SECTION 6.0
LONG-TERM IMPLICATIONS OF THE PROPOSED PROJECT

6.1 ANY SIGNIFICANT ENVIRONMENTAL EFFECTS WHICH CANNOT BE MITIGATED

The environmental effects of the proposed Newport Banning Ranch Project are addressed in Sections 4.1 through 4.15 of this EIR. Implementation of the proposed Project would result in potentially significant impacts for the following topical issues: land use, aesthetics, air quality, biological resources, cultural and paleontological resources, greenhouse gas emissions, geology and soils, hazards and hazardous materials, hydrology and water quality, noise, population and housing, public services and facilities, recreation and trails, transportation and circulation, and utilities. Implementation of project design features (PDFs), standard conditions and requirements (SCs), and mitigation measures (MMs) provided in Sections 4.1 through 4.15 would reduce these impacts to levels considered less than significant with the exception of those issues listed below.

Land Use

- The City of Newport Beach Zoning Code (October 2010) defines compatibility as "The characteristics of different uses or activities that permit them to be located near each other in harmony and without conflict. Elements affecting compatibility include: intensity of occupancy, pedestrian or vehicular traffic generated, volume of goods handled, and environmental effects (e.g., air pollution, glare, hazardous materials, noise, vibration, etc.)". Therefore, land use incompatibility can occur where differences between nearby uses result in significant noise levels and significant traffic levels, among other factors, such that project-related significant unavoidable direct and indirect impacts impede use of the existing land uses as they were intended. The proposed Project would result in a land use incompatibility with respect to long-term noise and night illumination on those Newport Crest residences immediately contiguous to the Project site. The City of Newport Beach General Plan Final EIR found that the introduction of new sources of lighting associated with development of the site would be considered significant and unavoidable. In certifying the General Plan Final EIR and approving the General Plan project, the City Council approved a Statement of Overriding Considerations which notes that there are specific economic, social, and other public benefits that outweigh the significant unavoidable impacts associated with the General Plan project. In addition, there would be a potential long-range noise impacts for residents on 17th Street west of Monrovia Avenue. For noise, though mitigation is proposed, noise impacts would remain significant if the residents of Newport Crest elect not to implement the mitigation measures to reduce the increased interior noise levels and if the City of Costa Mesa does not implement the recommended measure of resurfacing the street with rubberized asphalt.

Aesthetics and Visual Resources

- The proposed Project would include "dark sky" lighting regulations set forth in the Newport Banning Ranch Development Planned Community (NBR-PC) zoning regulations that would apply to businesses (e.g., resort inn and neighborhood commercial uses) and Homeowners Association-owned and operated land uses within 100 feet of the Open Space Preserve. However, the Project would introduce nighttime lighting into a currently unlit area. The Project would result in night lighting impacts that are considered significant and unavoidable. The City of Newport Beach General Plan

Final EIR found that the introduction of new sources of lighting associated with development of the site would be considered significant and unavoidable. In certifying the General Plan Final EIR and approving the General Plan project, the City Council approved a Statement of Overriding Consideration which noted that there were specific economic, social, and other public benefits which outweighed the significant unavoidable impacts associated with the General Plan project.

Transportation and Circulation

- The Project would have impacts on select intersections in the City of Costa Mesa. Implementation of Mitigation Measure (MM) 4.9-2 would mitigate the Project's impact to a level considered less than significant. However, the City of Newport Beach cannot impose mitigation on another jurisdiction or agency. Therefore, if the Applicant is unable to reach an agreement with the City of Costa Mesa and the California Department of Transportation (Caltrans) that would ensure that Project impacts occurring in Costa Mesa and State highways would be mitigated concurrent with or preceding the impact, for purposes of this EIR, the impacts to be mitigated by the improvements would remain significant and unavoidable. The following impacts were identified with the various traffic scenarios evaluated:

  - ***Existing Plus Project*** – Intersections identified as deficient are: (1) Newport Boulevard at Harbor Boulevard; (2) Newport Boulevard at 18th Street/Rochester Street; and (3) Superior Ave at 17th Street. (This scenario assumes all development occurs at once, which is not an accurate reflection of the timing of development for the proposed Project.)
  - ***Year 2016 With Project Transportation Phasing Ordinance (TPO)*** – Intersections identified as deficient are: (1) Monrovia Avenue at 19th Street; (2) Newport Boulevard at 19th Street; (3) Newport Boulevard at Harbor Boulevard; (4) Newport Boulevard at 18th Street/Rochester Street; (5) Pomona Avenue at 17th Street; (6) Newport Boulevard at 17th Street; (7) Superior Avenue at 17th Street; and (8) Newport Boulevard at West Coast Highway.
  - ***Year 2016 With Phase 1 Project TPO*** – Intersections identified as deficient are: (1) Newport Boulevard at Harbor Boulevard; (2) Newport Boulevard at 18th Street/Rochester Street; and (3) Newport Boulevard at West Coast Highway.
  - ***Year 2016 Cumulative With Proj****ect* – Intersections identified as deficient are: (1) Monrovia Avenue at 19th Street; (2) Newport Boulevard at 19th Street; (3) Newport Boulevard at Harbor Boulevard; (4) Newport Boulevard at 18th Street/Rochester Street; (5) Pomona Avenue at 17th Street; (6) Newport Boulevard at 17th Street[1]; (7) Superior Avenue at 17th Street; and (8) Newport Boulevard and West Coast Highway.
  - ***Year 2016 Cumulative With Phase 1 Pr****oject* – Intersections identified as deficient are: (1) Newport Boulevard at Harbor Boulevard and (2) Newport Boulevard at 18th Street/Rochester Street.
  - ***General Plan Buildout with Pro****ject* – Intersections identified as deficient are: (1) Newport Boulevard at Harbor Boulevard and (2) Newport Boulevard at 18th Street/Rochester Street.

1 The Newport Boulevard at 17th Street intersection has a Project-related impact using the Highway Capacity Manual (Caltrans methodology), as well as an impact using the Intersection Capacity Utilization methodology.

Air Quality

- Without mitigation, regional (mass) emissions of nitrogen oxides (NOx) are forecasted to exceed applicable thresholds in some construction years. Though MM 4.10-1 would reduce the emissions to less than significant, the availability of sufficient Tier 4 diesel engine construction equipment cannot be assured. Therefore, for purposes of this EIR, the impacts are found to be significant and unavoidable impact.
- During periods of grading, localized large and fine particulate matter (PM10 and PM2.5) concentrations may exceed the South Coast Management District's (SCAQMD's) CEQA significance thresholds at the property lines but would not likely exceed ambient air quality standards. Localized concentrations of carbon monoxide (CO) and nitrogen dioxide (NO_2) due to construction activities would not exceed the applicable CEQA thresholds. Regional (mass) emissions of criteria pollutants during construction activities would not exceed the applicable thresholds.
- Long-term operational emissions of criteria pollutants would not exceed the SCAQMD mass emissions thresholds from initial occupancy through 2020. However, as Project development continues beyond 2020, emissions of volatile organic compounds (VOCs), CO, and PM10 would exceed the significance thresholds, principally due to vehicle operations. Feasible mitigation measures would be implemented to reduce operational emissions, although the effects of such mitigation are not quantifiable. Localized concentrations of CO at congested intersections would not exceed ambient air quality standards or CEQA significance thresholds.
- The Project would have a significant cumulative air quality impact because its contribution to regional pollutant concentrations would be cumulatively considerable.

Greenhouse Gas Emissions

- The Project would emit quantities of GHGs that would exceed the City's 6,000 metric tons of carbon dioxide equivalent per year (MTCO2e/yr) significance threshold. The Project would make a cumulatively considerable contribution to the global GHG inventory affecting Global Climate Change.

Noise

- For the *Existing Plus Project*, *2016 with Project*, and *General Plan Buildout* scenarios, the increased traffic volumes on 17th Street west of Monrovia Avenue in Costa Mesa, would expose sensitive receptors to noise levels that would also exceed significance thresholds in the City of Costa Mesa. MM 4.12-5 requires the Applicant to provide funds to the City of Costa Mesa to resurfacing the street with rubberized asphalt; however, the City of Newport Beach has no ability to assure that the mitigation would be implemented. Therefore, the forecasted noise impact to residents of 17th Street west of Monrovia is considered significant and unavoidable.
- For portions of the Newport Crest condominium development, there would be a significant increase in the ambient noise level due to the projected traffic volumes in the buildout condition. MM 4.12-6 would reduce impacts to levels within the "Clearly Compatible" or "Normally Compatible" classifications. However, the long-term noise increases at some Newport Crest residences from vehicular traffic noise from Bluff Road due to Project and cumulative traffic levels would remain above the General Plan's 5 A-weighted decibels (dBA) significance criterion. MM 4.12-7 would provide interior noise

attenuation, but because the City of Newport Beach does not have the authority to mandate the implementation of mitigation on private property that is not on the Project site, the impact would be significant and unavoidable.

- Use of construction equipment would result in a substantial temporary increase in ambient noise levels to nearby noise-sensitive receptors in the vicinity of the Project. Due to the low existing ambient noise levels, the proximity of the noise-sensitive receptors, and duration of construction activities, the temporary noise increases would be significant and unavoidable.

6.2 SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES WHICH WOULD BE CAUSED BY THE PROPOSED PROJECT SHOULD IT BE IMPLEMENTED

6.2.1 COMMITMENT OF RESOURCES

Implementation of the proposed Project would require the long-term commitment of natural resources and land. Development of the Project would result in the commitment of land resources with residential, commercial, resort inn, and park and recreational uses, and would provide open space uses that would permit the retention of oil extraction on a consolidated portion of the Project site designated for open space use. The proposed Project includes infrastructure to support the proposed land uses, including public parks and open space to serve future Project residents and the community at large. Construction and long-term operation of the Project would require the commitment and reduction of available nonrenewable and slowly renewable resources, including petroleum fuels and natural gas (for vehicle use, construction, lighting, heating, and cooling of structures) and lumber, sand/gravel, steel, copper, lead, and other metals (for use in building construction, piping, and roadway infrastructure). Other resources that are slow to renew and/or recover from environmental stressors would also be impacted by Project implementation; examples include air quality, through the combustion of fossil fuels and production of greenhouse gases and water supply, through the increased potable water demands for drinking, cooking, cleaning, landscaping, and general maintenance needs.

6.3 GROWTH-INDUCING IMPACTS OF THE PROPOSED ACTION

Section 15126.2(d) of the State CEQA Guidelines (14 *California Code of Regulations* [CCR]) requires the evaluation of the growth-inducing impacts of a project. This section is required to determine the manner in which the proposed Project could encourage substantial economic or population growth or construction of additional housing in the surrounding area, either directly or indirectly. Growth inducement is distinguished in various ways: (1) growth that is induced as a result of construction of the project or the infrastructure needed for the project; (2) direct employment, population, or housing growth that would occur on the project site; (3) growth that is induced by lowering or removing barriers to growth; and/or (4) growth that is induced by creating an amenity or facility that attracts new population or economic activity.

6.3.1 INTRODUCTION

Growth inducement can be defined as the relationship between a proposed project and growth within the surrounding area. This relationship is often difficult to establish with any degree of precision and cannot be measured on a numerical scale because there are many social, economic, and political factors associated with the rate and location of development. Accordingly, the State CEQA Guidelines instruct that an EIR should focus on the ways growth might be induced. This relationship is sometimes looked at as either one of facilitating planned growth or inducing unplanned growth. Both types of growth, however, should be evaluated.

In assessing the growth-inducing impacts of a project, Section 15126.2(d) of the State CEQA Guidelines (14 CCR) indicates that the lead agency is not to assume that growth in an area is necessarily beneficial, detrimental, or of little significance to the environment. Typically, growth-inducing impacts result from the provision of urban services and the extension of infrastructure (including roadways, sewers, or water service) into an undeveloped area. Growth-inducing impacts can also result from substantial population increase, if the added population may impose new burdens on existing community service facilities, such as increasing the demand for service and utilities infrastructure and creating the need to expand or extend services, which may induce further growth.

A project can remove infrastructure constraints, provide access, or eliminate other constraints on development, and thereby encourage growth that has already been approved and anticipated through the General Plan process. This planned growth would be reflected in land use plans that have been developed and approved with the underlying assumption that adequate supporting infrastructure ultimately would be constructed. This can be described as accommodating or facilitating growth. A project can remove infrastructure constraints, provide new access, or otherwise encourage growth which is not assumed as planned growth in the General Plans or growth projections for the affected local jurisdictions. This could include areas which are currently designated for open space, agricultural uses, or other similar non-urban land uses. In such a case, the removal of infrastructure constraints or provision of access can trigger consideration of a change in land use designation to allow development at a higher level of intensity than originally anticipated.

Growth-inducing impacts may also be categorized as either direct or indirect. Direct growth-inducing impacts occur when a project directly fosters growth. This may occur in a variety of ways, including, but not limited to, the construction of new homes and businesses and the extension of urban services (e.g., utilities and improved roads) to previously undeveloped areas. Growth can also be induced directly due to the economic effect of a project whereby economic growth multiplier effects that can cause related growth in areas near the new project. Indirect growth is induced by the demand for housing, goods, and services associated with a project.

There are many other factors that can affect the amount, location, and rate of growth in the region. These include the following:

(1) Market demand for housing, employment, and commercial services;

(2) Desirability of climate and living/working environment as reflected by market demand;

(3) Strength of the local employment and commercial economy;

(4) Availability of other roadway improvements (e.g., new and/or expanded arterial or highway capacity);

(5) Availability of other services/infrastructure (e.g., wastewater treatment, water, schools, etc.); and

(6) Land use and growth management policies of the counties and municipal jurisdictions.

For this section, the term “inducing” is used for both planned growth and removing barriers so growth can occur.

6.3.2 STUDY AREA

As described in Section 3.0, the Project site is approximately 401 acres. Approximately 40 acres of the Project site are located in the incorporated boundary of the City, and approximately 361 acres are in unincorporated Orange County within the City's Sphere of Influence. Recognizing that growth-inducing impacts are not limited to the area immediately adjacent to the Project site, this analysis looks at the potential for the Project to induce growth elsewhere in the City of Newport Beach, as well as in the cities of Costa Mesa and Huntington Beach, the two adjacent jurisdictions.

6.3.3 HISTORICAL GROWTH TRENDS

As detailed in Section 4.7, Population and Housing, the Orange County's population has experienced a pattern of growth in the past 30 years. Between 1980 and 2009, the average annual growth rate in Orange County population was approximately 1.3 percent. Historically, the City of Newport Beach grew at a slightly slower pace than the County as a whole. In these same years, Newport Beach grew at an average annual rate of 0.9 percent. Using data from Southern California Association of Governments (SCAG 2000) and the Department of Finance (DOF 2009), over this same period the City of Costa Mesa had a 1.0 percent average annual increase in population and the City of Huntington Beach had a 0.5 percent average annual increase in population.

6.3.4 GROWTH PATTERNS AND TRENDS

The cities being evaluated for potential growth-inducing impacts are already nearly built out. Most development will be infill development and areas of redevelopment. Department of Finance (DOF 2010) Projections indicate that Newport Beach's population will increase by 11,038 persons between 2010 and 2035 or approximately 11.3 percent (an average annual increase of 0.4 percent). OCP 2006 Projections indicate that the population of the City of Costa Mesa is projected to increase by 6,457 persons between 2010 and 2035 or approximately 5.1 percent (an average annual increase of 0.2 percent). The City of Huntington Beach is projected to have a population increase of 12,858 persons, which is approximately 5.7 percent (an average annual increase of 0.2 percent).

The percent employment growth for these three jurisdictions is expected to be slightly lower than projected population growth between 2010 and 2035. Also using the OCP-2006 data, Newport Beach is projected to increase employment by 1,660 jobs between 2010 and 2035. This is an increase of approximately 2.1 percent, or an average annual increase of 0.08 percent. In this same time period, the City of Costa Mesa is projected to add 4,254 jobs (4.1 percent or 0.16 average annual increase) and the City of Huntington Beach is projected to add 8,057 jobs (8.1 percent or 0.32 average annual increase).

6.3.5 EFFECTS OF THE PROPOSED PROJECT

Housing and economic growth in the study area is directed by the local General Plans. As discussed in above, the growth projections for the City of Newport Beach and the cities adjacent to the Project site are modest. This analysis focuses on three primary questions:

- To what extent are there areas where development could occur (planned or unplanned)?
- Would the Project provide new infrastructure that would serve future growth?
- Would the Project be sufficient to influence redevelopment of the surrounding area?

Available Land for Development

The proposed Project is in an area nearly built out with retail, commercial, and residential uses. Most of the surrounding areas are either already developed or are within public ownership. The only large undeveloped lands near the Project site are recreation or ecological preservation areas. The undeveloped land to the north of the Project site is associated with Talbert Regional Park or Canyon Park. Undeveloped land to the west of the Santa Ana River is the Talbert Ecological Preserve in the City of Huntington Beach. These areas are in public ownership, and future development is precluded. Further to the north in Huntington Beach, additional development is planned as part of the Brightwater Specific Plan project in Bolsa Chica. However, this development has already been approved and is under construction; it would not be influenced by the proposed Project.

The *City of Newport Beach General Plan* has identified other locations within the City for expanded development and enhancements (see Section 4.1, Land Use and Related Planning Programs). None of these locations are immediately adjacent to the Project site, nor do they depend on the Project's implementation to be consistent with the vision in the General Plan. As proposed, the Project would not influence development in other portions of the City. However, should the Project site be developed consistent with the Open Space designation, other areas of the City may need to intensify development to meet the City's projected housing demand (see Section 7.0, Alternatives to the Proposed Project).

The portions of the cities of Costa Mesa and Huntington Beach nearest to the Project site are built out. Both these cities have redevelopment plans, which are discussed below.

The lack of available undeveloped land limits any growth-inducing effect of the proposed Project.

Providing New Infrastructure

With the exception of Bluff Road and North Bluff Road, the new infrastructure that would be constructed as part of the proposed Project is intended to only serve the Project. The utility improvements that are being implemented are distribution lines that would serve the land uses on site. The Project does not propose improvements that would extend services to areas that currently are not served or provide additional capacity in these infrastructure improvements, thereby facilitating new off-site development or intensification of land uses. As discussed above, there are no properties adjacent to the Project site that would benefit by having the utilities extended. Additionally, the Project does not propose expanded wastewater facilities or electrical substations that would provide capacity beyond the needs of the Project.

Bluff Road and North Bluff Road would provide a connection between West Coast Highway on the south and 19th Street on the north that would provide capacity beyond what is needed to serve the Project site. However, this roadway has been on the City's Circulation Element Master Plan of Streets and Highways and the Orange County Transportation Authority's Master Plan of Arterial Highways for a number of years. This roadway is intended to provide an additional north-south roadway to alleviate congestion on parallel roadways. It would not provide a roadway connection where roadways do not currently exist.

The Project would not induce growth through the provision of infrastructure.

Redevelopment

As indicated above, both the cities of Costa Mesa and Huntington Beach have adopted redevelopment plans. In addition, the City of Newport Beach has annexed land within the Santa Ana Heights Specific Plan and Redevelopment Plan area. Growth-inducing impacts would occur if redevelopment efforts extended beyond the level assumed in redevelopment plans or outside of designated redevelopment areas.

Intensification of land uses in the City of Huntington Beach as a result of this Project is not probable. The closest private land is west of Brookhurst Street. This area has been developed with residential uses. The single-family lot nature of the development would make it difficult to have meaningful intensification of uses. Consolidation of lots to allow larger, higher density development would be necessary. This is not a reasonable expectation based on the level of development proposed by the Project.

The City of Costa Mesa has placed a zoning overlay on the area east of the Project. As discussed in Section 4.1, Land Use and Related Planning Programs, the Mesa West Bluffs Urban Plan area is located contiguous to the eastern boundary of the Project site. The Costa Mesa City Council identified the Mesa West Bluffs Urban Plan area as a live/work or residential overlay area. This Plan does not propose intensification, but assists revitalization by encouraging the development of live/work units or residential development. The proposed Project would not be expected to have a growth-inducing effect on the single-family land uses within the City of Costa Mesa for basically the same reasons outlined above for Huntington Beach. The introduction of new residential development on the Project site could facilitate the planned transition of some areas within the Mesa West Bluffs Urban Plan. As a larger residential enclave develops in this area, it may encourage owners of the industrial uses to consider developing live/work units. The City of Costa Mesa has adopted regulations to encourage the revitalization of this portion of the community with live/work and residential uses. In adopting the Mesa West Bluffs Urban Plan, the City states that this would not be an intensification of land uses. Sites redeveloping would need to demonstrate that there would not be impacts on circulation or infrastructure. As such, this would not be considered a growth-inducing impact of the proposed Project.

Conclusion

Most of the area surrounding the Project site is either developed or in public ownership. The proposed Project would not remove obstacles to growth by providing enhanced infrastructure. Since this transition was anticipated and encouraged in the Mesa West Bluffs Urban Plan, it would not be a growth-inducing impact of the proposed Project.