



city of newport beach

CITY MANAGER'S **QUARTERLY BUSINESS REPORT**

january - march 2013



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Quarterly Financial Report

city of newport beach | finance department

newportbeachca.gov | 949.644.3127

quarter ending march 31, 2013

EXECUTIVE SUMMARY

The Finance Department prepares quarterly financial reports to review the status of revenues and expenditures for the City's funds. This report contains information on resources and expenditures for the third quarter of the fiscal year, which is the period between January 1, 2013, and March 31, 2013. The City's major General Fund revenue categories are likely to perform above projected levels due to the improving economy. Current expenditures are thus far performing within expected levels. This report also provides a high-level summary of some of the major funding initiatives that will be proposed in the FY 2013-14 Operating Budget.



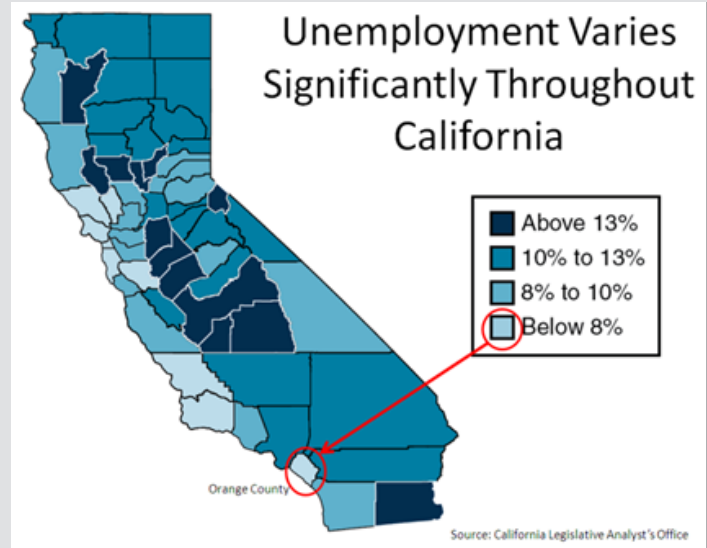
Recent economic forecasts predict that the largest employment gains in Orange County are among the City's most vital including leisure and hospitality, and professional, scientific and technical services. Higher sales tax revenue resulting from lower unemployment and higher discretionary spending on transportation, dining and leisure continues to improve the local economy through the third quarter.

Market Update

The Federal Open Market Committee meeting minutes of March 19–20, 2013, revealed that some policymakers were concerned about increased risks resulting from the central bank's aggressive monetary stimulus. The minutes suggested a growing sentiment for reducing asset purchases later this year. Skeptical policymakers said they were worried that continuing monetary stimulus could cause instability in the financial system along with a sudden rise in interest rates and inflation. Under the latest version of its quantitative easing policy, the Federal Reserve Board (FRB) is buying \$85 billion a month in U.S. Treasuries and mortgage-backed securities. The minutes offered market watchers a glimpse into how the FRB intends to unwind some of its \$3.2 trillion balance sheet. Committee members said holding its mortgage-backed securities debt to duration would minimize the potential disruptions to the markets. Although the final vote affirming the policy statement was nearly unanimous, with only one dissenting member, future FRB policy has the potential to significantly impact the broader economy.

Spending in the third quarter appears to be declining, according to a recent Commerce Department report. The decline in sales was broad-based with auto sales registering a 0.6% drop, sales at electronics and appliance stores falling 1.6%, and consumers spending 2.2% less on gasoline. The Producer Price Index dropped 0.6% in March, marking the largest one-month dip in wholesale prices since last May. Business inventories registered a slight increase of 0.1% in February, falling short of analysts' expectations.

Despite some of these negative economic indicators at the national level, the stock market continued its trip into record territory and the local economy continues to surge. According to the California Employment Development Department, the number of new jobs in Orange County increased 2.3%, or 30,600, from January 2012 to January 2013, suggesting widespread recovery across the local economy. As a result of these gains, Orange County's economy is expanding faster than that of California or the nation. Newport Beach's unemployment rate stood at 4.2% as of December 2012.



A recent forecast by the Los Angeles County Economic Development Corporation (LAEDC) predicts that the largest employment gains in Orange County will include those that are among the City's most vital including leisure and hospitality, and professional, scientific and technical services.

Orange County jobs in financial activities, which include mortgage refinancing, increased 5.3%, health-care positions grew 5.2% and professional and business services jobs, which include software development, rose 3.7 % from the prior year.

The growth in office jobs in Orange County in particular has been a boon for the commercial real estate market. Vacancy rates for the office market have fallen to as low as 13% in some parts of the county. The tourism industry has also driven economic activity in the area. The leisure and hospitality sector, which outperformed all other sectors, has grown 4.7% since February 2012, adding 8,200 jobs. The National Association of Realtors reported vacation-home sales in Orange County jumped 10.1% from last year. Economists predict February's 6.5% unemployment rate will decline to 6.1% next year and return to a more normal level of 5.2% by 2015. But it will take several more years for the county's jobless rate to reach a pre-recession level of about 4%, economists said in the report.

Top “3” Revenues

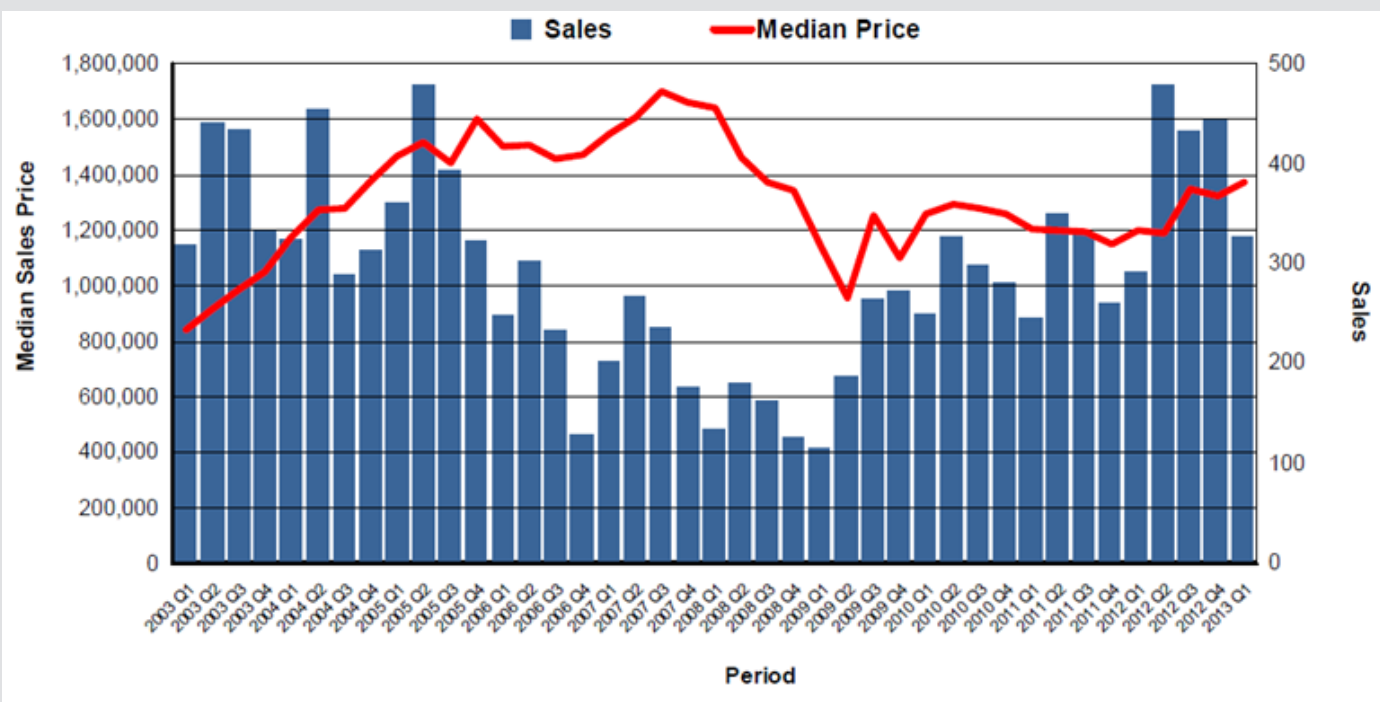
The General Fund’s top three revenue sources (Property Tax, Sales Tax, and Transient Occupancy Taxes) account for approximately 73% of General Fund revenues. With 75% of the year complete, General Fund revenues overall are at 69% of projections. This is generally consistent with prior years as certain revenues are received in the latter part of the fiscal year. Unlike prior periods, revenue results can be forecasted with greater confidence by the third quarter of the fiscal year. The City has long taken a conservative approach to forecasting revenues and continues to do so in the preparation of the FY 2013-14 budget, often assuming a “worst case scenario.” This fiscal conservatism has created a stable financial base. As a result, even in a downturn, the City of Newport Beach is able to maintain its services at a high level, while reducing expenses to accommodate reduced revenues. The City’s fiscal discipline has allowed it to prepare balanced budgets and to save, both during prosperous and difficult economic periods.

PROPERTY TAX

Property tax is the top source of revenue for the City, representing almost half (46.6%) of all General Fund revenues. Despite dramatic declines in the real estate market in recent years, sales data demonstrates the high market values throughout the residential communities of Newport Beach. As the chart below indicates, the median sales price in Newport Beach has shown a rise between March Q1 2012 and March Q1 2013. The number of sales during the same period has also risen.

City of Newport Beach Home Sales History

Single Family Residential Full Value Sales (01/01/2003 – 03/31/2012)



Overall, the City has received \$47.1 million, or 65%, of its budgeted property taxes through the third quarter of FY 2012-13. Secured property taxes are recorded as they are remitted, in large part, during December and April of each year. A large secured property tax payment is expected in late April. Most property tax revenue categories through March are thus far meeting or exceeding the prior year collection trend and the revenue category overall is 8% higher than at this same time last year. The "All Other" category is higher than last year due largely to a \$1.9 million anticipated one-time receipt by year-end from the county resulting from the dissolution of the Santa Ana Heights redevelopment area. The total amount expected by June 30, 2013, from the redevelopment area dissolution is \$2.6 million.

Housing demand within Orange County is increasing, as are housing prices, and new housing construction activity and commercial development are projected to continue growing in 2013. Existing home sales in Orange County rose to 34,380 last year from 29,398 in 2011 — a 17% rise. According to economists, home sales are

expected to grow 12% in 2013. The forecast for secured property tax is based on the amount of new construction completed, the growth in the City's property valuation, an estimate of the City's exposure to property tax appeals, an assumed tax collection rate and overall housing market trends. Tax revenue on the unsecured roll is based upon tenant-owned personal property and fixtures and is forecasted to decrease slightly based on current trends. The City receives supplemental property tax revenue when a change in ownership occurs or new construction is completed. Although supplemental tax revenue is increasing, the amount forecasted for this revenue source is less than originally forecasted in the FY 2012-13 budget due to trend indications. Overall, it is forecasted that property taxes will finish the year \$3.9 million, or 5.3%, higher than the FY 2012-13 amended budget. Fiscal Year 2013-14 property taxes are forecasted at \$77.6 million, or approximately 3.3% higher than the FY 2012-13 forecast, net of the one-time \$1.9 million receipt received in FY 2012-13.

	Amended Budget 2012/13	YTD Actual 2012/13	Prior Year YTD Actual 2011/12	Inc/Dec from PY	Percent Realized Budget 2012/13	2012/13 Forecast	Budget to 12/13 Forecast Variance	2013/14 Forecast (Preliminary)	12/13 Forecast to 12/14 Forecast Variance
Property Taxes									
Secured	\$60,236,000	\$37,252,835	\$35,632,346	4%	62%	\$61,424,455	\$1,188,455	\$63,881,433	4%
Unsecured	2,400,000	1,963,533	2,092,899	-7%	82%	2,266,203	(133,797)	2,266,203	0%
Prior Year Penalties & Interest	1,300,000	977,697	957,084	2%	75%	1,200,000	(100,000)	1,200,000	0%
Supplemental	725,000	420,400	267,401	36%	58%	600,000	(125,000)	600,000	0%
In Lieu of VLF	6,788,083	3,508,049	3,394,863	3%	52%	6,965,878	177,795	7,166,788	3%
All Other*	1,635,228	3,050,100	1,030,826	66%	187%	4,493,737	2,858,509	2,446,545	-46%
TOTAL	\$73,084,311	\$47,172,615	\$43,375,419	8%	65%	\$76,950,273	\$3,865,962	\$77,560,969	1%

*Includes an estimated one-time \$1.9 million receipt resulting from the dissolution of the Santa Ana Heights redevelopment area in FY 12/13

SALES TAXES

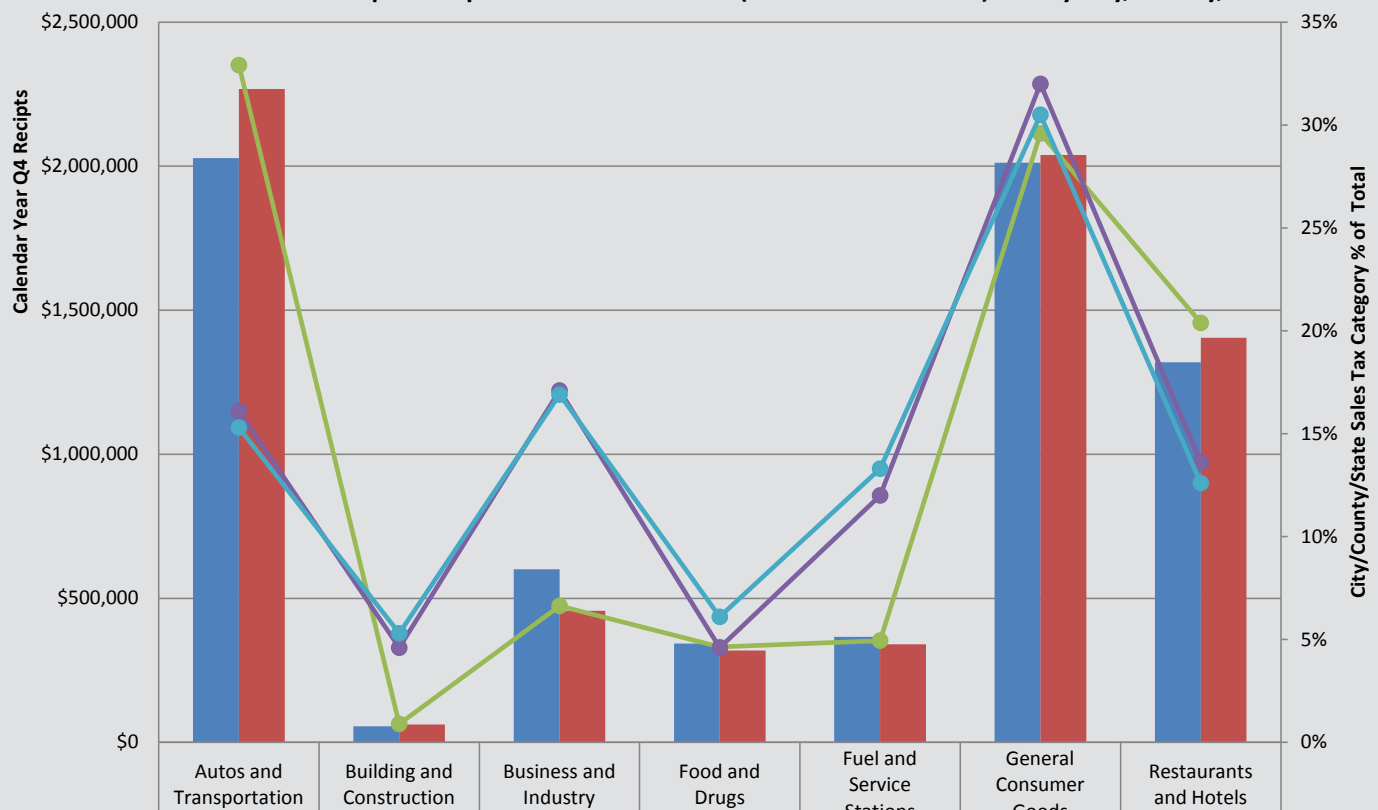
The City's sales tax base is largely generated from three main industry categories including autos and transportation, general consumer goods, and restaurants/hotels. The largest segment, "Autos and Transportation," accounts for 33% of total sales taxes and is represented by 181 new and used auto/boat/aircraft dealers, supply stores and repair shops. The next largest segment, "General Consumer Goods" accounts for 30% of total sales taxes and is represented by a multitude of stores and shops that provide various consumer goods. The third largest sales tax segment, "Restaurants and Hotels," accounts for 20% of total sales tax and is represented by 427 restaurants, hotels, clubs and other amusement places.

	Amended Budget 2012/13	YTD Actual 2012/13	Prior Year YTD Actual 2011/12	Inc/Dec from PY	Percent Realized Budget 2012/13	2012/13 Forecast	Budget to 12/13 Forecast Variance	2013/14 Forecast (Preliminary)	12/13 Forecast to 12/14 Forecast Variance
Sales Taxes									
Sales and Use Tax	\$20,180,129	\$12,130,810	\$11,413,559	6%	60%	\$21,102,543	\$922,414	\$22,247,340	5%
Property Tax in Lieu of Sales Tax	6,613,750	3,698,531	3,303,668	11%	56%	7,078,517	464,767	7,919,248	12%
TOTAL	\$26,793,879	\$15,829,342	\$14,717,227	7%	59%	\$28,181,060	\$1,387,181	\$30,166,588	7%

The City received \$15.8 million, or 59%, of its budgeted sales taxes through the end of the third quarter.¹ A comparison of sales tax performance from the prior year reveals that the City realized a 7% increase year-over-year. Overall, it is anticipated that sales taxes (including property tax in lieu of sales tax) will finish the year \$1.9 million, or 7%, higher than the FY 2012-13 amended budget. FY 2013-14 sales taxes are forecasted at \$30.2 million, or 7% higher than the FY 2012-13 forecast. These forecasts are based on a number of factors including adjustments for economic trends in various industries, adjustments based on the number of open and closed business permits, growth estimates from the State Department of Finance, and local economic trends.

The chart below compares the most currently available quarterly data with the same period of the prior year (from the second quarter - September 2012 to December 2012). Transportation, consumer goods, and restaurants have seen the largest gains and are indicative of growing consumer confidence. The chart also indicates that relative to the state and county, the City has a greater reliance on sales tax revenue from the autos/transportation and restaurants/hotels categories.

Sales Tax Receipts Comparison Year-Over-Year (Dec 2011 - Dec 2012) and by City, County, and State



¹ Businesses collecting sales and use taxes periodically remit the amount collected to the State Board of Equalization (BOE). To compensate for the lag time between the sales period and the time that the tax is remitted to the City, the BOE advances 90% of the net sales tax collections for the same period of the prior year. The difference between the advances and total actual receipts for the quarter is remitted in the form of "clean-up" payments, which are included in the March, June, September and December remittances. The amount of sales tax realized through December represents four monthly advance payments and one December 2012 clean-up payment.

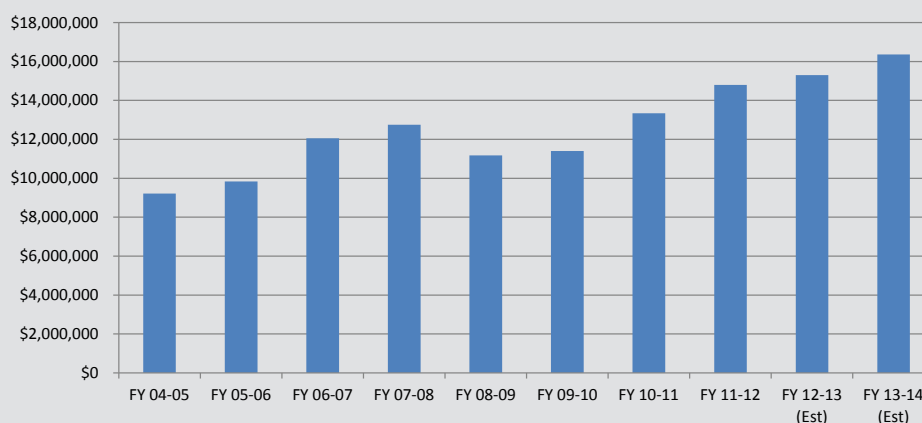
TRANSIENT OCCUPANCY TAXES

The City has received \$11 million, or 77%, of its budgeted Transient Occupancy Taxes (TOT) through the end of the third quarter. The amount collected represents a 9% increase over the same period last year. This increase is due to higher occupancy rates in the City's hotels, motels, cottages, and resorts and a generally improving travel and tourism business sector.

Amended Budget 2012/13	YTD Actual 2012/13	Prior Year YTD Actual 2011/12	Inc/Dec from PY	Percent Realized 2012/13	2012/13 Forecast	Budget to 12/13 Forecast Variance	2013/14 Forecast (Preliminary)	12/13 Forecast to 12/14 Forecast Variance
\$14,390,157	\$11,057,998	\$10,021,208	9%	77%	\$15,298,000	\$907,843	\$16,363,510	7%

The largest year-over-year transient occupancy tax increases were derived from the Fairmont Hotel, Marriot Resort, and Resort at Pelican Hill. It is anticipated that TOT will finish the year \$908,000, or 6.3%, higher than the FY 2012-13 amended budget. FY 2013-14 TOT is forecasted at \$16.4 million, or approximately 7% higher than the FY 2012-13 forecast.

Transient Occupancy Tax Receipts FY 04/05 to FY 13/14 (estimated)



GENERAL AND TIDELANDS FUNDS EXPENDITURES BY DEPARTMENT

With expenditures at 70% of the amended budget, the General and Tidelands Funds are generally on-track. The table below aggregates General and Tidelands Funds expenditures by department through March 31, 2013. Some departments incur a greater or lower level of expenditures in the first half of the year than in the second half due to the timing and seasonality of operations or programs. This variability is generally consistent with prior years.

Department	FY 12/13 Amended Budget	YTD Expended (3/31/13)	Percent Expended (3/31/13)	PY YTD Expended (3/31/12)	PY Percent Expended (3/31/12)
City Council	1,003,776	689,816	69%	851,683	75%
City Clerk	724,950	566,994	78%	433,622	78%
City Manager	2,630,510	1,482,981	56%	1,349,152	69%
HR	2,593,673	1,739,260	67%	1,647,076	69%
City Attorney	2,301,853	1,499,827	65%	1,449,603	63%
Finance	7,289,050	4,684,600	64%	4,828,589	70%
Police	43,892,717	32,658,484	74%	30,668,985	73%
Fire	35,989,564	26,598,116	74%	25,629,080	74%
Community Development	8,798,347	6,166,043	70%	6,327,569	71%
Municipal Operations	24,814,357	17,366,737	70%	16,899,678	70%
Library Services	7,418,858	5,230,440	71%	5,313,563	70%
Recreation & Senior Services	8,918,423	6,342,327	71%	6,170,908	73%
Public Works	8,402,854	5,471,007	65%	5,616,864	71%
Capital Projects	14,624,448	7,570,281	52%	9,265,485	60%
Total	\$ 169,403,381	\$ 118,066,911	70%	\$ 116,451,856	71%



Other Financial News

PENSION UPDATE: RECENT STATE AND CITY ACTIONS

The City of Newport Beach, like many other public organizations throughout the nation, is focusing on ways to address the imbalance where personnel expenditures continue to grow faster than revenues. Accrued pension liabilities continue to exceed assets set aside to fund the projected benefit obligations. And while the City has always funded 100% of the actuarial determined pension contribution, the market value of pension assets has been quite volatile. The combined effect of market volatility and changes in actuarial assumptions is that the unfunded liability has increased from less than \$2 million in 2007 to a high of \$263 million in 2009 but is still \$226 million as of the last actuarial valuation date on June 30, 2011. The following sections describe the key strategies and legislative enactments that have provided some relief to the City's pension burden.

Working collaboratively with employees to recalibrate the compensation structure and share in the costs of pension obligations

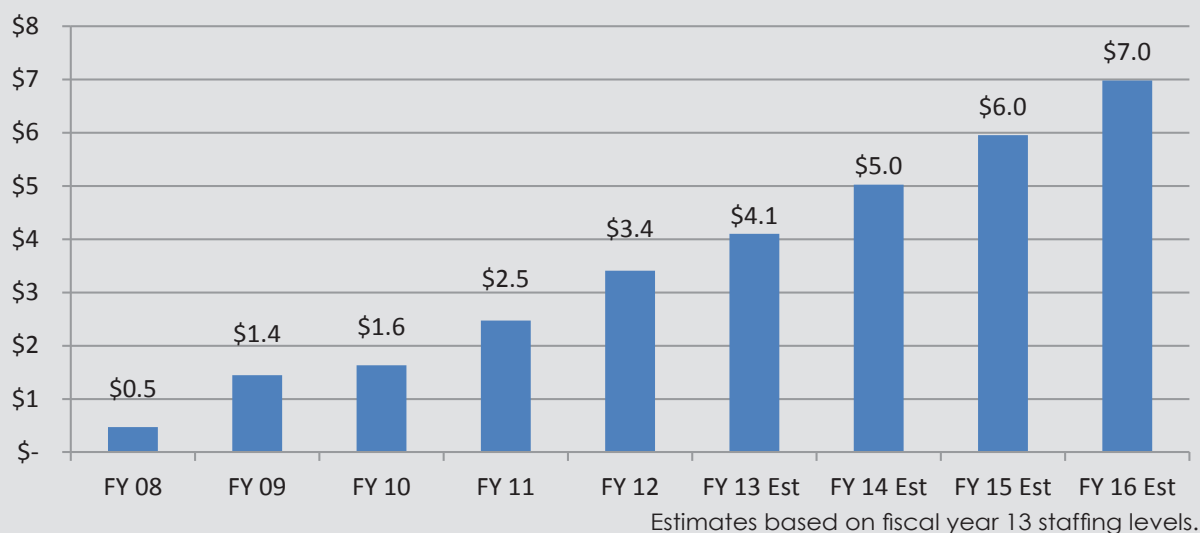
Through the recently concluded collective bargaining process, miscellaneous employees in non-safety departments agreed to a 1.45% increased pension contributions per year for three years, ending in 2015. This will result in these employees paying 12.35% of salary or almost 50% of their position's current pension obligation.

Negotiations are continuing with the miscellaneous employees in the Police and Fire departments. By the conclusion of FY 2013-14, all safety employees will be contributing 9% of their pensionable earnings to CalPERS or almost 25% of the total current pension obligation.

State legislative action supports some initiatives already undertaken by the City

The recently enacted State of California Public Employee Pension Reform Act of 2013 (PEPRA) will create lower benefits for employees that are new to the CalPERS retirement system. This will be a third tier of benefits as the City already implemented a second tier pension plan that will ultimately result in lower pension benefits at a higher age at retirement and includes employee cost sharing provisions. Among the PEPRA provisions, the most significant pension reform measures impacting the City are: reduced retirement formula and increased retirement ages, a cost sharing of 50% annual "normal cost" by all members, anti-spiking provisions, and pensionable compensation and limitations. This provision is not required until January 2018 and the City's miscellaneous and safety units already exceed this requirement.

Employee Pension Contributions (in Millions)



Accelerating payments to reduce costs over the long term

In April 2013, the City Council adopted a plan to accelerate payments towards the unfunded liability thus paying it down over a fixed and shorter time period avoiding potentially \$100 million of interest expense over the next 30 years. In a separate action, CalPERS adopted changes to its rate smoothing policies. These changes are expected to increase employer contribution rates in the near term, but improve the financial stability of the plans over time.

Implementing voluntary separation programs, outsourcing programs, and reducing staffing where possible

The City has been very proactive in restructuring and making strategic cuts in department operations, striving to evolve into a smarter, faster, smaller local government. The proposed FY 2013-14 balanced budget includes a net reduction of 16 full-time positions and 14 full-time equivalent (FTE) part-time positions. Many of the staff reductions were achieved via a Voluntary Separation Incentive Plan (VSIP) in which 21 employees participated. The Plan provides a six-month continuation of health insurance contributions and salary continuance of up to 10 weeks for employees who agreed to leave City employment prior to June 30, 2013. The one-time cash outlay for the VSIP benefit and leave cash-outs will cost nearly



\$700,000 initially but the ongoing salary and benefit savings will amount to \$1.4 million annually. In recent years the City outsourced its internal print shop operation, parking meter enforcement, and parking lot operations while also implementing a one-stop shop customer service counter that further reduced staffing costs.

In summary, the City has successfully pursued a number of strategies to drive the trajectory of future pension costs downward. However, the cost savings associated with these measures will take years to fully realize.

CONCLUSION

Over the past year, the City has developed several strategies to right size the organization, streamline processes, and to foster an environment of economic vitality. As the result, the City's financial position is generally performing as planned through the third quarter. In FY 2013-14, staff continues to take a conservative approach to forecasting revenues while proactively making strategic cuts to department operations. As the economy slowly moves beyond "recovery," management will continue to focus on Council priorities and maintain responsible fiscal planning and forecasting.

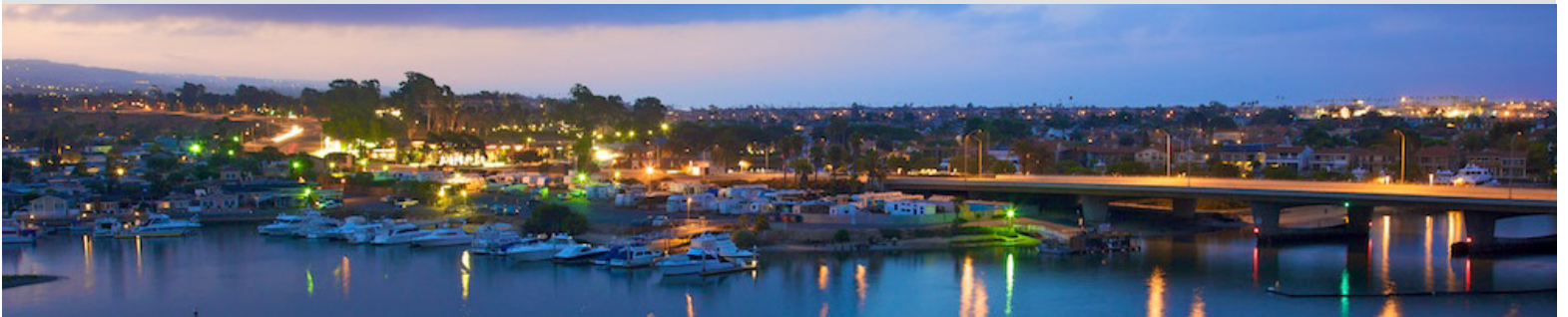


Boards, Commissions & Committees Report

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quarter ending march 31, 2013



Board of Library Trustees

PURPOSE:

Appointed by the Newport Beach City Council, the Board of Library Trustees is a policy-making board responsible for the administration of City libraries. The Board considers the annual budget for library purposes during the process of its preparation and makes recommendations to the City Council and City Manager. The Board also approves or disapproves the appointment, suspension, or removal of the Library Services Director. Subject to the approval of the City Council, the Board accepts money, personal property, or real estate donated to the City for library purposes, and contracts with schools, county, or other governmental agencies to render or receive library services or facilities.

COMMITTEE AUTHORIZATION:

City Charter, Article VII, Section 708

COMMITTEE MEMBERS:

Jill Johnson-Tucker (Chair), Stephanie Murguia, Jerry King, Eleanor M. Palk, Robyn Grant

LENGTH OF TERM FOR MEMBERS:

The five members of the board serve for a term of four years on a staggered basis.

FREQUENCY OF MEETINGS:

The first Monday each month, unless otherwise noticed.

STAFF LIAISON:

Cynthia Pulliam Cowell, MLS, Library Services Dir.

STAFF SUPPORT:

Staff allocates approximately 22 hours a month to this board.



QUARTERLY PROGRESS REPORT

The Board of Library Trustees met this quarter to discuss, review, or approve the following items:

- Annual budget – The Library Services budget for 2013/2014 was approved as submitted, subject to de minimis revisions as needed.
- Grand opening celebration – approved the Newport Beach Public Library Foundation's recommendation to purchase commemorative bookmarks as event giveaways, at a cost not to exceed \$4,000.
- Naming opportunities - approved a proposal to the Newport Beach Public Library Foundation regarding the size, length, and arrangement of letters for the nine designated areas.

Visit the library online at newportbeachca.gov/nbpl.

Building & Fire Board of Appeals

PURPOSE:

Determine the suitability of alternate materials and methods of construction; to provide for reasonable interpretations of the provisions of the Building and Fire Codes; to hear written appeals regarding the Chief Building Official's or Fire Marshal's determinations.

COMMITTEE AUTHORIZATION:

Uniform Administrative Code, Section 201 and NBMC 15.02.120

COMMITTEE MEMBERS:

Robert W. Yant (Vice Chair), James Anderson, Ernie Liske, Richard R. Luehrs, Stephen Sandland, and two vacant seats.

LENGTH OF TERM FOR MEMBERS:

The seven members of the board serve for a term of four years on a staggered basis.

FREQUENCY OF MEETINGS:

As needed

STAFF LIAISON:

Kevin Kitch, Assistant Fire Chief
Seimone Jurjis, Chief Building Official

STAFF SUPPORT:

When the board is called into session, staff allocates approximately six hours to each session. Costs for services are recovered by the payment of appeal application fees established by City Council resolution. If an item presented to the Board is staff generated, then no fees are recovered.

QUARTERLY PROGRESS REPORT:

The board did not meet during the quarter. Applications are being accepted to fill the two vacant seats and the seats of Mr. Liske and Mr. Luehrs whose terms expire on June 30, 2013, neither are eligible for reappointment.

City Arts Commission

PURPOSE:

Appointed by City Council, the City Arts Commission acts in an advisory capacity to the City Council in all matters pertaining to artistic, aesthetic and cultural aspects of the City. The City Arts Commission also recommends to the City Council the adoption of such ordinances, rules and regulations as it may deem necessary for the administration and preservation of fine arts, performing arts, historical, aesthetic and cultural aspects of the community. On behalf of the City, the Arts Commission actively encourages programs for the cultural enrichment of the community and performs such other duties relating to the arts as the City Council may require.

COMMITTEE AUTHORIZATION:

City Charter, Article VII, Section 712

COMMITTEE MEMBERS:

Robert Smith (Chair), Rita Goldberg (Vice Chair), Carole Boller (Secretary), Arlene Greer, Gilbert Lasky, Caroline Logan, Christopher Trela

LENGTH OF TERM FOR MEMBERS:

The seven members of the commission serve for a term of four years on a staggered basis.

FREQUENCY OF MEETINGS:

The second Thursday each month, unless otherwise noticed.

STAFF LIAISON:

Jana Barbier, Cultural Arts Coordinator

STAFF SUPPORT:

Staff allocates approximately 60 hours a month to this commission.



QUARTERLY PROGRESS REPORT:

The City Arts Commission met this quarter to discuss, review, or approve the following items:

- Concerts in the Parks and Shakespeare by the Sea – met with staff to finalize performers, parks and dates for this season's performances.
- Museum Tours – hosted a February 21 tour to The Norton Simon Museum to see Vincent van Gogh's Self Portrait.
- Art Exhibitions – confirmed logistics for the year-long exhibition of donated historic California Scene Paintings that will rotate every four months from May 1, 2013 – April 30, 2014.
- Newport Beach Art Exhibition and Sale - finalized marketing, accepted preregistration forms from 65 artists, and coordinated the April 13 event at OASIS Senior Center.
- Public Art – discussed several offered artworks as donations or through purchase for site installation at the Civic Center and other municipal properties. In March, the City Council accepted a sculpture titled "Uprooted II" by local artist Sarah A. Wilkinson, for a year-long loan and display at the Civic Center. Staff began the process of accumulating City-owned artwork from the old City Hall on Newport Boulevard to inventory, clean and store in the new art storage room located in the expanded Central Library.

More information on the City's cultural arts programs can be found online at newportbeachca.gov/culturalarts.

Civil Service Board

PURPOSE:

Advise the Council on personnel matters, recommend changes to the Civil Service System Rules and Regulations, conduct appeal hearings of City employees for disciplinary issues and launch personnel administration investigations for City employees covered by one of the Safety Bargaining Units (FFA, FMA, LMA, NBPA and PMA) and report its findings to City Council and Manager.

COMMITTEE AUTHORIZATION:

City Charter, Article VII, Sections 710 & 711

COMMITTEE MEMBERS:

James "Mickey" Dunlap (Chair), Maiqual Talbot (Vice Chair), Debra Allen, Douglas Coulter, Hugh Logan

LENGTH OF TERM FOR MEMBERS:

The five members of the board serve for a term of four years on a staggered basis.

FREQUENCY OF MEETINGS:

The first Monday each month, unless otherwise noticed.

STAFF LIAISON:

Terri L. Cassidy, J.D.,
Deputy City Manager/Human Resources Director
Jyll Ramirez, Admin. Assistant to the HR Director

STAFF SUPPORT:

Staff allocates approximately 20-25 hours a month to this board, with an increase in staff time if hearings are necessary.

QUARTERLY PROGRESS REPORT:

The Civil Service Board kicked off 2013 with informational presentations on various City department services and programs offered to the community and staff. Life Safety Specialist II Matt Brisbois delivered an excellent presentation on the Fire Department's Community Emergency Response Team (CERT) program, the 2012 FEMA Winner for Outstanding Team Initiatives. Offering an equally dynamic presentation was Recreation Department Senior Services Manager Celeste Jardine-Haug, who spoke about the various classes and lifestyle enhancing benefits offered by the OASIS Senior Center. Finally, Human Resources' Department Assistant Kelsey Kenz shared Newport Beach's interest and participation in the Healthy Eating Active Lifestyle (HEAL) program (a joint venture of League of California Cities and Kaiser Permanente). The HEAL program focuses attention on the city's fresh food at Farmer's Markets to many parks and trails available for fitness, and is supported by the City Manager's Office and Human Resources to emphasize our commitment to wellness/fitness in City staff and the community. For more information on the City's HEAL program, visit newportbeachca.gov/heal.



The presentations are beneficial on multiple levels, including a deeper awareness of what City departments have to offer, a chance for employees to meet the Civil Service Board Members (and vice versa) and giving staff members the opportunity to practice presentation skills and increase public speaking experience.

There were no employee appeals before the Board this quarter.

Harbor Commission

PURPOSE:

The purpose of the Harbor Commission is to provide the City of Newport Beach with an advisory body representing the diverse uses of Newport Harbor and its waterfront.

- A. Advise the City Council in all matters pertaining to the use, control, operation, promotion and regulation of all vessels and watercraft within the Newport Harbor.
- B. Approve, conditionally approve, or disapprove applications on all harbor permits where the City of Newport Beach Municipal Code assigns the authority for the decision to the Harbor Commission.
- C. Serve as an appellate and reviewing body for decisions of the City Manager on harbor permits, leases, and other harbor-related administrative matters where the City of Newport Beach Municipal Code assigns such authority to the Harbor Commission.
- D. Advise the City Council on proposed harbor-related improvements.
- E. Advise the Planning Commission and City Council on land use and property development applications referred to the Harbor Commission by the City Council, Planning Commission, or the City Manager.
- F. Make recommendations to the City Council for the adoption of regulations and programs necessary for the ongoing implementation of the goals, objectives, and policies of the Harbor and Bay Element of the General Plan.

COMMITTEE AUTHORIZATION:

City Charter, Article VII, Section 702

COMMITTEE MEMBERS:

Doug West (Chair), Duncan McIntosh (Vice Chair), Brad Avery, David Girling, Ralph Rodheim, Paul Blank, Karen Rhyne and City Council Liaison Council Member Gardner

LENGTH OF TERM FOR MEMBERS:

The seven members of the commission serve for a term of four years on a staggered basis.



FREQUENCY OF MEETINGS:

The second Wednesday of each month, unless otherwise noticed.

STAFF LIAISON:

Chris Miller, Harbor Resources Manager
Shannon Levin, Harbor Resources Supervisor

STAFF SUPPORT:

Staff allocates approximately 25 hours per month to this commission.

QUARTERLY PROGRESS REPORT:

The Harbor Commission met this quarter to discuss, review, or approve the following items:

- Stand up paddle boarding in Newport Harbor
- Proposed options and recommended approach for the City's Regional General Permit in 2014
- The proposed plan for eelgrass in Newport Harbor
- Yearly mooring permit review for the Virgin Oceanic Mooring in Newport Harbor
- Dock project appeal for 2222 Channel Road
- Discussed the future of City owned property at Lower Castaways
- Alternative mooring ideas for Newport Harbor
- Revisions to the purpose and responsibilities of the commission

The City's Harbor Guide is available online at newportbeachca.gov/harborguide.

Parks, Beaches & Recreation Commission

PURPOSE:

- A. Act in an advisory capacity to the City Council in all matters pertaining to parks, beaches, recreation, parkways and street trees.
- B. Assist in the planning of parks and recreation programs for the inhabitants of the City, promote and stimulate public interest therein, and to that end, solicit to the fullest extent possible, the cooperation of school authorities and other public and private agencies interested therein.
- C. Establish policies for the acquisition, development and improvement of parks, beaches and playgrounds and for the planting, care and removal of trees and shrubs in all parks, playgrounds and streets, subject to the rights and powers of the City Council.
- D. Perform such other duties as may be prescribed by ordinance not inconsistent with the provisions of the City Charter.

COMMITTEE AUTHORIZATION:

City Charter, Article VII, Section 709

COMMITTEE MEMBERS:

Kathy Hamilton (Chair), Tom Anderson (Vice Chair), Ron Cole, Roy Englebrecht, Phillip Lugar, Marie Marston and Jack Tingley

LENGTH OF TERM FOR MEMBERS:

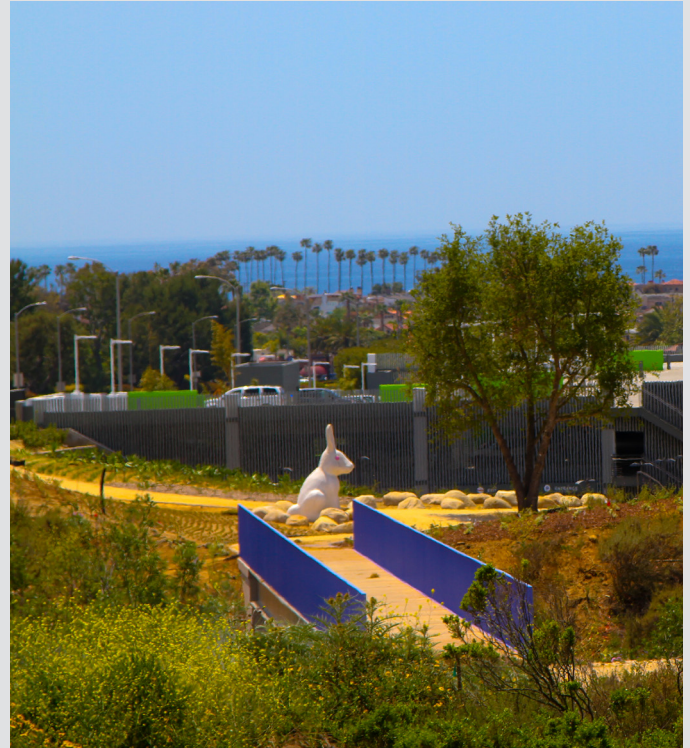
The seven members of the commission serve for a term of four years on a staggered basis.

FREQUENCY OF MEETINGS:

The first Tuesday each month, unless otherwise noticed

STAFF LIAISON:

Laura Detweiler, Recreation & Senior Services Dir.
Mark Harmon, Municipal Operations Director



STAFF SUPPORT:

Staff allocates approximately 57 hours per month to this commission. This includes staff from the Recreation & Senior Services Department and the Municipal Operations Department.

QUARTERLY PROGRESS REPORT:

The Parks, Beaches & Recreation Commission met this quarter to discuss, review, or approve the following items:

- Award presentations – Presidential Volunteer Award and Youth Flag Football Champions
- Bench donation – one approved
- Special Tree removals – one approved
- Street Tree Designation discussion – received and filed
- Tree donation – one approved
- Tree removal appeal – one denied

Planning Commission

PURPOSE:

The Planning Commission has the following duties as established by the City Charter:

- A. After a public hearing thereon, recommended to the City Council the adoption, amendment or repeal of a Master Plan, or any part thereof, for the physical development of the City;
- B. Exercise such control over land subdivisions as is granted to it by ordinance not inconsistent with the provisions of the Charter;
- C. Make recommendations to the City Council concerning proposed public works and for the clearance and rebuilding of blighted or substandard areas within the City; and
- D. Exercise such functions with respect to zoning and land use as may be prescribed by ordinance not inconsistent with the provisions the Charter.

COMMITTEE AUTHORIZATION:

City Charter, Article VII, Sections 706/707

COMMITTEE MEMBERS:

Michael Toerge (Chair), Bradley Hillgren (Vice Chair), Fred Ameri (Secretary), Tim Brown, Kory Kramer, Jay Meyers, and Larry Tucker

LENGTH OF TERM FOR MEMBERS:

The seven members of the commission serve for a term of four years.

FREQUENCY OF MEETINGS:

Twice per month on the Thursday preceding City Council meetings unless otherwise noticed.

STAFF LIAISON:

Kimberly Brandt, Community Development Director

STAFF SUPPORT:

Staff allocates approximately 25 hours per month to this commission.

QUARTERLY PROGRESS REPORT:

The Planning Commission met this quarter to discuss, review, or approve the following items:

- Uptown Newport – completed review and recommended City Council approval.
- Corona del Mar Mixed Use Project (Plaza Corona del Mar) – approved
- General Plan - conducted annual review
- Zoning Code Amendments - recommended City Council approval of three amendments to implement Housing Element strategies, development standards affecting mixed use development, and residential lot mergers.
- Old City Hall Reuse – recommended approval to amend the General Plan, Coastal Land Use Plan and Zoning Code to change the land use designation of the old City Hall property.
- Various Public Hearings – related to residential developments and architectural changes to the Mariners Point development.

Projected Tasks:

- Amendment to the Telecommunications Ordinance
- Draft Housing Element (completed on April 18, 2103)
- Continuation of discussion related to residential lot merger regulations
- Review Capital Improvement Program for General Plan compliance
- Woody's Wharf Conditional Use Permit (appeal in process)

Finance Committee

PURPOSE:

Responsible for fiscal governance, the Finance Committee reviews and monitors events and issues which may affect the financial status of the City and adheres to the Purpose and Responsibilities as amended by Resolution No. 2013-32.

COMMITTEE AUTHORIZATION:

Established by Resolution 94-110

COMMITTEE MEMBERS:

Mayor Curry, Council Member Henn (Chair), Council Member Petros

LENGTH OF TERM FOR MEMBERS:

Pursuant to Council Policy A-9, the Mayor makes annual appointments, subject to Council confirmation. There is no limit on the term Council Members may serve.

FREQUENCY OF MEETINGS:

Based on the 2013 work plan, the Finance Committee will meet monthly this year; however, at this time there are no meetings scheduled during the months of August, October or December.

STAFF LIAISON:

Dan Matusiewicz, Finance Director

STAFF SUPPORT:

Staff allocates approximately 20 hours per month to this committee. (It should be noted that the majority of the materials and reports provided to the Finance Committee are typical financial reports that would need to be produced and reviewed regardless of the Finance Committee's existence.)

QUARTERLY PROGRESS REPORT:

The Finance Committee met in February and March this quarter to discuss, review or approve the following items:

- The City's auditors, White Nelson Diehl Evans, communicated audit results for fiscal year ending June 30, 2012.
- Considered proposed revisions to the responsibilities of the Finance Committee Charter.
- Directed 2013 committee work plan calendar of meetings and topics.
- Reviewed highlights with actuary of the FY 2013-14 Post Employment Retiree Insurance Actuarial Valuation (AKA OPEB).
- Provided direction on CalPERS funding options.
- Assessed reserves level funding status and recommendations.
- Provided direction on updates to the Facilities Finance Plan.
- Conducted review of proposed revisions to Council Policies B-2, Park Fee Policy; F-28, Facilities Replacement Plan Policy; and a new Debt Management Policy.
- Reviewed an outline of the Request for Proposal for the Residential Solid Waste Program.

The City's budget documents can be found online at newportbeachca.gov/budget.

Balboa Village Advisory Committee

PURPOSE:

- A. Oversee the timely implementation of recommendations provided in the Balboa Village Master Plan approved by the City Council, including the establishment of appropriate priorities consistent with City Council directives;
- B. Provide recommendations to the City Council regarding: 1) the adoption of specific programs or projects consistent with the Implementation Plan; and 2) allocation of funding for Balboa Village projects derived from a proposed Parking Benefit District and other sources;
- C. Provide recommendations to the City Council regarding the addition, modification, or elimination of revitalization strategies;
- D. Provide recommendations to the governing board of a proposed Parking Benefit District for Balboa Village; and
- E. Such other matters as directed by the City Council.

COMMITTEE AUTHORIZATION:

Resolution No. 2012-85

COMMITTEE MEMBERS:

Council Member Henn, Council Member Petros, Ralph Rodheim, Tom Pollack, Gloria Oakes, Laura Keane, Jim Stratton

LENGTH OF TERM FOR MEMBERS:

December 31, 2016

FREQUENCY OF MEETINGS:

The second Wednesday each month, unless otherwise noticed.

STAFF LIAISON:

Brenda Wisneski, Deputy Community Development Director

STAFF SUPPORT:

Staff allocates approximately 45 hours per month to this committee.

QUARTERLY PROGRESS REPORT:

In January, the Balboa Village Advisory Committee (BVAC) approved the 2013 work program which focused primarily on parking strategies, including the residential permit parking program, development of parking benefits and shared district, evaluation of meter rates, creation of an employee permit parking program, evaluation of parking standards, and suspension of the in-lieu parking program. The City Council approved the work program and authorized pursuing the recommended parking strategies and retaining a parking consultant to conduct the necessary field surveys. Other programs being considered in 2013 include improved maintenance opportunities and a special event initiative. A parking subcommittee and commercial façade subcommittee were formed to support staff in project development.

The BVAC reviewed the current maintenance program for the Village and identified areas that may need greater attention which ranged from sidewalk cleaning to replacing trash receptacles. The City's Municipal Operations Director indicated many of the items could be addressed within the current budget, while the BVAC directed the more costly items to be addressed when the streetscape plan is reevaluated.

A parking survey was conducted at the end of March which evaluated occupancy, turnover, as well as the origin of the parked vehicle (i.e., resident, visitor, or employee). The survey will be repeated in the summer to evaluate the peak season. The results will be critical to formulate appropriate parking programs.

The commercial façade subcommittee is working with the Urban Land Institute to conduct a Technical Advisory Panel (TAP) on September 11, 2013; this intense, one-day workshop with a variety of design professionals will focus on identifying creative methods to enhance Balboa Village's public realm.

Bicycle Master Plan Oversight Committee

PURPOSE:

The committee will meet as-needed to review and provide input, guidance and a public forum for the preparation of the Bicycle Master Plan.

COMMITTEE AUTHORIZATION:

Resolution 2013-25

COMMITTEE MEMBERS:

Council Member Tony Petros (Chair), Michael Alti, Lou Cohen, John Heffernan, Robert Kahn, Greg Kline, Sean Matsler, Frank Peters

LENGTH OF TERM FOR MEMBERS:

The seven members of the committee serve for the duration of the Bicycle Master Plan process.

FREQUENCY OF MEETINGS:

As needed

STAFF LIAISON:

Brad Sommers, Senior Civil Engineer

STAFF SUPPORT:

Staff from the Public Works Department and It is estimated that staff from the Public Works Department, Community Development Department and Police Department will be involved in the preparation of the Bicycle Master Plan.

QUARTERLY PROGRESS REPORT:

Community members were invited to apply for the Bicycle Master Plan Oversight Committee (BMPOC) by the City Clerk and an Ad Hoc committee consisting of three City Council Members was created to review and recommend prospective committee members. Appointments were made to the committee at the May 14, 2013 City Council meeting.

In preparation of developing a bicycle master plan, staff prepared a request for proposal (RFP) that was released to qualified firms. A recommendation for contracting with the most qualified consultant is expected to happen in May.



Environmental Quality Affairs Committee

PURPOSE:

It shall be the duty of the Environmental Quality Affairs Committee to:

- A. Advise the City Council on policies, programs and projects that improve or detract from the environmental quality of the City, as requested by the City Council;
- B. Comment on Notices of Preparation, as requested by the City Council; and
- C. Advise on any matter referred to the Environmental Quality Affairs Committee by the City Council or City Manager.

COMMITTEE AUTHORIZATION:

Established by Resolution 2012-116

COMMITTEE MEMBERS:

Council Member Nancy Gardner (Chair), Council Member Tony Petros, Carl Cassidy, Tyler Gentry, Kimberly Jameson, Joshua Olazabal, Debbie Stevens, Merrit Van Sant, Josh Yocam

LENGTH OF TERM FOR MEMBERS:

The seven members appointed by the City Council shall serve a four-year term, with a limit of two consecutive terms. Council Member appointees shall serve a one-year term.

FREQUENCY OF MEETINGS:

As needed

STAFF LIAISON:

Patrick Alford, Planning Manager

STAFF SUPPORT:

Staff allocated approximately 20 hours to this committee during the quarter.

QUARTERLY PROGRESS REPORT:

The members of the reconstituted EQAC were appointed on February 12, 2013. Currently, only one active project is assigned to the Committee: the Back Bay Landing environmental impact report, which is estimated to be ready for review in June or July, 2013.



Newport Coast Advisory Committee

PURPOSE:

Advise the City in the implementation of the Newport Coast Annexation Agreement and any other issue relating to Newport Coast, Newport Ridge, or Crystal Cove.

COMMITTEE AUTHORIZATION:

Established by Resolution 2001-81

COMMITTEE MEMBERS:

Three members appointed by the City, four appointed by the Newport Coast Committee of 2000 (NCC2K). Current membership includes Mayor Gardner, Council Member Curry, Jim McGee (Chair), Gerry Ross (Vice Chair), Daniel Wampole and one vacancy

LENGTH OF TERM FOR MEMBERS:

The seven members of the committee serve for a term of three years.

FREQUENCY OF MEETINGS:

In recent years, called as needed.

STAFF LIAISON:

Dave Kiff, City Manager

STAFF SUPPORT:

Minimal given that the committee has not met in recent years.



QUARTERLY PROGRESS REPORT:

This committee cannot be disbanded without violating the Newport Coast Annexation Agreement, which calls for its creation and maintenance. This committee met frequently - monthly at least - in 2001, 2002, and for a few years after the January 1, 2002 annexation of the Newport Coast community. With the community center completed and operating, fairly few issues arise that require the committee to meet. Committee members remain relatively active in City issues, and very active in Newport Coast issues (typically via their Master Homeowners Associations).

Water Quality/Coastal Tidelands Committee

PURPOSE:

It shall be the duty of the Water Quality/Coastal Tidelands Committee to:

- A. Advise and make recommendations to the City Council on policies, projects and programs that support and/or strengthen existing regulations to protect water quality and habitat in the bay and ocean;
- B. Advise and make recommendations to the City Council on policies, programs and projects that improve the water quality and habitat of Newport Bay and the ocean;
- C. Advise the City Council on implementation of the Tidelands Infrastructure Capital Plan in the following areas:
 1. Sea level rise as it affects ocean beaches.
 2. Ocean beach sand replenishment.
 3. Other capital projects affecting the ocean beaches and tidelands not covered by other committees;
- D. Advise and make recommendations to the City Council on policies, programs and projects that educate the watershed's population about the value of Newport Bay and the ocean; and
- E. Advise on any matter referred to the Water Quality/Coastal Tidelands Committee by the City Council or City Manager.

COMMITTEE AUTHORIZATION:

Resolution 2012-115

COMMITTEE MEMBERS:

Council Member Gardner (Chair), Council Member Henn (Vice Chair), George Robertson, Tom Houston, Dennis Baker, Carl Cassidy, Louis Denger, Fred Galluccio and Laird Hayes

LENGTH OF TERM FOR MEMBERS:

The two non-voting Council Members shall serve a one-year term and the seven citizen members serve for a four-year term.

FREQUENCY OF MEETINGS:

The second Thursday each month, unless otherwise noticed.

STAFF LIAISON:

John Kappeler, Water Quality Manager

STAFF SUPPORT:

Staff allocates approximately 30 hours a month to this committee.

QUARTERLY PROGRESS REPORT:

The Water Quality/Coastal Tidelands Committee met this quarter to discuss, review, or approve the following items:

- Water quality projects and programs – reviewed the Santa Ana River Marsh Dredging project, the City's street sweeping program, the City's water quality and water conservation programs, the City's small vessel waste and refuse program and the committee's 2013 goal setting.
- Presentations – MiOcean Foundation and the EPA's New Water Quality Standards.



Aviation Committee

PURPOSE

Generally, to assist the City in the implementation of Council Policy A-17 (Newport Beach City Council Airport Policy).

COMMITTEE AUTHORIZATION:

Established by Resolution No. 9597 (1979). Recently amended by Resolution No. 2011-31 (April 12, 2011).

COMMITTEE MEMBERS:

City Council (3) - Leslie Daigle (Chair), Rush Hill (Vice Chair), and Tony Petros.
City Manager Dave Kiff
City Attorney Aaron Harp
Council District representatives - Kay Mortenson, Henry Arjad (#1), Eleanor Todd, Gerald Scarboro (#2), Tom Anderson, Bonnie O'Neil (#3), Tom Meng, Jock Marlo (#4), John Cunningham, Craig Page, Jock Marlow (#5), Shirley Conger, Lloyd "Bud" Rasner (#6), Suzanne Casey, Jim Dunlap (#7).
Representatives of Airport Working Group - Tony Khoury, Barbara Lichman
Representative from Airfair/SPON - Melinda Seely
Resident of Newport Coast/Newport Ridge - Roger Ham
General Aviation Representative – not yet named

LENGTH OF TERM FOR MEMBERS:

Not defined by Resolution.

FREQUENCY OF MEETINGS:

The last Monday of each month, unless otherwise noticed.

STAFF LIAISONS:

Dave Kiff, City Manager
Tom Edwards, Consultant

STAFF SUPPORT:

Tom Edwards' attendance at the meetings and his monthly "All Things Aviation" summary is part of his monthly retainer (\$5K/mo). Staff allocates approximately eight hours per month to this committee.

QUARTERLY PROGRESS REPORT:

The City sent a letter to the FAA regarding impacts to the community of the FAA's recent "NexGen" departure patterns for JWA called the "RAWLZ". RAWLZ is not yet adopted, but is intended to mimic the traditional departure patterns over Upper Newport Bay for flights staying west of Las Vegas or turning north (about 50% of all flights leaving JWA) and where the planes have cockpit equipment to follow the RAWLZ.

Committee members heard about the "prepared project" in the EIR that would amend and extend the neighborhood-friendly protections at JWA, including the commercial and general aviation curfews and the passenger and average daily departure caps for the loudest ("Class A") planes.

It generally is the Committee's position that the City always view Aviation via the lens of Council Policy A-17 (Newport Beach City Council Airport Policy). The policy does not speak to departure patterns that may impact one neighborhood over another, but it does speak to the importance (above all else) of the Settlement Agreement's protections.

More information can be found online at newportbeachca.gov/jwa.

General Plan/Local Coastal Program Implementation

PURPOSE:

The Committee is charged with the tasks of developing a work program for the following items and overseeing its progress:

- A. Revision of Coastal Land Use Plan;
- B. Revision of Zoning Code;
- C. Completion of Local Coastal Program Implementation Plan;
- D. Study of infrastructure needs associated with development authorized in the General Plan, and establishment of developer impact fees for infrastructure;
- E. Revision of City Council policies;
- F. Revision of Building Code;
- G. Public participation on the previous items; and
- H. Any other means of implementing the General Plan that may be assigned to the Committee by the City Council.

COMMITTEE AUTHORIZATION:

Established by Resolution No. 2006-106

COMMITTEE MEMBERS:

Council Member Selich (Chair), Mayor Pro Tem Hill, Council Member Gardner, Planning Commission Chair Michael Toerge, Planning Commissioner Fred Ameri, and Planning Commission Vice Chair Bradley Hillgren

LENGTH OF TERM FOR MEMBERS:

Ongoing until such time as the need for the committee no longer exists.

FREQUENCY OF MEETINGS:

Monthly, until the completion of the draft Implementation Plan.

STAFF LIAISON:

Brenda Wisneski, Deputy Community Development Director

STAFF SUPPORT:

Staff anticipates that approximately 20 hours per week will be spent drafting the Implementation Plan for review by the Committee.

QUARTERLY PROGRESS REPORT:

The committee met on April 24, 2013 to discuss the approach for developing the Coastal Implementation Plan (IP). It is anticipated that the committee will continue to meet monthly to oversee drafting of the IP and provide policy direction to City staff.

July 4th West Newport Safety Planning Committee



PURPOSE:

The July 4th West Newport Safety Committee was formed to assist the City of Newport Beach in identifying measures to help contain, and eventually eliminate, unruly behavior in West Newport on Independence Day. The Committee's goal is to create a safe, family friendly holiday environment that residents and visitors can equally enjoy.

COMMITTEE AUTHORIZATION:

Established by Council Resolution No. 2002-58 on September 10, 2002.

COMMITTEE MEMBERS:

Council Member Henn (Chair), Council Member Rosansky, Craig Batley, Mary Bryant, Paul Watkins, Margie Dorney, City Attorney or designee, Police Department staff member

LENGTH OF TERM FOR MEMBERS:

Ongoing until such time as the need for the committee no longer exists.

FREQUENCY OF MEETINGS:

As needed

STAFF LIAISON:

Tara Finnigan, Public Information Manager
Lt. Evan Sailor, Newport Beach Police Dept.

STAFF SUPPORT:

Minimal support needed for committee work. (Significant staff time expended for the traffic control, law enforcement, and community event efforts.)

QUARTERLY PROGRESS REPORT:

The committee did not meet this quarter.

Tidelands Management

PURPOSE:

The goals of the Tidelands Management Committee are to:

- A) Tidelands Capital Plan ("TCP"). Make recommendations to the full City Council as to the components, prioritization and implementation of the TCP.
- B) Large Tidelands Capital Needs. Make recommendations to the City Council as to large tidelands capital needs outside of the Harbor Commission's and Water Quality/Coastal Tidelands Committee's purview, such as in-harbor sea level rise related projects.
- C) Convene a Citizens Advisory Panel ("CAP") of up to seven members, one of whom shall be a member of the Harbor Commission, to assist the Committee in accomplishing the Committee's purpose and responsibilities. CAP members shall serve up to two two-year terms, staggered so that half of the CAP members serve for two final years as new CAP members' terms begin. The CAP members are not members of this Committee and shall serve strictly in a non-voting advisory capacity at the pleasure of the Committee.
- D) Such other duties as may be assigned from time-to-time by the City Council.

COMMITTEE AUTHORIZATION:

Established by Resolution 2011-26, amended by Resolution No. 2013-35

COMMITTEE MEMBERS:

Council Member Henn (Chair), Council Member Selich, Council Member Gardner

CITIZENS ADVISORY PANEL MEMBERS:

Linda Beimfohr, John Corrough, Win Fuller, Terry Hartman, Jeff Herdman, Jerry King, Don Lawrenz, Doug West

LENGTH OF TERM FOR MEMBERS:

Ongoing until rescinded by City Council action.



FREQUENCY OF MEETINGS:

The third Wednesday each month, unless otherwise noticed.

STAFF LIAISON:

Chris Miller, Harbor Resources Manager

STAFF SUPPORT:

Staff allocates approximately 30 hours per month to this committee.

QUARTERLY PROGRESS REPORT:

The Tidelands Management Committee met this quarter to discuss, review, or approve the following items:

- Segregating harbor fee increases for harbor related projects
- Tide control structure at the harbor entrance – conceptual overview
- User fees for Newport Harbor
- Tidelands Management Committee purpose and responsibilities – revisions
- Purpose and Responsibilities – review of the Commission's recommended revisions
- Newport Harbor revenue and expenses - review



Project Tracking Reports

city of newport beach | city manager's office

newportbeachca.gov | 949.644.3001

quarter ending march 31, 2013



Balboa Boulevard Beautification

Balboa Blvd. Beautification

DEPARTMENTS:

Public Works Department

PROJECT LEAD:

Iris Lee, Senior Civil Engineer

PROJECT START DATE:

Late 2012

TARGET COMPLETION DATE:

Spring 2014

DESCRIPTION:

In 2011, the City Council's Ad-Hoc Neighborhood Revitalization Committee (NRC) created a five-member Citizen Advisory Panel (CAP) to guide the development of several landscape revitalization conceptual plans in West Newport. Recommendations formulated by the CAP apply to three street segments in the City: (1) Balboa Boulevard from West Coast Highway to 22nd Street; (2) West Coast Highway from the Santa Ana River to Newport Boulevard; and (3) Superior Avenue from Ticonderoga Street to West Coast Highway.

As part of the 2012-2013 Fiscal Year Capital Improvement Program project budget, City Council approved funds to prepare construction documents for enhanced parkway and median landscaping on Balboa Boulevard from West Coast Highway to 22nd Street. These construction documents will build upon the CAP and Council approved conceptual plans, developed by David Volz Design Landscape Architects, Inc. (DVD), with focus on the following emphasis recommended by the NRC and CAP:

- Recognizing the West Coast Highway/Balboa Boulevard intersection as the "gateway" to the West Newport neighborhood and the creation of a landscape and signage plan specifically for the intersection;
- "Greening" of Balboa Boulevard through median expansion and planting, parkway and bulb-out planting, green screens at curb and residential walls where possible and appropriate; and
- Improving pedestrian experience along Balboa Boulevard.



FUNDING SOURCE:

General Fund

FUNDING REQUIRED FOR CONSTRUCTION:

\$2,145,000

FUNDING ALLOCATED TO DATE:

\$243,530

AMOUNT SPENT TO DATE:

\$188,750

STATUS TO DATE:

Following the City Council's approval of funding for the design, staff has been working closely with David Volz Design on the various design elements. The design development phase has been completed, and the construction document phase is approximately 80 percent complete. Given that a portion of the project is within Caltrans right-of-way, staff will be working with Caltrans to obtain the appropriate permits. The proposed CIP budget for FY 13-14 includes additional funding for construction. It is anticipated that construction documents will be completed and the project will be advertised for bids in Summer 2013 with construction starting in Fall 2013.



Civic Center & Park Construction

Civic Center & Park

DEPARTMENTS:

City Manager's Office
Public Works Department

PROJECT LEAD:

Steve Badum, Assistant City Manager

PROJECT START DATE:

2008

TARGET COMPLETION DATE:

Spring 2013

DESCRIPTION:

The Civic Center & Park construction project includes a LEED silver City Hall office building, one of the city's largest parks (15 acre), a 450-space parking structure, an emergency readiness center, a restored wetlands, a dog park and an expansion of the Newport Beach Central Library. It is located on two parcels inland of the Newport Beach Central Library and bordered by Avocado Avenue and MacArthur Boulevard. The project also includes a community room, new Council Chambers, a "One Stop" Customer Service Center, a civic green, and a small café to serve library and city hall customers.

FUNDING SOURCE:

Bond Proceeds and General Fund

FUNDING REQUIRED FOR CONSTRUCTION:

\$108,123,000 (estimated construction-does not include soft costs)

FUNDING ALLOCATED TO DATE:

\$108,123,000 (hard construction costs only)

AMOUNT SPENT TO DATE:

\$108,123,000

STATUS TO DATE:

After much anticipation, City staff moved in to the new building and we opened for business on April 11, 2013. On May 4, 2013, the Civic Center including the City Hall building, library extension, and park was officially dedicated. Approximately 2,500 community members attended the ribbon cutting and open house celebration.

Project and construction information and photos are available online at newportbeachca.gov/civiccenter.



City Hall Complex Re-use



City Hall Complex Re-use

DEPARTMENT:

Community Development

PROJECT LEAD:

Kimberly Brandt, Community Development Director

PROJECT START DATE:

July 2010

TARGET COMPLETION DATE:

December 2014

DESCRIPTION:

With the new Civic Center complete and staff moved in, the City has been planning for the re-use of the former City Hall complex located at the corner of Newport Boulevard and 32nd Street. The site provides an excellent opportunity for redevelopment in a manner that benefits the areas of Lido Village, Balboa Peninsula, and West Newport Beach. The goal is to develop and approve a plan for the future use of the property located at 3300 Newport Boulevard. Work is progressing on amendments to the General Plan, Coastal Land Use Plan, and Zoning Ordinance to accommodate a future mixed use development that would be either a luxury apartment community with possibly a small ancillary retail component or an upscale, boutique hotel with possibly a complementary residential element.

FUNDING SOURCE:

General Fund

TOTAL FUNDING REQUIRED FOR PROJECT:

Funding to be determined and is dependent upon the full scope of necessary analysis.

FUNDING ALLOCATED TO DATE:

Approximately \$90,000 has been allocated for the preparation of market and economic feasibility analysis and environmental review.

AMOUNT SPENT TO DATE:

Approximately \$90,000

STATUS TO DATE:

The City issued a Request for Proposals in early February 2013, and by the due date of April 18, 2013, a development proposal was received from R.D. Olson Development, Shopoff Group/The Wolff Company, and Sonnenblick Development Company, for a total of three submittals. Each proposer presented its concept plans to the City Council on April 23, 2013 during the study session meeting. Once staff concludes its review and analysis of the three proposals, staff will return to the City Council for further direction. It is tentatively scheduled for a July 2013 City Council meeting.

Project Timeline:

- Coming months – Once the City Council approves the amendments to the Coastal Land Use Plan, approval by the California Coastal Commission will be required.
- January 17, 2013 - Planning Commission recommended adoption of the draft land use amendments. The City Council will take action after the development proposals are reviewed.
- January 8, 2013 - Six teams were selected by the City Council to participate in preparing specific development projects.
- November 2012 - Statements of qualifications were received from 15 project teams.
- October 2012 - the City issued a Request for Qualifications (RFQ) from developers interested in participating in the redevelopment of the site.
- September 2012 - direction was given by the City Council to include a hotel or mix-use apartment type of project in the RFQ process and on the scope of the land use and zoning amendments.
- June 2012 - The City Council initiated the necessary land use plan and zoning amendments to change the site's land use designation and zoning from Public Facilities to Mixed-Use to provide flexible land use for the future redevelopment.

More project information is available online at newportbeachca.gov/cityhallreuse.

Corona del Mar Water Transmission Main

DEPARTMENT:

Public Works Department

PROJECT LEAD:

Patrick Arciniega, Senior Civil Engineer

PROJECT START DATE:

July 2013

TARGET COMPLETION DATE:

Fall 2014

DESCRIPTION:

The Corona del Mar Water Transmission Main project will increase reliability of the water pipeline system, improve supply pressures and increase fire supply flows to the Corona del Mar Village. The project consists of installing a new 30" steel water transmission main that connects to the Big Canyon Reservoir at Pacific View Drive and runs down San Miguel Drive, San Joaquin Hills Road, MacArthur Boulevard, East Coast Highway and Carnation Avenue. The new line is approximately 5,300 linear feet of cement mortar lined and tape wrapped (CML&TW) steel pipe. The project also includes relocating the City's current pressure regulator structure that joins the Metropolitan Water District's system that is currently located in East Coast Highway at Fernleaf Avenue, to a new location on Dahlia Avenue.

FUNDING SOURCE:

Water Enterprise Fund

TOTAL FUNDING REQUIRED FOR PROJECT:

\$5.2 million

FUNDING ALLOCATED TO DATE:

\$5.2 million

AMOUNT SPENT TO DATE:

\$400,000

STATUS TO DATE:

Construction bids for this project were opened on January 10, 2013. The City Council awarded a contract to the low bidder T.E. Roberts, Inc., on January 22, 2013. Staff has met with the contractor to discuss preliminary details, shop drawings and project scheduling. Staff has presented information on this project to the Corona del Mar Residents Association and Business Improvement District and will make every effort to coordinate construction activities to minimize impacts on the businesses and residents.

Construction is anticipated to begin in Summer 2013 with completion estimated by Fall 2014.

Project information is available on the City's website at newportbeachca.gov/cdmpipeline.

Fire Ring Removal



Fire Ring Removal

DEPARTMENT:

Community Development Department

PROJECT LEAD:

Brenda Wisneski, Deputy Community Development Director

PROJECT START DATE:

February 2012

TARGET COMPLETION DATE:

Spring 2013

DESCRIPTION:

Newport Beach has concrete fire rings on the beach in two areas: there are 27 fire rings located on Corona del Mar State Beach and 33 fire rings located near the Balboa Pier. Some of the fire rings are located on State property (Corona del Mar), and all of the fire rings are located in the coastal zone. The fire rings are appreciated by many who visit, but also result in extensive and often daily wood smoke released in adjacent residential areas. The City Council voted 7-0 in favor of upholding the Parks, Beaches & Recreation Commission's recommendation and directing City staff to take the necessary steps to remove the fire rings at both locations. Removal of the fire rings requires a Coastal Development Permit to be issued by the California Coastal Commission.

FUNDING SOURCE:

General Fund

TOTAL FUNDING REQUIRED FOR PROJECT:

None

FUNDING ALLOCATED TO DATE:

None

AMOUNT SPENT TO DATE:

None, other than staff time

STATUS TO DATE:

An application for the removal of the fire rings was filed with the California Coastal Commission (CCC) in May 2012 and was deemed complete in November 2012 and a hearing was scheduled to be held in San Diego in March 2013. On March 1, 2013, the Governing Board of the South Coast Air Quality Management District (SCAQMD) directed its staff to consider including a prohibition of beach burning in its amendment to Rule 444 – Open Burning, which would be considered for approval by the Board on May 3, 2013. Due to this additional review, the CCC postponed a decision on the matter until at least July 2013.

Project information is available online at newportbeachca.gov/firerings.

Group Residential Uses

DEPARTMENTS:

City Attorney's Office, City Manager's Office,
Community Development

PROJECT LEAD:

City Attorney and City Manager

PROJECT START DATE:

2007

TARGET COMPLETION DATE:

Ongoing

Group Residential Uses

DESCRIPTION:

Implement and defend group home regulations to maintain the residential character of the City's residential neighborhoods while providing equal access to housing and accommodating the needs of the disabled.

FUNDING SOURCE:

General Fund and Fund Balance

TOTAL FUNDING REQUIRED FOR PROJECT:

All costs have not been specifically identified since a great deal of the costs is internal, staff resources from the City Manager's Office, City Attorney's Office, Planning, and Code Enforcement.

FUNDING ALLOCATED TO DATE:

\$3.5 million on outside counsel and litigation costs to date.

AMOUNT SPENT TO DATE:

\$3.5 million on outside counsel plus internal staffing and the Hearing Officer for administrative proceedings.

STATUS TO DATE:

Ordinance No. 2008-05 has been adopted and enforced through all necessary administrative proceedings. The City is at the stage of defending the Ordinance in Federal Court and in U.S. Department of Justice and Department of Housing and Urban Development proceedings. Additionally, the City is in litigation with several operators of group homes who have failed to comply with the provisions of the Municipal Code. As to these issues:

(1) Federal Litigation:

The federal litigation involving Yellowstone, Pacific Shores Newport Coast Recovery and the City was successfully resolved in the City's favor but is on appeal before the 9th Circuit Court of Appeals. A three-judge panel of the 9th Circuit Court of Appeals heard oral arguments on November 6, 2012. The City is awaiting a written opinion from the 9th Circuit Court of Appeals.

(2) Challenge to Morningside Zoning Agreement:

Maintain Our Residential Neighborhoods ("MORN") has filed a challenge to the adoption of the Zoning Agreement with Morningside Recovery that was the vehicle for settling the Federal Court litigation involving the City and Morningside Recovery. This case is set for trial in late May of 2013; however, it is anticipated that this case may be dismissed if the Court's decision is in favor of the City in the case over the termination of the City's Zoning Agreement with Morningside.

(3) Enforcement of Morningside Zoning Agreement:

On August 9, 2011, the Council adopted Ordinance No. 2011-20, which terminated the Zoning Agreement between the City and Morningside. Morningside filed a challenge to the City's termination of the Zoning Agreement in Orange County Superior Court and the City filed a cross-complaint against Morningside seeking to abate the violations of the City's Zoning Code at 4823 A River Avenue, 4823 B River Avenue, 29 Ima Loa Court, 100 Via Antibes, 102 Via Antibes, 208 Via Lido Soud and 533 Via Lido Soud. On December 15, 2011, the Court granted the City's motion for a preliminary injunction and ordered Morningside to fully comply with all of the operating conditions in the Zoning Agreement during the pendency of the litigation. The Court also prohibited Morningside from opening any new unlicensed facilities within the City or expanding any of its existing facilities to serve more clients. On June 19, 2012, the Court granted the City's motion upholding the City's decision to terminate the Zoning Agreement. Trial on the City's cross-complaint to abate violations of the City's Zoning Code concluded in late March of 2013 and the Court should issue a decision within the next three months.

(4) Enforcement Against Yellowstone:

With the Council's authorization, on October 11, 2011, the City filed a civil case seeking to abate four Yellowstone residential care facilities located at 1621 Indus Street, 1561 Indus Street, 20172 Redlands Drive and 1571 Pegasus Street, based on Yellowstone's alleged violation of the Newport Beach Municipal Code. The Court has stayed this action pending a decision by the Ninth Circuit Court of Appeals in the aforementioned lawsuit.

Implement Traffic Management Plan



Implement Traffic Management

DEPARTMENT:

Public Works

PROJECT LEAD:

Dave Webb, Public Works Director
Tony Brine, City Traffic Engineer

PROJECT START DATE:

January 2007

TARGET COMPLETION DATE:

Fall 2015

DESCRIPTION:

This project modernizes traffic signals throughout the city, improving system reliability, traffic flow and reducing congestion. The implementation of the traffic signal modernization program allows staff to monitor, adjust and optimize traffic signal timing and operations from the Traffic Management Center (TMC) located at City Hall. The program consists of upgrades to 120 traffic signals with new controllers, fiber optic connections, and Closed Circuit Television (CCTV) cameras at selected intersections.

FUNDING SOURCE:

Transportation and Circulation, Measure M Turnback, Measure M Competitive

TOTAL FUNDING REQUIRED FOR PROJECT:

\$6,500,000

FUNDING ALLOCATED TO DATE:

\$6,000,000 (excludes Phase 8)

AMOUNT SPENT TO DATE:

\$5,200,000

STATUS TO DATE:

Due to the overall size of the traffic modernization program, it was divided into eight phases. To date, 90 traffic signals have been upgraded and linked to the new high speed fiber optic backbone, 27 CCTV cameras have been installed, and the new TMC at the Civic Center is operational. The City's annual traffic signal rehabilitation program is for performing necessary maintenance on existing signal equipment and was combined with the modernization program for efficiency. The noted funding information only includes estimates for the traffic modernization program.

Program Overview:

- Phases 1 through 5 and Phase 7 are complete and operational. These phases include the intersections along Balboa Peninsula, Superior Avenue, MacArthur Boulevard, Jamboree Road, City owned portions of Coast Highway and intersections in the airport area, Newport Center and along Irvine Avenue.
- Phases 6 and 8 include improvements to Newport Coast Drive, San Miguel Drive, Bonita Canyon Drive, and portions of San Joaquin Hills Road. The design of Phase 6 is underway. Phase 8 is partially under construction and with the remainder of its design taking place in fall of 2013. Measure M2 grant funding was awarded for a portion of the project's construction. Portions of Phases 6 and 8 will be designed and constructed through a cooperative agreement with the City of Irvine in Fiscal Year 2013-14. This partial phase was also awarded Measure M2 grant funding for construction.

Lower Bay Dredging



Lower Bay Dredging

DEPARTMENT:

Public Works

PROJECT LEAD:

Chris Miller, Harbor Resources Manager

PROJECT START DATE:

2012

TARGET COMPLETION DATE:

February 2013

DESCRIPTION:

The project initially included dredging approximately 1.2 million cubic yards in the main navigational channels of the Lower Bay by the federal government. Due to budget constraints, the Army Corps of Engineers initiated a smaller project to dredge approximately 350,000 cubic yards of sediment in the harbor's critical areas. About two-thirds of the sediment was suitable (clean) for ocean disposal at the off-shore site "LA-3", with the remaining material disposed at the Port of Long Beach ("POLB"). This part of the project, Phase I, commenced May 1, 2012, and was completed in September 2012.

In July 2012, the City Council and the County Board of Supervisors approved additional funding for Phase II which will dredge an additional 210,000 cubic yards of sediment. When Phase II is complete, nearly all of the shallow areas in the harbor will be dredged to authorized depths.

FUNDING SOURCE:

Federal Funds and Tidelands (City and County)

TOTAL FUNDING REQUIRED FOR PROJECT:

\$11.5 million (Phases I & II)

FUNDING ALLOCATED TO DATE:

\$400,000 (O&M City Tidelands), \$100,000 (City CIP), \$2.4 million in federal funds, \$2.0 million in additional federal funds, \$2.5 million contributed by the City of Newport Beach for Phase I, \$2.5 million contributed by the City of Newport Beach for Phase II, and approximately \$1.2 million contributed by the County for dredging in the County Tidelands.

AMOUNT SPENT TO DATE:

\$400,000 for O&M Tidelands for sediment testing, \$4.4 million of federal funds to award contract, \$5.0 million for City O&M Tidelands to award Phases I & II, and \$1.2 million for County Tidelands to dredge Phases I & II.

STATUS TO DATE:

The dredging project was completed in February of 2013. In April, a small celebration was held at the Newport Harbor Yacht Club to recognize the efforts of all the parties that were a part of the project.

For more project information, visit the City's website at newportbeachca.gov/lowerbaydredging.

Marina Park



Marina Park

DEPARTMENT:

Public Works

PROJECT LEAD:

Dave Webb, Public Works Director

Iris Lee, Senior Civil Engineer

PROJECT START DATE:

2006

TARGET COMPLETION DATE:

Fall 2015

DESCRIPTION:

The Marina Park design plan proposes a new marina which includes a 23 slip visiting vessel marina, visitor side tie dock and floating docks to support youth and adult sailing programs and mooring support services, 12,700 square foot sailing center building, 10,800 square foot community center building, new park with amenities including basketball half courts, tot lot and playground, exercise circuit, walking paths and beach area, new Girl Scout house and parking.

The Marina Park site is located on the bay side of Newport Peninsula between 15th and 18th Streets. The 10.4 acre site is owned by the City and is currently being used for several purposes including a 57 space mobile home park, Las Arenas and Veterans Memorial Parks, Balboa Community Center and parking lots, 18th Street Sailing Base and leased space for a Girl Scouts meeting facility.

FUNDING SOURCE:

General Fund-Major Facilities

TOTAL FUNDING REQUIRED FOR PROJECT:

\$30,000,000

FUNDING ALLOCATED TO DATE:

\$13,900,000

AMOUNT SPENT TO DATE:

\$3,116,200

STATUS TO DATE:

With 2012's approval by the California Coastal Commission (CCC) of the Marina Park project, staff is currently working to obtain a Coastal Development Permit (CDP) to move forward with final project design. The design team is focused on the construction document phase, which details the design development plans for construction purposes. Various value engineering measures were implemented to reduce costs, while delivering a quality project.

On February 26, 2013, Griffin Structures was retained to provide construction management services to oversee, prepare and manage the construction phase of the project.

On March 6, 2013, CCC approved the City's Coastal Land Use Plan to allow for the project's 71-foot lighthouse design feature. The intent is to provide a memorable iconic feature that will serve as a beacon to park visitors on land and on water, while signifying the rich nautical history of Newport Bay.

While the City is moving forward with the Marina Park design, staff has also been working closely with the Girl Scout Council of Orange County to incorporate its design needs of the new Girl Scout House at the project site. In the coming months, staff will work to obtain the final issuance of the U.S. Army Corps of Engineers' 404 permit and the Coastal Commission's Coastal Development Permit.

Our current schedule now estimates construction starting in 2013, with completion in 2015.

Project information can be found online on the City's website at newportbeachca.gov/marinapark.

Newport Banning Ranch



Newport Banning Ranch

DEPARTMENTS:

Community Development, Public Works, City Attorney's Office, and City Manager's Office

PROJECT LEAD:

Patrick Alford, Planning Manager

PROJECT START DATE:

August 2008

TARGET COMPLETION DATE:

The project received all necessary approvals from the City of Newport Beach on July 23, 2012; the applicant must now secure project approval from the California Coastal Commission.

DESCRIPTION:

Newport Banning Ranch is a 402.3-acre planned community proposed by Newport Banning Ranch, LLC; a partnership formed by Aera Energy, Cherokee Investment Partners, and Brooks Street. The project would contain a maximum of 1,375 dwelling units, 75,000 square feet of retail commercial, a 75-room "boutique" hotel, parks, and open space. The site is generally bound to the north by Talbert Nature Preserve/Regional Park (Costa Mesa); to the south by West Coast Highway and the Newport Shores Community; to the east by Newport Crest Community, West Newport Mesa, and Westside Costa Mesa; and to the west by a U.S. Army Corps of Engineers wetlands restoration area and the Santa Ana River. Approximately 40 acres of the site are located within the incorporated boundary of the City of Newport Beach; the remainder of the site is within unincorporated Orange County, but within the City of Newport Beach's adopted Sphere of Influence.

FUNDING SOURCE:

General Fund (off-set by application fees)

TOTAL FUNDING REQUIRED FOR PROJECT:

\$4 million (estimated)

FUNDING ALLOCATED TO DATE:

\$3,807,000

AMOUNT SPENT TO DATE:

\$3,703,210

STATUS TO DATE:

Newport Banning Ranch, LLC, submitted an application for a coastal development permit to the California Coastal Commission on February 1, 2013, which is the next step in the entitlement process before construction may begin. The application has been deemed incomplete by the Coastal Commission staff.

Project information can be found online at newportbeachca.gov/banningranch.

Park Avenue Bridge Replacement

Park Avenue Bridge Replacement

DEPARTMENTS:

Public Works Department

PROJECT LEAD:

Fong Tse, Principal Civil Engineer

PROJECT START DATE:

2009

TARGET COMPLETION DATE:

2016

DESCRIPTION:

The Park Avenue Bridge Replacement project was initiated by the City in 2009 to replace the existing bridge over the Grand Canal which connects Big Balboa Island to Little Balboa Island. The existing bridge was constructed in 1928 and was modified and added ADA access ramps in 1984. The existing bridge is a concrete 5-span bridge with 5-column pile bents and abutments adjacent to the existing seawalls. As part of its bi-annual bridge inspection program, the State of California Department of Transportation (Caltrans) classified this bridge as functionally obsolete and it has been included in the Federal Highway Bridge Program (HBP) for rehabilitation or replacement.

The City retained RBF Consulting Engineers to provide preliminary engineering and conceptual design services. Following community meetings, RBF has completed final concept plans. Since this project is located within the coastal zone, a Coastal Development Permit will be required from the California Coastal Commission. An amendment to the contract with RBF for environmental, permitting and final engineering phases will be prepared. Staff is estimating approximately 24 – 30 months to complete the environmental, permitting and final engineering phases and anticipates going out for bids and the start of construction in Fall 2015.

FUNDING SOURCE:

Federal Highway Bridge Program

TOTAL FUNDING REQUIRED FOR PROJECT:

\$3 Million

FUNDING ALLOCATED TO DATE:

\$240,000

AMOUNT SPENT TO DATE:

\$100,000

STATUS TO DATE:

The preliminary engineering phase of the project is nearing completion. Conceptual plans were prepared by the City's consulting engineer and staff presented plans and renderings at the Balboa Island community meeting on March 16, 2013 and Little Balboa Island membership meeting on April 20, 2013 as well as other meetings with island residents. During the next quarter, staff is preparing to initiate the environmental, permitting and final engineering phases of the project.

Relinquishment of Newport Boulevard

Relinquishment of Newport Blvd

DEPARTMENT:

Public Works Department

PROJECT LEAD:

Dave Webb, Public Works Director

PROJECT START DATE:

2008

TARGET COMPLETION DATE:

December 2013

DESCRIPTION:

The goal of this project is to initiate a long-range planning process for the City to eventually control the 0.17 mile segment of Newport Boulevard between Finley Street and the West Channel Bridge in an effort to improve coordination of vehicle and bicycle traffic on and off the Balboa Peninsula, as well as provide enhanced landscape improvements on Newport Boulevard through Lido Village. The City has initiated the relinquishment process to acquire ownership of the necessary State right-of-way which is a multi-step process that involves passing appropriate legislation, State review of the facility for possible relinquishment, preparation of a report on the facilities and development of an offer for the City to acquire the facilities, City accepting the offer or submitting a counter offer, and then having the State prepare the necessary right-of-way and design reports and process them through the California Transportation Commission. The relinquishment process is a generally defined process and schedule that the State needs to complete in order to relinquish the facilities to the City.

FUNDING SOURCE:

No funding is necessary to acquire this segment of roadway from the State other than the cost of staff time to process the item.

TOTAL FUNDING REQUIRED FOR PROJECT:

To be determined

FUNDING ALLOCATED TO DATE:

None

AMOUNT SPENT TO DATE:

None other than staff time

STATUS TO DATE:

The State informed the City in April 2012 that they no longer had any relinquishment funding available to pay the agreed upon \$20,000 fee. In an effort to keep the process moving forward, City staff negotiated with Caltrans to have at least \$20,000 in needed signal upgrades completed on the Finley Avenue and Via Lido signals, in lieu of the relinquishment cash payment. This work is currently being identified and programmed to allow the State to meet its obligation.

The City Council approved the relinquishment agreement on February 26, 2013 in anticipation of a finalized resolution from the Department of Transportation in May of 2013. The California Transportation Commission took action on May 7, 2013 and has now officially relinquished the 0.17 mile segment of Newport Boulevard (State Route 55) from Finley Avenue to the Newport Channel Bridge to the City. The City now has all authority over the operation and maintenance of this street and is currently working to coordinate the signals at Finley Street and Via Lido into the City traffic signal network.

Sunset Ridge Park



Sunset Ridge Park

DEPARTMENT:

Public Works Department

PROJECT LEAD:

Andy Tran, Senior Civil Engineer

PROJECT START DATE:

August 2007

TARGET COMPLETION DATE:

Spring 2014

DESCRIPTION:

The proposed 13.7 acre Sunset Ridge Park is situated on the northwest corner of West Coast Highway and Superior Avenue in West Newport Beach. Sunset Ridge Park is planned to be an active park per the City's General Plan with amenities including Pony League baseball field, soccer fields, children's tot lot area, restrooms, butterfly garden, shaded viewpoint, walkways, walls, and landscaping.

FUNDING SOURCE:

General Fund and Park-in-lieu

TOTAL FUNDING REQUIRED FOR PROJECT:

\$12 million*

FUNDING ALLOCATED TO DATE:

\$11.2 million*

AMOUNT SPENT TO DATE:

\$2.6 million*

*Not including cost of land purchased from Caltrans for \$5.2 million.


STATUS TO DATE:

At its August 9, 2012 meeting, the California Coastal Commission (CCC) approved the Coastal Development Permit (CDP) application with special conditions despite CCC staff's recommendation of denial. Since the approval, staff has been continuously working with CCC staff, revising the final construction documents and preparing various biological reports as indicated in the special conditions of the CDP. On March 27, 2012, CCC staff issued a Notice of Intent to Issue Permit. Since CCC staff originally recommended denial of this CDP, the project findings need to be significantly revised and brought back to a future coastal hearing which is tentatively scheduled for June 2013.

Construction is anticipated to begin in Fall of 2013 with an estimated project completion by Summer of 2014. This timeline is largely dependent on receiving timely reviews from CCC and the issuance of the permit.

Project information is available on the City's website at newportbeachca.gov/sunsetridgepark.

Updating Harbor Charges

Updating Harbor Charges

DEPARTMENT:

City Manager's Office
City Attorney's Office
Public Works Department

PROJECT LEAD:

Rob Houston, Assistant to the City Manager
Michael Torres, Assistant City Attorney
Chris Miller, Harbor Resources Manager

PROJECT START DATE:

September 2010

TARGET COMPLETION DATE:

Fall 2013

DESCRIPTION:

Over the past few years, the City of Newport Beach has reviewed its administration of public tidelands property within Newport Harbor. As a result of this comprehensive review, the City adopted new permit and lease templates and adjusted commercial and noncommercial tidelands rent to fair market value (over 3, 5, or 8 periods). The adjustment of tidelands rental rates to fair market value avoids a violation of the Beacon Bay Bill (the 1978 legislative grant from the State, as amended), California Constitution Article 16, Section 6, Newport Beach Municipal Code Title 17, and City Council Policy F-7.

The City completed its review of each user group as follows: (1) moorings (completed Fall 2010); (2) Balboa Yacht Basin (completed Fall 2010); (3) commercial piers (completed November 2012); and (4) noncommercial piers (completed December 2012). These fees contribute to harbor projects such as dredging and the provision of additional harbor amenities.

FUNDING SOURCE:

General Fund and Tidelands Fund

TOTAL FUNDING REQUIRED FOR PROJECT:

None other than staff time

FUNDING ALLOCATED TO DATE:

None other than staff time

STATUS TO DATE:

During this quarter, the City Council amended various sections of the Newport Beach Municipal Code related to commercial and non-commercial (residential) tidelands uses, and amended the Master Fee Resolution to eliminate the annual non-commercial pier inspection fee and establish a subsidized appeal fee for tidelands permits and leases. The Council also directed staff to seek the consent of the State Lands Commission to create a Newport Harbor Capital Fund ("Harbor Fund") which will capture the incremental increases from the recent tidelands rent adjustments (e.g. moorings, commercial and non-commercial piers, Balboa Yacht Basin, etc.) The Harbor Fund will finance future capital improvements and maintenance activities within Newport Harbor.

More information is available online at newportbeachca.gov/harborrenters.

West Newport Beach Facility Planning



West Newport Beach Facility Planning

DEPARTMENTS:

City Manager's Office, Public Works and Finance

PROJECT LEAD:

Steve Badum, Assistant City Manager

Dave Kiff, City Manager

Dave Webb, Public Works Director

Dan Matusiewicz, Finance Director

PROJECT START DATE:

April 2011

TARGET COMPLETION DATE:

On-going

DESCRIPTION:

Most of the City's public buildings and facilities on the west side of the city are reaching the end of their service life and are in need of major refurbishment or replacement. In 2006, the City developed a comprehensive citywide Facilities Financing Plan as a tool to identify, forecast and fund the refurbishment and/or replacement of numerous City owned facilities including police and fire stations, libraries, community and senior centers, services yards and parks. With the upcoming relocation of City Hall to the new Civic Center Complex, discussions have and continue to take place as to how best to reconstruct the remaining facilities to meet current and future community needs.

The West Newport Beach Facility Planning process will include building upon the current efforts to redevelop the existing City Hall site and develop conceptual plans and alternatives to provide: consolidated maintenance and operations facilities; replacement and potentially relocated community center facilities and fire stations; replacement of the existing Lifeguard Headquarters building with smaller, more efficient facilities located at Newport and Balboa Piers; as well as continuing discussions regarding the future of various other City facilities, particularly those located on the western side of the Newport Bay.

FUNDING SOURCE:

General Fund

TOTAL FUNDING REQUIRED FOR PROJECT:

To be determined

FUNDING ALLOCATED TO DATE:

\$75,000

AMOUNT SPENT TO DATE:

\$75,000

STATUS TO DATE:

There has been no advancement since the last report as staff continues to concentrate efforts on finishing the Civic Center and Park project, the initiation of the City Hall re-use, and obtaining final Coastal Commission approval of Marina Park and Sunset Ridge Park. We expect some progress during the next quarter.

Widen Jamboree Road
in the Airport Area

Widen Jamboree Road in the Airport Area

DEPARTMENT:

Public Works

PROJECT LEAD:

Andy Tran, Senior Civil Engineer

PROJECT START DATE:

January 2005

TARGET COMPLETION DATE:

Spring 2013

DESCRIPTION:

This two-phase project involves widening the Jamboree Road Bridge over the SR73 Freeway by 22 feet to the west (Phase 1); and then widening Jamboree Road at the intersection of MacArthur Boulevard between Bristol Street North and Fairchild Road (Phase 2) in an effort to reduce projected traffic congestion and delay.

Phase 1 of the bridge widening project creates one additional northbound and southbound thru lane on Jamboree Road between MacArthur Boulevard and Bristol Street South. This project required developing a design and obtaining approval and a permit from Caltrans for overcrossing the SR73 Freeway which is owned by the state. Additionally, the project required negotiations and purchase of three pieces of private property as well as successful funding of several Orange County Transportation Authority (OCTA) grants.

Phase 2 of the Jamboree Road Improvements will provide one additional northbound lane through the MacArthur Boulevard intersection, as well as an additional left turn lane from southbound Jamboree Road onto eastbound MacArthur Boulevard. This phase also involves negotiations and voluntary purchase of three pieces of private property within the City of Irvine, as well as obtaining several OCTA grants.

The City of Irvine is currently administering a separate joint pavement rehabilitation project on Jamboree Road between MacArthur and Campus. Construction of this project will start upon completion of both phases.



FUNDING SOURCE:

Transportation and Circulation, IBC Settlement, Measure M Turnback, and Measure M Competitive

TOTAL FUNDING REQUIRED FOR PROJECT:

\$9.2 million

FUNDING ALLOCATED TO DATE:

\$10 million

AMOUNT SPENT TO DATE:

\$9.2 million

STATUS TO DATE:

On March 8, 2011, the Jamboree Road Bridge Widening Project (Phase 1) was awarded for construction by City Council. Construction began in May 2011 and was substantially completed in October 2012. City Council accepted the contract on November 27, 2012.

The construction contract for Phase 2 was awarded by the City Council on September 25, 2012 and is now substantially complete. City council accepted this contract as final on March 26, 2013.

