CITY OF NEWPORT BEACH
PLANNING COMMISSION STAFF REPORT
February 23, 2012 Meeting
Agenda Item No. 4

SUBJECT: **General Plan Annual Status Report including Housing Element Report (PA2007-195)**

PLANNER: Melinda Whelan, Assistant Planner
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RECOMMENDATION

Receive and file.

DISCUSSION

Government Code Section 65400 mandates that the City prepare an annual report on the status of the General Plan and the progress of implementation. The attached report includes the requirements pursuant to Government Code Section 65400(B) and Government Code Sections 65583 and 65584, relating to the implementation of the Housing Element of the General Plan. The report will be submitted to the City Council and a copy is required to be sent to the Office of Planning and Research (OPR) and the Department of Housing and Community Development (HCD).

The General Plan Annual Progress Report (Attachment No. PC 1) follows preparation guidelines set forth by OPR and provides information for decision makers on the status of the General Plan and progress on implementation during the 2011 calendar year. The listed Implementation Programs are the General Plan Implementation Task List created by the General Plan/Local Coastal Program Implementation Committee in 2007.

The report also includes the Housing Element Report mandated by Government Code Sections 65583 and 65584. It demonstrates the City's progress in meeting its share of regional housing needs and Housing Element programs. Lastly, the Housing Element Report follows the guidelines provided by HCD as recommended by Government Code Section 65400(B). The Housing Element section includes the following information:

A. A nnual building activity reports for new housing units;
B. R egional housing needs allocation progress; and
C. Program implementation status including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing.

Environmental Review

The Report is not subject to CEQA, as the actions are not a project as defined in Section 15378(b) (2) of the Public Resources Code.

Noticing

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the Planning Commission considers the item).

Prepared by:

Melinda Whelan, Assistant Planner

Submitted by:

Brenda Wisneski, Deputy Community Development Director

ATTACHMENTS

PC 1 General Plan Annual Status Report (Including Housing Element Report)

Attachment No. PC 1

General Plan Annual Status Report
(Including Housing Element Report)

CITY OF NEWPORT BEACH
GENERAL PLAN ANNUAL STATUS REPORT
(Including Housing Element Report)

2011 Calendar Year

Consistent with Government Code Section 65400, the General Plan Annual Status Report was prepared using guidelines set forth by OPR and provides information for decision makers on the status of the General Plan and progress on implementation during the 2011 calendar year. The updated Newport Beach General Plan was adopted in November 2006 pursuant to guidelines provided in Government Code Section 65040.2 and consistent with Section 65400(a)(2)(c). On December 12, 2006, City Council created the General Plan/Local Coastal Program Implementation Committee for the purpose of guiding implementation of the General Plan and Local Coastal Plan. The Committee created the General Plan Implementation Task List to implement the General Plan. This report evaluates and provides the status of work on each task as well as on other tasks that implement General Plan policy that were identified after preparation of the Task List.

The Housing Element Report addresses specific requirements mandated by Government Code Section 65400(a)(2), Government Code Sections 65584 and 65583, and can be found following the General Plan Implementation tasks.

A. GENERAL PLAN IMPLEMENTATION TASKS

	TASKS	STATUS
1.	Housing Element certification by the Department of Housing and Community Development (HCD) (Housing Element)	***Complete*** ▪ The Draft Housing Element Update was adopted by City Council in November 2011. ▪ City received a final letter from HCD on December 29, 2011, finding full compliance with state housing element law.
2.	Economic Development Strategic Plan Implementation (Land Use Element)	***Ongoing*** ▪ Bi-annually update the Strategic Plan Implementation schedule, which includes objectives from the plan and a time line with allocated staff hours. ▪ Objective 2.2 Newport Center/Fashion Island renovations (Phase I) are complete. Phase II, a renovation of the movie theaters is complete. ▪ The Special Events Advisory Committee (SEAC) was formed to assist the City Council in evaluating requests for City support of community events. ▪ On June 28, 2011, the City Council approved allocating a total of $214,480 for community event grants in the fiscal year 2011-2012 General Fund budget. Fifteen local organizations were awarded grants ranging from $800 to $90,000. The 2011 Special Events Calendar was published in January 2011 and was printed in the February 2011 Navigator. These have been updated for 2012. ▪ Provided data and background information for development of the Lido Village Concept Plan, including input to departments for review of concept options.
3.	Fair Share Fee update (Circulation Element)	***Pending*** Staff is developing a recommendation to update the fee based on the results of the fee study. Discussion at City Council will occur in mid-2012.

	TASKS	STATUS
4.	Parking requirements and management (Circulation Element)	***On-going*** ▪ Policy issues related to implementation measures to form a parking management district in the Balboa Village area were presented to City Council at study session in September 2010. Subsequently, staff was directed to develop a Balboa Village Vision Plan. A Parking Management Plan will be prepared for the City Council in Spring 2012 which recommends creating a parking management district.
5.	Traffic signal synchronization (Circulation Element)	***Pending*** ▪ Phases 1-4 and 7 have been completed. ▪ Phase 5 construction is anticipated to be completed in Spring 2012. ▪ Phase 6 design is anticipated to begin Summer 2012.
6.	Planned Community rewrite and revisions (Land Use Element)	***On-going*** ▪ Property owners are responsible for amendments in the North Newport Center. ▪ Planned Community Amendments to Newport Place (PC 11) and Koll Center (PC 15) to add residential as a permitted use will be considered in Spring 2012. ▪ The City prepared a conceptual development plan for Koll and Conexant (Airport Area). The property owners have submitted their individual applications for the Planned Community amendments. ▪ Banning Ranch application includes the development of a Planned Community Development Text and the final EIR is being drafted with public hearings anticipated in Spring 2012.

	TASKS	STATUS
7.	Banning Ranch Pre-Annexation and Development Agreement (Land Use Element)	***Pending*** ▪ Development Agreement terms established. ▪ Draft Development Agreement document is being prepared by the Office of the City Attorney. ▪ Draft EIR completed in September 2011; Final EIR is being drafted. ▪ Public hearings anticipated in Spring 2012.
8.	Acquisition for Open Space – support active pursuit of Banning Ranch as permanent open space (Land Use Element)	***Ongoing*** ▪ The exploration for the acquisition of Banning Ranch is continual, but to date, no funding sources have been identified.

	TASKS	STATUS
9.	Run-off and Pollution Reduction Plan (Natural Resources Element)	***On-going*** ▪ Continued compliance SARWQCB Water Quality Order No. R8-2009-0030 NPDES No. CAS618030 which is the storm water permit issued by the Santa Regional Water Quality Control Board (SRWQB). ▪ Installing Centralized Weather Based Irrigation Controller systems in all City parks. ▪ In Spring 2012, staff will present to Council a Tiered Water Rate Development which proposes restructuring the way the City charges for water. ▪ Installation of two CDS units (Measure M funding) capturing trash and debris (Old Newport Blvd.). ▪ Buck Gully Erosion and Stabilization Project. The following actions resulted in the improvement of water quality and the implementation of water conservation programs: ▪ NPDES Inspections: Commercial, Industrial, Construction and Restaurant inspections assuring compliance with water quality standards. ▪ Weather Based Irrigation Controller Installation Program (prop 84 Grant funds) throughout Newport Beach's Areas of Special Biological Significance (ASBS) watershed. ▪ Offering turf replacement rebate ($1 sq. ft.). To date over twenty properties are converting turf for drought tolerant plantings. ▪ Implemented action to comply with SB-7x 7 Governors Water Reduction of 20% by 2020. ▪ Submitted California Urban Water Conservation Council (CUWCC) Report which demonstrated compliance with the requirements of the State Department of Water Resources. *Public Outreach:* ▪ WaterMiser Workshop ▪ Monthly Water Bill Inserts (Water Quality and Water Use Efficiency) ▪ Resident Survey (Water Quality & Water Conservation) ▪ Coastal Cleanup Day ▪ Kids Water Education Festival ▪ HOA and Interest Group Presentations

TASKS		STATUS
10.	Land Use database refinements and maintenance (Land Use Element)	***On-going*** Maintenance and updates of databases are on-going.
11.	Building Code amendments regarding green buildings (Land Use Element)	***Ongoing*** ▪ For residential - energy star designation for all appliances, establish a maximum kitchen faucet flow rate and dishwasher water use, and a minimum efficiency rating value air filter for HVAC equipment. ▪ For nonresidential – control storm water runoff quantity and quality, energy star equipment and appliances if available, energy saving controls for buildings with one or more elevators or escalators, reduce water of commercial clothes washer by 10% below CEC standard, and reduce water for commercial dishwashers consistent with the Green building Code. ▪ City Council adopted the California Green Building Standards Code on November 23, 2010, which became effective on January 11, 2011. The aforementioned amendments were adopted on January 25, 2011, and became effective on February 25, 2011. ▪ Green web links were completed and are provided to the public at http://www.newportbeachca.gov/index.aspx?page=1808.
12.	Amend City Council Policies on historic, archaeological and paleological resources (Historical Resources Element)	***Not Started*** Projects are required to comply with the existing Council Policies and the California Environmental Quality Act (CEQA) requirements. The Council Policies will be reviewed for possible updates.

	TASKS	STATUS
13.	Funding and priority program for construction of noise barriers along arterials (Noise Element)	***Pending Availability of Resources*** No current projects are under consideration.
14.	Annual Review of CIP to determine consistency with the General Plan and Coastal Land Use Plan (Land Use Element)	***Ongoing*** On May 19, 2011, staff presented CIP for fiscal year 2011-2012 to the Planning Commission for review. The Planning Commission determined the CIP as consistent and the CIP was included with the CIP budget presentation to the City Council.
15.	Emergency Preparedness (Safety Element)	***Ongoing*** ▪ **Point of Dispensing Grant** In January of 2011, the City signed a Planning Services Agreement with the Orange County Health Care Agency (OCHCA) to plan and prepare for public health emergencies. Over the past year, the Fire Department has written Point of Dispensing Plans (POD) for three sites in Newport Beach which include Oasis Senior Center, Saint Andrews Church, and Newport Harbor Lutheran Church. These detailed POD plans can be activated to provide medication and medical supplies to first responders and to the public. It is estimated that each POD site could provide initial prophylaxis to 40,000 people in the first 48 hours of exposure during a public health emergency such as an anthrax attack or a pandemic outbreak. The core function of a POD site is to provide vaccines and medications to a large number of persons during the onset of a public health emergency. The key to survival for most people is to provide antibiotics/vaccines before an individual shows any clinical symptoms. The POD plans describe the process of dispensing medications to a large number of people for prophylaxis of asymptomatic

TASKS		STATUS
		individuals as well as treatment of symptomatic persons. The plan also includes detailed site layouts, identifies city staff positions and assignments, and discusses the interaction between the City, the Orange County Health Care Agency, and the U.S Department of Health and Human Services. In exchange for writing the plans, the OCHCA provided pass-through grant funding to the City to purchase supplies and equipment for the POD sites. ▪ **Continuity of Operations Plan** In 2011, the City completed a Continuity of Operations Plan (COOP). The COOP is a Federal initiative to ensure that government agencies are able to continue performance of their organization's essential functions with limited to no interruptions under all-hazard events, including natural disasters and man-made events such as technological and terrorism incidents. During 2011, a committee with representatives from each department provided specific information that was incorporated into the overall continuity plan. This detailed plan provides the City with the means to address numerous issues involved in performing essential functions and services during an emergency. The City of Newport Beach Continuity Plan was funded by a Department of Homeland Security grant. ▪ **Tsunami/Beach Safety Education Kiosks** In January of 2012, seven Tsunami/Beach Safety Education Kiosks were installed in key areas in Newport Beach. The kiosks were funded by a $15,000 education grant from the California Emergency Management Agency (Cal EMA). The purpose of the project is to educate residents and visitors about the inherent risks of the ocean which include tsunamis and rip currents. They also provide detailed evacuation routes from each location to be used if a tsunami warning is issued or a large local earthquake occurs that requires an evacuation. The kiosks are located at both piers, next to the three Outdoor Warning Sirens, and outside Newport Beach Elementary School.

B. GENERAL PLAN POLICY IMPLEMENTATION TASKS IDENTIFIED AFTER TASK LIST WAS CREATED

TASKS		STATUS
1.	Priority for Facility Provision Parks and Recreation (Recreation Element)	***Ongoing*** ▪ Sunset Ridge Park – In December 2011, staff submitted a revised project to the Coastal Commission for a Coastal Development Permit. Revisions included deleting the on-site parking lot, using existing off-site parking instead, and deleting new access road to the on-site parking. ▪ Banning Ranch - Draft plans include 52 acres of park and open space areas. The Final EIR is being drafted and public hearings anticipated in Spring 2012. ▪ Marina Park - Coastal Commission has deemed the application complete and is anticipating a hearing in Spring 2012.
2	Alternative Transportation Modes (Circulation Element)	***Ongoing*** The Citizens Bicycle Safety Committee was established in August 2010 to promote bicycle safety and responsible cycling within the City through public outreach, bicycle facility improvements, and review of City policies and practices related to bicycles. 2011 included the following: ▪ Prepared/distributed Safety Guidelines for Bicyclists and Motorists pamphlet; ▪ Prepared/distributed letter to associations regarding maintenance/parking practices in bicycle lanes; ▪ Deployed Sharrow pavement markings as a pilot program along Bayside Drive; ▪ Deployed "SHARE THE ROAD" and "WATCH DOWN HILL SPEED" warning signs in Corona Del Mar and Newport Coast; ▪ Prepared draft city-wide bicycle route map; ▪ Prepared conceptual plans for bicycle facility improvements on Coast Highway, Bonita Canyon Road, and Newport Coast Drive. ▪ Prepared conceptual plans for Sharrow program on Coast Highway through Corona del Mar. ▪ Prepared conceptual plans for alternate bike routes through Corona del Mar.

TASKS		STATUS
3.	Provide a pedestrian-oriented village environment that reflects its waterfront location, providing a mix of uses that serves visitors and local residents in Lido Village (Land Use Element)	Lido Village Conceptual Plan: ▪ In July 2010, the City Council designated an ad hoc committee to participate in a conceptual planning process to analyze potential land use alternatives for the future re-use of the City Hall site, and revitalization of Lido Marina Village and Via Lido Plaza. As a result of that effort, on January 25, 2011, the City Council approved a concept plan (Alternative 5B) that encompassed several design objectives for the area. ▪ On June, 14, 2011, the City Council Ad Hoc Neighborhood Revitalization Committee authorized the preparation of architectural and landscape design guidelines for the Lido Village area and created a six-member Citizens Advisory Committee (CAP) to guide the development of the design guidelines. ▪ CAP conducted five noticed public meetings including a community open house in 2011. ▪ The design guidelines were scheduled for review by the City Council on January 10, 2012, (approved).
4.	Provide opportunities for improved development and enhanced environments for residents in the following districts and corridors, as specified in Polices 6.3.1 through 6.22.7: Balboa Village (Land Use Element)	Balboa Village Revitalization: ▪ The City Council Ad Hoc Neighborhood Revitalization Committee (NRC) prioritized the preparation of a refreshed "Vision Plan" for Balboa Village for the preparation of an Economic Vision and Revitalization Strategy that addresses market opportunities and constraints, infrastructure opportunities, and previous economic development efforts. ▪ The Balboa Village Citizens Advisory Panel (CAP) conducted public meetings principally devoted to the identification of a future vision and familiarizing themselves with the prior work prepared by the Balboa Peninsula Planning Advisory Committee (BPPAC). ▪ The CAP has received an update on the future plans for the Newport Harbor Nautical Museum (ExplorOcean) and Balboa Theater. ▪ Staff selected a consultant to prepare an assessment of economic, market, and parking conditions that will provide valuable facts to support a strategy to implement new and previously identified policies to revitalize the area. ▪ A Draft Implementation report which compiles the results of the Marketing and Parking Study will be considered in Spring 2012.

TASKS		STATUS
5.	Provide opportunities for improved development and enhanced environments for residents in the following districts and corridors, as specified in Polices 6.3.1 through 6.22.7: Corona del Mar for enhancement of public improvements and parking (Land Use Element)	Corona Del Mar Entry Revitalization: ▪ The City Council Ad Hoc Neighborhood Revitalization Committee (NRC) prioritized the preparation of the Preliminary Design of a Capital Improvement Project for beautification of the south side of East Coast Highway from Avocado Avenue to Dahlia Avenue for Fiscal Year 2011-2012. ▪ A subcommittee of the Revitalization Committee, the Council established the Corona del Mar Entry Citizen Advisory Panel (CAP). The CAP has discussed the opportunities and constraints of existing infrastructure, circulation, transportation, land use policy, design, and parking. ▪ Two concept plans for widening the sidewalk along the south side of Coast Highway were reviewed. Each plan would move the southbound lane drop further to the west between Avocado and MacArthur instead of the current location between Carnation and Dahlia. ▪ The CAP approved a single concept plan in December of 2011, and forwarded it to the NRC for further consideration.
6.	Provide opportunities for improved development and enhanced environments for residents in the following districts and corridors, as specified in Polices 6.3.1 through 6.22.7: West Newport (Land Use Element)	West Newport Revitalization: ▪ The City Council Ad Hoc Neighborhood Revitalization Committee (NRC) prioritized the preparation of a preliminary design of a Capital Improvement Project for beautification of West Coast Highway from the Santa Ana River to the Arches Bridge and of Balboa Boulevard from West Coast Highway to McFadden Square. ▪ The West Newport Heights CAP identified keystones to the project to include alteration of existing medians, incorporation of sustainable elements, and the addition of lush plantings to soften the look and improve the aesthetics of the area. ▪ The CAP forwarded a concept layout which included landscaping with varying heights (groundcover, shrubs and canopy trees), while minimizing hardscape. ▪ The conceptual plans were presented at the December 15, 2011 Neighborhood Revitalization Committee meeting and were approved for review by City Council.

CITY OF NEWPORT BEACH
GENERAL PLAN ANNUAL STATUS REPORT
Housing Element Report
2011 Calendar Year

As required by Government Code Sections 65583 and 65584, the Housing Element Report demonstrates the City's progress in meeting its share of regional housing needs and Housing Element programs. As mandated by Government Code Section 65400, this report was prepared consistent with guidelines provided by the Department of Housing and Community Development (HCD).

The Housing Element report includes the following information:

A. Annual building activity reports for new housing units;
B. Regional housing needs allocation progress; and
C. Program implementation status including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing.

A. Annual Building Activity Reports for New Housing Units

Data from the Newport Beach Building Division "Building Activity Report" was used to prepare the following table, illustrating the number of permits issued for construction of new housing units and for demolished housing units in calendar year 2011:

PERMITS ISSUED FOR HOUSING UNITS 2010			
CALENDAR YEAR	NEW UNITS	DEMOLISHED UNITS	NET INCREASE IN UNITS
2011	98	79	19

ANNUAL BUILDING ACTIVITY REPORT FOR MODERATE INCOME UNITS 2011							
	1. SINGLE FAMILY	2. 2-4 UNITS	3. 5+ UNITS	4. SECOND UNIT	5. MOBILE HOMES	6. TOTAL	7. INFILL UNITS
NO. OF UNITS PERMITTED FOR **MODERATE**	0	0	0	0	0	0	0
NO. OF UNITS PERMITTED FOR **ABOVE MODERATE**	73	11(2-UNIT PROJECTS) + 2 (MIXED-USE) = 24 TOTAL UNITS	0	1(UNIT OVER GARAGE)	0	0	98

B. REGIONAL HOUSING NEEDS ALLOCATION PROGRESS

The Southern California Association of Governments (SCAG) prepared a Regional Housing Needs Allocation (RHNA) to identify the housing needs for each jurisdiction within the SCAG region. SCAG, through the RHNA process, assigned Newport Beach a share of the region's new housing units that should be constructed in the 2006-2014 planning period to satisfy housing needs resulting from projected growth in the region. To accommodate projected growth in the region, SCAG determined the City's share of RHNA to be 1,769 new dwelling units.

The table, below, summarizes the City's share of RHNA for new housing construction, for households at different income levels, for the 2006-2014 Planning Period. Pursuant to HCD guidelines, it includes a carryover of the unaccommodated portion of the 2000-2005 RHNA allocation of 145 units.

TOTAL RHNA CONSTRUCTION NEED BY INCOME 2006-2014				
VERY LOW	LOW	MODERATE	ABOVE MODERATE	TOTAL
451	319	442	702	1,914
24%	17%	23%	36%	100%

CITY'S PROGRESS IN MEETING IT'S SHARE OF RHNA FOR PERIOD 2006-2014					
	VERY LOW	LOW	MODERATE	ABOVE MODERATE	TOTAL
PROJECTED NEED	451	319	442	702	1,914
NEW UNITS PERMITTED (06-07)	0	0	0	18	18
NEW UNITS PERMITTED (07-08)	0	0	0	10	10
NEW UNITS PERMITTED (08-09)	0	0	0	6	6
NEW UNITS PERMITTED (09-10)	0	0	0	0	0
NEW UNITS PERMITTED (10-11)	0	0	0	19	19
REMAINING NEED	**451**	**319**	**442**	**649**	**1,861**

C. PROGRAM IMPLEMENTATION STATUS/ LOCAL EFFORTS TO REMOVE GOVERNMENTAL CONSTRAINTS

The 2008-2014 Housing Element update was completed and adopted by City Council in November 2011. On December 29, 2011, the City received a final letter from HCD finding full compliance with state housing element law. The goals adopted in the 2006 Housing Element have not been revised; however, in order to more effectively achieve those long-range goals and objectives, meet the City's allocation of affordable housing in the region, and be consistent with State housing law, the Newport Beach Housing Element has been updated through the incorporation of several new housing programs as well as deletions and revisions to previously adopted housing programs. The deleted housing programs were either covered by other programs or were no longer relevant because they were completed in prior years. The following chart provides the status of the current housing programs provided in the 2008-2014 Housing Element update. The new programs are called out as "new" and the two revised programs are called out as "updated".

PROGRAM	GOAL	STATUS
1.1.1	Improve housing quality and prevent deterioration of existing neighborhoods by strictly enforcing building code regulations and abating code violations and nuisances.	***On-going*** The building inspectors and code enforcement officers continually enforce code regulations and abate violations and nuisances. A quarterly report on code enforcement activities is available and kept on file at the City.
1.1.2	Participate with the Orange County Housing Authority (OCHA) and Housing and Community Development Division in their administration of rehabilitation loans and grants for low- and moderate-income homeowners and rental property owners to encourage preservation of existing City housing stock.	***On-going*** City staff attends OCHA's Cities Advisory Committee meetings to keep up to date on rehabilitation programs offered by the County in order to inform homeowners and rental property owners within the City of opportunities and to encourage preservation of existing housing stock.

PROGRAM	GOAL	STATUS
1.1.3	Require replacement of housing demolished within the Coastal Zone when housing is or has been occupied by very-low, low-, and moderate-income households within the preceding 12 months. The City shall prohibit demolition unless a Coastal Residential Development (CRDP) Permit has been issued. The specific provisions implementing replacement unit requirements are contained in the Municipal Code.	***On-going*** The City uses Chapter 20.34 "Conversion or Demolition of Affordable Housing" by monitoring demo requests and permits. No CRDP's were issued in 2011.
2.1.1	Maintain rental opportunities by restricting conversions of rental units to condominiums unless the vacancy rate in Newport Beach for rental housing is an average 5 percent or higher for four (4) consecutive quarters, and unless the property owner complies with condominium conversion regulations contained in Chapter 19.64 of the Newport Beach Municipal Code.	***On-going*** A vacancy rate survey is completed every quarter to monitor consistency with this policy. The results of the surveys conducted for the 2011 calendar year provided an average vacancy rate higher than 5 percent therefore, conversions are not restricted.
2.1.2	Take all feasible actions, through use of development agreements, expedited development review, and expedited processing of grading, building and other development permits, to ensure expedient construction and occupancy for projects approved with low- and moderate-income housing requirements.	***On-going*** Pending applications which include affordable housing will be expedited.
2.1.3	Participate with the County of Orange in the issuance of tax-exempt mortgage revenue bonds to facilitate and assist in financing, development and construction of housing affordable to low and moderate-income households.	***On-Going*** The issuance of tax-exempt mortgage revenue bonds is project driven, and the developer typically applies for the bonds. No applications were received.

PROGRAM	GOAL	STATUS
2.1.4	Conduct an annual compliance-monitoring program for units required to be occupied by very low-, low-, and moderate-income households.	***On-Going*** Annual compliance monitoring has been conducted and the report for the City's income and rent restricted units is in process by LDM Associates (consultant) and will be completed mid-year of 2012. Follow-up continued through 2011 for two affordable housing projects to complete 2010 monitoring.
2.1.5 *New*	Provide entitlement assistance, expedited entitlement processing, and waive application processing fees for developments in which 5 percent of units are affordable to extremely low-income households. To be eligible for a fee waiver, the units shall be subject to an affordability covenant for a minimum duration of 30 years. The affordable units provided shall be granted a waiver of park in-lieu fees (if applicable) and traffic fairshare fees.	***On-Going*** Implement as projects are submitted and no new projects were proposed.
2.1.6 *New*	Affordable housing developments providing units affordable to extremely low-income households shall be given the highest priority for use of Affordable Housing Fund monies.	***On-Going*** Implement as projects are submitted and no new projects were proposed.

PROGRAM	GOAL	STATUS
2.2.1	Require a proportion of affordable housing in new residential developments or levy an in-lieu fee. The City's goal over the five-year planning period is for an average of 15 percent of all new housing units to be affordable to very low–, low-, and moderate-income households. The City shall either (a) require the payment of an in-lieu fee, or (b) require the preparation of an Affordable Housing Implementation Plan (AHIP) that specifies how the development will meet the City's affordable housing goal, depending on the following criteria for project size: 1. Projects of 50 or fewer units shall have the option of preparing an AHIP or paying the in-lieu fee. 2. Projects where more than 50 units are proposed shall be required to prepare an AHIP. Implementation of this program will occur in conjunction with City approval of any residential discretionary permits or Tentative Tract Maps. To insure compliance with the 15 percent affordability requirements, the City will include conditions in the approval of discretionary permits and Tentative Tract Maps to require ongoing monitoring of those projects.	***On-going*** No projects were approved in 2011. The affordable housing balance is $1,546,573.

PROGRAM	GOAL	STATUS
2.2.2 *New*	Periodically review the City's Inclusionary Housing In-lieu fees to ensure it is adequate to support the development of affordable projects.	***On-going*** The City's in-lieu housing fee was adopted in April 2010 at $18,500 per market rate ownership unit. The adopting resolution provides for automatic adjustments based upon the annual percentage change in the new home prices in Orange County as published in Real Estate Research Council report (from December to December). The fee was revised in 2011 to be $20,554 per market rate ownership unit.
2.2.3 *New*	Develop a brochure of incentives offered by the City for the development of affordable housing including fee waivers, expedited processing, Inclusionary Housing requirements, and density bonuses and other incentives. Provide a copy of this brochure at the Planning Counter, the website and also provide a copy to potential developers.	***Pending*** Brochure is under development with anticipated completion in winter 2012.
2.2.4	The City shall provide more assistance for projects that provide a higher number of affordable units or a greater level of affordability. At least 15 percent of units shall be affordable when assistance is provided from Community Development Block Grant funds or the City's Affordable Housing Fund.	***On-going*** Implement as projects are submitted and no new projects were proposed.
2.2.5	For new developments proposed in the Coastal Zone areas of the City, the City shall follow Government Code Section 65590 and Title 20.	***On-going*** The City uses Chapter 20.34 "Conversion or Demolition of Affordable Housing" by monitoring demo requests and permits. No CRDPs were issued in 2011.

PROGRAM	GOAL	STATUS
2.2.6	All required affordable units shall have restrictions to maintain their affordability for a minimum of 30 years.	***On-going*** The City advises affordable housing developers that all affordable units are restricted to a minimum 30-year time period.
2.2.7	Advise and educate existing landowners and prospective developers of affordable housing development opportunities available within the Banning Ranch, Airport Area, Newport Mesa, Newport Center, Mariners' Mile, West Newport Highway, and Balboa Peninsula areas.	***On-going*** City staff has been discussing affordable housing development opportunities with the applicants on the Banning Ranch, Koll and Uptown Newport projects and with other potential affordable housing developers. As part of the Master Plan Development of Banning Ranch and the Plans for Koll and Uptown Newport, an AHIP will be prepared to address affordable housing requirements. Staff provided information on these areas to prospective developers interested in building an affordable senior housing project and directed them to the Sites Analysis and Inventory.

PROGRAM	GOAL	STATUS
2.2.8	Participate in other programs that assist production of housing.	***On-going*** City staff attends OCHA Cities Advisory Committee meetings to keep up-to-date with programs that assist in the production of housing. Staff informs developers of programs that are available to assist in the production of housing for all income levels.
2.2.9	New developments that provide housing for lower-income households that help meet regional needs shall have priority for the provision of available and future resources or services, including water and sewer supply and services.	***On-going*** The City has provided a copy of the Housing Element to water and sewer service providers. Pursuant to state law, water and sewer providers must grant priority to developments that include housing units affordable to lower income households.
2.2.10 *New*	Implement Chapter 20.32 (Density Bonus) of the Zoning Code and educate interested developers about the benefits of density bonuses and related incentives for the development of housing that is affordable to very low-, low-, and moderate-income households and senior citizens.	***On-going*** Implement as projects are submitted. Density Bonus information and incentives will be included in an informational brochure for the public.
2.2.11 *New*	Monitor the impact of Housing Program 2.2.1 and the City's Inclusionary Housing Ordinance on the overall production of housing within the City. Considerations shall include whether the inclusionary program results in cost shifting where the costs of subsiding the affordable units is underwritten by the purchasers of market-rate units in the form of higher prices.	***On-going*** The impact of Housing Program 2.2.1 will be monitored and a report of staff's findings will be provided within the annual Housing Element Report, beginning with the 2012 calendar year.

PROGRAM	GOAL	STATUS
2.3.1	Study housing impacts of proposed major commercial/industrial projects during the development review process. Prior to project approval, a housing impact assessment shall be developed by the City with the active involvement of the developer. Such assessment shall indicate the magnitude of jobs to be created by the project, where housing opportunities are expected to be available, and what measures (public and private) are requisite, if any, to ensure an adequate supply of housing for the projected labor force of the project and for any restrictions on development due to the "Charter Section 423" initiative.	***On-going*** The City reviews impacts and develops mitigation measures to housing of all projects as required by CEQA. There were no major projects proposed in 2011.
3.1.1	Provide a streamlined "fast-track" development review process for proposed affordable housing developments.	***On-going*** The City will prioritize the development review process for all affordable housing projects. No projects were proposed in 2011.
3.1.2	When a residential developer agrees to construct housing for persons and families of very low, low and moderate income above mandated requirements, the City shall either (1) grant a density bonus as required by state law, or (2) provide other incentives of equivalent financial value.	***On-going*** The City considers density bonuses and other incentives on a project-by-project basis. Chapter 20.32 Density Bonus is included in the Zoning Code and is implemented as projects are submitted. No projects were proposed in 2011.

PROGRAM	GOAL	STATUS
3.1.3	Review and consider in accordance with state law, the waiver of planning and park fees, and modification of development standards, (e.g., setbacks, lot coverage, etc.) at the discretion of City Council and Planning Commission for developments containing very low, low- and moderate-income housing in proportion to the number of low- and moderate-income units in each entire project.	***On-going*** Waivers and incentives are considered by the Planning Commission and City Council on a project-by-project basis. There were no projects during the 2011 calendar year.
3.1.4 *New*	The City will encourage and facilitate residential and mixed-use development on vacant and underdeveloped sites listed in Appendix H4 by providing technical assistance to interested developers with site identification and entitlement processing. The City will support developers funding applications from other agencies and programs. The City will post the Sites Analysis and Inventory on the City's webpage and marketing materials for residential and mixed-use opportunity sites, and will equally encourage and market the sites for both for-sale development and rental development. To encourage the development of affordable housing within residential and mixed-use developments, the City shall educate developers of the benefits of density bonuses and related incentives identify potential funding opportunities, offer expedited entitlement processing, and offer fee waivers and/or deferrals.	***On-going*** The City will: 1. Post a user-friendly Sites Analysis and Inventory on the City's website. 2. Include information and the sites in a brochure. 3. Add a layer or note in the City's Geographic Information System (GIS) to identify sites within the inventory to assist staff in providing information to interested developers. The City will encourage density bonus and offer incentives to interested developers.
3.1.5 *New*	The City will monitor and evaluate the development of vacant and underdeveloped parcels on an annual basis and report the success of strategies to encourage residential development in its Annual Progress Reports required pursuant to Government Code 65400.. If identified strategies are not successful in generating development interest, the City will respond to market conditions and will revise or add additional incentives.	***On-going*** A report of staff's findings will be provided within the annual Housing Element Report, beginning with the 2012 calendar year.

PROGRAM	GOAL	STATUS
3.2.1 *New*	When requested by property owners, the City shall approve rezoning of developed or vacant property from nonresidential to residential uses when appropriate. These rezoned properties shall be added to the list of sites for residential development.	***Ongoing*** The City considers rezoning of property to residential uses on a case-by-case basis to ensure compatibility with existing uses in the surrounding neighborhood. When appropriate, the City will rezone property to a residential use and add the sites to the Sites Analysis and Inventory.
3.2.2 *New*	Recognizing that General Plan Policy LU6.15.6 may result in a potential constraint to the development of affordable housing in the Airport Area, the City shall amend the General Plan and/or establish a waiver or exception to the minimum 10-acre site requirement. It is recognized that allowing a smaller scale development within an established commercial and industrial area may result in land use compatibility problems and result in a residential development that does not provide sufficient amenities (i.e. parks) and/or necessary improvements (i.e. pedestrian walkways). Therefore, it is imperative that the proposed waiver include provisions for adequate amenities, design considerations for the future integration into a larger residential village, and a requirement to ensure collaboration with future developers in the area.	***Complete*** Planned Community Amendments to Newport Place (PC 11) and Koll Center (PC 15) to add a waiver process will be considered by the Planning Commission and City Council in Spring 2012.

PROGRAM	GOAL	STATUS
3.2.3	The City shall amend the Newport Place (PC 11) and Koll Center (PC 15) Planned Community texts to allow residential developments that include: 1) a minimum of 30 percent of the units affordable to lower-income households; and 2) densities between 30 du/acre and 50 du/acre consistent with the MU-H2 General Plan land use designation and policies for the Airport Area. It is recognized that adding residential as a permitted use where it was not allowed previously might require additional design attention to integrate uses. Therefore, the Planned Community Amendments will add residential uses as permitted by right subject to a site plan review to ensure integration within the existing area. The City will monitor commercial redevelopment within the Airport Area to ensure sufficient residential capacity remains to accommodate the City's RHNA for lower-income households. Should residential capacity be reduced to a level that cannot accommodate the City's remaining need for lower-income households citywide, the City will identify and zone, if necessary, sufficient sites in an alternative location to accommodate the City's RHNA.	***On-going*** Planned Community Amendments to Newport Place (PC 11) and Koll Center (PC 15) to add residential as a permitted use will be considered by the Planning Commission and City Council in Spring 2012.
4.1.1 *updated*	Annually contact owners of affordable units for those developments listed in Table H12 as part of the City's annual monitoring of affordable housing agreements to obtain information regarding their plans for continuing affordability on their properties and to encourage the extension of the affordability agreements for the developments listed in Table H12 beyond the years noted.	***On-going*** Staff maintains an updated contact list for affordable units in conjunction with the 2008-2014 Housing Element. LDM Associates (consultant) works with staff to include this in the annual monitoring.

PROGRAM	GOAL	STATUS
4.1.2 *updated*	The City shall register as a Qualified Preservation Entity with HCD to ensure that the City will receive notices from all owners intending to opt out of their Section 8 contracts and/or prepay their HUD insured mortgages. Upon receiving notice that a property owner of an existing affordable housing development intends to convert the units to a market-rate development, the City shall consult with the property owners and potential preservation organizations regarding the potential use of CDBG funds and/or Affordable Housing Fund monies to maintain affordable housing opportunities in those developments listed in Table H12 or assist in the non-profit acquisition of the units to ensure long-term affordability.	***On-going*** The City prepared forms to submit to HCD by Spring 2012 to register the City of Newport Beach as a Qualified Preservation Entity with HCD.
4.1.3	Continue to maintain information on the City's website and prepare written communication for tenants and other interested parties about Orange County Housing Authority Section 8 opportunities to assist tenants and prospective tenants to acquire additional understanding of housing law and related policy issues.	***On-going*** Pamphlets informing prospective tenants and landlords about the OCHA Section 8 program have been made available in the public lobby and information is posted on the City website.
4.1.4	Investigate availability of federal, state, and local programs (including in-lieu funds) and pursue these programs if found feasible, for the preservation of existing low-income housing, especially for preservation of low-income housing that may increase to market rates during the next ten years. A list of these programs, including sources and funding amounts, will be identified as part of this program and maintained on an on-going basis.	***On-going*** The City attends OCHA meetings and has continued to investigate available programs and evaluate the feasibility of participating in such programs.

PROGRAM	GOAL	STATUS
4.1.5 *New*	The City shall inform and educate owners of affordable units of the State Preservation Notice Law (Government Code Section 65863.10-13), if applicable. Pursuant to the law, owners of government-assisted projects cannot terminate subsidy contract, prepay a federally-assisted mortgage, or discontinue use restrictions without first providing an exclusive Notice of Opportunity to Submit an Offer to Purchase. Owners proposing to sell or otherwise dispose of a property at any time during the five years prior to the expiration of restrictions must provide this Notice at least 12 months in advance unless such sale or disposition would result in preserving the restrictions. The intent of the law is to give tenants sufficient time to understand and prepare for potential rent increases, as well as to provide local governments and potential preservation buyers with an opportunity to develop a plan to preserve the property. This plan typically consists of convincing the owner to either (a) retain the rental restrictions in exchange for additional financial incentives or (b) sell to a preservation buyer at fair market value.	***On-going*** Staff opened discussion with LDM in December 2011 to discuss creating a notice to go out with the annual monitoring.

PROGRAM	GOAL	STATUS
4.2.1	Investigate the use of federal funds to provide technical and financial assistance, if necessary, to all eligible homeowners and residential rental property owners to rehabilitate existing dwelling units through low-interest loans or potential loans, or grants to very low–, low- and moderate-income, owner-occupants of residential properties to rehabilitate existing units.	***On-going*** The City investigates available programs and evaluates the feasibility of participating in such programs. • City Council approved the Utility Connection Grant Program guidelines in order to provide utility hook-up assistance to low- income households in Newport Beach utility undergrounding Assessment Districts. The grant program was allocated $65,922 in CDBG funds in the 2010-2011 fiscal year. Budget of $65,922 for Utility Assessment District Grant Program will be carried over from 2010-2011 for 2011-2012 with a goal of 5 owner-occupied housing units.
4.2.2	In accordance with Government Code Section 65863.7, require a relocation impact report as a prerequisite for the closure or conversion of an existing mobile home park.	***On-going*** Consistent with state law, a detailed relocation impact report is a requirement for the permit for proposed closures or conversions. There were no closures or conversions in 2011.
4.2.3	Should need arise, consider using a portion of its Community Development Block Grant funds for establishment and implementation of an emergency home repair program. Energy efficient products shall be required whenever appropriate.	***On-going*** Continuously monitor requests for assistance and Code Enforcement quarterly reports to determine need. No projects in 2011.

PROGRAM	GOAL	STATUS
4.2.4	Participate as a member of the Orange County Housing Authority Advisory Committee and work in cooperation with the Orange County Housing Authority to provide Section 8 Rental Housing Assistance to residents of the community. The City shall, in cooperation with the Housing Authority, recommend and request use of modified fair market rent limits to increase number of housing units within the City that will be eligible to participate in the program. The Newport Beach Planning Department shall prepare and implement a publicity program to educate and encourage landlords within the City to rent their units to Section 8 Certificate holders and to make very low-income households aware of availability of the Section 8 Rental Housing Assistance Program.	***On-going*** Staff attends the quarterly meetings of the OCHA Cities Advisory Committee. Staff continually works in cooperation with the County to provide Section 8 rental housing assistance to residents. A link to the Orange County Housing Authority website has been placed on the City website to provide information on the Section 8 program.
4.2.5 *New*	Developers that choose to meet the inclusionary housing requirements of Housing Program 2.2.1 through the renovation and conversion of existing off-site units in the City to affordable units shall be required to substantially renovate and improve the livability and aesthetics of the units for the duration of the affordability period and include energy conserving retrofits that will contribute to reduced housing costs for future occupants of the units.	***On-going*** Although this is a new program, no projects were submitted in 2011.
4.2.6 *New*	Implement and enforce the recently adopted Water Efficient Landscape Ordinance and Landscape and Irrigation Design Standards in compliance with AB 1881 (2006). The ordinance establishes standards for planning, designing, installing, and maintaining and managing water-efficient landscapes in new construction and rehabilitated projects.	***On-going*** Continuously implemented as housing projects are submitted.

PROGRAM	GOAL	STATUS
4.2.7 *New*	Affordable housing developments that receive City assistance from Community Development Block Grant funds or from the City's Affordable Housing Fund shall be required, to the extent feasible, include installation of energy efficient appliances and devices, and water conserving fixtures that will contribute to reduced housing costs for future occupants of the units.	***On-going*** Although this is a new program, no projects were submitted in 2011.
4.2.8 *New*	Investigate the feasibility and benefits of using a portion of its Community Development Block Grant funds for the establishment and implementation of an energy conserving home improvements program for lower-income homeowners.	***Pending*** Staff began investigation and anticipates completion in 2012.
4.2.9 *New*	Establish a process for LEED certified staff members to provide development assistance to project proponents seeking LEED certification, which will in turn increase the LEED points granted to projects.	***On-going*** The City presently has one LEED accredited staff member who will provide technical assistance when requested.
4.2.10 *New*	To encourage voluntary green building action, the City will institute a green recognition program that may include public recognition of LEED certified buildings, payment of a display advertisement in the local newspaper recognizing the achievements of a project, or developing a City plaque that will be granted to exceptional developments.	***On-going*** The City presently has one LEED accredited staff member who will provide technical assistance when requested. The City will work on developing a recognition program in 2012.

PROGRAM	GOAL	STATUS
5.1.1	Apply for United States Department of Urban Development Community Development Block Grant funds and allocate a portion of such funds to sub-recipients who provide shelter and other services for the homeless.	***On-going*** Through the approved Action Plans for Fiscal year 2011-2012, the City provided funding to the following organizations to preserve the supply of emergency and transitional housing: Human Options, Families Forward, Serving People In Need (SPIN), Share Our Selves (SOS) and Fair Housing Foundation. The following organization has been funded to assist homeless battered women and children: Human Options.
5.1.2	Cooperate with the Orange County Housing Authority to pursue establishment of a Senior/Disabled or Limited Income Repair Loan and Grant Program to underwrite all or part of the cost of necessary housing modifications and repairs. Cooperation with the Orange County Housing Authority will include continuing City of Newport Beach participation in the Orange County Continuum of Care and continuing to provide CDBG funding.	***On-going*** The City refers low income residents to Orange County for rehabilitation of mobile homes, to Neighborhood Housing for first time buyer programs, and to Rebuilding Together for handyman service for low income and senior households.
5.1.3	Permit, where appropriate, development of "granny" units in single-family areas of the City.	***On-going*** Two permits were issued in 2011.

PROGRAM	GOAL	STATUS
5.1.4	Work with the City of Santa Ana to provide recommendations for the allocation of HUD Housing Opportunities for Persons with AIDS (HOPWA) funds within Orange County.	***On-going*** The City attended the annual HOPWA Strategy meeting and participated in providing recommendations for the allocations of HOPWA funds.
5.1.5	Maintain a list of "Public and Private Resources Available for Housing and Community Development Activities."	***On-going*** City maintains a list of resources that are available for housing and community development activities. A list of resources and links are provided on the City's website.
5.1.6 *New*	Encourage the development of day care centers and community parks as a component of new affordable housing constructed as part of the requirements of the City's Inclusionary Housing Ordinance.	***On-going*** New policy which will be implemented continuously as housing projects are submitted to the City.
5.1.7 *New*	Amend the Zoning Code to include a definition of Single Room Occupancy (SRO) Residential Hotels and add provisions that would permit SROs within the commercial and office zoning districts with the approval of a use permit. No standard set of conditions or use restrictions on SROs shall be established; instead, each application should be evaluated individually and approved based upon its own merits and circumstances.	***Pending*** This definition of SRO and related provisions will be included in the Zoning Code amendment anticipated to be completed by Spring 2012.

PROGRAM	GOAL	STATUS
6.1.1	Contract with an appropriate fair housing service agency for the provision of fair housing services for Newport Beach residents. The City will also work with the fair housing service agency to assist with the periodic update of the Analysis of Impediments to Fair Housing document required by HUD. The City will continue to provide pamphlets containing information related to fair housing at the Planning Division counter.	***On-going*** The City contracted with the OC Fair Housing Council to provide these services in 2010-11 and changed contract to the Fair Housing Foundation for 2011-2012. The Fair Housing Foundation provided training seminars on fair housing law for tenants and landlords in November and December of 2011 at the Oasis Senior Center. The updated Analysis of Impediments to Fair Housing was completed in June 2011. Pamphlets containing information on Fair Housing and Dispute Resolution Services are available at the public counter.
7.1.1	As part of its annual General Plan Review, the City shall report on the status of all housing programs. The portion of the Annual Report discussing Housing Programs is to be distributed to the California Department of Housing and Community Development in accordance with California State Law.	***On-going*** This annual Housing Element Report will be submitted to HCD.