State to buy 103 acres for \$65 million.

So these kinds of funding sources ought to be completely analyzed in the environmental impact report. I'm sure I'll come up with something in the future, but that's what I have to say for now. Thank you.

MS. PRIVITT: Melody Perry.

MS. PERRY: I'm Melody Perry, Newport Beach.

I was just looking at the map here, and the South Bluff Road, it looks like it goes very, very close to a big residential area there. And I was also reading that on Monrovia Street, they're planning to build a great big apartment complex or condo complex, and I drove by there, and they've already scraped all the buildings down on that huge area.

So maybe they should just keep pumping oil.

MS. PRIVITT: Steve Ray?

MR. RAY: My name is Steve Ray, and like an earlier speaker, I have a throat problem today from being in the Midwest in the snow. So hopefully, I won't lose my voice here.

I wanted to follow on a few things that Jan Vandersloot had mentioned and expand a little regarding open space.

First of all, the voters in this city voted that

Banning Ranch, first preference was to remain permanent open space, and in light of that there have been three alternatives other than development plan noted in the NOP here, one of them being open space, the other one being no development and the other one being a circulation element change.

I would suggest that if open space is not designated as the preferred alternative, given the voters' preference, that a serious analysis and rationalization be provided as to why that would not be the preferred alternative.

And speaking of alternatives, given that, as Jan pointed out, there are a lot of species, both not just wildlife but plant species on the property as well, you know, with the gnatcatchers, the burrowing owls, the least Bell's vireo, I think you left out the least terns, cactus wrens, southern tar plants, things like that, that -- and also given the fact that the Coastal Act is -- will be the designated factor here, not the City's CLUP, because this decertification area, it's a wide hole for the Coastal Commission.

So given that, I think the buffers that will be put in place, the ESHAs that will be established will consume quite a bit of the development space that's been allotted

in this plan, and as such, I would suggest that a fourth alternative also be made a part of this, and that is a reduced project based upon what are going to be more likely the available land that's left, which is going to be seriously reduced from the footprint that you see currently.

Next I would like to talk about -- little bit about traffic. I know you mentioned that the 19th Street extension in Bluff Road may not be placed there, but it is on the drawing there. It is called for in the plan. It is being analyzed. However, you also said that this did not include a 19th Street bridge. However, given that the Master Plan of Arterial Highways designates a 19th Street bridge and that PCH is reaching capacity level, that this project would definitely bring into play a 19th Street bridge. And so I think that this wink-wink, we're not talking about the bridge, I think that is a wink-wink. In reality, the bridge must be a part of the analysis of this.

I would point out, too, that if you look in the drawings, they have set aside a right of way for 19th Street from where 19th Street currently ends all the way out to the river, and why are you going out to the river on 19th Street if there's not going to be a bridge there? So I think that actually needs to be included as part of this.

Also, I think when you look at the Circulation Element, I don't think it's fair to just look at the circulation of the traffic created by the project inside the project on those roads. If I lived on the east side or worked on the east side of Costa Mesa and needed to go anywhere north, I'm going to drive write down Bluff Road. Whether I'm coming in from 16th, 17th or 19th Street, I'm going to be coming down Bluff Road to get to PCH because why go out to Newport or to Superior to get down to the Coast Highway. I can take that shortcut through. And when I come home at night, I'm going to do the same thing.

So I think there's going to be a much heavier load capacity on that road than you might anticipate, so I would suggest that you take into effect all of the potential uses from other -- the other residents in that part of Costa Mesa there for that.

And also, I did not see anywhere on the plans when you're looking at the development proposal any suggestion that there's going to be any wall or anything like that around the properties along the bluff side, and I would point out that in Bolsa Chica development there, they did put up a wall, a glass wall. So they made it glass because they don't want to ruin the view sheds for residents, but they put up the glass to keep people out and to help

break the wind and stuff like that.

Unfortunately, that wall is known as the wall of death because it has had a tremendous impact on avian life. A lot of birds, especially protected species, have died crashing into that wall because, of course, they don't see the glass. It looks clear to them. They just smash into it.

So if there is any plan at all or any thought to having a wall anywhere on that property, I would suggest that that be made known and that the potential wildlife impacts be analyzed, as well.

And finally, the oil contamination on there. I know in Huntington Beach, I was Planning Commission Chair in Huntington Beach, and we had projects, a lot of oil-contaminated land there, too, and one thing that we found, there were a lot of studies that showed that dust-born particles coming off of oil-contaminated lands caused a lot of health problems, respiratory problems and also a lot of cancers, especially brain stem glioma in young people, and we had quite an incidence in one area there of high instance of cases in that.

So I would suggest when you're looking at the air quality impacts there that you pay special attention to the dust contaminant, the particulates coming off of the

site and the potential impact that they may have on the neighborhood, as well.

I'm sure that I will come up with some more comments later. Thank you.

MS. PRIVITT: There's still some people who would like to speak. So if you haven't spoken, we'll let those people go first.

MS. BARGER: Stephanie Barger, Earth Resource Foundation, also a resident of Newport Beach, and I think as Steve brought up, it really is the little things that matter.

So one of the things that's never really looked at is lighting. So we're going to be having this beautiful open space and wetlands, but we're going to have this big huge road, and is it going to have street lights? What's going to be the speed of the traffic? Are there going to be sidewalks? Is there going to be a trail? What is all the lighting back now coming from all of those homes, and how is that going to affect the wildlife?

I think also it needs to be noted what kind of trails are going to be in there. We hope that they're mixed use, but we need access to those trails. Are people going to be bringing the horses in and bicycles and mountain bikes and all of that? So I think it's very important to look

at that.

Another little thing that can have a big effect is dogs. It's been shown that dogs are very damaging to our wildlife areas. In fact, in Utah in the canyons, they don't even allow dogs except for rescue dogs. In Aliso Woods, they don't allow dogs down there. Also, the impact of more dogs in our neighborhood, do we have a dog park, do we have a dog beach, you know, are there going to be speed bumps, what's going to be the flow of traffic in there.

I hope there's going to be no development, but I think that having the North Bluff all the way to 19th Street is unnecessary if we're really reducing the amount of traffic that we want to. We're just encouraging traffic through our wildlife areas.

I also had a question, when South Bluff is coming down on Pacific Coast Highway, is there a light there, or is that people can only enter from one side? MS.
CIANDELLA: That will be studied.

MS. BARGER: Because I think that's a very important factor. If there's not a light there, how are people going to cross? They're not going to walk all the way to Bridge or Superior, and it's going to cause huge amounts of problems with only one way. So that should actually have to be a requirement to be looked at.

We also need to look at the plantings, what is the plantings in the development. This was supposed to be a very green project, so I would hope that it's all native plants. I would hope that it's not -- maybe it's going to be gray water, but it is going to be gray water, and I think those things need to be looked at. And this gentleman's comment about desalination, that water is not their water. The ocean water is not their water. That's our water. And I would hope in the water study, they are not thinking that the desalination plant is going to go through in Huntington Beach.

So just want to make those things clear. Once again, if it's a green project, I'd hope they'd be collecting all their rain water and using it on site. I don't think all that stuff about being a green project is better than an environmental impact report. So thank you.

MS. PRIVITT: Sandy Genis.

MS. GENIS: By the developer's own admission --

MS. PRIVITT: State your name.

MS. GENIS: Oh. Sandra Genis.

They've been working on this for a couple years, and this is a highly, highly complex project. And therefore, I believe that for the EIR that a 45-day public review, which is the minimum prescribed for a project of

this type, should not be utilized, but we should have a 60-day, preferably even maybe 75. I don't know if we want to go to the maximum 90, but 45 days will not be adequate.

Next, I'm looking at this project, and I'm seeing traffic going out into 17th Street, into the poor area of Costa Mesa, traffic coming up 16th Street into the poor area of Costa Mesa, 19th Street into the poor area of Costa Mesa, high density affordable housing project smack dab next to the poor area of Costa Mesa, and I therefore believe that this document needs to address environmental justice issues, which is standard for NEPA documents. I know it's not yet standard for CEQA, but that's a very important issue regarding this project. Thank you.

MS. IRANI: Hi. Might be last, but not least.

My name is Jennifer Irani. I'm a resident at Newport Knolls, which is just off of 15th Street and Monrovia, and my concern is, among all the others that have been mentioned, which I would love to go into but I won't, is -- I'm going to stay with traffic tonight because what I see on 15th Street already is cars going 40 plus miles per hour, and we have a community center there on the corner which has a school bus dropping off kids for after-school programs, and we have already so many cars going so fast on that street that it's amazing there isn't more accidents.

I also have a concern with 16th Street and there's a bluff-top road and the impact of noise and traffic, and as it's been mentioned, the traffic then going through to Newport Heights to go to the schools. So I want to just reiterate my concerns for that.

And my other concern is that Newport Knolls, we already have people jumping our fences to get into our pools. They live in the nearby neighborhoods, they don't have access to swimming pools, so they're jumping our fence to get into our pools. We're constantly calling the police.

It's getting to the point where we can hardly manage it as a small association. We're only 28 units. And the impact of more development in that area, I can't even imagine what that would do to our already stressed environment there.

We have so many people on 4th of July coming down there and use that cul-de-sac to park, people doing unbelievable things there that we are trying to manage as it is, and the idea that there might even be more development makes me very concerned. So I just wanted to express that tonight. Thank you.

MS. LOMBARDI: My name is Ginny Lombardi, and I live in Newport Crest, and that's number seven on the map. In our packet it's exhibit -- whichever exhibit. Three.

Thank you.

And I am concerned about the impact of the traffic, the roads, the lights, that that will have on Newport Crest, and especially the 15th Street extension because on that map, if you take a look, the one corner -- this is Newport Crest. It looks as if that one corner right there where Odyssey is is about a foot and a half away from 15th Street. I know it's not that close, but it's very, very close to the perimeter of Newport Crest.

Six courtyards in our complex would be affected by the South Bluff Road, and that's six courtyards out of 19 in our complex, and real concerned about the -- how close it is, the elevation of the road, the impact that the noise, the headlights, would have on the quality of life for the people, our people, in those courtyards.

And I was wondering if possibly 15th Street may be not extended or that 15th Street road be moved, and I have a suggestion, Mike, where that could go. And I don't mean that disrespectfully, but -- really, but to move it away from the perimeter. But that's a major concern for Newport Crest.

Another concern is about the lighted sports complex that is planned, and that is another part of the development that would impact Newport Crest quite a bit.

We have four courtyards that that would impact. And I'm not familiar with other associations that that would impact, but I'm sure the people here would know that, and I think that is in the dark green section right up in this corner. I believe that's where the lighted sports complex would be going.

So what kind of hours of operation, the impact the lighting would have on the homes there, being real concerned for the impact on Newport Crest.

Also, the project data sheet refers to 19 acres for privately owned and publicly accessible bluff park. What does that mean, and where is that located in the plan? I don't see it on here. Maybe I'm not seeing it. Maybe it's here but I just don't see it. And so those are two or three areas of concern that we have specifically for Newport Crest, along with some of the other concerns that many of the other speakers have addressed.

Thank you.

MS. WILLIAMS: Hello. My name is is Sue Williams, and I haven't seen anyone come in from Newport Terrace, which is at the end of 19th Street, so I just want to reiterate, I think, what everybody else has said, but I'm very concerned about Bluff Road going to the end of 19th Street, and Balboa right now is at the front of Newport Terrace, and extending

that down Bluff Road would cause traffic, noise.

Right now it's a very quiet area, and I can't imagine what would happen because everybody's going to come down 19th Street, they're going to go Bluff Road, as it was said, and it will be a shortcut to the beach. It's parallel to Newport Boulevard. I would use it.

So I just wanted to say that. Thank you.

MS. PRIVITT: Thank you.

MR. BUNYAN: Good evening. My name Chris Bunyan. I'm a Costa Mesa -- B-u-n-y-a-n.

First thing I want to discuss today is the traffic impacts that are going to be affecting Costa Mesa and the Newport area. As everyone knows, this side of Costa Mesa and Newport have one of the highest traffic impacts in the County.

The 19th Street and Newport intersections has a very low level of service grade. It already has triple turn lanes, traffic safety lights. It cannot equip with any more traffic. The Banning Ranch development will affect 19th and Newport, 17th and Placentia, the Placentia and Victoria corridor, Superior Avenue and PCH, not to mention already very clogged 55 freeway and 17th and Newport.

The current constructions being done, the

widening project in the City of Costa Mesa, this project if it was to go through would cancel out any of the progress that was made due to the widening project.

Also, Newport Shores area, Newport Crest, their quality of life will be impacted by traffic increases, noise, property values decreasing due to construction that's being done, not to mention noise impacts once the project is put through.

It was mentioned earlier about air particulate matter. The developers have said that the over-mediation will contain all of the dirt being cleaned on site through water and various chemicals. You essentially detergent and take all the oil and other particulate matter out of the ground.

If there is so much as one speck of dust that reaches the air that has polluted matter to it, that is harmful to people's health. Also, over-mediation is a tricky process. Even if there's one truckload being trucked out there, what city is it going to go through, Costa Mesa or Newport? We're not convinced that there's not going to be at least one truckload going down the city streets.

Also, recently in Costa Mesa, a great amount of time and expense was made to improve the Victoria and Placentia corridors. When you have heavy truckloads carrying scrapers, backhoes, large construction equipment,

that puts an added stress to the surface streets, and the City of Costa Mesa would have to eat the cost, more than likely.

Also, once the City of Costa Mesa and Newport sign off, provided this project was put through, and 15th Streets are expanded, 16th Street, 17th Street, the City of Costa Mesa has to pay for in perpetuity the maintenance of those roads, and that's not fair to Costa Mesa residents since this is not a Costa Mesa project. It would be a Newport Beach project.

Public safety. There hasn't been any talk of any sort of substations, police, nor a fire station on the Banning Ranch property, and as it is in this economic climate, which isn't going to turn up in the next few years, you already have talk of cutting back on public safety. And as it is in this area, in the Banning Ranch area, you already have public safety forces that are already overstretched.

So there has been no discussion of fire trucks and how police is going to get in that area or other public safety vehicles.

Also, the higher density projects, although the developers are saying it's medium density projects -- and that's the village area, and that's to be on the eastern side -- that's abutted up against Costa Mesa. Speaker

earlier mentioned that on Monrovia they are working on several westside projects, high density lofts and mixed-uses lofts, artists lofts on that side.

So once again, you're increasing the traffic and the pedestrian element on that side. It already can't take that.

Now, John Wayne Airport, Costa Mesa and Newport have signed off to an agreement to curtail the flights out of John Wayne. If you're adding up to 1400 homes and a hotel, you only increase the need for an airport in your area.

And so if you have a resort that you're trying to sell to outside people to come in and use, which is what the developers are trying to dangle in terms of the hotel occupancy tax, you're only going to have -- even if it's one more person using John Wayne Airport, that's one more person too much.

The impacts of the John Wayne Airport are noise and visual and not to mention health pollution. There are several studies that you can find online that shows that folks who live near airports have higher incidence of heart disease and cancer, not to mention the added impact that that will increase on the Newport Back Bay.

Seismic activity and fault line studies. Those studies are still going to be done. We ask that time

be taken to really analyze those because along on the bluff area there are fault lines, and if you have even the smallest of seismic activity on that side, that holds a danger to those people who live in that area, which goes back to the public safety issue I mentioned earlier.

Hypothetically speaking, if you were to have any kind of seismic activity and public safety, i.e., fire and police, had to get in that area, where are they going to be coming from and how are they going to be getting in there?

Also, scraping and leveling along the bluffs only add to the degradation to a very sensitive plant life that's in that area. Also, I mentioned earlier about the impacts to Newport Crest and Newport Shores area. You're talking about a 45-foot hotel and a 65-foot village of medium dense housing. That affects folks who live in the Newport Crest area, and they have a right to not be impacted by huge walls of sorts and looking at the backside of hotels or the backside of mixed-density housing.

PCH was mentioned earlier about the Bluff Road. You already have high levels of traffic on Superior and PCH as you speak, and now you're going to add yet another intersection or possibly another access road onto Bluff Road coming off Bluff Road and PCH. That will only increase and thus create a bottleneck on that area.

It should also be spoken about Orange County is one of the highest density areas in Southern California. There is no more room for open space, and this plan, when you begin to walk it through, traffic, noise, visual, air pollution, increased traffic to John Wayne Airport, stresses on the public school systems, stresses on the public safety, there is no good to come out of this.

And it's also been talked about earlier about -- and this goes back to the public safety issue -- about the tax increases that are going to come from property taxes and also hotel occupancy tax. That's all going to be a wash because the money that's going to be needed to maintain the roads and to also support the increased demand for public safety, Newport Beach is not going to realize those taxes.

Also, an item of great contention in the City of Costa Mesa and in Huntington Beach and in Newport is the 19th Street bridge, and Bluff Road goes up to 19th Street.

Just the fact that it touches and rubs against the 19th Street area is going to cause a lot of suspicion to people and a lot of concern, and in the years to come if you're having a lot of people who are hitting a dead end on Bluff Road, these new residents in the Banning Ranch development proposed area might start to make a push to Newport Beach City Council to have 19th Street bridge built,

and that would impact people along 19th Street, in particular where the woman mentioned earlier.

And those are my comments. Thank you.

MR. STREIFF: My name is Matt Streiff, S-t-r-e-i-f-f, and I will keep this very brief.

I live in the Newport Shores community, and a lot has been spoken about on the impact on wildlife in the Banning Ranch area itself. I personally am very concerned about the impact on the wildlife in the Newport Beach community and the wetlands that are there. There's tremendous diversity in wildlife and particularly avian populations, and I hope careful attention is given to those populations.

Secondly, the wetlands that are there suffer from a siltation and sedimentation problem. I would think that heavy development of the upland area could cause a significant amount of runoff and further siltation and sedimentation that is really impacting that area.

Thank you.

MR. BURNETT: I'm Brian Burnett, and I live in Costa Mesa, and I feel this planned urban development has a monetary value, and open space and wildlife habitat is priceless. And one thing that we have to look at and bring into scope is the effect on Talbert Nature Preserve and

Fairview Park in Costa Mesa because that will be impacting the birds that live in the surrounding nature preserves.

And that's my comment. Thank you.

MR. SUKER: My name is Norm Suker, S-u-k-e-r, and basically all the thunder has been taken, but I wanted to state that I've been a resident of Newport Crest for over 20 years, and in that time -- this proposal represents the third go-round. So I'm familiar with the process.

But in all the times in the past, the City has basically guaranteed to the residents of Newport Crest that our view will be maintained, and with a 50-foot hotel right in front of my unit, I'm certainly not going to have my view maintained.

And also, Bluff Road had always been closer to the center of the development, and this proposal is to move it very close to Newport Crest. And I personally object to it, and I think everybody else objects to it. That's all.

MS. PRIVITT: Is there anyone -- I think there was maybe a couple people who wanted to make it very quick. I don't want to go back to one more time, but is there anyone else who has not spoken tonight who wishes to speak?

MR. BROWN: My name is Steven Brown, and I live in Newport Terrace, and I walk in Talbert every day with my

dog, and I haven't seen many of you people out there that are complaining about this project.

As to the Bluff Road, I think it's a good idea because police and fire would have another access to Newport Terrace and would kind of dangle out at the end of Newport Beach, and 19th Street has got to be hard thing for the Newport P.D. to shoot across to try to come out to help us, as well as Fire.

And I think the Bluff Road being up against the bluff is a good idea because it's gonna leave more of that green area available for the avian population that everybody keeps talking about, and they're really cramped now because of the oil facilities that are out there. But from everything I'm hearing from the developer, he's going to address that and actually make the area better for the wildlife after we get done with it.

MR. BARTRAM: I'm out there all the time.

MR. BROWN: I haven't seen you there. I'm there every day. Twice a day. So next time you're out there, say hi.

MS. PRIVITT: Let's keep it down, please.

I think there was two people who wanted to briefly speak. I'll give you a couple minutes each because we don't want to reiterate everything. And is there anyone

else who hasn't spoken who would like to speak?

MR. HAGEMAN: Rod Hageman.

I just see the absence, I think, of a scale on this chart. It's a little difficult to visualize distances and spaces and so on. I think your chart should be prepared that has a scale.

And secondly, I think that the developer maybe owes us a planner's or architect's model of this project that can be placed in City Hall for all to see the elevations. Much more to it than the flat map. And I would ask do the developers have to put up a surety bond to guarantee their credibility and capacity to do a project like this before they engage all of these parties. Thank you.

MR. RAY: Steve Ray again.

Yeah, just two items very quickly. First of all, I know when studies are done, I know the City's consultants are conducting the formal EIR studies and review, but I know it's also quite common to adopt studies that have been completed by the applicant's consultants, as well, and I would seriously recommend that if that is the case, if any of the consultant studies are to be adopted or placed in the EIR, that a formal peer review be done of those studies prior to their inclusion in the EIR.

Second, given all of the comments made here and all of the potential and probable impacts of this project, I would hope that the cumulative impacts requirement of CEQA be seriously discussed and analyzed as to why with all of the cumulative impact of the project that there would -- there would be potential approval or acceptance of the project, especially if the project is deemed to be the first alternative.

Thank you.

MR. BARTRAM: Bruce Bartram once again.

There were comments concerning Hoag Hospital and possible impacts that this project might have on their emergency services. It should be part of the EIR to take into account that Hoag Hospital itself is going forward with expansion of its facilities.

According to the 1992 development agreement that was signed with the City of Newport Beach, according to its web site, in the next few years there's going to be a new and expanded child care center, expansion of the emergency room, there are plans to turn the outpatient services building on the lower campus to provide increased cancer, neuro and imaging services, a south building on the upper campus for expanding health and vascular institute and increased critical care capabilities, as well as much-needed parking facilities.

The EIR should include the fact that one of those

parking facilities was recently opened on Superior Avenue just south of the City's utility yard. Finally, when I contacted the Hoag Hospital's public information officer to get more details concerning their expansion projects, when I told them what was the purpose of my call, that this -- and told them of the proposed Banning Ranch project, in essence their neighborhood, they told me that they had not received any notice from the City of the project. And her overall reaction to the project when I described the 1375-unit development, the hotel and the other buildup proposed, her response was "wow."

So I would request that the EIR address the proposed or planned expansion of the whole hospital facilities in its relation with this project for the overall environmental impacts on our community.

Thank you.

MS. PRIVITT: I want to thank everyone very much for your very insightful comments and questions. As I indicated, the review period for the Notice of Preparation ends on April 17th.

We will stay around for a few minutes. Thank you, and have a good evening.

(Whereupon the meeting adjourned at

8:57 p.m.)

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STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

I, MARY E. PIERCE, Certified Shorthand Reporter 6143 for
the State of California, certify:

That I attended the foregoing hearing and that all comments
made at the time of the proceedings were recorded
stenographically by me and that the foregoing transcript
is a true record of the proceedings and all comments made
at the time thereof.

I hereby certify that I am not interested in the event of
the action.

IN WITNESS WHEREOF, I have subscribed my name this 22nd day
of April, 2009.

Certified Shorthand Reporter
in and for the State of California

