CITY OF NEWPORT BEACH
ECONOMIC DEVELOPMENT COMMITTEE

AGENDA

MEETING DATE: Wednesday, May 20, 2009
TIME: 8:00-9:00 A.M. *Please arrive 5 min. prior*
PLACE: City of Newport Beach Council Chambers

ROLL CALL AND INTRODUCTIONS

To assist with attendance there will be a sign in sheet at the podium, Please check off your name on arrival or before departing.

MEMBER UPDATES AND ANNOUNCEMENTS

DISCUSSION ITEMS

1. Approval of Minutes of April 15, 2009 *(Attachment)*
2. A summary report on Restaurant Week January 2009 by Sheri Drewry &
3. Peggy Fort, CMC
4. Annual Report on Progress Implementing the Strategic Plan for Fiscal and Economic Sustainability *(Attachments)*
5. EQAC Representative's Report

ITEMS FOR A FUTURE AGENDA

PUBLIC COMMENTS

ADJOURNMENT

NEXT EXECUTIVE COMMITTEE MEETING: Wednesday, June 3, 2009
8:00 A.M. – NEWPORT BEACH CHAMBER OF COMMERCE

NEXT REGULAR MEETING: Wednesday, June 17, 2009
8:00-9:00 A.M. – CITY COUNCIL CHAMBERS

Any writings or documents provided to a majority of the Economic Development Committee regarding any item on this agenda will be made available for public inspection in the Planning Department located at 3300 Newport Blvd., Newport Beach, CA 92663 during normal business hours.

CITY OF NEWPORT BEACH
ECONOMIC DEVELOPMENT COMMITTEE

DRAFT MINUTES 4-15-09

Minutes of the Economic Development Committee held at the City Council Chambers, City of Newport Beach, on **Wednesday, April 15, 2009**.

Members Present:

E	Mike Henn, Chairman	X	Sheri Drewry
X	Keith Curry, Council Member	X	Jennifer Gonzalez
X	Steve Rosansky, Council Member	X	John Hyatt
X	Robert Hawkins, Planning Commissioner	X	Lloyd Ikerd
X	Mike McNamara, Vice Chairman	X	Brion Jeannette
A	Fred Ameri	X	Debra Legan
X	Craig Batley	X	Richard Luehrs
X	Seymour Beek	X	Scott Palmer
X	Jeffrey Cole	X	John Robinson
X	Steven Coyne	X	Gregg Schwenk
X	Gary DiSano	X	Gary Sherwin
X	Jim Donnell	X	Gay Wassall-Kelly
X	Kenneth Drellishak		

Staff Representatives:

x	Sharon Wood, Assistant City Manager		
x	Leigh De Santis, Economic Development Administrator		
x	Katie Bowden, Economic Development Coordinator		

Guests Present:

Bill Kelly	Roy Freeman
Peggy Forte	

Roll Call and Introductions:

Vice Chairman McNamara called the meeting to order at 8:06 am and began self introductions of the assembled members, staff and guests.

UPDATES AND ANNOUNCEMENTS

- Gregg Schwenk announced the 10th Annual Newport Beach Film Festival would occur April 23-30, 2009.
- Gay Wassall-Kelly reported that this year the Newport to Ensenada Race sets sail from the Balboa Pier on April 24, 2009. Also sailing from the Balboa Pier that day will be the new(er) and shorter route, Race to the Border.
- Gary Sherwin announced that thanks to Gary DiSano, in addition to one of the BCS playoff teams and the media, both universities' alumni associations will be staying in Newport Beach hotels; one at the Island and one at the Balboa Bay Club.

DISCUSSION ITEMS

1. **Minutes of March 18, 2009.**

   Motion: Gregg Schwenk
   Second: Seymour Beek
   Vote: Unanimous

2. **Presentation by Gary Sherwin, on the EDC designed Special Events Advisory Committee**

   Some members of the City Council thought that having a group of marketing professionals evaluate special event assistance requests could be useful in helping the City Council make funding decisions. An early draft of such an idea was presented to the EDC Executive Committee. The EDC Executive Committee was asked to refine and develop the idea, take it to the full EDC for review and move it forward to the City Council for action if supported by the EDC. Following Gary's and Sharon's explanation there was a discussion of various aspects of the proposal, including whether the Committee should be a subgroup of the EDC or a stand alone Committee. As discussion was concluding, Jim Donnell moved that the proposal be forwarded to the City Council. Robert Hawkins seconded. Gay Wassail-Kelly proposed that the Purpose be amended to include the production of a master calendar of events for the City. Robert Hawkins seconded the amendment. The question as amended was unanimously approved.

3. **Presentation by Mike McNamara, regarding the creation of a Committee of Interested Individuals to Explore a Summer Water Taxi Service.**

   The Strategic Plan for Fiscal and Economic Sustainability includes direction to form a committee of concerned individuals to research and recommend to the City Council the feasibility of a summer water taxi service. The issue of better utilization of the harbor/bay has also arisen at the Harbor Commission andat the Chamber of Commerce in discussions about the creation of a tourism map of the harbor.. Mr. McNamara presented to the group an EDC Executive Committee proposal for a committee that could address all those aspects of the issue on behalf of the three groups and the City Council. After the presentation Robert Hawkins moved approval

and Jim Donnell seconded. Discussion followed, including the need for a study to determine the scope and feasibility of such a service. Craig Batley moved the question and Greg Schwenk seconded. The Committee proposal was unanimously approved to be forwarded to City Council.

The EDC then nominated Mike McNamara and Richard Luehrs to be their recommendations for appointment to the Committee. Jim Mahoney and Casey Jones were suggested as possible appointments to the Committee to represent maritime businesses; staff will ask them if they care to apply. John Robinson expressed interest in representing the Restaurant Association; he will bring it with them.

4. **Presentation by Greg Schwenk on the Newport Beach Film Festival**

This is the 10th Anniversary of the Newport Beach Film Festival. They received over 2000 submissions and will be showing 400 films. For the first time they will also offer a seminar series on film making. They will continue the tradition of honoring John Wayne; this year's screening will be "She Wore a Yellow Ribbon". As part of the Festival there will be a special look a Sponge Bob Square Pants (who is also turning 10), Bloomingdales will have a fashion show, there will be a live performance of Zumanity by Cirque du Soleil and 22 local restaurants are offering specials. They have received and forwarded more hotel requests than in the past. Esquire Magazine and Entertainment Weekly have become sponsors.

5. **Sheri Drewry requested that her report on Restaurant Week January 2009 be postponed until May so that she might have more time for her presentation.**

6. **EQAC Representative's Report**

- EQAC is in the process of reviewing two EIR's - Marina Park and Aerie.
- EQAC is in the process of responding to two Notices of Preparation - Banning Ranch and City Hall.

ITEMS FOR A FUTURE AGENDA

- A summary report on Restaurant Week January 2009
- A progress report on the Strategic Plan for Fiscal and Economic Sustainability

PUBLIC COMMENTS

None

ADJOURNMENT

Vice Chairman McNamara called for the meeting to be adjourned at 9:00 am.

City of Newport Beach
Planning Department

Memorandum

To: The Economic Development Committee

From: Leigh M. De Santis, Economic Development Administrator

Date: May 20, 2009

Re: Annual Report on Progress Implementing the Strategic Plan for Fiscal and Economic Sustainability

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Attached to this cover memo are two documents for your review.

The first is a progress report on the accomplishments of the EDC and ED staff during 2008 in implementing the goals and objectives of the Strategic Plan for Fiscal and Economic Sustainability adopted by the City Council in July 2007.

The second is a proposed update of the Strategic Plan itself to reflect those completed tasks and to establish current priorities based not only on what remains to be accomplished but also to reflect that some things no longer seem relevant nearly two years after adoption.

Based on your review and prioritization, ED staff will establish new budget and time estimates for implementation of the Strategic Plan prior to taking it to the City Council for review and adoption of the updates. If there are any items that the Committee wishes to recommend for implementation in FY 2009-10, which require resources other than staff, we will present them to the City Council during budget review, separate from recommended action on amendments to the Strategic Plan.

2009 Annual Review

of the

Strategic Plan for Fiscal and Economic Sustainability

Goal 1 – The City shall facilitate the revitalization of older commercial areas.

Objective 1.1: Improve business mix

Action Steps 1, 2, and 3: The City hired Buxton Community ID. They completed trade area and market studies of both Balboa Village and Lido/Cannery/McFadden. They provided a list of potential business matches and created Recruitment Packages for business. The Balboa Village BID was involved in selecting the "top" retail picks for its area. Buxton sent out letters of introduction on behalf of City this year. Staff is starting to make contact and set up meetings. The Economic Development Administrator will be attending ICSC in May to pursue leads.

Action Step 4: No progress due to staff vacancies and late start on Action Steps 1, 2 and 3. [Begin FY 2009/2010]

Objective 1.2: Mixed use development

Action Step 1: The Zoning Code Update is progressing and hearings before the Planning Commission should begin in September. The revisions to the Zoning Code include flexible regulations for mixed-use development. The Coastal Commission has approved most amendments to the Coastal Land Use Plan that would allow mixed-use development. City Council approval of Commission modifications to the City's amendment request is pending.

Objective 1.3: Parking Facilities

Action Steps 1and 2: The City hired Walker Parking Consultants to perform parking studies of five older commercial areas and to review the parking portion of the Zoning Code update. Walker has completed its review of the Zoning Code parking regulations, and thr ee of the geographical area studies – Corona del Mar, Balboa Island and Mariner's Mile. These reports will be presented to the City Council at study sessions in June. The Balboa Village report is in progress and Walker has not yet started on Lido/Cannery/McFadden.

Action Step 3: Implementation of recommendations will be considered after City Council review and approval of recommendations.

Objective 1.4: Business Association Liaison

Action Steps 1 and 2: The City has continued to work with the BIDs and Mariners' Mile Business Owners Association. A Tourism BID that includes six hotels was formed at the request of the hotels. New By-laws have been drafted and adopted by Marine Avenue and are in the process of being reviewed by Balboa Village. The Restaurant BID is sponsoring two Restaurant Weeks in 2009. In 2008, the City audited the BID Administrator under contract to the City. Also, staff worked with the BID Administrator to create a new collections procedure that is in process this year to reduce the amount of outstanding assessments.

Objective 1.5: Campus Tract

Action Step 1: The draft Zoning Code establishes a new zoning district for the Campus Tract to implement General Plan policies that allow auto sales and rental car uses. The City Council approved a sales tax sharing agreement with European Motorcars prior to its expansion and move from Mariners Mile to the Campus Tract. Council also approved a zoning overlay to enable Avis to open offices.

Goal 2: The City shall support business efforts to optimize retail sales capture.

Objective 2.1: Commercial zoning

Action Step 1: The Economic Development staff is assisting in the development of the new Zoning Code. Public hearings before the Planning Commission should begin in September. More flexibility has been introduced into the sections dealing with eating and drinking establishments and parking requirements.

Objective 2.2: Newport Center

Action Steps 1 and 2: The North Newport Center Planned Community was adopted to implement General Plan policies allowing for additional retail development in Fashion Island. Staff is facilitating development of the Nordstrom store, scheduled to open in March 2010. New tenants have opened or are scheduled to open, although the economic downturn has also resulted in four stores closing. Economic Development staff will be available to support Irvine Company staff in recruiting new tenants at the ICSC conference in May.

Objective 2.3: Airport Area

Action Step 1: As noted in Objective 1.5, the City assisted with the expansion and relocation of auto sales and rental businesses. Staff is working with Koll and Conexant in connection with their applications for residential and mixed use development as

provided in the General Plan. The Planning Commission has acted on a conceptual plan for these properties.

Objective 2.4: Auto Sales

Action Step 1: Staff regularly works with brokers looking for sites in Newport Beach, and directs them to the Airport Area. The City entered into a sales tax sharing agreement with Newport European Motorcars to expand and relocate its facility in the Airport Area. The existing sales tax sharing agreement with Newport Lexus is nearing conclusion.

Objective 2.5: Performance Indicators (retail and sales tax)

Action Step 1: The Revenue Division tracks retail sales tax data. Economic Development staff has not reviewed the effectiveness of existing reporting tools due to staff vacancies and late start on other objectives. Four meetings of the EDC in 2008-09 focused on retail performance. At two meetings the geographic representatives on the EDC presented information on how each commercial area was faring. The Director of Administrative Services and Revenue Manager made two reports to the EDC as well as the City Council on the impacts of the current economic situation on property, sales and transient occupancy tax revenue.

Goal 3: The City shall facilitate the development, attraction and retention of a variety of businesses that strengthen the vitality of the local economy, particularly businesses that capitalize on market and demographic changes and opportunities that emerge in key economic centers.

Objective 3.1: Master Plan for West Newport Mesa Area

Hoag Hospital expansion was approved last year. However, due to economic conditions, Hoag has delayed implementation of major portions of its planned expansion. Master planning for the rest of the surrounding area has not begun.

Objective 3.2: Flexible Zoning

Action Steps 1 and 2: ED staff has attended pertinent General Plan Implementation Committee meetings in support of restaurant uses, mixed uses, parking, signs etc.

Objective 3.3: Business Assistance Clearing House

Action Step 1: The City has hired a consultant, who is updating the City website. When this is complete, the Economic Development page will also be updated.

Action Step 2: The City has contracted with CoStar since 2007. Staff has used the information to assist in selecting which leads provided by Buxton (Objective 1.1) to pursue, to provide potential sites to other potential businesses that have contacted staff, and to provide the City Council with information on commercial vacancies.

Action Step 3: There has not been a demonstrated demand for a standard informational package. Economic Development staff has provided information and support to almost a dozen businesses interested in Newport Beach locations or applying for land use or building permits.

Objective 3.4: Leading Indicators

Action Step 1: Rather than hiring a firm to prepare a study that could not keep up with the current volatile trends, staff has been taking advantage of free economic outlook seminars and webinars from CoStar and Buxton to keep current on real estate and retail trends. Staff also attended the OCBC Economic Forecast Program presented by CSU Fullerton. Staff also used these resources to report to the City Council on economic indicators.

Objective 3.5: Program targets reporting

Action Steps 1 and 2: This is the first annual report. The Strategic Plan timeline was updated a year ago in lieu of an annual report since there had not been any staff in place to make progress.

Objective 3.6: Fiscal Impact Model

Action Steps 1, 2, & 3: The fiscal impact model has not been updated, nor have procedures for its use been established. Staff has found that few development proposals have warranted fiscal impact analysis, and it may be more appropriate to update and use the fiscal impact model on an "as needed" basis.

Objective 3.7: Economic Development Policy

Action Steps 1, 2, and 3: EDC formed a subcommittee to review and make recommendation to the City Council on updating their Economic Development Policy. The full EDC approved the draft Economic Development Policy update and forwarded it to the Council for action. The City Council approved the recommended Policy update on June 10, 2008. Staff supported the EDC in updating the City Council's Economic Development Policy.

Objective 3.8: Economic Development Committee Structure

Action Steps 1, 2, and 3: EDC appointed a sub-committee to draft revisions to the resolution establishing EDC and made recommendations to the City Council in connection with those revisions. The City Council adopted the EDC's recommendation and revised the resolution concerning EDC.

Goal 4: The City shall facilitate an economically viable concentration of marine uses, and enhance the maritime viability of Newport Harbor.

Objective 4.1: Water-Dependent Marine Businesses

Action Step 1: The draft Zoning Code is being written to balance the need to maintain water dependent uses and to allow other uses that are permitted by the General Plan Land Use Policies.

Objective 4.2: Non-Water-Dependent Marine Businesses

Action Step 1: Economic Development staff reviewed reports to the General Plan Implementation Committee concerning incentives that could be included in the updated Zoning Code to facilitate the preservation and relocation of marine businesses. No incentives were found to be feasible under the limitations of the General Plan and Charter Section 423.

Objective 4.3: Dredging Lower Newport Bay

Action Steps 1 and 2: A plan is being developed and funds are being sought. Testing for toxic substances has already begun on the lower bay to determine how to dispose of the material to be removed. The City has budgeted $300,000 for this process and will be committing a second $300,000 to complete testing and to develop a confined aquatic disposal (CAB) site in the harbor. The Army Corps of Engineers is receiving $17.3 million in stimulus funds to complete dredging of the upper bay, which should increase our ability to secure funds for the lower bay.

Objective 4.4: Regulatory Compliance

The fees and permitting process for water uses and moorings are being reviewed by the Finance Committee and the Harbor Commission. The Coastal/Bay Water Quality Committee and the Coastal/Bay Use subcommittee continue to monitor water quality. A ban on use of expanded polystyrene food containers by restaurants in Newport Beach goes into effect on June 1, 2009 in hopes of decreasing trash on the beach and in the ocean. The City has been negotiating with the National Marine Fisheries seeking permission for the City to regulate eel grass. As part of that regulation the City is also seeking permission to develop an eel grass mitigation bank that may be used by residents to meet their preservation obligation.

Objective 4.5: Water Transportation Services

Action Steps 1 and 2: The EDC has forwarded to City Council a proposal to create a Committee of Interested Individuals to Investigate a Summer Water Taxi Service.

Goal 5: The City will enhance the boating services of Newport Harbor.

Objective 5.1: Additional Guest Boat Slips

Action Step 1: Marina Park has been designed, including an additional twenty-three (23) boat slips. The public review period for the EIR on this project concluded on April 13, 2009.

Objective 5.2: Develop Additional Capacity to Tie Up Small Boats

Action Step 1: See Action Step 1 under Objective 5.1.

Action Step 2: The Rhine Wharf project has permits, the design is being refined and the project will go out to bid in late summer of 2009.

Action Step 3: Harbor Resources staff is close to submitting permit applications for Fernando Street, 15th Street and 19th Street public docks.

Objective 5.3: Dinghy Docking

Action Step 1: Staff reviews dinghy docking regulations annually.

Objective 5.4: Policy on Visiting Boaters

Action Steps 1, 2, 3 and 4: See Objectives 5.1, 5.2, and 5.3.

The City, in conjunction with Department of Boating and Waterways, amended the Municipal Code to limit long-term anchorage off of Big Corona Beach, in response to problems caused by non-seaworthy vessels leaking sewage during prolonged stays and/or being washed ashore and breaking up on the beach.

Goal 6: The City shall support the careful expansion of visitor-serving businesses and facilities.

Objective 6.1: Small Scale Lodging

Action Steps 1, 2 and 3: These items have not commenced formally. Staff believes that the primary barrier to bed and breakfast inns is Newport Beach's lack of residential properties that are large enough and have sufficient parking.

Objective 6.2: Vacation Rentals

Action Steps 1 and 2: The EDC received a comprehensive report on the short-term rental industry in Newport Beach from Burr White, the City's largest short-term rental property manager. Code revisions and development of a "Seal of Approval" program are still pending. A Good Neighbor Policy including decals with owner contact information was developed and put into operation beginning with the summer of 2008.

Objective 6.3: Marketing and Promotion

Action Step 1: The City Manager is an ex officio member of the CVB Board of Directors, and three members of the EDC are currently on the CVB board.

Action Step 2: The City provides financial support to the CVB, with a new five year contract under which the CVB will continue to receive 18% of the TOT. ED staff worked with the CVB to bring to the City Council a proposal to form a Tourism Business Improvement District (TBID), which became effective April 28, 2009.

Action Step 3: The City continues to provide support to annual events including the Newport Beach Film Festival and Restaurant Week.

Objective 6.4: Beach/Bay Activities Promotion

Action Step 1: The EDC developed a proposal for a Special Events Advisory Committee to provide the City Council with an analysis of the return to the community, both tangible and intangible, of City supported events and to create a master calendar of events. The City has made special accommodations for the Orange County Marathon to occur at a different time and on a new route showcasing the beach, and for the Pacific Coast Triathlon to occur in July to accommodate international competition qualifying schedules.

Goal 7: The City will seek to minimize the economic impact of traffic congestion and will take affirmative steps to improve traffic flow.

Objective 7.1: Traffic Control Synchronization

Action steps 1, 2, and 3: The City retained a traffic signal consultant to complete a traffic signal communication master plan and design traffic signal upgrades.

Action Step 4: The traffic light synchronization installation program has begun. Construction of the new Traffic Management Center (TMC) has been completed. The first phase of the Citywide Traffic Signal Modernization project is fully operational and 22 signalized intersections are connected to the TMC. Some intersection and road improvements are occurring at the same time. The goal is to update all of the 117 City-

operated traffic signals. City Council awarded the bid for Phases 2 & 3 on April 14, 2009.

Objective 7.2: Roadway Improvements

Actions Steps 1 and 2: Consultants were retained to update the Fair Share Fee, and their preliminary reports and recommendations were presented to the General Plan/LCP Implementation Committee. The reports are being revised in response to comments from the development community, and will be presented to the GP/LCP Committee when the Committee completes its review of the draft Zoning Code.

Action Step 3: No General Plan improvements have been designed and constructed. However, the North Newport Center Development Agreement includes provisions for funding of improvements in the Newport Center area.

Objective 7.3: Regional Traffic Improvements

Action Step 1: The City has secured funding for the widening of Jamboree Road from Bristol Street to Fairchild, and design of this project is in progress.

Objective 7.4: Alternative Transportation

Action Steps: A Public Bike Share demonstration is planned for the Balboa Peninsula and OCTA facility in Newport Center for July.

Objective 7.5: Cooperation with Adjacent Cities

Actions Step 1: IBC litigation settlement funds were used to complete a study of traffic impacts from development in that part of Irvine. Additional study is being conducted to explore mitigation solutions.

Action Step 2: Newport Beach participated in OCTA's study of potential improvements to Newport Boulevard between SR 55 and Coast Highway.

Goal 8: The City will administer its development review and permitting processes in an efficient, solution oriented and customer friendly manner.

Objective 8.1: Implement Recommendations of Development Review Evaluation

Action Step 1: Assistant City Manager meets frequently with Directors of Building, Planning and Public Works and Fire Marshal; and interdepartmental task forces have addressed work flow, submittal requirements, technology improvements and training. Economic Development staff act as project facilitators for commercial projects. Permits Plus functionality has been increased to provide more regular reporting to department

managers. All departments use Permits Plus to post plan check corrections. Planning staff is at full complement, and senior staff in the Planning and Building Departments is available at the permit counter at all times. Application submittal requirements have been simplified, clarified and coordinated among departments, and are available on the City website.

Objective 8.2: Enhanced Communication with Applicants

Action Step 1: In addition to on-line information noted in Objective 8.1, communication with applicants has been increased through meetings of management staff with development community representatives to assess City processes, discuss areas for improvement and agree on changes. Building Department has implemented policy of meeting with applicants whenever all plan check corrections have not been resolved after two reviews.

Objective 8.3: Training

Action Step 1: Planning, Building, Harbor Resources, Public Works, General Services and Utilities staff have all participated in Customer Care Initiative training developed specifically for the development review function.

Objective 8.4: Zoning Code Update

Action Step 1: The General Plan Implementation Committee is reviewing a draft of the comprehensive rewrite of the Zoning Code. Economic Development staff provided input in areas such as parking and restaurant regulations. Public hearings before the Planning Commission should begin in September.

CITY OF NEWPORT BEACH

STRATEGIC PLAN FOR FISCAL AND ECONOMIC SUSTAINABILITY

Adopted July 24, 2007

Updated May 2009

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I. INTRODUCTION

The Strategic Plan for Fiscal and Economic Sustainability is designed to serve as a work program for the City Council, City staff, the City Economic Development Committee (EDC) and other civic leaders to promote and sustain fiscal and economic vitality in Newport Beach. It is intended, in part, as a companion document for the General Plan, to assist the City in implementing portions of the General Plan that affect economic development in the City. Beyond City land use and development policy, however, the Strategic Plan for Fiscal and Economic Sustainability includes goals and objectives to enhance the business climate in the City.

The Strategic Plan for Fiscal and Economic Sustainability focuses on a shorter time frame than does the General Plan, since economic conditions and priorities can change more rapidly than do planning goals related to community character and land use patterns. The work program included here contemplates at most a five-year time horizon, and it is assumed that annual reviews of progress and re-assessments of priorities will be undertaken as a prelude to the City's annual budget process.

The ~~Preliminary Commitment Outline~~financial and staff resources and action steps ~~elements~~ embedded within the main document are estimates for commitments that may be necessary to undertake the objectives, as well as cost estimates that may be associated with those commitments as are available at this time.

The Visioning Process

The City initiated a Visioning Process in January of 2002, ahead of its effort to update the General Plan, which culminated in publication of the *Community Directions for the Future* report in January 2003. The Visioning Process included a series of events, meetings and public information gathering programs and resulted in a vision statement for Newport Beach and substantial public input

on a wide range of issues for consideration in the General Plan Update.

Based on public input, a vision for the future of Newport Beach was developed by the citizen General Plan Advisory Committee (GPAC), which describes the City's desired 'end state' and what the community hopes to have achieved by 2025. Under the heading, "Growth Strategy, Land Use and Development," the vision states in part, *"[w]e have a conservative growth strategy that emphasizes residents' quality of life – a strategy that balances the needs of the various constituencies and that cherishes and nurtures our estuaries, harbor, beaches, open spaces and natural resources. Development and revitalization decisions are well conceived and beneficial to both the economy and our character...."*

The process also ascertained the public's input on a range of more specific issues. There was broad community consensus on some economic issues, and more diverse opinion on others. The full detail of the vision developed by GPAC is contained in the report noted above.

II. STRATEGIC PLAN FOR FISCAL & ECONOMIC SUSTAINABILITY

VISION STATEMENT

Newport Beach shall maintain and enhance its local economy, a high quality of life, economic opportunities for its citizens and the sustained fiscal health of the City, while respecting and supporting the residential and waterfront character of the community and its natural resources and amenities.

THE ROLE OF THE CITY

An important purpose of this plan is to help focus limited City resources on activities that are most cost-effective and address squarely the City's priorities for economic development. The private sector is the primary engine for economic progress in Newport Beach. The City is fortunate to enjoy sustained periods of relative prosperity during which little government involvement is warranted

beyond providing clear land use policies and an efficient, predictable entitlement process. It is also important for the City to sustain economic and fiscal health throughout the ups and downs of the business cycle.

Typically, cities can play a role in several areas to support economic development, as follows:

1. Land Use and Development Policy

The City's main effort recently has been to update the General Plan, and the implementation of new land use and development policies in various areas of town will have a significant impact in supporting economic development.

2. Infrastructure

Regarding infrastructure, the City has made strategic investments in public improvements, such as the streetscape work in the Balboa Village, Corona del Mar, Marine Avenue and Mariner's Mile commercial districts, but in general it has only limited resources to invest in new infrastructure. The City must instead focus on implementing policies to ensure that new development pays for new infrastructure and that the fiscal balance of the developing land use mix can sustain the City's ability to operate and maintain the existing infrastructure. To the extent the City can address infrastructure improvements, improvements in circulation and parking facilities will benefit the economic growth of the community most.

3. Incentives

The City can offer incentives to development such as shared parking opportunities, in-lieu parking fees, tax-exempt financing, and sales tax sharing. These kinds of incentives can improve the market feasibility of desired kinds of

improvement in the economic environment without necessarily requiring expenditures of existing public funds.

GOALS, OBJECTIVES AND ACTION PLANS

The Strategic Plan for Fiscal and Economic Sustainability for the City of Newport Beach includes eight major goals for economic development in the City:

- Goal 1: Facilitate revitalization of the City's older commercial areas;
- Goal 2: Support efforts to optimize retail sales capture;
- Goal 3: Facilitate the development of businesses that strengthen the vitality of the local economy;
- Goal 4: Facilitate an economically viable and vital Newport Harbor;
- Goal 5: Enhance the boating services of Newport Harbor;
- Goal 6: Support careful expansion of visitor-serving businesses and facilities;
- Goal 7: Seek methods to improve traffic flow and minimize the economic impact of traffic congestion;
- Goal 8: Administer the development review and permitting processes in an efficient and customer friendly manner.

The following discussion briefly outlines these goals, along with the more detailed objectives and implementation actions associated with each goal.

Goal 1: The City shall facilitate the revitalization of older commercial areas

Objective 1.1 – Improve the business mix of older commercial districts, especially regarding their resident serving usefulness, through improvement in the quality, breadth and sales tax generation of such areas, taken as a whole. Identified areas include Balboa Village and other Balboa Peninsula commercial districts, as well as Marine Avenue, Old Newport Boulevard, ~~and~~ West Newport, and Corona del Mar.

Lead: Economic Development staff.

Support: Business Improvement District Boards; Planning Commission; City Council; Planning Department staff; Chamber(s) of Commerce representatives; consultant support.

Financial/Staff Resources: Staff time–approx. 400 hours annually (1/10 total E.D. staff time); *Cost:* ~~approx. $50,000-60,000 annually ($15,000-20,000 per market area~~).

Action Steps:

1. Contract with consulting firm to prepare specific reports for each commercial village and/or identified sub-area, utilizing existing and new data to provide research on commercial area market and purchasing trend detail. Firm should provide business attraction recommendations, contact information, and targeted retailer marketing packages. [~~Begin July, 2007 w/ stable commercial areas, and continue with areas in transition~~ Buxton Community ID has completed process for Balboa Peninsula. Pending outcomes, another area will be selected in 2010]

2. Prepare specific recruitment materials utilizing primary data provided by consultants, as well as materials shared by the Chambers of Commerce and other organizations. [~~Begin September, 2007 and Maintain~~Buxton Community ID prepared materials for Balboa Peninsula. Pending outcomes, another area will be selected in 2010.]

3. Economic Development staff (jointly with Chamber staff) should begin new business recruitment program utilizing market area information and other shared resources. Recruitment targets should include, but not be limited to, retail leads for possible fit in commercial villages as developed by marketing consultant; those identified as retailers 'spun off' by The Irvine Company from their commercial centers; and/or those wishing to expand *(as coordinated with Objective 2.2)*, or as retailers not desiring to be within a "shopping center." [Begin ~~October, 2007~~May 2009 for Balboa Peninsula & Maintain. Pending outcomes, another area will be selected in 2010.]

4. Review/implement "vision" plans for Balboa Village, West Newport, the joint Cannery Village / Lido / McFadden area, and/or other areas as appropriate. [Beginning ~~September, 2007~~ with Balboa Village in FY 2009/2010.

Objective 1.2 – Mixed-Use Development: The City shall adopt flexible zoning regulations to implement General Plan mixed-use development policies in the commercial districts.

Lead: Planning Department

Support: Planning Commission, City Council

Financial/Staff Resources: Included in Zoning Code re-write.

Action Steps:

1. Economic Development staff will coordinate with the General Plan Implementation Committee and staff of the Planning Department to prioritize this Objective, and will provide feedback to the EDC on progress made. [Completion ~~July, 2008~~ December 2009]

Objective 1.3 – Parking Facilities: In cooperation with merchants and commercial property owners, the City shall establish a plan to facilitate the improvement of parking in specified areas. The City may use various mechanisms to facilitate this, e.g., public/private partnerships, tax exempt financing, parking management districts and/or in-lieu fees.

Lead: Economic Development Staff

Support: Administrative Services staff; Public Works Department staff; City Council

Financial/Staff Resources: Staff time 400+ hours; largely dependent on establishment of in-lieu parking fee. Possible design and/or assessment district consulting engineers; Parking structure development could also rely on revenue bonds paid with fee revenues, though currently TBD.

Action Steps:

1. Hire Parking Management consultant to review and update the parking standards and policies, including the potential implementation and possible impacts of market pricing; prepare a study of programs that encourage the development of shared use parking facilities; and identify and prioritize areas where parking facilities are needed or might be needed in the near future. [~~Begin July 2007~~ Completion September 2009]

2. Seek City Council input on and approval for the recommendations from the parking consultant effort, including the establishment of an in-lieu fee. [Begin ~~January, 2008~~ June 2009]

3. Identify and implement high impact recommendations that can be quickly accomplished. Identify and implement high priority recommendations that need immediate initiation and dedicated resources. [Completion ~~July, 2008~~ December 2009]

Objective 1.4 – Business Association Liaison: The City shall continue to support, and participate in as appropriate, efforts of Business Improvement Districts (BIDs) and other business and/or property owner groups to complete improvements and other voluntary business support activities within their areas.

Lead: Economic Development Staff

Support: City Council; BID Boards of Directors & property owner group boards; City staff from: City Manager's Office, Fiscal Services Division, City Attorney's office, Planning, Public Works, General Services, and Utilities departments; BID Systems, Inc. staff; Chamber(s) of Commerce staff; various contractors annually

Financial/Staff Resources: Staff time–approx. 400 hours annually (1/10 total E.D. staff time); $140,000 General Fund line item annually for BID matching funds and contract admin support; various General Fund contributions annually to public improvement projects and event support.

Action Steps:

1. Continue E.D. staff liaison programming with the City's ~~four~~ five Business Improvement Districts, including (but not limited to): fiscal administration;

activities support; BID renewal activities; contract assistance and oversight; public improvement program development and implementation; marketing/advertising support; coordination between business area improvement groups and the neighboring residential public. [Ongoing]

- *Task A:* E.D. staff and BID Systems, Inc. staff should prepare a BID 'past-due' assessment collection program for adoption by the City Council and amendment to the Municipal Code. [~~Begin July, 2007~~ Completed.

2. Continue E.D. staff liaison programming with the Mariner's Mile Business Owners Association. [Ongoing]

Objective 1.5 – Campus Tract: With its proximity to the John Wayne Airport and the potential availability of larger sites, the City shall focus its initial planning efforts on opportunities for the Campus Tract area.

Lead: Planning Department Staff

Support: City Manager's Office; Economic Development Staff; Zoning Consultant

Financial/Staff Resources: This should be included in the Zoning Code revisions project that is already underway.

Action Steps:

1. Economic Development staff will coordinate with the General Plan Implementation Committee and staff of the Planning Department to prioritize this Objective, and will provide feedback to the EDC on progress made. [Completion ~~January, 2008~~ December 2009]

Goal 2: The City shall support business efforts to optimize retail sales capture.

Objective 2.1 – Commercial Zoning: The City shall adopt

flexible zoning in support of General Plan policies for commercial development.

Lead: Planning Department staff

Support: Planning Commission; City Council

Financial/Staff Resources: This should be included in the Zoning Code revisions project that is already underway.

Action Steps:

1. Economic Development staff will coordinate with the General Plan Implementation Committee and staff of the Planning Department to prioritize this Objective, and will provide feedback to the EDC on progress made. [Completion ~~January, 2008~~ December 2009]

Objective 2.2 – Newport Center: The City shall facilitate efforts by Fashion Island and Newport Center to evolve their design and retail mix to capture maximum retail sales.

Lead: Property owners

Support: Planning Department staff and City Manager's Office staff.

Financial/Staff Resources: Staff time to review proposals will be paid through development review fees.

Action Steps:

1. Work with The Irvine Company, other property owners, the Planning Commission and City Council to ensure that the revised Planned Community for Fashion Island includes provisions to facilitate additional retail development and implements Design and Development policies in the General Plan Land Use Element. [~~May-December 2007~~ On-going]

2. ~~Meet with The Irvine Company representatives quarterly to share information on sales tax generation of existing retail mix and review trends and possible changes. [Ongoing]~~

Objective 2.3 – Airport Area: The City shall encourage and facilitate the development of attractive retail and commercial uses that maximize retail sales capture in the Airport Area, commensurate with new General Plan land use designations

and policies related to mixed use and residential development.

Lead: Planning Department staff

Support: Economic Development staff; City Manager's Office staff; Property owners.

Financial/Staff Resources: Staff time–approx. 100-200 hours annually. If a large project with a need for additional project management is needed, significant additional staff hours may be needed. Staff time to review proposals will be paid through development review fees.

Action Steps:

1. Economic Development staff will meet with property owners and developers as they come in with projects and provide appropriate guidance and assistance to achieve General Plan goals, focused on encouraging sales tax generation and capture in mixed use as well as commercial projects [Ongoing].

Objective 2.4 – Auto Sales: The City shall encourage the development of auto sales facilities as a means of maximizing sales tax capture.

Lead: City Manager's Office

Support: Economic Development Staff; development review departmental staff; City Attorney's Office staff

Financial/Staff Resources: TBD, as proposals are made to the City.

Action Steps:

1. Staff of the City Manager's Office will continue to coordinate with various property owners, and representatives of the automotive sales & development industry for this effort, and will provide feedback to the EDC on progress made. [Ongoing]

Objective 2.5 – Performance Indicators: The City shall improve its ability to track retail trends within Newport Beach by contracting for a more comprehensive sale tax audit service and by providing regular reports to the City Council and the EDC on sales tax performance by sub-area and business type. The City may also track vacancy rates of retail and commercial properties through Co-Star.

Lead: Revenue Division staff

Support: Economic Development staff; consultants

Financial/Staff Resources: No new external cost may result if no additional consultant contracts are involved, though a review of additional reporting may necessitate minor additional resources.

Action Steps:

1. Economic Development staff should work with Revenue Manager and MRA to determine current effective value of existing reporting tools for retail performance trend analysis, including allocation audits, trends analysis, and tax increment verification. [July-August, 200~~7~~9]

2. If existing tools are unsatisfactory, contract with new firm to establish a useable matrix for trend analysis and report generation by business type, commercial sub-area; provide additional analysis; and reports that can be provided to the EDC and Council. [Begin ~~April~~ October, 200~~8~~9 and ongoing]

Goal 3: The City shall facilitate the development, attraction and retention of a variety of businesses that strengthen the vitality of the local economy, particularly businesses that capitalize on market and demographic changes and opportunities that emerge in key economic centers.

~~**Objective 3.1** – Master Plan for the West Newport Mesa Area: work with property owners to develop a master plan for properties that are related to and support Hoag Hospital including medical, medical-supporting, commercial, residential and industrial uses.~~

~~**Lead**: Planning Department staff~~

~~**Support**: City Council; Economic Development staff~~

~~**Financial Resources**: Consulting services will be required, with services estimated at $50,000-75,000. Staff time is estimated at 550+ hours during a likely 2-year lifespan for the project.~~

~~**Action Steps:**~~

~~1. Meet with property owners to update them on General plan provisions and Hoag plans, and ascertain interest in participating in joint planning effort. [Begin April, 2008]~~

~~2. If property owners are supportive, circulate RFP and retain consultant to prepare master plan. [Begin May, 2008]~~

~~3. Work with consultant and representative property owners to develop master plan, including opportunities for input from all property owners. [Begin July, 2008]~~

~~4. Present master plan to Planning Commission and City Council for review and approval. [Completion April, 2009]~~

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Objective 3.2 – Flexible Zoning: The City shall implement Zoning Code reform to expand the definition of non-residential uses and to create flexibility in its zoning code to allow projects representing innovative market or development opportunities to proceed with fewer restrictions.

Lead: Planning Department Staff

Support: Planning Commission; City Council

Financial/Staff Resources: This should be included in the Zoning Code revisions project that is already underway.

Action Steps:

1. Economic Development staff will coordinate with the General Plan Implementation Committee and staff of the Planning Department to prioritize this Objective, and will provide feedback to the EDC on progress made. [Completion ~~January, 2008~~ December 2009]

2. ~~EDC should review and provide comment on issue papers produced by the GPIC regarding this issue. [July 2007~~August 2009~~-September 2009-January, 2008]~~

Objective 3.3 – Business Assistance ~~Clearinghouse:~~ The City shall coordinate with the Newport Beach Chamber of Commerce to establish ~~a~~ business assistance ~~clearinghouse~~ and business outreach materials~~program~~ to help facilitate new business ventures and business expansions in Newport Beach. This Objective should be coordinated with efforts resulting from Objective 1.1.

Lead: Newport Beach Chamber of Commerce staff

Support: Staff from Economic Development, Fiscal Services, City Manager's Office; leadership from other local businesses

Financial/Staff Resources: Website: approximately $~~5~~10,000 in first year, with updates as required. Subscription real estate services*:* approximately $~~8~~10,000 annually. ~~Information Package: approximately $2,500-5,000. ($18~~25,000 max. total)

Action Steps:

1. Update City's website to provide additional resources on-line; using coordinated business clearinghouse and focused economic development information tailored to Newport Beach (example: www.onlyinirvine.com). [Begin July~~anuary~~ 200~~8~~9-Completion J~~uly~~anuary, 20~~08~~10]

2. Contract for subscription-based commercial real estate information database services, in order to provide potential property buyers and/or tenants with up-to-date information about the smaller, individually-owned and marketed commercial properties. [~~Beginning July, 2007 and o~~Ongoing ~~CoStar~~].

3. ~~Working with the city's two Chambers of Commerce, the Newport Beach Conference & Visitors Bureau (CVB), the Business Improvement Districts and The Irvine Company to maximize the coordinative effort and to avoid duplication of services, design and update an informational package for distribution to small-to-mid-sized business, with information such as business base data, related news articles, and available lease space within the City. Such information should be available both on-line and in print form. This program should utilize 'desktop' and 'on-demand' publishing methods to minimize ongoing costs. [Begin March, 2008January 2010~~]

~~**Objective 3.4** – Leading Indicators: The City shall provide annual reports on business establishments and employment changes by detailed business types to the City Council and the EDC for the purpose of tracking business development trends in the City. The City will address employment and business trends through the use of State of California EDD data updates~~

~~**Lead**: Economic Development staff~~

~~**Support**: Consultant support~~

~~**Financial Resources**: Economic / Employment Trend analysis & reporting: approximately $17,500 annually.~~

~~**Action Steps:**~~

~~1. Contract for services with a firm experienced in southern California economic and market analysis, who will utilize additional data load and interpretive memoranda to compile, analyze, and provide reports to staff, the EDC, and the City Council on leading economic indicators. [Beginning January, 2008]~~

Objective 3.5 – Provide reports to the EDC and City Council on program targets and effectiveness on semi-annual basis. [Beginning ~~October, 2007~~May 2009] Include annual update as part of Economic Development Report to City Council.

1. EDC should provide recommendations, based on Objective 2.5, 3.4, and as part of annual Economic Development Report, to the City Council regarding new programming and/or resources (financial, staff, etc.) necessary to recruit, retain, and/or expand targeted retail sales tax-producing businesses. [Beginning ~~January, 2008~~May 2009]

2. Establish regular schedule (quarterly and/or semi-annually, as determined) of reporting to EDC in order to establish practice of retail trend analysis that will (in coordination with Objective 1.1) focus recruitment, expansion and retention efforts. [~~Beginningegan January, 20089~~Ongoing]

Objective 3.6 – Maintain and utilize a fiscal impact model to assist the City in making land use and development decisions that benefit the City.

Lead: Economic Development staff

Support: Revenue Division, Planning Department, and consultant support

Financial Resources: Ongoing

Action Steps:

1. Develop procedures for regular update and use of the fiscal impact model. [Completion SeptemberJanuary 200710]

2. Establish thresholds for projects that require fiscal impact analysis. [Completion January 200810]

3.1. Update and use model for analysis of projects likely to have significant fiscal impactannually. [Reconsider OngoingAs needed]

Objective 3.7 – Economic Development Policy: The City Council, with the assistance of its Economic Development Committee and staff, shall revisit and update its established Policy regarding Economic Development, to reflect the present fiscal and economic needs and values of the City. The updated policy shall take into account the provisions and priorities included in this document.

Lead: City Council and Economic Development staff

Support: Economic Development Committee

Financial Resources: No new resources are required to implement this Objective.

Action Steps:

1. EDC should appoint a subcommittee to draft revisions. [As needed]
2. EDC should make recommendations of revisions to the City Council. [As needed]
3. City Council should take action on recommendations. [As needed]

Objective 3.8 – Economic Development Committee Structure: The EDC shall explore restructuring opportunities that better reflect the current makeup of the local economy, and that would provide the –expertise and flexibility to implement the goals and objectives of this plan. Restructuring should also pay particular attention to the effective and efficient utilization of volunteers serving on this Council-appointed committee and their time.

Lead: Economic Development Committee members and Economic Development staff

Support: City Council

Financial Resources: No new resources are required to implement this Objective.

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Action Steps:

1. EDC should appoint a subcommittee to draft revisions. [As needed]
2. EDC should make recommendations of revisions to the City Council. [As needed]
3. City Council should take action on recommendations. [As needed]

Goal 4: The City shall facilitate an economically viable concentration of marine uses, and enhance the maritime viability of Newport Harbor.

Objective 4.1 – Water-Dependent Marine Businesses: The City shall implement land use and related zoning regulations to encourage the preservation of water dependent marine business uses as re-development occurs over time.

Lead: Planning Department staff

Support: Consultant(s)

Financial Resources: This should be included in the Zoning Code revisions project that is already underway.

Action Steps:

1. Economic Development staff will coordinate with the General Plan Implementation Committee and staff of the Planning Department to prioritize this Objective, and will provide feedback to the EDC on progress made. [Completion ~~January, 2008~~ December 2009]

Objective 4.2 – Non-Water-Dependent Marine Businesses: The City shall implement land use and related zoning regulations by [January, 2010] to provide for the preservation of existing non-water dependent marine businesses in the West Newport Mesa area, as well as development of incentives to facilitate the relocation of such businesses to

that area from economically unsustainable water front locations.

Lead: Planning Department staff

Support: Consultant(s)

Financial Resources: This should be included in the Zoning Code revisions project that is already underway.

Action Steps:

1. Economic Development staff will coordinate with the General Plan Implementation Committee and staff of the Planning Department to prioritize this Objective, and will provide feedback to the EDC on progress made. [Completion ~~January, 2008~~ December 2009]

Objective 4.3 – The City shall implement a plan to provide for the dredging of lower Newport Bay to its design depth to allow safe navigation for vessels that use the harbor, working with the federal government, the Army Corps of Engineers and other appropriate governmental agencies.

Lead: Harbor Resources Division staff

Support: Harbor Commission, Bay Issues Committee, City Council

Financial Resources: Lobby Federal funds to be appropriated to the Army Corps of Engineers and/or local funding with reimbursement from the Corps at a later date.

Action Steps:

1. Harbor Resources Staff, City Manager's Office, and City Council members will agree upon an Advocacy Strategy for LNB Dredging by July 2007. The Advocacy Strategy's focus shall be twofold – (1) seek $11 million in the Federal FY

2009 Budget and (2) seek re-programming of funds from other delayed Corps projects to the LNB Project as soon as practicable. Advocacy involves direct communication with the Corps, our federal representatives, and other watershed partners. [~~Begin July, 2007 and o~~Ongoing]

2. Harbor Resources Staff shall prepare the LNB project for construction (pending funding and concurrent with Action Step #1) by applying for and receiving all required permits, including by addressing toxicity issues in the LNB (pyrethroids, heavy metals) with consultants' contracts. [~~Begin October, 2007 and~~ Ongoing]

Objective 4.4 – Regulatory Compliance: As part of its business assistance program, the City shall assist water-dependent businesses with information and City programs to aid businesses adjacent to the Harbor in complying with state and federal regulations pertaining to water quality, among others.

Lead: Harbor Resources Division staff

Support: Harbor Commission, Bay Issues Committee

Financial Resources: Every five years, the City's Budget includes about $500,000 to complete the testing, monitoring, and applications required each time the City renews a US Army Corps of Engineers-issued Regional General Permit (RGP 54) that allows small maintenance dredging projects. These projects benefit pier owners and provide sand for beach replenishment. The City's Harbor Resources staff also serves as the first stop in processing many on-water Coastal Development Permits and Building Permits.

Action Steps:

1. Renew RGP-54 on a routine basis, including preparing for its renewal 2-3 years in advance of its expiration. [Ongoing]

2. Budget for studies and testing required during each renewal. Apply all or a portion of the cost of RGP 54's tests and studies to Harbor fees, at a percentage of cost recovery directed by City Council. [Ongoing]

3. Continue negotiations with the National Marine Fisheries seeking permission for the City to regulate Eelgrass. As part of that regulation the City is seeking permission to develop an Eelgrass mitigation bank that may be used by residents to meet their preservation obligation. [~~Completion September, 2007~~Ongoing~~]~~

4. Seek State and federal funding for the remediation of toxic hotspots in the LNB, including the Rhine Channel. [~~Completion August, 2007~~ Ongoing until funded]

5. Ensure that all watershed partners, including upstream cities, appropriately fund water quality improvements in the Bay where upstream actions are directly or indirectly responsible for Bay impairments. [Ongoing]

6. Develop and continuously update an electronic and paper version of a Bay Users Handbook that instructs businesses and residents as to regulations, permit steps, and other helpful information. [Ongoing]

Objective 4.5 – The City will invite proposals for the implementation of a privately owned and operated summer water transportation service, with funding supplemented by grants, private, contributions and public monies. Research should be conducted into the transferability of existing models in Los Angeles County and other areas.

Lead: Economic Development staff

Support: Harbor Resources Division staff, Harbor Commission

Financial Resources: Public/Private partnership

Action Steps:

1. ~~Economic Development staff~~Summer Water Taxi Committee will research successful small-harbor, summer-only private (or public/private) water transportation services that may be suitable models for implementation in Newport Beach. [~~April – June, 2008~~June – September 2009]

2. A committee of interested individuals from the EDC, Harbor Commission, and the local maritime

and tourism industry will be formed to develop and champion—with staff assistance as required—strategies, find funding methods and sources, and review proposals for implementation. [Beginning June, 200~~8~~9]

Goal 5: The City will enhance the boating services of Newport Harbor.

Objective 5.1 – The City will develop or convert at least 40 additional guest boat slips, and annually study the demand for additional guest slips.

Lead: Harbor Resources Division staff / Public Works staff

Support: Harbor Commission

Financial Resources: CIP funding of the design and construction of the Marina Park Project

Action Steps:

1. Design and construct a visitor-serving marina at Marina Park. [Completion, 2010]

Objective 5.2 – Where feasible, the City will develop more capacity for tying up small boats at the Balboa Village area, Balboa Island area, Marinapark, the Rhine Channel area and the Mariner's Mile area.

Lead: Harbor Resources staff / Public Works staff

Support: Harbor Commission, Community volunteers

Financial Resources: CIP budget request for design and construction

Action Steps:

1. Design and construct a guest dock at Marina Park. [Completion, 2010]

2. Design and construct a guest dock at the Rhine Wharf. [~~Completion by November, 2007~~ Underway completion 2010]

3. Design and construct public dock access improvements at the Fernando Street, 15th Street and

19th Street public docks. [Underway submit permit application June 2009 ~~C~~completion, ~~June,~~ 20~~08~~11]

4. Regularly review existing Municipal Code so that public dock tie-up times on existing public docks maximize the ability of visitors and residents to use public docks for short-term stays (shopping, dining). [Ongoing]

Objective 5.3 – The City will review its dinghy docking regulations annually to provide docking spaces for temporary docking which best suit the needs of the boating public.

Lead: Harbor Resources Division staff

Support: Orange County Sheriff's Harbor Patrol staff

Financial Resources: City/County staff manpower 100 hours annually each.

Action Steps:

1. Annually review Dinghy Docking Regulations. [Ongoing]

Objective 5.4– The City will develop a policy that allows visiting boaters to leave their boats unattended at anchor for some period of time. Such policy will be subject to annual review.

Lead: Harbor Resources Division staff/Orange County Sheriff's Harbor Patrol

Support: None

Financial Resources: City/County manpower 10 hours annually each

Action Steps:

1. Design and construct a guest dock at Marina Park. [Completion, 2010]

2. Design and construct a guest dock at the Rhine Wharf. [Underway ~~C~~completion by ~~November, 20079~~2010]

3. Design and construct public dock access improvements at the Fernando Street, 15th Street and 19th Street public docks. [Underway submit permit application June 2009 Completion ~~June~~, 2011]

4. Regularly review existing Municipal Code so that public dock tie-up times on existing public docks maximize the ability of visitors and residents to use public docks for short-term stays (shopping, dining). [Ongoing]

Goal 6: The City shall support the careful expansion of visitor-serving businesses and facilities.

Objective 6.1 – Small Scale Lodging: The City shall identify an economically feasible program for encouraging the development of small scale lodging and bed and breakfast establishments in Newport Beach, including existing barriers to their establishment, and potential incentives to encourage such development consistent with the General Plan policies.

Lead: Economic Development and Planning Department Staff

Support: City Council; Zoning Consultant.

Financial Resources: Staff time–approx. 200-300 hours. $4,000-$8,000 for economic feasibility consultant.

Action Steps:

1. Research regulatory barriers to the development of small scale lodging and provide specific recommendations for zoning changes to the General Plan Implementation Committee for timely consideration. [Completion October 2009]
2. Prepare an inventory of suitable areas and/or sites by type of lodging. [~~April~~November, 2009]
3. Have consultants research the financial feasibility for various types of small scale lodging with either existing or revised regulations. [January-March, 20~~09~~10] ***[We do not have budget for this. Timing may need to be changed.]***

Objective 6.2 – Vacation Rentals: The City shall review and revise its existing policies governing vacation rentals to acknowledge and enhance the economic benefit to the City of such establishments and recommend a program to maintain and enhance the quality level of short-term lodging.

Lead: Planning Department Staff

Support: Revenue Division; Economic Development

Financial Resources: Staff time will be required for meetings and research.

Action Steps:

1. Research regulations and policies that impact vacation rentals and propose revisions if needed. [Completion September, 20~~07~~2010]

2. Help form organization to a) research existing models for vacation rental owner organizations and encourage the development of one in Newport Beach and b) assist the industry in developing a voluntary "Seal of Approval" program to encourage and promote high quality vacation rentals. [~~April June~~ September March, 20~~08~~10]

Objective 6.3 – Marketing and Promotion: The City shall continue its strong relationship with the Newport Beach Conference and Visitors Bureau to enhance the effectiveness of marketing and promotion undertaken by the City and the Bureau, in order to enhance the City's promotion to a worldwide audience.

Lead: City Manager's Office

Support: Staff from Economic Development, PIO office, Recreation & Senior Services, Planning, and Fiscal Services departments; CVB Board and staff and their membership; staff and/or volunteers from the events that the City and CVB jointly support.

Financial Resources: Annual financial commitments from General Fund to the CVB, and the events and activities promoting the City; approximately 200+ hours annually of staff time.

Action Steps:

1. City Manager's Office staff should maintain and enhance existing relationship with the CVB to market and promote the City of Newport Beach; CVB staff should provide annual reports to the EDC and City Council on the strength of the tourism economy. [Ongoing]

2. The EDC should recommend to the City Council that they continue to: A) provide financial support; and B)

designate its staff liaison to the Newport Beach Film Festival on an annual basis. [Ongoing]

3. The City Council, through the City Manager and staff, should maintain and enhance existing relationships with annual events that generate economic value to the City; such as the Toshiba Golf Classic, the Taste of Newport event, the Newport Beach Film Festival. [Ongoing]

Objective 6.4 -- Beach / Bay Activities Promotion: The City shall promote and encourage activities and events in and near the beaches and the bay that generate retail sales, e.g., boat shows, sports tournaments, etc., consistent with the Local Coastal Plan.

Lead: Recreation & Sr. Svcs. Department

Support: City Council; Harbor Commission; City Manager's Office; Recreation & Sr. Services staff; Harbor Resources Division staff; PIO office; Fire Department (Lifeguard Division) personnel; CVB staff; Chamber(s) of Commerce staff and volunteers; other organizations involved in these activities.

Financial Resources: No additional resources needed at this time.

Action Steps:

1. The Recreation and Senior Services Department staff should prepare and maintain a master calendar of events. [Ongoing]

Goal 7: The City will seek to minimize the economic impact of traffic congestion and will take affirmative steps to improve traffic flow.

Objective 7.1 – Develop and implement a master plan to modernize traffic control systems and technology, to improve synchronization and improve traffic flow, throughout the City. Areas of concern include Pacific Coast Highway in Mariner's Mile, Newport Boulevard from 15th Street to the 55 Freeway in Costa Mesa (working cooperatively with that City), Jamboree Road, and on Balboa Peninsula along Newport Boulevard from Main Street to Pacific Coast Highway, as well as other roadways and intersections.

Lead: Public Works Department staff

Support: City Council Transportation Subcommittee

Financial Resources: As yet undetermined

Action Steps:

1. ~~Retain consultant for first phase of traffic signal modernization program. Done~~

2. ~~Complete Traffic Signal Communication Master Plan. Done [Completion June 2007].~~

~~3.~~1. Complete design of traffic signal system upgrades. Done ~~[Completion December 2007].~~

~~4.~~2. Complete construction of upgrades to traffic signal controllers, and design and implement coordinated signal timing plans, ~~Phase I Done~~ Phases II & III commencing June 2009~~[Completion June 2008]~~.

~~5.~~3. Negotiate with Cal Trans to acquire ownership of Coast Highway through Newport Beach from Jamboree Road to the Santa Ana River. [Ongoing]

Objective 7.2 – In conjunction with its approved capital plan and annual budgeting process, the City will implement key roadway and intersection improvements identified in the General Plan Update.

Lead: Public Works Department staff

Support: City Council Transportation subcommittee; General Plan implementation subcommittee

Financial Resources: As yet undetermined

Action Steps:

1. ~~Retain consultant to update Fair Share Fee based on circulation system improvements in new General Plan. Draft completed and being reviewed. [Beginning April 2007].~~

~~2.~~1. City Council adoption of updated Fair Share Fee [August 200~~7~~9].

2. Design and construct improvements in General Plan. [In conjunction with development that causes need and provides funds for improvements]

Objective 7.3 – The City will strongly advocate the construction of the 19th Street Bridge, and other critical regional traffic improvements.

Lead: City Manager

Support: City Council Borders Subcommittee; Public Works Department staff

Financial Resources: As yet undetermined

Action Steps: As opportunities arise, work with the Orange County Transportation Authority (OCTA) and the Cities of Costa Mesa and Huntington Beach to facilitate construction of regional improvements. [Ongoing]

Objective 7.4 – -The City shall ~~create a plan to~~ encourage ~~and foster~~ the development of privately owned and operated economically viable alternative transportation services, such as bus shuttles, to service the various commercial, retail and recreation areas in Newport Beach.~~, in at least partial substitution for additional parking, with funding supplemented by grants, private contributions, and public monies.~~

Lead: Public Works Department staff

Support: Economic Development staff

Financial Resources: As yet undetermined

Action Steps: Monitor the potential for grant funding and public private partnerships to make alternative transportation services feasible. [Ongoing]

Objective 7.5 – The City shall work cooperatively with adjacent cities and jurisdictions to complete key roadway and traffic synchronization projects that will help improve the flow of traffic within the boundaries of Newport Beach.

Lead: City Manager

Support: City Council Borders Subcommittee; Public Works Department staff

Financial Resources: $64,000 from settlement of IBC litigation.

Action Steps:

1. Using funds from IBC litigation settlement, complete study of impacts and circulation system improvements needed as a result of development in IBC. ~~The study is done. Mitigation measures are being developed.~~[~~February 2008~~Ongoing~~]~~
2. As opportunities arise, work with the Orange County Transportation Authority (OCTA) and the Cities of Costa Mesa, Huntington Beach and Irvine to facilitate construction of regional improvements. [Ongoing]

Goal 8: The City will administer its development review and permitting processes in an efficient, solution oriented and customer friendly manner.

~~**Objective 8.1** – The City will implement the recommendations of the Evaluation of the Development Review and Plan Checking Processes, dated August 2006, including the following:~~

~~1. Increased inter-departmental coordination;~~

~~2. Use of project managers with primary responsibility for major projects;~~

~~3. Full use of Permits Plus and/or other database systems;~~

~~4. Established performance standards for project review;~~

~~5. Adequate staffing to meet performance standards and serve the public counter;~~

~~6. Availability of up-to-date public information materials on application requirements and processes;~~

~~7. Standardization of plan check correction checklists to the maximum extent possible;~~

~~8. Increased quality control for outside plan check services;~~

~~9. Use of existing standard designs whenever possible, to minimize the need for project-specific engineering.~~

~~**Lead**: Assistant City Manager~~

~~**Support**: Staff of Planning, Building, Public Works, Fire and Utilities Departments~~

~~**Financial Resources**: As yet undetermined~~

~~**Action Steps**:~~

~~1. Assistant City Manager will coordinate with the staff of the Planning, Building, Public Works, Fire and Utilities departments to prioritize this Objective, and will provide feedback to the EDC on progress made. [Ongoing]~~

Objective 8.~~2~~1 – Staff will provide for enhanced communication with applicants, both earlier and more consistently throughout the process.

Lead: Assistant City Manager

Support: Staff involved in the development review process (Planning, Building, Public Works, Fire and Utilities departments).

Financial Resources: No new resources needed at this time.

Action Steps:

1. Assistant City Manager will coordinate with the staff of the Planning, Building, Public Works, Fire and Utilities departments to prioritize this Objective, and will provide feedback to the EDC on progress made. [Ongoing]

Objective 8.~~3~~2 – The City will assure that staff receives ~~receive~~ regular training on maintaining a high quality of customer service and positive attitude.

Lead: City Manager's Office

Support: All development review staff; staff from any department that regularly contact the public

Financial Resources: ~~As yet undetermined~~$12,000.

Action Steps:

1. Assistant City Manager will coordinate with the staff of the Planning, Building, Public Works, Fire and Utilities departments to prioritize this Objective, and will provide feedback to the EDC on progress made. [Ongoing]

Objective 8.~~3~~4 – The City will write and approve Zoning Ordinance and other regulatory codes to make the process more streamlined.

Lead: Planning Department

Support: Planning Commission, City Council

Financial Resources: No new resources needed at this time.

Action Steps:

1. Economic Development staff will coordinate with the General Plan Implementation Committee and staff of the Planning Department to prioritize this Objective, and will provide feedback to the EDC on progress made. [Completion ~~January, 2008~~ ~~Octo~~December 2009]

NOTE ON ADDITIONAL REFERENCES

To support the Visioning Process and to provide background material for the GPAC to consider in its development of policies to be included in the General Plan update, the City contracted with the firm of Applied Development Economics, Inc. (ADE) for studies related to current economics and future fiscal impacts. ADE prepared a commercial market study published in December 2002 entitled *"Newport Beach General Plan Update Retail Commercial Market Analysis,"* and a fiscal impact analysis entitled *"Fiscal Impact Analysis and Model, Newport Beach General Plan Update,"* published in revised form in January 2004.

Please refer to the detailed reports cited above, in addition to the final General Plan Update adopted by the City Council on July 25, 2006, and ratified by the voters in November, 2006, for further background.