

**CITY OF NEWPORT BEACH  
CITY COUNCIL STAFF REPORT**

Agenda Item No. 34  
December 9, 2003

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
**FROM:** City Attorney's Office; Robert Burnham, City Attorney; 644-3131 -  
rburnham@city.newport-beach.ca.us  
**SUBJECT:** Adoption of a Resolution Establishing the Sphere Issues Committee and  
Mayor's appointment of Committee members.

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**ISSUE**

Should the City Council adopt a Resolution establishing the Sphere Issues Committee?

**RECOMMENDATION**

Adopt the proposed Resolution attached as Exhibit A and appoint three (3) Council members to the Sphere Issues Committee.

**DISCUSSION**

On November 25, 2003, the City Council approved Airport Policy Review Committee recommendations that included transmitting a letter to the Chair of the Board of Supervisors inviting participation in informal discussions of certain "sphere issues." The Airport Policy Review Committee also recommended creation of a "Sphere Issues Committee" that would, assuming the Board accepts the City's invitation, "meet with the appropriate representatives of the Board of Supervisors to discuss issues of mutual interest to the City and County". Staff has prepared a proposed resolution establishing the "Sphere Issue Committee" that we believe is consistent with the City Council's action on November 25<sup>th</sup> (Exhibit A). The resolution authorizes the Mayor to appoint three members of the City Council to the Committee and those appointments can and should be made at this meeting.

Environmental Review: CEQA is inapplicable pursuant to the "general rule" provisions of Section 15061(b) (3) of the CEQA Guidelines.

Prepared by:

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Robert Burnham, City Attorney

Exhibit A: Resolution

**RESOLUTION NO. 2003-****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH CREATING THE CITY COUNCIL AD HOC SPHERE ISSUES COMMITTEE**

**WHEREAS**, the City Council of the City of Newport Beach has received and approved the recommendations of the Airport Policy Review Committee; and

**WHEREAS**, the Airport Policy Review Committee recommendations including the creation of a Sphere Issues Committee; and

**WHEREAS**, the Airport Policy Review Committee recommended that the Sphere Issues Committee request the Board of Supervisors to engage in informal discussions regarding issues of mutual interest to the City and County.

**NOW, THEREFORE**, THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH HEREBY RESOLVES AS FOLLOWS:

**SECTION 1. ESTABLISHMENT**

The City Council Ad Hoc Sphere Issues Committee (Committee) shall be established as of the date this Resolution is approved by four members of the Newport Beach City Council voting at a duly notice regular or special meeting of the City Council.

**SECTION 2. DUTIES**

The Committee shall do the following:

- (a) Request, through correspondence from the Mayor to the Chair of the Board of Supervisors, that appropriate representatives of Orange County engage in informal discussions regarding the sphere issues identified by the Airport Policy Review Committee in the November 25, 2003 report to the City Council and any other issue that either the Committee or County representatives consider appropriate.
- (b) Assuming the Board of Supervisors accept the City's invitation to engage in informal discussions regarding sphere issues, to participate in those discussions and report on the progress of the discussions no later than six (6) months after adoption of this resolution.
- (c) Authorize staff and consultants to conduct the studies and analyses that the Committee considers necessary or appropriate to fully understand and evaluate the merits of any of the sphere issues identified by the Airport Policy Review Committee or sphere issues that arise during the course of informal discussions.

**SECTION 3. COMPOSITION**

The Committee shall consist of three members of the City Council appointed by, and serving at the pleasure of, the Mayor.

**SECTION 4. TERM**

The term of the Committee shall expire six months from the date this Resolution is approved or at such time as the Committee's report is presented to and considered by the City Council, whichever occurs first.

**SECTION 5. TERMINATION**

The Airport Policy Review Committee has fulfilled all of its responsibilities and that committee is hereby terminated.

ADOPTED this 9th day of December 2003.

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Mayor

ATTEST:

LAVONNE HARKLESS,

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**CITY OF NEWPORT BEACH**  
**OFFICE OF THE CITY COUNCIL**

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**TO: Mayor & Members of the City Council**  
**FROM: Airport Policy Review Committee**  
**RE: Recommendations**  
**DATE: November 20, 2003**

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**A. INTRODUCTION**

The Airport Policy Review Committee (Committee) was established in January 2002 and was asked to submit recommendations to the City Council regarding modifications to City aviation policy. In developing the recommendations outlined in this memo, the Committee and staff carefully considered the processes that resulted in the January 2002 annexation of Newport Coast and the December 2002 approval of amendments to the JWA Settlement Agreement. The Committee also reviewed the extensive list of City/County cooperative projects that have, over the past 20 years, enhanced public resources or services while reducing government expenditures. Finally, the Committee has evaluated recent events that reflect this County's views regarding air transportation demand and service.

**B. RECOMMENDATIONS**

The Committee recommends that the City Council:

(1) Create, and request the Mayor appoint members to, a "Sphere Issues Committee" and direct that committee to meet with the appropriate representatives of the Board of Supervisors to discuss issues of mutual interest to the City and County.

(2) Authorize the Mayor to transmit a letter to the Chair of Board of Supervisors requesting that the County (a) participate in a process with Newport Beach to review and discuss Sphere Issues and (b) designate appropriate representatives to meet with the Sphere Issues Committee.

(3) Authorize staff and consultants to conduct the studies and analyses that the "Sphere Issues Committee" considers necessary or appropriate to fully understand the opportunities presented by any of the Sphere Issues identified in this Memo and/or to identify other properties/services that could be considered possible Sphere Issues.

(4) That the Sphere Issues Committee submit a status report to the City Council no later than six months after its formation.

**C. DISCUSSION**

The Committee's recommendations reflect a 70 year history of City/County cooperative agreements and projects. The City and County have, in just the past few years, fashioned unique agreements that have simplified otherwise complex changes in jurisdictional boundaries and provided additional air transportation opportunities

for Orange County residents and businesses.

In 2000, City and County entered into a series of agreements, and cooperated in an effort to secure special legislation, that culminated in the successful City annexation of Newport Coast and Newport Ridge. These agreements included an unprecedented City transfer of land use and building authority to the County so that vested development and related open space dedications could proceed expeditiously and without additional cost to the landowner or the taxpayer.

More recently, the City and County worked cooperatively with the FAA to secure their approval of amendments of the John Wayne Airport Settlement Agreement. These amendments have presented incumbent and "new entrant" commercial and commuter air carriers with opportunities to provide the traveling public with additional air transportation service.

The collaborative efforts that resulted in the annexation of Newport Coast and the amendments of the John Wayne Airport Settlement Agreement, while more visible, are similar to a long list of other City/County cooperative projects, programs and services that include:

- City lease and funding of the interim water quality testing lab on Shellmaker Island;
- A City/County Joint Powers Agreement that resulted in the construction - at no taxpayer cost - of the Newport Aquatic Center;
- City/County cooperative agreements relative to City construction of a fire station and community center in Santa Ana Heights;
- Joint City/County funding and administration (performed primarily by the County) of the Santa Ana Regional Water Quality Board Total Maximum Daily Load (TMDL) mandates for Newport Bay and San Diego Creek;
- City/County cooperation on grants for watershed improvements, such as those proposed in Buck Gully, that benefit City, County and State property and coastal resources;
- City/County projects in process such as the Big Canyon Creek Restoration Project and the West Bay Restoration, Trail, and Boardwalk Project;
- City/County cooperation on tideland administration issues such as data sharing relative to Harbor Island appraisals;
- City/County cooperation relative to water quality testing and public notice of potential water quality problems;
- City/County coordination and cooperation on public health inspections and monitoring such as grease control inspections and food service inspections;
- City/County participation on the Orange County Coastal Coalition; the Newport Bay Watershed Executive Committee; the Newport Bay Watershed Management Committee and others;
- County/Newport Beach/Huntington Beach/Seal Beach sand replenishment program.

The Committee has identified a number of County properties and related services that are located or provided in or adjacent to Newport Beach and that should be considered "Sphere Issues" for the purposes of the process we have recommended to the Council. These properties and services are similar in that each impacts, or has the potential to impact, Newport Beach residents, each involves at least some activity or service that Newport Beach currently provides, and two (Santa Ana Heights and Coyote Canyon) represent territory recently annexed to the City.

(1) Santa Ana Heights Redevelopment Area/Plan. The Santa Ana Heights Redevelopment Area/Plan was established by the County as part of the approval of the 1985 Master Plan for John Wayne Airport. In 1986, the City and County entered into an agreement pursuant to which the City, among other things, consented to the inclusion of incorporated territory in the Redevelopment Area. The City also adopted land use designations for Santa Ana Heights consistent with the County's planning documents.

The City, with the cooperation of the County, annexed East Santa Ana Heights on July 1, 2003. The City is in the process of annexing West Santa Ana Heights and expects that annexation to be effective in July 2004. Once the annexation of West Santa Ana Heights is complete all of the inhabited territory in the Redevelopment Area will be within the corporate limits of Newport Beach. The City currently provides all municipal services to East Santa Ana Heights and will provide those same services to West Santa Ana Heights after annexation.

The City and County have already cooperated in the funding and pending acquisition of a fire station site and community center to serve East Santa Ana Heights, West Santa Ana Heights and the "Airport Area." The City and County have also cooperated in the widening of Irvine Avenue from Bristol to Mesa and other infrastructure improvements serving residents and businesses in the area. The Committee supports continued discussions relative to the roles the City and County should play in with respect to the Santa Ana Heights Redevelopment Area.

(2) Coyote Canyon Landfill. The Coyote Canyon landfill became part of the City on January 1, 2002 as part of the Newport Coast/Newport Ridge annexation. A comprehensive methane gas monitoring system was installed in the landfill at closure and an extensive methane gas collection system was installed in the 1990's by a predecessor to GRS, the current system operator. A significant portion of the Coyote Canyon landfill is covered by coastal sage scrub habitat that, while not a part of the Orange County Central-Coastal Natural Communities Conservation Plan Subregional Plan (NCCP), is an important link between the Upper Newport Bay Ecological Reserve and the Laguna Wilderness.

The County, according to its own calculations, spends approximately \$1.1 million each year on landfill maintenance. Maintenance costs include the expense of repairing or grouting cracks in the clay cover, repair of the methane monitoring system and operation of groundwater wells. The City performs similar functions on public property in Newport Beach

The condition, operation and use of the Coyote Canyon is extremely important to Newport Beach for at least three reasons. First, the City wants to ensure that the

landfill does not adversely impact the health and safety of nearby residents or the environment in the Upper Newport Bay Ecological Reserve. Second, the City wants to ensure that any redevelopment of the landfill is consistent with the adjacent residential properties and does not cause traffic congestion or unsafe conditions on Newport Coast Drive. Finally, the City has an interest in protecting the habitat values of the site and the area covered by the NCCP.

(3) County Tidelands. The County, pursuant to legislation first enacted in the 1920's, is the grantee of tidelands in Upper Newport Bay (exclusive of tidelands in the Upper Newport Bay Ecological Reserve) and pockets of tidelands in Newport Harbor. County tidelands include Newport Dunes (the largest parcel), the area around Harbor Island, the Sea Scout Base, the OCC David A. Grant Collegiate Rowing Center, the Harbor Patrol facility and the Newport Aquatic Center (subject of a joint powers agreement). The City has a harbor resources division, is the grantee of the majority of tidelands in Newport Harbor and provides general law enforcement and fire suppression services.

The City has obvious interests, and currently plays a significant role, in the management and administration of Newport Harbor. The unification of some or all of the tidelands under a single agency may reduce expenditures while maintaining or enhancing service to the public.

(4) John Wayne Airport. For more than 20 years, Newport Beach aviation policy has assumed the need for a second commercial airport to serve Orange County air transportation demand and the City Council has pursued efforts to implement that policy. In light of recent events, such as Measure W and LAFCO's recent approval of Irvine's application to annex MCAS El Toro, the Committee believes that future City aviation policy should reflect that John Wayne Airport is, and more likely than not will always be, the only air carrier facility located in Orange County. The City Council's aviation policy should now focus its attention on how JWA, as the sole air carrier facility in the County, will be operated in the future with a view to ensuring that those operations are consistent with the interests of residents in the approach/departure corridor as well as the needs of all Orange County residents, visitors and businesses.

The Committee believes that John Wayne Airport is an appropriate "Sphere" issue given its proximity to Newport Beach and location of the departure and approach corridors, the City's use of JWA as the base for the police helicopters operations, the importance of JWA to our local economy and the potential for the City to provide municipal services to the facility.

#### **4. CONCLUSION**

The Committee's recommendations are intended to initiate a process whereby the City and County can discuss "sphere issues" and develop ways to address those issues in a manner that protects or enhances public service and facilities while minimizing the expenditure of tax dollars through the efficient allocation of governmental resources.