



Section 4:

HOUSING PLAN

The Housing Plan describes the City of Newport Beach 2021-2029 policy program. The Housing Plan describes the specific goals, policies, and programs to assist City decision makers to achieve the long-term housing objectives set forth in the Newport Beach Housing Element. This Plan identifies goals, policies, and programs aimed at providing additional housing opportunities, removing governmental constraints to affordable housing, improving the condition of existing housing, and providing equal housing opportunities for all residents. These goals, policies, and programs further the City's overall housing policy goal is to Inspire a more diverse, sustainable, and balanced community through implementation of strategies and programs that will result in economically and socially diversified housing choices that preserve and enhance the special character of Newport Beach.

A. Regional Housing Needs Assessment

The Southern California Association of Governments (SCAG) has conducted a Regional Housing Needs Assessment (RHNA) to determine the City's share of the affordable housing needs for the Orange County region. The RHNA quantifies Newport Beach's local share housing needs for the region by income category. Income categories are based on the most current Median Family Income (MFI) for Orange County. The current 2020 MFI (for an assumed family of 4 persons) for Orange County is \$103,000. The MFI may change periodically, as it is updated on an annual basis. The City's 2021-2029 RHNA growth need of 4,845 housing units is allocated into the following income categories:

- 1,456 units - Very low income (0-50% County MFI)
- 930 units - Low income (51-80% of County MFI)
- 1,050 units - Moderate income (81-120% of County MFI)
- 1,409 units - Above moderate income (120% or more of County MFI)

A. Housing Goals

The City of Newport Beach has identified the following housing goals as part of this Housing Element Update:

Housing Goal #1: Provision of adequate sites to accommodate projected housing unit growth needs identified by the 2021-2029 RHNA.

Housing Goal #2: Quality residential development and the preservation, conservation, and appropriate redevelopment of housing stock.

Housing Goal #3: A variety of housing types, designs, and opportunities for all social and economic segments.

Housing Goal #4: Housing opportunities for as many renter- and owner-occupied households as possible in response to the market demand and RHNA obligations for housing in the City.

Housing Goal #5: Preservation of the City's housing stock for extremely low-, very low-, low-, and moderate-income households.



Housing Goal #6: Housing opportunities for special needs populations.

Housing Goal #7: Equal housing opportunities in the City for all people.

Housing Goal #8: Effective and responsive housing programs and policies.

The goals listed above are described below and on following pages with accompanying policies and programs to achieve them.

B. Housing Policies and Program Actions

This Housing Element expresses the Newport Beach community’s overall housing goals and supporting policies, and programs actions to achieve them. The stated Housing Program Actions are based on a review of past performance of the 5th Cycle Housing Element, analysis of current constraints and resources, and input from Newport Beach residents and stakeholders.

Housing Goal #1

Provision of adequate sites to accommodate projected housing unit growth needs.

Housing Policy 1.1: identify a variety of sites to accommodate housing growth need by income categories to serve the needs of the entire community

IMPLEMENTATION ACTIONS

Adequate Sites to Accommodate 2021-2029 RHNA

The City of Newport Beach has a total Regional Housing Needs Assessment (RHNA) allocation of 4,845 units. State law requires the City of Newport Beach to identify adequate sites to accommodate its fair share allocation for the 6th Cycle Housing Element. This City has identified a variety of candidate sites through extensive analysis in collaboration with the City’s Housing Element Update Advisory Committee, interested residents at a variety of workshops, and consultation with property owners. The City of Newport Beach has identified an adequate amount of land that has been determined as “feasible” or “Potentially Feasible” for future development. Only a portion of these candidate sites will be necessary to accommodate the City’s RHNA planning obligation. These sites have undergone a rigorous process to evaluate site features, development potential, developer/owner interest and other factors to deem them appropriate for housing during the 2021-2029 Planning Period.

As part of the analysis is adequate sites, the City has comprehensively review opportunity sites citywide and have identify eight primary areas of opportunity:

- Airport Area Environs
- West Newport Mesa
- Dover/Westcliff
- Newport Center
- Banning Ranch
- Coyote Canyon
- 5th Cycle Housing Element Sites
- Accessory Dwelling Units



In addition, the City has identified several opportunity sites in the 5th Cycle that will be utilized in the 6th Cycle Housing Element. These sites will require additional policy considerations as stated in this Policy Program

These opportunities sites are described in map and tabular format in Appendix B of this Housing Element.

Policy Action 1A: Airport Environs Sub Area

The City will establish a housing opportunity overlay district, or similar rezoning strategy, in the Airport Environs area for 162 acres of land to provide for the accommodation of at least 2,426 housing units in the Very Low, Low, Moderate and Above Moderate-income categories. A Map and Table Summary of these sites are provided in Appendix B of this Housing Element. The overlay, or similar rezone strategy, will allow development of variety of residential product types at a permitted density of 50 dwelling units per acre.

Implementation of this program will also include development standards, entitlement procedures to encourage the development housing for persons of Very Low and Low incomes. In developing the overlay, or similar rezone strategy, the City will evaluate the potential to include a variety of incentive tools as appropriate, including but not limited to floor area bonus, density bonus, entitlement streamlining, fee waivers or reductions. .

<p>Timeframe: Complete Code Amendments within 36 months of Housing Element Adoption</p> <p>Responsible Agency: City of Newport Beach Community Development</p> <p>Funding Source: General Fund</p>

Policy Action 1B: Newport Mesa

The City will establish a housing opportunity overlay, or similar rezoning strategy, in the Newport Mesa area for 48 acres of land to provide for the accommodation of at least 433 housing units in the Very Low, Low, Moderate and Above Moderate-income categories. A Map and Table Summary of these sites are provided in Appendix B of this Housing Element. The overlay, or similar rezone strategy, will allow development of variety of residential product types at a permitted density of 45 dwelling units per acre.

Implementation of this program will also include development standards, entitlement procedures to encourage the development housing for persons of Very Low and Low incomes. In developing the overlay, or similar rezone strategy, the City will evaluate the potential to include a variety of incentive tools as appropriate, including but not limited to floor area bonus, density bonus, entitlement streamlining, fee waivers or reductions and other considerations.

<p>Timeframe: Complete Code Amendments within 36 months of Housing Element Adoption</p> <p>Responsible Agency: City of Newport Beach Community Development</p> <p>Funding Source: General Fund</p>



Policy Action 1C: Newport Center

The City will establish a housing opportunity overlay, or similar rezoning strategy, in the Newport Center area for 158 acres of land to provide for the accommodation of at least 1,782 housing units in the Very Low, Low, Moderate and Above Moderate-income categories. A Map and Table Summary of these sites are provided in Appendix B of this Housing Element. The overlay, or similar rezone strategy, will allow development of variety of residential product types at a permitted density of 45 dwelling units per acre.

Implementation of this program will also provide for development standards, entitlement procedures to encourage the development housing for persons of Very Low and Low incomes. In developing the Overlay, or similar rezone strategy, the City will evaluate the potential to include a variety of incentive tools as appropriate, including but not limited to floor area bonus, density bonus, entitlement streamlining, fee waivers or reductions and other considerations.

<p>Timeframe: Complete Code Amendments within 36 months of Housing Element Adoption</p> <p>Responsible Agency: City of Newport Beach Community Development</p> <p>Funding Source: General Fund</p>

Policy Action 1D: Dover / Westcliff

The City will establish an overlay, or similar rezoning strategy, in the Dover / Westcliff an area for 14 acres of land to provide for the accommodation of at least 41 housing units in the Very Low, Low, Moderate and Above Moderate-income categories. A Map and Table Summary of these sites are provided in Appendix B of this Housing Element. The overlay, or similar rezone strategy, will permit development of variety of residential product types at a permitted density of 30 dwelling units per acre.

Implementation of this program will also include development standards, entitlement procedures to encourage the development housing for persons of Very Low and Low incomes. In developing the overlay, or similar rezone strategy, the City will evaluate the potential to include a variety of incentive tools as appropriate, including but not limited to floor area bonus, density bonus, entitlement streamlining, fee waivers or reductions and other considerations.

<p>Timeframe: Complete Code Amendments within 36 months of Housing Element Adoption</p> <p>Responsible Agency: City of Newport Beach Community Development</p> <p>Funding Source: General Fund</p>

Policy Action 1E: Banning Ranch

The City has identified the Banning Ranch area as a potential site to accommodate future housing need. The City has previously approved housing development on this site, but the approved project was subsequently denied by the California Coastal Commission. The City believes this site is still a viable opportunity to provide housing for a variety of income levels and will continue to support development potential in the Banning Ranch Area.

The site is currently within the City’s Sphere of Influence. The City will work collaboratively with the County of Orange for annexation of the property and pursue entitlement of the area to provide opportunities for up to 1,357 units at an average density of 30 dwelling units per acre.

Implementation of this program will also include development standards, entitlement procedures to encourage the development housing for persons of Very Low and Low incomes.

Timeframe: Complete necessary Code, General Plan and LCP Amendments within 36 months of Housing Element Adoption

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

Policy Action 1F: Coyote Canyon

The Coyote Canyon area is a closed landfill that is owned and managed by the County of Orange. The area is of substantial acreage and has limitation of growth and development due to various environmental considerations. The City evaluated the entire landfill area and has concluded that 22 acres of the area are not subject to environmental constraints. Additionally, the County has expressed interest in participating in a transfer of a portion of the property to accommodate residential opportunity.

The City will rezone at least 22 acres of land on the Coyote Canyon site, as shown in Appendix B, to accommodate up to 880 housing units at an average density of 40 dwelling units per acre.

Implementation of this program will also include development standards, entitlement procedures to encourage the development housing for persons of Very Low and Low incomes.

Timeframe: Complete Code Amendments within 36 months of Housing Element Adoption

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

Policy Action 1G: 5th Cycle Housing Element Sites

The City has identified 28 acres of sites in its sites inventory contained in Appendix B of this Housing Element that contain infill sites that were identified in the 5th Cycle Housing Element. To comply with State law, the City will amend Title 20 of the Newport Beach Municipal Code (NBMC) to permit residential uses by-right for housing development projects in which at least 20-percent of the units are affordable to lower income households. For the purpose of implementation of this program, by-right shall mean the City will not require a Site Development Review, Conditional Use Permit, a Planned Unit Development Permit, or other discretionary permit application that what would constitute a “project” as described in Section 21100 of the Public Resources Code. For sites in the coastal zone, the City will continue to require coastal development permits to determine compliance with the City’s certified Local Coastal Program.

Timeframe: Complete Code Amendments within 36 months of Housing Element Adoption

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund



Policy Action 1H: Accessory Dwelling Unit Construction

The City of Newport Beach believes Accessory Dwelling Units (ADUs) are a demonstrated method to provide affordable housing in the City. Due to recent legislation, the ability to entitle and construct ADUs has increased significantly. The City recognizes the significance of this legislation as evidenced by a marked increase in ADU permit applications. Due to this legislation, the City believes aggressive support for ADU construction will result in increased opportunities for housing including affordable units.

The City will aggressively support and accommodate the construction of at least 336 ADUs by a variety of methods, including but not limited to:

- Developing a implementing a public awareness campaign for construction of ADUs with a systematic approach utilizing all forms of media and outreach distribution
- Preparing and maintaining a user-friendly website committed to information related to codes, processes, and incentives pertaining to the development of ADUs and JADUs in the City.
- Evaluating and assessing the appropriateness of additional incentives to encourage ADU development.
- and implement Developing permit-ready standard plans to permit new ADU construction to minimize design costs, expedite permit processing, and provide development certainty for property owners.

Timeframe: Analyze methods within 12 months of Housing Element adoption; Establish programs within 24 months of Housing Element adoption.

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

Policy Action 1I: Accessory Dwelling Units Monitoring Program

The City will establish an ADU Monitoring Program during the 2021-2029 Housing Element Planning Period to formally track ADU development. The analysis will track applications for ADUs, location, and other important features. The intent of the Monitoring Program is to track progress in meeting 2021-2029 ADU construction goals and to evaluate the need to adjust programs and policies if the pace of construction is less than anticipated.

Timeframe: Ongoing, Annual

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

Policy Action 1J: Accessory Dwelling Units Amnesty Program

The City will establish a program to allow owners with existing unpermitted ADUs to obtain permits to legalize the ADUs during the 2021-2029 planning period. The intent of the Amnesty Program's is permit, inspect, and legalize existing unpermitted ADUs of any size.

Timeframe: Develop Amnesty Program within 24 months of Housing Element adoption

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund



Policy Action 1K: Inclusionary Housing

The City has a substantial RHNA obligation of affordable housing that will be challenged by project development costs to accommodate them. Therefore, the City must evaluate a variety of policy prescriptions that will encourage and facilitate the construction of below market-rate workforce housing. The City will investigate inclusionary housing policy options as a means to provide a variety of housing types and opportunities for very low, low- and moderate-income households in Newport Beach. The City will adopt an interim inclusionary policy and then assess and analyze a variety of inclusionary housing policy options as appropriate. Based upon this assessment, the City will determine the appropriateness and application of inclusionary policies, and adopt policies, programs or regulations addressing inclusionary housing.

The City has determined that a base inclusionary requirement of 15-percent for new residential development to be affordable to very low, low- and moderate-income households is appropriate. Applicability of this requirement will not be limited to projects of a certain size.

Timeframe: Adopt interim inclusionary policy within 6 months of Housing Element adoption. Evaluate Inclusionary Options within 24 months of Housing Element adoption. Adopt Inclusionary Policies, as appropriate within 36 months of Housing Element Adoption.

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

Housing Goal #2

Quality residential development and preservation, conservation, and appropriate redevelopment of housing stock.

Housing Policy 2.1: Support all reasonable efforts to preserve, maintain, and improve availability and quality of existing housing and residential neighborhoods, and ensure full utilization of existing City housing resources for as long into the future as physically and economically feasible.

IMPLEMENTATION ACTIONS

Policy Action 2A: Neighborhood Preservation

The City will continue to improve housing quality and prevent deterioration of existing neighborhoods by strictly enforcing applicable Building Code, Fire Code, and Zoning Code regulations and abating Code violations and nuisances. The City of Newport Beach will continue to prepare a quarterly report on code enforcement activities in the 6th cycle.

Timeframe: Ongoing, Semi-Annual

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund



Policy Action 2B: Residential Building Record Program

The City will maintain and continue to implement the Residential Building Records (RBR) program to reduce and prevent violations of building and zoning ordinances by providing a report to the all parties involved in a transaction of sale of residential properties, and providing an opportunity to inspect properties to identify potentially hazardous conditions, resources permitting. The report provides information as to permitted and illegal uses/construction, and verification that buildings meet applicable zoning and building requirements

The City will continue to implement program as RBR applications are submitted to the City. The City will continue to promote the availability of program to the public and local real estate professionals by maintaining information on website and developing brochure and other promotional materials.

Timeframe: Ongoing, Annual

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

Policy Action 3C: Preservation of At-Risk Units

The City shall maintain registration 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. The City will consult with the property owners and potential preservation organizations regarding the potential use of Community Development Block Grant (CDBG) funds and/or Affordable Housing Fund monies to maintain affordable housing opportunities in those developments listed in Table 3-17 of Chapter 3 of this Housing Element. The City may assist in the non-profit acquisition of the units to ensure long-term affordability, 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 will maintain registration as a Qualified Preservation entity with HCD and continuously the implement policy as notices are received from property owners in the 6th Cycle.

Timeframe: Ongoing, Annual

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Housing Goal #3

A variety of housing types, designs, and opportunities for all social and economic segments.

Housing Policy 3.1: Encourage preservation of existing and provision of new housing affordable to extremely low-, very low-, low-, and moderate-income households.

Housing Policy 3.2: Encourage housing developments to offer a wide spectrum of housing choices, designs, and configurations.



IMPLEMENTATION ACTIONS

Policy Action 3A: Objective Design Standards

State Housing law includes various exemptions for projects with an affordable housing component, which limits the City's ability to apply discretionary design review requirements to certain residential projects. State Housing law specifies having objective design standards available to apply to housing projects where the City's discretion over design review is otherwise preempted per State law. The City of Newport Beach will review existing entitlement processes for housing development and will eliminate discretionary review for all housing development proposals that include affordable housing. The City will also review the appropriateness of its current development standards to ensure that it reasonably accommodates the type and density of housing it is intended to support. The City will also amend existing development standards to replace or remove all subjective standards with appropriate objective standards to support the type and density of housing it is intended to allow.

Policy Action 3B: SB 35 Streamlining

The City will establish written procedures to comply with California Government Code Section 65913.4 and publish those procedures for the public, as appropriate, to comply with the requirements of SB 35, Chapter 366 Statutes 2017. These requirements apply at any point in time when the City does not meet the State mandated requirements, based upon the SB 35 Statewide Determination Summary Report for Housing Element progress and reporting on Regional Housing Needs Assessment (RHNA)., the City will process development projects with at least 50 percent affordable units through a streamlined permit process (i.e., 90 days for projects with up to 150 units). All projects covered by SB 35 are still subject to the objective development standards of the Newport Beach Municipal Code that includes the Building and Fire Codes. However, qualifying projects cannot be subject to Design Review or public hearings; and in many cases the City cannot require parking. Per SB 35 requirements, no parking requirements may be imposed on a SB 35 qualified streamlining project if it is located:

1. within a half-mile of public transit;
2. within an architecturally and historically significant historic district;
3. in an area where on-street parking permits are required but not offered to the occupants of the development; or
4. where there is a car-share vehicle located within one block of the proposed project.

One parking space per unit may be required of all other SB 35 projects. The City currently has consistently exceeded RHNA performance goals during the 5th Cycle. The City's status regarding SB 35 could change during the 6th Cycle dependent upon RHNA progress throughout the 2021-2029 Planning Period.

Timeframe: Adopt procedures within 24 months of Housing Element adoption

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund



Policy Action 3C: Preservation of Rental Opportunities

The City will continue to maintain rental opportunities by restricting conversions, demolition and reconstruction/reconfiguration of rental units to condominiums in a development containing 15 or more units unless the vacancy rate in Newport Beach for rental housing is an average of 5 percent or higher for four (4) consecutive quarters, and unless the property owner complies with condominium conversion regulations contained in Newport Beach Municipal Code Chapter 19.64. The City will complete a vacancy rate survey upon submittal of condominium conversion application of 15 or more units.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

Policy Action 3D: Priority of Affordable Housing

The City will continue to 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 lower- and moderate-income housing requirements. The City will continue to implement this program as affordable housing projects are submitted to the City.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

Policy Action 3E: Mortgage Revenue Bonds

The City will continue to 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. The City will continue to implement program per project submittal as the developer applies for these bonds. The City will adjust this policy to include the promotion of available bonds to the public and developers in the 6th Cycle.

Timeframe: Ongoing, Annual

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

Policy Action 3F: Annual Reporting Program

The City will conduct an annual compliance-monitoring program for units required to be occupied by very low-, low-, and moderate-income households. The City of Newport will complete review by the last quarter of each year and report within the annual General Plan Status Report including Housing Element Report provided to OPR and HCD by April 1st each year.

Timeframe: Ongoing, Annual

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund



Policy Action 3G: Entitlement Assistance

The City will 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 55 years . The affordable units provided shall be granted a waiver of park in-lieu fees (if applicable) and City traffic fair share fees.

The City will continue to implement this program as affordable housing projects are submitted to the City in the 6th cycle.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 3H: Prioritization of Affordable Housing Funds

The City will continue to give highest priority for use of Affordable Housing Fund monies to affordable housing developments providing units affordable to extremely low-income households. The City will continue to implement program as affordable housing projects are submitted to the City.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: Affordable Housing Fund

Policy Action 3I: Public Information About Affordable Housing

The City will continue to maintain a brochure of incentives offered by the City for the development of affordable housing including fee waivers, expedited processing, 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.

The City will update brochure as needed to provide updated information regarding incentives including updated fees and a reference to the most up to date Site Analysis and Inventory.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund



Policy Action 3J: Priority in Kind Assistance for Affordability

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 (CDBG) funds or the City's Affordable Housing Fund. The City will continue to implement program as housing projects are submitted to the City in the 6th Cycle.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 3K: Coastal Zone Development Affordability

The City shall follow Government Code Section 65590 and implement Municipal Code Titles 20.34 and 2134 "Conversion or Demolition of Affordable Housing" for new developments proposed in the Coastal Zone areas of the City. All required affordable units shall have restrictions to maintain their affordability for a minimum of 55 years.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 3L: Proactive Education and Outreach to Prospective Developers

The City will continue to advise and educate existing landowners and prospective developers of affordable housing development opportunities available within Banning Ranch, the Airport Area, West Newport Mesa, Newport Center, Mariners' Mile, and Balboa Peninsula areas. The City of Newport Beach will continue to implement program as prospective developers contact City seeking development information. The City will maintain designated staff persons that can be contacted to provide housing opportunity information and incentives for development of affordable housing within the 6th cycle.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 3M: Regional Coordination of Housing Issues

The City will continue to participate in other programs that assist production of housing. The City will attend quarterly OCHA (Cities Advisory Committee) meetings to keep up to date on rehabilitation programs offered by the County in order to continuously inform homeowners and rental property owners within the City of opportunities and to encourage preservation of existing housing stock in the 6th cycle.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund



Policy Action 3N: Housing Impact Studies

The City will continue to study housing impacts of proposed larger-scale, significant 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. The City will continue to implement program as major commercial/industrial projects are submitted to the City in the 6th Cycle.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Housing Goal #4

Housing opportunities for as many renter- and owner-occupied households as possible in response to the market demand and RHNA obligations for housing in the City.

Housing Policy 4.1: Mitigate potential governmental constraints to housing production and affordability by increasing the City’s role in facilitating construction of market-rate housing and affordable housing for all income groups.

Housing Policy 4.2: Enable construction of new housing units sufficient to meet City quantified goals by identifying adequate sites for their construction.

IMPLEMENTATION ACTIONS

Policy Action 4A: Affirmatively Furthering Fair Housing

Pursuant to AB 686, Chapter 958, Statutes 2018, the City will affirmatively further fair housing by taking meaningful actions in addition to resisting discrimination, that overcomes patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected classes, as defined by State law.

To accomplish this, the City or designated contracted organization will collaborate with local and regional organizations to review any housing discrimination complaints, assist in dispute resolution, and, where necessary, refer complainants to appropriate state or federal agencies for further investigation, action, and resolution.

Section 3 of this Housing Element contains an analysis of fair housing activities in Newport Beach and the Orange County region. The analysis found that:

- ▶ The City does not have any racial or ethnic groups that score higher than 60 on the dissimilarity index, indicating that while there are racial and ethnic groups with higher levels of segregation

than others within Newport Beach, none meet the standard score to identify segregated groups.

- ▶ The City does not have any racially or ethnically concentrated census tracts (R/ECAPs) as identified by HUD. This indicates that there are no census tracts within Newport Beach with a non-white population of 50 percent or more or any census tracts that have a poverty rate that exceeds 40 percent or is three or more times the average tract poverty rate for the metropolitan/micropolitan area. However, one R/ECAP was identified in the neighboring City of Irvine, near the University of California Irvine. This will be considered in the housing plan as students within the R/ECAP may look for housing in Newport Beach.
- ▶ The UC Davis Regional Opportunity Index shows that most residents within Newport Beach have a high level of access to opportunity throughout the majority of the City, with only two census tracts showing a moderate level of access to opportunity. No census tracts were shown as having the lowest level of access to opportunity.
- ▶ The analysis of the TCAC/HCD opportunity Area Maps shows that most census tracts in Newport Beach are classified with the “Moderate Resource” “High Resource” or “Highest Resource” designation. This indicates that these census tracts are within the top 40 percent in the region in terms of areas that lower-income residents may thrive if given the opportunity to live there. All but two census tracts within Newport Beach register within the top 20 percent in the index. One census tract registered as a “Low Resource” area, citing high economic opportunity and low educational opportunity.
- ▶ The Opportunity Indices identify overall high access to quality resources including economic and job proximity, educational access, and transportation access. However, there is a low health index, indicating increased pollution and low environmental quality across all racial/ethnic groups in the City. Additionally, the opportunity indices identify low affordable transportation options to both the Asian or Pacific Islander (Non-Hispanic) and Native American (Non-Hispanic).

The City will continue to collaborate with the community, stakeholders, and appropriate organizations to address potential constraints to fair housing. This may include, but not limited to:

- Analysis and identification of barriers to entry into homeownership or rental opportunities,
- Review of historic policies or restrictions that may have prevented and/or may still prevent disadvantaged groups from locating in Newport Beach
- Specific actions that contribute to Newport Beach’s ability to foster a more inclusive community to all racial, social, and economic groups.

Timeframe: Ongoing 2021-2029

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund



Policy Action 4B: Streamlined Project Review

The City will provide a streamlined “fast-track” development review process for proposed affordable housing developments. The City of Newport will continue to implement this program as affordable housing projects are submitted to the City in the 6th Cycle.

Timeframe: Evaluate program features within 24 months, Adopt updated procedures within 36 months of Housing Element adoption
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund

Policy Action 4C: Density Bonus and Incentives for Affordable Housing

The City will update its Density Bonus Ordinance to be consistent with State Law, as amended. Additionally, the City shall either grant a density bonus as required by state law if requested, or provide other incentives of equivalent financial value when a residential developer agrees to construct housing for persons and families of very low, low, and moderate income above mandated requirements. The City will continue to implement provisions of Chapter 20.32, as amended (Density Bonus) of the Zoning Code as housing projects are submitted to the City during the 6th Cycle. The City will further encourage affordable housing and the potential use of density bonus statutes to accommodate additional affordable units.

Timeframe: Ongoing
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund

Policy Action 4D: List of Pre-Approved Development Incentives

The City will develop a pre-approved list of incentives and qualifications for such incentives to promote the development of affordable housing. Such incentives include the waiver of application and development fees or modification to development standards (e.g., setbacks, lot coverage, etc.). The City will continue to work with the Affordable Housing Task Force to develop the list within the 6th Cycle.

Timeframe: Evaluate program features within 24 months, Adopt procedures within 36 months of Housing Element adoption
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund

Policy Action 4E: Airport Area Policy Exceptions for Affordable Housing

The City recognizes that General Plan Policy LU6.15.6 may result in a potential constraint to the development of affordable housing in the Airport Area, and as a result, the City shall maintain an exception to the minimum 10-acre village requirement for projects that include a minimum of 30 percent of the units affordable to lower income households. 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 exception includes

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. The City of Newport Beach will maintain the exception and continue to implement this program as projects are submitted to the City in the 6th Cycle.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 4F: Encourage Development of Opportunity Sites

The City will continue to encourage and facilitate residential and mixed-use development on sites listed in Appendix B by providing technical assistance to interested developers with site identification and entitlement processing. The City will continue to support developers funding applications from other agencies and programs.

The City shall post the Sites Inventory, as showing in Appendix B on the City's webpage and produce marketing materials for residential and mixed-use opportunity sites, and it will equally encourage and market the sites for both for-sale development and rental development. 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 to encourage the development of affordable housing within residential and mixed-use developments. The City will continuously implement program as housing projects are submitted to the City. Review and update as necessary the Site Inventory and provide information to interested developers.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 4G: Annual RHNA Sites Inventory Monitoring

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. The City of Newport will respond to market conditions and will revise or add additional sites where appropriate or add additional incentives, if identified strategies are not successful in generating development interest. The City will include the report in its annual General Plan Status Report including Housing Element Report to OPR and HCD by April 1st each year.

Timeframe: Ongoing, Annual

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund



Policy Action 4H: Definition of Family

Pursuant to State law, the City will update, as appropriate, the definition of “family” and “single-housekeeping unit” and “ Dwelling, single unit” to ensure compliance with all federal and state fair housing laws. To comply with State law, the definitions should not distinguish between related and unrelated persons and should not impose limitations on the number of people that may constitute a family.

Timeframe: Complete Code Amendments within 12 months of Housing Element adoption
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund

Housing Goal #5

Preservation of the City’s housing stock for extremely low-, very low-, low-, and moderate-income households.

Housing Policy 5.1: Continue or undertake the following programs to mitigate potential loss of “at risk” units due to conversion to market-rate units. These efforts utilize existing City and local resources. They include efforts to secure additional resources from public and private sectors should they become available.

Housing Policy 5.2: Improve energy efficiency of all housing unit types (including mobile homes).

IMPLEMENTATION ACTIONS

Policy Action 5A: Preservation of Affordability Covenants

The City will contact owners of affordable units approaching the expiration of affordability covenants to obtain information regarding their plans for continuing affordability on their properties, inform them of financial resources available, and to encourage the extension of the affordability agreements for the developments listed beyond the years noted.

The City will conduct an annual compliance monitoring program and a contact list shall be maintained on City website and updated annually during the 6th Cycle

Timeframe: Ongoing, as necessary
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund



Policy Action 5B: Section 8 Participation

The City shall 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 and to assist tenants and prospective tenants acquire additional understanding of housing law and related policy issues.

The City will attend quarterly OCHA (Cities Advisory Committee) that provide updates on OCHA Section 8 waiting list and housing opportunities to ensure information provided on City website is up to date. If Section 8 waiting list is opened, promote the availability of the program through marketing materials made available to the public.

Timeframe: Ongoing, Annual

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 5D: Incentivize for Preserving of Affordability Covenants

The City will investigate the potential for providing additional modify its current policy to incentivize to property owners for the maintenance of the affordability of units on their property during the 6th Cycle.

Timeframe: Investigate and adopt incentives, as appropriate, within 24 months of Housing Element Adoption

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 5E: Mobile Home Park Conversions

The City will continue to employ the provisions of NBMC Title 20 provision of the Mobile Home Park Overlay to maintain and protect mobile home parks in a stable environment with a desirable residential character. The City will review the existing provisions of the Mobile Home Park Overlay for consistency with State law in accordance with Government Code Section 65863.7. The City will continue to implement program as projects are submitted to the City.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 5F: Orange County Housing Authority Advisory Committee

The City of Newport Beach will continue to participate as a member of the Orange County Housing Authority (OCHA) Advisory Committee and work in cooperation with the OCHA to provide Section 8 Rental Housing Assistance to residents of the community. The City will continue to attend quarterly OCHA (Cities Advisory Committee). Continue to maintain information on City’s website informing landlords of the program benefits of accepting Section 8 Certificate holders.

The City will, in cooperation with the Housing Authority, recommend and request use of modified fair-market rent limits to increase the number of housing units within the City that will be eligible to participate



in the Section 8 program. The Newport Beach Planning Division will 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.

Timeframe: Ongoing
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund

Policy Action 5G: Water Efficiency for Residential Projects

The City will continue to implement and enforce the Water Efficient Landscape Ordinance and Landscape and Irrigation Design Standards in compliance with AB 1881 (Chapter 559 Statutes 2006). The ordinance establishes standards for planning, designing, installing, and maintaining and managing water-efficient landscapes in new construction and rehabilitated projects. The City will continue to implement program as housing projects are submitted to the City. The City will also encourage the retrofit of existing residential developments to install water efficient appliances and fixtures.

Timeframe: Ongoing
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund

Policy Action 5H: Energy Efficiency in Residential Projects

The City of Newport Beach will continue to require that any affordable housing developments that receive City assistance from Community Development Block Grant (CDBG) funds or from the City's Affordable Housing Fund shall be required, to the extent feasible, include installation of energy efficient appliances and devices that will contribute to reduced housing costs for future occupants of the units. The City will continue to implement program as housing projects are awarded funds from the City in the 6th Cycle.

Timeframe: Ongoing
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund & Community Development Block Grant (CDBG) funds

Housing Goal #6

Housing opportunities for special needs populations.

Housing Policy 6.1: Encourage approval of housing opportunities for senior citizens and other special needs populations.



IMPLEMENTATION ACTIONS

Policy Action 6A: Homeless Program Assistance

In the 5th Cycle, the City was successful in providing funding to local organizations for providing shelter and services the individuals experiencing homelessness.

The City will continue to apply annually for United States Department of Urban Development Community Development Block Grant (CDBG) funds and allocate a portion of such funds to subrecipients who provide shelter and other services for the homeless as well as submit Annual Action Plan to HUD in May of each year.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 6B: Repair Loans and Grant Programs for Seniors, Persons with Physical and Development Disabilities and Lower Income Households

The City, in partnership with OASIS Senior Center and Habitat for Humanity Orange County, has developed a Senior Home Repair Assistance Program (SHARP) that is aimed at assisting low income seniors in need of critical home repair or modifications due to accessibility needs, safety concerns, health and well-being. The program is available to homeowners aged 60 and older who fall within the 50th percentile of the Orange County median income.

Additionally, The City will continue to 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.

The City will continue to attend quarterly OCHA (Cities Advisory Committee) meetings to keep up to date on rehabilitation programs offered by the County in order to continuously inform homeowners and rental property owners within the City of opportunities and to encourage preservation of existing housing stock.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 6C: Leverage CDBG and other Federal Formula Grant Funding

The City receives annual allocation of CDBG and Funds for use in a variety of housing-related activities. The City shall make every effort to leverage these annual funds from various agencies to further the City's housing goals. These may include, but are not limited to, the follow State, Regional and private resources:



State Resources

- State Low-Income Housing Tax Credit Program
- Building Equity and Growth in Neighborhoods Program (BEGIN)
- CalHome Program
- Multifamily Housing Program (MHP)
- Housing Related Parks Grant
- CalHFA Single and Multi-Family Program
- Mental Health Service Act (MHSA) Funding

Regional Resources

- Orange County Housing & Finance Agency (OCHFA) Funding
- Southern California Home Financing Authority (SCHFA) Funding
- Orange County Continuum of Care Program
- Orange County Housing Authority (OCHA) Programs

Private Resources

- Federal Home Loan Bank Affordable Housing Program (AHP)
- Community Reinvestment Act Programs
- United Way Funding
- Private Contributions
- Public-Private Partnerships

In addition, the City of Newport Beach will continue to maintain a list of “Public and Private Resources Available for Housing and Community Development Activities” and maintain a list of resources on City website and update as necessary in the 6th Cycle.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 6D: Child Daycare Facilities

The City will continue to encourage the development of day care centers as a component of new affordable housing developments and grant additional incentives in conjunction with the review and approval of density bonus projects pursuant to NBMC Chapter 20.32 (Density Bonus).

Timeframe: Modify

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 6E: Housing Assistance for Seniors

The City of Newport Beach was successful in assisting the funding of senior housing services through the 5th Cycle including Atria, Vivante and Harbor Pointe senior housing developments . The City shall continue to encourage senior citizen independence through the promotion of housing and services related to in-



home care, meal programs, and counseling, and maintain a senior center that affords seniors opportunities to live healthy, active, and productive lives in the City.

The City will encourage and approve senior housing developments if there is a market demand provided the projects include appropriate support services including transportation. Projects that provide housing and services for low- and moderate-income seniors shall take precedence over market-rate senior housing.

The City will continue to provide social services, support groups, health screenings, fitness classes, and educational services at the City's OASIS Senior Center or other facilities. Offer affordable ride-share transportation and meal services to seniors who are unable to drive and/or prepare their own meals or dine out and have little assistance in obtaining adequate meals during the 6th Cycle.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 6F: Emergency Shelters, Transitional and Supportive Housing

To comply with State law, the City of Newport Beach will amend certain sections of its Municipal Code to address the following requirements:

- Supportive Housing Streamlined Approvals (AB 2162) - To comply with AB 2162 (Chapter 753, Statutes 2018), the City of Newport Beach will amend its Municipal Code to permit supportive housing as a use permitted by right in all zones where multiple family and mixed-use development is permitted.
- Emergency and Transitional Housing Act of 2019 (AB 139) – The City will update its Municipal Code to comply with the requirements of Gov Code 65583 to address permit requirements, objective standards, analysis of annual and season needs, and parking and other applicable standards and provisions.
- Amend the City of Newport Beach Municipal Code to comply with the definitions for “Supportive Housing”, “Supportive Services”, “Target Population” consistent with applicable sections the California Government Code.
- Amend the Newport Beach Municipal Code to ensure Emergency Shelters, Transitional and Supportive Housing are permitted in appropriate zones, consistent with State law.

Timeframe: Adopt Code Amendments within 12 months of Housing Element adoption

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund



Housing Goal #7

Equal housing opportunities in the City for all people.

Housing Policy 6.1: Support fair and equal housing opportunities, and environmental justice considerations for all housing opportunities in the City.

IMPLEMENTATION ACTIONS

Policy Action 7A: Supportive Housing / Low Barrier Navigation Centers

State law has been updated to require approval 'by right' of supportive housing with up to 50 units and low barrier navigation centers that meet the requirements of State law. Low barrier navigation centers are generally defined as service-enriched shelters focused on the transition of persons into permanent housing.

Low barrier navigation centers provide temporary living facilities will persons experiencing homelessness to income, public benefits, health services, shelter, and housing. To comply with State law, The City of Newport Beach will adopt policies, procedures, and regulations for processing this type of use as to establish a non-discretionary local permit approval process must be provided to accommodate supportive housing and lower barrier navigation centers per State law. In the interim, any submitted application for this use type will be processed in accordance with State law.

The City will provide for annual monitoring of the effectiveness and appropriateness of existing adopted policies. Should any amendments be warranted to existing policies pursuant to State law, the City will modify its existing policies, as appropriate.

Timeframe: Adopt Code Amendments within 24 months of Housing Element adoption

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 7B: Transitional and Supportive Housing

In compliance with Senate Bill 2 (Chapter 364 , Statutes 2017)and SB 745 Chapter 185, Statutes 2013)the City will ensure the Zoning Code is amended to encourage and facilitates emergency shelters and limits the denial of emergency shelters and transitional and supportive housing under the Housing Accountability Act. This Program would permit transitional and supportive housing by-right in all zones allowing residential uses, subject only to those regulations that apply to other residential uses of the same type in the same zone. In addition, the Zoning Code will be amended to define “supportive housing”, “target population” and “transitional housing” pursuant to state law. The City will continue to monitor the inventory of sites appropriate to accommodate transitional and supportive housing and will work with the appropriate organizations to ensure the needs of homeless and extremely low-income residents are met. The City if committed to prioritizing funding and other available incentives for projects that provide housing for homeless and extremely low-income residents whenever possible.



Timeframe: Adopt Code Amendments within 12 months of Housing Element adoption
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund

Policy Action 7C: Housing for Persons with Developmental Disabilities

The housing needs of persons with developmental disabilities are typically not fully addressed by local zoning regulations. Persons with disabilities may require, in addition to basic affordability, slight modifications to existing units, and in some instances, a varying range of supportive housing facilities. To accommodate residents with developmental disabilities, the City will review and prioritize housing construction and rehabilitation including supportive services targeted for persons with developmental disabilities.

Newport Beach will also explore the granting of regulatory incentives, such as expedited permit processing, and fee waivers and deferrals, to projects targeted for persons with developmental disabilities. To further facilitate the development of units to accommodate persons with developmental disabilities, the City will encourage development of projects targeted for special needs groups. As housing is developed or identified, Newport Beach will collaborate with the Regional Center of Orange County (RCOC) to implement an outreach program informing families within the City of housing and services available for persons with developmental disabilities. The City will provide information at City Hall and on the City's website.

Timeframe: Adopt Code Amendments within 24 months of Housing Element adoption
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund

Policy Action 7D: Fair Housing Services

The City was successful in reaching out to the community about fair housing services during the 5th Cycle. The City of Newport Beach will continue to 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 a minimum two public outreach and educational workshops a year, and distribute pamphlets containing information related to fair housing in the 6th Cycle.

Timeframe: Ongoing
Responsible Agency: City of Newport Beach Community Development
Funding Sources: General Fund



Housing Goal #8

Effective and responsive housing programs and policies.

Housing Policy 7.1: Review the Housing Element on a regular basis to determine appropriateness of goals, policies, programs, and progress of Housing Element implementation.

IMPLEMENTATION ACTIONS

Policy Action 8A: Annual Reporting Program

The City of Newport Beach shall report on the status of all housing programs as part of its annual General Plan Review and Annual Progress Report (APR). The Annual Progress Report discusses Housing Programs and is submitted to the California Department of Housing and Community Development in accordance with California state law. The City will continue to annually report its efforts within the annual General Plan Status Report including Housing Element Report provided to OPR and HCD by April 1st each year.

Timeframe: Ongoing, Annual

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Policy Action 8B: Water and Sewer Service Providers

Pursuant to SB 1087, Chapter 727, Statutes of 2005, the City of Newport Beach is required to deliver its adopted housing element and any amendments thereto to local water and sewer service providers. This legislation allows for coordination between the City and water and sewer providers when considering approval of new residential projects, to ensure that the providers have an opportunity to provide input on the Element. Additionally, review of the Housing Element ensures that priority for water and sewer services is granted to projects that include units affordable to lower-income households. The City will submit the adopted 6th Cycle Housing Element to local water and sewer providers for their review and input.

Timeframe: Transmit document immediately upon adoption of future amendment

Responsible Agency: City of Newport Beach Community Development

Funding Sources: General Fund

Summary of Quantified Objectives

[TBD]