

**2.1 Brief Planning History of Newport Banning Ranch**

**2.1.1 Oil Field Development**

According to a 1998 report prepared by West Newport Oil Company, Newport Banning Ranch has been an operating oil field for over 65 years, when the West Newport Oil Field was discovered in 1943 with the drilling of Banning #1 on the Site by D.W. Elliott. Oil production continued through the 1940s, 1950s, and 1960s.

In 1972, the South Coast Regional Coastal Zone Conservation Commission granted a Claim for Exemption No. E-7-27-73-144 for the NBR, requiring no permit from the Coastal Commission for continued oil operations.

Since its discovery, Oil well drilling and production continued on the Site, resulting in 295 wells by 1972 and 486 wells by 1985.

To date, Newport Banning Ranch has produced approximately 36,000,000 barrels of oil, of the total recoverable reserves estimated at 50,000,000 barrels.

**2.1.2 Redevelopment Planning**

Planning for the phased redevelopment of the Newport Banning Ranch portion of the West Newport Oil Field was begun about 26 years ago.

In 1982, the City of Newport Beach approved the Banning Newport Ranch Planned Community (“PC”) District Regulations for 75.5 acres of the Site, including approximately 41 acres within the

City’s corporate boundary as well as portions within the unincorporated County of Orange. The 1982 plan permitted 406 dwelling units, 400,000 square feet of office/industrial use, and a 5-acre neighborhood park on the 75.5 acres.

In 1983, Mobil Oil and Armstrong Petroleum purchased the NBR surface rights from the Banning Family.

In 1992, a 92-acre restoration of an adjacent parcel known as the Santa Ana River Marsh and located between the Site and the Santa Ana River was completed by the U.S. Army Corps of Engineers. The restoration area, acquired and restored to full tidal wetlands as a part of the Santa Ana River Flood Control Project, was formerly an oil and gas production area that contained 19 oil wells and related facilities.

In 1995 the Newport Beach City Council amended the Banning Newport Ranch Planned Community District Regulations, which remain the existing zoning for the currently incorporated portion of the Property.

The same year, the City acquired three acres of the Property for the expansion of the existing City Utilities Yard and the construction/expansion of an underground potable water reservoir. In addition – and within the adopted Sphere of Influence of the City of Newport Beach – the unincorporated portion of the Newport Banning Ranch was referred to in the City’s General Plan as portions of Unincorporated Statistical Areas A1.4 and A1.5. Prior to the 2006 General Plan Update, these areas were designated for a total of 2,329 single-family attached units and 65,340 square feet of neighborhood commercial uses.

The Plan also called for neighborhood and view parks, and public riding and hiking trails.

In 1991, a Land Use Plan was prepared but not approved for the unincorporated portion of the Newport Banning Ranch as the initial step in processing a Local Coastal Program for the area through the County of Orange. The 1991 Plan anticipated the development of 2,642 residential units on 233 acres, with 11 acres of neighborhood commercial, 3 acres of visitor-serving commercial, 14 acres of combined school/park use, and 5 acres of neighborhood parks.

In 2000, an application for a Local Coastal Program was drafted and submitted by Taylor Woodrow – again for processing through the County of Orange as the lead local agency but in consultation with the City of Newport Beach. The County issued a Notice of Preparation and initiated preparation of a Draft EIR. This plan called for 1,750 dwelling units, a 70-room hotel, 75,000 square feet of local commercial, and a school site. Following a market slowdown and change in management direction, Taylor Woodrow terminated its involvement.

Within five years, planning for Newport Banning Ranch took a new direction in the context of a city-wide program directed by the City of Newport Beach.

**2.1.3 2006 General Plan Update**

In 2005, the City of Newport Beach formed the General Plan Advisory Committee (“GPAC”) to prepare land use recommendations for undeveloped land in the area – including the Newport Banning Ranch – as part of its city-wide General Plan Update (“GPU”). The GPAC considered the various impacts that potential developments would have on traffic, revenue generated for the City, and jobs and services provided to Newport Beach residents as well as other environmental impacts and benefits.

The General Plan Update was adopted by the City Council on July 25, 2006 and approved by the voters on November 6, 2006. As stated in the final General Plan:

*“The General Plan prioritizes the acquisition of Banning Ranch as an open space amenity for the community and region....”*

*“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....”*

*“The property owner may pursue entitlement and permits for a residential village during the time allowed for acquisition as open space.”*

This Planned Community Development Plan was drafted by the Landowner/Master Developer pursuant to this Option 2, in conjunction with a dual track process wherein the City is testing Option 1 as part of the dual track process authorized by the 2006 General Plan Update.

**2.1.4 Adopted General Plan Designation**

The entire Newport Banning Ranch Site is designated as Open Space/Residential Village – OS (RV), which provides land use regulations and development standards for both the priority (Option 1) and alternative use (Option 2) of the Site.

*If the Site is not acquired for open space, the designation "... permits the development of a planned residential community that integrates a mix of single-family detached, single-family attached, two family, and/or multi-family residential, with supporting schools, parks, community services, local-serving convenience commercial uses and services, and open spaces."*

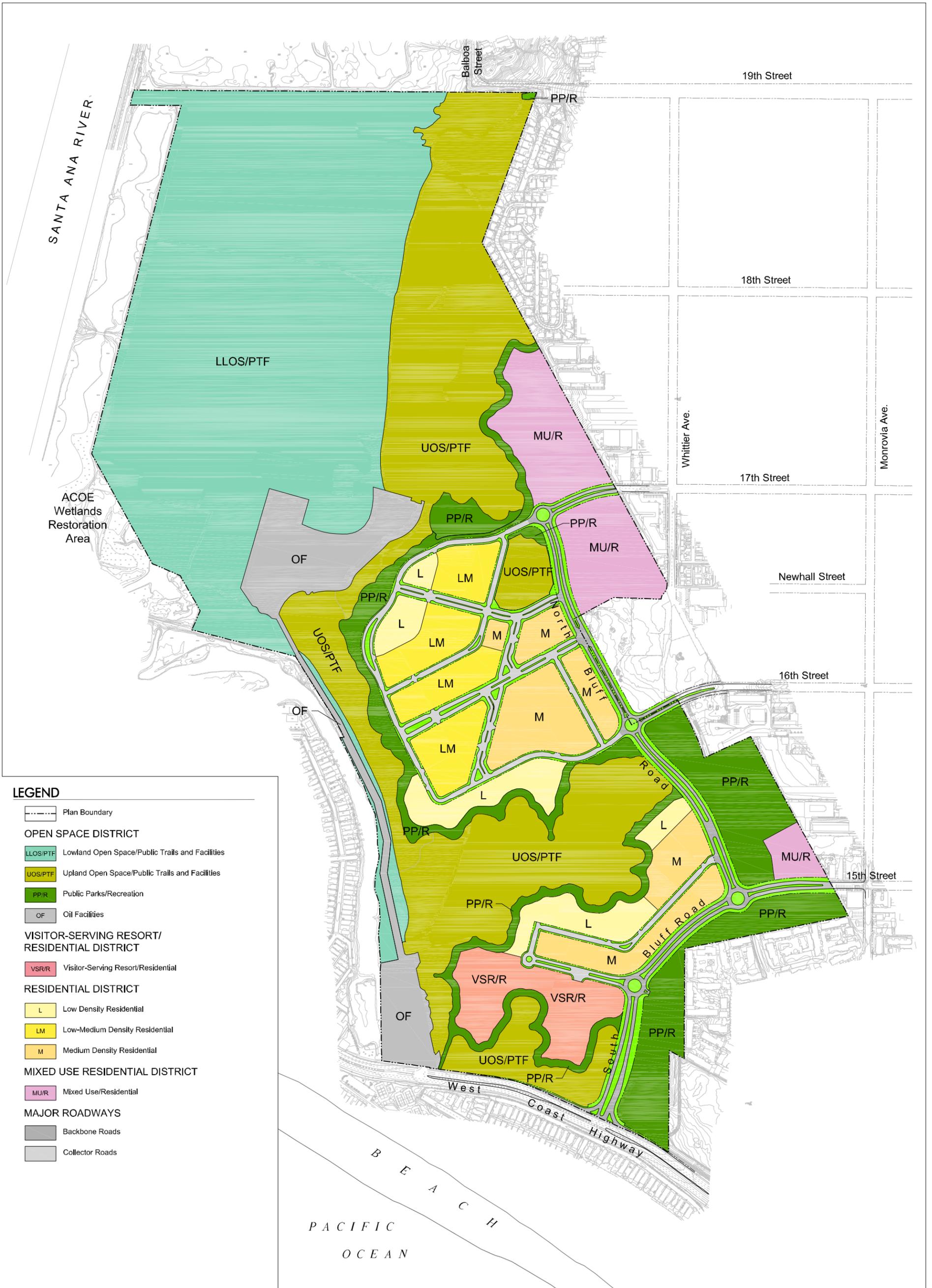
The General Plan goes on to state that the OS(RV) designation permits a "maximum of 1,375 residential units, 75,000 square feet of retail commercial, and 75 hotel rooms."

**2.2 Planned Community Development Plan**

The Newport Banning Ranch (NBR) Planned Community (PC) Development Plan, submitted to the City in December 2008, was drafted by the Landowner/Master Developer pursuant to Option 2 of the City's General Plan, authorized by the 2006 General Plan update. The PC Development Plan and Table are reproduced here as Exhibits 1.2-1 and 2.2-2, respectively.

**2.3 Environmental Impact Report**

In accordance with the California Environmental Quality Act (CEQA), the City of Newport Beach has begun the environmental review process, and will prepare and distribute a Draft Environmental Impact Report (EIR) for the NBR Project for public review and comment.



**LEGEND**

- Plan Boundary
- OPEN SPACE DISTRICT**
- LLOS/PTF Lowland Open Space/Public Trails and Facilities
- UOS/PTF Upland Open Space/Public Trails and Facilities
- PP/R Public Parks/Recreation
- OF Oil Facilities
- VISITOR-SERVING RESORT/RESIDENTIAL DISTRICT**
- VSR/R Visitor-Serving Resort/Residential
- RESIDENTIAL DISTRICT**
- L Low Density Residential
- LM Low-Medium Density Residential
- M Medium Density Residential
- MIXED USE RESIDENTIAL DISTRICT**
- MU/R Mixed Use/Residential
- MAJOR ROADWAYS**
- Backbone Roads
- Collector Roads

Exhibit I.2-2  
NBR PC Development Table  
Master Site Plan

| LAND USE DISTRICT                                    |   | GROSS ACRES <sup>(1)</sup> | RESIDENTIAL            |  |                                  |  | COMMERCIAL                                       |                                   | OVERNIGHT ACCOMMODATIONS         |                                  |
|--|---|----------------------------|------------------------|--|----------------------------------|--|--|-----------------------------------|----------------------------------|----------------------------------|
|  |   |                            | Planned Dwelling Units | Planned Density (DU/Ac) <sup>(2)</sup> | Maximum Permitted Dwelling Units | Maximum Permitted Density (DU/Ac) <sup>(3)</sup> | Planned Commercial Square Footage <sup>(8)</sup> | Maximum Commercial Square Footage | Planned Overnight Accommodations | Maximum Overnight Accommodations |
| <b>OPEN SPACE</b>                                    |   |                            |                        |  |                                  |  |  |                                   |                                  |                                  |
| LLOS/PTF   | Lowland Open Space / Public Trails and Facilities           | 131                        | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| UOS/PTF  | Upland Open Space / Public Trails and Facilities            | 96                         | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| PP/R   | Public Parks / Recreation                                   | 44                         | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| OF   | Oil Facilities (interim use)                                | 19                         | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| <i>Subtotal Open Space</i>                           |   | <b>291</b>                 | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| <b>VISITOR-SERVING RESORT / RESIDENTIAL</b>          |   |                            |                        |  |                                  |  |  |                                   |                                  |                                  |
| VSR/R  | Visitor-Serving Resort / Residential <sup>(4)</sup>         | 11                         | 116                    | 11                                     | 200                              | 19   | 0  | 75,000                            | 75                               | 75                               |
| <i>Subtotal Visitor-Serving Resort / Residential</i> |   | <b>11</b>                  | <b>116</b>             | --                                     | --                               | --   | <b>0</b>   | <b>75,000</b>                     | <b>75</b>                        | <b>75</b>                        |
| <b>RESIDENTIAL</b>                                   |   |                            |                        |  |                                  |  |  |                                   |                                  |                                  |
| L  | Low Density Residential                                     | 15                         | 65                     | 4                                      | 123                              | 8  | <sup>(5)</sup>                                   | <sup>(5)</sup>                    | --                               | --                               |
| LM   | Low-Medium Density Residential                              | 21                         | 163                    | 8                                      | 295                              | 14   | <sup>(5)</sup>                                   | <sup>(5)</sup>                    | --                               | --                               |
| M  | Medium Density Residential                                  | 27                         | 225                    | 8                                      | 544                              | 20   | <sup>(5)</sup>                                   | <sup>(5)</sup>                    | --                               | --                               |
| <i>Subtotal Residential</i>                          |   | <b>64</b>                  | <b>453</b>             | --                                     | --                               | --   | <sup>(5)</sup>                                   | <sup>(5)</sup>                    | --                               | --                               |
| <b>MIXED-USE / RESIDENTIAL</b>                       |   |                            |                        |  |                                  |  |  |                                   |                                  |                                  |
| MU/R   | Mixed-Use / Residential                                     | 21                         | 806                    | 38                                     | 971                              | 46   | 75,000   | 75,000                            | --                               | --                               |
| <i>Subtotal Mixed-Use / Residential</i>              |   | <b>21</b>                  | <b>806</b>             | --                                     | --                               | --   | <b>75,000</b>                                    | <b>75,000</b>                     | <b>0</b>                         | <b>0</b>                         |
| <b>BACKBONE ROADWAYS</b>                             |   |                            |                        |  |                                  |  |  |                                   |                                  |                                  |
| --   | South Bluff Road (4-Lane Arterial)                          | 6                          | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| --   | North Bluff Road (2-Lane Enhanced Collector) <sup>(6)</sup> | 7                          | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| --   | 15th Street (4-Lane Arterial) <sup>(7)</sup>                | 3                          | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| --   | 16th Street (2-Lane Enhanced Collector) <sup>(6) (7)</sup>  |                            | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| --   | 17th Street (2-Lane Enhanced Collector) <sup>(7)</sup>      |                            | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| <i>Subtotal Backbone Roadways</i>                    |   | <b>16</b>                  | --                     | --                                     | --                               | --   | --   | --                                | --                               | --                               |
| <b>Total Project</b>                                 |   | <b>402</b>                 | <b>1,375</b>           | --                                     | <b>1,375</b>                     | --   | <b>75,000</b>                                    | <b>75,000</b>                     | <b>75</b>                        | <b>75</b>                        |

(1) Gross land use acres are measured to centerlines of adjacent local road rights-of-way where such roads are shown on the plan.  
 (2) Planned density (DU/Ac.) within the maximum permitted density and reflecting planned dwelling units as shown on table. See description of Permitted Planning Area and Planned Dwelling Unit adjustments in Chapter 4 of the PC Development Plan.  
 (3) Maximum permitted density within the Land Use District.  
 (4) Residential density is computed on the basis of residential units per gross acre within the entire Visitor-Serving Resort / Residential Land Use District.  
 (5) Convenience commercial "corner stores", services, coffee shops/cafes, and similar local businesses may be proposed and shall be permitted within Residential Land Use Districts. Their square footage shall be included in the maximum commercial square footage for the community.  
 (6) Includes half-width rights-of-way from adjacent parcels for small portions of North Bluff Road and 16th Street as shown in Exhibit I.2-1.  
 (7) 15th Street, 16th Street, and 17th Street are approximately 1.3, .5, and .8 acres, respectively.  
 (8) Planned Commercial Square Footage excludes accessory visitor-serving commercial uses such as the spa, restaurant(s), etc. that are part of Visitor-Serving Resort