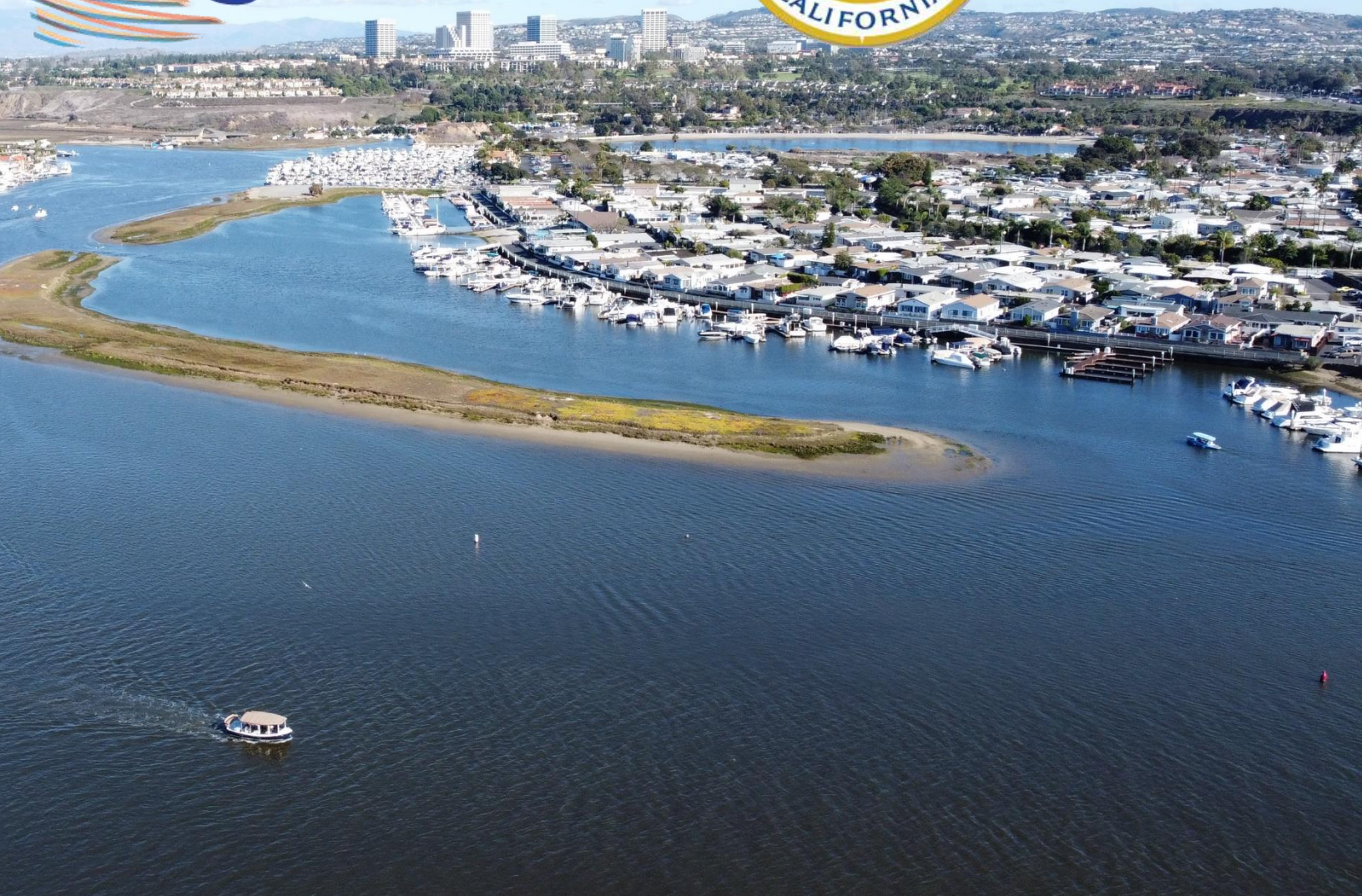


**Newport,  
Together.**



# **Section 1:**

## **INTRODUCTION**



## *Acknowledgments*

### ***The Newport Beach Community***

#### **City Council**

Mayor Kevin Muldoon  
Mayor Pro Tem Noah Blom  
Diane B. Dixon  
Brad Avery  
Duffy Duffield  
Joy Brenner  
Will O'Neill

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Lauren Kleiman, Vice Chair  
Curtis Ellmore, Secretary  
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## **A. Role of the Housing Element**

The Housing Element of the Newport Beach General Plan identifies and analyzes the City's existing and projected housing needs and contains a detailed outline and work program of the City's goals, policies, quantified objectives, and programs for the preservation, improvement, and development of housing for a sustainable future. It is one of the seven mandatory elements to be included in a city's General Plan. The policy program identifies ways in which housing needs of current and future residents can be met. It also ensures that the City establishes policies, procedures and incentives in its land use planning and development activities to address the maintenance and expansion of the housing supply to adequately accommodate households currently living and expected to live in Newport Beach. The policies identified will help guide future City decision-making and establishes an implementation program to achieve the City's housing goals for the 2021-2029 period.

## **B. State Policy and Authorization**

### **1. Background**

The Housing Element identifies and analyzes the City's existing and projected housing needs. The Housing Element contains a detailed outline and work program of the City's goals, policies, and quantified objectives for the preservation, improvement, and development of housing for a sustainable future. This includes timelines for the City to accomplish each identified action within the Housing Plan.

### **2. State Requirements**

California State Housing Element Law (California Government Code Article 10.6) establishes the requirements for the Housing Element. California Government Code Section 65588 requires that local governments review and revise the Housing Element of their comprehensive General Plans not less than once every eight years.

The California Legislature has determined that a primary housing goal for the State is ensuring every resident has a decent home and suitable living environment. Section 655880 of the California Government Code states:

- a. The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farmworkers, is a priority of the highest order.
- b. The early attainment of this goal requires cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians in all economic levels.
- c. The provisions of housing, affordable to low- and moderate-income households, requires the cooperation of all levels of the government.
- d. Local and State governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for housing needs of

all economic segments of the community. The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the state in addressing regional housing needs.

**Table 1-1** summarizes State requirements for Housing Element and identifies the applicable sections in the 2021-2029 Housing Element where these requirements are addressed.

**Table 1-1: Housing Element Requirements**

| Issues Requiring Analysis                                                                                                                                                                  | Gov. Code Section  | Reference in Housing Element |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------------------|
| Analysis of employment trends.                                                                                                                                                             | Section 65583.a    | Section 2                    |
| Projection and quantification of existing and projected housing needs for all income groups.                                                                                               | Section 65583.a    | Section 3                    |
| Analysis and documentation of the City's housing characteristics, including cost for housing compared to ability to pay, overcrowding, and housing condition.                              | Section 65583.a    | Section 2                    |
| An inventory of land suitable for residential development including vacant sites and sites having redevelopment potential.                                                                 | Section 65583.a    | Section 3                    |
| Analysis of existing and potential governmental constraints upon the maintenance, improvement or development of housing for all income levels.                                             | Section 65583.a    | Section 3                    |
| Analysis of existing and potential nongovernmental (private sector) constraints upon maintenance, improvement or development of housing for all income levels.                             | Section 65583.a    | Section 3                    |
| Analysis concerning the needs of the homeless.                                                                                                                                             | Section 65583.a    | Section 2.                   |
| Analysis of special housing needs: handicapped, elderly, large families, farmworkers, and female-headed households.                                                                        | Section 65583.a    | Section 2                    |
| Analysis of opportunities for energy conservation with respect to residential development.                                                                                                 | Section 65583.a    | Section 3                    |
| Identification of Publicly Assisted Housing Developments.                                                                                                                                  | Section 65583.a    | Section 3                    |
| Identification of Units at Risk of Conversion to Market Rate Housing.                                                                                                                      | Section 65583.a    | Section 3                    |
| Identification of the City's goal relative to the maintenance, improvement, and development of housing.                                                                                    | Section 65583.a    | Section 4                    |
| Analysis of quantified objectives and policies relative to the maintenance, improvement, and development of housing.                                                                       | Section 65583.b    | Section 4                    |
| Identification of adequate sites that will be made available through appropriate action with required public services and facilities for a variety of housing types for all income levels. | Section 65583.c(1) | Appendix B                   |
| Identification of strategies to assist in the development of adequate housing to meet the needs of low and moderate-income households.                                                     | Section 65583.c(2) | Section 4                    |
| Description of the Public Participation Program in the formulation of Housing Element Goals, Policies, and Programs.                                                                       | Section 65583.d    | Appendix C                   |



| Issues Requiring Analysis                                                                                                   | Gov. Code Section | Reference in Housing Element |
|-----------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------------|
| Description of the Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments. | Section 65583.e   | Section 1                    |
| Analysis of Fair Housing, including Affirmatively Furthering Fair Housing.                                                  | Section 8899.50   | Section 3                    |
| Review of the effectiveness of the past Element, including the City's accomplishments during the previous planning period.  | Section 65583.f   | Appendix A                   |
| <i>Source: State of California, Department of Housing and Community Development.</i>                                        |                   |                              |

The City's Housing Element was last updated in September 2013 for the 5<sup>th</sup> cycle from years 2014 to 2021, as part of the new update cycle for jurisdictions within the SCAG (Southern California Association of Governments) region to allow for synchronization with the Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS). The Element sets forth an 8-year strategy to address the City's identified housing needs, including implementing specific programs and activities.

Amendments have been made to Housing Element law since the adoption of the City's 5<sup>th</sup> Cycle Housing Element; such amendments and subsequent housing laws change the required analysis, reporting and policies contained in the Housing Element. The contents of this updated Housing Element comply with these amendments to state housing law and all other federal, state and local requirements.

### 3. Regional Housing Needs Assessment

Section 65583 of the Government Code sets forth the specific content requirements of a jurisdiction's housing element. Included in these requirements are obligations on the part of local jurisdictions to provide their "fair share" of regional housing needs. Local governments and Councils of Governments (COGs) are required to determine existing and future housing need and the allocation of this need must be approved by the California Department of Housing and Community Development (HCD). Newport Beach is a member agency of the Southern California Association of Governments (SCAG). SCAG is responsible for preparing the Regional Housing Needs Assessment (RHNA) for all jurisdictions within the SCAG region.

HCD established the planning period for the current Regional Housing Needs Assessment (RHNA) from October 15, 2021 to October 15, 2029. For the 2021-2029 planning period the City was allocated a total of 4,845 units, including 1,456 for very low-income, 930 for low-income, 1,050 for moderate-income, and 1,409 for above-moderate income households.

### 4. Relationship to Other Community Plan Elements

The Housing Element is one element of the City of Newport Beach General Plan. The goals, policies, actions, and programs within the Housing Element relate directly to, and are consistent with, all other elements in the Newport Beach General Plan. The City's Housing Element identifies programs and resources required for the preservation, improvement, and development of housing to meet the existing and projected needs of its population.

The Housing Element works in tandem with development policies contained in the Land Use Element, most recently amended in 2013. The Land Use Element establishes the location, type, intensity and distribution of land uses throughout the City, and defines the land use build-out potential. By designating residential development, the Land Use Element places an upper limit on the densities and types of housing units constructed in the City. The Land Use Element also identifies lands designated for a range of other uses, including employment creating uses, open space, and public uses. The presence and potential for jobs affect the current and future demand for housing at the various income levels in the City.

The Circulation Element of the General Plan also affects the implementation of the Housing Element. The Circulation Element establishes policies for a balanced circulation system in the City. Consequently, the Housing Element must include policies and incentives that consider the types of infrastructure essential for residential housing units in addition to mitigating the effects of growth in the City.

The Housing Element has been reviewed for consistency with the City's other General Plan components, and the policies and programs in this Element are consistent with the policy direction contained in other parts of the General Plan. As portions of the General Plan are amended in the future, the Housing Element will be reviewed to ensure that internal consistency is maintained.

## **5. Public and Stakeholder Participation**

Section 65583 of the Government Code states that, "The local government shall make diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort." Meaningful community participation is also required in connection with the City's Assessment of Fair Housing (AFH). A discussion of citizen participation is provided below.

As part of the 6<sup>th</sup> Cycle Housing Element Update process, the City of Newport Beach conducted extensive public outreach activities beginning in 2019.

Outreach for the 6th Cycle Housing Element to the community, includes the following actions:

- **Community Workshop #1** (October 20, 2020) – Provided an overview of the Housing Element Update process, community and housing characteristics, and engagement activities.
- **Community Workshops #2 and #3** (November 16 and 17, 2020) – Engaged participants in a suitability analysis for housing types and densities for focus areas in Newport Beach.
- **Community Workshop #4** (February 24, 2021) – Discussion of opportunity sites and policy strategies.
- **Community Workshop #5** (March 22, 2021) – Presented the initial draft of the Housing Element.
- **Community Workshop #6** (June 21, 2021) – Presented a revised draft of the Housing Element's sites analysis and discussed inclusionary housing, housing overlays, and accessory dwelling units.
- **Online Community Survey** – Participants considered potential policies and programs to include in the Housing Element, as well as potential housing types and opportunities for housing. The



survey also solicited feedback regarding potential barriers to housing access and constraints to the development of housing.

- **Planning Commission Study Session** - Provided a presentation with an overview of the Public Review Draft Housing Element and Housing Element update process to date. Community members had the opportunity to give public comments.
- **City Council Study Sessions** - Provided an overview of the Public Review Draft Housing Element and Housing Element update process to date. Follow up study sessions explored a variety of site identification options and policy modifications. Community members had the opportunity to give public comments.
- **Housing Element Update Advisory Committee (HEUAC) Meetings** – Tracked and provided feedback on outreach efforts, made recommendations and provided guidance on policies and programs, provided general comments and feedback.
- **Housing Element Update Website ([www.NewportTogether.com](http://www.NewportTogether.com))** - Provided relevant information about the update process, key features of the housing element, project timeline and a calendar of events for outreach activities. The website also provided a link to the community survey tool, past recorded meetings and summaries, as well as the contact information of the City for residents and community members to send additional comments or request additional information.
- **Listen & Learn** – Series of community workshops in each Council District to guide and inform the General Plan Update in 2019.

As required by Government Code Section 65585(b)(2), all written comments regarding the Housing Element made by the public will be provided to each member of the City Council.

Appendix C will contain a summary of all public comments regarding the Housing Element received by the City during the update process.

## 6. Data Sources

The data used for the completion of this Housing Element comes from a variety of sources. These include, but are not limited to:

- 2010 Census
- American Community Survey
- Regional Analysis of Impediments to Fair Housing (AI)
- Point-in-Time Homeless Census by the Regional Task Force on the Homeless, 2019
- Home Mortgage Disclosure Act (HMDA) lending data
- California Department of Economic Development
- California Employment Development Division Occupational Wage data, 2002





- Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS), 2013-2017
- California Department of Finance
- Southern California Association of Governments (SCAG) Local Housing Report

The data sources represent the best data available at the time this Housing Element Update was prepared. The original source documents contain the assumptions and methods used to compile the data.

## **7. Housing Element Organization**

This Housing Element represents the City's policy program for the 2021-2029 6<sup>th</sup> Cycle Planning Period. The Housing Element is comprised of the following Chapters:

**Section 1: Introduction** contains a summary of the content, organization and statutory considerations of the Housing Element;

**Section 2: Community Profile** contains an analysis of the City's population, household and employment base, and the characteristics of the housing stock;

**Section 3: Housing Constraints, ~~and~~ Resources, and Affirmatively Furthering Fair Housing** examines governmental and non-governmental constraints on production, maintenance, and affordability of housing and provides a summary of housing resources, including sites identification and funding and financial considerations; and

**Section 4: Housing Plan** addresses the City's identified housing needs, including housing goals, policies and programs.

**Appendices** provides various appendices with supplementary background resources including:

- **Appendix A** – Review of Past Performance of 5<sup>th</sup> Cycle Programs
- **Appendix B** – Summary of Adequate Sites Analysis
- **Appendix C** – Summary of Community Outreach
- **Appendix D** – Accessory Dwelling Unit Analysis

# Newport, Together.



## Section 2:

### COMMUNITY PROFILE





The Community Profile for the City of Newport Beach provides an overview of the City's housing and population conditions. The community profile serves as the foundation for the Housing Elements policies by describing and assessing the factors and characteristics that contribute to the supply and demand for housing in Newport Beach. Specifically, the community profile describes the community's population, employment, economics, and household characteristics. Special Needs groups and housing stock characteristics are also described. The community profile develops context for the goals, programs, and policies, established in the Housing Element.

The data used for this community profile has been collected using the most current available data from the Southern California Association of Governments (SCAG), 2010 U.S. Census, 2010-2018 American Community Survey, the California Department of Finance, the California Employment Development Department, the California Department of Education and other currently available real estate market data. Data has also been collected from the SCAG Local Housing report for Newport Beach, which provides facts and Figures pre-certified by the California Department of Housing and Community Development (HCD) for use in the 6<sup>th</sup> Cycle Housing Elements.

## **A. Population Characteristics**

Population characteristics affect current and future housing demands in a community. Population growth, age compositions and race/ethnicity influence the type and extent of housing needed and the ability of the local population to afford housing costs. The following section describes and analyzes the various population characteristics and local trends in Newport Beach.

### **1. Population Growth**

**Table 2-1** below displays the forecasted population growth for Newport Beach, as it compares to the County and other surrounding jurisdictions/cities. The U.S. Census reported a population of 85,186 individuals for the City in 2010. This is the second smallest population for this area after Laguna Beach, which has a population of 22,723. The 2010 population of Newport Beach represents about 3 percent of the Orange County total population.

The Southern California Association of Government (SCAG) Final Growth Reports calculates estimates for future population counts and economic and housing trends through 2045. The SCAG data shown in Table 2-1 estimates a population growth for Newport Beach of 7,100 individuals, or an 8.4-percent increase, between 2016 and 2045. The growth calculation is consistent with that expected in Costa Mesa and is double that of Huntington Beach. In comparison, the City of Irvine anticipates a population surge of about 25 percent through 2045. Between 2016 and 2045, Newport Beach population is forecasted to grow by about 2 percent less than Orange County.





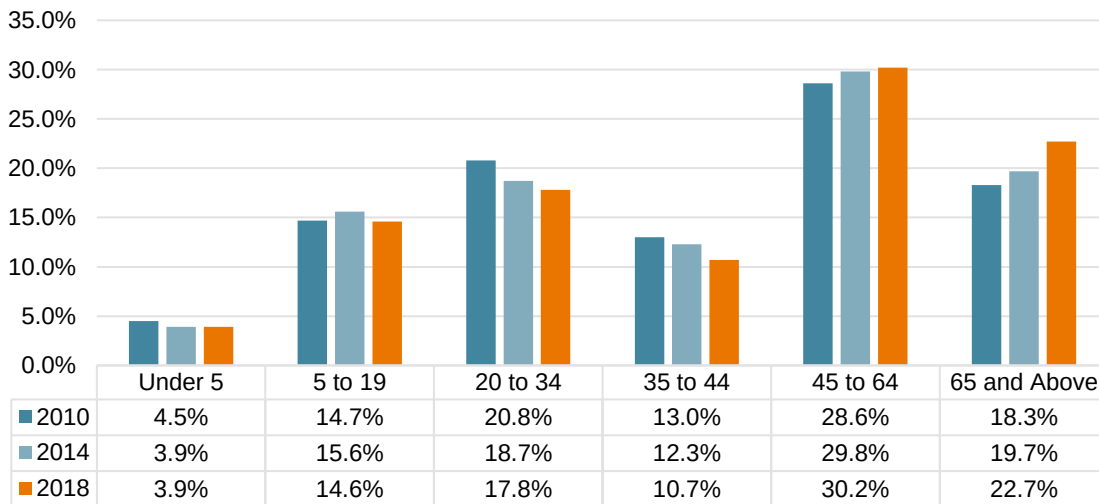
**Table 2-1: Population Growth Forecast, 2016-2045**

| Jurisdictions                                                                                                                                                        | Population    |                | Percent Change |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------|----------------|
|                                                                                                                                                                      | 2016 Actual   | 2045 Projected | 2016-2045      |
| Costa Mesa                                                                                                                                                           | 113,900       | 123,700        | 8.6%           |
| <b>Newport Beach</b>                                                                                                                                                 | <b>84,900</b> | <b>92,000</b>  | <b>8.4%</b>    |
| Huntington Beach                                                                                                                                                     | 196,900       | 205,300        | 4.3%           |
| Laguna Beach                                                                                                                                                         | 23,400        | 23,500         | 0.4%           |
| Irvine                                                                                                                                                               | 261,600       | 327,700        | 25.3%          |
| Orange County                                                                                                                                                        | 3,180,000     | 3,535,000      | 11.2%          |
| Represents an estimate from the SCAG Connect SoCal 2016-2045 Demographics and Growth Forecast.<br>Sources: SCAG 2020 Connect SoCal Demographics and Growth Forecast. |               |                |                |

## 2. Age Characteristics

The age composition of a community affects housing needs because housing demand within the market is often determined by the preferences of certain age groups. For example, young adults generally favor apartments, low to moderate-cost condominiums, and smaller or more affordable single-unit homes because they tend to live on smaller incomes and have smaller households. As population moves through different stages of life, housing is required to accommodate new or adjusted needs. To produce a well-balanced and healthy community, a community must provide appropriate housing to accommodate needs of all ages.

**Figure 2-1: Age Distribution in Newport Beach, 2010-2018**



Source: American Community Survey, 5-Year Estimates, 2010, 2014, and 2018.

Newport Beach population that falls within the ages of 45 to 64 represents the largest age group, as shown in **Figure 2-1**. In 2018, 30.2 percent of the population was between the ages of 45 and 64. Children under 5 years of age make up about 4 percent of the population, and 18.5 percent are 19 years or younger. Adults in the 35 to 44 age group have the second lowest population representation at 10.7 percent.



From 2010 to 2018, Newport Beach shows an aging population trend. All age groups under 45 years have consistently been decreasing. The 20 to 34 age group has experienced the greatest population loss at 3 percent between 2010 to 2018. In comparison, seniors over 65 years have increased by 4.4 percent during the same time. The middle-aged and senior populations both make up the largest age groups and can be expected to continue increasing given the decreasing distribution of young adults and children.

**Table 2-2** compares the age distribution of Newport Beach to the rest of the county and surrounding cities. The City has a below-average age distribution for those ages 44 and under as compared to Orange County. The City of Laguna Beach and Newport Beach both exceed 22 percent of senior populations, while the surrounding cities and county range from 9 to 16 percent. All municipalities in Table 2-2 have lower distributions of individuals ages 15 to 17 and higher distributions of individuals 45 to 64 years of age.

**Table 2-2: Age Distribution by Jurisdiction**

| Jurisdiction                                                     | Under 5     | 5 to 14      | 15 to 17    | 18 to 24    | 25 to 44     | 45 to 64     | 65+ years    |
|------------------------------------------------------------------|-------------|--------------|-------------|-------------|--------------|--------------|--------------|
| Costa Mesa                                                       | 5.7%        | 11.4%        | 3.2%        | 9.6%        | 35.2%        | 24.3%        | 10.7%        |
| <b>Newport Beach</b>                                             | <b>3.9%</b> | <b>10.0%</b> | <b>3.5%</b> | <b>6.3%</b> | <b>23.4%</b> | <b>30.2%</b> | <b>22.7%</b> |
| Huntington Beach                                                 | 5.2%        | 10.9%        | 3.5%        | 7.6%        | 27.0%        | 29.0%        | 16.9%        |
| Laguna Beach                                                     | 3.4%        | 8.5%         | 4.1%        | 5.9%        | 16.3%        | 38.4%        | 23.3%        |
| Irvine                                                           | 6.4%        | 12.4%        | 3.6%        | 13.0%       | 30.8%        | 23.9%        | 9.9%         |
| Orange County                                                    | 6.0%        | 12.5%        | 4.0%        | 9.5%        | 27.4%        | 26.6%        | 13.9%        |
| <i>Source: American Community Survey, 5-Year Estimates, 2018</i> |             |              |             |             |              |              |              |

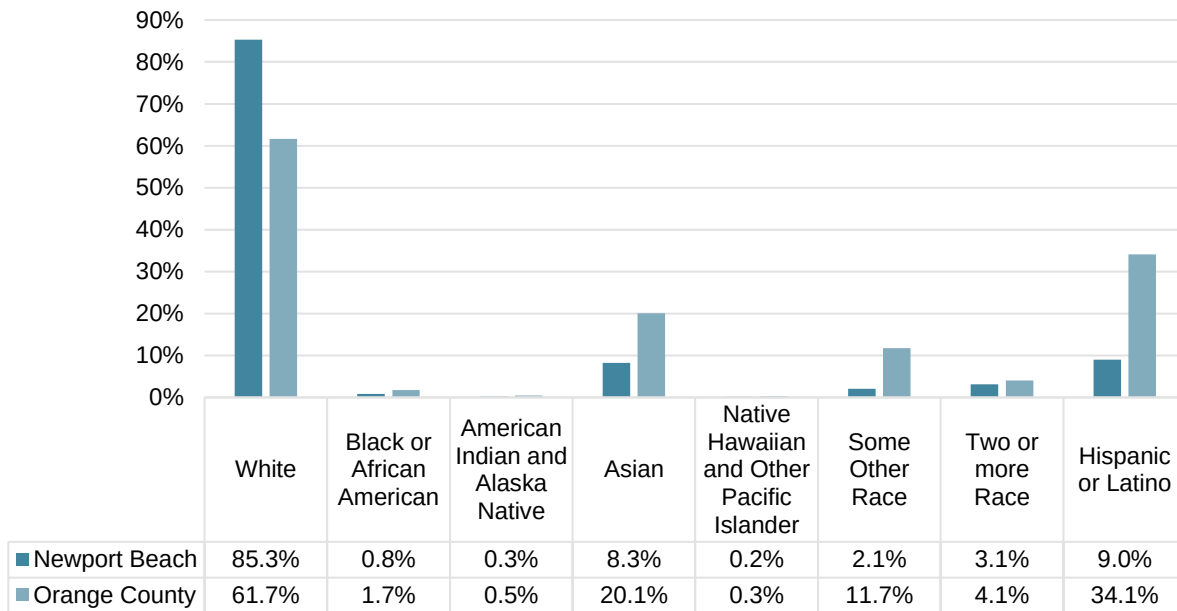
### 3. Race/Ethnicity Characteristics

Racial and ethnic composition contribute to housing needs due to varying household characteristics, income levels, and cultural backgrounds which may affect their housing needs, housing choice and housing types. Cultural influences may reflect preference for a specific type of housing.

As summarized in **Figure 2-2**, Newport Beach is comprised mainly of White individuals at 85.3 percent of the population in 2018. American Indian/Alaska Natives and Native Hawaiian/other Pacific Islanders comprise the lowest percentage; both populations in Newport Beach and Orange County add up to less than 1 percent of the population. The White population in Newport Beach is 23.6 percent greater than the county and the Hispanic or Latino population is 25.1 percent less than that of the county. The Black population represents 0.8 percent of the Newport Beach population, which is half that of Orange County. The Asian population of Newport Beach is 11.8 percent smaller than that of Orange County and there are 9.6 percent less individuals in the City who identify as some other race than in the County.



**Figure 2-2: Racial and Ethnic Composition, 2018**



Source: American Community Survey, 5-Year Estimates, 2018.

**Table 2-3** shows that all cities around Newport Beach and Orange County have a majority White population. The second largest population group in this area are those who identify as Hispanic or Latino. The Black population in Newport Beach and Laguna Beach are both the smallest of the area at 0.8 percent and both cities are below the county percentage by just under 1 percent. Both American Indian/Alaska Native and Native Hawaiian/other Pacific Islanders represent the smallest population groups with neither exceeding 1 percent in any of the listed cities.

**Table 2-3: Racial and Ethnic Composition, 2018**

| Jurisdiction                                                                                                | White        | Black       | American Indian/<br>Alaska Native | Asian       | Native Hawaiian/<br>Other Pacific Islander | Some Other Race | Two or More Races | Hispanic or Latino Origin <sup>(1)</sup> |
|-------------------------------------------------------------------------------------------------------------|--------------|-------------|-----------------------------------|-------------|--------------------------------------------|-----------------|-------------------|------------------------------------------|
| Costa Mesa                                                                                                  | 71.6%        | 1.9%        | 0.4%                              | 8.4%        | 0.7%                                       | 13.0%           | 4.0%              | 36.1%                                    |
| <b>Newport Beach</b>                                                                                        | <b>85.3%</b> | <b>0.8%</b> | <b>0.3%</b>                       | <b>8.3%</b> | <b>0.2%</b>                                | <b>2.1%</b>     | <b>3.1%</b>       | <b>9.0%</b>                              |
| Huntington Beach                                                                                            | 72.4%        | 1.4%        | 0.6%                              | 12.1%       | 0.4%                                       | 7.3%            | 5.4%              | 20.0%                                    |
| Laguna Beach                                                                                                | 90.8%        | 0.8%        | 0.1%                              | 3.7%        | 0.3%                                       | 1.5%            | 2.8%              | 7.4%                                     |
| Irvine                                                                                                      | 47.6%        | 1.9%        | 0.2%                              | 42.3%       | 0.2%                                       | 2.8%            | 5.2%              | 10.3%                                    |
| Orange County                                                                                               | 61.7%        | 1.7%        | 0.5%                              | 20.1%       | 0.3%                                       | 11.7%           | 4.1%              | 34.1%                                    |
| Note: (1) Persons of Hispanic or Latino Origin is an ethnicity that may be included in other racial groups. |              |             |                                   |             |                                            |                 |                   |                                          |
| Source: American Community Survey, 5-Year Estimates, 2018.                                                  |              |             |                                   |             |                                            |                 |                   |                                          |





**Table 2-4** identifies the change in composition of Newport Beach between 2010 to 2018. The population who reported White experienced the greatest population loss between 2010 and 2015 (4 percent), but then increased by just under a percent point between 2015 and 2018. The City’s population who identifies as Hispanic or Latino increased by a total of 1.6 percent; this was the greatest population increase between these three survey years. Overall, majority of the different racial and ethnic populations within Newport Beach remained stable in population from 2010 to 2018.

**Table 2-4: Changes in Racial and Ethnic Composition, 2010-2018**

| Race/Ethnicity                                                                              | 2010  | 2015  | 2018  | Percent Change 2010 to 2015 | Percent Change 2015 to 2018 |
|---------------------------------------------------------------------------------------------|-------|-------|-------|-----------------------------|-----------------------------|
| White                                                                                       | 88.4% | 84.4% | 85.3% | -4.0%                       | 0.9%                        |
| Black                                                                                       | 0.6%  | 0.4%  | 0.8%  | -0.2%                       | 0.4%                        |
| American Indian and Alaska Native                                                           | 0.1%  | 0.2%  | 0.3%  | 0.1%                        | 0.0%                        |
| Asian                                                                                       | 7.2%  | 8.2%  | 8.3%  | 1.0%                        | 0.1%                        |
| Native Hawaiian or Other Pacific Islander                                                   | 0.0%  | 0.2%  | 0.2%  | 0.2%                        | 0.0%                        |
| Some Other Race                                                                             | 1.9%  | 3.1%  | 2.1%  | 1.2%                        | -1.1%                       |
| Two or More Races                                                                           | 1.7%  | 3.4%  | 3.1%  | 1.7%                        | -0.3%                       |
| Hispanic or Latino*                                                                         | 7.4%  | 8.3%  | 9.0%  | 0.9%                        | 0.7%                        |
| *Of any race.<br>Source: American Community Survey, 5-Year Estimates, 2010, 2015, and 2018. |       |       |       |                             |                             |

## B. Economic Characteristics

Reporting and analyzing economic characteristics of a community provides valuable information on the community’s ability to access the housing market. Incomes associated with different types of employment and the number of workers in a household affect housing affordability and choice. Therefore, to consider a healthy balance between jobs and housing, the employment characteristics of a community must be considered. Local employment growth is linked to local housing demand, and the reverse is true with employment contracts.

### 1. Employment and Wage Scale

Employment directly affects housing needs, as employment and income inform a population’s ability to purchase housing and the types of housing they would be inclined to purchase. **Table 2-5** summarizes projected employment growth for Newport Beach and its surrounding cities and Orange County between 2012 to 2040. These projections are provided by the Southern California Association of Government’s (SCAG) Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). The report is a long-range plan that considers future mobility and housing needs with economic, environmental, and public health goals and was adopted on April 7, 2016.



**Table 2-5** shows that Newport Beach is estimated to experience an employment growth of 1.8 percent between 2016 to 2045. The total employment growth in the City is significantly less in percentage than the forecast for the surrounding cities. City of Irvine is estimated to experience a 24.5 percent increase through 2045, which is about 10 percent more than the percentage projected for the whole county. While Newport Beach is projected to experience the least employment growth as a percent, the growth represents an increase in 1,500 new employees; this is a greater numeric change than Laguna Beach. The number of new employees projected for Newport Beach represent 0.5 percent of employment growth for the county.

**Table 2-5: Employment Growth Trends, 2016-2045**

| Jurisdiction     | 2016      | 2045      | % Change<br>2016-2045 | Numeric Change<br>2016-2045 |
|------------------|-----------|-----------|-----------------------|-----------------------------|
| Costa Mesa       | 95,700    | 104,000   | 8.7%                  | 8,300                       |
| Newport Beach    | 83,400    | 84,900    | 1.8%                  | 1,500                       |
| Huntington Beach | 83,400    | 90,800    | 8.9%                  | 7,400                       |
| Laguna Beach     | 5,800     | 6,100     | 5.2%                  | 300                         |
| Irvine           | 265,300   | 330,200   | 24.5%                 | 64,900                      |
| Orange County    | 1,710,000 | 1,980,000 | 15.8%                 | 270,000                     |

Source: SCAG 2020 Connect SoCal Demographics and Growth Forecast.

Based on data from the United States Census Bureau American Community Survey (ACS) 5-Year Estimates, the number of employed people in Newport Beach reached 43,892 in 2018. This value is less than the amount projected by the SCAG RTP/SCS. A contributing factor for this may be the increasing amount of the population over the retirement age, as shown in Figure 2-1.

**Table 2-6** identifies employment sectors in Newport Beach and the changes in employment for each sector between 2010 and 2018. Most employed people in the City work in professional, scientific, management, and administrative services (19.4 percent). The sector with the least amount of residents employed was agriculture, forestry, fishing and hunting, and mining, with only 0.2 percent in 2018. Two other popular sectors in the City in 2018 were finance and insurance, and real estate and rental leasing at 18.7 percent as well as education services, health care, and social assistance at 17.1 percent. None of the employment sectors in Newport Beach have experienced changes in employment greater than 1 percent between the two survey years. This has resulted in a decrease of 0.5 percent in total employment, rather than an increase as forecasted in **Table 2-5**.



**Table 2-6: Employment in Newport Beach by Sector, 2018**

| Industry Sector                                                            | 2010                 |                      | 2018                 |                      | Percent Change 2010-2018 |
|----------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|--------------------------|
|                                                                            | # of people employed | % of City Employment | # of people employed | % of City Employment |                          |
| Agriculture, forestry, fishing and hunting, and mining                     | 1,324                | 0.3%                 | 92                   | 0.2%                 | 0.1%                     |
| Construction                                                               | 2,118                | 4.8%                 | 1741                 | 4.0%                 | 0.8%                     |
| Manufacturing                                                              | 3,529                | 8.0%                 | 3929                 | 9.0%                 | -1.0%                    |
| Wholesale trade                                                            | 2,074                | 4.7%                 | 2165                 | 4.9%                 | -0.3%                    |
| Retail trade                                                               | 4,411                | 10.0%                | 4149                 | 9.5%                 | 0.6%                     |
| Transportation and warehousing, and utilities                              | 839                  | 1.9%                 | 1020                 | 2.3%                 | -0.4%                    |
| Information                                                                | 1,059                | 2.4%                 | 991                  | 2.3%                 | 0.2%                     |
| Finance and insurance, and real estate and rental leasing                  | 8,072                | 18.3%                | 8196                 | 18.7%                | -0.4%                    |
| Professional, scientific, management, and administrative services          | 8,999                | 20.4%                | 8517                 | 19.4%                | 1.0%                     |
| Education services, health care, and social assistance                     | 7,234                | 16.4%                | 7507                 | 17.1%                | -0.7%                    |
| Arts, entertainment, recreation, accommodation, and food services          | 3,353                | 7.6%                 | 3425                 | 7.8%                 | -0.2%                    |
| Other services (except public administration)                              | 1,324                | 3.0%                 | 1472                 | 3.4%                 | -0.4%                    |
| Public Administration                                                      | 971                  | 2.2%                 | 688                  | 1.6%                 | 0.7%                     |
| <b>Total</b>                                                               | <b>44,109</b>        | <b>100%</b>          | <b>43,892</b>        | <b>100%</b>          | <b>-0.5%</b>             |
| <i>Source: American Community Survey, 5-Year Estimates, 2010 and 2018.</i> |                      |                      |                      |                      |                          |

**Table 2-6** shows that employment decreased slightly from 2010 to 2018 despite a projected growth and estimated employment amount much larger than that reached. Nonetheless, unemployment rates displayed in **Table 2-7** show a drop by 1 percent during the same period. Unemployment factors into housing needs as the lack of income necessitates the availability of affordable housing. Newport Beach has maintained an unemployment rate of 3.4 percent in 2018 – the lowest unemployment rate for this area, and 1.7 percent below Orange County.



**Table 2-7: Unemployment Rate, 2018**

| Jurisdiction                                                                                         | Unemployment Rate* |             | Percent Change<br>2010-2018 |
|------------------------------------------------------------------------------------------------------|--------------------|-------------|-----------------------------|
|                                                                                                      | 2010               | 2018        |                             |
| Costa Mesa                                                                                           | 7.3%               | 4.8%        | -2.5%                       |
| <b>Newport Beach</b>                                                                                 | <b>4.4%</b>        | <b>3.4%</b> | <b>-1%</b>                  |
| Huntington Beach                                                                                     | 7%                 | 4.3%        | -2.7%                       |
| Laguna Beach                                                                                         | 4.4%               | 6.8%        | 2.4%                        |
| Irvine                                                                                               | 5.5%               | 4.9%        | -0.6%                       |
| Orange County                                                                                        | 7.4%               | 5.1%        | -2.3%                       |
| *Population 16 years and over<br>Source: American Community Survey, 5-Year Estimates, 2010 and 2018. |                    |             |                             |

Based on the data in **Table 2-7**, approximately 2,492 Newport Beach residents were without work in 2018 and would therefore be more likely to require more affordable housing options. For those that are employed, income level further identifies housing types that may need to be provided within the City. According to the SCAG Draft Regional Housing Needs Assessment (RHNA) Methodology, housing needs by income are broken down into four income levels:

- **Very Low-Income** (50 percent or less of the county's median family income)
- **Low-Income** (50-80 percent of the county median family income)
- **Moderate-Income** (80-120 percent of the county median family income)
- **Above Moderate-Income** (120 and above of the county median family income)

Orange County's median family income is \$85,398 according to the 2018 ACS estimates. The occupations that fall below 50 percent of this amount are Protective Services; Sales; Office and Administration Support; Production; Transportation and Material Moving; Healthcare Support; Building, Grounds Cleaning, and Maintenance; Personal Care and Service; Farming, Fishing and Forestry; and Food Preparation and Serving Related. Most occupations in Orange County have an average income that is either low or very low.

**Table 2-8: Mean Salary by Occupation in Orange County, 2020**

| Occupation                                    | Salary    |
|-----------------------------------------------|-----------|
| Management                                    | \$120,871 |
| Legal                                         | \$105,406 |
| Healthcare Practitioners and Technical        | \$79,755  |
| Architecture and Engineering                  | \$87,635  |
| Computer and Mathematical                     | \$92,631  |
| Life, Physical and Social Sciences            | \$67,488  |
| Business and Financial Operations             | \$73,913  |
| Education, Training and Library               | \$52,043  |
| Arts, Design, Entertainment, Sports and Media | \$47,351  |
| Construction and Extraction                   | \$52,684  |
| Protective Services                           | \$37,236  |



**Table 2-8: Mean Salary by Occupation in Orange County, 2020**

| Occupation                                                                               | Salary   |
|------------------------------------------------------------------------------------------|----------|
| Community and Social Service                                                             | \$48,834 |
| Installation, Maintenance and Repair                                                     | \$48,928 |
| Sales                                                                                    | \$32,262 |
| Office and Administration Support                                                        | \$38,845 |
| Production                                                                               | \$31,669 |
| Transportation and Material Moving                                                       | \$29,254 |
| Healthcare Support                                                                       | \$34,397 |
| Building, Grounds Cleaning, and Maintenance                                              | \$27,824 |
| Personal Care and Service                                                                | \$24,666 |
| Farming, Fishing and Forestry                                                            | \$25,487 |
| Food Preparation and Serving Related                                                     | \$24,841 |
| <i>Source: California Employment Development Division, Occupational Wage data, 2020.</i> |          |

## C. Household Characteristics

A household includes all persons who occupy a housing unit, as defined by the Census. This may include single persons living alone, families related through marriage, blood or adoption, domestic partnerships and unrelated individuals living together. Nursing facilities, residential care facilities, dormitories, and other group living, as well as the persons living with them are not considered a housing unit.

Income and affordability are best measured at the household level, as well as the special needs of certain groups, such as large families, single parent households, or low and extremely low-income households. For example, if a city has a prominent aging population who are homeowners but live on fixed incomes, it may consider implementing a home beautification assistance program.

### 1. Household Type and Size

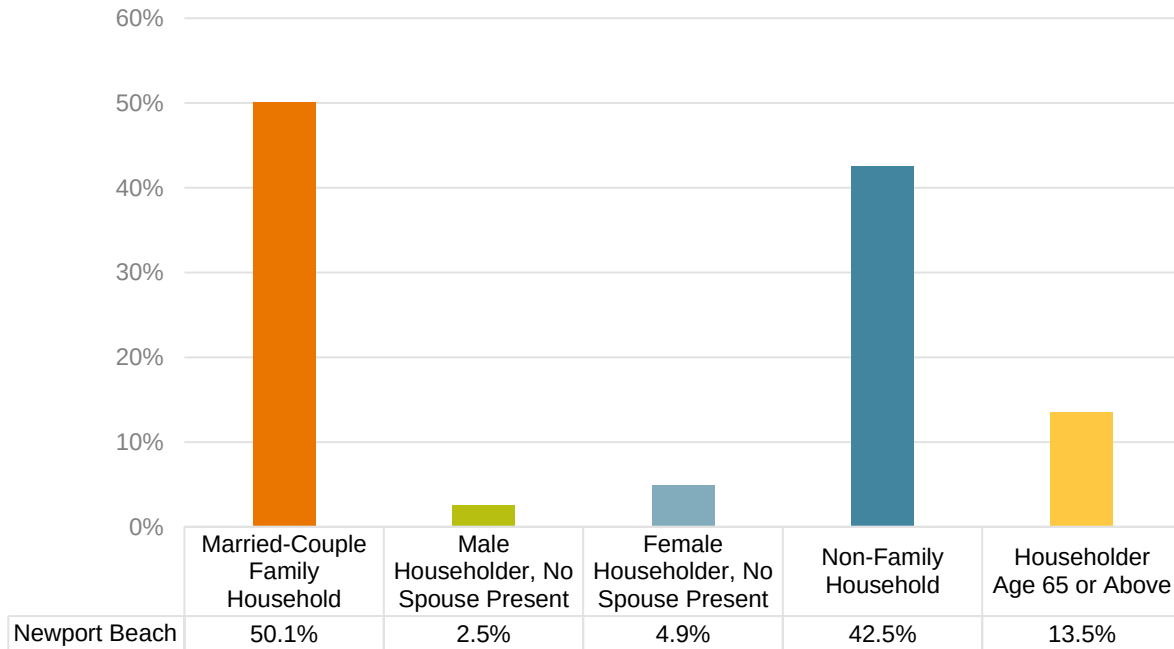
Newport Beach contains 37,870 total households, which is the second smallest household amount behind Laguna Beach with 10,542 total households. Female households with no spouse present represent the lowest amount at 4.9 percent and is 6.9 percent below the regional percentage. Orange County has 28.2 percent non-family households, but all cities in this area, including Newport Beach, have percentages that exceed 33 percent. Newport Beach non-family households account for the second largest percentage at 42.5 percent. When combined with senior households over the age of 65 and living alone, as shown in **Figure 2-3**, it amounts to 56 percent of households in the City. These two groups of people tend to occupy apartments or smaller age centric living areas and would also be considered in determining housing needs.



**Table 2-9: Household Characteristics**

| Jurisdiction                                                     | Married-couple Family Households | % of Total Households | Female Householder, No Spouse Present | % of Total Households | Non-Family Household | % of Total Households | Total Households |
|------------------------------------------------------------------|----------------------------------|-----------------------|---------------------------------------|-----------------------|----------------------|-----------------------|------------------|
| Costa Mesa                                                       | 17,568                           | 42.8%                 | 4,191                                 | 10.2%                 | 16,509               | 40.2%                 | 41,019           |
| <b>Newport Beach</b>                                             | <b>18,965</b>                    | <b>50.1%</b>          | <b>1,870</b>                          | <b>4.9%</b>           | <b>16,088</b>        | <b>42.5%</b>          | <b>37,870</b>    |
| Huntington Beach                                                 | 37,588                           | 48.9%                 | 8,263                                 | 10.8%                 | 26,961               | 35.1%                 | 76,821           |
| Laguna Beach                                                     | 5,116                            | 48.5%                 | 539                                   | 5.1%                  | 4,537                | 43%                   | 10,542           |
| Irvine                                                           | 51,682                           | 54.2%                 | 8,418                                 | 8.8%                  | 31,636               | 33.2%                 | 95,371           |
| Orange County                                                    | 564,685                          | 54.7%                 | 121,753                               | 11.8%                 | 290,652              | 28.2%                 | 1,032,373        |
| <i>Source: American Community Survey, 5-Year Estimates, 2018</i> |                                  |                       |                                       |                       |                      |                       |                  |

**Figure 2-3: Newport Beach Household Characteristics in Percent, 2018**



*Source: American Community Survey, 5-Year Estimates, 2018.*

**Table 2-10** below illustrates the changes in household types between 2010 and 2018. During these years, Newport Beach experienced a growth in population of married-couple family households (5.3 percent) and of householders 65 years and over who live alone (5.5 percent). Non-family households dropped by 4.2 percent in the same time period, with 3.8 percent occurring between 2010 and 2015. In 2010, non-family households were the largest household type in Newport Beach at 46.7 percent, but in 2018 the married-couple family households became the largest with 47.6 percent of the population.

**Table 2-10: Changes in Household Types, 2010-2018**

|                                     | 2010   | Percent | 2015   | Percent | 2018   | Percent |
|-------------------------------------|--------|---------|--------|---------|--------|---------|
| Married-couple Family Households    | 16,936 | 44.8%   | 18,122 | 47.6%   | 18,965 | 50.1%   |
| Female Household, No Spouse Present | 2,155  | 5.7%    | 2,665  | 7.0%    | 1,870  | 4.9%    |
| Male Household, No Spouse Present   | 1,058  | 2.8%    | 990    | 2.6%    | 947    | 2.5%    |
| Non-Family Household                | 17,654 | 46.7%   | 16,332 | 42.9%   | 16,088 | 42.5%   |
| Householder 65 Years and Over       | 3,024  | 8.0%    | 4,797  | 12.6%   | 5,112  | 13.5%   |
| Total Households                    | 37,803 | 100%    | 38,071 | 100%    | 37,870 | 100%    |

*Source: American Community Survey, 5-Year Estimates, 2010, 2015 and 2018.*

Newport Beach represents 1 of the smallest average household sizes in the area, as shown in **Table 2-11**. The average household size for the region is 3 persons and the average household size for the City is 2.2 persons per home. All the neighboring cities have comparable household sizes under the regional amount.

**Table 2-11: Average Household Size**

| Jurisdiction         | Average Persons per Household |
|----------------------|-------------------------------|
| Costa Mesa           | 2.7                           |
| <b>Newport Beach</b> | <b>2.2</b>                    |
| Huntington Beach     | 2.6                           |
| Laguna Beach         | 2.1                           |
| Irvine               | 2.6                           |
| Orange County        | 3                             |

*Source: California Department of Finance – Population and Housing Estimates, 2018.*

## 2. Household Income

Household income is an indicator of housing needs in a community because household income is directly connected to affordability. As household income increases, it is more likely that the household can afford market rate housing units, larger units and/or pursue ownership opportunities. However, as household income decreases, households tend to pay a disproportionate amount of their income for housing. This may influence increased incidences of overcrowding and substandard living conditions.

The California State Department of Housing and Community Development (HCD) has identified the following income categories based on the Area Median Family Income (AMFI) of Orange County:

- **Extremely Low-income:** households earning up to 30 percent of the AMFI
- **Very Low-income:** households earning between 31 and 50 percent of the AMFI
- **Low-income:** households earning between 51 percent and 80 percent of the AMFI
- **Moderate-income:** households earning between 81 percent and 120 percent of the AMFI
- **Above Moderate-income:** households earning over 120 percent of the AMFI





Combined, the extremely low, very low, and low-income groups are referred to as lower-income.<sup>1</sup>

Comprehensive Housing Affordability Strategy (CHAS) estimates based on 2006-2017 American Community Survey (ACS) data is used below. **Table 2-12** shows a greater percentage of homeowners (57 percent) than renters (43 percent) in Newport Beach. Just under 70 percent of households are estimated to have a moderate or above income and 21.6 percent earn a lower-income. A greater number of renters are estimated to earn a lower-income than of homeowners. About 60 percent of households in the extremely low-income category identified as renters, as for very low- and low-income households. Homeownership was more likely for households in the moderate or above moderate-income groups.

**Table 2-12: Households by Income Category, 2013-2017**

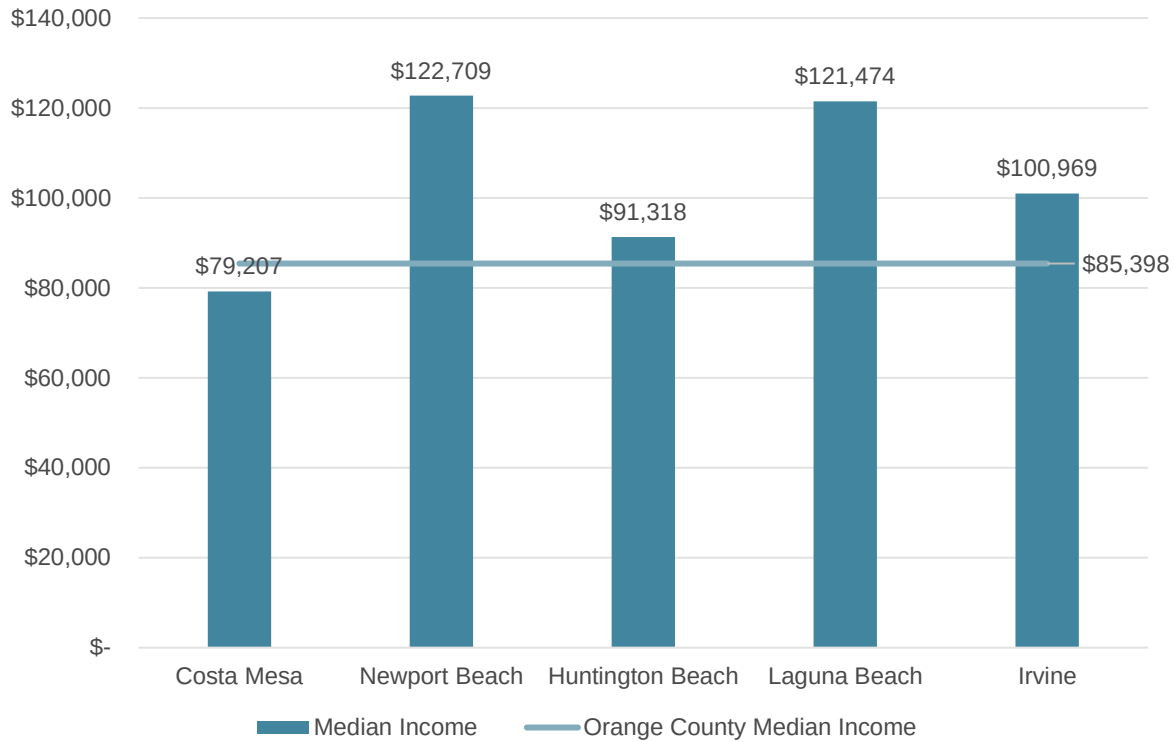
| Income Category<br>(% of County AMI)                                                                                             | Owner  |         | Renter |         | Households |         |
|----------------------------------------------------------------------------------------------------------------------------------|--------|---------|--------|---------|------------|---------|
|                                                                                                                                  | Total  | Percent | Total  | Percent | Total      | Percent |
| Extremely Low<br>(30% AMFI or less)                                                                                              | 1,575  | 40.8%   | 2,280  | 59.2%   | 3,855      | 10.15%  |
| Very Low (31 to 50% AMFI)                                                                                                        | 1,310  | 40.1%   | 1,960  | 59.9%   | 3,270      | 8.61%   |
| Low (51 to 80% AMFI)                                                                                                             | 1,920  | 42.9%   | 2,550  | 57.1%   | 4,470      | 11.77%  |
| Moderate or Above<br>(over 80% AMFI)                                                                                             | 16,840 | 63.8%   | 9,540  | 36.2%   | 26,380     | 69.5%   |
| Total                                                                                                                            | 21,645 | 57.0%   | 16,325 | 43.0%   | 37,970     | 100%    |
| <i>Source: Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS), 2013-2017.</i> |        |         |        |         |            |         |

The ACS 2018 data shown in **Figure 2-4** below depicts median household income for Newport Beach, surrounding jurisdictions, and the County of Orange. The figure shows a much higher median household income in the City that exceeds the regional median by \$37,311 annually. At \$122,709, Newport Beach has the highest median household income than any of the neighboring cities. Laguna Beach is in close second with an annual median household income of \$121,474. Costa Mesa is the only nearby city with a median household income below the regional median and \$43,502 below Newport Beach. **Table 2-13** also compares median household incomes by percent points above or below the regional amount. All cities around Newport Beach, except for Costa Mesa, exceed the Orange County median household income of \$85,398.

<sup>1</sup> Federal housing and community development programs typically assist households with incomes up to 80 percent of the AMFI and use different terminology. For example, the Federal Community Development Block Grant (CDBG) program refers households with incomes between 51 and 80 percent AMFI as moderate income (compared to low-income based on State definition).



**Figure 2-4: Median Household Income by City, 2018**



Source: American Community Survey, 5-Year Estimates, 2018.

**Table 2-13: Median Household Income**

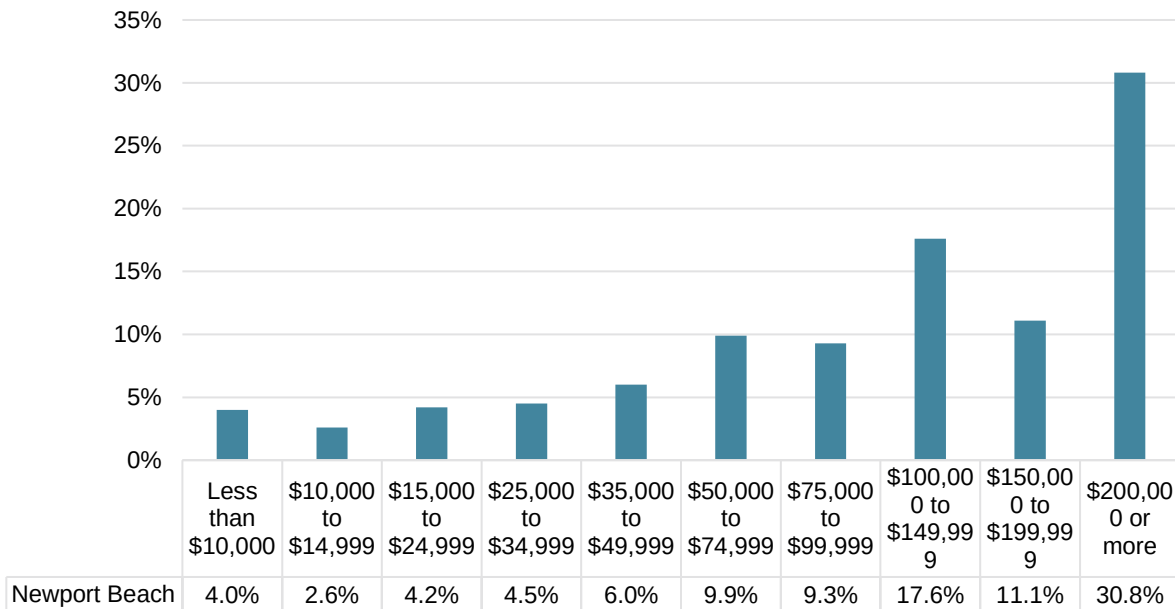
| Jurisdiction         | Median-income    | Percent Above/Below Regional Median |
|----------------------|------------------|-------------------------------------|
| Costa Mesa           | \$79,207         | -7.2%                               |
| <b>Newport Beach</b> | <b>\$122,709</b> | <b>43.7%</b>                        |
| Huntington Beach     | \$91,318         | 6.9%                                |
| Laguna Beach         | \$121,474        | 42.2%                               |
| Irvine               | \$95,371         | 11.7%                               |
| Orange County        | \$85,398         | 100%                                |

Source: American Community Survey, 5-Year Estimates, 2018.

Further explaining the income gap between Orange County and Newport Beach is an income breakdown for the City in **Figure 2-5**. Most employed City residents fall in the high-income category as about 31 percent of residents earn \$200,000 per year and 60 percent earn over \$100,000. About 15 percent of the Newport Beach population earns under \$35,000 annually.



**Figure 2-5: Newport Beach Income Breakdown by Income Category**



Source: American Community Survey, 5-Year Estimates, 2018.

## D. Housing Problems

The Comprehensive Housing Affordability Strategy (CHAS) developed by the Census Bureau for the Department of Housing and Urban Development (HUD) provides detailed information on housing needs by income level for different types of households in Newport Beach. The most recent available CHAS data for the City was published in August 2020 and was based on 2006-2017 ACS data. Housing problems considered by CHAS included:

- Units with physical defects (lacking complete kitchen or bathroom);
- Overcrowded conditions (housing units with more than one person per room);
- Housing cost burdens, including utilities, exceeding 30 percent of gross income; or
- Severe housing cost burdens, including utilities, exceeding 50 percent of gross income.

As is the case with many cities, there is strong variation between homeowners and renters who experience housing problems in the City, as shown in **Table 2-14**. Of all homeowners in the City, 35.3 percent experience at least one housing problem, while 45.1 percent of renters experience one these problems. Over half of all households in the City have at least one housing problem (58.5 percent).

Severe housing problems are comprised of incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and a cost burden greater than 50 percent. The CHAS reports that just under a quarter of Newport Beach households experience at least one of these problems (23 percent). Similarly to general housing problems, renters here are also more likely to be affected; in the City, 27.2 percent of renter-occupied units are subject to at least one severe housing problem. A lower – yet substantial – percentage of homeowners live with at least one severe housing problem (19.8 percent).

**Table 2-14: Housing Problems Overview, 2013-2017**

| Housing Problem Overview*                                                                                                                                                 | Owner  |                             | Renter |                              | Total  |                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-----------------------------|--------|------------------------------|--------|-----------------------------|
|                                                                                                                                                                           | Count  | Percent of owner households | Count  | Percent of renter households | Count  | Percent of total households |
| Household has at least 1 of 4 Housing Problems                                                                                                                            | 7,635  | 35.3%                       | 7,355  | 45.1%                        | 14,990 | 39.5%                       |
| Household has none of 4 Housing Problems                                                                                                                                  | 13,835 | 63.9%                       | 8,365  | 51.2%                        | 22,200 | 58.5%                       |
| Cost Burden not available, no other problems                                                                                                                              | 175    | 0.8%                        | 610    | 3.7%                         | 785    | 2.1%                        |
| Total                                                                                                                                                                     | 21,645 | 57.0%                       | 16,325 | 43.0%                        | 37,970 | 100.0%                      |
| Severe Housing Problem Overview**                                                                                                                                         | Owner  |                             | Renter |                              | Total  |                             |
|                                                                                                                                                                           | Count  | Percent owner households    | Count  | Percent of renter households | Count  | Percent of total households |
| Household has at least 1 of 4 Severe Housing Problems                                                                                                                     | 4,285  | 19.8%                       | 4,435  | 27.2%                        | 8,720  | 23.0%                       |
| Household has none of 4 Severe Housing Problems                                                                                                                           | 17,180 | 79.4%                       | 11,285 | 69.1%                        | 28,465 | 75.0%                       |
| Cost Burden not available, no other problems                                                                                                                              | 175    | 0.8%                        | 610    | 3.7%                         | 785    | 2.1%                        |
| Total                                                                                                                                                                     | 21,645 | 57.0%                       | 16,325 | 43.0%                        | 37,970 | 100%                        |
| * The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.            |        |                             |        |                              |        |                             |
| ** The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and cost burden greater than 50%. |        |                             |        |                              |        |                             |
| Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) 2013-2017.                                            |        |                             |        |                              |        |                             |

## 1. Overcrowding

“Overcrowding” is generally defined as a housing unit occupied by more than one person per room in house (including living room and dining rooms, but excluding hallways, kitchen, and bathrooms). An overcrowded household results from either a lack of affordable housing, which forces more than one household to live together, and/or a lack of available housing units of adequate size. Overcrowding can indicate that a community does not have an adequate supply of affordable housing, especially for large families. However, overcrowding can also be a result of different cultural or demographic housing preferences. For example, the option to live with an existing family member in a new country may be an opportunity for an immigrant family or person to transition from an old home to a new one securely and help maintain cultural values.

Overcrowded and severely overcrowded households can lead to neighborhood deterioration due to the intensive use of individual housing units leading to excessive wear and tear, and the potential cumulative overburdening of community infrastructure and service capacity. Overcrowding in neighborhoods can lead to an overall decline in social cohesion and environmental quality. Such decline can often spread



geographically and impact the quality of life and the economic value of property and the vitality of commerce within a city. The combination of lower-incomes and high housing costs result in many households living in overcrowded housing conditions.

**Table 2-15: Overcrowding by Tenure, 2018**

| Tenure          | Overcrowded Housing Units (1.0 to 1.50 persons/room) |                                         | Severely Overcrowded Housing Units (>1.51 persons/room) |                                         | Total Overcrowded Occupied Housing Units |                                         |
|-----------------|------------------------------------------------------|-----------------------------------------|---------------------------------------------------------|-----------------------------------------|------------------------------------------|-----------------------------------------|
|                 | Number of Units                                      | Percent of Total Occupied Housing Units | Number of Units                                         | Percent of Total Occupied Housing Units | Number of Units                          | Percent of Total Occupied Housing Units |
| Owner Occupied  | 65 units                                             | 0.2%                                    | 0 units                                                 | 0%                                      | 65 units                                 | 0.2%                                    |
| Renter Occupied | 252 units                                            | 0.7%                                    | 253 units                                               | 0.7%                                    | 505 units                                | 1.3%                                    |
| Total           | 317 units                                            | 0.8%                                    | 253 units                                               | 0.7%                                    | 570 units                                | 1.5%                                    |

*Source: American Community Survey, 5-Year Estimates, 2018.*

**Table 2-15** breaks down the severity of overcrowding in Newport Beach by household tenure. As the table shows, there is a very low percentage of units that are overcrowded (1.5 percent). About 80 percent of those overcrowded units are renter-occupied, with 1.3 percent of households being overcrowded and severely overcrowded. Only 0.2 percent of owner-occupied units exceed 1 person per bedroom. In comparison to the surrounding cities, as outlined in **Table 2-16**, Newport Beach has kept the lowest percentages of overcrowding for both renters and homeowners. Costa Mesa reported the largest total percentage of overcrowded cities (9 percent), which is 7.5 percent over that of Newport Beach. Orange County reported 21,800 overcrowded units and 8.9 percent of total households.

**Table 2-16: Overcrowded Housing Units by Tenure, 2018**

| Jurisdiction         | Owner Occupied Overcrowded Units (>1.0 persons/room) |                                 | Renter Occupied Overcrowded Units (>1.0 persons/room) |                                 |
|----------------------|------------------------------------------------------|---------------------------------|-------------------------------------------------------|---------------------------------|
|                      | Number of Units                                      | Percent of Total Occupied Units | Number of Units                                       | Percent of Total Occupied Units |
| Costa Mesa           | 435 units                                            | 1.1%                            | 3,251 units                                           | 7.9%                            |
| <b>Newport Beach</b> | <b>65 units</b>                                      | <b>0.2%</b>                     | <b>505 units</b>                                      | <b>1.3%</b>                     |
| Huntington Beach     | 557 units                                            | 0.7%                            | 2,291 units                                           | 3.0%                            |
| Laguna Beach         | 62 units                                             | 0.6%                            | 127 units                                             | 1.2%                            |
| Irvine               | 958 units                                            | 1.0%                            | 4,921 units                                           | 5.2%                            |
| Orange County        | 21,800 units                                         | 2.1%                            | 69,713 units                                          | 6.8%                            |

*Source: American Community Survey, 5-Year Estimates, 2018.*

## 2. Overpayment (Cost Burden) In Relationship to Income

State and federal standards indicate that a household paying more than 30 percent of its income for housing is overpaying. Overpayment for housing can cause an imbalance on the remainder of a household's budget.

As reported by the CHAS and presented in **Table 2-17**, a large portion of households are subject to some form of overpayment in Newport Beach. Renters in the City represent a greater portion of the community that is overpaying for housing, but homeowners are 12 percent behind and exceed renters in total count – there are 11,810 homeowners overpaying and 10,880 renters overpaying for housing. Homeowners who earn over 100 percent of the HUD area median family income (AMFI), and are considered high-income, make up the largest group experiencing cost burdens greater than 30 percent and 50 percent. For renters, those who experience housing burdens are those who earn a moderate to low-income.

**Table 2-17: Summary of Housing Overpayment, 2013-2017**

| Income by Cost Burden*                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Owner             |               |                   |               | Renter            |                |                   |                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------|-------------------|---------------|-------------------|----------------|-------------------|----------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Cost Burden > 30% | % of Owner HH | Cost Burden > 50% | % of Owner HH | Cost Burden > 30% | % of Renter HH | Cost Burden > 50% | % of Renter HH |
| Household Income is less-than or = 30%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 1,335             | 6.2%          | 1,225             | 5.7%          | 1,485             | 9.1%           | 1,455             | 8.9%           |
| Household Income >30% to less-than or = 50% AMFI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1,010             | 4.7%          | 820               | 3.8%          | 1,696             | 10.4%          | 1,350             | 8.3%           |
| Household Income >50% to less-than or = 80% AMFI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1,210             | 5.6%          | 815               | 3.8%          | 1,980             | 12.1%          | 910               | 5.6%           |
| Household Income >80% to less-than or = 100% AMFI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 615               | 2.8%          | 450               | 2.1%          | 815               | 5.0%           | 170               | 1.0%           |
| Household Income >100% AMFI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 3,420             | 15.8%         | 910               | 4.2%          | 965               | 5.9%           | 55                | 0.3%           |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>7,590</b>      | <b>35.1%</b>  | <b>4,220</b>      | <b>19.5%</b>  | <b>6,940</b>      | <b>42.5%</b>   | <b>3,940</b>      | <b>24.1%</b>   |
| <p>* Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.</p> <p>Note: AMFI = Area Median Family Income, this is the median family income calculated by HUD for each jurisdiction, to determine Fair Market Rents (FMRs) and income limits for HUD programs. AMFI will not necessarily be the same as other calculations of median incomes (such as a simple Census number), due to a series of adjustments that are made.</p> <p>Source: Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) 2013-2017.</p> |                   |               |                   |               |                   |                |                   |                |



## E. Special Needs Groups

State law recognizes that certain households may have more difficulty in finding adequate and affordable housing due to special circumstances. Special needs populations include seniors, persons with disabilities, female-headed households, large households, and farmworkers.

Special circumstances may be related to one's employment and income, family characteristics, disability and household characteristics, or other factors. Consequently, certain residents in Newport Beach may experience higher incidences of housing overpayment (cost burden), overcrowding, or other housing problems. The special needs groups analyzed in the Housing Element include the elderly, persons with disabilities (including persons with developmental disabilities), people experiencing homelessness, single parents, large households, and farmworkers (**Table 2-18**). These groups may overlap, for example elderly people may also have a disability of some type. The majority of these special needs groups could be assisted by an increase in affordable housing.

**Table 2-18: Special Needs Groups in Newport Beach**

| Special Needs Groups                                                                                                                                                                                                                                                                                                                                                                         | # of People or Households | Percent of Total Population | Percent of Total Households |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-----------------------------|-----------------------------|
| Senior Headed Households (65 years and over)                                                                                                                                                                                                                                                                                                                                                 | 12,187 households         | --                          | 32.2%                       |
| Seniors                                                                                                                                                                                                                                                                                                                                                                                      | 19,574 persons            | 22.7%                       | --                          |
| Seniors Living Alone                                                                                                                                                                                                                                                                                                                                                                         | 5,119 households          | --                          | 13.5%                       |
| Persons with Disabilities                                                                                                                                                                                                                                                                                                                                                                    | 6,943 persons             | 8.1%                        | --                          |
| Large Households (5 or more persons per household)                                                                                                                                                                                                                                                                                                                                           | 1,945 households          | --                          | 5.1%                        |
| Single-Parent Households                                                                                                                                                                                                                                                                                                                                                                     | 1,358 households          | --                          | 3.6%                        |
| Single-Parent, Female Headed Households with Children (under 18 years)                                                                                                                                                                                                                                                                                                                       | 936 households            | --                          | 2.5%                        |
| People Living in Poverty                                                                                                                                                                                                                                                                                                                                                                     | 5,670 persons             | 6.6%                        | --                          |
| Farmworkers*                                                                                                                                                                                                                                                                                                                                                                                 | 92 persons                | 0.2%                        | --                          |
| Persons Experiencing Homelessness**                                                                                                                                                                                                                                                                                                                                                          | 64 persons                | 0.09%                       | --                          |
| Student                                                                                                                                                                                                                                                                                                                                                                                      | 5,273 persons             | 6.1%                        | --                          |
| <p>*Farmworker data is taken of the population 16 years and over, not total population.<br/> **The Everyone Counts report is updated annually, therefore the most recent data is from 2019, and there is no percentage of total population available.<br/> Source: American Community Survey, 5-Year Estimates, 2018 and Orange County Point in Time Count, Everyone Counts Report 2019.</p> |                           |                             |                             |

### 1. Seniors

The senior population, which is generally defined as those over 65 years of age, has several concerns: limited and fixed incomes, high healthcare costs, higher incidence of mobility and self-care limitations, transit dependency, and living alone. Specific housing needs of the senior population include affordable



housing, supportive housing (such as intermediate care facilities), group homes, and other housing that includes a planned service component.

Newport Beach has the second largest population of seniors over the age of 65 at 22.7 percent, as shown in **Table 2-19**. This is 8.8 percent above the percentage for the County. Laguna Beach is reported to have the largest senior population of the area (23.3 percent) and Irvine has the lowest at 9.9 percent of its population.

**Table 2-19: Persons Age 65 and Over, 2018**

| Jurisdiction                                                      | Population Count | Percent      |
|-------------------------------------------------------------------|------------------|--------------|
| Costa Mesa                                                        | 12,138           | 10.7%        |
| <b>Newport Beach</b>                                              | <b>19,574</b>    | <b>22.7%</b> |
| Huntington Beach                                                  | 34,002           | 16.9%        |
| Laguna Beach                                                      | 5,398            | 23.3%        |
| Irvine                                                            | 26,228           | 9.9%         |
| Orange County                                                     | 440,488          | 13.9%        |
| <i>Source: American Community Survey, 5-Year Estimates, 2018.</i> |                  |              |

In addition to overpayment problems faced by seniors due to their relatively fixed incomes, many seniors are faced with various disabilities. In 2018, the American Community Survey (ACS) reported 4,134 seniors with disabilities. Among these disabilities, the most common were ambulatory disabilities, independent living disabilities and hearing disabilities.

### **Key Challenges and Resources to Address Senior Housing Needs**

Seniors in Newport Beach generally have exhibited the following unique challenges to housing:

- Having Limited and fixed incomes,
- Disproportionately higher healthcare costs, adding monthly living costs
- Higher incidence of mobility and self-care limitations requiring customized housing features
- Transit dependency
- Limited in-home support, due to living alone.

To address these challenges, the City must consider a variety of solutions to address the above issues: these may include:

- More affordable housing options for Seniors
- Supportive City programs to help sustain decent, safe and affordable housing for dependent Seniors.
- Housing with included supportive services
- Group Homes options for persons with self-care limitations

Resources currently available at the City includes a robust Senior Services program.



**Section 3.C.3** of this Housing Element includes an analysis on deed-restricted affordable housing units and affordable units at-risk of converting to market-rate. The City of Newport Beach currently has one affordable housing project for senior residents. Seaview Lutheran Plaza includes 100 deed-restricted affordable housing units reserved for extremely low and very low-income seniors through 2039; it is not considered at-risk of converting to market-rate over the next 10 years.

To address unique needs of senior residents living in the City, the following three programs have been included in **Section 4**:

- **Policy Action 6B:** Repair Loans and Grant Programs for Seniors, Persons with Physical and Developmental Disabilities and Lower-Income Households
- **Policy Action 6E:** Housing Assistance for Seniors
- **Policy Action 6G:** Senior Housing Priority Program

The City will continue providing housing resources to its senior population through community partnerships and by facilitating the development of senior housing units.

## ***2. Persons with Physical and Developmental Disabilities***

Physical and developmental disabilities can hinder access to traditionally designed housing units, as well as potentially limit the ability to earn adequate income. Physical, mental, and/or developmental disabilities may deprive a person from earning income, restrict one's mobility, or make self-care difficult. Thus, persons with disabilities often have special housing needs related to limited earning capacity, a lack of accessible and affordable housing, and higher healthcare costs associated with a disability. Some residents suffer from disabilities that require living in a supportive or institutional setting.

Although no current comparisons of disability with income, household size, or race/ethnicity are available, it is reasonable to assume that a substantial portion of persons with disabilities would have annual incomes within Federal and State income limits. Furthermore, many lower-income persons with disabilities are likely to require housing assistance and services. Housing needs for disabled persons are further compounded by design issues and location factors, which can often be costly. For example, special needs of households with wheelchair-bound or semi-ambulatory individuals may require ramps, holding bars, special bathroom designs, wider doorways, lower cabinets, elevators, and other interior and exterior design features.

Housing opportunities for persons with disabilities can be addressed through the provision of affordable, barrier-free housing. Rehabilitation assistance can be targeted toward renters and homeowners with disabilities for unit modification to improve accessibility.

As addressed in **Table 2-20**, the 2018 ACS identifies six disability types: hearing disability, vision disability, cognitive disability, ambulatory disability, self-care disability and independent living disability. The Census and the ACS provide clarifying questions to determine persons with disabilities and differentiate disabilities within the population.

**Table 2-20: Disability Status, 2018**

| Disability Type                                                                                                                                                                                                                                           | Under 18 with a Disability | 18 to 64 with a Disability | 65 years and Over with a Disability | Total        | Percent of Population with Disability | Percent of Total Population |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|-------------------------------------|--------------|---------------------------------------|-----------------------------|
| Population with a Hearing Difficulty                                                                                                                                                                                                                      | 96                         | 402                        | 1,832                               | 2,330        | 33.6%                                 | 2.7%                        |
| Population with a Vision Difficulty                                                                                                                                                                                                                       | 60                         | 561                        | 909                                 | 1,530        | 22%                                   | 1.8%                        |
| Population with a Cognitive Difficulty                                                                                                                                                                                                                    | 398                        | 962                        | 1,155                               | 2,515        | 36.2%                                 | 2.9%                        |
| Population with an Ambulatory Difficulty                                                                                                                                                                                                                  | 72                         | 705                        | 2,411                               | 3,188        | 45.9%                                 | 3.7%                        |
| Population with a Self-care Difficulty                                                                                                                                                                                                                    | 112                        | 406                        | 894                                 | 1,412        | 20.3%                                 | 1.6%                        |
| Population with an independent Living Difficulty                                                                                                                                                                                                          | --                         | 714                        | 1,885                               | 2,599        | 37.4%                                 | 3%                          |
| <b>Total</b>                                                                                                                                                                                                                                              | <b>480</b>                 | <b>2,329</b>               | <b>4,134</b>                        | <b>6,943</b> | <b>100%</b>                           | <b>86,015</b>               |
| *This number may double count as some persons report having one or more disabilities, therefore this total number differs from the total number of persons with a disability in Table 2-18.<br>Source: American Community Survey, 5-Year Estimates, 2018. |                            |                            |                                     |              |                                       |                             |

The ACS defines a disability as a report of one of the six disabilities identified by the following questions:

- **Hearing Disability:** Is this person deaf or does he/she have serious difficulty hearing?
- **Visual Disability:** Is this person blind or do they have serious difficulty seeing even when wearing glasses?
- **Cognitive Difficulty:** Because of a physical, mental, or emotional condition, does this person have serious difficulty concentrating, remembering, or making decisions?
- **Ambulatory Difficulty:** Does this person have serious difficulty walking or climbing stairs?
- **Independent Living Difficulty:** Because of a physical, mental, or emotional condition, does this person have difficulty doing errands alone such as visiting a doctor's office or shopping?

State law requires that the Housing Element discuss the housing needs of persons with developmental disabilities. As defined by federal law, "developmental disability" means a severe, chronic disability of an individual that:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the individual attains age 22;
- Is likely to continue indefinitely;



- Results in substantial functional limitations in three or more of the following areas of major life activity: a) self-care; b) receptive and expressive language; c) learning; d) mobility; e) self-direction; f) capacity for independent living; or g) economic self-sufficiency; and
- Reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

Per Section 4512 of the Welfare and Institutions Code a "developmental disability" means a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual which includes intellectual disability, cerebral palsy, epilepsy, and autism. This term also includes disabling conditions found to be closely related to intellectual disability or to require treatment like that required for individuals with intellectual disability but shall not include other handicapping conditions that are solely physical in nature.

According to the Regional Center of Orange County's (RCOC) *Total Annual Expenditures and Authorized Services for Fiscal Year 2019-2020*, a total of 25,163 individuals received services. RCOC represents the fifth-largest regional center in California and has over 300 service coordinators. Of those who received services, 31.6 percent reported their race as White, 16 percent reported Asian, 16.1 percent reported Other Ethnicity or Race/Multi-Cultural, and 2 percent reported Black/African American. Approximately 34 percent of those who received services also reported their ethnicity as Hispanic or Latino. Ages of the 25,163 individuals includes 21.1 percent 2 years or younger, 39.9 percent 3 to 21 years, and 39 percent over the age of 22. The majority of those who received services lived at the home of a parent or guardian (82.3 percent), but 6.8 percent live in a Community Care Facility and 5.6 percent live in Independent Living or Supported Living. Diagnosis reported by the individuals who received services include the following:

- Intellectual Disability: 37.6%
- Autism: 31%
- Cerebral Palsy: 2.5.%
- Epilepsy: 1%
- Category 5: 3.9%
- Other: 24.1%

For Newport Beach, the California Department of Developmental Services provides estimates of persons with developmental disabilities in Newport Beach. As of June 2019, 232 juvenile persons have been and 123 adults have been identified as have a developmental disability. The majority of these residents are juveniles who live at home with a parent or guardian.



**Table 2-21 Developmental Disability Status, 2019**

| Disability Type                     | # of Residents |
|-------------------------------------|----------------|
| BY RESIDENT                         |                |
| Home of Parent/Guardian             | 202            |
| Independent/Supported Living        | 15             |
| Community Care Facility             | 5              |
| Intermediate Care Facility          | 0              |
| Foster/Family Home                  | 10             |
| <b>Other</b>                        | 0              |
| BY AGE                              |                |
| <b>0-17 Years Old</b>               | 232            |
| <b>18* Years Old</b>                | 123            |
| CA DDS data by ZIP Code, June 2019. |                |

Many people with developmental disabilities can live and work independently within a conventional housing environment. Individuals with more severe developmental disabilities may require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for persons with developmental disabilities is the transition from the person’s living situation as a child to an appropriate level of independence as an adult.

There are several housing types appropriate for people living with a development disability: rent-subsidized homes, licensed and unlicensed single-unit homes, inclusionary housing, Section 8 vouchers, special programs for home purchase, Department of Housing and Urban Development (HUD) housing, and SB 962 (veterans) homes. The design of housing-accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving the needs of this group. Incorporating ‘barrier-free design in all, new multi-unit housing (as required by California and Federal Fair Housing laws) is especially important to provide the widest range of choices for residents with disabilities. Special consideration should also be given to the affordability of housing, as people with disabilities may be living on a fixed income.

### **Key Challenges and Resources to Address Persons with Physical and Developmental Disabilities**

Persons with physical and developmental disabilities in Newport Beach have exhibited the following unique challenges to housing:

- Need for specialized housing to accommodate disabilities
- Need for supportive services
- Higher incidence of dependent living needs





- High incidence of unemployment

To address these challenges, the City must consider a variety of solutions to address the above issues: these may include:

- Regional coordination and support for services
- Permitting of housing for persons with disabilities
- Prioritization of services for disabled persons
- Local supportive services to supplement physical housing needs
- Housing regulations/accommodation of unique housing needs
- Group Homes options for persons with self-care limitations

Resources to address the above needs include local General Fund revenue to fund Policy Actions described in Chapter 4, and partnership with the Orange County Regional Center, who provides and coordinates lifelong support and services to persons with disabilities. The City's existing permit procedures, regulations and policies further support physical and developmental disabilities through the granting of uses and facilities to accommodate the needs of persons disabilities. The City also has a reasonable accommodation procedure that is intended to grant accommodations for persons with disabilities with the expressed intent not to cause additional cost to the requestee.

The City has included **Policy Action 7C** in **Section 4** to address housing needs for persons with developmental disabilities. The City will review and prioritize housing and supportive services for persons with developmental disabilities, as well as explore regulatory incentives for projects that address the needs of persons with developmental disabilities.

### 3. Large Households

Large households are defined as those consisting of five or more members. These households comprise a special need group because many communities have a limited supply of adequately sized and affordable housing units. To save for other necessities such as food, clothing, and medical care, it is common for lower-income large households to reside in smaller units with inadequate number of bedrooms, which frequently results in overcrowding and can contribute to fast rates of deterioration.

Securing housing large enough to accommodate all members of a household is more challenging for renters because multi-unit rental units are typically physically smaller than single-unit ownership homes. While apartment complexes offering two and three bedrooms are common, apartments with four or more bedrooms are rare. It is more likely that large households will experience overcrowding in comparison to smaller households. Additionally, throughout the region, single-unit homes with higher bedroom counts, whether rental or ownership units, are rarely affordable to lower-income households.

**Table 2-22** outlines the number of large households in the City by tenure and household size. As is shown, the vast majority of large households are owner-occupied rather than rented (71.3 percent and 28.7 percent respectively). There are very few households with 7 or more persons in owner-occupied homes and none in rentals. Amongst all rental homes, 2.5 percent are 5-person households and amongst owned homes 4.4 percent are 5-person households.

**Table 2-22: Large Households by Tenure, 2017**

| Household Size                                                    | Owner        |                            | Renter     |                             | Total        |                      |
|-------------------------------------------------------------------|--------------|----------------------------|------------|-----------------------------|--------------|----------------------|
|                                                                   | Count        | Percent of Total Owner HHs | Count      | Percent of Total Renter HHs | Count        | Percent of Total HHs |
| 5-Person Household                                                | 933          | 4.4%                       | 417        | 2.5%                        | 1,350        | 3.6%                 |
| 6-person Household                                                | 398          | 1.9%                       | 93         | 0.6%                        | 491          | 1.3%                 |
| 7+ person Households                                              | 56           | 0.3%                       | 48         | 0.3%                        | 104          | 0.3%                 |
| <b>Total</b>                                                      | <b>1,387</b> | <b>71.3%</b>               | <b>558</b> | <b>28.7%</b>                | <b>1,945</b> | <b>100%</b>          |
| <i>Source: American Community Survey, 5-Year Estimates, 2018.</i> |              |                            |            |                             |              |                      |

### **Key Challenges and Resources to Address Large Person Households**

Large Person Households in Newport Beach have exhibited the following unique challenges to housing:

- Lack of available housing with sufficient bedroom counts
- Options for larger bedroom counts in rental units
- Higher monthly cost burdens
- Affordable options for large family households
- Childcare needs for working families

To address these challenges, the City must consider a variety of solutions to address the above issues: these may include:

- Permitting of larger bedroom counts in ownership and rental units
- Affordable housing options for large family households
- Prioritization of family-sized units in affordable housing developments
- Leveraging of Grant/Funding opportunities

Resources to address the above needs include Policy Actions that support the leveraging of LIHTC opportunities, State, Federal and private funds focused on multiple family development. Regional resources include OCHFA, SCHFA funding, Orange County Continuum of Care and Orange County Housing Authority Funding. The City has included Policy Actions 1A-1F, 4C, 4D and 6C,6D that will provide standards and provisions that will support the provision of larger sized family units.

## **4. Single-Parent Households**

Single-parent households often require special consideration and assistance due to their greater need for affordable and accessible daycare, health care, and other supportive services. Many female-headed households with children are susceptible to having lower-incomes than similar two-parent households. Single, female mothers often face social marginalization pressures that often limit their occupational choices and income earning potential, housing options and access to supportive services.

**Table 2-23** shows there are few single parent households in Newport Beach (3.6 percent) as compared to 7.4 percent in Orange County. Most single-parent households in both the City and Orange County are headed by females without a spouse present – 68.9 percent in Newport Beach and 70.5 percent in Orange County. The percentage of single parents living in poverty in the City is half that of the regional percentage.

**Table 2-23: Single Parent Households**

| Jurisdiction  | Single Parent-Male, No Spouse Present |                       | Single Parent-Female, No Spouse Present |                       | Single Parent Households Living in Poverty |                       | Single Parent Households |                       |
|---------------|---------------------------------------|-----------------------|-----------------------------------------|-----------------------|--------------------------------------------|-----------------------|--------------------------|-----------------------|
|               | Count                                 | % of Single Parent HH | Count                                   | % of Single Parent HH | Count                                      | % of Single Parent HH | Count                    | % of Total Households |
| Newport Beach | 422                                   | 31.1%                 | 936                                     | 68.9%                 | 183                                        | 13.5%                 | 1,358                    | 3.6%                  |
| Orange County | 22,456                                | 29.5%                 | 53,659                                  | 70.5%                 | 22,999                                     | 30.2%                 | 76,115                   | 7.4%                  |

*Source: American Community Survey, 5-Year Estimates, 2018.*

### **Key Challenges and Resources to Address Single Parent Households**

Single Parent Households in Newport Beach have exhibited the following unique challenges to housing:

- Affordable Housing Options
- Rental and For Sale Housing Options
- Higher monthly cost burdens with one income families
- Childcare needs for working families

To address these challenges, the City must consider a variety of solutions to address the above issues: these may include:

- Affordable housing options for single income families
- Accessibility to childcare options
- Leveraging of Grant/Funding opportunities

With incidents of single parent households at half the rate compared to Orange County, the city believes the existing opportunities and policies related to affordable housing options, childcare access and leveraging of funding will provide the necessary resources to address the needs of this segment of the population.

## **5. Farmworkers**

Farmworkers are traditionally defined as persons whose primary incomes are earned through permanent or seasonal agricultural labor. Permanent farm laborers work in the fields, processing plants, or support activities on a generally year-round basis. When workload increases during harvest periods, the labor force is supplemented by seasonal workers, often supplied by a labor contractor. For some crops, farms may hire migrant workers, defined as those whose travel prevents them from returning to their primary residence every evening. Farmworkers have special housing needs because they earn lower-incomes than many other workers and move throughout the year from one harvest location to the next.



The United States Department of Agriculture, National Agriculture Statistics provides data on hired farm labor across the United States. The data is compiled at both a State and County level. Within Orange County, a total of 99 farms reportedly hired 1,772 workers in 2017. Permanent workers, those who work 150 days or more, represent the largest category of workers with 1,106 workers (62 percent). A total of 666 workers (38 percent) are considered seasonal and work less than 150 days. Orange County reported 340 migrant workers (19 percent) with full time hired labor in 2017. In addition, the County reported 176 unpaid workers.

2018 ACS 5-Year Estimates data reports a total of 72 Newport Beach residents employed full time, year round in the agriculture, forestry, fishing, hunting, and mining industry. Fourteen (14) residential are employed full time in farmworkers jobs. These are most likely very small local operations and not large scale farming activities. The median annual wage for these industries is \$27,472 and falls below 50 percent of the median income for Orange County (32 percent).

### **Key Challenges and Resources to Address Farmworker Housing Needs**

Farmworker Households in Newport Beach have exhibited the following unique challenges to housing:

- Affordable Housing Options
- Higher incidents of cost burden for housing
- Rental and For Sale Housing Options
- Childcare needs for working families

Similar to other special needs groups, Farmworkers needs are focused on affordability of housing and access to services that support lower monthly overall costs. To address these challenges, the City must consider a variety of solutions to address the above issues: these may include:

- Affordable housing options for farmworkers
- Accessibility to childcare options
- Leveraging of Grant/Funding opportunities

With incidents of Farmworker households representing less than one half of one percent, the city believes the existing opportunities and policies related to affordable housing options, childcare access and leveraging of funding will provide the necessary resources to address the needs of this segment of the population will assist in the needs for farmworkers citywide.

## **6. Extremely Low-income Households and Poverty Status**

The 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) indicates that there are 3,270 low-income households living in Newport Beach. Very low-income households earn 50 percent or less of the area median family income (AMFI) for Orange County. Extremely low-income households earn less than 30 percent of the AMFI. There are approximately 3,855 extremely low-income households in the City, including both renters and homeowners. **Table 2-23** below shows a breakdown of housing problems for Newport Beach households by income category.



**Table 2-24** shows that about 10 percent more renters live with at least one housing problem. More lower-income renters report a housing problem – 9.2 percent with extremely low-income, 10.6 percent with very low-income, and 12.5 percent with low-income. About 45 percent of renters experience one or more housing problems. Homeowners typically report less of a cost burden than renters. In Newport Beach, 35.3 percent of homeowners have at least one housing problem. The majority of those are in above-moderate-income households (15.9 percent). In total, for both renters and homeowners, 39.5 percent of households have at least one housing problem.

While representing only 0.8 percent of the Newport Beach population, people who identify as Black have the highest rates of poverty in the City, as illustrated in **Figure 2-6**. Similarly, American Indian/Alaska Natives and Native Hawaiian/other Pacific Islanders make up the smallest population percentages (0.3 percent and 0.2 percent, respectively) and together account for over 20 percent of those living below the poverty line. Values in the bar graph below contrasted to racial and ethnic composition of the City illustrate critical differences in housing needs.

To calculate the projected housing needs, the City assumed 50 percent of its very low-income regional housing need are extremely low-income households. Calculating from the very low-income need of 1,456 units, the City has an estimated need of 728 housing units for extremely low-income households.

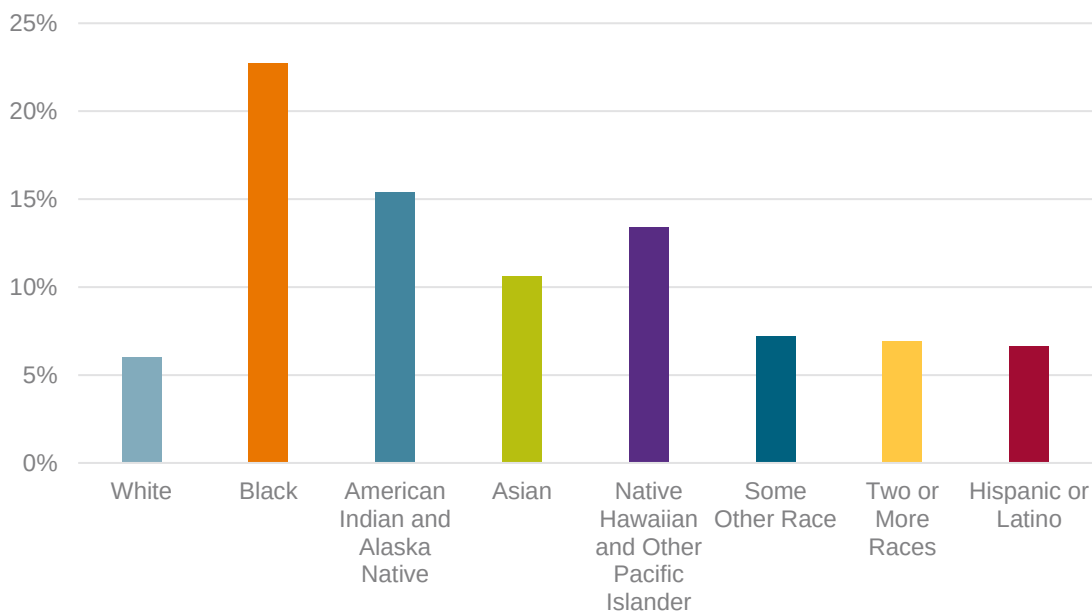
Extremely low-income household needs will likely be focused to rental housing and more likely to experience overpayment, overcrowding or substandard housing conditions and more likely to include transitional and supportive housing.

**Table 2-24: Housing Problems for All Households by Income Category, 2013-2017**

| Income Category                                   | Owner                                          |               |                                          |               |                                                     |               |
|---------------------------------------------------|------------------------------------------------|---------------|------------------------------------------|---------------|-----------------------------------------------------|---------------|
|                                                   | Household has at least 1 of 4 Housing Problems | % of Owner HH | Household has none of 4 Housing Problems | % of Owner HH | Cost Burden not available, no other Housing Problem | % of Owner HH |
| Household Income is less-than or = 30%            | 1,335                                          | 6.2%          | 65                                       | 0.3%          | 175                                                 | 0.8%          |
| Household Income >30% to less-than or = 50% AMFI  | 1,020                                          | 4.7%          | 290                                      | 1.3%          | 0                                                   | 0.0%          |
| Household Income >50% to less-than or = 80% AMFI  | 1,215                                          | 5.6%          | 705                                      | 3.3%          | 0                                                   | 0.0%          |
| Household Income >80% to less-than or = 100% AMFI | 615                                            | 2.8%          | 370                                      | 1.7%          | 0                                                   | 0.0%          |
| Household Income >100% AMFI                       | 3,450                                          | 15.9%         | 12,405                                   | 57.3%         | 0                                                   | 0.0%          |
| Total                                             | 7,635                                          | 35.3%         | 13,835                                   | 63.9%         | 175                                                 | 0.8%          |
| Household Income is less-than or = 30%            | 1,500                                          | 9.2%          | 170                                      | 1.0%          | 610                                                 | 3.7%          |

| Income Category                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Owner                                          |               |                                          |               |                                                     |               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|---------------|------------------------------------------|---------------|-----------------------------------------------------|---------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Household has at least 1 of 4 Housing Problems | % of Owner HH | Household has none of 4 Housing Problems | % of Owner HH | Cost Burden not available, no other Housing Problem | % of Owner HH |
| Household Income >30% to less-than or = 50% AMFI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1,725                                          | 10.6%         | 235                                      | 1.4%          | 0                                                   | 0.0%          |
| Household Income >50% to less-than or = 80% AMFI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2,040                                          | 12.5%         | 510                                      | 3.1%          | 0                                                   | 0.0%          |
| Household Income >80% to less-than or = 100% AMFI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 885                                            | 5.4%          | 425                                      | 2.6%          | 0                                                   | 0.0%          |
| Household Income >100% AMFI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1,205                                          | 7.4%          | 7,025                                    | 43.0%         | 0                                                   | 0.0%          |
| Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 7,355                                          | 45.1%         | 8,365                                    | 51.2%         | 610                                                 | 3.7%          |
| <b>Total Households (Owner and Renter)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>14,990</b>                                  | <b>39.5%</b>  | <b>22,200</b>                            | <b>58.5%</b>  | <b>785</b>                                          | <b>2.1%</b>   |
| <p>* The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.</p> <p>** The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and cost burden greater than 50%.</p> <p>Note: AMFI = Area Median Family Income, this is the median family income calculated by HUD for each jurisdiction, to determine Fair Market Rents (FMRs) and income limits for HUD programs. AMFI will not necessarily be the same as other calculations of median incomes (such as a simple Census number), due to a series of adjustments that are made.</p> <p>Source: Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) 2013-2017.</p> |                                                |               |                                          |               |                                                     |               |

**Figure 2-6: Percent below Poverty Level, by Race and Hispanic or Latino Origin**



Source: American Community Survey, 5-Year Estimates, 2018.

Note: The chart reports percentage of own population who are reported to have incomes below poverty level.



Housing Extremely Low Income households (those with incomes less than 30% of the County Median income) are generally challenging in Newport Beach, Extremely Low Income Housing Needs. **Table 2-25** illustrates there are 3,984 persons in Newport Beach with incomes less than 30% of the Area Median Income. Persons of Hispanic origin experience the highest rates of extremely low income, represent 14.3% of the total Extremely Low Income Population. This income category is generally distributed evenly amongst racial groups. Renters tend to have a higher incidents of Extremely Low Income in Newport Beach.

**Table 2-25: Extremely Low Income Household Needs**

|                              | # Households <30% MFI | % Share <30% MFI |
|------------------------------|-----------------------|------------------|
| White, Non-Hispanic          | 3185                  | 10.1%            |
| Black, Non-Hispanic          | 15                    | 8.2%             |
| Asian and Other Non-Hispanic | 449                   | 12.6%            |
| Hispanic                     | 335                   | 14.3%            |
| <b>TOTAL</b>                 | <b>3984</b>           | <b>10.6%</b>     |
| Renter Occupied              | 2385                  | 14.4%            |
| Owner Occupied               | 1600                  | 7.6%             |
| Source: HUYD CHAS, 2012-2016 |                       |                  |

#### **Key Challenges and Resources to Address Farmworker Housing Needs**

Extremely Low Income Households in Newport Beach have exhibited the following unique challenges to housing:

- Need for increased affordable housing options
- Markedly Higher incidents of cost burden for housing
- Need for smaller housing unit options such as SRO's
- Rental Assistance
- Higher incidents of homelessness
- Higher likelihood for transitional and supportive housing

Extremely Low income household needs are focused on affordability of housing and access to subsidies and services that support lower monthly overall costs. To address these challenges, the City must consider a variety of solutions to address the above issues: these may include:

- Affordable housing options for Extremely Low Income households
- Preservation of subsidized housing units
- Creation of additional subsidized housing units
- Inclusionary policies
- Housing with a service component
- Transitional, Supportive and Homeless housing options



Resources to address the needs of Extremely Low Income households include a variety of federal, state and regional programs, such as Section 8, HUD, LIHTC USDA, CalHFA and other public and private funding sources.

The City has included **Policy Action 7B** in **Section 4** to address transitional and supportive housing needs for extremely low income persons. The City will continue to monitor the inventory of sites appropriate to accommodate extremely low income households, 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 is committed to prioritizing funding and other available incentives for projects that provide housing for homeless and extremely low-income residents whenever possible.

## **7. Persons Experiencing Homelessness**

Throughout the country and Orange County region, homelessness has become an increasingly important issue. Factors contributing to the rise in homelessness include, increased unemployment and underemployment, a lack of housing affordable to lower and moderate-income persons (especially extremely low-income households), reductions in public subsidies to the poor, and the de-institutionalization of the mentally ill.

State law mandates that cities address the special needs of persons experiencing homelessness within their jurisdictional boundaries. “Homelessness” as defined by the U.S. Department of Housing and Urban Development (HUD) has recently been updated, the following lists the updated descriptions and the changes in the definition from HUD:

- People who are living in a place not meant for human habitation, in emergency shelter, in transitional housing, or are exiting an institution where they temporarily resided. The only significant change from existing practice is that people will be considered homeless if they are exiting an institution where they resided for up to 90 days (it was previously 30 days) and were in shelter or a place not meant for human habitation immediately prior to entering that institution.
- People who are losing their primary nighttime residence, which may include a motel or hotel or a doubled-up situation, within 14 days and lack resources or support networks to remain in housing. HUD had previously allowed people who were being displaced within 7 days to be considered homeless. The proposed regulation also describes specific documentation requirements for this category.
- Families with children or unaccompanied youth who are unstably housed and likely to continue in that state. This is a new category of homelessness, and it applies to families with children or unaccompanied youth who have not had a lease or ownership interest in a housing unit in the last 60 or more days, have had 2 or more moves in the last 60 days, and who are likely to continue to be unstably housed because of disability or multiple barriers to employment.
- People who are fleeing or attempting to flee domestic violence, have no other residence, and lack the resources or support networks to obtain other permanent housing. This category is similar to the current practice regarding people who are fleeing domestic violence.



This definition does not include persons living in substandard housing (unless it has been officially condemned); persons living in overcrowded housing (for example, doubled up with others); persons being discharged from mental health facilities (unless the person was homeless when entering and is considered to be homeless at discharge); or persons who may be at risk of homelessness (for example, living temporarily with family or friends.)

The Point in Time Count is conducted by the County of Orange in accordance with the U.S. Department of Housing and Urban Development (HUD) guidelines to provide information on where individuals experiencing homelessness are in the County. About 1,167 volunteers across the County counted 6,860 individuals experiencing homelessness. Of those, 2,899 were sheltered and 3,961 were unsheltered. The 2020 Count is not yet available online, therefore this data is based on the Count conducted in January 2019 – the individual city results are shown in **Table 2-26**. Of the nearby cities, Newport Beach had the lowest count and percentage of people experiencing homelessness (64 individuals and 0.9 percent of the County). Huntington Beach recorded the greatest percentage at 5.1 percent. Of all those reported in Orange County, 5 percent were veterans, 4 percent were transitional youth ages 18 to 24, and 9 percent were seniors over the age of 65.

**Table 2-26: Homeless Count by Jurisdiction, 2019**

| Jurisdiction                                                                   | Unsheltered | Sheltered | Total     | % of County |
|--------------------------------------------------------------------------------|-------------|-----------|-----------|-------------|
| Costa Mesa                                                                     | 187         | 6         | 193       | 2.8%        |
| <b>Newport Beach</b>                                                           | <b>64</b>   | <b>0</b>  | <b>64</b> | <b>0.9%</b> |
| Huntington Beach                                                               | 289         | 60        | 349       | 5.1%        |
| Laguna Beach                                                                   | 71          | 76        | 147       | 2.1%        |
| Irvine                                                                         | 127         | 3         | 130       | 1.9%        |
| Orange County                                                                  | 3,961       | 2,899     | 6,860     | 100%        |
| <i>Source: Orange County Point in Time Count, Everyone Counts Report 2019.</i> |             |           |           |             |

### **Key Challenges and Resources to Address Persons Experiencing Homelessness**

The City has taken steps to address the very complex issue of homelessness. City staff and City Net, a contractor that assists with community outreach and case management services, work in collaboration to engage these individuals and connect them with services such as emergency housing, mental and health care, benefits counseling and a variety of other community-based programs and services.

The City also has a dedicated, full-time police officer and a homeless coordinator who focus on the issue of homelessness. The Homeless Liaison Officer works closely with the County of Orange Health Care Agency's case management staff and City Net to provide homeless outreach services. The uniqueness of each homeless individual's situation requires an individual approach. Since everyone's needs are different, our staff works with our homeless individuals on a case-by-case basis.

It is important to understand that often, individuals are resistant to seeing case workers or our police officers assigned to work with those experiencing homelessness. Multiple visits may be required before

we gain a person's trust in a way that opens a conversation about solutions. That is why, in addition to our full-time officer, the City has contracted with City Net to provide homeless outreach services. Street outreach services seeks to connect unsheltered homeless individuals with emergency shelter, housing, critical services, healthcare, or urgent, non-facility-based care.

Newport Beach has entered a partnership with the adjacent City of Costa Mesa for shelter beds at the Costa Mesa Bridge Shelter, which opened in Spring 2021. In addition to temporary housing, the Bridge Shelter provides case workers who assist homeless individuals with addiction and mental health counseling, job searches, and accessing permanent housing.

The City has included **Policy Action 6A** to address the needs of persons experiencing homelessness. The Policy Action continues the City's efforts to fund sub-recipients who provide shelter and services to persons experiencing homelessness. In addition, **Policy Action 7A** and **7B** address supportive and transitional housing and low barrier navigation center needs for persons experiencing homelessness.

## 8. Students

Student housing often only produces a temporary housing need based on the duration of the educational institution enrolled in. The impact upon housing demand is critical in areas that surround universities and colleges. Located in Newport Beach is Coastline College, and colleges near the City include University of California, Irvine; Concordia University; Orange Coast College; Vanguard University; Laguna College of Art and Design; SOKA University; and Irvine Valley College. Students enrolled in undergraduate and graduate programs, make up about 6 percent of the total population of Newport Beach.

### Key Challenges and Resources to Address Student Housing Needs

Typically, students are low-income and are, therefore, affected by a lack of affordable housing, especially within easy commuting distance from campus, therefore it is important for the City to consider and accommodate the student population within the community. They often seek shared housing situations to decrease expenses and can be assisted through roommate referral services offered on and off campus. A lack of affordable housing also influences choices students make after graduating.

## F. Housing Stock Characteristics

The characteristics of the housing stock, including growth, type, availability and tenure, age and condition, housing costs, and affordability contribute to the housing needs for the community. This section details the housing characteristics of Newport Beach to identify how well the current housing stock meets the needs of its current and future residents.

### 1. Housing Growth

According to the American Community Survey (ACS), the City's housing stock grew by 1,298 units between 2010 and 2018 (**Table 2-27**). This 2.9 percent increase was the second largest in this area, behind the City of Irvine which had a dramatically larger gain of 31 percent. Orange County as a whole experienced a

4.6 percent housing stock increase during this same time period, which is 1.7 percent more than Newport Beach. The City of Costa Mesa had smaller percent change than Newport Beach by 2.3 percent.

**Table 2-27: Housing Unit Growth Trends, 2010-2018**

| Jurisdiction                                                                      | 2010          | 2015          | 2018          | Percent Change 2010 to 2015 | Percent Change 2015 to 2018 |
|-----------------------------------------------------------------------------------|---------------|---------------|---------------|-----------------------------|-----------------------------|
| Costa Mesa                                                                        | 42,867        | 43,030        | 43,100        | 0.4%                        | 0.2%                        |
| <b>Newport Beach</b>                                                              | <b>43,503</b> | <b>43,690</b> | <b>44,801</b> | <b>0.4%</b>                 | <b>2.5%</b>                 |
| Huntington Beach                                                                  | 79,166        | 78,252        | 81,396        | -1.2%                       | 4.0%                        |
| Laguna Beach                                                                      | 13,243        | 13,433        | 13,487        | 1.4%                        | 0.4%                        |
| Irvine                                                                            | 76,184        | 91,938        | 101,434       | 20.7%                       | 10.3%                       |
| Orange County                                                                     | 1,042,254     | 1,064,642     | 1,091,376     | 2.1%                        | 2.5%                        |
| <i>Source: American Community Survey, 5-Year Estimates, 2010, 2015, and 2018.</i> |               |               |               |                             |                             |

## 2. Housing Type

**Table 2-28** is a breakdown of housing units by type in Newport Beach in contrast to Orange County. The table reflects data from the American Community Survey which is estimates based on the U.S. Census and surveys. A large percentage of housing units in the City come from single unit detached homes (47.8 percent). Single unit attached homes typically do not take up a large portion of the housing stock, but in Newport Beach they account for 16.1 percent of all units. Another 34.5 percent is multi-unit housing, which is the same for the County as well. Mobile homes are the smallest category of housing types with 1.5 percent of all units. It is important to provide a wide variety of housing types throughout the City in order to ensure all housing needs for the population are met.

**Table 2-28: Total Housing Units by Type**

| Jurisdiction                                                      | Single-Unit Detached |              | Single-Unit Attached |              | Multi-Unit    |              | Mobile Homes |             |
|-------------------------------------------------------------------|----------------------|--------------|----------------------|--------------|---------------|--------------|--------------|-------------|
|                                                                   | Count                | Percent      | Count                | Percent      | Count         | Percent      | Count        | Percent     |
| <b>Newport Beach</b>                                              | <b>21,399</b>        | <b>47.8%</b> | <b>7,234</b>         | <b>16.1%</b> | <b>15,437</b> | <b>34.5%</b> | <b>390</b>   | <b>1.5%</b> |
| Orange County                                                     | 553,164              | 50.7%        | 133,326              | 12.2%        | 374,176       | 34.3%        | 30,227       | 2.8%        |
| <i>Source: American Community Survey, 5-Year Estimates, 2018.</i> |                      |              |                      |              |               |              |              |             |

## 3. Housing Availability and Tenure

Housing tenure and vacancy rates generally influence the supply and cost of housing. Housing tenure defines if a unit is owner-occupied or renter occupied. Tenure is an important market characteristic as it relates to the availability of housing product types and length of tenure. The tenure characteristics in a community can indicate several aspects of the housing market, such as affordability, household stability,

and availability of unit types, among others. In many communities, tenure distribution generally correlates with household income, composition, and age of the householder.

In 2018, owner-occupied units accounted for 56.5 percent of the Newport Beach housing stock and 43.5 percent were rentals (**Table 2-29**). Of the owner-occupied units, the large majority were single unit detached homes (71.6 percent) and the smallest percentage was of mobile homes (1.1 percent). As is often the case, multi-unit homes accounted for over half of all rentals (67.9 percent) and only 17 percent of rental units were single unit detached homes. Mobile homes are more likely to be occupied by renters, as the Table 2-27 shows.

**Table 2-29: Occupied Housing Units by Type and Tenure**

| Tenure                                                                                                                               | Single- Unit Detached | Single-Unit Attached | Multi-Unit | Mobile Homes | Total Occupied Units <sup>1</sup> |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|------------|--------------|-----------------------------------|
| Owner Occupied                                                                                                                       | 71.6%                 | 19.5%                | 7.8%       | 1.1%         | 56.5%                             |
| Renter Occupied                                                                                                                      | 17.1%                 | 12.7%                | 67.9%      | 2.2%         | 43.5%                             |
| Total                                                                                                                                | 47.9%                 | 16.5%                | 34.1%      | 1.6%         | 100%                              |
| <sup>1</sup> Note: The data shows the percent of total occupied units.<br>Source: American Community Survey, 5-Year Estimates, 2018. |                       |                      |            |              |                                   |

**Table 2-30: Average Household Size by Tenure, 2018**

| Jurisdiction                                               | Owner Occupied Households (% of Total Households) | Average Owner Household Size | Renter Occupied Households (% of Total Households) | Average Renter Household Size |
|------------------------------------------------------------|---------------------------------------------------|------------------------------|----------------------------------------------------|-------------------------------|
| Costa Mesa                                                 | 39.1%                                             | 2.8                          | 60.9%                                              | 2.7                           |
| <b>Newport Beach</b>                                       | <b>56.5%</b>                                      | <b>2.5</b>                   | <b>43.5%</b>                                       | <b>2</b>                      |
| Huntington Beach                                           | 57.8%                                             | 2.6                          | 42.2%                                              | 2.6                           |
| Laguna Beach                                               | 60.7%                                             | 2.3                          | 39.3%                                              | 2                             |
| Irvine                                                     | 47.3%                                             | 2.8                          | 52.7%                                              | 2.6                           |
| Orange County                                              | 57.4%                                             | 3                            | 42.6%                                              | 3.1                           |
| Source: American Community Survey, 5-Year Estimates, 2018. |                                                   |                              |                                                    |                               |

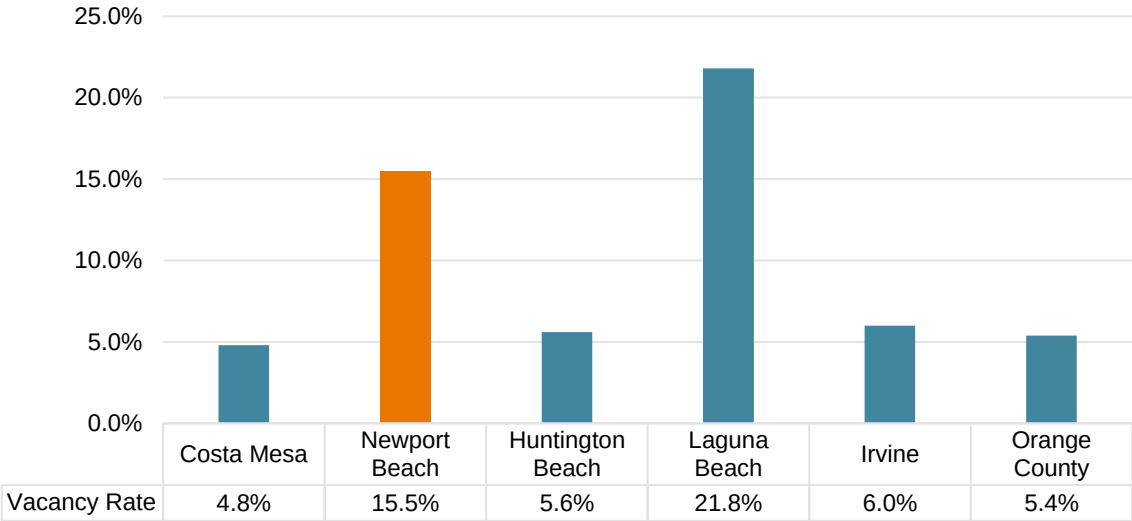
To identify housing trends and potential population needs, **Table 2-30** compares average household sizes and tenure amongst the cities surrounding Newport Beach. Renters in the City have one of the lowest average household sizes at just 2 people per home. Homeowners in Newport Beach also have the second smallest number of people per household after Laguna Beach with 2.3 people per home. The County average is 3.1 persons for rentals and 3 persons for owner-occupied homes. **Figure 2-7** illustrates vacancy rates by jurisdiction and shows that Newport Beach has the second largest percentage of vacant homes at 15.5 percent. The City's vacancy rate is 3 times that of Orange County.

Vacancy rates indicate the degree of choice available. High vacancy rates usually indicate low demand and/or high supply conditions in the housing market. Too high of a vacancy rate can be difficult for owners trying to sell or rent. Low vacancy rates usually indicate high demand and/or low supply conditions in the housing market. Too low of a vacancy rate can force prices up making it more difficult for lower and



moderate-income households to find housing. Vacancy rates of between 2 to 3 percent are usually considered healthy for single-unit or ownership housing, and rates of 5 to 6 percent are usually considered healthy for multi-unit or rental housing.

**Figure 2-7: Vacancy Rate by Jurisdiction, 2018**



Source: American Community Survey, 5-Year Estimates, 2018.

The most common reason for vacancies in Newport Beach is due to homes being used seasonally, or for recreation or occasional use (48.3 percent), as shown in **Table 2-31**. These 3,350 homes are not permanent residences and remain empty for most of the year. Homes for rent are the second most common reason for vacancies in the City at 22.4 percent.

**Table 2-31: Type of Vacant Housing Units in Newport Beach**

| Type of Housing                                            | Estimate | Percent |
|------------------------------------------------------------|----------|---------|
| For rent                                                   | 1,551    | 22.4%   |
| Rented, not occupied                                       | 292      | 4.2%    |
| For sale only                                              | 370      | 5.3%    |
| Sold, not occupied                                         | 499      | 7.2%    |
| For seasonal, recreational, or occasional use              | 3,350    | 48.3%   |
| Other vacant                                               | 869      | 12.5%   |
| Total                                                      | 6,931    | 100%    |
| Source: American Community Survey, 5-Year Estimates, 2018. |          |         |
|                                                            |          |         |

#### 4. Housing Age and Condition

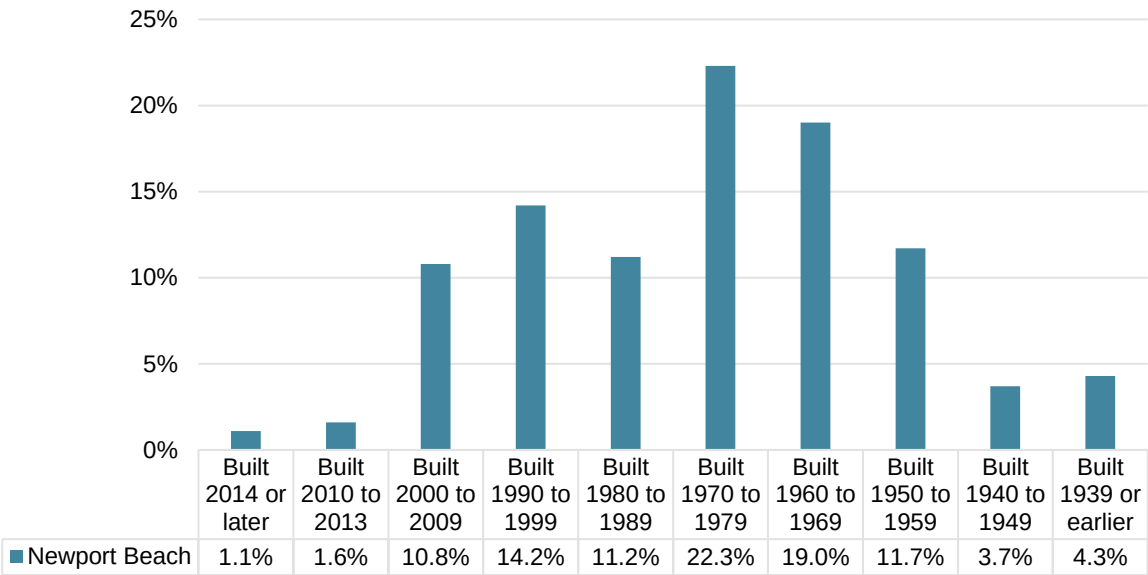
Housing age can be an indicator of housing condition within a community. For example, housing that is over 30 years old is typically in need of some major rehabilitation, such as a new roof, foundation, plumbing, etc. Many federal and state programs also use the age of housing as one factor in determining housing rehabilitation needs.





In Newport Beach, most homes were built over 30 years ago (**Figure 2-8**). About 22.3 percent of the housing stock was built between 1970 and 1979, while only 2.7 percent was built after 2010. Another 8 percent of homes were also built prior to 1950. This reflects an aging housing stock that may need certain updates.

**Figure 2-8: Age Distribution of Housing Stock**

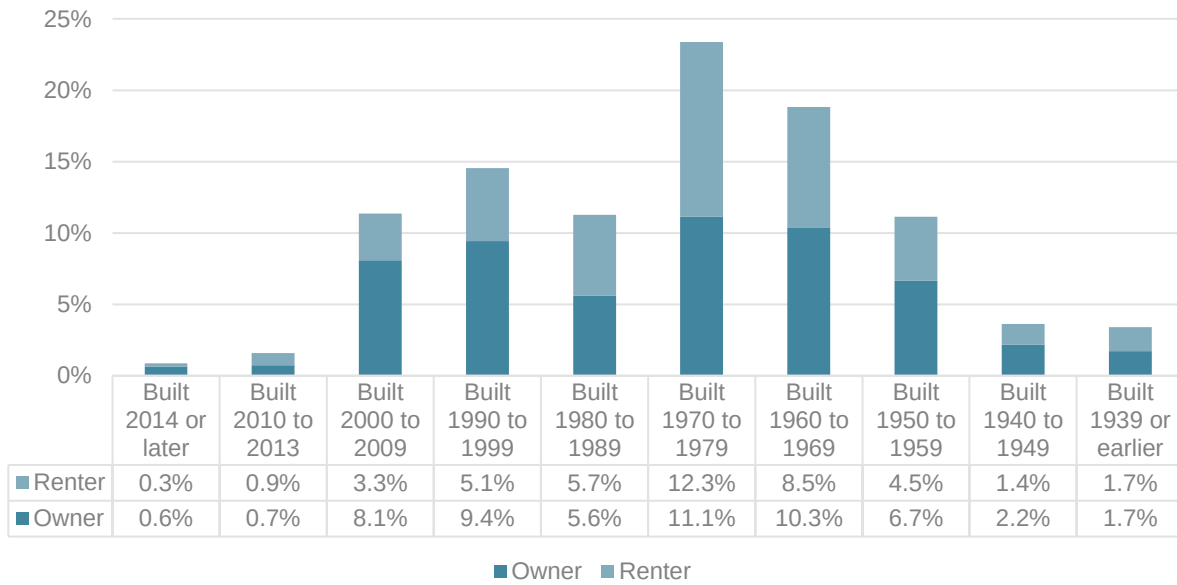


Source: American Community Survey, 5-Year Estimates, 2018.

**Figure 2-9** below displays the 2018 ACS data for housing units by the year they were built sorted by tenure. According to the data, Newport Beach has mostly had a majority of owner-occupied units. The majority of the City’s housing stock was built before 1980 and is home to 32 percent of the City’s current homeowners. The greatest number of renters reside in housing units built between 1970 and 1979.



**Figure 2-9: Housing Stock by Age of Structure and Tenure**

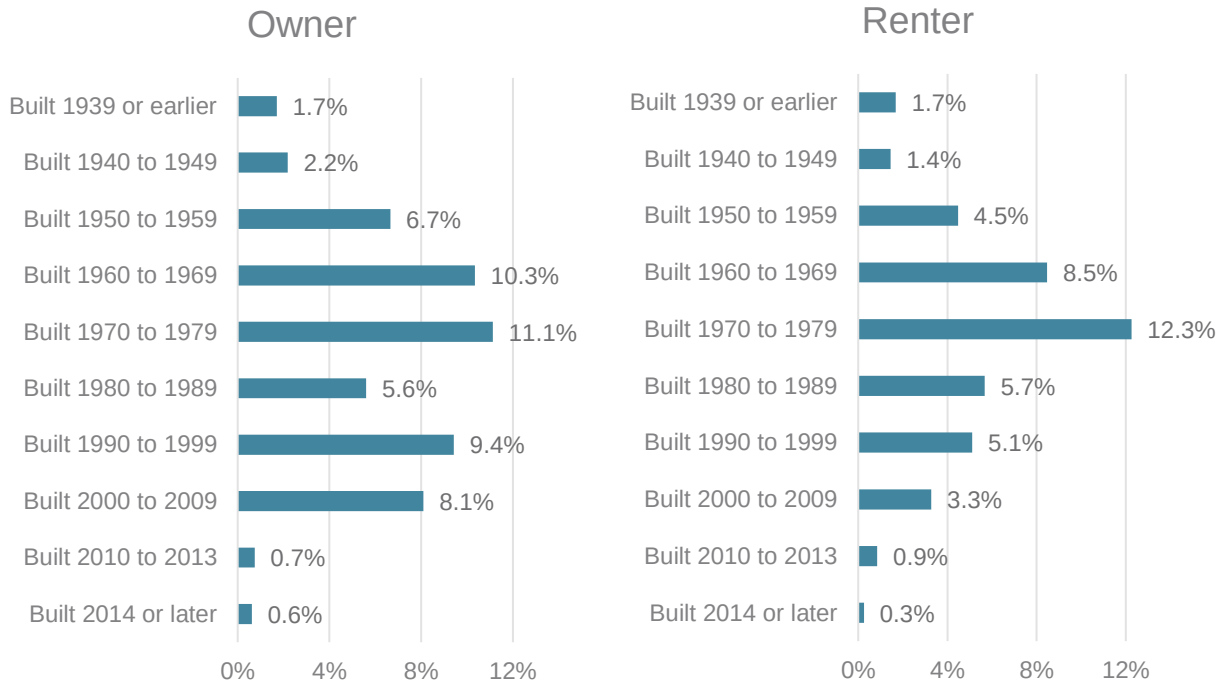


Source: American Community Survey, 5-Year Estimates, 2018.

**Figure 2-10** displays the 2018 ACS data for housing units by the year they were built for owners (left) and renters (right). That data shows that a greater concentration of renters reside in units built between 1970 and 1979 compared to other years and to homeowners. Less than 2 percent of renters and homeowners reside in units built after 2010. A greater number of homeowners live in units built between 1990 and 2009 than renters (9.1 percent more).



**Figure 2-10: Housing Units by Year Built Owner (Left) and Renter (Right)**



Source: American Community Survey, 5-Year Estimates, 2018.

## 5. Housing Costs and Affordability

Housing costs reflect the supply and demand of housing in a community. This section summarizes the cost and affordability of the housing stock to the City's residents.

Home values in Newport Beach are on median \$1,787,300, as shown in **Table 2-32**. This total is 2.7 times the median home value of Orange County and significantly larger than the nearby cities. Laguna Beach is second behind Newport Beach in home value with a median amount of \$1,700,400. Costa Mesa has the lowest median home value of \$707,600.

**Table 2-32: Median Home Value by Jurisdiction**

| Jurisdiction         | Median Home Value  |
|----------------------|--------------------|
| Costa Mesa           | \$707,600          |
| <b>Newport Beach</b> | <b>\$1,787,300</b> |
| Huntington Beach     | \$728,200          |
| Laguna Beach         | \$1,700,400        |
| Irvine               | \$797,100          |
| Orange County        | \$652,900          |

Source: American Community Survey, 5-Year Estimates, 2018.

**Table 2-33** outlines the average monthly price of rent in Newport Beach and how it has changed between 2017 and 2020 depending on the number of bedrooms. This data is provided by the Zillow Rent Index Report for Newport Beach, and shows that all units experienced increases in rates in the last three years. One-bedroom rentals rose by 5.1 percent and the most out of 1-3-bedroom units. Two-bedroom units

remained the most consistent with a slight increase of 1.4 percent. The price per square foot, however, saw a much greater increase for units with three or more bedrooms (9.8 percent). Zillow reports that one-bedroom units decreased from \$3.01 per square foot in 2017 to \$3 per square foot in 2020.

**Table 2-33: Change in Average Monthly Rental Rates, 2017-2020**

| Unit Type                                                                             | January 2017 | January 2018 | January 2019 | January 2020 | % Change 2017-2020 |
|---------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------------|
| 1 Bedroom                                                                             | \$2,383      | \$2,425      | \$2,408      | \$2,504      | 5.1%               |
| 2 bedrooms                                                                            | \$3,290      | \$3,291      | \$3,241      | \$3,337      | 1.4%               |
| 3 Bedrooms                                                                            | \$4,191      | \$4,218      | \$4,095      | \$4,355      | 3.9%               |
| Price per Square Foot                                                                 |              |              |              |              |                    |
| Unit Type                                                                             | January 2017 | January 2018 | January 2019 | January 2020 | % Change 2017-2020 |
| 1 Bedroom                                                                             | \$3.01       | \$2.83       | \$2.93       | \$3          | -0.3%              |
| 2 bedrooms                                                                            | \$2.64       | \$2.65       | \$2.53       | \$2.87       | 8.7%               |
| 3+ Bedrooms                                                                           | \$2.65       | \$2.8        | \$2.81       | \$2.91       | 9.8%               |
| <i>Source: Zillow Rent Index Report, January 2017-2020, accessed August 25, 2020.</i> |              |              |              |              |                    |

Housing affordability can be inferred by comparing the cost of renting or owning a home in the City with the maximum affordable housing costs for households at different income levels. Taken together, this information can generally show who can afford what size and type of housing and indicate the type of households most likely to experience overcrowding and overpayment.

The Federal Department of Housing and Urban Development (HUD) conducts annual household income surveys nationwide to determine a household's eligibility for federal housing assistance. Based on this survey, the California Department of Housing and Community Development (HCD) developed income limits, based on the Area Median Family Income (AMFI), which can be used to determine the maximum price that could be affordable to households in the upper range of their respective income category. Households in the lower end of each category can afford less by comparison than those at the upper end. The maximum affordable home and rental prices for residents in Orange County are shown in **Table 2-34** and **Table 2-35**.

The data shows the maximum amount that a household can pay for housing each month without incurring a cost burden (overpayment). This amount can be compared to current housing asking prices (**Table 2-32**) and market rental rates (**Table 2-33**) to determine what types of housing opportunities a household can afford.

### Extremely Low-income Households

Extremely low-income households earn less than 30 percent of the County AMFI – up to \$26,950 for a one-person household and up to \$41,550 for a five-person household in 2020. Extremely low-income households cannot afford market-rate rental or ownership housing in Newport Beach without assuming a substantial cost burden.



### **Very Low-income Households**

Very low-income households earn between 31 percent and 50 percent of the County AMFI – up to \$44,850 for a one-person household and up to \$69,200 for a five-person household in 2020. A very low-income household cannot afford market-rate rental or ownership housing in Newport Beach without assuming a substantial cost burden. A very low-income household at the maximum income limit can afford to pay approximately \$1,121 to \$1,730 in monthly rent, depending on household size. Given the high cost of housing in the City, persons, or households of very low-income could not afford to rent or purchase a home in the City.

### **Low-income Households**

Low-income households earn between 51 percent and 80 percent of the County's AMFI - up to \$71,750 for a one-person household and up to \$110,650 for a five-person household in 2020. The affordable home price for a low-income household at the maximum income limit ranges from \$308,500 to \$454,000. Based on the asking prices of homes for sale in 2020 (Table 2-30), ownership housing would not be affordable to low-income households. A one-person low-income household could afford to pay up to \$1,794 in rent per month and a five-person low-income household could afford to pay as much as \$2,766. Low-income households in Newport Beach would not be able to find adequately sized affordable apartment units (Table 2-31).

### **Moderate-income Households**

Persons and households of moderate-income earn between 81 percent and 120 percent of the County's AMFI – up to \$133,500, depending on household size in 2020. The maximum affordable home price for a moderate-income household is \$377,000 for a one-person household and \$558,600 for a five-person family. Moderate-income households in Newport Beach would not be able to purchase a home in the City. The maximum affordable rent payment for moderate-income households is between \$2,163 and \$3,338 per month. A one-person moderate-income household may be able to find some adequately sized affordable apartment units; larger households would not be able to afford to rent a unit in the City.



**Table 2-34: Affordable Housing Costs for Owners in Orange County, 2020**

| Annual Income                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Mortgage | Utilities <sup>1</sup> | Tax and Insurance | Total Affordable Monthly Housing Cost | Affordable Purchase Price |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|------------------------|-------------------|---------------------------------------|---------------------------|
| <b>Extremely Low-income (30% of AMFI)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |           |          |                        |                   |                                       |                           |
| 1-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$26,950  | \$455    | \$118                  | \$101             | \$674                                 | \$99,990                  |
| 2-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$30,800  | \$504    | \$151                  | \$116             | \$770                                 | \$110,500                 |
| 3-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$34,650  | \$539    | \$197                  | \$130             | \$866                                 | \$118,000                 |
| 4-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$38,450  | \$574    | \$243                  | \$144             | \$961                                 | \$125,800                 |
| 5-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$41,550  | \$594    | \$289                  | \$156             | \$1,039                               | \$130,200                 |
| <b>Very Low-Income (50% of AMFI)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |           |          |                        |                   |                                       |                           |
| 1-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$44,850  | \$835    | \$118                  | \$168             | \$1,121                               | \$183,000                 |
| 2-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$51,250  | \$938    | \$151                  | \$192             | \$1,281                               | \$205,500                 |
| 3-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$57,650  | \$1,028  | \$197                  | \$216             | \$1,441                               | \$225,400                 |
| 4-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$64,050  | \$1,118  | \$243                  | \$240             | \$1,601                               | \$245,000                 |
| 5-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$69,200  | \$1,182  | \$289                  | \$260             | \$1,730                               | \$259,000                 |
| <b>Low-income (80% AMFI)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |           |          |                        |                   |                                       |                           |
| 1-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$71,750  | \$1,407  | \$118                  | \$269             | \$1,794                               | \$308,500                 |
| 2-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$82,000  | \$1,592  | \$151                  | \$308             | \$2,050                               | \$349,100                 |
| 3-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$92,250  | \$1,763  | \$197                  | \$346             | \$2,306                               | \$386,500                 |
| 4-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$102,450 | \$1,934  | \$243                  | \$384             | \$2,561                               | \$424,000                 |
| 5-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$110,650 | \$2,062  | \$289                  | \$415             | \$2,766                               | \$452,000                 |
| <b>Moderate-income (120% AMFI)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |           |          |                        |                   |                                       |                           |
| 1-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$86,500  | \$1,720  | \$118                  | \$324             | \$2,163                               | \$377,000                 |
| 2-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$98,900  | \$1,951  | \$151                  | \$371             | \$2,473                               | \$427,800                 |
| 3-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$111,250 | \$2,167  | \$197                  | \$417             | \$2,781                               | \$475,000                 |
| 4-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$123,600 | \$2,384  | \$243                  | \$464             | \$3,090                               | \$522,700                 |
| 5-Person                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$133,500 | \$2,548  | \$289                  | \$501             | \$3,338                               | \$558,600                 |
| <p><i>Source: Orange County Housing Authority, 2020 Utility Allowance Schedule and California Department of Housing and Community Development, 2020 Income Limits and Kimley Horn and Associates Assumptions: 2020 HCD income limits; 30% gross household income as affordable housing cost; 15% of monthly affordable cost for taxes and insurance; 10% down payment; and 4.5% interest rate for a 30-year fixed-rate mortgage loan. Utilities based on Orange County Utility Allowance.</i></p> <p>1. Utilities includes basic electric, water, sewer/trash, refrigerator, and stove.</p> |           |          |                        |                   |                                       |                           |



**Table 2-35: Affordable Monthly Housing Cost for Renters in Orange County, 2020**

| Annual Income                                                                                                                                                                                                                                                                                                                                                                                                                                      |           | Rent    | Utilities <sup>1</sup> | Total Affordable Monthly Housing Cost |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|------------------------|---------------------------------------|
| <b>Extremely Low-income (30% of AMFI)</b>                                                                                                                                                                                                                                                                                                                                                                                                          |           |         |                        |                                       |
| 1-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$26,950  | \$556   | \$ 118.00              | \$674                                 |
| 2-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$30,800  | \$619   | \$ 151.00              | \$770                                 |
| 3-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$34,650  | \$669   | \$ 197.00              | \$866                                 |
| 4-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$38,450  | \$718   | \$ 243.00              | \$961                                 |
| 5-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$41,550  | \$750   | \$ 289.00              | \$1,039                               |
| <b>Very Low-income (50% of AMFI)</b>                                                                                                                                                                                                                                                                                                                                                                                                               |           |         |                        |                                       |
| 1-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$44,850  | \$1,003 | \$ 118.00              | \$1,121                               |
| 2-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$51,250  | \$1,130 | \$ 151.00              | \$1,281                               |
| 3-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$57,650  | \$1,244 | \$ 197.00              | \$1,441                               |
| 4-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$64,050  | \$1,358 | \$ 243.00              | \$1,601                               |
| 5-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$69,200  | \$1,441 | \$ 289.00              | \$1,730                               |
| <b>Low-income (80% AMFI)</b>                                                                                                                                                                                                                                                                                                                                                                                                                       |           |         |                        |                                       |
| 1-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$71,750  | \$1,676 | \$ 118.00              | \$1,794                               |
| 2-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$82,000  | \$1,899 | \$ 151.00              | \$2,050                               |
| 3-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$92,250  | \$2,109 | \$ 197.00              | \$2,306                               |
| 4-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$102,450 | \$2,318 | \$ 243.00              | \$2,561                               |
| 5-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$110,650 | \$2,477 | \$ 289.00              | \$2,766                               |
| <b>Moderate-income (120% AMFI)</b>                                                                                                                                                                                                                                                                                                                                                                                                                 |           |         |                        |                                       |
| 1-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$86,500  | \$2,045 | \$ 118.00              | \$2,163                               |
| 2-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$98,900  | \$2,322 | \$ 151.00              | \$2,473                               |
| 3-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$111,250 | \$2,584 | \$ 197.00              | \$2,781                               |
| 4-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$123,600 | \$2,847 | \$ 243.00              | \$3,090                               |
| 5-Person                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$133,500 | \$3,049 | \$ 289.00              | \$3,338                               |
| <p><i>Source: Orange County Housing Authority, 2020 Utility Allowance Schedule and California Department of Housing and Community Development, 2020 Income Limits and Kimley Horn and Associates Assumptions: 2020 HCD income limits; 30% gross household income as affordable housing cost; Utilities based on Orange County Utility Allowance.</i></p> <p>1. Utilities includes basic electric, water, sewer/trash, refrigerator, and stove.</p> |           |         |                        |                                       |



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# **Section 3:**

## **HOUSING CONSTRAINTS, RESOURCES, AND AFFIRMATIVELY FURTHERING FAIR HOUSING**





As is common in many communities, a variety of constraints affect the provisions and opportunities for adequate housing in the City of Newport Beach. Housing constraints consist of both governmental constraints, including but not limited to land use controls, development fees and permitting fees, development standards, building codes and permitting processes; as well as, nongovernmental or market constraints, including but not limited to land costs, construction costs, and availability of finances. Combined, these factors create barriers to availability and affordability of new housing, especially for lower and moderate-income households.

## **A. Nongovernmental Constraints**

Nongovernmental constraints affect the cost of housing in the City of Newport Beach and can produce barriers to housing production and affordability. These constraints include the availability and cost of land for residential development, the demand for housing, financing, and lending, construction costs, and the availability of labor, which can make it expensive for developers to build any housing, and especially affordable housing. The following highlights the primary market factors that affect the production of housing in Newport Beach.

### ***1. Land Costs and Construction Costs***

Construction costs vary widely according to the type of development, with multi-unit housing generally less expensive to construct than single-unit homes. However, there is variation within each construction type, depending on the size of the unit and the number and quality of amenities provided. An indicator of construction costs is Building Valuation Data compiled by the International Code Council (ICC). The International Code Council was established in 1994 with the goal of developing a single set of national model construction codes, known as the International Codes, or I-Codes. The ICC updates the estimated cost of construction at six-month intervals and provides estimates for the average cost of labor and materials for typical Type VA wood-frame housing. Estimates are based on “good-quality” construction, providing for materials and fixtures well above the minimum required by state and local building codes. In August 2020, the ICC estimated that the average per square-foot cost for good-quality housing was approximately \$118.57 for multi-unit housing, \$131.24 for single-unit homes, and \$148.44 for residential care/assisted living facilities. Construction costs for custom homes and units with extra amenities, run even higher. Construction costs are also dependent upon materials used and building height, as well as regulations set by the City’s adopted Building Code. For example, according to the ICC, an accessory dwelling unit (ADU) or converting a garage using a Type VB wood framed unit would cost about \$123.68 per square foot. Although construction costs are a significant portion of the overall development cost, they are consistent throughout the region and, especially when considering land costs, are not considered a major constraint to housing production in Newport Beach.

Land costs can also pose a significant constraint to the development of affordable and middle-income housing and represents a significant cost component in residential development. Land costs may vary depending on whether the site is vacant or has an existing use that must be removed. Similarly, site constraints such as environmental issues (e.g., steep slopes, soil stability, seismic hazards, flooding) can also be factored into the cost of land. There are approximately 6,000 acres of vacant and non-vacant

residential land (39.3 percent), out of approximately 15,238 acres of land in Newport Beach, which are not currently subject to land use constraints (airport restrictions, flood zone, fire high severity zone, NCCP conservation area, seismic hazard, and sea level rise). However, majority of the acres are developed and may require rezoning, reuse, and redevelopment due to a lack of vacant sites in the City. Additional costs may be associated with redeveloping and/or converting sites which may influence the cost of the rental units or home value.

A September 2020 web search using the Orange County Market report for lots for sale in the City of Newport Beach returned less than five vacant lots listed for sale. Of the lots listed, the costs ranged from \$600,000 for 0.075 acres near Santa Ana Heights (about \$183 per square foot), to \$4,995,000 for 0.27 acres with an ocean view (about \$430 per square foot). Larger vacant lots reached as high as \$9,995,000 for 0.77 acres inland (about \$295 per square foot) to \$10,500,000 for 0.51 acres of land (about \$474 per square foot) closer to the coast. According to the same report, in September coastal lots listed for sale in the City averaged \$8,000,000 for 0.6 acres. The cost of land in Newport Beach is higher than neighboring cities, such as Laguna Beach, where the median cost of land is about \$115 per square foot. Therefore, land and redevelopment costs in Newport Beach create a significant constraint to the development of housing, specifically affordable housing.

## **2. Availability Financing**

The availability of financing in a community depends on several factors, including the type of lending institutions active in a community, lending practices, rates and fees charged, laws and regulations governing financial institutions, and equal access to such loans. Additionally, availability of financing affects a person's ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications and the income, gender, and race of loan applicants. The primary concern in a review of lending activity is to determine whether home financing is available to residents of a community. The data presented in this section include the disposition of loan applications submitted to financial institutions for home purchase, home improvement, and refinancing in Newport Beach.

**Table 3-1** below displays the disposition of loan applications for the Anaheim-Santa Ana-Irvine Metropolitan Statistical Area/Metropolitan Division (MSA/MD), per the 2016 Home Mortgage Disclosure Act report. According to the data, applicants in the 120 percent median-income or more had the highest rates of loans approved. Of that income category, applicants who reported White had the highest percentage of approval and the number of applications. Applicants in the less than 50 percent of the MSA/MD median-income categories were showed higher percentages of denied loans than loans originated. According to the data, applicants who reported white were, on average, more likely to be approved for a loan than another race or ethnicity.

Given the relatively high rates of approval for home purchase, improvement, and refinance loans, home financing is generally available and not considered a significant constraint to the provision and maintenance of housing in Newport Beach.



**Table 3-1: Disposition of Loan Applications by Race/Ethnicity– Anaheim-Santa Ana-Irvine MSA/MD**

| Applications by Race/Ethnicity                                                                                               | Percent Approved | Percent Denied | Percent Other | Total (Count) |
|------------------------------------------------------------------------------------------------------------------------------|------------------|----------------|---------------|---------------|
| <b>LESS THAN 50% OF MSA/MD MEDIAN</b>                                                                                        |                  |                |               |               |
| American Indian and Alaska Native                                                                                            | 26.2%            | 52.3%          | 23.1%         | 65            |
| Asian                                                                                                                        | 33.9%            | 42.5%          | 26.7%         | 1,382         |
| Black or African American                                                                                                    | 41.6%            | 33.7%          | 25.8%         | 89            |
| Native Hawaiian or other Pacific Islander                                                                                    | 25.0%            | 44.2%          | 30.8%         | 52            |
| White                                                                                                                        | 45.6%            | 31.2%          | 26.1%         | 5,240         |
| Hispanic or Latino                                                                                                           | 37.9%            | 38.2%          | 26.8%         | 1,566         |
| <b>50-79% OF MSA/MD MEDIAN</b>                                                                                               |                  |                |               |               |
| American Indian and Alaska Native                                                                                            | 38.1%            | 34.0%          | 29.9%         | 97            |
| Asian                                                                                                                        | 53.3%            | 25.3%          | 29.4%         | 3,153         |
| Black or African American                                                                                                    | 43.4%            | 19.1%          | 41.4%         | 152           |
| Native Hawaiian or other Pacific Islander                                                                                    | 49.4%            | 39.8%          | 16.9%         | 83            |
| White                                                                                                                        | 54.5%            | 23.3%          | 27.6%         | 8,677         |
| Hispanic or Latino                                                                                                           | 47.6%            | 27.7%          | 29.3%         | 3,245         |
| <b>80-99% OF MSA/MD MEDIAN</b>                                                                                               |                  |                |               |               |
| American Indian and Alaska Native                                                                                            | 51.4%            | 25.7%          | 31.4%         | 35            |
| Asian                                                                                                                        | 59.5%            | 19.2%          | 29.3%         | 1,495         |
| Black or African American                                                                                                    | 52.9%            | 22.1%          | 30.9%         | 68            |
| Native Hawaiian or other Pacific Islander                                                                                    | 43.5%            | 13.0%          | 43.5%         | 23            |
| White                                                                                                                        | 61.9%            | 17.2%          | 26.1%         | 3,873         |
| Hispanic or Latino                                                                                                           | 54.0%            | 21.4%          | 29.1%         | 1,347         |
| <b>100-119% OF MSA/MD MEDIAN</b>                                                                                             |                  |                |               |               |
| American Indian and Alaska Native                                                                                            | 48.9%            | 22.7%          | 29.5%         | 88            |
| Asian                                                                                                                        | 62.3%            | 15.6%          | 28.8%         | 4,820         |
| Black or African American                                                                                                    | 55.6%            | 20.1%          | 28.6%         | 234           |
| Native Hawaiian or other Pacific Islander                                                                                    | 49.4%            | 27.6%          | 31.0%         | 87            |
| White                                                                                                                        | 66.2%            | 13.8%          | 25.1%         | 12,607        |
| Hispanic or Latino                                                                                                           | 60.8%            | 16.4%          | 26.8%         | 3,398         |
| <b>120% OR MORE OF MSA/MD MEDIAN</b>                                                                                         |                  |                |               |               |
| American Indian and Alaska Native                                                                                            | 59.2%            | 13.0%          | 32.0%         | 169           |
| Asian                                                                                                                        | 62.8%            | 12.9%          | 29.0%         | 17,800        |
| Black or African American                                                                                                    | 57.7%            | 17.3%          | 27.2%         | 624           |
| Native Hawaiian or other Pacific Islander                                                                                    | 64.2%            | 11.4%          | 26.8%         | 254           |
| White                                                                                                                        | 68.3%            | 11.3%          | 24.9%         | 49,811        |
| Hispanic or Latino                                                                                                           | 64.6%            | 13.3%          | 26.7%         | 6,095         |
| <i>Source: Consumer Financial Protection Bureau, Disposition of loan applications, by Ethnicity/Race of applicant, 2019.</i> |                  |                |               |               |

### 3. Economic Constraints

Market forces on the economy and the trickle-down effects on the construction industry can act as a barrier to housing construction and especially to affordable housing construction. It is estimated that housing price growth will continue in the City and the region for the foreseeable future. Moving into 2020, the economy was growing, California was seeing a 1.6-percent growth in jobs from 2019 and experiencing all-time lows for unemployment rates. COVID-19 had stalled much of the economy in early 2020, however,



as the California economy regains momentum housing stock and prices in the Newport Beach community remain stable.

A 2020 California Association of Realtors (CAR) report found that homes on the market in Orange County experienced a nine percent year to year increase and cost an average of \$880,000 in February 2020; almost \$300,000 higher than the State median home price in the same month (\$579,770). According to the CAR First Time Buyer Housing Affordability Index, from 2018 to 2019 the median value of a home in Orange County was \$703,800 with monthly payments (including taxes and insurance) of \$3,630, requiring an average qualifying income of \$108,900.

Homes and cost of living in Newport Beach was reported higher than the State median housing and living costs. According to September 2020 data from Zillow, the median home value of single-unit homes and condos in Newport Beach is \$2,407,454. According to Zillow's methodology, this value is seasonally adjusted to remove outliers and only includes the middle price-tier of homes. Newport Beach home values have gone up 0.7 percent over the past year and Zillow predicts they will rise 3.4 percent within the next year. Newport's home value index (\$2,407,454) has been on a steep and steady rise since early 2012, and according to a September 2020 forecasts, they are expected to increase slightly (estimated \$2,490,000) in 2021. Orange County by comparison has a median home value index of \$777,000, according to the same September 2020 report, which is significantly lower than the City of Newport. Forecasted home prices in the County, through 2021 are set to see minor increases (\$810,000). The cost of land and home prices in Newport are considered a major constraint to the development of and access to housing, particularly the development of and access to affordable housing.

## **B. Governmental Constraints**

In addition to market constraints, local policies and regulations also affect the price and availability of housing and the provision of affordable housing. For example, State and Federal regulations affect the availability of land for housing and the cost of housing production, making it difficult to meet the demand for affordable housing and limiting supply in a region. Regulations related to environmental protection, building codes, and other topics have significant, often adverse, impacts on housing cost and availability.

While the City of Newport Beach has no control over State and Federal Laws that affect housing, local laws including land use controls, site improvement requirements, fees and exactions, permit processing procedures, and other factors can constrain the maintenance, development, and improvement of housing create barriers to housing.

### **1. Land Use Controls**

In the State of California, cities are required to prepare a comprehensive, long term General Plan to guide future development. The Land Use Element of the General Plan establishes land uses of developments within the City of Newport Beach. The Land Use Element sets for policies and regulations for guiding local development. These policies, together with existing zoning regulations, establish the amount and distribution of land to be allocated for different uses within the City. The Land Use Element of the General Plan identifies the following residential and mixed-use categories:



- **Single Unit Residential Detached (RS-D)**: The RS-D category applies to a range of detached single-unit residential dwelling units on a single legal lot and does not include condominiums or cooperative housing. The RS-D category permits a density range from 0.0 to 29.9 DU/AC.
- **Single Unit Residential Attached (RS-A)**: The RS-A category applies to a range of attached single-unit residential dwelling units on a single legal lot and does not include condominiums or cooperative housing. The RS-A category permits a density range from 0.0 to 29.9 DU/AC.
- **Two Unit Residential (RT)**: The RT category applies to a range of two-unit residential dwelling units such as duplexes and townhomes. The RT permits a density range from 0.0 to 39.9 DU/AC.
- **Multiple Residential (RM)**: The RM designation is intended to provide for multi-unit residential development containing attached dwelling units. The RM permits a density range from 0.0 to 52.0 DU/AC.
- **Multiple Residential Detached (RM-D)**: The RM-D designation is intended to provide primarily for multi-unit residential development exclusively containing detached dwelling units. The RM-D allows a 1.5 FAR where a minimum FAR 0.35 and maximum FAR if .5 may be used for nonresidential.
- **Mixed-Use Vertical (MU-V)**: The MU-V designation is intended to provide for the development of properties for mixed use structures that vertically integrate housing with retail uses including retail, office, restaurant, and similar nonresidential uses. For mixed-use structures, commercial uses characterized by noise, vibration, odors, or other activities that would adversely impact on-site residential units are prohibited. The MU-V allows a 1.5 FAR where a minimum FAR 0.35 and maximum FAR of .5 may be used for nonresidential.
- **Mixed-Use Horizontal (MU-H)**: The MU-H designation is intended to provide for the development of areas for a horizontally distributed mix of uses, which may include general or neighborhood commercial, commercial office, multi-unit residential, visitor-serving and marine-related uses, and/or buildings that vertically integrate residential with commercial uses. The MU-H allows a maximum FAR of 1.0 for residential.
- **Mixed-Use Water Related (MU-W)**: The MU-W designation is intended to provide for commercial development on or near the bay in a manner that will encourage the continuation of coastal-dependent and coastal-related uses in accordance with the Recreational and Marine Commercial (CM) designation, as well as allow for the integrated development of residential. The MU-W permits a density range from 0.0 to 29.9 DU/AC.

These categories accommodate development of a wide range of housing types in Newport Beach. Furthermore, maintaining the existing residential categories is important for ensuring compatibility between the new and existing housing.



## Local Coastal Program and Land Use Plan

The Local Coastal Program (LCP) is a coastal management plan that contains land use, development, public access, and resource protection policies and regulation to implement the California Coastal Act (Coastal Act). The LCP is comprised of a Land Use Plan (LUP) and an Implementation Plan (IP). The LUP serves in conjunction with, and is considered a legislative equivalent to, the City's General Plan Land Use Element to identify land uses in the Coastal Zone. The intent of this plan is to provide for land uses and residential density limits that protect coastal resources and public access. The LUP identifies the residential categories and densities provided in **Table 3-2**.

**Table 3-2: Coastal Land Use Plan Densities**

| Land Use                                            | Maximum Density Range<br>per Lot |
|-----------------------------------------------------|----------------------------------|
| <b>Single-Unit Residential Detached – RSD</b>       |                                  |
| RSD-A                                               | 0 – 5.9 units per acre           |
| RSD-B                                               | 6 – 9.9 units per acre           |
| RSD-C                                               | 10 – 19.9 units per acre         |
| RSD-D                                               | 20 – 29.9 units per acre         |
| <b>Single-Unit Residential Attached – RSA</b>       |                                  |
| RSA-A                                               | 0 – 5.9 units per acre           |
| RSA-B                                               | 6 – 9.9 units per acre           |
| RSA-C                                               | 10 – 19.9 units per acre         |
| RSA-D                                               | 20 – 29.9 units per acre         |
| <b>Two Unit Residential - RT</b>                    |                                  |
| RT-A                                                | 0 – 5.9 units per acre           |
| RT-B                                                | 6 – 9.9 units per acre           |
| RT-C                                                | 10 – 19.9 units per acre         |
| RT-D                                                | 20 – 29.9 units per acre         |
| RT-E                                                | 30 – 39.9 units per acre         |
| <b>Multiple Unit Residential – RM</b>               |                                  |
| RM-A                                                | 0 – 5.9 units per acre           |
| RM-B                                                | 6 – 9.9 units per acre           |
| RM-C                                                | 10 – 19.9 units per acre         |
| RM-D                                                | 20 – 29.9 units per acre         |
| RM-E                                                | 30 – 39.9 units per acre         |
| RM-F                                                | 40 – 52 units per acre           |
| <i>Source: City of Newport Beach Municipal Code</i> |                                  |

The Coastal Act is administered by the California Coastal Commission. Over 63 percent of the City of Newport Beach is within the Coastal Zone and subject to oversight by the Coastal. Although the City retains permit authority in most of the Coastal Zone, development projects located near sensitive coastal resources, such as the bay, ocean, wetlands, and environmentally sensitive habitat areas, require the processing of coastal development permits and are subject to appeal by the California Coastal

Commission. This additional level of review and approval process may extend the review period of development projects and increase the application and discretionary review costs. In addition, any request to increase residential densities or allow new residential housing opportunities requires the processing of a Local Coastal Program amendment through the California Coastal Commission. An illustrative example is the Master Development Plan for Banning Ranch, a housing development project that included 1,375 dwelling units, including an affordable housing component, that was adopted by the City in 2012, but denied by the California Coastal Commission in 2016 components but due to potential impacts to environmentally sensitive habitats and coastal resources. The Coastal Land Use Plan and Coastal Commission's additional review may inhibit development due to the added review time and costs, and uncertainty of approvals.

### **Housing in the Coastal Zone**

The City of Newport Beach uses Chapters 20.34 and 21.34 (Conversion or Demolition of Affordable Housing) of the Municipal Code to implement Government Code Section 65590 et seq. Between April 3, 2000, and June 30, 2020, 3,428 new residential units were permitted for construction within the California Coastal Zone. Of these new units, 120 were developed as housing affordable to low-income individuals and/or families (Bayview Landing project). During the same time period, the City issued demolition permits for a total of 1,857 residential units within the Coastal Zone, resulting in a net increase of 1,571 units. Of the units demolished, six units were known to be occupied by low-income persons and/or families and were required to be replaced. The replacement units were provided off-site and rent restricted for a term of 30-year at rents affordable to very low and low-income households. Lastly, the City assisted with the acquisition, rehabilitation and conversion of an existing 12-unit apartment building located at 6001 Coast Boulevard for affordable housing – 6 for low-income veterans and 6 with a priority for low-income seniors and veterans (The Cove, Project).

### **John Wayne Airport Environs Land Use Plan (AELUP)**

The City's Airport Area may be considered as an opportunity zone to add residential neighborhoods. However, land located within the Airport Planning Area for John Wayne Airport are subject to the development restrictions of the John Wayne Airport Environs Land Use Plan (AELUP), which limits the ability to develop residential units. Approximately 391 acres are subject to these residential restrictions. An amendment to the City's General Plan or rezoning for residential use requires review and approval by the Airport Land Use Commission (ALUC) and extends the total review period of a proposed housing development and subsequently increases the cost of development. The added review time and additional costs may dissuade housing developers, and particularly affordable housing developers, from developing housing in this area.

### **Overlay Districts**

An overlay district is a regulatory tool that adds special provisions and regulations to an area in the City. An overlay district may be added to a neighborhood or corridor on a map or it may apply to the City as whole and be applied under certain circumstances. An overlay district may be initiated as a Zoning Map amendment. All proposed developments within the overlay district must comply with the district's applicable development standards in addition to the Zoning Code standards. Overlay Districts, which





affect housing in Newport Beach, include the Mobile Home Park (MHP) Overlay Zoning District, Bluff Overlay Zoning District, and the Height Overlay District. Overlay Districts may be a constraint to the development of housing when it sets standards which are more restrictive than the Zoning Code.

### ***Overlay Coastal Districts***

The purposes of the individual overlay coastal zoning districts and the way they are applied are detailed below. An overlay district may be initiated as a Coastal Zoning Map amendment in compliance with Chapter 21.14 of the City's Municipal Code. All development within these zones must comply with the applicable development standards (e.g., setbacks, height) of the underlying coastal zoning district in addition to the standards provided by the respective zone as outline in the Municipal Code, where applicable.

### ***Mobile Home Park Overlay Coastal Zoning District***

The MHP Overlay Coastal Zoning District is intended to establish a mobile home district on parcels of land developed with mobile home parks. The regulations of this district are designed to maintain and protect mobile home parks in a stable environment with a desirable residential character. However, such regulations may pose a constraint to the redevelopment of existing mobile home parks and increasing density. Uses allowed in the MHP Overlay include the following:

- Mobile Home Parks
- Accessory Structures incidental to the operation of Mobile Home Parks

### ***Bluff Overlay District***

The Bluff (B) Overlay District is intended to establish special development standards for areas of the City where projects are proposed on identified bluff areas. The Bluff Overlay District intends to provide additional regulations and requirements in order to establish safety standards for developments in the overlay District. Specific permitted uses, development standards, and requirements are outlined in the City's Municipal Code, Chapter 21.28.040. Additional regulations and development standards may prevent increased density or intensity in areas within the Bluff Overlay District.

### ***Canyon Overlay District***

The Canyon (C) Overlay District is intended to establish development setbacks based on the predominant line of existing development for areas that contain a segment of the canyon edge of Buck Gully or Morning Canyon. In order to ensure safe development of housing within the Canyon Overlay Districts, development standards and requirements include the following:

- Development Stringline Setback: Development may not extend beyond the predominant line of existing development on canyon faces by establishing a development stringline where a line is drawn between nearest adjacent corners of existing structures on either side of the subject property.
- Swimming Pools require a double wall construction
- Coastal Hazards and Geologic Stability Report
- Erosion Control Plan

Additional specific development standards and requirements are outlined in the City's Municipal Code, Chapter 21.28.050. The Canyon Overlay District may inhibit added density or intensity of uses to residential properties within the overlay.

### ***Height Overlay***

The Height (H) Overlay District is intended to establish standards for review of increased building height in conjunction with the provision of enhanced project design features and amenities. The Height Overlay District includes properties located in the Multiple Residential (RM) Zoning District within Statistical Area A2. The maximum height limit is 40 feet for a flat roof and 45 feet for a sloped roof with a three-story maximum. Additional standards, regulations, and eligibility requirements are outline in the City's Municipal Code, Chapter 21.28.060. The Height Overlay District is not considered a constraint to development as it provides for higher height limits.

### **State Density Bonus Law**

Density bonuses are an additional way to increase the number of dwelling units otherwise allowed in a residentially zoned area. The City's Zoning Ordinance identifies the purpose of the Density Bonus Ordinance is to grant density bonuses and incentives for the development of housing that is affordable to very low-, low-, and moderate-income households and senior citizens. Under the Density Bonus Law, developers are entitled to a density bonus corresponding to specified percentages of units set aside for very low-income, low-income, or moderate-income households.

Effective January 1, 2021, California State Assembly Bill 2345 amends the Density Bonus Law to expand and enhance development incentives for projects with affordable and senior housing components. AB 2345 amends the Density Bonus Law to increase the maximum density bonus from 35 percent to 50 percent. To be eligible for the maximum bonus, a project must set aside at least (i) 15 percent of total units for very low-income households, (ii) 24 percent of total units for low-income households, or (iii) 44 percent of for-sale units for moderate-income households. Levels of bonus density between 35 percent and 50 percent are granted on a sliding scale. The City's currently adopted Density Bonus Ordinance is no longer consistent with State law and must be amended to comply with new statutory requirement. Implementing Action 3.1.2 of Section 4: Housing Plan outlines the City's plan to maintain compliance with State legislation.

### ***Density Bonus Programs***

The currently adopted density bonuses are eligible for developments which contain five or more dwelling units and meet the requirements outlined in Chapter 20.32 of the Newport Beach Municipal Code. Units that are not eligible for density bonus include developments where affordable housing is required under the provisions of Title 19.

When a development which meets the requirements, density bonuses are applicable as shown in **Table 3-3** and **Table 3-4** below for different income categories. Developments which meet the requirements for Senior housing will be entitled to a density bonus of twenty percent of the number of senior housing units.

**Table 3-3: Density Bonus Calculations**

| Very Low-Income                                            |                          |
|------------------------------------------------------------|--------------------------|
| Percentage of Base Units Proposed                          | Density Bonus Percentage |
| 5                                                          | 20                       |
| 6                                                          | 22.5                     |
| 7                                                          | 25                       |
| 8                                                          | 27.5                     |
| 9                                                          | 30                       |
| 10                                                         | 32.5                     |
| 11                                                         | 35                       |
| Low-Income                                                 |                          |
| 10                                                         | 20                       |
| 11                                                         | 21.5                     |
| 12                                                         | 23                       |
| 13                                                         | 24.5                     |
| 14                                                         | 26                       |
| 15                                                         | 27.5                     |
| 17                                                         | 30.5                     |
| 18                                                         | 32                       |
| 19                                                         | 33.5                     |
| 20                                                         | 35                       |
| Source: City of Newport Beach Municipal Code Chapter 20.32 |                          |

**Table 3-4: Density Bonus Calculations**

| Moderate-Income                   |                          |
|-----------------------------------|--------------------------|
| Percentage of Base Units Proposed | Density Bonus Percentage |
| 10                                | 5                        |
| 11                                | 6                        |
| 12                                | 7                        |
| 13                                | 8                        |
| 14                                | 9                        |
| 15                                | 10                       |
| 16                                | 11                       |
| 17                                | 12                       |
| 18                                | 13                       |
| 19                                | 14                       |
| 20                                | 15                       |
| 21                                | 16                       |
| 22                                | 17                       |
| 23                                | 18                       |
| 24                                | 19                       |
| 25                                | 20                       |
| 26                                | 21                       |
| 27                                | 22                       |
| 28                                | 23                       |

| Moderate-Income                                            |                          |
|------------------------------------------------------------|--------------------------|
| Percentage of Base Units Proposed                          | Density Bonus Percentage |
| 29                                                         | 24                       |
| 30                                                         | 25                       |
| 31                                                         | 26                       |
| 32                                                         | 27                       |
| 33                                                         | 28                       |
| 34                                                         | 29                       |
| 35                                                         | 30                       |
| 36                                                         | 31                       |
| 37                                                         | 32                       |
| 38                                                         | 33                       |
| 39                                                         | 34                       |
| 40                                                         | 35                       |
| Source: City of Newport Beach Municipal Code Chapter 20.32 |                          |

Additionally, when an applicant for a residential development agrees to donate land to the City for very low-income households, the applicant is then entitled to a density bonus for the entire market rate development, if the conditions specified in the City's Municipal Code Section 20.32.030 are met.

An applicant is entitled to an increase above the maximum allowed residential density as outline in **Table 3-5**.

**Table 3-5: Density Bonus Calculations**

| Very Low-Income                   |                          |
|-----------------------------------|--------------------------|
| Percentage of Base Units Proposed | Density Bonus Percentage |
| 10                                | 15                       |
| 11                                | 16                       |
| 12                                | 17                       |
| 13                                | 18                       |
| 14                                | 19                       |
| 15                                | 20                       |
| 16                                | 21                       |
| 17                                | 22                       |
| 18                                | 23                       |
| 19                                | 24                       |
| 20                                | 25                       |
| 21                                | 26                       |
| 22                                | 27                       |
| 23                                | 28                       |
| 24                                | 29                       |
| 25                                | 30                       |
| 26                                | 31                       |
| 27                                | 32                       |
| 28                                | 33                       |

| Very Low-Income                                            |                          |
|------------------------------------------------------------|--------------------------|
| Percentage of Base Units Proposed                          | Density Bonus Percentage |
| 29                                                         | 34                       |
| 30                                                         | 35                       |
| Source: City of Newport Beach Municipal Code Chapter 20.32 |                          |

Additional regulations for density Bonuses include the following:

- Fractional Units: The calculation of a density bonus, in compliance with any of the above requirements, that results in fractional units shall be rounded up to the next whole number.
- Mixed Income Development: If the applicant desires to develop a density bonus project available to a mix of income levels, the Director determines the amount of density bonus to be granted up to a maximum of 35 percent.

### **Concessions and Incentives**

When qualified for a density bonus, an applicant may request additional parking incentives beyond those provided above. When requested, the City may grant the following (inclusive of handicap and guest parking):

- Zero to one bedroom: one on-site parking space per unit; or
- Two or more bedrooms: two on-site parking spaces per unit.

In addition to a request for parking incentives, an applicant who meets the density bonus requirements may also submit a proposal for a reduction in the site development standards or architectural design requirements; approval of mixed-use zoning in conjunction with the housing development; other regulatory incentive proposed by the client or the City that will result in identifiable, financially sufficient, and actual cost reductions; and/or a direct financial contribution granted by the Council at its sole discretion.

Additional Incentives may also apply for developments with a childcare component, requirements and applicable incentives are outlined in detailed in the City's Municipal Code Section 20.32.060. Incentives and density bonuses allow for increased opportunity and feasibility for the production of affordable housing in a community, the City of Newport Beach's Incentives and Density Bonus programs are comparable to similar Southern California communities and are a constraint to the development of housing for all income levels.

### **Residential Development Standards**

Citywide, outside the specific plan areas, the City regulates the type, location, density, and scale of residential development primarily through the Zoning Code. The following summarizes the City's existing residential zoning districts:

- **Residential-Agricultural (R-A)** – Residential-Agricultural is intended to provide for single lots appropriate for detached single-unit residential dwelling units and light farming.



- **Single-Unit Residential (R-1)** – Single-Unit Residential is intended to provide for a range of detached single-unit residential dwelling units on single lots. This land use designation does not include condominiums or cooperative housing.
- **Two-Unit Residential, Balboa Island (R-BI)** – Two-Unit Residential Balboa Island is intended to provide for a maximum of two residential dwelling units, or duplexes. This designation is reserved to single lots on Balboa Island.
- **Two-Unit Residential (R-2)** – Two-Unit Residential is intended to provide for single lots appropriate for a maximum of two residential dwelling units, or duplexes.
- **Multiple Residential (RM)** – Multiple Residential is intended to provide for area appropriate for multi-unit residential developments containing attached or detached dwelling units.
- **Medium Density Residential (RMD)** – Medium Density Residential is intended to provide for areas appropriate for medium density residential developments containing attached or detached units.
- **Mixed-Use Vertical (MU-V)** – Mixed-Use Vertical is intended to provide for area appropriate for the development of mixed-use structures that vertically include residential dwelling units. Residential dwelling units are located above the ground floor, which includes office, restaurant, retail, and similar nonresidential uses.
- **Mixed-Use Mariners' Mile (MU-MM)** – Mixed-Use Mariners' Mile is intended to provide for areas appropriate for commercial and residential uses. Mariners' Mile is located on the inland side of Coast Highway in the Mariners' Mile Corridor. Properties that front Coast Highway may only be developed for nonresidential purposes. Properties to the rear of the commercial frontage may be developed for freestanding nonresidential uses, multi-unit residential dwelling units, or mixed-use structures that integrate residential above the ground floor with nonresidential uses on the ground floor.
- **Mixed-Use Cannery Village and 15<sup>th</sup> Street (MU-CV/15<sup>th</sup> St.)** – Mixed-Use Cannery Village and 15<sup>th</sup> Street is intended to establish a cohesive district or neighborhood containing multi-unit residential dwelling units with clusters of mixed-use and/or commercial structures on interior lots of Cannery Village and 15<sup>th</sup> Street on Balboa Peninsula. Allowed uses include multi-unit dwelling units; nonresidential uses; and/or mixed-use structures, where the ground floor is restricted to nonresidential uses along the street frontage. Residential uses and overnight accommodations are allowed above the ground floor and to the rear of uses along the street frontage. Mixed-Use or nonresidential structures are required on lots at street intersections and are allowed, but not required, on other lots.
- **Mixed-Use Water (MU-W1)** – Mixed-Use Water is intended to be applied to waterfront properties along the Mariners' Mile Corridor in which nonresidential uses and residential dwelling units may be intermixed. A minimum of 50 percent of the allowed square footage in a mixed-use development shall be used for nonresidential uses in which marine-related and visitor-serving land uses are mixed. An approved site development review is required prior to any development to

ensure uses are fully integrated and that potential impacts from their differing activities are fully mitigated. Design of nonresidential space to facilitate marine-related uses is encouraged.

- **Mixed-Use Water (MU-W2)** – This second Mixed-Use Water designation is intended to apply to waterfront properties in which marine-related uses may be intermixed with general commercial, visitor-related commercial and residential dwelling units on the upper floors.

The City's Zoning Code also regulates the development on land through minimum and maximum standards on lot size, lot width and depth, setbacks, and on lot coverage and floor-area ratio (FAR). **Table 3-6** below provides the development standards for each residential zoning district in Newport Beach:

**Table 3-6: Development Standards in Newport Beach – Dimensions**

| Zone                              | Dimensions                  |                       |                       | Min. Yard Setbacks |                   |                  | Construction Standards |                                        |                    |
|-----------------------------------|-----------------------------|-----------------------|-----------------------|--------------------|-------------------|------------------|------------------------|----------------------------------------|--------------------|
|                                   | Min. Lot Size (square feet) | Min. Lot Width (feet) | Min. Lot Depth (feet) | Front (feet)       | Side (feet)       | Rear (feet)      | Max. Height (feet)*    | Max. FAR                               | Max. Site Coverage |
| <b>Residential Districts</b>      |                             |                       |                       |                    |                   |                  |                        |                                        |                    |
| R-A                               | 87,120                      | 125                   | N/A                   | 20                 | 5                 | 25               | 24, 29 <sup>6</sup>    | N/A                                    | 40%                |
| R-1                               | 6,000, 5,000 <sup>1</sup>   | 60, 50 <sup>1</sup>   | N/A                   | 20                 | 3, 4 <sup>2</sup> | 10               | 24, 29 <sup>6</sup>    | 2.0 (Citywide)<br>1.5 (Corona del Mar) | N/A                |
| R-1-6,000                         | 6,000                       | 60                    | 80                    | 20                 | 6                 | 6                | 24, 29 <sup>6</sup>    | N/A                                    | 60%                |
| R-1-7,200                         | 7,200                       | 70                    | 90                    | 20                 | 5                 | 20               | 35, 40 <sup>6</sup>    | N/A                                    | 60%                |
| R-1-10,000                        | 10,000                      | 90                    | 100                   | 15                 | 10                | 10               | 24, 29 <sup>6</sup>    | N/A                                    | 60%                |
| R-BI                              | 2,375                       | 60, 50 <sup>1</sup>   | N/A                   | 20                 | See Note 3.       | 10 ft.           | 24, 29 <sup>6</sup>    | 1.5 plus 200 sq.ft.                    | N/A                |
| R-2                               | 6,000, 5,000 <sup>1</sup>   | 60, 50 <sup>1</sup>   | N/A                   | 20                 | See Note 3.       | 10 ft.           | 24, 29 <sup>6</sup>    | 2.0 (Citywide)<br>1.5 (Corona del Mar) | N/A                |
| R-2-6,000                         | 6,000                       | 60                    | 80 ft.                | 20                 | 6 ft.             | 6 ft.            | 24, 29 <sup>6</sup>    | N/A                                    | 60%                |
| RM                                | 6,000, 5,000 <sup>1</sup>   | 60, 50 <sup>1</sup>   | N/A                   | 20                 | See Note 3.       | 10 ft.           | 28, 33 <sup>6</sup>    | 1.74                                   | N/A                |
| RMD                               | 6,000, 5,000 <sup>1</sup>   | 60, 50 <sup>1</sup>   | N/A                   | 20                 | See note 4.       | 25 ft.           | 28, 33 <sup>6</sup>    | N/A                                    | N/A                |
| RM-6,000                          | 60                          | 60                    | 80                    | 20                 | 6 ft.             | 6 ft.            | 28, 33 <sup>6</sup>    | N/A                                    | 60%                |
| <b>Mixed-Use Zoning Districts</b> |                             |                       |                       |                    |                   |                  |                        |                                        |                    |
| MU-V                              | 2,500                       | 25                    |                       | 0                  | 0-5 <sup>5</sup>  | 0-5 <sup>5</sup> | 26, 31 <sup>6</sup>    | 1.0 (Mixed-Use)                        |                    |
| MU-MM                             | 10,000                      | 50                    |                       | 0                  | 0-5 <sup>5</sup>  | 0-5 <sup>5</sup> | 26, 31 <sup>6</sup>    | 1.0 (Mixed-Use)                        |                    |

| Zone                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Dimensions                  |                       |                       | Min. Yard Setbacks |                  |                  | Construction Standards |                        |                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------|-----------------------|--------------------|------------------|------------------|------------------------|------------------------|--------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Min. Lot Size (square feet) | Min. Lot Width (feet) | Min. Lot Depth (feet) | Front (feet)       | Side (feet)      | Rear (feet)      | Max. Height (feet)*    | Max. FAL               | Max. Site Coverage |
| MU-DW                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 40,000                      | 100                   |                       | 0                  | 0-5 <sup>5</sup> | 0-5 <sup>5</sup> | 32, 37 <sup>6</sup>    | 1.0 (Mixed-Use)        |                    |
| MU-CV/15 <sup>th</sup> St.                                                                                                                                                                                                                                                                                                                                                                                                                                           | 5,000                       | 40                    |                       | 0                  | 0-5 <sup>5</sup> | 0-5 <sup>5</sup> | 26, 31 <sup>6</sup>    | 1.0, 1.5 <sup>7</sup>  |                    |
| MU-W1                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 20,000                      | 200                   |                       | 0                  | 0-5 <sup>5</sup> | 0-5 <sup>5</sup> | 26, 31 <sup>6</sup>    | 1.0, 1.5 <sup>7</sup>  |                    |
| MU-W2                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 2,500                       | 25                    |                       | 0                  | 0-5 <sup>5</sup> | 0-5 <sup>5</sup> | 26, 31 <sup>6</sup>    | 0.75, 0.8 <sup>7</sup> |                    |
| Notes:<br>(1) Corner Lot, Interior Lot respectively<br>(2) lots <40 wide, lots >40 wide respectively<br>(3) 3 ft. for lots > 40ft. wide, 4 ft. for lots 40'1" – 49'11" wide, and 8% of Average Lot Width for lots > 50 ft. respectively,<br>(4) N/A for lots > 40ft. wide, 5 ft. for lots 40'1" – 49'11" wide, and N/A for lots > 50 ft.<br>(5) Adjoining residential district<br>(6) Flat roof, Sloped roof respectively<br>(7) Mixed Use, Residential respectively |                             |                       |                       |                    |                  |                  |                        |                        |                    |

### Yard Requirements

Yards allow for open space, landscaping and greenery, emergency access, and pedestrian and vehicular circulation on a site. Requirements are set in order to ensure there is adequate available space designated to these elements on a property when considering new development or improvements. Included in these requirements are setbacks areas that are located between a setback line and the property line and must remain unobstructed. Setbacks provide the following:

- Visibility and traffic safety
- Access to and around structures
- Access to natural light and ventilation
- Separation of incompatible land uses
- Space for privacy, landscaping, and recreation
- Protection of natural resources
- Safety from fire and geologic hazard

The City's yard requirements do not prohibit residential developments from reaching the maximum density on varying lands/sites, it therefore is not a constraint to the development of housing, specifically housing affordable to low and very low-income households. Additionally, the City's Density Bonus programs provides incentives for the development of affordable housing, including a reduction in the site development standards (e.g., site coverage, setbacks, increased height up to the maximum allowed, reduced lot sizes, and/or parking requirements).

### Site Coverage and Floor Area Limit

Site coverage and Floor Area Limit (FAL) requirements maintain mass and intensity of a use for residential uses. The Newport Beach Zoning Code defines site coverage as the percentage of a site covered by



structures and accessory structures, as well as decks that exceed 30 inches in height. Maximum site coverage standards limit the footprint of a building and calculates it as a percentage between the ground floor area of a building and the net area of a lot.

The FAL refers to the gross floor area allowed on a residential lot and is determined by multiplying the allowed buildable area of the lot times the applicable multiplier for the lot. FAL requirements limit the total usable floor area to limit the bulk of a building to the land, other buildings, and public facilities.

### ***Maximum Building Height***

Maximum building heights are set and defined in the City's Zoning Code to maintain symmetry and compatibility between existing and proposed developments. The height is measured as the vertical distance from the grade of the pad to the highest part of the structure, including protective guardrails and parapet walls. The height limit may be increased within specific areas through the adoption of a Planned Community Development, a specific plan, a planned development permit, a coastal development permit in the coastal zone, or a site development review. The deviation in maximum height limit requires approval of a discretionary action.

- R-A, R-1, R-BI, and R-2 Zoning Districts have height limits of 24 feet for structures with flat roofs (including guard rails and parapet walls) and 29 feet for sloped roofs. A discretionary approval may permit height up to 28 feet for flat roofs and 33 feet for sloped roofs.
- RM and RMD Zoning Districts have height limits of 28 feet for structures with flat roofs and 33 feet for sloped roofs. The height of the structure may be increased to 32 feet for foot roof and 37 feet for sloped roofs through discretionary approval. Properties located in the Height (H) Overlay District may increase height limits to 40 feet for flat roofs and 45 feet for sloped roofs.
- Planned Community Districts may also propose and regulate their own height limits.

The City's building height requirements do not prohibit residential developments from reaching the maximum density on varying lands/sites, it therefore is not a constraint to the development of housing, specifically housing affordable to low and very low-income households. Additionally, the City's Density Bonus programs provides incentives for the development of affordable housing, including a reduction in the site development standards (e.g., site coverage, setbacks, increased height up to the maximum allowed, reduced lot sizes, and/or parking requirements).

Additionally, the City has identified sites in the RM and MU zones (listed in Appendix B) which can accommodate a portion of the City's RHNA allocation. The heights identified for the Multiple Residential (RM) and Mixed-Use (MU) Zones are considered base height limits and can be altered through a discretionary approval process.

- However, most of the denser residential development projects are within planned communities where the developer sets the identified height limitation. Examples of this include:
- Uptown Newport Planned Community Zoning District (PC-58), which allows for heights up to 150 feet

- Residential Overlay within the Newport Place Planned Community Zoning District (PC-11), which has a base height limit of 55 feet that can be increased up to the maximum allowable under Federal Aviation Regulation (FAR) Part 77
- San Joaquin Plaza Planned Community Zoning District (PC-19) allows heights up to 69 feet

The City will establish housing overlay zones that will apply to all opportunity sites in each focus area. Like the Residential Overlay within the Newport Place Planned Community Zoning District (PC-11) and other planned communities, the future housing overlay will establish increased height limits appropriate to accommodate the proposed densities. The details of the housing overlay zones are yet to be determined.

### **Usable Open Space**

The City's Zoning Code defines Usable Open Space as an outdoor or enclosed area on the ground, roof, balcony, deck, porch, or terrace, used for outdoor living, active or passive recreation, pedestrian access, or landscaping. This does not include parking facilities, driveways, utility, or service areas, required setbacks, and sloped or submerged land. All residential districts in Newport Beach have a maximum site coverage to allow for open space. Mixed-Use districts require 75 square feet per dwelling unit of common open space and 5 percent of the gross floor area of private open space for each unit.

The City's usable open spaces requirements do not prohibit residential developments from reaching the maximum density on varying lands/sites, it therefore is not a constraint to the development of housing, specifically housing affordable to low and very low-income households. Additionally, the City's Density Bonus programs provides incentives for the development of affordable housing, including a reduction in the site development standards (e.g., site coverage, setbacks, increased height up to the maximum allowed, reduced lot sizes, and/or parking requirements.

### **Parking Standards**

Adequate off-street parking shall be provided to avoid street overcrowding and maintain parking opportunities for the public to visit the coast. This is maintained through the City's parking requirements for each housing unit type, as shown in **Table 3-7**. Parking requirements may add to the development cost of a property and project as spaces and garage parking create additional costs and remove potentially livable space.

**Table 3-7: Parking Requirements for Residential Uses**

| Unit Type                                                                  | Number of Spaces Required                                                      |
|----------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Accessory Dwelling Unit                                                    | 1 parking space, with exceptions <sup>(1)</sup>                                |
| Junior Accessory Dwelling Unit                                             | No additional parking required                                                 |
| Single-Unit Dwellings – Attached                                           | 2 per unit in a garage                                                         |
| Single-Unit Dwellings – Detached and less than 4,000 sq. ft. of floor area | 2 per unit in a garage                                                         |
| Single-Unit Dwellings – Detached and 4,000 sq. ft. of floor area           | 3 per unit in a garage                                                         |
| Single-Unit Dwellings – Balboa Island                                      | 2 per unit in a garage                                                         |
| Multi-Unit Dwellings – 3 units                                             | 2 per unit covered, plus guest parking<br>1-2 units, no guest parking required |



| Unit Type                                                                                                                                                                                                                                                                                                                                                                                                      | Number of Spaces Required                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                | 3 units, 1 guest parking space                                |
| Multi-Unit Dwellings – 4 units or more                                                                                                                                                                                                                                                                                                                                                                         | 2 per unit covered, plus 0.5 space per unit for guest parking |
| Two-Unit Dwellings                                                                                                                                                                                                                                                                                                                                                                                             | 2 per unit; 1 in a garage and 1 covered or in a garage        |
| Live/Work Units                                                                                                                                                                                                                                                                                                                                                                                                | 2 per unit in a garage, plus 2 for guest/customer parking     |
| Senior Housing – Market Rate                                                                                                                                                                                                                                                                                                                                                                                   | 1.2 per unit                                                  |
| Senior Housing – Affordable                                                                                                                                                                                                                                                                                                                                                                                    | 1 per unit                                                    |
| <p>Note:</p> <p>1. Parking is waived for ADUs if the property is within ½ mile walking distance to transit (including ferry); within an architecturally or historically significant district; on-street parking permits are required and not provided to the occupant of the ADU; or within one block of a car-share vehicle pick-up/drop-off location</p> <p>Source: City of Newport Beach Municipal Code</p> |                                                               |

The City’s parking requirements vary depending on type of unit. As shown in **Table 3-7**, the City’s parking requirements are similar to those throughout the region and are based on generation rates by use type. Multiple family parking requirements are not overly restrictive and the City may grant exceptions to these standards through state-required density bonus provisions and other provisions in the Municipal Code.

As part of the city’s rezone program to accommodate future housing growth, development standards, such as parking requirements, will be evaluated to potentially provide additional incentives, concessions reductions or modifications, as appropriate. The City’s Density Bonus program also provides incentives for the development of affordable housing, including a reduction in the site development standards (e.g., site coverage, setbacks, increased height up to the maximum allowed, reduced lot sizes, and/or parking requirements.

Additionally, the City has not denied any residential projects based upon a lack of required parking. Parking has also not been identified by prospective residential development proponents as a constraint.

If, however, parking is identified as an issue, then the City’s Zoning Code offers alternative means of compliance through off-site parking, demonstrative a reduced-parking demand, or a shared-parking arrangement. This is accomplished through review and approval of a use permit (see NBMC Sections 20.40.100 (Off-Site Parking) and 20.40.110 (Adjustments to Off-Street Parking Requirements) or their successor sections.

Furthermore, parking standards can be modified through projects taking advantage of a density bonus, if deemed necessary.

## Variety of Housing Types Permitted

Housing Element Law requires jurisdictions to identify sites to be made available through zoning and development standards in order to facilitate development of a variety of housing types for all socioeconomic levels of the population. Housing types include single-unit dwellings, multi-unit housing, accessory dwelling units, factory-built housing, mobile homes, employee and agricultural work housing, transitional and supportive housing, single-room occupancy units (SROs), and housing for persons with disabilities. **Table 3-8** below identifies the various housing types permitted within each residential and **Table 3-9** identified housing types permitted in mixed-use zoning district in Newport Beach.

Table 3-8: Various Housing Types Permitted in Residential Zones

| Housing Type                                                    | Residential Zones |      |      |     |        |        | Nonresidential Zones |     |    |     |    |    |    |    |    |    |    |    |    |    |       |
|-----------------------------------------------------------------|-------------------|------|------|-----|--------|--------|----------------------|-----|----|-----|----|----|----|----|----|----|----|----|----|----|-------|
|                                                                 | R-A               | R-1* | R-BI | R-2 | RM     | RMD    | OS                   | PF  | PR | PI  | IG | OA | OG | OM | OR | CC | CG | CM | CN | CV | CV-LV |
| Single-Unit Dwellings – Attached                                | --                | --   | P    | P   | P      | P      | NA                   | NA  | NA | NA  | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Single-Unit Dwellings – Detached                                | P                 | P    | P    | P   | P      | P      | NA                   | NA  | NA | NA  | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Multi-Unit Dwellings                                            | --                | --   | --   | --  | P      | P      | NA                   | NA  | NA | NA  | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Two-Unit Dwellings                                              | --                | --   | P    | P   | P      | P      | NA                   | NA  | NA | NA  | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Accessory Dwelling Unit(s)                                      | P                 | P    | P    | P   | P      | P      | NA                   | NA  | NA | NA  | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Junior Accessory Dwelling Unit(s)                               | P                 | P    | P    | P   | P      | P      | NA                   | NA  | NA | --  | NA | -- | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Live-Work Units                                                 | --                | --   | --   | --  | --     | --     | NA                   | NA  | NA | --  | NA | -- | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Short-Term Lodging                                              | --                | --   | P    | P   | P      | P      | NA                   | NA  | NA | --  | NA | -- | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Residential Care Facilities – Limited (6 or fewer) Licensed     | P                 | P    | P    | P   | P      | P      | NA                   | NA  | NA | --  | NA | -- | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Residential Care Facilities – Limited (6 or fewer) Unlicensed   | --                | --   | --   | --  | CUP-HO | CUP-HO | NA                   | NA  | NA | --  | NA | -- | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Residential Care Facilities – General (7 or More) Licensed      | --                | --   | --   | --  | CUP-HO | CUP-HO | NA                   | NA  | NA | --  | NA | -- | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Residential Care Facilities – General (7 or More) Unlicensed    | --                | --   | --   | --  | CUP-HO | CUP-HO | NA                   | NA  | NA | --  | NA | -- | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Residential Care Facilities – Integral Facilities/Integral Uses | --                | --   | --   | --  | CUP-HO | CUP-HO | NA                   | NA  | NA | --  | NA | -- | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Residential Care, Accessory Use Only                            | NA                | NA   | NA   | NA  | NA     | NA     | --                   | MUP | -- | MUP | NA |    | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Caretaker Residence                                             | NA                | NA   | NA   | NA  | NA     | NA     | NA                   | NA  | NA | NA  | P  |    | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Congregate Care Home                                            | NA                | NA   | NA   | NA  | NA     | NA     | --                   | --  | -- | MUP | NA |    | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Convalescent Facilities                                         | NA                | NA   | NA   | NA  | NA     | NA     | --                   | --  | -- | MUP | NA |    | NA | NA | NA | NA | NA | NA | NA | NA | NA    |
| Parolee-Probationer Home                                        | --                | --   | --   | --  | --     | --     | NA                   | NA  | NA | --  | NA | -- | NA | NA | NA | NA | NA | NA | NA | NA | NA    |



| Housing Type                                                                                                                                                                                                                                                                                                                                                  | Residential Zones |      |      |     |    |     | Nonresidential Zones |    |    |    |    |     |     |     |     |     |     |     |     |     |       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------|------|-----|----|-----|----------------------|----|----|----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
|                                                                                                                                                                                                                                                                                                                                                               | R-A               | R-1* | R-BI | R-2 | RM | RMD | OS                   | PF | PR | PI | IG | OA  | OG  | OM  | OR  | CC  | CG  | CM  | CN  | CV  | CV-LV |
| Farmworker Housing                                                                                                                                                                                                                                                                                                                                            | NA                | NA   | NA   | NA  | NA | NA  | NA                   | NA | NA | NA | NA | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA    |
| Supportive Housing                                                                                                                                                                                                                                                                                                                                            | NA                | NA   | NA   | NA  | NA | NA  | NA                   | NA | NA | NA | NA | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA    |
| Transitional Housing                                                                                                                                                                                                                                                                                                                                          | NA                | NA   | NA   | NA  | NA | NA  | NA                   | NA | NA | NA | NA | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA    |
| Emergency Shelters                                                                                                                                                                                                                                                                                                                                            | --                | --   | --   | --  | -- | --  | --                   | -- | -- | P  | NA | P   | --  | --  | --  | NA  | NA  | NA  | NA  | NA  | NA    |
| Low Barrier Navigation Centers                                                                                                                                                                                                                                                                                                                                | NA                | NA   | NA   | NA  | NA | NA  | NA                   | NA | NA | NA | NA | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA  | NA    |
| SRO Residential Hotel                                                                                                                                                                                                                                                                                                                                         | NA                | NA   | NA   | NA  | NA | NA  | NA                   | NA | NA | NA | NA | CUP | CUP | CUP | CUP | CUP | CUP | CUP | CUP | CUP | --    |
| <div>Notes:</div> <div>P – Permitted by Right</div> <div>A – Allowed</div> <div>MUP – Minor Use Permit</div> <div>CUP-HO – Conditional Use Permit in Residential Zoning Districts</div> <div>(--)- Not Allowed</div> <div>NA – Not Listed/Stated</div> <div>*Located above 1<sup>st</sup> floor</div> <div>Source: City of Newport Beach Municipal Code</div> |                   |      |      |     |    |     |                      |    |    |    |    |     |     |     |     |     |     |     |     |     |       |

**Table 3-9: Mixed-Use Housing Types Permitted in Mixed-Use Zones**

| Housing Type                                                                                                                                                                                                                                                                                                                                                                                   | Zones  |          |       |                                |        |        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|----------|-------|--------------------------------|--------|--------|
|                                                                                                                                                                                                                                                                                                                                                                                                | MU-V   | MU-MM    | MU-DW | MU-CV/<br>15 <sup>th</sup> St. | MU-W1  | MU-W2  |
| Single-Unit Dwellings – Attached                                                                                                                                                                                                                                                                                                                                                               | P* (1) | --       | --    | P (3)                          | P* (1) | P* (2) |
| Single-Unit Dwellings – Detached                                                                                                                                                                                                                                                                                                                                                               | --     | --       | --    | --                             | --     | --     |
| Multi-Unit Dwellings                                                                                                                                                                                                                                                                                                                                                                           | P* (1) | P (1)(2) | P (1) | P (3)                          | --     | --     |
| Two-Unit Dwellings                                                                                                                                                                                                                                                                                                                                                                             | P* (1) | --       | --    | P (3)                          | --     | --     |
| Accessory Dwelling Unit(s)                                                                                                                                                                                                                                                                                                                                                                     | P      | P        | P     | P                              | P      | P      |
| Junior Accessory Dwelling Unit(s)                                                                                                                                                                                                                                                                                                                                                              | P      | P        | P     | P                              | P      | P      |
| Live-Work Units                                                                                                                                                                                                                                                                                                                                                                                | P      | P (1)(2) | P     | P (3)                          | --     | --     |
| Notes:<br>*Located above 1 <sup>st</sup> floor<br>(1) Allowed only as part of a mixed-use development. Refer to Section 20.48.130 (Mixed-Use Projects) for additional development standards.<br>(2) Not allowed to front onto Coast Highway.<br>Not allowed on lots at street intersections unless part of a mixed-use or live-work structure.<br>Source: City of Newport Beach Municipal Code |        |          |       |                                |        |        |

### Single-Unit Dwelling

A Single-Unit Dwelling is defined as a structure on a single lot containing one dwelling unit and one housekeeping unit. The structure shall be constructed in compliance with the California Building Code (CBC) and placed on a permanent foundation. Single-Unit Dwellings may be attached or detached. An attached dwelling is owned in fee, located on an individual lot, and shares a wall or roof with another structure. A detached dwelling is also owned in fee and located on an individual but is not connected to another structure in any way.

### Multi-Unit Dwelling

A Multi-Unit Dwelling contains three or more dwelling units within the same structure occupied on a single lot. Each dwelling unit is occupied by separate housekeeping units. This housing type includes triplexes (3 dwelling units in one structure), fourplexes (four dwelling units in one structure), and apartments (5 or more dwelling units in one structure), where each structure is owned by one entity and each dwelling unit is rented out. Condominiums are also multi-unit dwellings, but each individual dwelling unit is owned by separate entities. The structure must be placed on a permanent foundation and constructed in compliance with the California Building Code (CBC).

### Two-Unit Dwelling

A Two-Unit Dwelling contains two dwelling units, each occupied by their own housekeeping unit, and located within the same structure. This may be referred to as a duplex. The structure must be placed on a permanent foundation and constructed in compliance with the California Building Code (CBC).



### ***Accessory Dwelling Unit (ADU)***

An Accessory Dwelling Unit is a secondary dwelling unit, attached or detached, to the primary residence(s) on a single lot. This may be referred to as a “granny flat,” “in-law unit,” or “carriage house.” An ADU must include a kitchen, a full bathroom, a living area, and a separate entrance. The Newport Beach Zoning Code includes efficiency units and manufactured homes as ADUs. Junior ADUs (JADUs) are defined by the City’s Municipal Code as a dwelling unit accessory to and entirely contained within an existing or proposed single-unit dwelling. A JADU may not be greater than 500 square feet, and it must either include its own sanitation facilities or share facilities with the single-unit dwelling. A JADU must also include its own efficiency kitchen.

### ***Live-Work Unit***

Live-Work Units refer to structures that include both a commercial and a single dwelling unit. Commercial uses are generally located on the ground floor, with the dwelling unit located one to two stories above.

### ***Short-Term Lodging***

Short-Term Lodging refers to a dwelling unit that is rented or leased as a single housekeeping unit for 30 days or less.

### ***Single-Room Occupancy (SRO)***

Within the Zoning Code, SROs fall under the classification of Visitor Accommodations and are defined as buildings with six or more guest rooms without kitchen facilities in individual rooms, or kitchen facilities for the exclusive use of guests, and which are also the primary residences of the hotel guests. SROs are permitted in all commercial (CC, CM, CN, CV) and office (OG, OM, OR) zoning districts with the approval of a conditional use permit. To facilitate the development of SROs within these districts, the City will not develop, nor impose, any special set of conditions or use restrictions on SROs; instead, each application would be evaluated individually and approved based upon its own merits and circumstances. Additionally, the Housing Element includes a Policy Action 30 to encourage and facilitate the development of at least one SRO development, or the preservation and rehabilitation of an SRO development, within the Planning Period.

### ***Residential Care Facilities***

On January 22, 2008, the City Council approved Ordinance No. 2008-5 (“Ordinance”) with the intent of maintaining zoning protections for residential districts, while benefiting disabled persons who wished to live in those districts. This Ordinance balances the protections granted under the federal Fair Housing Act, Fair Housing Act Amendments (42 U.S.C. Section 3601) and other state and federal laws (i.e. Americans with Disabilities Act) to persons with disabilities, while also ensuring the residential character of the neighborhood is maintained.

As defined by the City, Residential Care Facilities provide housing for individuals with a disability and are commonly referred to as group homes, sober living homes, and state licensed alcoholism or drug abuse recovery or treatment facilities. Facilities that provide treatment services are required to be licensed by the State of California Department of Social Services or Department of Health Care Services (“DHCS”). Unlicensed facilities are not allowed to provide treatment services, but rather are meant to provide an





interim environment between rehabilitation and stabilized living. Depending on the number of persons residing within the facility and treatment provided, residential care facilities are further classified as follows:

- **General Licensed (Seven or More Persons)**
- **General Unlicensed (Seven or More Persons)**
- **Limited Licensed (Six or Fewer Persons)**
- **Small Unlicensed (Six or Fewer Persons)**

The purpose of the Ordinance is to allow disabled persons to live in a residential setting while ensuring that the residential care facilities are operated in a manner consistent with the residential character of surrounding neighborhoods, do not recreate an institutional environment that would defeat the purpose of community-based care, and that residential care facilities serving the disabled are operating in compliance with City and state laws/regulations. To achieve these purposes and to provide disabled persons with an equal opportunity to use and enjoy a dwelling in the City's residential zoning districts, the City treats licensed residential care facilities for six or fewer persons as single-unit residence permitted by-right in all residential-zones (R-A, R-1, R-BI, R-2, RM, and RMD). Also, residential care facilities for seven or more persons and unlicensed residential care facilities are permitted in the following zoning districts, with a Conditional Use Permit:

- **Residential Districts**— RM and RMD zoning districts.
- **Planned Community Districts**—Property development regulations applicable to residential districts, related to residential care facilities, shall also apply to the corresponding portions of the PC Districts.

The location and permitting requirements applicable to larger and unlicensed residential care facilities are intended to avoid overconcentration so as to maintain the residential character of a neighborhood, which if lost would have an adverse effect on the welfare of the individuals' receiving services from the residential care facility and defeat the purpose of community-based recovery. The American Planning Association's Policy Guide on Community Residences, which supports residential care facilities, states that residential care facilities should be scattered throughout residential districts rather than being concentrated on any single block or in any single neighborhood. If several residential care facilities are located next to one another, or are placed on the same block, the ability of the residential care facilities to achieve normalization and community integration would be compromised.

Also, the Departments of Justice and Housing Urban Development have stated that a neighborhood composed largely of residential care facilities could adversely affect individuals with disabilities and would be inconsistent with the objective of integrating persons with disabilities into the community. The California Research Bureau similarly found that facilities should be scattered throughout residential districts, and facilities so densely clustered as to recreate an institutional environment would defeat the purpose of community-based care.



Newport Beach has a significant number of residential care facilities compared to other communities. According to DHCS and City records, there are currently 21 state-licensed residential treatment facilities and an additional 8 City-permitted unlicensed residential facilities in Newport Beach, a community which as of 2019 had a total resident population of 85,694. As a measure of comparison, there are currently only 8 state-licensed residential treatment facilities in Sacramento which had a total residential population of 500,930 people, as of 2019.

As set forth above, the City has a significant number of residential care facilities, when compared to other cities, and, under the current regulations, there are significant portions of the City that can accommodate additional facilities. In addition, the City's has a well-defined Reasonable Accommodation procedure, which further ensures individuals with disabilities are protected. Specifically, Section 20.52.070 of the [Zoning-Newport Beach Municipal](#) Code provides procedures for obtaining reasonable accommodation from the City's zoning and land use regulations, policies, and practices when necessary to provide an individual with a disability an equal opportunity to use and enjoy a dwelling. With a reasonable accommodation, a group of disabled individuals can reside in any district zoned for residential use within the City.

Section 20.52.070 ensures that reasonable accommodation requests are processed efficiently without imposing costs on the applicant. The City does not assess a fee for reasonable accommodation requests. Although a public hearing is required, the matter is heard before a Hearing Officer rather than the Planning Commission, which helps establish an apolitical and more objective decision-making authority, and results in a more expedited processing. As described in more detail in the *Reasonable Accommodation* Section of the Housing Element, the findings are based on the objective need to provide an individual with a disability an equal opportunity to use and enjoy a dwelling. To date, the City has approved three conditional use permits and six reasonable accommodations for general and unlicensed residential care facilities, which shows that these processes are not a significant constraint.

It is also important to note that these types of facilities are the only groups not living as a single housekeeping unit that may be established in a residential district. Other types of group residential uses occupied by two or more persons not living as a single housekeeping unit (e.g. dormitories, fraternities, sororities, and private residential clubs) are not permitted within residential districts. By providing an opportunity to establish residences with a conditional use permit or reasonable accommodation to disabled groups, the Municipal Code gives more favorable treatment to disabled groups not living as single housekeeping units than it gives to non-disabled groups that are not living as a single housekeeping unit. Therefore, groups of disabled individuals are distinguished only to the extent they are treated preferentially.

### **Residential Care Facilities – General Licensed (Seven or More Persons)**

General Licensed Residential Care Facilities provide a single housekeeping unit for individuals with a disability who reside at the facility. There may be 7 or more individuals residing at the facility, but they each reside in separate dwelling units. The facility may include a place, site or building, or groups of places, sites, or buildings, licensed by the State.



### ***Residential Care Facilities – General Unlicensed (Seven or More Persons)***

General Unlicensed Residential Care Facilities include a place, site or building, or groups of places, sites, or buildings, which are not licensed by the State and provide housing to 7 or more individuals with disabilities in separate dwelling units. The facility is not required by law to be licensed by the State.

### ***Residential Care Facilities – Limited Licensed (6 or Fewer Persons)***

Limited Licensed Residential Care Facilities provide care, services, and/or treatment in a community residential setting for six or fewer individuals. Individuals may include adults, children, or adults and children. The facility shall be considered a single housekeeping unit and must therefore be in compliance with all land use and property development regulations applicable to single housekeeping units.

### ***Residential Care Facilities – Small Unlicensed (6 or Fewer Persons)***

Small Unlicensed Residential Care Facilities include a place, site or building, or groups of places, sites, or buildings in which 6 or fewer individuals with disabilities reside in separate dwelling units. The facility is not required by law to be licensed by the State.

### ***Parolee-Probationer Home***

Parolee-Probationer Home refers to a structure or dwelling unit which houses 2 or more parolees-probationers who are unrelated by blood, marriage, or legal adoption. The parolees-probationers reside here in exchange for monetary or nonmonetary consideration given and/or paid by the parolee-probationer and/or any public or private entity or person on behalf of the parolee-probationer. The residential structure may be operated by an individual, a for-profit entity, or a nonprofit entity.

### ***Mobile Home Park***

A Mobile Home refers to a transportable trailer that is certified under the National Manufactured Housing Construction and Safety Standards Act of 1974. The mobile home is over 8 feet in width and 40 feet in length and may or may not include a permanent foundation. A mobile home on a permanent foundation is considered a single-unit dwelling.

### ***Convalescent Home***

Convalescent Home refers to an establishment that provides 24-hour care for persons requiring regular medical attention. A convalescent home may be referred to as a “nursing home” or “hospice.” This facility does not provide emergency medical services or surgical services.

### ***Common Interest Development***

Common Interest Developments include community apartment projects, condominium projects, planned developments, and stock cooperative.

### ***Farmworker Housing***

Farmworkers are considered a special needs interest group by HCD. Farmworkers are traditionally defined as people whose primary incomes are earned through permanent or seasonal agricultural labor. Farmworkers are generally considered to have special housing needs due to their limited income and the often-unstable nature of their employment. In addition, farmworker households tend to have high rates of poverty, live disproportionately in housing that is in the poorest condition, have extremely high rates

of overcrowding, and have low homeownership rates. There is a total of 1,772 farmworkers in the County of Orange, though few may reside in Newport Beach the City must consider the housing needs of this community. The Newport Beach Municipal Code does not explicitly define Farmworker Housing or outline it as a permitted use in residential or nonresidential zones. Policy **Action 30** of the **Section 4: Housing Plan** outlines the City's strategy to update the Municipal Code in accordance with state legislation.

### ***Supportive Housing***

California State Assembly Bill 2162 amended Section 65583, Planning and zoning law to specify that supportive housing is a residential use of property, subject only to those restrictions that apply to other residential dwellings of the same type in the same zone. The City of Newport Beach's Municipal Code does not explicitly define Supportive Housing or identify zones where it is a permitted use. **Policy Action 7B** of the **Section 4: Housing Plan** outlines the City's strategy to update the Municipal Code in accordance with state legislation.

### ***Transitional Housing***

The City of Newport Beach defines Transitional Housing as rental housing operating under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient program at some predetermined future point in time, which shall be no less than six months. Transitional housing that is provided in single-, two- or multi-unit dwelling units, group residential, parolee-probationer home, residential care facilities, or boarding house uses shall be permitted, conditionally permitted or prohibited in the same manner as the other single-, two-, or multi-unit dwelling units, group residential, parolee-probationer home, residential care facilities, or boarding house uses under this code.

The City of Newport Beach's Municipal Code does not explicitly identify Transitional Housing as a permitted use within the appropriate zones as required by state law. **Policy Action 7B** of the **Section 4: Housing Plan** outlines the City's strategy to update the Municipal Code in accordance with state legislation.

### ***Emergency Shelters***

State Law existing law authorizes a political subdivision to allow persons unable to obtain housing to occupy designated public facilities, as defined, during the period of a shelter crisis. Existing law provides that certain state and local laws, regulations, and ordinances are suspended during a shelter crisis, to the extent that strict compliance would in any way prevent, hinder, or delay the mitigation of the effects of the shelter crisis. The City of Newport beach permits Emergency shelters in the OA – Office Airport zoning district and the PI – Private Institutions Coastal zoning district.

Properties designated for PI are distributed throughout the City, but primarily located along major transportation corridors and offer easy access to public transportation. The PI zoning district is intended to provide for areas appropriate for privately owned facilities that serve the public, including places for assembly/meeting facilities (e.g., religious assembly), congregate care homes, cultural institutions, health care facilities, marinas, museums, private schools, yacht clubs, and comparable facilities. There are over 44 parcels totaling approximately 135 acres in the proposed PI zoning district. Several of the existing uses on these properties are religious assembly uses, many of which consist of large campuses. Given the high



land costs in the City, these religious assembly facilities could provide the best means to facilitate the development and management of emergency shelters in the City.

Additionally, properties designated for OA are located within three large blocks east of John Wayne Airport, west of Birch Street, north of Bristol Street/73 Freeway, and south of MacArthur Boulevard. These properties are also located along major transportation corridors and offer easy access to public transportation. The AO zoning district is intended to provide for areas appropriate for the development of properties adjoining the John Wayne Airport for uses that support or benefit from airport operations. These may include corporate and professional offices; automobile sales, rental and service; aviation sales and service; hotels; and accessory retail, restaurant, and service uses. There are over 56 parcels totaling approximately 54 acres in the AO zoning district. Several of the existing uses on these properties are low and medium density professional office buildings, many of which are aging and offer affordable rents compared to most other parts of the City. These properties should provide realistic opportunities for reuse of these structures for the development and management of emergency shelters in the City. Combined, the PI and AO zoning districts consist of over 98 parcels and 189 acres. By allowing emergency shelters as permitted uses within these districts, adequate sites are available for the potential development of emergency shelters in the City.

### ***Low Barrier Navigation Centers***

AB 101 states that “The Legislature finds and declares that Low Barrier Navigation Center developments are essential tools for alleviating the homelessness crisis -.” Low Barrier Navigation Centers are defined as a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. Low Barrier Navigation Centers are required as a use by right in areas zoned for mixed uses and nonresidential zones permitting multi-unit uses if it meets specified requirements. The City of Newport Beach’s Municipal Code does not address Low Barrier Navigations Centers by definition. A program will be adopted to ensure the City’s development standards allow Low Barrier Navigation Centers By-Right in all zones that permit mixed-uses and non-residential uses. **Policy Action 7A** of the **Section 4: Housing Plan** outlines the City’s strategy to update the Municipal Code in accordance with state legislation.

### ***Planned Community District***

The Planned Community (PC) District is intended allow for a coordinated variety of uses and allows projects to benefit from large-scale community building. PC Districts allow for greater flexibility and less restrictive development regulations, while also maintaining compliance with the intent and provisions of the Zoning Code. The Newport Beach Municipal Code states that a PC District may include various types of uses given they are consistent with the General Plan through the adoption of a development plan and text materials that identify land use relationships and associated development standards.

PC Districts allow for large scale housing projects on land areas no less than 25 acres of unimproved land area or 10 acres of improved land area; however, the City Council may waive the minimum acreage requirements. Improved land area refers to parcels of land with existing permanent structures occupying at least 10 percent of the total PC District. The subject property must be reclassified as a PC District and a





Development Plan must be filed with the City to initiate the development process. The Development Plans are reviewed by the Director, scheduled for a public hearing before the Planning Commission for a recommendation, and approved by the City Council. A Planned Community District must also go through an environmental review.

The Development Plan must contain:

- A land use map containing the distribution, location, and extent of uses proposed
- Land use tables designating permitted uses
- Development standards
- Protection measures for landforms and public views
- Sustainable improvement standards
- Location and extent of essential facilities including circulation and transportation, drainage, energy, sewage and waste disposal, and water
- Development standards for conservation, development, and utilization of natural resources
- A program of implementation measures, programs, regulations, and public works projects
- A topographical map to illustrate the character of the terrain and condition of existing vegetation
- A summary of the relationship between the proposed development plan and the goals, policies, and actions of the General Plan

## **Growth Management Measures**

Growth management measures are techniques used by a government to regulate the rate, amount, and type of development. Growth management measures allow cities to grow responsibly and orderly, however, if overly restricted can produce constraints to the development of housing, including accessible and affordable housing.

On November 7, 2000, the Newport Beach electorate approved Measure S. Measure S amended the Newport Beach City Charter by adding Section 423, which requires voter approval of certain amendments of the Newport Beach General Plan. Therefore, an amendment shall not take effect unless it has been submitted to the voters and approved by a majority of those voting on it. Charter Section 423 encourages the City Council to adopt implementing guidelines that are consistent with its purpose and intent. In the case of Charter Section 423, an amendment to the General Plan is defined as any proposed amendment of the General Plan that is first considered and/ or approved by the City Council subsequent to December 15, 2000 and that increases the number of peak hour trips (traffic), floor area (intensity), or dwelling units (density) when compared to the General Plan prior to approval.

## **Procedure**

The City Council determines if an amendment requires voter approval pursuant to Section 423, based on the following conditions:

- The Amendment modifies the allowed use(s) of the property or area that is the subject of the Amendment such that the proposed use(s) generate(s) more than one hundred morning or evening peak hour trips than are generated by the allowed use(s) before the Amendment; or
- The Amendment authorizes an increase in floor area for the property or area that is the subject of the Amendment that exceeds forty thousand (40,000) square feet when compared to the General Plan before approval of the Amendment; or
- The Amendment authorizes an increase in the number of dwelling units for the property or area that is the subject of the Amendment that exceeds one hundred (100) dwelling units when compared to the General Plan before approval of the Amendment; or
- The increase in morning or evening peak hour trips, floor area or dwelling units resulting from the Amendment when added to eighty percent (80%) of the increases in morning or evening peak hour trips, floor area or dwelling units resulting from Prior Amendments (see definition in Section 2J exceeds one or more of the voter approval thresholds in Section 423 as specified in Subsection 1, 2 or 3.

If the City Council determines a General Plan Land Use Element Amendment requires voter approval after approving the Amendment, the City Council then adopts a resolution calling an election on the Amendment. The City Council schedules the election at the next regular municipal election, as specified by the City Charter. The City Attorney then prepares an impartial analysis of the Amendment, which contains information about the Amendment, any related project or land use approval, and the environmental analysis conducted that will help the electorate make an informed decision. In the absence of an ordinance or Charter provision that establishes a procedure for submittal of arguments or rebuttals relative to City measures, the City Council will adopt a resolution that authorizes the filing of arguments and rebuttals in accordance with the general procedures specified in the Elections Code.

It is important to understand that Charter Section 423 only applies to General Plan amendments. Individual housing development projects that do not require a General Plan amendment are already accommodated within the General Plan and zoning framework. They would not be subject to Charter Section 423 and would never require a vote of the electorate.

If a housing development project requires a General Plan amendment, any unit and peak hour traffic increases added to the project through the Density Bonus process are not counted toward Charter Section 423 thresholds and a determination whether a vote is required. Ultimately projects that require a vote of the electorate pursuant to Charter Section 423 may require additional costs and be subject to delays due to the election process that may yield uncertain election results.

The City will implement Charter Section 423 when it amends the Land Use Element of its General Plan to implement Policy Actions 1A through 1F provided in Section 4 of this Housing Element. The increases in housing units and the peak hour traffic to accommodate the City's high RHNA allocation will exceed Charter Section 423 thresholds requiring a vote of the electorate. However, Charter Section 423 includes a statement that it shall not apply if State or Federal law precludes a vote of the electorate on the



amendment. As of the adoption of this Housing Element, it is unclear if the State RHNA mandate to accommodate the City's RHNA allocation would preclude a vote pursuant to Charter Section 423.

It is the duty of the City Council to place the increases in housing and the traffic generated before the voters of Newport Beach consistent with Charter Section 423. The vote will be scheduled in accordance with the California Elections Code and the City Charter after the City Council carefully reviews and approves the Land Use Element amendment and Zoning Strategies that support Policy Actions 1A through 1G. The City will prepare an Environmental Impact Report (EIR) in accordance with the California Environmental Quality Act (CEQA) prior to acting on the Land Use Element amendment and Zoning Strategies.

In 2006, the City adopted its comprehensive General Plan Update adding 1,166 housing units within its Land Use Element. The update included the housing unit increases to accommodate the City's share of the 4<sup>th</sup> RNHA cycle. In accordance with Charter Section 423, the update was submitted to the voters and the measure passed. For the 6<sup>th</sup> cycle Housing Element, like the 2006 vote, the City will initiate an election and pay for all costs associated with the ballot measure. The discussion within Housing Goal #1 in Section 4 details the milestones involved in the Land Use Element amendment vote process. The City may choose to submit multiple ballot measures.

If the ballot measure passes, Charter Section 423 would not be an impediment in any way to housing development projects supported by the Land Use amendment and Zoning implementation strategies stemming from this Housing Element. The increases in housing units and their related peak hour traffic would also not count against future General Plan amendment applications thereby reducing the impediment that Charter Section 423 represents to future housing developments needing a subsequent General Plan Amendment in the future.

Making any changes to Charter Section 423 is complicated and uncertain. To attempt modifications that would exempt housing units from potentially requiring a vote is not a viable option. Placing a Charter amendment before the voters would require City Council action that would be contrary to the will of the people as expressed through Measure S in 2000 that resulted in Charter Section 423.

Based upon public comments received during the preparation of this Housing Element, there is no public support to amend Charter Section 423 to accommodate the housing necessary to satisfy the State RHNA mandate. The City Council publicly debated the prospects of amending Charter Section 423 through its review of this Housing Element, and it is universally believed that placing such a Charter amendment before the voters would be a waste of resources. Additionally, any effort to potentially amend Charter Section 423 would potentially and unnecessarily delay the implementation of this Housing Element. It could create voter fatigue reducing the prospects for success of a vote for the required Land Use Element Amendment to implement this Housing Element pursuant to Charter Section 423.



## Short-Term Lodging Ordinance

Short-term lodging refers to the rental and leasing of a dwelling unit to a single household for less than 30 consecutive days. Short-term lodging is predominantly used by tourists to the City and the homeowner may or may not reside on the property.

The City of Newport Beach adopted Ordinance 2020-15 on July 15, 2020, which set permitting regulations for short-term lodging throughout Newport Beach. The Ordinance allows short-term lodging in all residential districts in the City with the approval of a permit and related fees. Ordinance 2020-15 is not considered a constraint to housing in the City as the intent is to control short-term lodging and collect Transient Occupancy Tax. The City provides information online for interested homeowners, Frequently Asked Questions, and permit application processes.

## Specific Plans

The purpose of a Specific Plan is to implement the goals and objectives of a city's General Plan in a more focused and detailed manner that is area and project specific. The Specific Plan promotes consistency and an enhanced aesthetic level throughout the project community. Specific Plans contain their own development standards and requirements that may be more restrictive than those defined for the city as a whole.

### *Santa Ana Heights*

The Santa Ana Heights Community is located to the north of Newport Beach between East Side Costa Mesa and the Upper Newport Bay. The area was previously within County of Orange's permitting jurisdiction and the redevelopment project area was designated to eliminate blight. The land has since been annexed into Newport Beach.

The principal objectives of the Santa Ana Heights Specific Plan include:

- Encourage the upgrading of existing residential neighborhoods and business development areas
- Ensure well-planned business park and commercial developments which are adequately buffered from adjacent residential neighborhoods
- Encourage the consolidation of smaller contiguous lots in the business park area
- Ensure that business park and residential traffic are separated to the maximum extent possible, while minimizing impact upon existing parcels
- Ensure adequate provision of public works facilities as development occurs
- Enhance equestrian opportunities with the residential equestrian neighborhood
- Enhance the overall aesthetic character of the community

The Santa Ana Heights Specific Plan identifies design and landscaping guidelines in Section 20.90.030 of the Newport Beach Zoning Code; the development standards are provided in **Table 3-6**. **Table 3-8** also identifies the housing types permitted in each zoning district. Zoning district designations within the project area include the following:

- **Open Space and Recreational District: SP-7 (OS/R)** – Open Space and Recreational District is intended to establish the long-term use and viability of the Newport Beach Golf Course.
- **Residential Equestrian District: SP-7 (REQ)** Residential Equestrian District is intended to provide for the development and maintenance of a single-unit residential neighborhood in conjunction with limited equestrian uses. The zoning district is intended to maintain a rural character with an equestrian theme.
- **Residential Kennel District: SP-7 (RK)** – Residential Kennel District is intended to provide for the development of a single-unit residential neighborhood in conjunction with commercial kennel businesses.
- **Residential Single-Family District: SP-7 (RSF)** – Residential Single-Family District is intended to provide for the development of medium density single-unit detached residential neighborhoods. Permitted uses should complement and be compatible with residential neighborhoods.
- **Residential Multiple-Family District: SP-7 (RMF)** – Residential Multiple-Family District is intended to provide for the development of high-density multi-unit residential neighborhoods with a moderate amount of open space. Permitted uses should complement and be compatible with residential neighborhoods.
- **Horticultural Nursery District: SP-7 (HN)** – Horticultural Nursery District is intended to ensure the long-term use and viability of the horticultural nursery uses located along Orchard Drive in the western section of Santa Ana Heights.
- **General Commercial District: SP-7 (GC)** – General Commercial District is intended to provide regulations for the commercial areas along South Bristol Street and ensure the continuation of commercial uses which offer a wide range of goods and services to both the surrounding residential and business communities. This district is intended to promote the upgraded aesthetic image of the community and reduce conflicts between commercial and residential uses.
- **Business Park District: SP-7 (BP)** – Business Park District is intended to provide for the development and maintenance of professional and administrative offices, commercial uses, specific uses related to product development, and limited light industrial uses. The district shall protect the adjacent residential uses through regulation of building mass and height, landscape buffers, and architectural design features.
- **Professional and Administrative Office District: SP-7 (PA)** – Professional and Administrative Office District is intended to provide for the development of moderate intensity professional and administrative office uses and related uses on sites with large landscaped open spaces and off-street parking facilities. This district is intended to be located along heavily trafficked streets or adjacent to commercial or industrial districts. This district may also be used to buffer residential areas.
- **Professional, Administrative, and Commercial Consolidation District: SP-7 (PACC)** – Professional, Administrative, and Commercial Consolidation District is intended to provide for the development of professional and administrative office uses and commercial uses on lots located between South



Bristol Street and Zenith Avenue in a manner which ensures lot consolidation and vehicular access to and from South Bristol Street.

- **Planned Development Combining District (PD)** – Planned Development Combining District is intended to provide a method for land to be developed using design features which take advantage of modern site planning techniques to produce an integrated development project amongst existing and potential development of the surrounding neighborhoods.

## **Housing for Persons with Disabilities**

Both the Federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to make reasonable accommodations (that is, modifications or exceptions) to their zoning laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling.

The Housing Element Update must also include programs that remove constraints or provide reasonable accommodations for housing designed for persons with disabilities. The analysis of constraints must touch upon each of three general categories: 1) zoning/land use; 2) permit and processing procedures; and 3) building codes and other factors, including design, location and discrimination, which could limit the availability of housing for disabled persons.

### ***Reasonable Accommodation***

Reasonable accommodation in the land use and zoning context means providing individuals with disabilities or developers of housing for persons with disabilities, flexibility in the application of land use and zoning and building regulations, policies, practices and procedures, or even waiving certain requirements, when it is necessary to eliminate barriers to housing opportunities. For example, it may be reasonable to accommodate requests from persons with disabilities to waive a setback requirement or other standard of the [Newport Beach Municipal Zoning Code](#) to ensure that homes are accessible for the mobility impaired. Whether a particular modification is reasonable depends on the circumstances.

Section 20.25.070 (Reasonable Accommodation) of the [City's Newport Beach Municipal Code](#) provides a procedure and sets standards for disabled persons seeking a reasonable accommodation in the provision of housing and is intended to comply with federal and state fair housing laws. A request for reasonable accommodation may be made by any person with a disability, their representative, or a developer or provider of housing for individuals with a disability, and a reasonable accommodation may be approved only for the benefit of one or more individuals with a disability. Section 20.52.070 ensures that reasonable accommodation requests are processed efficiently without imposing costs on the applicant. The City does not assess a fee for reasonable accommodation requests. Although a public hearing is required, the matter is heard before a Hearing Officer rather than the Planning Commission, which helps establish an apolitical and more objective decision-making authority, and results in a more expedited processing. Once an applicant requests reasonable accommodation via all appropriate forms and submittals (as outline in Section 20.25.070 of the Newport Beach Municipal Code), the following actions may be taken by the Hearing Office:



- The Hearing Officer shall issue a written determination to approve, conditionally approve, or deny a request for reasonable accommodation, and the associated modification or revocation.
- The reasonable accommodation request shall be heard with, and subject to, the notice, review, approval, call for review, and appeal procedures identified for any other discretionary permit.
- On review the Council may sustain, reverse, or modify the decision of the Hearing Officer or remand the matter for further consideration, which remand shall include specific issues to be considered or a direction for a de novo hearing.

The written decision to approve or deny a request for reasonable accommodation must be consistent with all the applicable Federal and State laws and is based on consideration of the following findings, all of which are required for approval, ~~the requested accommodation:~~

- ~~The reasonable accommodation request is made-requested~~ by or on the behalf of one or more individuals with a disability protected under the Fair Housing Laws.
- ~~The reasonable accommodation request is~~ necessary to provide one or more individuals with a disability an equal opportunity to use and enjoy a dwelling.
- ~~The reasonable accommodation request w~~~~ill~~~~ill~~ not impose an undue financial or administrative burden on the City as “undue financial or administrative burden” is defined in Fair Housing Laws and interpretive case law.
- ~~The reasonable accommodation request w~~~~ill~~ not result in a fundamental alteration in the nature of a City program, as “fundamental alteration” is defined in Fair Housing Laws and interpretive case law; and
- ~~The reasonable accommodation request w~~~~ill~~ not, under the specific facts of the case, result in a direct threat to the health or safety of other individuals or substantial physical damage to the property of others.

In ~~considering making determination for~~ a request for reasonable accommodation, the hearing officer may consider a variety of factors; factors for consideration by the hearing officer are listed (but limited to) in Section 20.52.070 of the Newport Beach Municipal Code. Reasonable accommodation generates practical opportunity and increased feasibility for the creation of accessible housing and the Newport Beach’s City process is not considered a constraint to the development of housing for all persons.

### **Definition of Family**

A restrictive definition of “family” that limits the number of unrelated persons and differentiates between related and unrelated individuals living together is inconsistent with the right of privacy established by the California Constitution. The City’s Municipal Code defines “family” as one or more persons living together as a single housekeeping unit in a dwelling unit. The Code also defines a single housekeeping unit as the functional equivalent of a traditional family, whose members are an interactive group of persons jointly occupying a single dwelling unit, including the joint use of and responsibility for common areas, and sharing household activities and responsibilities (e.g., meals, chores, household maintenance, expenses, etc.) and where, if the unit is rented, all adult residents have chosen to jointly occupy the entire

premises of the dwelling unit, under a single written lease with joint use and responsibility for the premises, and the makeup of the household occupying the unit is determined by the residents of the unit rather than the landlord or property manager. The City's definition of family does not limit the number of unrelated persons living together, however the definition for single housekeeping unit, as it relates to family, may require an update by the City as it considers a unit the equivalent to a traditional family.

## Development Fees

Residential developers are subject to a variety of permitting, development, and impact fees in order to access services and facilities as allowed by State law. The additional cost to develop, maintain, and improve housing due to development fees result in increased housing unit cost, and therefore is generally considered a constraint to housing development. However, fees are necessary to provide planning and public services in Newport Beach.

The location of projects and housing type result in varying degrees of development fees. The presumed total cost of development is also contingent on the project meeting city policies and regulations and the circumstances involved in a particular development project application. **Table 3-10** provides the planning and land use fees assessed by City of Newport Beach and **Table 3-11** provides the engineering and development services fees required for development projects. All fees are available on the City's website in compliance with (GC 65940.1(a)(1)(A)).

Estimated total development and impact fees for a typical single-unit residential project, assuming it is not part of a subdivision and is consistent with existing city policies and regulations can range from \$63,304 to \$68,304. Estimated total development and Impact fees for a typical multi-unit residential project with ten units, assuming it is consistent with existing City policies and regulations range from \$429,600 to \$434,600.

These estimates are illustrative in nature and that actual costs are contingent upon unique circumstance inherent in individual development project applications. Considering the high cost of land in Newport, and the International Code Council (ICC) estimates for cost of labor and materials, the combined costs of permits and fees range from approximately 12.5 percent to 13.5 percent of the direct cost of development for a single-unit residential project and 9.6 percent to 9.3 percent for a multi-unit residential project. Direct costs do not include, landscaping, connection fees, on/off-site improvements, shell construction or amenities, therefore the percentage of development and impact fees charged by the City may be smaller if all direct and indirect costs are included.

**Table 3-10: Planning and Land Use Fees**

| Type                                            | Fee     | Deposit | Hourly Rate |
|-------------------------------------------------|---------|---------|-------------|
| Amateur Radio and Satellite Dish Antenna Permit | \$1,379 |         |             |
| Amendment – General Plan                        | --      | \$7,500 | \$266       |
| Amendment – Local Coast Program                 | --      | \$3,300 | \$266       |
| Amendment – Planned Community                   | --      | \$7,500 | \$266       |
| Amendment – Zoning Code                         | --      | \$7,500 | \$266       |
| Appeals to City Council                         | \$1,715 | --      | --          |

| Type                                                                                                                 | Fee                     | Deposit  | Hourly Rate |
|----------------------------------------------------------------------------------------------------------------------|-------------------------|----------|-------------|
| Appeals to Planning Commission                                                                                       | \$1,715                 | --       | --          |
| Approval in Concept Permit                                                                                           | \$916                   | --       | --          |
| Certificate of compliance \$358 + \$12 County                                                                        | \$370                   | --       | --          |
| Coastal Development Permit / Parcel Map Bundle                                                                       | \$3,380                 | --       | --          |
| Coastal Development Permit Waiver / Initial Review                                                                   | \$1,195                 | --       | --          |
| Compliance Letters / Minor Records Research                                                                          | \$390                   | --       | --          |
| Comprehensive / Heritage / Innovative Sign Program                                                                   | \$1,906                 | --       | --          |
| Condominium Conversion Permit                                                                                        | \$1,354                 | --       | --          |
| Development Agreement                                                                                                | --                      | \$10,000 | \$266       |
| Development Agreement Annual Review                                                                                  | \$1,397                 | --       | --          |
| Director / Staff Approval                                                                                            | \$982                   | --       | --          |
| Extensions of Time (except Abatement Period)                                                                         | \$172                   | --       | --          |
| Environmental Documents                                                                                              | 110% of Consultant Cost | --       |             |
| Heritage Sign Review                                                                                                 | --                      | --       | \$166       |
| In-Lieu Parking                                                                                                      | --                      | --       | \$150       |
| Limited Term Permit – Less than 90 Days                                                                              | \$650                   | --       | --          |
| Limited Term Permit – More than 90 Days                                                                              | \$2,235                 | --       | --          |
| Limited Term Permit – Seasonal                                                                                       | \$309                   | --       | --          |
| Lot Line Adjustment                                                                                                  | \$2,316                 | --       | --          |
| Lot Merger                                                                                                           | \$2,316                 | --       | --          |
| Modification Permit                                                                                                  | \$3,219                 | --       | --          |
| Nonconforming Abatement Period Extension                                                                             | \$698                   | --       | --          |
| Operator’s License – Application                                                                                     | \$974                   | --       | --          |
| Operator’s License – Appeal                                                                                          | \$946                   | --       | --          |
| Planned Community Development Plan                                                                                   | --                      | \$10,000 | \$266       |
| Planned Development Permit                                                                                           | \$6,386                 | --       | --          |
| Preliminary Application for Residential Development                                                                  | \$776                   | --       | --          |
| Public Noticing Costs                                                                                                | \$508                   | --       | --          |
| Site Development Review – Major                                                                                      | \$5,776                 | --       | --          |
| Site Development Review – Minor                                                                                      | \$3,293                 | --       | --          |
| Subdivision Parcel Map                                                                                               | \$2,301                 | --       | --          |
| Subdivision Tentative/Vesting Tract Map                                                                              | \$5,685                 | --       | --          |
| Temporary Banner Permit (\$50 + \$1 Recorded Management Fee)                                                         | \$59                    | --       | --          |
| Transfer of Development Rights                                                                                       | \$4,490                 | --       | --          |
| Use Permit – Conditional                                                                                             | \$5,838                 | --       | --          |
| Use Permit – Minor                                                                                                   | \$3,292                 | --       | --          |
| Variance                                                                                                             | \$5,380                 | --       | --          |
| Zoning Plan Check                                                                                                    | --                      | --       | \$208       |
| Sources: City of Newport Beach Planning Division Fee Schedule (Effective 07/01/2020 per Council Resolution 2021-21). |                         |          |             |

**Table 3-11: Engineering and Development Services Fees**

| Type                                                                                                                         | Fee                                            |
|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| Plan Check Hourly Rate                                                                                                       | \$261                                          |
| Plan Review                                                                                                                  | 87% of Building Permit Fee                     |
| Repetitive Plan Review                                                                                                       | 25% of Building Permit Fee                     |
| Energy Compliance Review                                                                                                     | 0.07% of Construction Cost                     |
| Disabled Access Compliance Review                                                                                            | 0.1% of Construction Cost                      |
| Grading Plan Review by City Staff                                                                                            | 87% of Grading Permit Fee                      |
| Grading Plan Review of Complex Projects by Consultant                                                                        | 133% of Consultant Fee                         |
| Determination of Unreasonable Hardship                                                                                       | \$357                                          |
| Electrical Plan Review                                                                                                       | 87% of Total Permit Fee                        |
| Mechanical Plan Review                                                                                                       | 87% of Total Permit Fee                        |
| Plumbing Plan Review                                                                                                         | 87% of Total Permit Fee                        |
| Drainage Plan Review for Alteration to Drainage                                                                              | \$199                                          |
| Water Quality Management Plan Review (Commercial Projects)                                                                   | \$275                                          |
| Water Quality Management Inspections (Commercial Projects)                                                                   | \$350                                          |
| Water Quality Management Plan Review Fee (Residential Projects)                                                              | \$191                                          |
| Water Quality Management Inspection Check Fee (Residential Projects)                                                         | \$284                                          |
| Expedite Plan Review                                                                                                         | 1.75 X regular plan check fees (\$453 minimum) |
| Plan Check Extension                                                                                                         | \$68                                           |
| Harbor Construction Plan Review                                                                                              | \$329                                          |
| Waste Management Administration Fee                                                                                          | \$27                                           |
| <i>Sources: City of Newport Beach Schedule of Rents, Fines, and Fees (Effective 07/01/2021 per City Resolution 2021-21).</i> |                                                |

### Impact Fees

Impact fees are assessed on a case-by-case basis depending on the proposed use, location, and density. Impact fees ensure adequate maintenance and provision of public facilities and services to the project and include transportation, school, park and open space, waste management, sewage, and water.

**Table 3-12** provides the fees calculated based on land use in Newport Beach.

**Table 3-12: Development Impact fees**

| Use                                                                             | Fee                          |
|---------------------------------------------------------------------------------|------------------------------|
| <b>Transportation (Fair Share)</b>                                              |                              |
| Single-Unit Development                                                         | \$2,579/unit                 |
| Residential-Medium Density                                                      | \$2,016 /unit                |
| Apartment                                                                       | \$1,524/unit                 |
| Elderly Residential                                                             | \$938/unit                   |
| Mobile Home                                                                     | \$1,407/unit                 |
| Nursing/ Convalescent Home                                                      | \$633/unit                   |
| <b>School Impact Fee</b>                                                        |                              |
| N-MUSD Residential Developer Fee                                                | \$1.84/sq.ft. <sup>(1)</sup> |
| <b>Park Dedication</b>                                                          |                              |
| Park Dedication                                                                 | \$30,217/unit                |
| <b>San Joaquin Transportation Corridor Agency (TCA) – Zone A <sup>(2)</sup></b> |                              |



|                                                                                                                                                                                 |              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| Single Unit                                                                                                                                                                     | \$6,050/unit |
| Multi-Unit                                                                                                                                                                      | \$3,524/unit |
| <b>San Joaquin Transportation Corridor Agency (TCA) – Zone B <sup>(2)</sup></b>                                                                                                 |              |
| Single Unit                                                                                                                                                                     | \$4,689/unit |
| Multi-Unit                                                                                                                                                                      | \$2,735/unit |
| Sources: City of Newport Beach Schedule of Rents, Fines, and Fees (Effective 07/01/2021 per Council Resolution 2021-21).<br>Newport-Mesa Unified School District Developer Fees |              |
| Notes:                                                                                                                                                                          |              |
| (1) Addition under 500 sq.ft. may be exempt                                                                                                                                     |              |
| (2) Effective July 1, 2020 – June 30, 2021. The fee rate schedule increases by 2.667% each year on July 1 <sup>st</sup> .                                                       |              |

## On-/Off-Site Improvements

Site improvements in the City consist of those typically associated with development for on-site improvements (street frontage improvements, curbs, gutters, sewer/water, and sidewalks), and off-site improvements caused by project impacts (drainage, parks, traffic, schools, and sewer/water). Thus, these are costs that may influence the sale or rental price of housing. Because residential development cannot take place without the addition of adequate infrastructure, site improvement requirements are considered a regular component of development of housing within the City. Majority of cost associated with on and off-site improvements is undertaken by the City and recovered in the City's development and impact fees.

## Building Codes and Enforcement

The City's construction codes are based upon the California Code of Regulations, Title 24 that includes the California Administrative Code, Building Code, Residential Code, Electrical Code, Mechanical Code, Plumbing Code, Energy Code, Historical Building Code, Fire Code, Existing Building Code, Green Building Standards Code, and California Referenced Standards Code. They are the minimum necessary to protect the public health, safety and welfare of the City's residents. In compliance with State law, the California Building Standards Code is revised and updated every three (3) years. The newest edition of the California Building Standards Code is the 2019 edition with an effective date of January 1, 2020. The City strives to provide reasonable accommodation for persons with disabilities in the enforcement of building codes and the issuance of building permits. The City has not made any building code or code enforcement amendments in the past 8 years which directly affect or potentially hinder the development of housing in Newport Beach.

Code enforcement is conducted by the City and is based on systematic enforcement in areas of concern and on a complaint basis throughout the city. The Code Enforcement Division works with property owners and renters to assist in meeting state health and safety codes. The Code Compliance Department investigates complaints regarding violations of the Newport Beach Municipal Codes. The following are frequent enforcement items:

- Hazardous property conditions
- Overgrown vegetation
- Housing Code violations (broken windows, peeling paint)
- Inoperable and abandoned vehicles on private property

- Signs, including signs in public right-of-way and signs without permits
- Solid Waste (early set-out of containers, inadequate containers, illegal dumping)
- Water quality and conservation
- Zoning requirements, (i.e., illegal dwelling units and use requirements)

## Local Processing and Permit Procedures

The processing time needed to obtain development permits and required approvals is commonly cited by the development community as a prime contributor to the high cost of housing. Depending on the magnitude and complexity of the development proposal, the time that elapses from application submittal to project approval may vary considerably. Factors that can affect the length of development review on a proposed project include the completeness of the development application and the responsiveness of developers to staff comments and requests for information. Approval times are substantially lengthened for projects that are not exempt from the California Environmental Quality Act (CEQA), require rezoning or general plan amendments, encounter community opposition, or are appealed to or require approval from the Coastal Commission. The City strives for a streamlined building permit plan check process, especially for single- and multi-family residential development. Internal targets for plan check review times for building permits are 10 business days for the first submittal, 5 business days for the second and subsequent submittals, if needed. It is worth noting that the timing of the overall process depends more heavily on the responsiveness of the design team after the first round of review.

For projects requiring a discretionary action, such as a coastal development permit, site development review, or parcel map, approximately three additional months should be added to processing timelines.

Although rare, if an EIR, Zone Change, General Plan Amendment, or Local Coastal Program Amendment is required, then approximately eight months should be added to processing timelines.

Applicants for all permits or reviews are recommended to request a pre-application conference with the respective department to achieve the following:

- Inform the applicant of City requirements as they apply to the proposed project.
- Review the City's review process, possible project alternatives or revisions; and
- Identify information and materials the City will require with the application, and any necessary technical studies and information relating to the environmental review of the project

All applicable fees related to permits and reviews are established by the City Council and can be found in the City's Master fee schedule (Tables 3-10 and 3-11). All applications are first reviewed for completeness, discretionary applications require the respective department to provide a written report and recommendation, applications are then subject to review by the appropriate authority. **Table 3-13** below identifies the review authority responsible for reviewing and making decisions on each type of application required by the Newport Beach Zoning Code. Permit review procedures for residential developments in the City of Newport Beach are outlined below.

**Table 3-13: Review Authority for Permit Application**

| Type of Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Applicable Code Chapter/Section   | Role of Review Authority <sup>1</sup> |                       |                 |            |                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------------|-----------------------|-----------------|------------|----------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                   | Director                              | Zoning Administrator  | Hearing Officer | Commission | Council <sup>2</sup> |
| Administrative and Legislative                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                   |                                       |                       |                 |            |                      |
| Interpretations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Section <a href="#">20.12.020</a> | Determination <sup>3</sup>            | --                    | --              | Appeal     | Appeal               |
| Planned Communities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Chapter <a href="#">20.56</a>     | --                                    | --                    | --              | Recommend  | Decision             |
| Specific Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Chapter <a href="#">20.58</a>     | --                                    | --                    | --              | Recommend  | Decision             |
| Zoning Code Amendments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Chapter <a href="#">20.66</a>     | --                                    | --                    | --              | Recommend  | Decision             |
| Zoning Map Amendments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Chapter <a href="#">20.66</a>     | --                                    | --                    | --              | Recommend  | Decision             |
| Permits and Approvals                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                   |                                       |                       |                 |            |                      |
| Conditional Use Permits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Section <a href="#">20.52.020</a> | --                                    | --                    | --              | Decision   | Appeal               |
| Conditional Use Permits—Residential Zones HO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Section <a href="#">20.52.030</a> | --                                    | --                    | Decision        | --         | Appeal               |
| Minor Use Permits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Section <a href="#">20.52.020</a> | --                                    | Decision <sup>3</sup> | --              | Appeal     | Appeal               |
| Modification Permits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Section <a href="#">20.52.050</a> | --                                    | Decision <sup>3</sup> | --              | Appeal     | Appeal               |
| Planned Development Permits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Section <a href="#">20.52.060</a> | --                                    | --                    | --              | Decision   | Appeal               |
| Reasonable Accommodations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Section <a href="#">20.52.070</a> | --                                    | --                    | Decision        | --         | Appeal               |
| Site Development Reviews                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Section <a href="#">20.52.080</a> | --                                    | Decision <sup>3</sup> | --              | Decision   | Appeal               |
| Variances                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Section <a href="#">20.52.090</a> | --                                    | --                    | --              | Decision   | Appeal               |
| Zoning Clearances                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Section <a href="#">20.52.100</a> | Determination <sup>3</sup>            | --                    | --              | Appeal     | Appeal               |
| Notes:<br>(1) “Recommend” means that the Commission makes a recommendation to the Council; “Determination” and “Decision” mean that the review authority makes the final determination or decision on the matter; “Appeal” means that the review authority may consider and decide upon appeals to the decision of a previous decision-making body, in compliance with Chapter <a href="#">20.64</a> (Appeals).<br>(2) The Council is the final review authority for all applications in the City.<br>(3) The Director or Zoning Administrator may defer action and refer the request to the Commission for consideration and final action.<br>Source: City of Newport Beach Municipal Code, Chapter 20.50 Permit Application Filing and Processing |                                   |                                       |                       |                 |            |                      |



## Time Between Receiving Approval and Submitting Building Permit Application

The amount of time between when a project receives approval and submittal of an application for building permits varies, depending upon a variety of factors and is controlled by a project applicant. While the City makes every effort to streamline permitting processes, this element of time is outside the control of the City. Factors for variability of time may include the size of a project, type of construction, funding and financing considerations, lease or contract considerations, litigation, seasonal factors, engineering, design and architectural considerations. The timeline can be a matter of a few days to a few weeks, if the project is small and uncomplicated (e.g. ADU/JADU) to months for large-scale, modern construction. The City of Newport Beach views the longer time period is common and necessary for larger, more complicated projects and does not see this in any way as hindering the construction of housing or introducing unnecessary delays. In most all cases, the timeline from receiving approval to submitting for building permits is solely dictated by the project applicant and not constrained by any requirements placed upon the applicant by the City.

### Conditional Use Permits in Residential Zoning

The purpose and intent of ~~c~~Conditional ~~u~~Use ~~p~~Permits in residential zoning districts, as identified by the Newport Beach Municipal Code ~~Chapter~~Section 20.52.030, is to promote the public health, safety, and welfare and to implement the goals and policies of the General Plan by ensuring that conditional uses in residential neighborhoods do not change the character of the neighborhoods as primarily residential communities. As well as, to protect and implement the recovery and residential integration of the disabled, including those receiving treatment and counseling in connection with dependency recovery. In doing so, the City seeks to avoid the over-concentration of residential care facilities so that these facilities are reasonably dispersed throughout the community and are not congregated or over-concentrated in any particular area to institutionalize that area.

A conditional use permit is required to authorize uses not previously permitted as allowable in the applicable residential zoning district or in an area where residential uses are provided for in Planned Community Districts or specific plan districts. An application for a conditional use permit, meeting all the requirements outline in ~~Chapter~~Section 20.52.030 ~~(-D)~~, is then reviewed by the Director to ensure that the proposal complies with all applicable requirements. Additionally, all conditional use permit applications require a public hearing and a public notice of the hearing. The review authority identified in **Table 3-13** above is designated to approve, conditionally approve, or deny applications for conditional use permits in residential zoning districts.

Newport Beach Municipal Code Section 20.52.030 (H)(4) establishes the provisions for granting a conditional use permit in residential zones, including for residential care facilities, and states the following:

4. The use will be compatible with the character of the surrounding neighborhood, and the addition or continued maintenance of the use will not contribute to changing the residential character of the neighborhood (e.g., creating an over-concentration of residential care or bed and breakfast uses in the



vicinity of the proposed use). In making this finding or sustaining the finding, the Hearing Officer and/or Council shall consider, as appropriate, all of the following factors:

a. The proximity of the use location to parks, schools, other conditionally permitted uses of the same or similar type, outlets for alcoholic beverages, and any other uses that could be affected by or affect the operation of the subject use;

b. The existence of substandard physical characteristics of the area in which the use is located (e.g., limited available parking, lot widths, narrow streets, setbacks, short blocks), and other substandard characteristics that are pervasive in certain areas of the City of Newport Beach, including portions of Balboa Island, Balboa Peninsula, Corona Del Mar, Lido Isle, Newport Heights, and West Newport, which portions were depicted on a map referred to as the Nonstandard Subdivision Area presented to the Commission on September 20, 2007, and on file with the Director; and

c. In the case of residential care uses, whether, in light of the factors applied in subsections (H)(4)(a) and (b) of this section, it would be appropriate to apply the American Planning Association standard of allowing only one or two residential care uses in each block.

i. Median block lengths in different areas of Newport Beach widely range from three hundred (300) feet in the nonstandard subdivision areas to as much as one thousand four hundred twenty-two (1,422) feet in standard subdivision areas.

ii. The average calculable block length in much of the standard subdivision areas is seven hundred eleven (711) feet and the calculable median block length is six hundred seventeen (617) feet.

iii. The review authority shall apply the American Planning Association standard in all areas of Newport Beach in a manner that eliminates the differences in block lengths.

iv. In making this determination, the review authority shall be guided by average or median block lengths in standard subdivisions of the City.

v. The review authority shall retain the discretion to apply any degree of separation of uses that the Hearing Officer deems appropriate in any given case.

vi. A copy of the American Planning Association standard is on file with the Director.

The above provisions pertain to the physical aspects of the site, or the utilization of the sites and not the user or the resident type. Additionally, the provisions generally define “character” as the physical feature of a site and its environs. Provisions (a) through (c) above, are objective standards that apply to the site conditions and are generally not considered subjective in nature. Because these standards do not directly





or tacitly deny a residential use based on subjective criteria and “community character” is used to define the provisions in 20.52.030 (H)(4)(a) through (c), the City contends that these provisions are reasonable criteria to include in a conditional use permit approval and, therefore, does not consider these provisions a constraint.

To promote certainty in meeting the scope of the conditional use permit review, provide upfront feedback, and to expedite processing, the City offers, free-of-charge, Development Review Committee (DRC) meetings with prospective applicants. DRC meetings are informal meetings with representatives of the various City departments or divisions (i.e., Planning, Building, Public Works, Fire, etc.) that are held weekly and are scheduled with only one week lead time. A prospective applicant receives detailed feedback on their proposal so they can address issues early to provide a more complete submission thereby avoiding unnecessary delays.

As described in more detail in the Reasonable Accommodation Section of the Housing Element, in the event that conditional use permit process proves to be a barrier or constraint to the development of housing for disabled, Section 20.52.070 of the Zoning Code provides procedures for obtaining reasonable accommodation from the permitting requirements. With a reasonable accommodation, a group of disabled individuals can reside in any district zoned for residential use without the need for a conditional use permit, but rather an alternative, no-cost, and objective reasonable accommodation process.

While not explicitly required by State law, the conditional use permit requirement for residential care facilities for 7 or more persons could be considered a fair housing issue and- a potential constraint due to the discretionary nature of the process. While the Development Review Committee process helps mitigate approval uncertainty and the Reasonable Accommodation process provides an alternative and more objective review process for disabled individuals, Policy Action 3P has been included in the Section 4 Policy Program requiring that development standards for larger residential care facilities in the Municipal Code will be evaluated to ensure State fair housing laws are met for residential care facilities of 7 or more persons, and amended to promote objectivity and ensure greater approval certainty.

### **Site Development Reviews**

The City of Newport Beach identifies the purpose of site development reviews as providing a process for the review of specific development projects in order to:

- Ensure consistency with General Plan policies related to the preservation of established community character, and expectations for high quality development.
- Respect the physical and environmental characteristics of the site.
- Ensure safe and convenient access and circulation for pedestrians and vehicles.
- Allow for and encourage individual identity for specific uses and structures.
- Encourage the maintenance of a distinct neighborhood and/or community identity.
- Minimize or eliminate negative or undesirable visual impacts.



- Ensure protection of significant views from public right(s)-of-way in compliance with Section 20.30.100 (Public View Protection); and
- Allow for different levels of review depending on the significance of the development project.

Site development review is required before the issuance of a building or grading permit for any new structure. Structures that do not require a site development review (but instead require a zoning clearance) include, accessory structures, fences and/or walls, reconstruction or exterior remodeling of existing structures, one to four dwelling units, without a tentative or parcel map, and non-residential up to a maximum of 9,999 square feet of gross floor area. Site development review and approval is determined by either the Zoning Administrator or the Planning Commission. The City provides the DRC review process for site development reviews as described in the previous section. **Table 3-14** below identifies the applicable review authority for different development types.

**Table 3-14: Review Authority and Action for Residential Construction**

| Type of Construction Activity                                                                                                                                                                       | Role of Review Authority (1) (2)       |                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|---------------------------------------|
|                                                                                                                                                                                                     | Zoning Administrator<br>(Minor Review) | Planning Commission<br>(Major Review) |
| <b>Residential construction:</b> 5 to 20 dwelling units, without a tentative or parcel map.                                                                                                         | Decision                               | Appeal                                |
| <b>Residential construction:</b> 5 or more dwelling units with a tentative or parcel map and 21 or more dwelling units, without a tentative or parcel map.                                          | --                                     | Decision                              |
| <b>Residential construction:</b> On a bluff, an increase in the boundaries of a development area in compliance with the findings in Section <a href="#">20.28.040</a> (Bluff (B) Overlay District). | --                                     | Decision                              |
| <b>Mixed-use projects:</b> 1 to 4 dwelling units and nonresidential construction of up to a maximum of 9,999 square feet of gross floor area.                                                       | Decision                               | Appeal                                |
| <b>Mixed-use projects:</b> 5 or more dwelling units and/or nonresidential construction of 10,000 square feet or more of gross floor area.                                                           | --                                     | Decision                              |
| <i>Source: City of Newport Beach Municipal Code</i>                                                                                                                                                 |                                        |                                       |

A site development review is initiated when the Department receives a complete application package including the required information and materials specified by the Director and any additional information required by the applicable review authority in order to conduct a thorough review of the project. Upon receipt of a complete application the applicable review authority shall conduct a review of the location, design, site plan configuration, and effect of the proposed project on adjacent properties by comparing the project plans to established development standards and adopted criteria and policies applicable to the use or structure. All site development reviews require a public hearing and a notice of the hearing. The review authority may approve or conditionally approve a site development review application. The following criteria shall be considered during the review of a site development review application:

- Compliance with this section, the General Plan, this Zoning Code, any applicable specific plan, and other applicable criteria and policies related to the use or structure.
- The efficient arrangement of structures on the site and the harmonious relationship of the structures to one another and to other adjacent developments; and whether the relationship is based on standards of good design.
- The compatibility in terms of bulk, scale, and aesthetic treatment of structures on the site and adjacent developments and public areas.
- The adequacy, efficiency, and safety of pedestrian and vehicular access, including drive aisles, driveways, and parking and loading spaces.
- The adequacy and efficiency of landscaping and open space areas and the use of water efficient plant and irrigation materials; and

- The protection of significant views from public right(s)-of-way and compliance with Section 20.30.100 (Public View Protection).

**Section 4: Housing Plan** establishes Policy Action 3A to establish objective design standards for the City. Specifically, Policy Action 3A states – 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 a minimum affordable housing component. 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 for projects with a minimum affordable housing component with objective standards that do not impede the type and density of housing it is intended to allow. The objective development standards are to be adopted within 24 months of the Housing Element adoption.

### **Zoning Clearances**

A Zoning clearance is the procedure used by the City to verify that a proposed use or structure complies with the activities allowed in the applicable zoning district and the development standards and other provisions of the City’s Zoning Code. A zoning clearance is required as a prerequisite to establishing a structure or use for the following:

- Before the initiation or commencement of any use of land not requiring the construction of a structure.
- Whenever a use is proposed to be changed, whether or not the new use involves a new lessee, operator, or owner, a zoning clearance shall be obtained.
- Before the City issues a new or modified building permit, grading permit, or other construction-related permit required for the alteration, construction, modification, moving, or reconstruction of any structure.

The Department may issue the zoning clearance after first determining that the request complies with all Zoning Code provisions and other adopted criteria and policies applicable to the proposed use or structure. An approval may be in the form of a stamp, signature, or other official notation on approved plans, a letter to the applicant, or other certification, at the discretion of the Director. Review authority for Zoning Clearances is stated in **Table 3-13** above.

### **Senate Bill 35**

California Senate Bill 35 (SB 35), codified as Government Code Section 65913.41, was signed on September 29, 2017 and became effective January 1, 2018. SB 35 will automatically sunset on January 1, 2026 (Section 65913.4(m)). The intent of SB 35 is to expedite and facilitate construction of affordable housing. SB 35 applies to cities and counties that have not made sufficient progress toward meeting their affordable housing goals for above moderate- and lower-income levels as mandated by the State. In an effort to meet the affordable housing goals, SB 35 requires cities and counties to streamline the review and approval of certain qualifying affordable housing projects through a ministerial process.

When a jurisdiction has made insufficient progress toward their Above Moderate-income RHNA and/or has not submitted the latest Housing Element Annual Progress Report (2018) it is subject to the



streamlined ministerial approval process (SB 35 (Chapter 366, Statutes of 2017) streamlining) for proposed developments with at least 50 percent affordability. All projects, which propose at least 50 percent affordable units within Newport Beach are eligible for ministerial approval under SB 35 as determined by the SB 35 Statewide Determination Summary. To be eligible for SB 35 approval, sites must meet a long list of criteria, including:

- A multifamily housing development (at least two residential units) in an urbanized area;
- Located where 75% of the perimeter of the site is developed;
- Zoned or designated by the general plan for residential or mixed use residential;
- In a location where the locality's share of regional housing needs has not been satisfied by building permits previously issued;
- One that includes affordable housing in accordance with SB 35 requirements;
- Consistent with the local government's objective zoning and design review standards; and
- Willing to pay construction workers the state-determined "prevailing wage."

A project does not qualify for SB 35 streamline processing if in:

- A coastal zone, conservation lands, or habitat for protected species;
- Prime farmland or farmland of statewide importance;
- Wetlands or lands under conservation easement;
- A very high fire hazard severity zone;
- Hazardous waste site;
- Earthquake fault zone;
- Flood plain or floodway;
- A site with existing multi-family housing that has been occupied by tenants in the last ten years or is subject to rent control; or
- A site with existing affordable housing.<sup>1</sup>

## **2. Infrastructure Constraints**

Another factor that could constrain new residential construction is the requirement and cost to provide adequate infrastructure (major and local streets; water and sewer lines; and street lighting) needed to serve new residential development. In most cases, where new infrastructure is required, it is funded by the developer and then dedicated to the City, which is then responsible for its maintenance. The cost of these facilities is generally borne by developers, which increases the cost of new construction, with much of that increased cost often "passed on" in as part of home rental or sales rates.

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<sup>1</sup> JD Supra Knowledge Center, "How California's SB 35 Can Be Used to Streamline Real Estate Development Projects", Accessed March 26, 2021.





The Utilities Department oversees, manages, and maintains the City's:

- Water
- Wastewater (sewer)
- Storm drain and tidal valve system
- Street sweeping
- Streetlights
- Oil and gas operations

The City has water, sewer and dry utilities that exist or are planned to accommodate residential development in the community. As the City is essentially built out, the infrastructure in place is designed and located to accommodate potential for additional housing identified for the 6th Cycle Housing Element.

## Dry Utilities

Dry utilities are the installation of the electric, telephone, TV, internet, and gas in a community. Of the utilities, the City must plan to provide the necessary resources, such as electric and gas, to increased households from 2021-2029, as projected by the RHNA allocation.

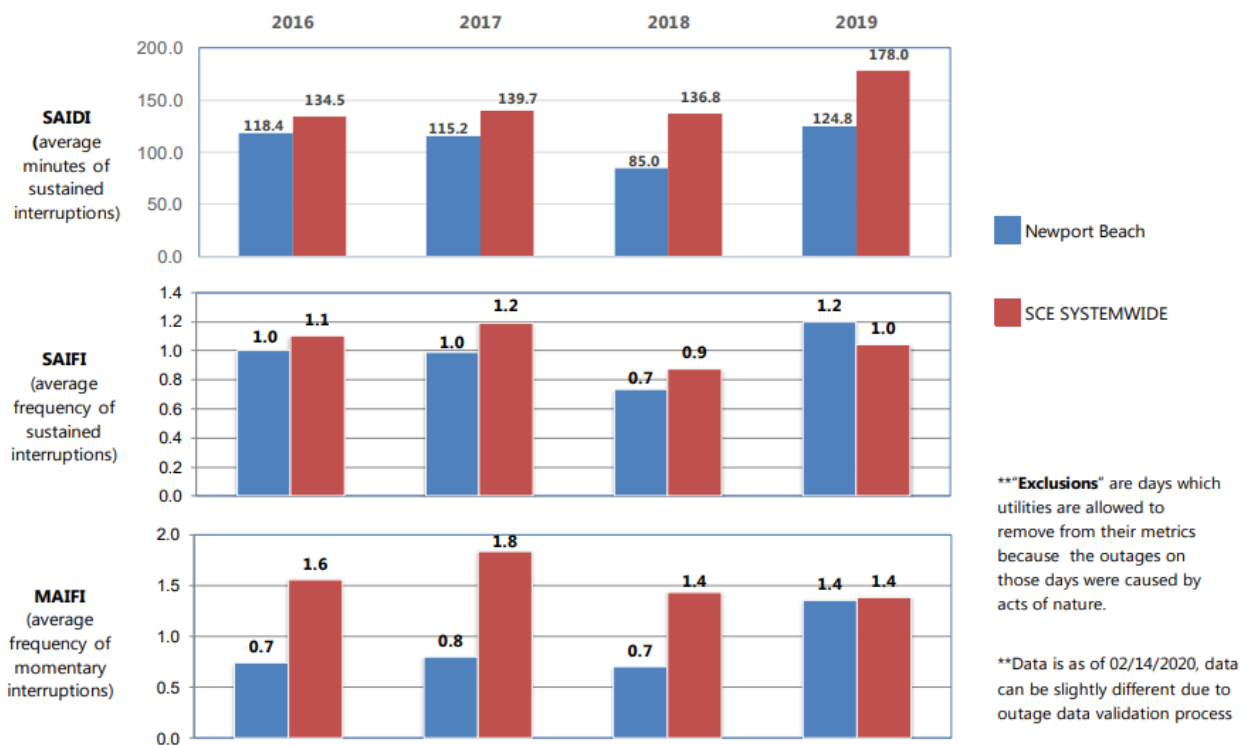
### *Electricity*

Southern California Edison (SCE) is the electrical service provider for the City of Newport Beach. SCE is regulated by the California Public Utilities Commission (CPUC) and the Federal Energy Regulatory Commission (FERC) and includes 50,000 square miles of SCE service area across Central, Coastal, and Southern California. The SCE reliability report identifies the reliability of electricity services to the City and identifies any dependability issues that exist in the City. There are 52 circuits that serve the City of Newport Beach, in total the 52 circuits serve 77,199 customers. SCE measure reliability by three categories:

- **System Average Interruption Duration Index (SAIDI)** – total minutes every SCE customer was without power due to sustained power outage (outage > 5 minutes) divided by total number of customers
- **System Average Interruption Frequency Duration Index (SAIFI)** – Number of sustained customer outages experienced by all SCE customers divided by total number of customers
- **Customer Average Interruption Duration Index (MAIFI)** – System average interruption duration index divided by system average interruption frequency index

Overall, the City of Newport Beach experience relatively low interruptions compared to the overall service provided to all SCE customers, displayed in **Figure 3-1**.

**Figure 3-1: Reliability History of Circuits Serving Newport Beach (No Exclusions)**



Source: Southern California Edison, Reliability Reports, Newport Beach 2020

SCE will continue to provide adequate services to the City of Newport Beach including increased household growth as projected by the City's RHNA allocation.

### Natural Gas

Southern California Gas Company provides natural gas services to the City of Newport Beach. SoCal Gas is a gas-only utility and, in addition to serving the residential, commercial, and industrial markets, provides gas for enhanced oil recovery (EOR) and EG customers in Southern California. The SoCal Gas 2020 utility report projects total gas demand to decline at an annual rate of 1 percent from 2020-2035. From 2020-2035, residential demand is expected to decline from 230 Bcf to 198 Bcf. The decline is approximately 1 percent per year, on average. The decline is due to declining use per meter—primarily driven by very aggressive energy efficiency goals and associated programs— offsetting new meter growth.<sup>2</sup>

SoCalGas engages in several energy efficiency and conservation programs designed to help customers identify and implement ways to benefit environmentally and financially from energy efficiency investments. Programs administered by SoCalGas include services that help customers evaluate their energy efficiency options and adopt recommended solutions, as well as simple equipment-retrofit improvements, such as rebates for new hot water heaters. Additionally, the City of Newport Beach

<sup>2</sup> SoCal Gas 2020 California Gas report, Prepared in Compliance with California Public Utilities Commission Decision D .95-01-039



employs programs for energy and utility conservation, outline below in **Section 3: Housing Resources, Opportunities for Energy Conservation.**

## **Water Supply**

The City of Newport Beach Utilities Department currently serves a population of over 86,000 within a service area of approximately fifty square miles. The Department is responsible for providing a safe and reliable source of water to approximately 26,200 active connections and delivering approximately 13,500-acre feet (AF) of water per year on average.<sup>3</sup> The City's distribution system consists of approximately 300 miles of distribution pipelines and is divided into five main pressure zones: Zone 1 through Zone 5 with 16 minor zones. Zones 1 and 2 are the largest and cover most of the system demands. Zones 3, 4 and 5 are smaller pumped zones. The system infrastructure consists of four wells, three storage reservoirs, five pump stations and 43 pressure reducing stations (PRS) that manage pressure across the system.<sup>4</sup>

The City of Newport Beach water division is separated into four sections: water maintenance and repair, water production, water quality, and water system services, each department's duties are outlined below. Together the division is responsible for providing a safe and reliable source of water.

### **Newport Beach Water Source**

The City receives its water from several sources, local groundwater from the Lower Santa Ana River Groundwater Basin, imported water purchased from the Municipal Water District of Orange County (MWD OC), and recycled water purchased from Orange County Water District (OCWD). Most of the City's water supply is groundwater, pumped from four wells within the City of Fountain Valley. Imported water is treated at the Diemer Filtration Plant operated by the Metropolitan Water District of Southern California (Metropolitan). The City is not capable of treating water to produce reclaimed water but purchases water from OCWD through the Green Acres Project.<sup>5</sup>

### **Water Maintenance and Repair**

Water Maintenance & Repair is responsible for the maintenance and operation of the City's water mains and valves that are located underground.

### **Water Production**

Water Production operates, maintains, and disinfects the City of Newport Beach's water supply. The division operates two well sites which produce groundwater from the Orange County Basin as well as three water reservoirs to receive, store and distribute the City's water. Other water facilities that assist in the distribution and treatment process include: five water pump stations, five Metropolitan Water District interconnections, and 42 water pressure regulating stations. Water Production also manages SCADA (Supervisory Control and Data Acquisition) which monitors and controls the pumps in the City's water wastewater and gas systems.

<sup>3</sup> City of Newport Beach, Water rate Study, 2019

<sup>4</sup> City of Newport Beach, Water Master Plan, 2019

<sup>5</sup> City of Newport Beach, Urban Water Management Plan (2015)



### ***Big Canyon Reservoirs***

Located at 3300 Pacific View Drive in Corona Del Mar. The Big Canyon Reservoir is the largest City owned reservoir with a capacity of 600-acre foot or 195 million gallons. Built in 1958 this reservoir was the primary water supply for Newport for many years. Although the reservoir does have the ability to supply water to the entire service area the reservoir is primarily used as a storage reservoir and supply to the City's higher-pressure zones.

### ***Spyglass Hill Reservoir***

Located under the Spyglass Reservoir park at the end of Muir Beach Circle in Spyglass is the 1.5-million-gallon concrete reservoir. Built in the 1970s to supply the surrounding community this 101-foot diameter and 27-foot-deep reservoir is under the playground park. Large concrete support columns and thick concrete roof and walls support this reservoir.

### ***16th Street Reservoir***

Located at the Utilities Yard at 949 West 16th Street in Newport Beach the newest of our reservoirs is a 3-million-gallon underground concrete reservoir. Built in 1996 as part of the City's ground water project, this reservoir receives well water from our four City owned wells in Fountain Valley. This reservoir supplies water to the 16th Street pump station that can pump up to 12,000 gallons per minute into our distribution system. Excess water not used in the system is stored in the Big Canyon Reservoir in Corona Del Mar.

## ***Water Quality***

The City of Newport Beach Utilities Department is responsible for providing residents with a reliable, safe, clean, potable, and domestic water supply. Newport Beach's drinking water is safe for drinking. It meets or exceeds all Federal and California water quality standards, which are the most stringent standards of any state in the nation. The City's staff continuously monitors the City's water supply and conducts more than 1,500 tests each year on potable water drawn from different sampling points along our distribution system.

## ***Water System Services***

Water System Services assists City of Newport Beach customers with any questions regarding water quality, water pressure, consumption usage, any concern with water meters, leak detection, utilities inspections and underground utility locating. The City's Water Systems Services webpage provides tips and information for proper water systems care for property owners as well as additional resources.

## ***Wastewater***

Wastewater is responsible for the collection of residential and commercial wastewater. This Division has three sub-sections: Pump Station Operation, Cleaning Operation and Construction Operation. These three sub-sections provide service relating to pump station repair and maintenance, sewer main, lateral and manhole cleaning, sewer blockage and odor, and sewer main and lateral breaks and repairs.



The City's Wastewater department is responsible for 203 miles of sewer pipe, 120 miles of sewer laterals, approximately 5,000 manholes, 21 pump stations, and five miles of force mains. The City's 2019 Sewer System Management Plan states the department's main goals to include the following:

- Maintain uninterrupted sewage flow without health hazard, effluent leakage, or water infiltration and inflow.
- Operate a sanitary sewer system that meets all regulatory requirements.
- Avoid sanitary sewer overflows and respond to sanitary sewer overflows quickly and mitigate any impact of the overflow.
- Maintain standards and specifications for the installation of new wastewater systems.
- Verify the wastewater collection system has adequate capacity to convey sewage during peak flows.
- Provide training for Wastewater Collection staff.
- Maintain the Fats, Oil, and Grease program (FOG program) to limit fats, oils, grease, and other debris that may cause blockages in the wastewater collection system.
- Identify and prioritize structural deficiencies and implement short-term and long-term maintenance and rehabilitation actions to address each deficiency.
- Meet all applicable regulatory notification and reporting requirements.
- Provide excellent customer service through efficient system operation and effective communication strategies.

### **Sewer**

The Orange County Sanitation District (OCSD) provides sanitation services to the City of Newport Beach. In 2013, the sanitation district began a construction program to rehabilitate the OCSD's regional sewers in the City. The program ran through 2018 and consisted of five construction projects, including:

- **Dover Drive Trunk Sewer Relief (5-63):** The Dover Drive Trunk sewer runs between Irvine Blvd. and Coast Highway and is in poor condition. The existing sewer pipeline also does not have efficient hydraulic capacity to handle the wastewater flow and must therefore be replaced with a larger pipeline. OCSD will also relocate a city waterline to reduce the level of impact for the community by eliminating the need for a secondary project in the area.
- **Balboa Trunk Sewer Rehabilitation (5-47):** This project will rehabilitate the existing Balboa Trunk sewer along Newport Blvd. and Balboa Blvd. between A Street and Finley Ave. (See map: between A Street Pump Station and Lido Pump Station.) The project includes installation of a new protective lining in approximately 12,600 feet of sewer pipeline.
- **Newport Force Main Rehabilitation (5-60):** The Newport Force Main is a critical component of our sewer system and needs to be rehabilitated. It carries the wastewater flow from various pump stations to our treatment plant in Huntington Beach. The pipelines are located on Coast Highway stretching past Dover Dr. to the Bitter Point Pump Station, approximately 1/4 mile north of



Superior Ave., which is a heavily traveled thoroughfare. There are two sewer lines, one on the north side of Coast Highway and one on the south side which make the rehabilitation more complex.

- **District 6 Trunk Sewer Relief (6-17):** The District 6 Trunk sewer runs from Pomona Ave. in the City of Costa Mesa to Newport Blvd. near Coast Highway in the City of Newport Beach. This project will increase the capacity of the existing sewer pipeline to reduce the potential for sewer spills and to properly handle flows.
- **Southwest Costa Mesa Trunk (6-19):** In an effort to improve efficiency in our service area, this project is looking into the design and construction of a new gravity trunk sewer. This project may lead to the abandonment of eight Costa Mesa and Newport Beach pump stations to provide more reliable service to the community

The infrastructure improvements initiated by OCSD from 2013 to 2018 increased overall capacity and efficiency in the Newport Beach sewer system. The City can accommodate the increase in households as projected by the City's RHNA allocation.

### **Water Demand**

In fiscal year 2014-15, the City's total water demand was approximately 16,033 acre-feet. The City's potable demand was met through 11,200 acre-feet of groundwater and 4,338 acre-feet of imported water; the remaining non-potable demand was met through recycled water. The City is projecting over five percent increase in total potable and non-potable demand in the next 25 years accompanied by a projected 13 percent population growth.<sup>6</sup>

The 2015 UWMP found that Metropolitan is able to meet full service demands of its member agencies with existing supplies out to 2040 during a normal, single-dry, and multiple-dry year scenario. Additionally, the 2019 Water Master Plan found that though population continues to increase over the past ten years, total water demand has decreased. The 10-year average annual demand for 2007-2016 (15,991 AF) is 14 percent less than the 1986-1996 average annual demand (18,626 AF). The City's water infrastructure and service provider is capable of meeting the water demands of its customers under the same hydrological conditions out to 2040, this includes all household growth estimated by the City's RHNA allocation.

### **Fire and Emergency Services**

The City of Newport Beach's Fire Department aims to Protect life, property, and the environment with innovative professionalism and organizational effectiveness using highly trained professionals committed to unparalleled service excellence. The department has 144 full-time employees and over 200 part-time/seasonal employees provide 24-hour protection and response to the community's residents, businesses, and visitors.

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<sup>6</sup> City of Newport Beach, Urban Water Management Plan (2015)



The department's primary goals are identified as follows:

- Identify and reduce fire and environmental hazards that may threaten life and property.
- Provide a safe, effective, and expeditious response to requests for assistance.
- Develop an adequately trained workforce to effectively perform their duties.
- Participate in the community development planning process to improve fire and life safety.
- Encourage department personnel to assume leadership roles in the organization.
- Plan for response to natural and man-made disasters that affect the community.
- Educate and train employees and the community to assist them in maintaining a safe environment.

The department's different divisions and respective duties are outlined below.

### ***Fire Operations Division***

The Fire Operations Division is the largest of four divisions within the Newport Beach Fire Department. The primary responsibilities of its personnel are life safety, incident stabilization, and the preservation of property and the environment. The Newport Beach Fire Department operates as an "all risk" emergency responsible organization responding to the following:

- Fires
- Pre-hospital Medical Emergencies
- Technical Rescues
- Traffic Accidents
- Vehicle Extrications
- Major Flooding
- Beach Rescues
- High Rise Incidents
- Wildland Fires
- Disaster Operations
- Hazardous Materials Incidents

The Fire Department staffs eight fire stations 24/7. The stations are strategically located throughout the city to provide the quickest and most effective response to the area served, with an average response time of five minutes. Considering the department's expansive and well-connected nature, as well as the compactness of the City of Newport, additional housing or new developments would not pose a burden on the existing Fire Department's fire operations. Therefore, fire operations are not considered a constraint to the development of housing for all income levels.

The City requires Development Agreements for certain development types within the Airport area to ensure adequate safety services and ambulance units. Development Agreements include additional fees for safety service operations in the airport area due to current lack of ambulance units. The imposition of additional fees may pose a constraint to the development of housing, and particularly affordable housing. This may result in greater development fees which may subsequently influence the final rental cost of units or home value.



### ***Emergency Medical Services***

The goal of the Emergency Medical Services (EMS) Division is to deliver the highest quality of medical care to members of the community, regardless of their ability to pay. In total, the City has eight fire stations that are strategically located to provide the best services the community. Each day there are eight fire engines, two fire trucks and the three paramedic ambulances in service. The average response time is four minutes and 22 seconds. The system's design accounts for fewer paramedic ambulances and expects a nearby fire engine or truck company to arrive on scene first to initiate basic medical care, which at times can include lifesaving cardio-pulmonary resuscitation or delivering rapid electrical shocks using automated external defibrillators (AEDs), prior to the arrival of the paramedic team.

### ***Lifeguard Operations Division***

The City of Newport Beach's Lifeguard Division protects up to 10 million beach visitors on Newport Beach's 6.2 miles of ocean and 2.5 miles of bay beaches, with preventative actions and medical assistance. Every day of the year, lifeguards ensure safety and provide customer service to the visitors on the beach, boardwalk, piers, and in the ocean.

### **Police Services**

The City of Newport Beach's Police Department intends to:

- Respond positively to the Community's needs, desires, and values and in so doing be recognized as an extension and reflection of those we serve.
- Strive to provide a safe and healthy environment for all, free from violence and property loss resulting from criminal acts, and injuries caused by traffic violators.
- Manage inevitable change and welcome the challenge of future problems with creative solutions, which are financially prudent and consistent with Community values.

The Department's is headed by Chief of Police Jon T. Lewis, who is the 10<sup>th</sup> Chief of Police in the department's history, assuming office on March 22, 2016. The City of Newport Beach's Police Department handles a wide array of services and permitting, all services are outlined in detail on the City's Police Department webpage.

## ***3. Environmental Constraints***

Newport Beach is bound by the Pacific Ocean to the West and contains many different natural landscapes within the City's boundaries. Newport Beach has a variety of coastal features ranging from replenished beach sands in West Newport, to steep bluffs comprised of sandstone and siltstone to the south of Corona del Mar. The community, as most of California is, sits along some major fault traces. The City is susceptible to several potential environmental constraints to the development of housing, including geologic hazards, flood hazards, and fire hazards, all are detailed below.

### **Coastal Hazards**

A goal of the California Coastal Act and the City's adopted Local Coastal Program is to assure the priority for coastal-dependent and coastal-related development over other development in the Coastal Zone. The Coastal Act is an umbrella legislation designed to encourage local governments to create Local Coastal

Programs (LCPs) to govern decisions that determine the short- and long-term conservation and use of coastal resources. The City of Newport Beach's LCP is considered the legislative equivalent of the City's General Plan for areas within the Coastal Zone. Local Coastal Programs are obligated by statute to be consistent with the policies of the Coastal Act and protect public access and coastal resources. Over 63 percent of Newport Beach is within the Coastal Zone and subject to the oversight by the California Coastal Commission.

### **Sea Level Rise and Storm Inundation**

Newport Beach is exposed to a variety of coastal hazards including beach erosion, bluff erosion, and coastal flooding due to sea level rise (SLR) and storm inundation. The City has a significant amount of land directly adjacent to surface water that is directly affected by sea level rise and storm inundation. The effects of SLR on coastal processes, such as shoreline erosion, storm-related flooding and bluff erosion, have been evaluated using a Coastal Storm Modeling System (CoSMoS), a software tool and multi-agency effort led by the United States Geological Survey (USGS), to make detailed predictions of coastal flooding and erosion based on existing and future climate scenarios for Southern California. The mapping results from CoSMoS provide predictions of shoreline erosion (storm and non-storm), coastal flooding during extreme events, and bluff erosion for the City in community-level coastal planning and decision-making. A large portion of the City's coastal adjacent land appropriate for development is at risk of tidal flooding. Land along the coast is vulnerable to shoreline retreat, which is predicted to accelerate with Sea Level Rise. Long-term shoreline retreat coupled with storm-induced beach erosion has the potential to cause permanent damage to buildings and infrastructure in these hazard zones. As a result, the City did not utilize land within the coastal

The Coastal Commission provides direct guidance on how the City of Newport Beach addresses future land use in consideration of sea level rise. According to the California Coastal Commission Sea Level Rise Policy Guidance<sup>7</sup>, local jurisdictions can "Minimize Coastal Hazards through Planning and Development Standards" through the following measures applicable to Newport Beach:

- Design adaptation strategies according to local conditions and existing development patterns, in accordance with the Coastal Act.
- Avoid significant coastal hazard risks to new development where feasible.
- Minimize hazard risk to new development over the life of the authorized development.
- Minimize coastal hazard risks and resource impacts when making redevelopment decisions.
- Account for the social and economic needs of the people of the state include environmental justice, assure priority for coastal-dependent and coastal-related develop over other development

The Coastal Commission has also prepared a Draft Coastal Adaptation Planning Guidance: Residential Development (dated March 2018), which will serve as the Coastal Commission's policy guidance on sea

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<sup>7</sup> California Coastal Commission Sea Level Rise Policy Guidance, 2018 Science Update



level rise adaptation for residential development to help facilitate planning for resilient shorelines while protecting coastal resources in LCPs

## **Geologic Hazards**

According to the Newport Beach Safety Element, the geologic diversity of Newport Beach is strongly related to tectonic movement along the San Andreas Fault and its broad zone of subsidiary faults. This, along with sea level fluctuations related to changes in climate, has resulted in a landscape that is also diverse in geologic hazards. Geologic hazards are generally defined as surficial earth processes that have the potential to cause loss or harm to the community or the environment. Specific geologic hazards that may affect the development of housing in the City are detailed below.

### ***Slope Failures***

Slope failures often occur as elements of interrelated natural hazards in which one event triggers a secondary event such as a storm-induced mudflow. Slope failure can occur on natural and man-made slopes. The City's remaining natural hillsides and coastal bluff areas are generally vulnerable to slope failures that include: San Joaquin Hills; and bluffs along Upper Newport Bay, Newport Harbor, and the Pacific Ocean. Despite the abundance of landslides and new development in the San Joaquin Hills, damage from slope failures in Newport Beach has been small which may be attributed to the development of strict hillside grading ordinances, sound project design that avoid severely hazardous areas, soil engineering practices, and effective agency review of hillside grading projects.

## **Seismic Hazards**

The City of Newport Beach is located in the northern part of the Peninsular Ranges Province, an area that is exposed to risk from multiple earthquake fault zones. The City of Newport Beach Safety Element determines that the highest risks originate from the Newport-Inglewood fault zone, the Whittier fault zone, the San Joaquin Hills fault zone, and the Elysian Park fault zone. Each of the aforementioned zones have the potential to cause moderate to large earthquakes that would cause ground shaking in Newport Beach and nearby communities. Earthquake-triggered geologic effects also include surface fault rupture, landslides, liquefaction, subsidence, and seiches. Specific hazards associated with seismic hazards, which can potentially be determined as a constraint to development are detailed below.

### ***Liquefaction***

Strong ground shaking can result in liquefaction. Liquefaction, a geologic process that causes ground failure, typically occurs in loose, saturated sediments primarily of sandy composition. According to the Newport Beach Safety Element, the areas of Newport Beach susceptible to liquefaction and related ground failure (i.e., seismically induced settlement) include the following areas along the coastline:

- Balboa Peninsula,
- In and around the Newport Bay and Upper Newport Bay,
- in the lower reaches of major streams in Newport Beach, and
- In the floodplain of the Santa Ana River.



It is likely that residential or commercial development will never occur in many of the other liquefiable areas, such as Upper Newport Bay, the Newport Coast beaches, and the bottoms of stream channels.

### ***Seismically Induced Slope Failure***

Strong ground motions can also worsen existing unstable slope conditions, particularly if coupled with saturated ground conditions. Seismically induced landslides can overrun structures, people or property, sever utility lines, and block roads, thereby hindering rescue operations after an earthquake. Much of the area in eastern Newport Beach has been identified as vulnerable to seismically induced slope failure. Approximately 90 percent of the land from Los Trancos Canyon to State Park boundary is mapped as susceptible to land sliding by the California Geologic Survey. Additionally, the sedimentary bedrock that crops out in the San Joaquin Hills is locally highly weathered. In steep areas, strong ground shaking can cause slides or rockfalls in this material. Rupture along the Newport Inglewood Fault Zone and other faults in Southern California could reactivate existing landslides and cause new slope failures throughout the San Joaquin Hills. Slope failures can also be expected to occur along stream banks and coastal bluffs, such as Big Canyon, around San Joaquin Reservoir, Newport and Upper Newport Bays, and Corona del Mar.

## **Flood Hazards**

The City of Newport Beach and surrounding areas are, like most of Southern California, subject to unpredictable seasonal rainfall, and every few years the region is subjected to periods of intense and sustained precipitation that result in flooding. Flooding can be a destructive natural hazard and is a recurring event. A flood is any relatively high streamflow overtopping the natural or artificial banks in any reach of a stream. Flood hazards in Newport Beach can be classified into two general categories: flash flooding from small, natural channels; and more moderate and sustained flooding from the Santa Ana River and San Diego Creek. The City of Newport Beach's Safety Element identifies 100-year and 500-year flood zones in the City. Federal Emergency Management Agency (FEMA) flood zones are geographic areas that the FEMA has defined according to varying levels of flood risk. Each zone reflects the severity or type of flooding in the area.<sup>8</sup> The 100-year flood zone are areas with a one percent annual chance of flooding, the 500-year flood zones are areas with a 0.2 percent annual chance of flooding.

The 100- and 500-year flood zones include the low-lying areas in West Newport at the base of the bluffs, the coastal areas which surround Newport Bay and all low-lying areas adjacent to Upper Newport Bay. 100- and 500- year flooding is also anticipated to occur along the lower reaches of Coyote Canyon, in the lower reaches of San Diego Creek and the Santa Ana Delhi Channel, and in a portion of Buck Gully. The City also recently worked with FEMA to revise proposed flood hazards maps, in which FEMA removed over 2,700 properties from flood zones. Most flooding along these second- and third-order streams is not expected to impact significant development. However, flooding in the coastal areas of the City will impact residential and commercial zones along West Newport, the Balboa Peninsula and Balboa Island and the seaward side of Pacific Coast Highway.<sup>9</sup>

With increased development, there is also an increase in impervious surfaces, such as asphalt. Water that used to be absorbed into the ground becomes runoff to downstream areas. However, various flood

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<sup>8</sup> FEMA Flood Zone Designations, Natural resources Conservation Service – Field Office Technical Guides

<sup>9</sup> City of Newport Beach Safety Element



control measures help mitigate flood damage in the City, including reservoirs in the San Joaquin Hills and Santa Ana Mountain foothills, and channel alterations for the Santa Ana River. These structures help regulate flow in the Santa Ana River, San Diego Creek, and smaller streams and hold back some of the flow during intense rainfall period that could otherwise overwhelm the storm drain system in Newport Beach.

## **Fire Hazards**

The Newport Beach Safety Element defines a wildland fire hazard area as any geographic area that contains the type and condition of vegetation, topography, weather, and structure density that potentially increases the possibility of wildland fires. The eastern portion of the City and portions of the Newport Beach region and surrounding areas to the north, east, and southeast include grass- and brush-covered hillsides with significant topographic relief that facilitate the rapid spread of fire, especially if fanned by coastal breezes or Santa Ana winds.

In those areas identified as susceptible to wildland fire, the Fire Department enforces locally developed regulations which reduce the amount and continuity of fuel (vegetation) available, firewood storage, debris clearing, proximity of vegetation to structures and other measures aimed at “Hazard Reduction.” New construction and development are further protected by local amendments to the Uniform Building Code. These amendments, which are designed to increase the fire resistance of a building, include: protection of exposed eaves, noncombustible construction of exterior walls, protection of openings, and the requirement for Class “A” fireproof roofing throughout the City. Additionally, a “Fuel Modification” plan aimed at reducing fire encroachment into structures from adjacent vegetation must be developed and maintained.

## **C. Affirmatively Furthering Fair Housing (AFFH)**

### ***1. Affirmatively Furthering Fair Housing***

All Housing Elements due on or after January 1, 2021 must contain an Assessment of Fair Housing (AFH) consistent with the core elements of the analysis required by the federal Affirmatively Further Fair Housing Final Rule of July 16, 2015.

Under State law, affirmatively further fair housing means “taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. These characteristics can include, but are not limited to race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.

The Orange County Analysis of Impediments (AI) to Fair Housing Choice for FY 2015-19 was approved by the City of Newport Beach City Council in October 2016 as one of the fifteen urban county program participants in partnership with the Fair Housing Council of Orange County. The Draft Regional Analysis of Impediments (AI) to Fair Housing Choice for FY 2020-25 was made available for public review in 2020. The Fair Housing Council of Orange County works under the direction of a volunteer board of directors and staff to fulfill a mission of protecting the quality of life in Orange County by ensuring equal access to

housing opportunities, fostering diversity and preserving dignity and human rights. The agency is a HUD Approved Housing Counseling Agency and provides one-on-one education, mediation, and counseling for individuals and families throughout the Orange County region.

The AI identifies impediments that may prevent equal housing access and develops solutions to mitigate or remove such impediments. Newport Beach's 6th Cycle Housing Element references analysis from the FY 2020-2025 AI in order to identify potential impediments to housing that are specific to Newport Beach. The City also completed its FY 2020-24 Consolidated Plan, adopted by City Council on May 12, 2020, as an entitlement city for Community Development Block Grant (CDBG) funding, which identifies housing problems within the community, specifically among low and very-low-income households. Fair housing is identified as a priority within the Consolidated Plan.

## **2. Summary of Local Data**

The AI contains a Countywide analysis of demographic, housing, and specifically fair housing issues for all the cities in Orange County, including Newport Beach. The City's demographic and income profile, household and housing characteristics, housing cost and availability, and special needs populations were discussed in the previous Section 2: Community Profile.

In an ongoing effort to promote and encourage fair housing, the City contracts with the Fair Housing Foundation (FHF). FHF provides public outreach, educational workshops, and distributes educational materials related to fair housing. Inquiries regarding fair housing matters are generally referred to the FHF. As of July 30, 2021, a total of 116 Newport Beach low-income residents relied on Section 8 rental assistance vouchers. In 2020, the Fair Housing Foundation held virtual fair housing workshops (February 3, 2020, and November 17, 2020), held virtual walk-in clinics (May 13, 2020, May 20, 2020, July 15, 2020, September 2, 2020, and November 18, 2020), produced a public service announcement for Newport Beach Television (NBTv), and distributed 2,250 pieces of literature.

### **Fair Housing Issues**

Within the legal framework of federal and state laws and based on the guidance provided by the HUD Fair Housing Planning Guide, impediments to fair housing choice can be defined as:

- Any actions, omissions, or decisions taken because of age, race, color, ancestry, national origin, age, religion, sex, disability, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor which restrict housing choices or the availability of housing choices; or
- Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of age, race, color, ancestry, national origin, age, religion, sex, disability, marital status, familial status, source of income, sexual orientation or any other arbitrary factor.

### **Regional Fair Housing Issues**

- **Availability, Type, Frequency, and Reliability of Public Transportation** - The availability, type, frequency, and reliability of public transportation may be significant local contributing factors to fair housing issues in Newport Beach. Public transportation in Orange County primarily consists

of bus service operated by the Orange County Transportation Authority (OCTA) and Metrolink light rail service. However, Metrolink does not provide service to Newport. The lack of public transportation may deter members of protected classes who do not have cars and are reliant on public transportation from choosing to live there, thus reinforcing patterns of segregation.

- **Impediments to Mobility** - Impediments to mobility may be a significant local contributing factor to fair housing issues in Newport Beach. Specifically, Housing Choice Voucher payment standards that make it difficult to secure housing in many, disproportionately White areas contribute to segregation and disparities in access to opportunity. The Orange County Housing Authority, which provides Section 8 resources to Newport Beach, has three tiers based on city rather than zip code, but the highest tier - \$2,280 for two-bedroom units in selected cities – falls far short of Small Area Fair Market Rents and leaves some cities targeted for that payment standard out of reach. For example, in zip code 92660, located in Newport Beach, the Small Area Fair Market Rent for two-bedroom units would be \$3,120. A Zillow search for that zip code revealed advertised two-bedroom units in only two complexes available for under \$2,280 but many more available between \$2,280 and \$3,120.
- **Location of Accessible Housing** - The location of accessible housing may be a significant local contributing factor to fair housing issues in Newport Beach. With a few exceptions the location of accessible housing tends to track areas where there are concentrations of publicly supported housing. In Orange County, publicly supported housing tends to be concentrated in areas that are disproportionately Hispanic and/or Vietnamese and that have relatively limited access to educational opportunity and environmental health. While this is not a predominate issue in Newport Beach, comments by advocacy groups during the outreach process indicated that the location and availability of affordable housing throughout the community contributes to challenges to fair housing opportunity. Multi-unit housing tends to be concentrated in communities of color, but there are some predominantly White communities that have significant amounts of market-rate multi-unit housing that may be accessible and affordable to middle-income and high-income persons with disabilities, including Newport Beach. Overall, permitting more multi-unit housing and assisting more publicly supported housing in predominantly White communities with proficient schools would help ensure that persons with disabilities who need accessibility features in their homes have a full range of neighborhood choices available to them.

**Occupancy Codes and Restrictions** - Occupancy codes and restrictions may be a significant local contributing factor to fair housing issues in Newport Beach. Specifically, there is a substantial recent history of municipal ordinances targeting group homes, in general, and community residences for people in recovery from alcohol or substance abuse disorders, in particular. In 2015, the City of Newport Beach entered into a \$5.25 million settlement of a challenge to its ordinance, but that settlement did not include injunctive relief calling for a repeal of that ordinance.<sup>10</sup> Although municipalities have an interest in protecting the health and safety of group home residents, these types of restrictions may be burdensome for ethical, high-quality group

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<sup>10</sup> 41 Hannah Fry, Newport Will Pay Group Homes \$5.25 Million Settlement, L.A. TIMES (July 16, 2015), <https://www.latimes.com/socal/daily-pilot/news/tn-dpt-me-0716-newport-group-home-settlement-20150716-story.html>.



home operators. Occupancy codes and restrictions are not as high priority of a barrier as the factors that hinder the development of permanent supportive housing, as group homes are generally less integrated than independent living settings.

### **Fair Housing Enforcement and Outreach Capacity**

Currently, the Fair Housing Foundation provides fair housing services to the City of Newport Beach. This includes providing fair housing enforcement and landlord/tenant mediation services which are available for tenants, realtors, apartment owners and managers, lending institutions and other interested parties. For FY 2020-21, the City of Newport Beach has allocated \$12,000 in Community Development Block Grant (CDBG) funds for the Fair Housing Foundation to perform the following, at no cost:

- Fair housing services such as, responding to discrimination inquiries and complaints, documenting, and investigating discrimination complaints, and resolving or mediating discrimination complaints
- A comprehensive, extensive, and viable education and outreach program, including:
  - Fair Housing Workshop
  - Certificate Management Training
  - Walk-In Clinics
  - Rental Housing Counseling Workshop
  - Community presentations, staff training, and workshops
  - Community events, booths, networking, etc.
- Landlord and tenant counseling on responsibilities and rights
- Rental counseling
- Since the City contracts with an outside firm for these services, lack of monitoring and lack of direct access through City resources may be identified as contributing factors.

The Fair Housing Foundations offers regular walk-in counseling sessions, in addition to resources fairs, informational workshops (accessible in multiple languages), landlord and tenant workshops, and other outreach efforts. Additionally, the FHF provided virtual workshops available online to Newport Beach residents.

From 2015 to 2020, the City provided 408 residents with fair housing services using CDBG funding. As part of the FY 2020-25 Consolidated Plan for the Newport Beach, the City has set a goal of assisting 625 people with fair housing issues within the five-year period using \$60,000 of CDBG funding. Newport Beach has also set a goal of retaining a Fair Housing provider to promote fair housing education and outreach within the community. The U.S. Department of Housing and Urban Development (HUD) maintains a record of all housing discrimination complaints filed in local jurisdictions. These grievances can be filed on the basis of race, color, national origin, sex, disability, religion, familial status, and retaliation. As reported by the 2020-2025 AI, one fair housing case is unresolved (as one 2020) in Newport Beach.





## Housing Element 2021-2029 Outreach

Outreach and materials used in the 6<sup>th</sup> Cycle Housing Element are provided in **Appendix C: Summary of Community Outreach**.

### *3. Analysis of Federal, State, and Local Data and Local Knowledge*

#### **Local Data and Knowledge**

Newport Beach officially became an incorporated City in Orange County in September of 1906 and the current City Charter was adopted in 1954. The City began establishing itself in the 1920s around the development of the harbor; however it wasn't until the 1950s that the City became a vacation destination and permanent residents began to settle in the area.<sup>11</sup> Between 1960 and 1980 the City experienced a boom in construction, which resulted in the population increasing from 26,564 residents to 62,549 residents over the 20-year period. Today, about 85,694 persons live in the City of Newport Beach (ACS 2019). Of the residents in the City, 85.8 percent identify as White, 1.0 percent identify as Black, 8.0 percent identify as Asian, and 8.8 percent of all persons identify as Hispanic or Latino. The City's demographics display a large contrast between the population that is White and Non-White. Similarly, about 61.0 percent of the County of Orange population is White compared to 1.8 percent who identify as Black, 20.5 percent who identify as Asian and 34.1 percent who identify as Hispanic or Latino of any race.<sup>12</sup>

The City of Newport Beach's population requires a diverse array of housing options. Specifically, Newport Beach has an aging population. About 23.1 percent of the population is over the age of 65 compared to 14.4 percent in the County. About 8.0 percent of all persons in Newport Beach reported at least one disability in 2019, majority of which were seniors (over the age of 65). Senior housing and housing accessibility were key priorities identified by the community during the Housing Element Outreach. Additionally, the median income for non-family households is significantly lower than that of married couple households and family households. The ACS 2019 5-year data reports that nonfamily households earned a median income of \$86,656 annually, compared to family households that earned \$171,699 annually and married couple households that earned \$192,542 annually. The City does not do fair housing testing, however additional information regarding fair housing concerns and issues was identified through the County of Orange AI.

Additional housing needs, concerns, and disparities are analyzed below in the Fair Housing Analysis. Findings from the analysis are reported below under "Local ~~Contributing Factors~~ Data and Knowledge."

<sup>11</sup> The Chamber Newport Beach, *About Newport Beach*, <https://www.newportbeach.com/about-newport-beach/#:~:text=The%20City%20of%20Newport%20Beach,brokering%20followed%20in%20later%20decades.>, accessed January 24, 2022.

<sup>12</sup> American Community Survey, DP05 5-year estimates, 2019.



### **Local Data and Knowledge**

Locally-derived knowledge and contributing factors were developed ~~in response through to~~ community participation in outreach events, ~~and through~~ analysis conducted in Affirmatively Furthering Fair Housing development, ~~and analysis of sites inventory and~~ feedback and comments received on the draft Housing Element's data, sites inventory analysis, and policy programs. Additionally, local knowledge has been gathered and retained by City staff during the course of routine business over many decades of service. The various City Departments interact with the residents and businesses, property owners, developers, the various elected and appointed representatives, and the public on a daily basis. One aspect of providing service is to listen to the needs of the community and then to work with all stakeholders to address those needs deemed priorities after public debate. The following local contributing factors have been identified and several citywide and placed-based strategies to counter those factors are described later in Section 4. Additional local knowledge is provided regarding affirmatively furthering fair housing in the Airport Area and West Newport Focus Areas under the "Analysis of Exacerbating Current Conditions" header later in this Section. ~~— explicitly includes the following fair housing issues in the City of Newport Beach:~~

- **Aging Housing Stock** ~~—~~ The community and the City's Planning and Code Enforcement Divisions have indicated that there is an older housing stock that will continue to require rehabilitation as the housing continues to age. With the relative cost of property, these conditions are a challenge for maintenance and upkeep due to relatively high cost of improvements.
- **Housing Conditions and Senior Housing** ~~—~~ The community has~~Resident's have~~ noted its higher proportion of the local aging population. This is also supported by the demographic information provided in Tables 2-18 and 2-19 in Section 2 (Profile) of this Housing Element. This tends to create and the challenges of with deferred maintenance with an aging population, as those older homeowners who may not have the financial resources or physical ability to perform maintenance functions. —Seniors are predominately on fixed incomes and represent the largest group of residents in need of support to address high housing costs and unique housing needs. The City's Senior Home Assistance Repair Program (SHARP) works to assist senior citizens with home repairs. Data for the program is provided in Appendix A. Eligible applicants must be 60 or older and must have an income at or below the 50<sup>th</sup>-percentile of median income of Orange County with net assets not to exceed gross household income for 18 months. The City's Senior Center (OASIS) plays a vital role in the dissemination of information and services to the senior community and should be engaged to help facilitate the needs of the senior population.
- **Variety of Housing Choices** ~~—~~ The City's existing mobile home and upward-trending accessory dwelling unit (ADU) inventory play a role in keeping an inventory of affordable housing in the community. —The community has expressed its desire to have a good balance of residential development types and densities to accommodate not just affordability to various income levels and, but a variety of different-household types. As discussed in Appendix D, the City has been promoting ADU development and provides local data to substantiate increased an increasing production.
- **Redevelop and Infill Opportunities** ~~—~~ Resident's and property owners indicated a desire to focus future development in areas seeing a decline in commercial development activity. As such, the



Airport Area and Newport Center Area were included as a major opportunity areas due to recent residential development activities and entitlement requests. The negative effects that the COVID-19 pandemic and on-line shopping trends has had on the ability to maintain economically performing commercial properties was also cited as a concern. and trends away from commercial due to the effects of the COVID-19 pandemic. As such, rReuse and repurposing of commercial and industrial uses is a major opportunity area according to residents.

- **Address the High Cost of Housing** - The cost of housing in Newport Beach is very high and rents continue to increase; however, the City has aimed to encourage and preserve a number of affordable housing units through existing agreements. As part of this Housing Element update, Policy Action 1K is included to adopt an inclusionary housing program that would require affordable units to be developed as part of a residential housing development projects meeting the certain applicability criteria. This Inclusionary Housing Program, in conjunction with the implementation of the Housing Element, will help to boost affordable housing production, which will in turn boost affordable housing stock to help offset higher housing costs.
- **Lower Income Access to Opportunity** – High local employment in service industry at resort, hotel, restaurants, and other tourist-serving businesses contributes to the need for housing affordable to lower income households. To address this, Policy 4E grants exceptions for affordable housing projects, and supportive Policies for Housing Goal #5 provides for the preservation of lower income housing opportunities.
- **Transportation and Housing** – Through community workshops, rResidents and stakeholders have indicated there is a need for improved transit use and better access itthroughout the community. In areas where higher density is preferred, such as the Airport Area, access to various transportation options will increase local economic development potential, physical mobility, employment and housing mobility.
- **Displacement of Residents** – As the cost of housing continues to rises, there are is continued limitations on housing options for the younger and older populations. –During community workshops, residents indicated the desire to improve access to housing options throughout various life stages. This includes rental and ownership opportunities, as well as and options for persons with various incomes and household needs. The ability to age-in-place, not necessarily within an owned single-family home, but within a senior living community in Newport Beach, place was identified as a major priority given the statedCity’s aging population.
- **Preserving Economic Integrity** – As the RHNA obligations in the City haves increased significantly, increasing development capacity has also increased the project cost for services and land has become scarce. Tthe members of City’s Hhousing Eelement Update Aadvisory Committee, its elected officials and a number of residents have expressed the desireneeded to consideredbalance housing need in conjunction with the need for economic development in the community to foster access to services and jobs to ensure an appropriate balance.
- **Alternative Means to Accommodate Affordable Housing** – Throughout the outreach and consultation process, the public stakeholders,– decision-makers and housing advocates have



expressed at many meetings and workshops a desire to seek alternatives to accommodating affordable housing in a high-cost market. This includes ADU development, inclusionary housing options, and funding and financing mechanisms that further these opportunities. The community has expressed that ADUs represent the single greatest opportunity to accommodate affordable housing within the existing established high-resource neighborhoods in the community and recommended the inclusion of policies and programs to encourage them.

Considering the locally derived knowledge and data, the City recognizes that the fair housing issues that exist within the community. The City and is committed to reducing barriers to providing housing that is affordable to all persons. The City has outlined programs to address fair housing issues in Newport Beach in the **Section 4: Housing Plan**. As a prime example, Policy Action 4A (Affirmatively Furthering Fair Housing) has Table 4-1 (Fair Housing Actions) and lists nine identified fair housing issues such as access to opportunity, displacement, and housing mobility. The Table includes both place-based and citywide strategies. Each issue includes geographic targets, meaningful City actions, priority level, timelines for action, and evaluative metrics that are aspirational goals to measure performance and to inform changes to future actions.

## Integration and Segregation Patterns and Trends

The dissimilarity index is the most used measure of segregation between two groups, reflecting their relative distributions across neighborhoods (as defined by census tracts). The index represents the percentage of the minority group that would have to move to new neighborhoods to achieve perfect integration of that group. An index score can range in value from 0 percent, indicating complete integration, to 100 percent, indicating complete segregation. An index number above 60 is considered to show high similarity and a segregated community.

It is important to note that segregation is a complex topic, difficult to generalize, and is influenced by many factors. Individual choices can be a cause of segregation, with some residents choosing to live among people of their own race or ethnic group. For instance, recent immigrants often depend on nearby relatives, friends, and ethnic institutions to help them adjust to a new country.<sup>13</sup> Alternatively, when white residents leave neighborhoods that become more diverse, those neighborhoods can become segregated. Other factors, including housing market dynamics, availability of lending to different ethnic groups, availability of affordable housing, and discrimination can also cause residential segregation.

The Longitudinal Tract Data Base (LTDB) from the Diversity and Disparities project shows that from 1980 to 2010 the City of Newport became increasingly diverse. In 1980, the Non-Hispanic White population totaled 91.6 percent of the overall population and decreased to about 73.6 percent in 2010. During the same timeframe, the Hispanic population increased from 5.0 percent to 10.9 percent. Additionally, the total populations for those who identified as Asian increased from 1980 to 2010, 2.0 percent to 13.6 percent, and the total population of those who are Non-Hispanic Black increased from 0.5 percent to 1.2 percent. However, in 2018, the Black or African American population totaled about 0.8 percent of the population. The decrease in the Black population and increase in the Hispanic population is consistent with demographics trends for the greater metropolitan area. In 1980, the Non-Hispanic Black population equaled 10.1 percent of the overall population for the Los Angeles-Long Beach-Santa Ana metropolitan area, and the Hispanic population totaled 25.0 percent. By 2010, the Black population totaled 6.7 percent whereas the Hispanic population increased to 44.4 percent. According to 2018 ACS data, the total Non-Hispanic Black population in Orange County was 1.7 percent and the total Hispanic population was 34.1 percent.

**Figure 3-2** shows the dissimilarity between each of the identified race and ethnic groups and the jurisdictions White population, in both the County of Orange and Newport Beach. The higher scores indicate higher levels of segregation among those racial and ethnic group. The White (non-Hispanic or Latino) population makes up most of the City's population at approximately 79.5 percent according to the 2018 ACS estimates, as well as most of the County's population at 61.7 percent of the total population. The race and ethnic groups with the highest scores were the Native Hawaiian population (44.5) and people

<sup>13</sup> Allen, James P. and Turner, Eugene. "Changing Faces, Changing Places: Mapping Southern California". California State University, Northridge, (2002).





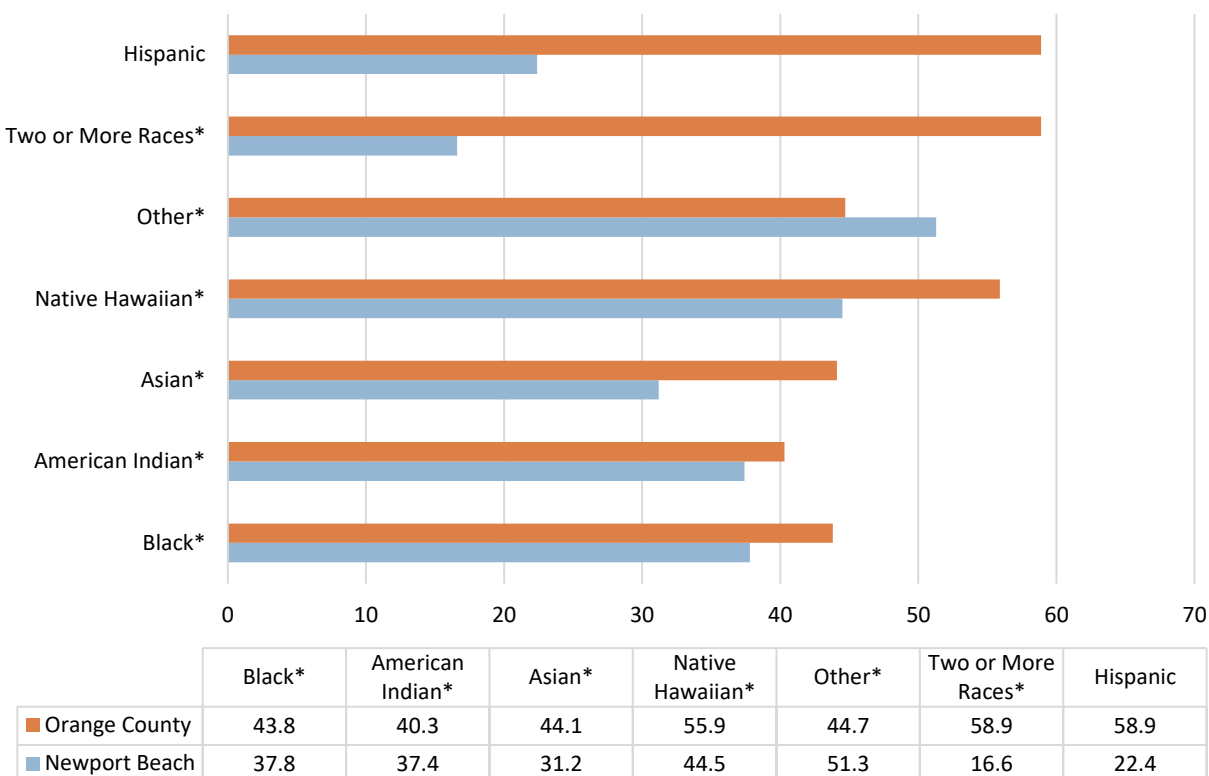
who reported as Other (51.3). Additionally, those who reported Black and the American Indian population had dissimilarity indices of 37.8 and 37.4 respectively.

The scores above directly correlate with the percentage of people within that racial or ethnic group that would need to move into a predominately White census tract in order to achieve a more integrated community. For instance, in Newport Beach, 44.5 percent of the Native Hawaiian population would need to move into predominately white census tract areas to achieve “perfect” integration. Whereas in Orange County, 55.9 percent of the percent of the Native Hawaiian population would need to move into predominately white census tract areas to achieve “perfect” integration.

Overall, there are higher rates of segregation across the County of Orange compared to the City of Newport Beach. The Department of Housing and Community Development (HCD) considers dissimilarity index scores above 30, but below 60 as moderate segregation. Scores above 60 are considered to be high segregation. According to **Figure 3-2** below, while the City of Newport Beach has no racial or ethnic populations with a dissimilarity index above 60, all populations (with the exception of the Hispanic/Latino population) have a score above 30, meaning all groups experience moderate segregation from the White population. Similarly, all populations in the County have a score above 30.

While segregation may be a result of ethnic enclaves or persons of similar cultures living in community, there is often increased likelihood segregated populations will have fewer access to essential resources. As a part of Newport Beach’s efforts to further fair housing, the City will consider increased targeted outreach to the City’s minority residents.

**Figure 3-2: Dissimilarity Index with Whites – Newport Beach and Orange County**



Source: Census Scope, Social Science Data Analysis Network, \*Not Hispanic or Latino

### Racially or Ethnically Concentrated Areas of Poverty (R/ECAP)

To assist communities in identifying racially/ethnically concentrated areas of poverty (R/ECAPs), HUD has developed a census tract-based definition of R/ECAPs. The definition involves a racial/ethnic concentration threshold and a poverty test. The racial/ethnic concentration threshold is straightforward: R/ECAPs must have a non-white population of 50 percent or more. Regarding the poverty threshold, Wilson (1980) defines neighborhoods of extreme poverty as census tracts with 40 percent or more of individuals living at or below the poverty line. Because overall poverty levels are substantially lower in many parts of the country, HUD supplements this with an alternate criterion. Thus, a neighborhood can be a R/ECAP if it has a poverty rate that exceeds 40% or is three or more times the average tract poverty rate for the metropolitan/micropolitan area, whichever threshold is lower.

Location of residence can have a substantial effect on mental and physical health, education opportunities, and economic opportunities. Urban areas that are more residentially segregated by race and income tend to have lower levels of upward economic mobility than other areas. Research has found that racial inequality is thus amplified by residential segregation.<sup>14</sup> However, these areas may also provide different opportunities, such as ethnic enclaves providing proximity to centers of cultural significance, or business, social networks and communities to help immigrants preserve cultural identity and establish

<sup>14</sup> Orange County, Analysis of Impediments to Fair Housing Choice, April 2020 DRAFT.



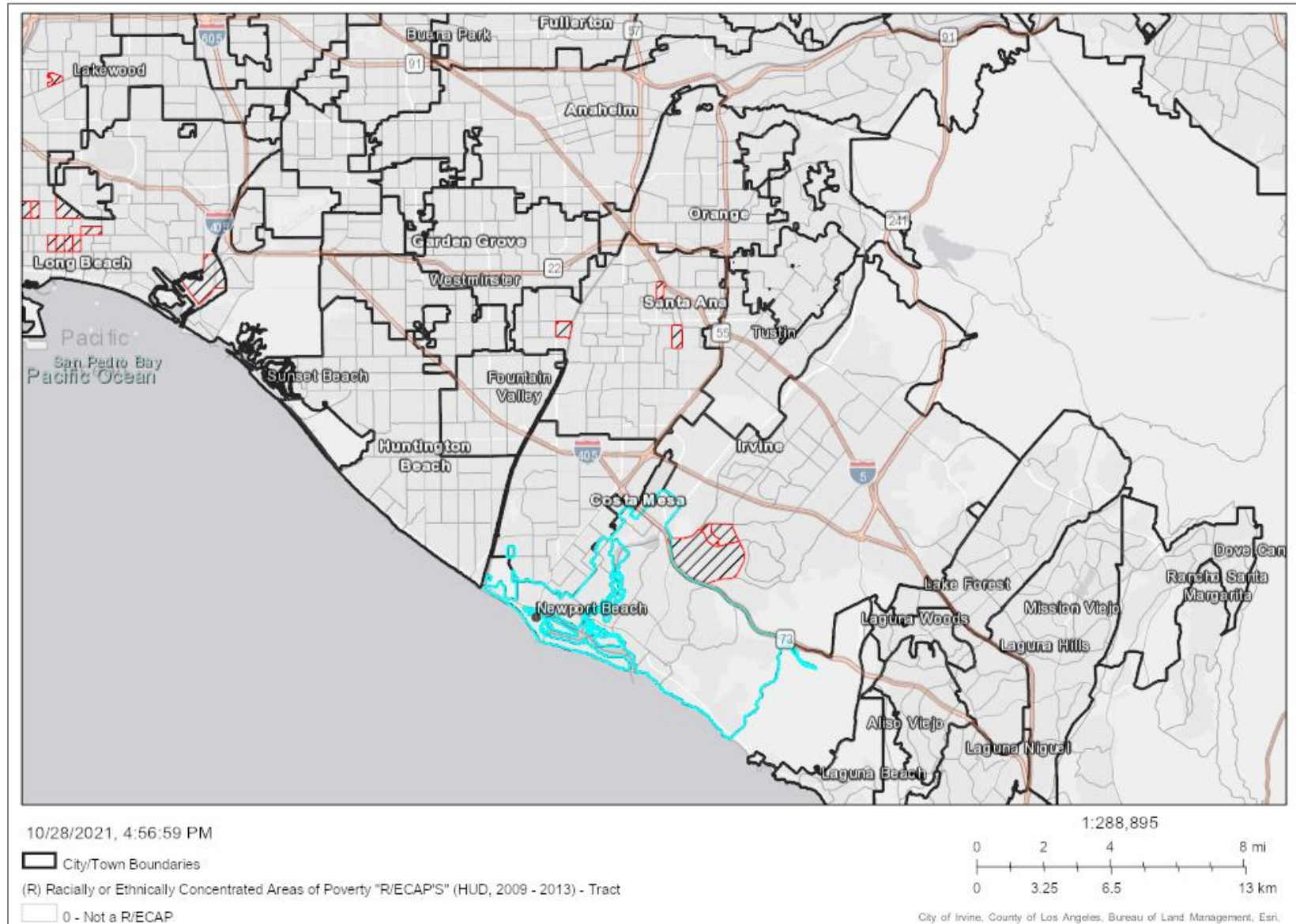
themselves in new places. Overall, it is important to study and identify these areas in order to understand patterns of segregation and poverty in a City.

The 2020 AI performed an analysis of R/ECAPs within Orange County and found four R/ECAPs, none of which were found in Newport Beach. However, two of the four were found in the neighboring City of Irvine, adjacent to one another and near the University of California; these both bordered the City of Newport Beach. According to the AI, it is likely that they qualify as R/ECAPs due to the high proportions of students. These R/ECAPs have a much more diverse group of residents, with some White, Asian or Pacific Islander, Hispanic and Black residents. These R/ECAPs primarily contain Asian or Pacific Islander or Hispanic residents. 23.49% of residents are White, 1.63% are Black, 48.50% are Hispanic, 23.70% are Asian or Pacific Islander, and 0.14% are Native American.

**Figure 3-3** below identifies low poverty index with race/ethnicity and R/ECAPs in Newport Beach, and the overall Orange County region. The low poverty index captures the depth and intensity of poverty in a given neighborhood. The index uses both family poverty rates and public assistance receipt, in the form of cash-welfare, such as Temporary Assistance for Needy Families (TANF). The poverty rate and public assistance for neighborhoods are determined at the census tract level, and the higher the score, the less exposure to poverty in a neighborhood. The map identifies the R/ECAP and a few surrounding neighborhoods, to the south and southeast, The figure identifies R/ECAP areas (outlined in red) bordering the City of Newport Beach, near the University of California, Irvine.

The map also shows that there are few R/ECAPs in the County as a whole, with a few pockets in the City of Santa Ana. Overall, the City of Newport Beach is a high income areas, with majority of the population identifying as white. The City should consider the impact of high cost of housing and higher annual incomes on lower income households. The current financial circumstance combined with the recent housing boom can create displacement through economic pressures, where lower income households need to look for affordable housing outside of the City.

Figure 3-3: Low Poverty Index with Race/Ethnicity and R/ECAPs, Newport Beach



Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool, Data Versions: AFFHT0006, July 10, 2020





## **Racially Concentrated Areas of Affluence (RCAA)**

Racially or Ethnically Concentrated Areas of Poverty have long been analyzed and reviewed as a contributing factor to segregation. However, patterns of segregation in the United States show that of all racial groups, people who identify as White are the most severely segregated.<sup>15</sup> Research also identifies segregation of affluence to be greater than the segregation of poverty. Racial and economic segregation can have significant effects on respective communities, including but not limited to, socioeconomic disparities, educational experiences and benefits, exposure to environmental conditions and crime, and access to public goods and services.

Data used in the analysis of RCAA is from the 2012-2016 American Community Survey and are measured at the census tract level. The definition for an RCAA is a census tract in which 80 percent or more of the population is White and has a median income of at least \$125,000. The nationwide RCAA analysis identifies the following:

- RCAA tracts have more than twice the median household income of the average tract in their metro area.
- Poverty rates in RCAAs are significantly lower and are, on average about 20 percent of a typical tract.
- RCAAs tracts are more income homogenous than RECAPs.
- The average RCAA is about 57 percent affluent, whereas the average RECAP had a poverty rate of 48 percent.
- The typical RCAA tract has a rate of affluence 3.2 times that of a typical tract, whereas RECAPs on average had a poverty rate 3.2 times that of a typical tract

Overall, RCAAs may represent a public policy issue to the extent that they have been created and maintained through exclusionary and discriminatory land use and development practices. Postwar patterns of suburbanization in many metropolitan areas were characterized by White communities erecting barriers to affordable housing and engaging in racially exclusionary practices.<sup>16</sup>

Currently (October 2020), there is no consolidated database to identify RCAAs, therefore, to identify these areas in Newport Beach, this analysis examines census tracts with a population gap that is greater than 50% between the nonwhite and white population and a median income over \$100,000. **Table 3-15** below displays the RCAA data for the County of Orange and Newport Beach. Additionally, **Table 3-16** below shows local (Newport Beach) and regional (Orange County) context for the median household incomes of white residents.

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<sup>15</sup> Racially Concentrated Areas of Affluence: A Preliminary Investigation. University of Minnesota. Edwards Goets, Damiano, Williams. 2019.

<sup>16</sup> Ibid.



**Table 3-15: Median Household Income by Race, Newport Beach**

| Census Tract                                                                                                                 | Percent Population White | Median Income |
|------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------|
| Census Tract 630.09                                                                                                          | 82.7%                    | \$130,089     |
| Census Tract 634                                                                                                             | 88.84%                   | \$107,321     |
| Census Tract 635                                                                                                             | 84.6%                    | \$112,000     |
| Census Tract 629                                                                                                             | 92.1%                    | \$140,833     |
| Census Tract 630.05                                                                                                          | 86.5%                    | \$171,406     |
| Census Tract 627.01                                                                                                          | 89.3%                    | \$145,313     |
| Census Tract 627.02                                                                                                          | 88.4%                    | \$107,829     |
| Census Tract 626.43                                                                                                          | 71.6%                    | \$199,219     |
| Census Tract 626.42                                                                                                          | 89.4%                    | \$134,444     |
| Census Tract 626.44                                                                                                          | 82.4%                    | \$113,779     |
| Census Tract 626.45                                                                                                          | 76.1%                    | \$167,530     |
| Census Tract 630.07                                                                                                          | 79.6%                    | \$125,918     |
| <i>Source: HCD, AFFH Data Viewer, Predominant White Population and Median Income (SCA 2010-2014), Accessed October 2021.</i> |                          |               |

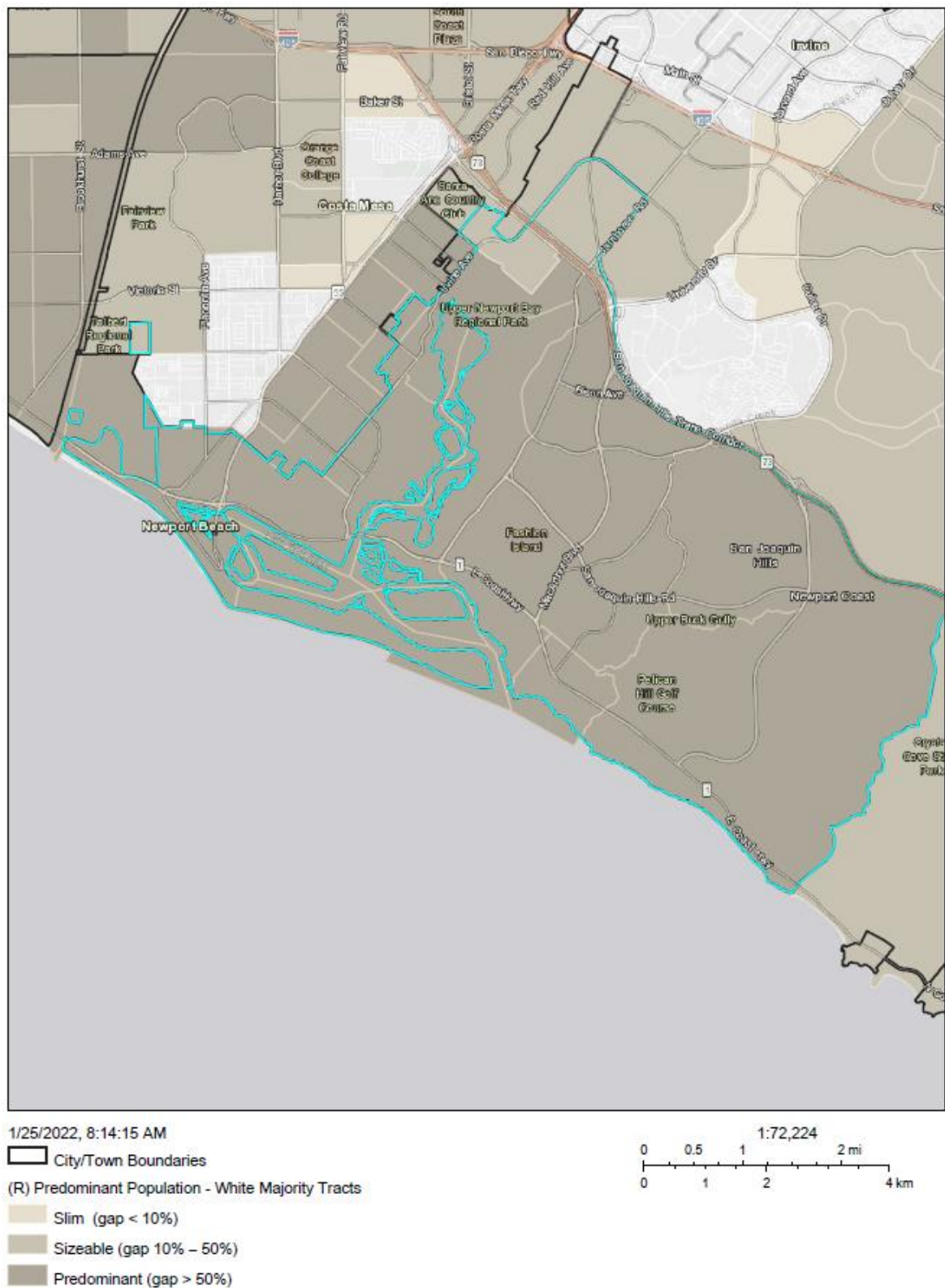
**Table 3-16: Median Household Income by Race**

| Race                                                                                                                                                           | Newport Beach |            | County of Orange |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|------------|------------------|------------|
|                                                                                                                                                                | Median Income | Population | Median Income    | Population |
| White (Not Hispanic or Latino)                                                                                                                                 | \$ 129,797    | 85%        | \$94,082         | 61%        |
| All Households                                                                                                                                                 | \$127,223     | --         | \$90,234         | --         |
| <i>Source: American Community Survey, 5-Year estimates, 2019.</i>                                                                                              |               |            |                  |            |
| <i>Table S1903 Median Income In The Past 12 Months (In 2019 Inflation-Adjusted Dollars) 5-Year Estimate 2015-2019 (for all households and for White Alone)</i> |               |            |                  |            |

The majority of the City is predominately White. Additionally, the City reports a large percentage of households who earn a median annual income of at least \$125,000. Almost the entire City has an overlap of high racial concentrations (those who identify as White) and high incomes resulting in RCAAs. Many lower income housing sites have been identified throughout the City and within areas considered RCAAs.

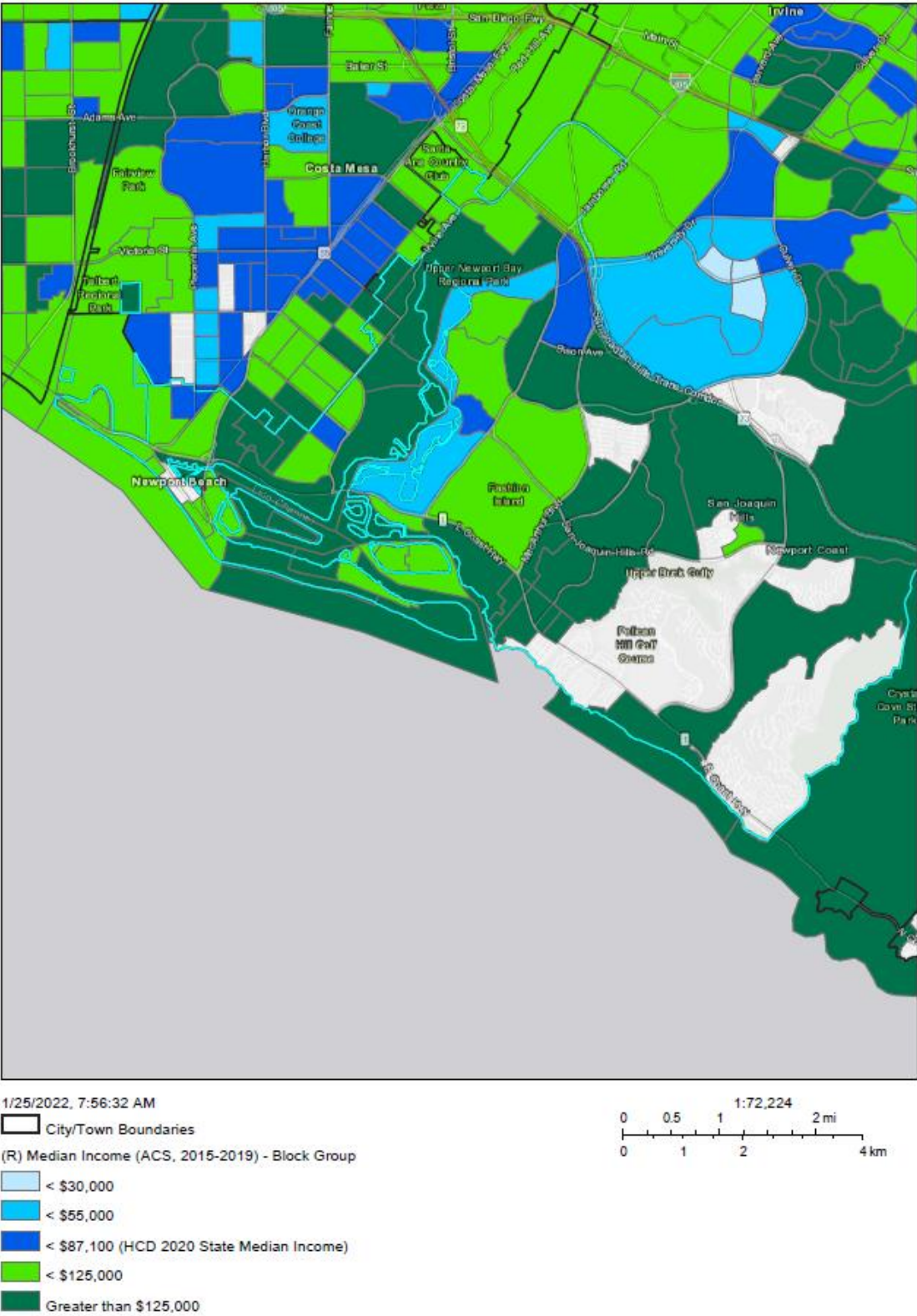
**Figure 3-4** and **3-5** below display the White majority tracts and median incomes throughout Newport Beach.

Figure 3-4: Racially Concentrated Areas of Affluence (RCAA) – White Majority Tracts



Source: California Department of Housing and Community Development – AFFH Data Viewer

Figure 3-5: Racially Concentrated Areas of Affluence (RCAA) – Median Income



Source: California Department of Housing and Community Development – AFFH Data Viewer





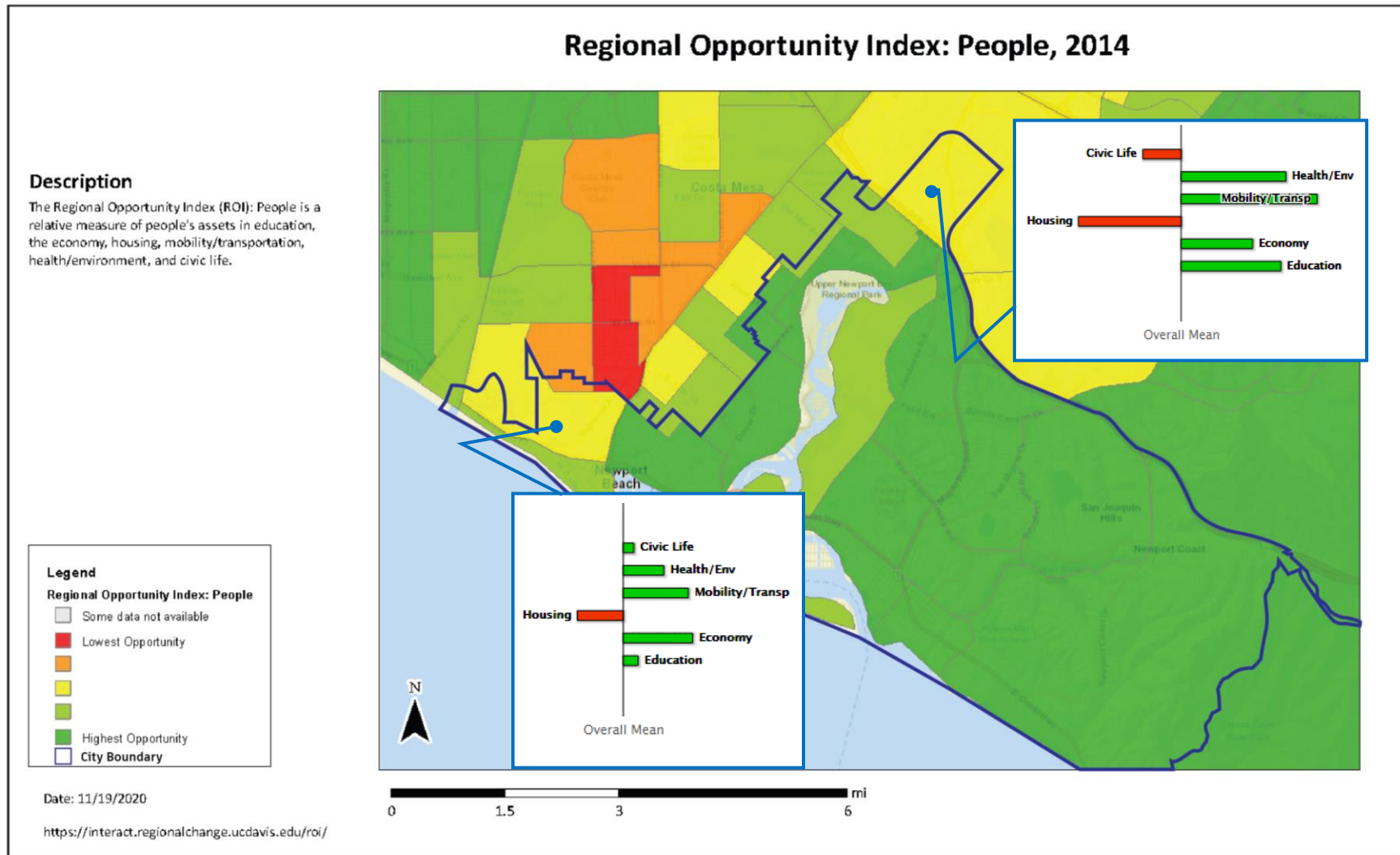
## Disparities in Access to Opportunity

### *Access to Opportunities*

The UC Davis Center for Regional Change and Rabobank partnered to develop the Regional Opportunity Index (ROI) intended to help communities understand local social and economic opportunities. The goal of the ROI is to help target resources and policies toward people and places with the greatest need to foster thriving communities. The ROI incorporates both “people” and “place components, integrating economic, infrastructure, environmental, and social indicators into a comprehensive assessment of the factors driving opportunity.”

As shown in **Figures 3-6 and Figure 3-7** below, the majority of the City of Newport Beach is classified as a high opportunity zone. This indicates a high level of relative opportunities that people can achieve as well as a high level of relative opportunities that Newport Beach provides. While most of the census tracts within the City are areas of high opportunity, there are two census tracts within the ROI People Index shown as yellow, identifying a low opportunity area. Together these areas contain 86 sites which accommodate 1,941 potential units designated to meet the City’s RHNA for lower-income units (shown in **Section 3: Housing Resources** and outlined in **Appendix B**). The Data for both regions with lower opportunity show high civic life, health, transportation, economic and education access, however, both show very low housing access. Therefore, the consideration and identification of these areas for housing, affordable to low and very low-income households, will provide increased housing opportunity in high opportunity and high resources areas.

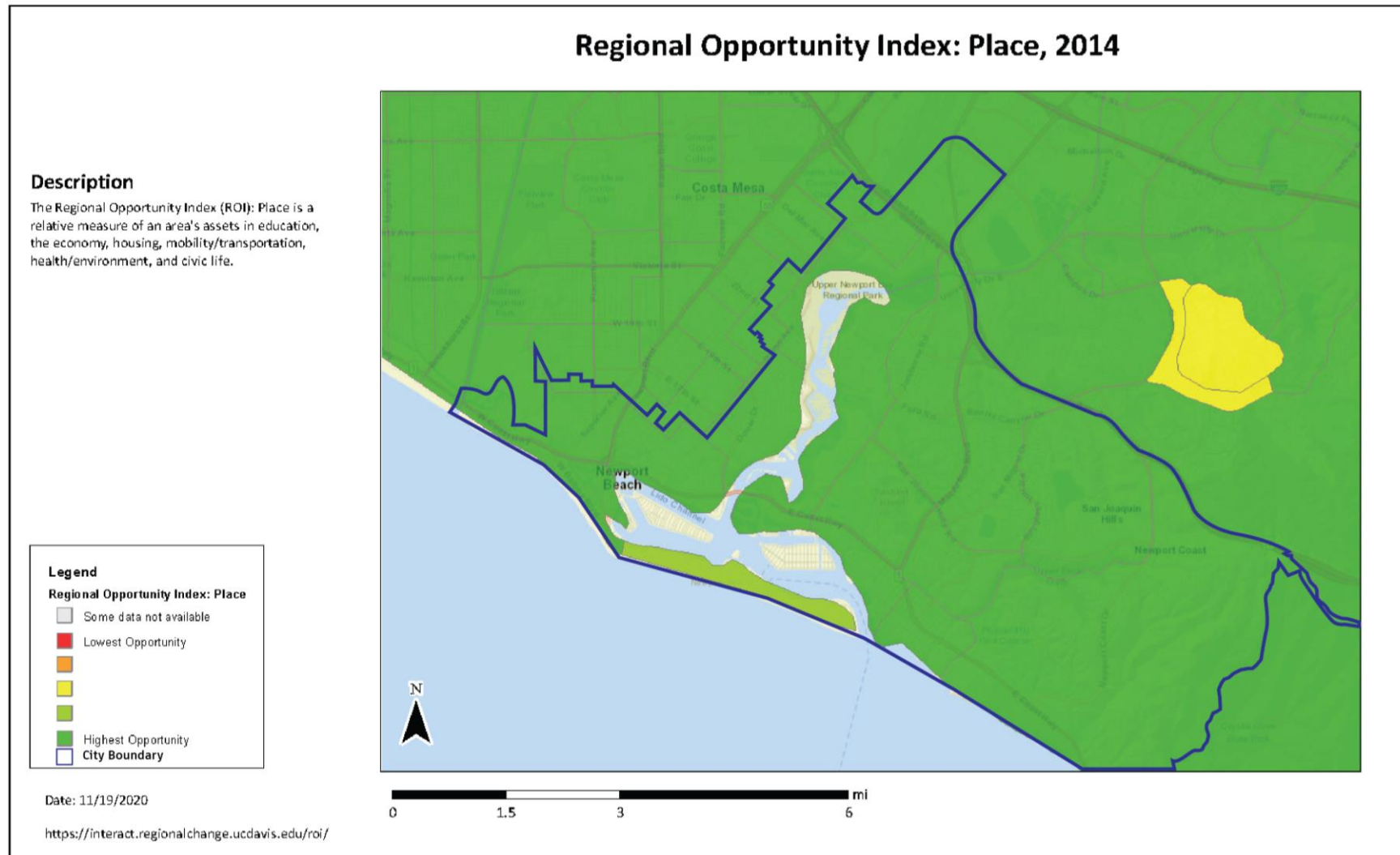
### Figure 3-6: Regional Opportunity Index: People, 2014



Source: UC Davis Center for Regional Change and Rabobank, 2014.



Figure 3-7: Regional Opportunity Index: Place, 2014



Source: UC Davis Center for Regional Change and Rabobank, 2014.



Additionally, **Table 3-17** and **Figure 3-8** below display the data for Regional Opportunity index in Newport Beach overall compared to the State of California. The data shows the following key findings:

- The City has higher rates of college educated adults, high school graduation rates and higher levels of UC and CSU eligibility. Additionally, the City has higher levels of Math and English proficiency. However, the City has higher levels of truancy and discipline rates.
- Newport Beach residents experience significantly higher basic income levels and higher employment rates. While the City has a higher job availability rate and job quality, overall, both City and State job growth are similar. Newport Beach residents have higher rates of bank accessibility (nearly double the state's accessibility rates).
- Newport Beach and the State have the same rate of home ownership, but residents of Newport Beach experience higher rates of cost burden. Housing adequacy and affordability are similar in both the City and State, where California has a slightly higher rate of affordability.
- Mobility and transportation access are moderate in both Newport Beach and the State. Newport Beach residents have a significantly higher commute times than the State's median, this could be due in part to a lack of public transit or the development patterns of coastal communities.
- Overall health and environmental opportunities are comparable to the State, the City's air quality is slightly lower than the States. Newport Beach has a slightly lower average of supermarket availability, however a much higher rate of healthcare availability.
- Newport Beach has higher rates of US citizenship and English speakers, as well as a higher percentage of voters compared to the State. However, Newport Beach has a slightly lower rate of neighborhood stability

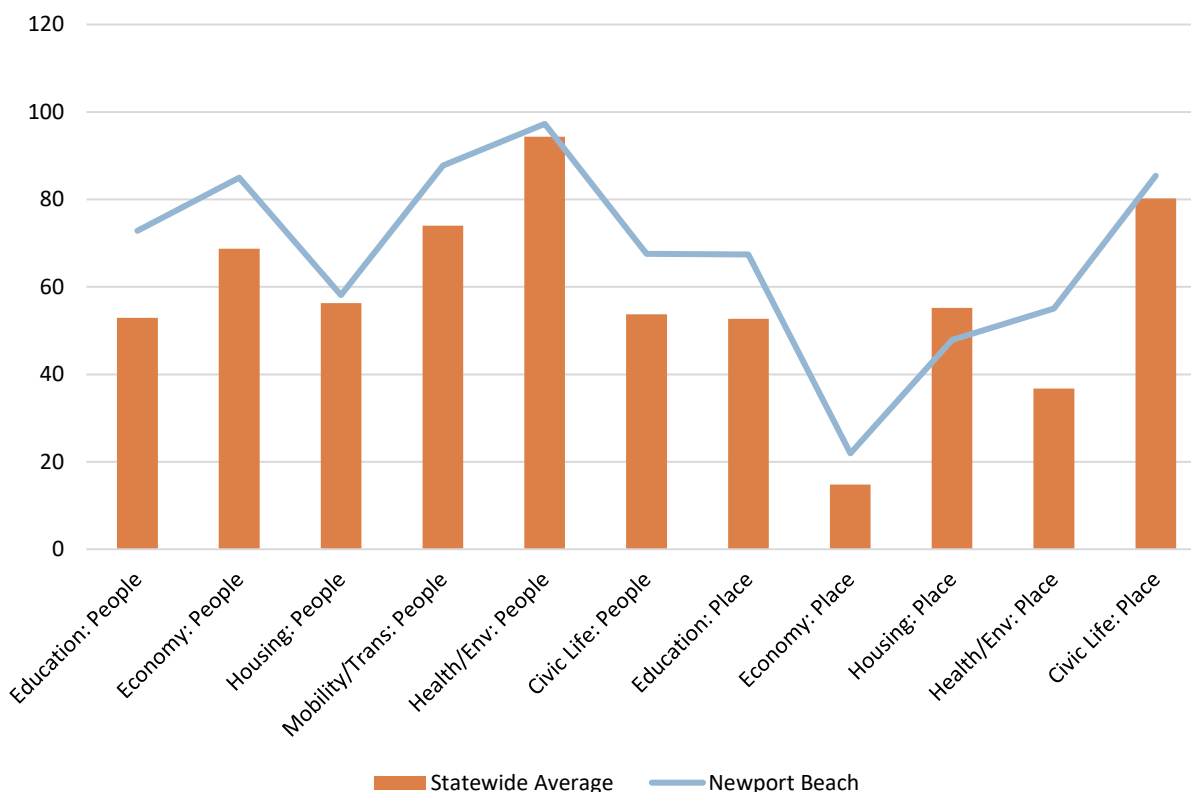
In summary, Newport Beach is a high opportunity area with quality education opportunities, high rates of resident achievement, access to local and regional economic and employment opportunities, and high rates of home ownership. However, the data shows that there are high rates of cost burden in the City and slightly lower access to supermarkets and healthy foods. The City should focus on increasing access to affordable housing options to reduce cost burden and aim to increase affordable healthy food access.

**Table 3-17: Opportunity Indicators, Newport Beach and California**

| ROI Indicator |                             | Newport Beach | California |
|---------------|-----------------------------|---------------|------------|
| Education     | <b>People</b>               |               |            |
|               | College Educated Adults     | 70%           | 38%        |
|               | Math Proficiency            | 87%           | 70%        |
|               | English Proficiency         | 87%           | 65%        |
|               | Elementary Truancy          | 34%           | 24%        |
|               | <b>Place</b>                |               |            |
|               | High School Graduation Rate | 93%           | 83%        |
|               | UC/CSU Eligibility          | 52%           | 41%        |
|               | Teacher Experience          | 60%           | 36%        |
|               | High School Discipline Rate | 8%            | 6%         |
| Economic      | <b>People</b>               |               |            |
|               | Employment Rate             | 93%           | 89%        |
|               | Minimum Basic Income        | 85%           | 64%        |
|               | <b>Place</b>                |               |            |
|               | Job Availability            | 1302.07       | 701.75     |

| ROI Indicator        |                          | Newport Beach | California |
|----------------------|--------------------------|---------------|------------|
|                      | Job Quality              | 52%           | 40%        |
|                      | Job Growth               | 4%            | 3%         |
|                      | Bank Accessibility       | 0.44          | 0.24       |
| Housing              | <b>People</b>            |               |            |
|                      | Home Ownership           | 55%           | 55%        |
|                      | Housing Cost Burden      | 54%           | 52%        |
|                      | <b>Place</b>             |               |            |
|                      | Housing Adequacy         | 99%           | 91%        |
|                      | Housing Affordability    | 0.13          | 0.19       |
| Mobility             | <b>People</b>            |               |            |
|                      | Vehicle Availability     | 96%           | 86%        |
|                      | Commute Time             | 74%           | 60%        |
|                      | Internet Access          | 4.96          | 4          |
| Health/Environmental | <b>Place</b>             |               |            |
|                      | Infant Health            | 96%           | 95%        |
|                      | Birth to Teens           | 1%            | 7%         |
|                      | Years of Life Lost       | 18.27         | 29.84      |
|                      | <b>Place</b>             |               |            |
|                      | Air Quality              | 8.82          | 10.01      |
|                      | Prenatal Care            | 94%           | 83%        |
|                      | Access to Supermarket    | 47%           | 53%        |
|                      | Health Care Availability | 4.61          | 1.76       |
| Civic Life           | <b>People</b>            |               |            |
|                      | Voting Rates             | 41%           | 31%        |
|                      | English Speakers         | 92%           | 88%        |
|                      | <b>Place</b>             |               |            |
|                      | US Citizenship           | 92%           | 83%        |
|                      | Neighborhood Stability   | 82%           | 85%        |

**Figure 3-8: Regional Opportunity Index Newport Beach and California**



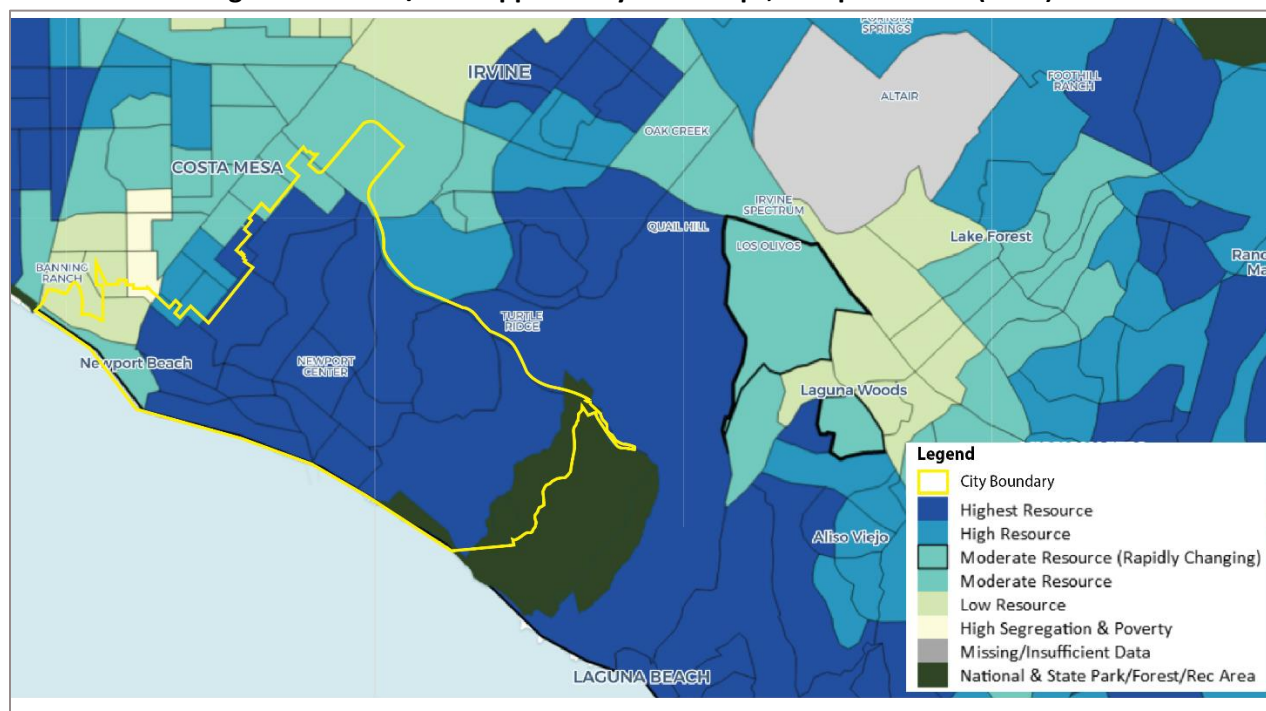
### Opportunity Areas

Additionally, the Department of Housing and Community Development (HCD) together with the California Tax Credit Allocation Committee (TCAC) established the California Fair Housing Task Force to provide research, evidence-based policy recommendations, and other strategic recommendations to HCD and other related state agencies/departments to further the fair housing goals (as defined by HCD). The Task Force developed the TCAC/HCD opportunity Area Maps to understand how public and private resources are spatially distributed. The Task force defines opportunities as pathways to better lives, including health, education, and employment. Overall, opportunity maps are intended to display which areas, according to research, offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health.

According to the Task Force’s methodology, the tool allocates the 20 percent of the tracts in each region with the highest relative index scores to the “Highest Resource” designation and the next 20 percent to the “High Resource” designation. Each region then ends up with 40 percent of its total tracts as “Highest” or “High” resource. These two categories are intended to help State decision-makers identify tracts within each region that the research suggests low-income families are most likely to thrive, and where they typically do not have the option to live—but might, if given the choice. As shown in **Figure 3-9** below, nearly all of Newport Beach is classified as moderate, high, and highest resource. There is one census tract in the Northwest Portion of Newport Beach classifies as low resource, the tracts scores identify high economic resources and low educational resources.



**Figure 3-9: TCAC/HCD Opportunity Area Maps, Newport Beach (2020)**



Source: California Tax Credit Allocation Committee and Department of Housing and Community Development, 2020.

Access to neighborhoods with higher levels of opportunity can be more difficult due to discrimination and when there may not be a sufficient range and supply of housing in such neighborhoods. In addition, the continuing legacy of discrimination and segregation can impact the availability of quality infrastructure, educational resources, environmental protections, and economic drivers, all of which can create disparities in access to opportunity.

The Department of Housing and Urban Development (HUD) developed the opportunity indicators to help inform communities about disparities in access to opportunity, the scores are based on nationally available data sources and assess resident's access to key opportunity assets in the City. **Table 3-18** provides the index scores (ranging from zero to 100) for the following opportunity indicator indices:

- **Low Poverty Index:** The low poverty index captures poverty in a given neighborhood. The poverty rate is determined at the census tract level. The higher the score, the less exposure to poverty in a neighborhood.
- **School Proficiency Index:** The school proficiency index uses school-level data on the performance of 4th grade students on state exams to describe which neighborhoods have high-performing elementary schools nearby and which are near lower performing elementary schools. The higher the score, the higher the school system quality is in a neighborhood.
- **Labor Market Engagement Index:** The labor market engagement index provides a summary description of the relative intensity of labor market engagement and human capital in a neighborhood. This is based upon the level of employment, labor force participation, and





educational attainment in a census tract. The higher the score, the higher the labor force participation and human capital in a neighborhood.

- **Transit Trips Index:** This index is based on estimates of transit trips taken by a family that meets the following description: a three-person single-parent family with income at 50% of the median-income for renters for the region (i.e. the Core-Based Statistical Area (CBSA)). The higher the transit trips index, the more likely residents in that neighborhood utilize public transit.
- **Low Transportation Cost Index:** This index is based on estimates of transportation costs for a family that meets the following description: a three-person single-parent family with income at 50 percent of the median-income for renters for the region/CBSA. The higher the index, the lower the cost of transportation in that neighborhood.
- **Jobs Proximity Index:** The jobs proximity index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a region/CBSA, with larger employment centers weighted more heavily. The higher the index value, the better the access to employment opportunities for residents in a neighborhood.
- **Environmental Health Index:** The environmental health index summarizes potential exposure to harmful toxins at a neighborhood level. The higher the index value, the less exposure to toxins harmful to human health. Therefore, the higher the value, the better the environmental quality of a neighborhood, where a neighborhood is a census block-group.

**Table 3-18** below displays the opportunity indices by race and ethnicity for persons in Newport Beach. The table displays the following results:

- According to the data, there is low poverty among the population of Newport, across all racial/ethnic groups.
- Additionally, the access to quality education system is high among all racial/ethnic groups (each group has an opportunity index score above 80).
- The data shows the City offers high labor and economic opportunity as well as sufficient access to transportation.
- While the data shows a high access to transportation, it also shows that the transportation is less affordable, specifically to non-Hispanic Asian or Pacific Islander and Native American populations.
- The data also shows low environmental health index scores across all racial/ethnic groups, below 50.
- Households who earn below the poverty rate in Newport Beach have lower levels of opportunity access across all indicators as well as race and ethnicities.



**Table 3-18: Opportunity Indices by Race/Ethnicity, Newport Beach**

| (Newport Beach, CA CDBG) Jurisdiction                                                                                                                                                              | Low Poverty Index | School Proficiency Index | Labor Market Index | Transit Index | Low Transportation Cost Index | Jobs Proximity Index | Environmental Health Index |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------|--------------------|---------------|-------------------------------|----------------------|----------------------------|
| <b>Total Population</b>                                                                                                                                                                            |                   |                          |                    |               |                               |                      |                            |
| White, Non-Hispanic                                                                                                                                                                                | 81.31             | 90.17                    | 82.88              | 86.59         | 75.16                         | 90.40                | 41.36                      |
| Black, Non-Hispanic                                                                                                                                                                                | 78.86             | 89.72                    | 81.85              | 86.92         | 76.61                         | 90.54                | 40.65                      |
| Hispanic                                                                                                                                                                                           | 79.04             | 88.93                    | 81.76              | 86.93         | 76.81                         | 89.82                | 40.55                      |
| Asian or Pacific Islander, Non-Hispanic                                                                                                                                                            | 84.48             | 91.60                    | 85.94              | 83.05         | 68.64                         | 89.19                | 38.80                      |
| Native American, Non-Hispanic                                                                                                                                                                      | 79.22             | 88.29                    | 81.86              | 88.35         | 78.06                         | 91.17                | 40.73                      |
| <b>Population below federal poverty line</b>                                                                                                                                                       |                   |                          |                    |               |                               |                      |                            |
| White, Non-Hispanic                                                                                                                                                                                | 78.99             | 89.20                    | 83.30              | 87.76         | 78.81                         | 90.38                | 43.27                      |
| Black, Non-Hispanic                                                                                                                                                                                | 78.71             | 86.38                    | 78.21              | 89.58         | 85.43                         | 87.99                | 48.46                      |
| Hispanic                                                                                                                                                                                           | 82.46             | 87.75                    | 81.41              | 88.28         | 77.88                         | 89.87                | 41.76                      |
| Asian or Pacific Islander, Non-Hispanic                                                                                                                                                            | 84.34             | 88.97                    | 82.79              | 88.43         | 76.05                         | 92.09                | 39.15                      |
| Native American, Non-Hispanic                                                                                                                                                                      | 77.00             | 89.17                    | 88.00              | 93.00         | 85.00                         | 95.55                | 40.00                      |
| Source: Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Online Mapping tool, Decennial Census; ACS; Great Schools; Common Core of Data; SABINS; LAI; LEHD; NATA |                   |                          |                    |               |                               |                      |                            |

## Access to Education, Economic and Transit Opportunities

### *School Proficiency, Labor Market and Job Proximity*

**Table 3-19** below displays opportunity indicators based on school proficiency, labor market, and job proximity. The City of Newport Beach has no Title I schools. Title I schools help low-achieving children meet state standards in core academic subjects. These schools coordinate and integrate resources and services from federal, state, and local sources. To be considered for Title 1 school funds, at least 40 percent of the students must be considered low-income. Additionally, the data shows that the City has an annual unemployment rate of 3.1%. Additionally, over 69.4 percent of residents has commute that is 30-minutes or less. The City of Newport Beach provides a variety of economic opportunities for current and future residents; however, the data shows there is little educational opportunities for lower achieving students.



**Table 3-19: Opportunity Indicator – School Proficiency, Labor Market, Job Proximity**

| Opportunity Indicator                                                                                                                                                                                         | Newport Beach |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| <b>School Proficiency</b>                                                                                                                                                                                     |               |
| Total Title I Schools                                                                                                                                                                                         | 0             |
| Total Schools                                                                                                                                                                                                 | 12            |
| % of Schools                                                                                                                                                                                                  | 0%            |
| <b>Unemployment Rate</b>                                                                                                                                                                                      |               |
| Total Unemployed                                                                                                                                                                                              | 1,408         |
| Annual Rate                                                                                                                                                                                                   | 3.1%          |
| <b>Job Proximity</b>                                                                                                                                                                                          |               |
| <29 mins.                                                                                                                                                                                                     | 69.4%         |
| 30-59 mins.                                                                                                                                                                                                   | 22.6%         |
| 60 mins. or more                                                                                                                                                                                              | 8.1%          |
| <i>Source:</i><br>National Center for Education Statistics, public Schools Directory. Accessed October 29, 2021.<br>American Community Survey 2013-2017, S1701.<br>American Community Survey 2013-2017, S0801 |               |

### Opportunity Indicators

The TCAC/HCD Opportunity Area Maps include education data, as illustrated in **Figure 3-10**. This data represents opportunity levels based on the following four factors:

- **Math proficiency** – Percentage of 4th graders who meet or exceed math proficiency standards.
- **Reading proficiency** – Percentage of 4th graders who meet or exceed literacy standards.
- **High school graduation rates** – Percentage of high school cohort that graduated on time.
- **Student poverty rate** – Percentage of students not receiving free or reduced-price lunch.

Additionally, The TCAC/HCD Opportunity Area Maps include economic data, as illustrated in **Figure 3-11**. This data represents opportunity levels based on the following five factors:

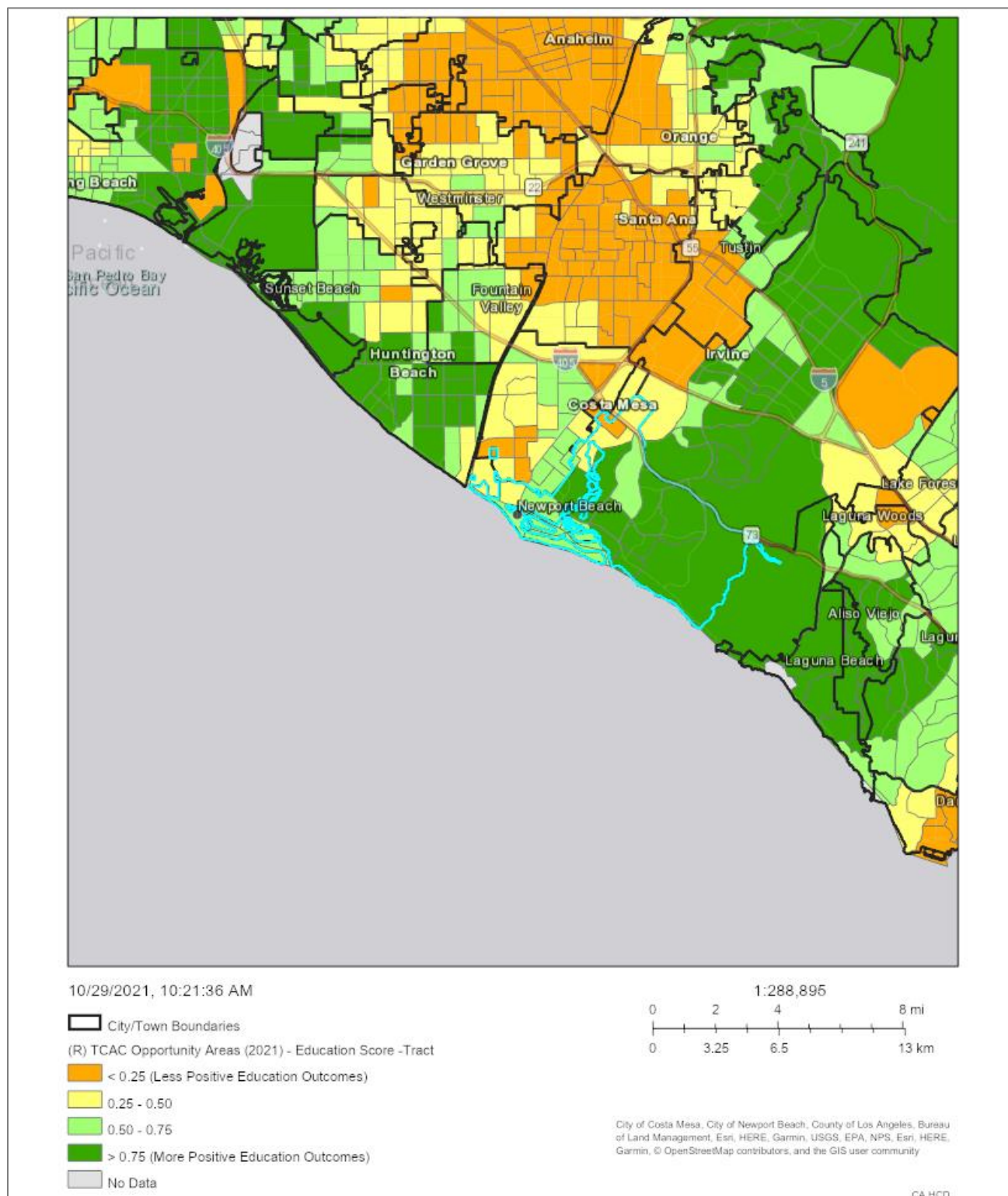
- **Poverty** – Percent of population with income above 200% of federal poverty line.
- **Adult Education** – Percent of adults with a bachelor's degree or above.
- **Employment** – Percent of adults aged 20-64 who are employed in the civilian labor force or in the armed forces.
- **Job Proximity** – Number of jobs filled by workers with less than a BA that fall within a given radius (determined by the typical commute distance of low-wage workers in each region) of each census tract population-weighted centroid.
- **Median Home Value** - Value of owner-occupied units.

**Figures 3-10 and 3-11** below display the geographic data for education and economic opportunity in Newport Beach using the TCAC data detailed above. The data shows that nearly all of Newport Beach census tracts show high positive education outcomes. High positive outcomes mean there are high testing scores amongst elementary schoolers, high graduation rates and low poverty rates. Compared to the



region, coastal cities with higher median incomes show higher positive outcomes for education. Additionally, the data shows that all census tracts in Newport Beach are high positive outcome. Similar to the education data, positive outcomes are consistent in costal and high-income cities in Orange County.

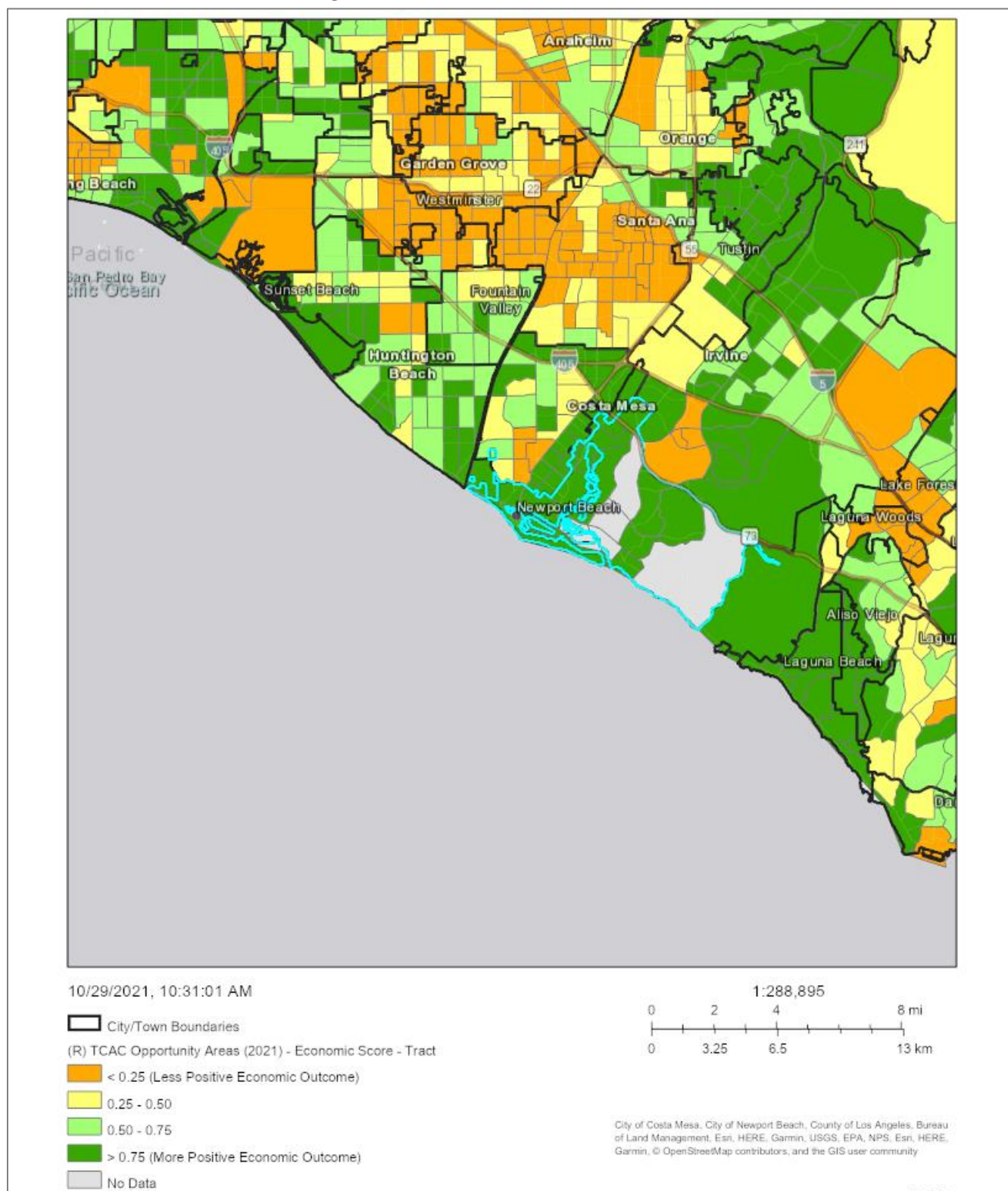
**Figure 3-10: TCAC – Education Score**



Source: HCD AFFH Data Viewer, Accessed September 10, 2021 Environmental Justice



**Figure 3-11: TCAC – Economic Score**



Source: HCD AFFH Data Viewer, Accessed September 10, 2021  
Environmental Justice



### ***Access to Transit***

Access to transportation, specifically public transit provides households with affordable and environmentally friendly commuting options. It can also increase accessibility to essential retail such as grocers and markets as well as recreational activities and safe transit options for young adults and children.

AllTransit explores metrics that reveal the social and economic impact of transit, specifically looking at connectivity, access to jobs, and frequency of service. According to the data shown in **Table 3-20**, Newport Beach scored a 3.9 AllTransit performance score, illustrating a low combination of trips per week and number of jobs accessible that enable a moderate number of people to take transit to work. In total, 138,164 jobs are accessible within a 30-minute trip from Newport Beach, however just 0.55 percent of commuters use transit. Additionally, AllTransit identified the following transit related statistics for Newport Beach:

- 95.4 percent of all jobs in Newport Beach are located within ½ mile of transit
- There are 53,761 customer households within a 30-minute transit commute of local businesses
- 1.86 percent of workers in Newport Beach walk to work
- 1.02 percent of workers in Newport Beach bike to work
- 0 percent of low-income households live near transit

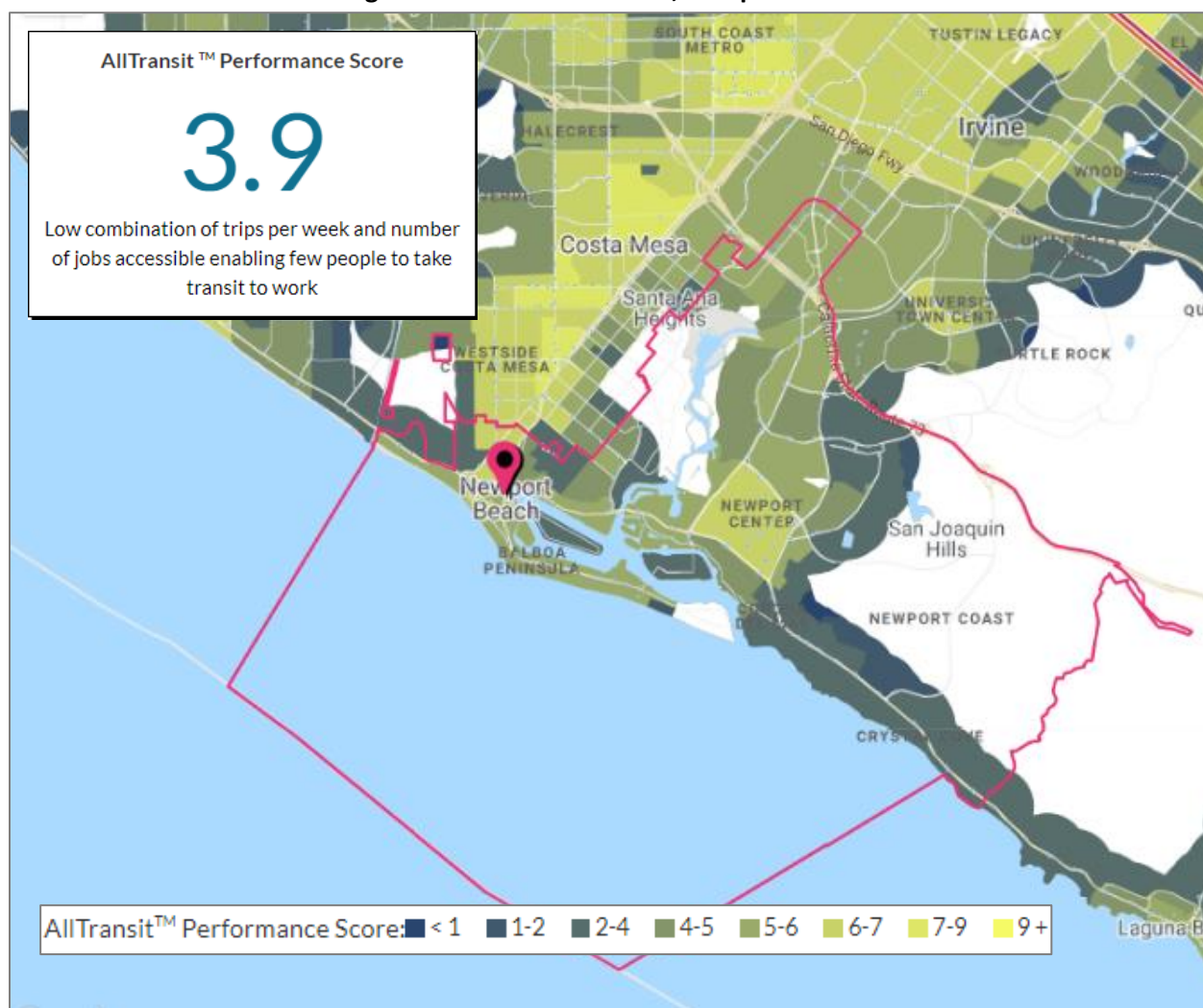
By comparison, Newport Beach scored lower than neighboring jurisdictions of Costa Mesa (5.4), Huntington Beach (4.4), and Irvine (3.6), however slightly higher than Laguna Beach (3.8). Overall, the City of Newport Beach has a lower AllTransit score than the County of Orange (3.9 in Newport Beach and 4.2 in the County).

**Table 3-20: Opportunity Indicator – Transit**

| <b>Jurisdiction</b> | <b>All Transit Performance Score</b> | <b>Transit Trips Per Week within 1/2 Mile</b> | <b>Jobs Accessible in 30-min trip</b> | <b>Commuters Who Use Transit</b> | <b>Transit Routes within 1/2 Mile</b> |
|---------------------|--------------------------------------|-----------------------------------------------|---------------------------------------|----------------------------------|---------------------------------------|
| Newport Beach       | 3.9                                  | 410                                           | 138,164                               | 0.55%                            | 4                                     |
| County of Orange    | 4.2                                  | 528                                           | 172,595                               | 2.28                             | 4                                     |

*Source: AllTransit, Transit Scores. Accessed October 29, 2021.*

**Figure 3-12: AllTransit Score, Newport Beach**



## Environmental Justice

The California Office of Environmental Health Hazard Assessment (OEHHA) developed a screening methodology to help identify California communities disproportionately burdened by multiple sources of pollution called the California Communities Environmental Health Screening Tool (CalEnviroScreen). In addition to environmental factors (pollutant exposure, groundwater threats, toxic sites, and hazardous materials exposure) and sensitive receptors (seniors, children, persons with asthma, and low birth weight infants), CalEnviroScreen also takes into consideration socioeconomic factors. These factors include educational attainment, linguistic isolation, poverty, and unemployment. Research has shown a heightened vulnerability of people of certain ethnicities and lower socioeconomic status to environmental pollutants.

The CalEnviro Model is made up of a suite of 20 statewide indicators of pollution burden and population characteristics associated with increased vulnerability to pollution's health effects. The model uses the following analysis and calculation to identify areas which may create health risk:

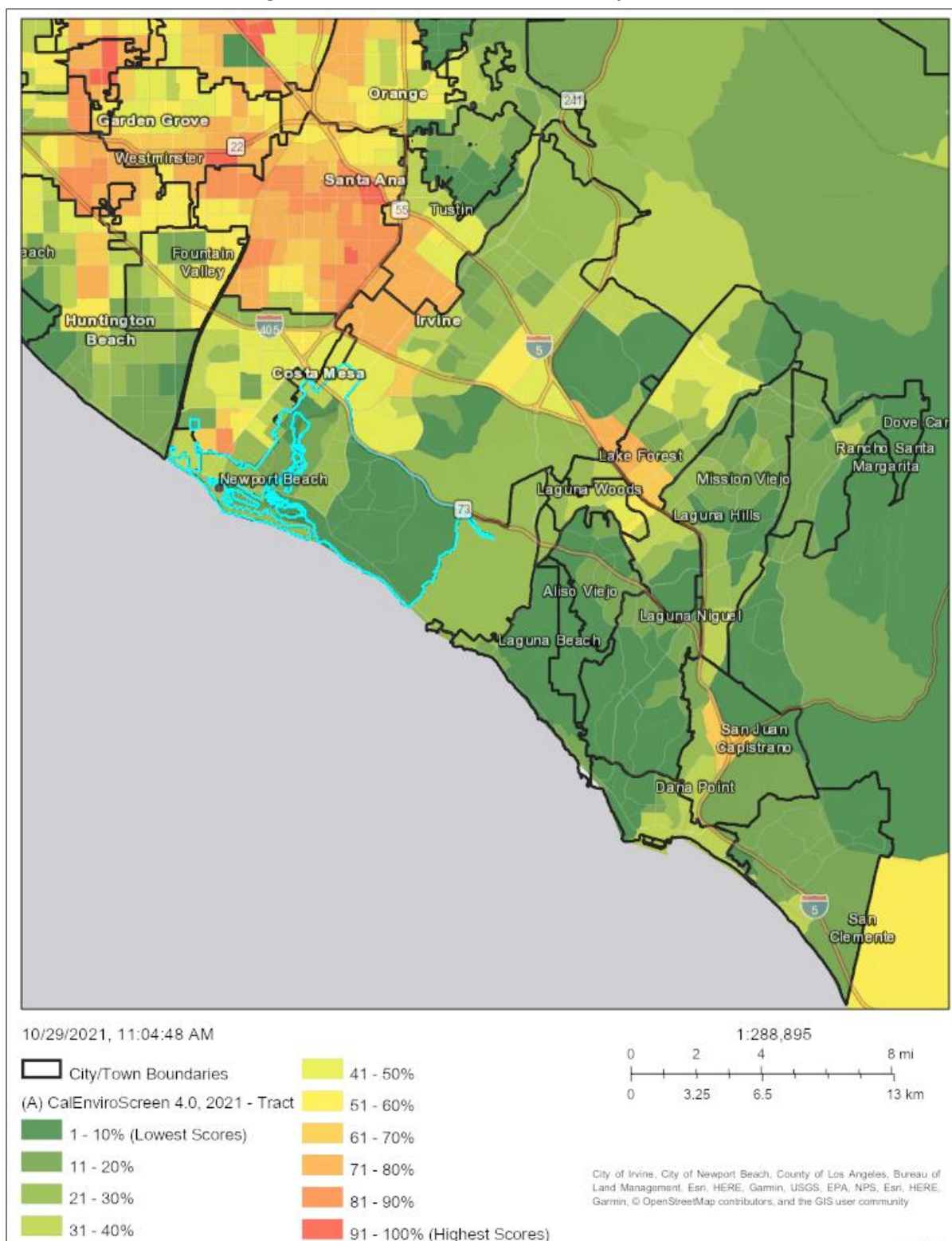




- Uses a weighted scoring system to derive average pollution burden and population characteristics scores for each census tract.
- Calculates a final CalEnviroScreen score for a given census tract relative to the other tracts in the state by multiplying the pollution burden and population characteristics components together.
- The score measures the relative pollution burdens and vulnerabilities in one census tract compared to others and is not a measure of health risk.

**Figure 3-13** below displays the results for the CalEnviroScreen in Newport Beach. The data shows that all of Newport Beach is low to lowest scoring (light to dark green), meaning that throughout the City there is low proximity or exposure to harmful pollutants. Compared to the region, majority of the coastal cities are identified as low pollutant burdens. Cities to the east of Newport beach, such as Santa Ana, Anaheim, Orange, and Garden Grove experience higher rates of pollution burdens and exposure to harmful pollutants. The discrepancy in pollution exposure could be related to cost of land. Land in Newport Beach is significantly more expensive than land in Anaheim, Santa Ana and Garden Grove, therefore, warehouse and industrial developers can buy larger lots of land for less money to accommodate manufacturing, trucking, industrial parks and other uses which produces higher traffic and pollution.

**Figure 3-13: CalEnviroScreen 4.0, Newport Beach**



Source: HCD AFFH Database, Accessed October 29, 2021.





## Discussion of Disproportionate Housing Needs

The analysis of disproportionate housing needs within Newport Beach evaluated existing housing need, need of the future housing population, and units within the community at-risk of converting to market-rate.

### Future Growth Need

The City's future growth need is based on the RHNA production of 1,456 very low and 930 low-income units within the 2021-2029 planning period. **Appendix B** of this Housing Element shows the City's ability to meet its 2021-2029 RHNA need at all income levels. This demonstrates the City's ability to accommodate the anticipated future affordable housing needs of the community.

### Existing Need

As described in **Section 3.F.1** of this Housing Element, the Orange County Housing Authority administers Section 8 Housing Choice vouchers within the City of Newport Beach. As of October 30, 2020, the City has allocated 112 Section 8 vouchers to residents within the community: 30 for families, 20 for persons with disabilities, and 62 for seniors.

Additionally, a variety of affordable housing opportunities currently exist in the City. In Orange County, each category of publicly supported housing (public housing, Project Based Section 8, Other Multi-unit Housing, Housing Choice Vouchers, and Low-Income Housing Tax Credit [LIHTC] units) is represented, although that representation varies greatly depending on the individual municipality. **Table 3-21** below identifies the variety of publicly supported housing, by percent, in the City of Newport Beach.

**Table 3-21** below displays the demographics of all publicly supported housing in Newport Beach. The data shows that majority of persons who utilize and receive public housing support identify as White, with a small percentage Hispanic or Asian/Pacific Islander.

**Table 3-21: Publicly Supported Housing Demographics, Newport Beach**

| Housing Type                                      | White         |               | Black      |              | Hispanic     |             | Asian or Pacific Islander |              |
|---------------------------------------------------|---------------|---------------|------------|--------------|--------------|-------------|---------------------------|--------------|
|                                                   | #             | %             | #          | %            | #            | %           | #                         | %            |
| Project-Based Section 8                           | 85            | 87.63%        | 0          | 0.00%        | 3            | 3.09%       | 9                         | 9.28%        |
| HCV Program                                       | 99            | 70.21%        | 14         | 9.93%        | 15           | 10.654%     | 13                        | 9.22%        |
| LIHTC                                             | 238           | 85.9%         | 8          | 1.99%        | 147          | 35.57%      | 12                        | 2.99%        |
| <b>Total Households</b>                           | <b>32,490</b> | <b>84.94%</b> | <b>135</b> | <b>0.35%</b> | <b>2,485</b> | <b>6.6%</b> | <b>2,477</b>              | <b>6.45%</b> |
| Source: County of Orange, Analysis of Impediments |               |               |            |              |              |             |                           |              |
| Notes: <b>HVC</b> = Housing Choice Voucher        |               |               |            |              |              |             |                           |              |
| <b>LIHTC</b> = Low-Income Housing Tax Credit      |               |               |            |              |              |             |                           |              |

### Housing Needs in Newport Beach

A variety of factors affect housing needs for different households. Most commonly, disability, household income and households' characteristics shape the type and size of housing units needed, as well as accessibility based on existing units in a City. **Tables 3-22 through 3-27** displayed data for demographic characteristics of Newport Beach, as compared to the County of Orange and the State of California.



Additional detailed analysis of the Newport Beach community demographics is outlined in **Chapter 2: Community Profile** of this Housing Element.

### ***Homelessness***

People experiencing homelessness are those who do not have a fixed, regular, and adequate overnight residence, or whose overnight residence is a shelter, street, vehicle, or enclosure or structure unfit for habitation. Factors contributing to increases of homelessness may include the following:

- Lack available resources to support stable housing access
- Spikes in rent increase and lack of tenant protections
- Housing discrimination
- Evictions
- Lack of housing affordable to low- and moderate-income persons
- Increases in the number of persons whose incomes fall below the poverty level
- Reductions in public subsidies to the poor
- The deinstitutionalization of the mentally ill

According to the Orange County Point in Time report, in 2019 there were an estimate 64 unhoused persons in Newport Beach. Overall, the 64 unhouse persons in Newport Beach in 2019 account for about 1.6 percent of the overall Orange County count of 3,961 persons. When contextualized with the total number of people residing in Newport Beach, the 64 homeless individuals represent approximately .07 percent of the population. In neighboring jurisdictions, the point in time count of homeless persons in 2021 was:

- Huntington Beach: 349 persons
- Laguna Beach: 147 persons
- Irvine: 130 persons
- Costa Mesa: 193 persons

Data for 2020 and 2021 is not broken down by individual jurisdiction. However, in 2020 there were a total of 3,017 persons experiencing homelessness in Orange County and 2,441 persons in 2021. The racial and ethnic demographic data for unhoused persons in 2021 is not broken down by jurisdictions, however for the 2,441 unhoused persons in the County, 10 percent experienced chronic homelessness. Additionally, 77 percent identified as White, 12 percent identified as Black, three (3) percent identified as American Indian, less than one (1) persons identified as Native Hawaiian and 45 percent identified as Hispanic or Latino. About 295 persons were seniors (60 years+) and about 102 persons were youth, 288 persons were experiencing domestic violence and 162 persons were veterans. Of the persons living in shelters, 334 experience mental health conditions, 308 persons experience a physical disability, and 297 persons recorded substance abuse.<sup>17</sup>

### ***Disability***

**Table 3-22** displays the data for persons with disabilities in the City, County, and State. Overall, about 10 percent of the California population reported having at least one disability. In the City, about 8 percent of

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<sup>17</sup> Orange County Homeless Point-in-Time Count, Orange County Homeless Management Information Systems. 2019, 2020 and 2021. Accessed online: January 24, 2021.



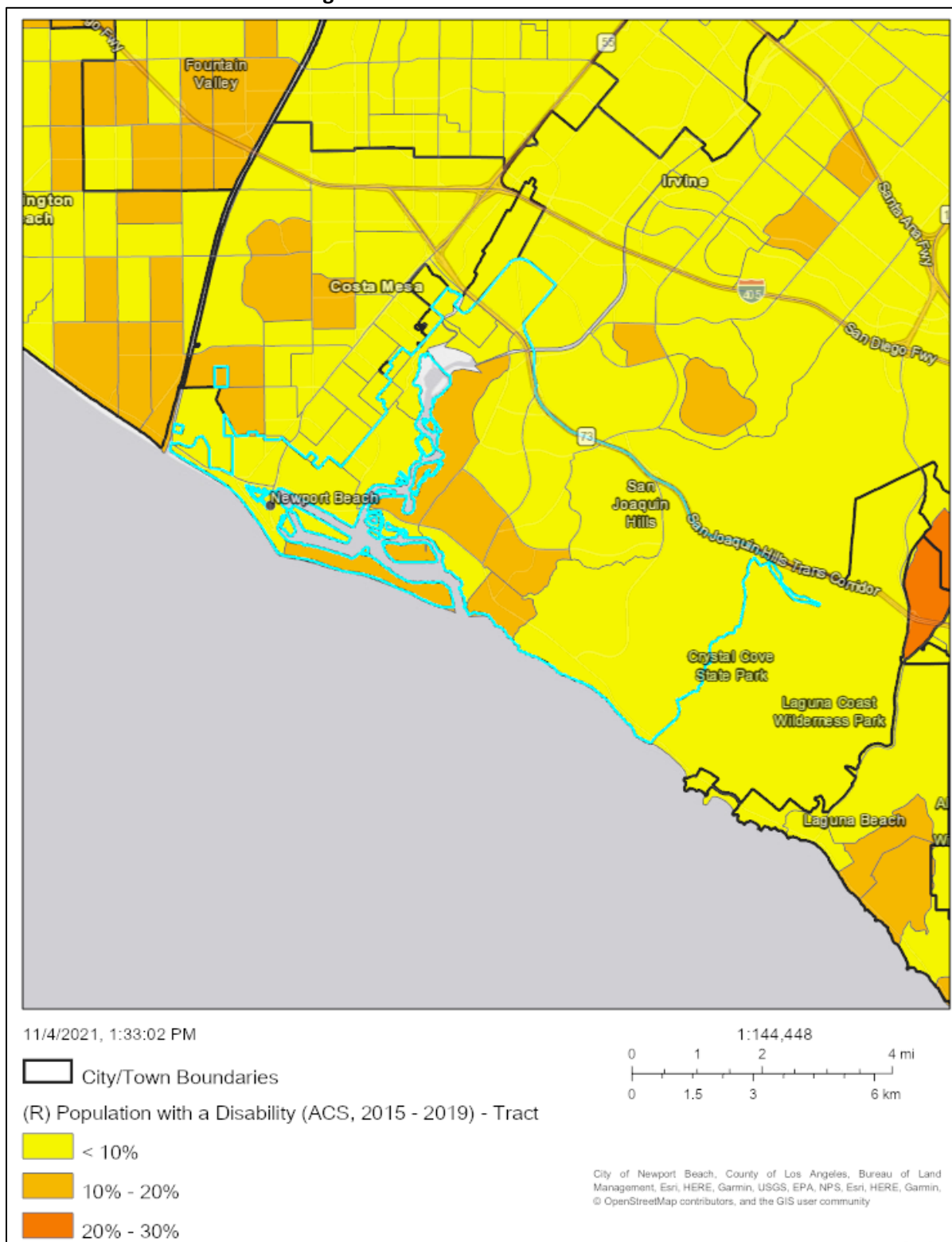
persons reported at least one disability. The County reported a higher percentage than the City at 8.5 percent. Of the 8 percent of Newport Beach residents who reported a disability, the majority were independent living and ambulatory difficulties, which could be tied to the City’s senior population. Ease of reasonable accommodation procedures and opportunity for accessible housing can provide increased housing security for the population with disabilities.

**Table 3-22: Population by Disability Type, Compared by Geography, 2019**

| Disability                                                        | City of Newport Beach | County of Orange | California |
|-------------------------------------------------------------------|-----------------------|------------------|------------|
| Total with a Disability                                           | 8%                    | 8.5%             | 10.6%      |
| Hearing Difficulty                                                | 2.7%                  | 2.5%             | 2.9%       |
| Vision Difficulty                                                 | 1.5%                  | 1.5%             | 2%         |
| Cognitive Difficulty                                              | 3.0%                  | 3.4%             | 4.3%       |
| Ambulatory Difficulty                                             | 3.7%                  | 4.5%             | 5.8%       |
| Self-care Difficulty                                              | 1.7%                  | 2.2%             | 2.6%       |
| Independent Living                                                | 3.6%                  | 4.3%             | 5.5%       |
| <i>Source: American Community Survey, 5-Year Estimates, 2019.</i> |                       |                  |            |

The data in **Figure 3-14** below displays data for disability status in Newport Beach by census tract. The data shows that in Newport Beach most of the census tracts report under ten percent of the population to have at least one disability. Some census tracts to the northwest show that between 10 and 20 percent of the population report at least one disability. Overall, majority of the surrounding areas shows less than 10 percent of the population has reported at least one disability with some pockets of the region which have a population between 10 and 20 that reports a disability.

**Figure 3-14: Persons with Disabilities**



Source: HCD AFFH Database, American Community Survey. Accessed November 3, 2021.



### ***Income and Familial Status***

**Table 3-23** displays household type and income data for the State, County and City. Overall, the City has a smaller percentage of family households than the County and State; this includes family households, married-couple family households, and those with children. Of the three jurisdictions, the City has the largest percentage of non-family households (42.2 percent, compared to 28.3 at approximately 2 percent more than Orange County and about 6 percent more than the City. The City has a higher percentage of households with at least one senior over the age of 60 as compared to the state (29.2 percent) but a lower percentage than the County (39.9 percent).

**Table 3-23: Population by Familial Status, Compared by Geography, 2019**

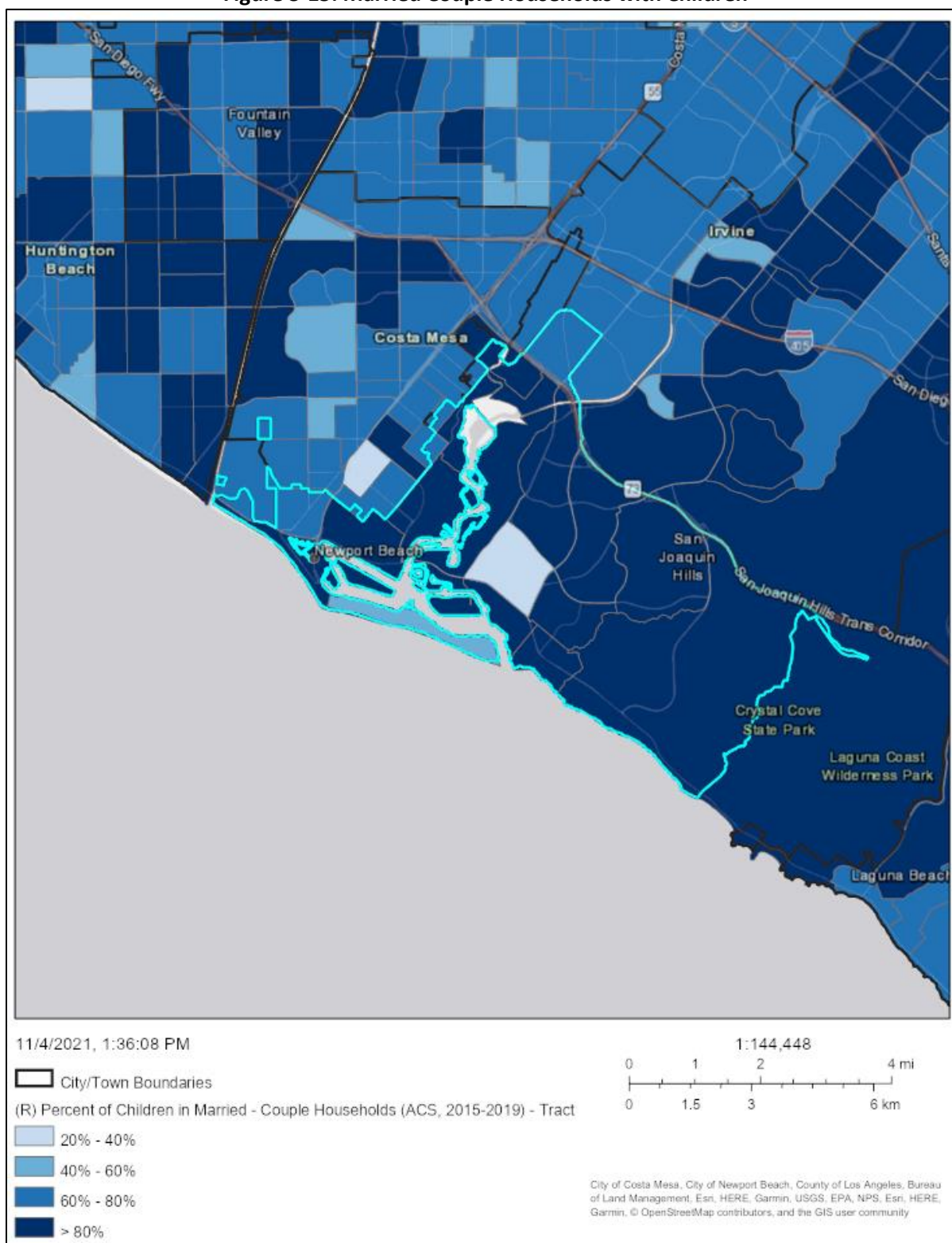
| <b>Familial Status</b>                                    | <b>City of Newport Beach</b> | <b>County of Orange</b> | <b>California</b> |
|-----------------------------------------------------------|------------------------------|-------------------------|-------------------|
| Total Households                                          | 37,605                       | 1,037,492               | 13,044,266        |
| Family Households                                         | 57.7%                        | 71.7%                   | 68.7%             |
| Married-Couple Family Households                          | 49.6%                        | 54.9%                   | 49.8%             |
| With Children                                             | 21.1%                        | 30.9%                   | 34%               |
| Non-Family Households                                     | 42.2%                        | 28.3%                   | 31.3%             |
| Households with one or more people 60 years+              | 35.5%                        | 39.9%                   | 29.2%             |
| Female Headed Households, No Spouse Present with Children |                              |                         |                   |

*Source: American Community Survey, 5-Year Estimates. 2019*

The data in **Figure 3-15** and **Figure 3-16** below shows living arrangements of children by census tract in Newport. **Figure 3-15** shows the percent of children in married couple households by census tract in Newport Beach. The data shows that most census tracts have children living in married couple households (above 80 percent per tract). There are few pockets adjacent to Costa Mesa and along the coast that show children living in married couple households where the census tract is between 60 and 80 percent. **Figure 3-16** shows the percent of children in female headed households with no spouse/partner by census tract in Newport. The data shows that most children are not in female headed households with no spouse and children present where the census tract shows less than 20 percent. There is one census tract where there is between 60 and 80 percent of children living in female headed households with no spouse/partner.

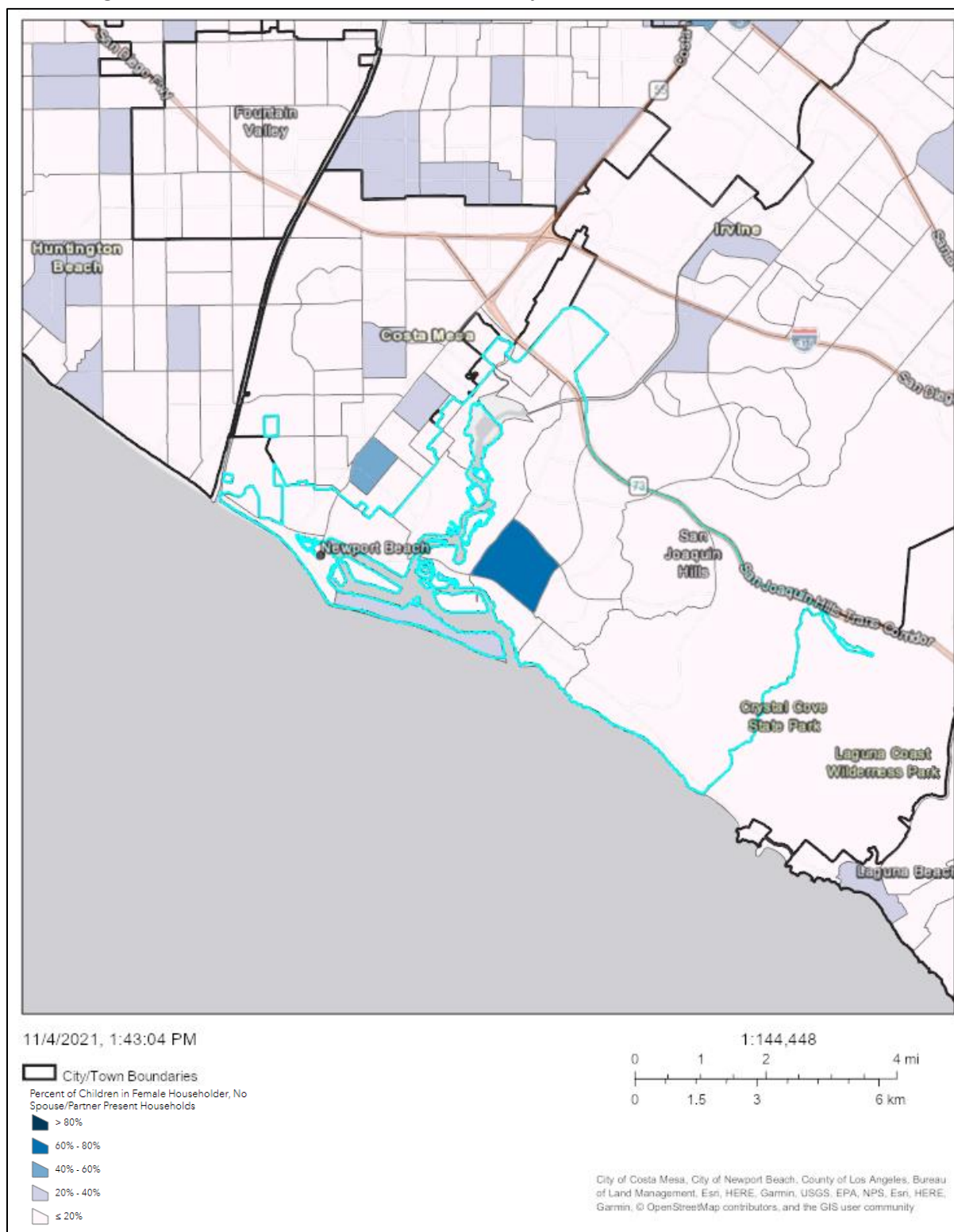


**Figure 3-15: Married Couple Households with Children**



Source: HCD AFFH Database, American Community Survey. Accessed November 3, 2021.

**Figure 3-16: Female Headed Households, No Spouse/Partner Present with Children**



Source: HCD AFFH Database, American Community Survey. Accessed November 3, 2021



Regarding household income, the City had a significantly higher median household income than the County and State in 2019 (\$127,223 in the City compared to \$90,234 in the County and \$75,235 in the State). As **Table 3-24** shows, majority of the City’s households are higher earning; in total 70.4 percent of households in Newport Beach earn more than the State median-income. Additionally, over 30 percent of households in Newport Beach earn \$200,000 or more annually. In the state, nearly 38 percent of households earn \$100,000 or more and 45.2 percent in the County of Orange. Just under 20 percent of City residents earn less than \$50,000 annually, compared to 27 percent and 34 percent for the County and State, respectively.

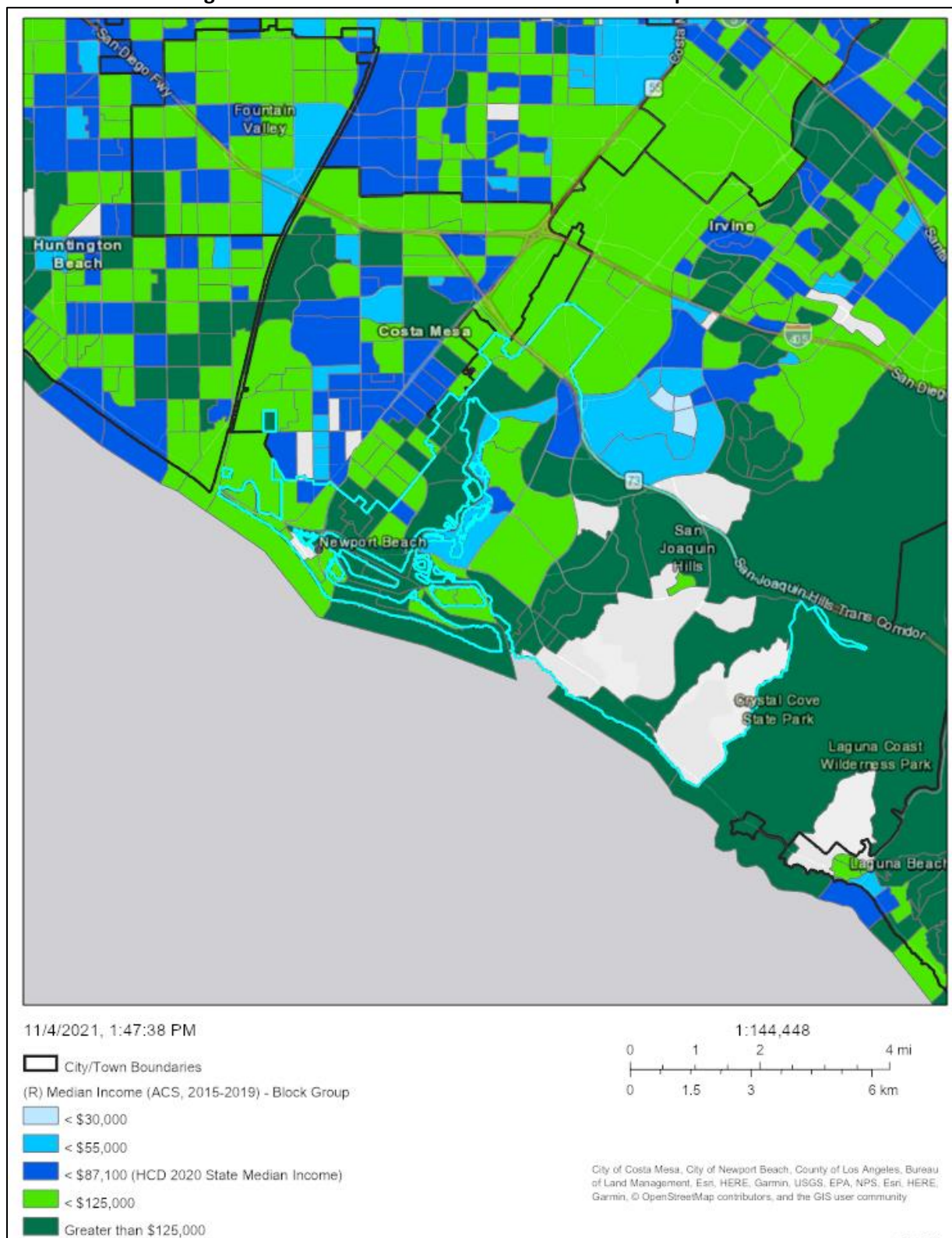
**Table 3-24: Households by Income, Compared by Geography, 2019**

| Households Income                                                | City of Newport Beach | County of Orange | California |
|------------------------------------------------------------------|-----------------------|------------------|------------|
| Less than \$10,000                                               | 3.8%                  | 4.2%             | 4.8%       |
| \$10,000-\$14,999                                                | 2.5%                  | 2.7%             | 4.1%       |
| \$15,000-\$24,999                                                | 4.3%                  | 5.6%             | 7.5%       |
| \$25,000-\$34,999                                                | 3.6%                  | 6.0%             | 7.5%       |
| \$35,000-\$49,999                                                | 5.7%                  | 8.8%             | 10.5%      |
| \$50,000-\$74,999                                                | 9.8%                  | 14.6%            | 15.5%      |
| \$75,000-\$99,999                                                | 10.1%                 | 12.8%            | 12.4%      |
| \$100,000-\$149,999                                              | 16.7%                 | 18.6%            | 16.6%      |
| \$150,000-\$199,999                                              | 10.8%                 | 11.1%            | 8.9%       |
| \$200,000 or More                                                | 32.8%                 | 15.5%            | 12.2%      |
| Median-Income                                                    | \$127,223             | \$90,234         | \$75,235   |
| <i>Source: American Community Survey, 5-Year Estimates, 2019</i> |                       |                  |            |

**Figure 3-17** shows median household income by block group in Newport Beach. The data shows that Newport Beach range at different median income levels. There is a large number of block groups in the southern portion and along the coast of Newport Beach whose median income for households is greater than \$125,000. There are block groups in the northern areas of Newport Beach ranging from less than \$55,000 and less than \$125,000.



**Figure 3-17: Median Income for Households in Newport Beach**



Source: HCD AFFH Database, American Community Survey. Accessed November 3, 2021.



### Overpayment

**Table 3-25** displays data for households experiencing overpayment or cost burden in the State, County and City. Housing Cost burden has a number of consequences for a household, mainly displacement from their existing living situation creating limited access essential goods and often employment by potentially increasing commute times. Overall, the percentage of households that experience a cost burden greater than 30 percent is similar amongst the City, County, and State with all three reporting about 75 to 80 percent. The City has a slightly higher percentage of households that have a high-cost burden over 50 percent (21.4 percent in the City, compared to about 19 percent in the County and State). Increased opportunity for affordable housing and housing assistance funds help to prevent cost burden on households.

**Table 3-25: Households by Overpayment, Compared by Geography**

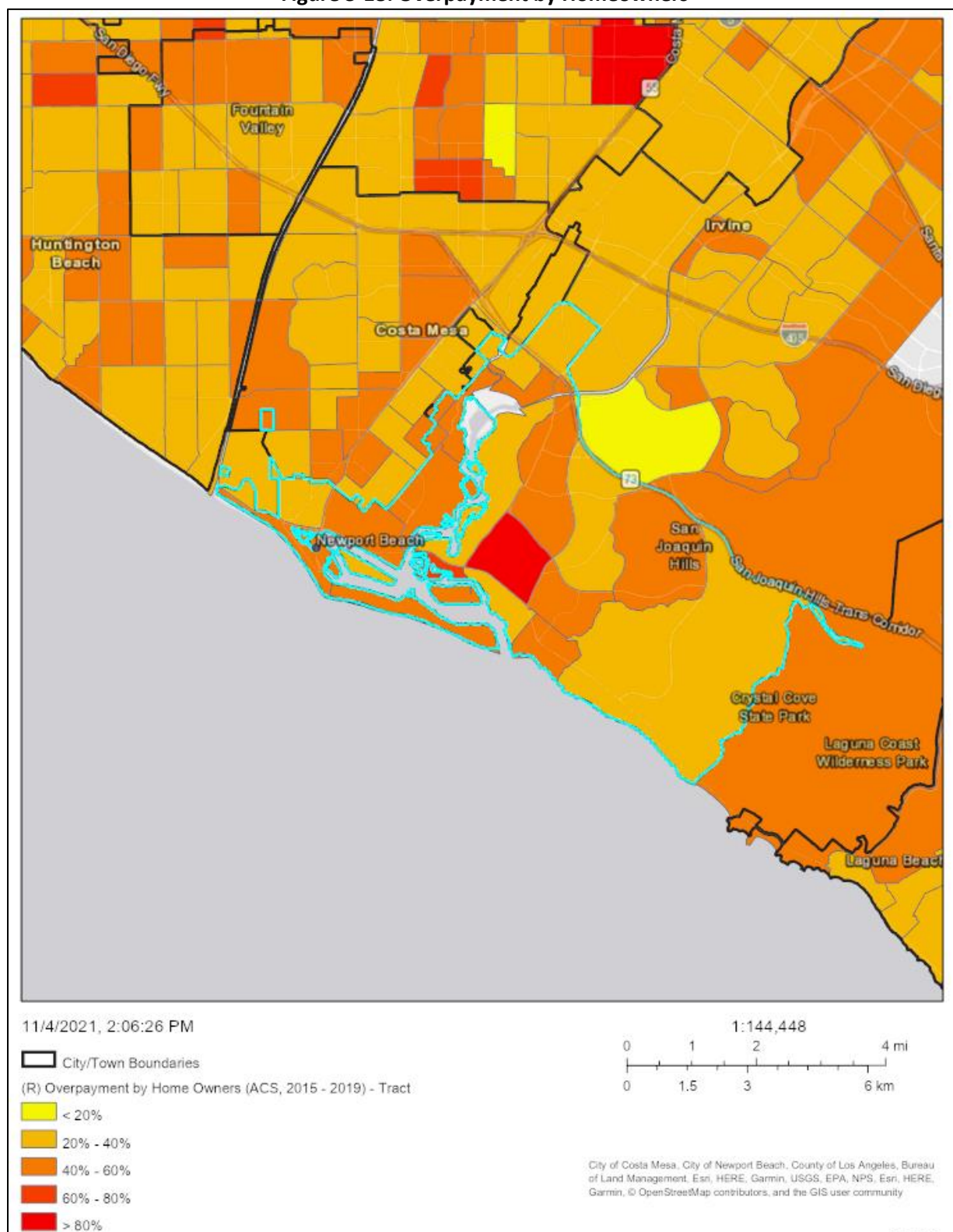
| Overpayment/Cost Burden   | City of Newport Beach | County of Orange | California |
|---------------------------|-----------------------|------------------|------------|
| Cost Burden > 30%         | 76.3%                 | 79.3%            | 79.2%      |
| Cost Burden > 50%         | 21.4%                 | 19.3%            | 19.4%      |
| Cost Burden Not Available | 2.1%                  | 1.4%             | 1.4%       |

*Source: Consolidated Planning/CHAS Data, 2013- 2017.*

**Figure 3-18** and displays **Figure 3-19** the housing costs as a percentage of household income, specifically overpayment by homeowners and overpayment by renters, by census tract in Newport Beach. The data shows that most homeowners and renters in Newport Beach overpay for housing. **Figure 3-18** shows most areas are between 20 percent and 60 percent of homeowners with mortgages whose monthly costs are 30 percent or more of their household income. There is a census tract where the overpayment of homeowners is shown at above 80 percent. **Figure 3-19** shows most areas are between 20 and 60 percent of renter households whom gross rent is 30 percent or more of their household income.

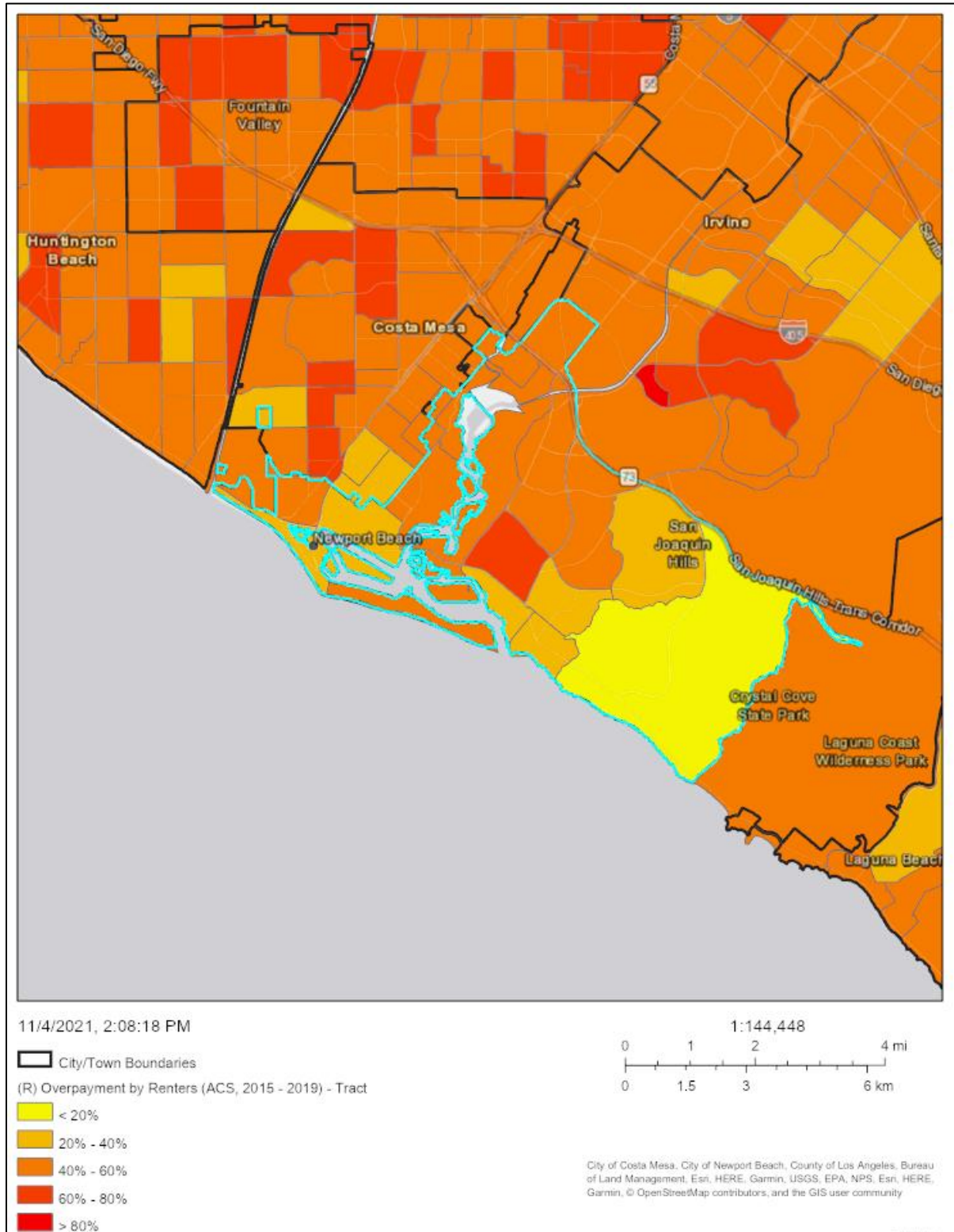


**Figure 3-18: Overpayment by Homeowners**



Source: HCD AFFH Database, American Community Survey. Accessed November 3, 2021.

**Figure 3-19: Overpayment by Renters**



Source: HCD AFFH Database, American Community Survey. Accessed November 3, 2021.



### Overcrowding and Tenure

**Table 3-26** displays data for household tenure (owner vs. renter) for the State, County and City. Homeownership is a crucial foundation for helping families with low-income to build strength, stability and independence. The opportunity for transition into the homebuyer’s market is important for persons and households in different communities, homeownership allows for increased stability and opportunity to age in place. **Table 3-26** shows that the City has a comparable rate of homeownership to the County and a slightly lower ownership rate that the State.

**Table 3-26: Households by Tenure, Compared by Geography, 2019**

| Household Tenure                                           | City of Newport Beach | County of Orange | California |
|------------------------------------------------------------|-----------------------|------------------|------------|
| Owner Households                                           | 56.7%                 | 57.4%            | 66.0%      |
| Renter Households                                          | 43.3%                 | 42.6%            | 34.0%      |
| Total Occupied Housing Units                               | 37,605                | 1,037,492        | 13,044,266 |
| Source: American Community Survey, 5-Year Estimates, 2019. |                       |                  |            |

Additionally, **Table 3-27** displays data for overcrowding in the State, County and City. Overcrowding is defined as between 1.01 and 1.5 persons per room in a household, and severe overcrowding is defined as more than 1.51 persons per room. Overcrowding often occurs when nonfamily members combine incomes to live in one household, such as college students and roommates, it also occurs when there are not enough size appropriate housing options for large or multigenerational families. The City experiences very low rates of overcrowding in comparison to the County and the State. According to the data, overcrowding occurs more frequently in renter households rather than owner households. In Newport Beach, owner households that are severely overcrowded represent 0 percent of all households, while severely overcrowded renter households represent 0.3 percent. In the County and state a trend similar in the County and State.

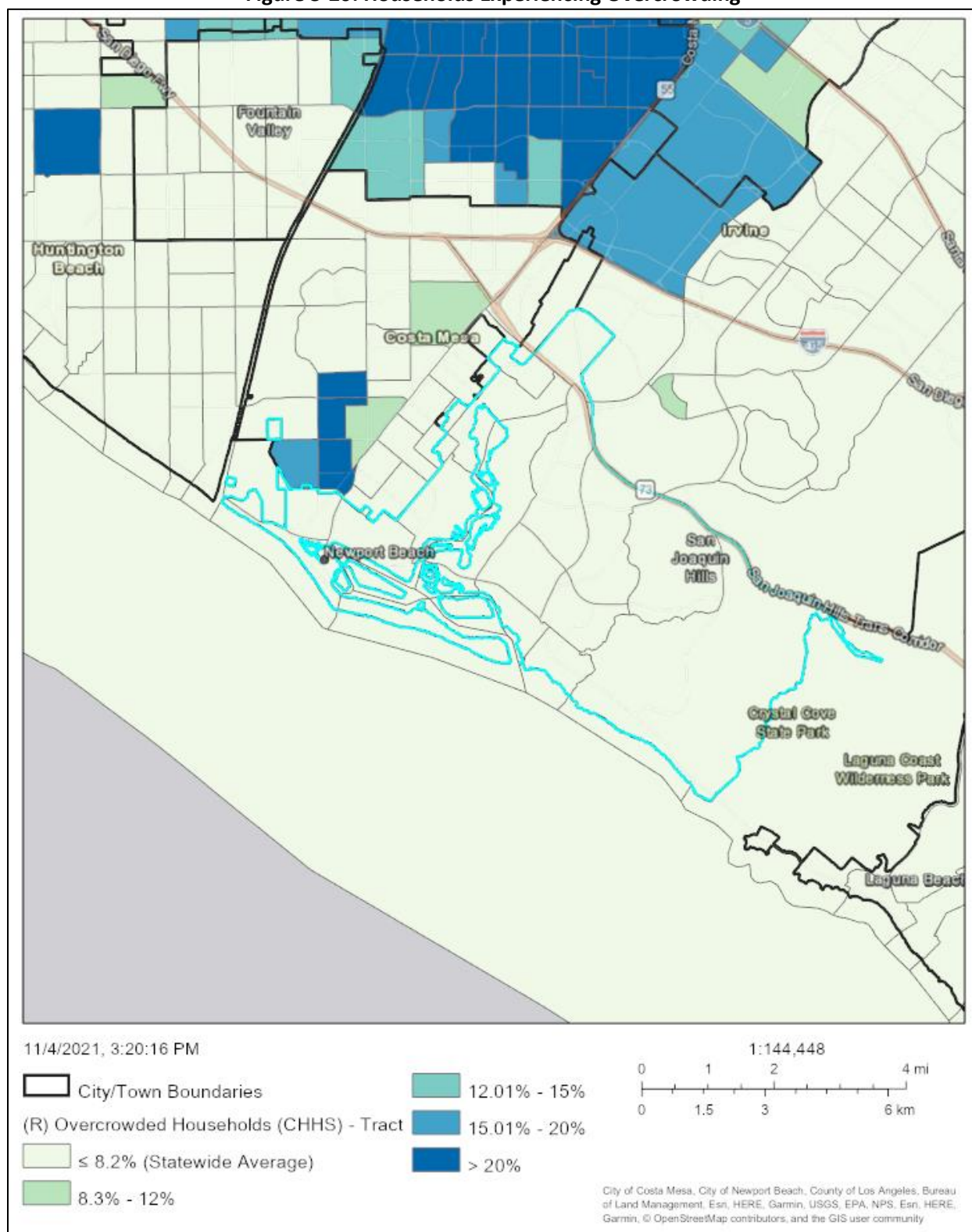
**Table 3-27: Households by Overcrowding, Compared by Geography**

| Overcrowding and Tenure                                    | City of Newport Beach | County of Orange | California |
|------------------------------------------------------------|-----------------------|------------------|------------|
| <b>Owner Households</b>                                    |                       |                  |            |
| Overcrowded                                                | 0.5%                  | 2.6%             | 1.6%       |
| Severely Overcrowded                                       | 0%                    | 1.0%             | 0.6%       |
| <b>Renter Households</b>                                   |                       |                  |            |
| Overcrowded                                                | 3.1%                  | 9.8%             | 3.6%       |
| Severely Overcrowded                                       | 0.3%                  | 6.0%             | 2.4%       |
| Source: American Community Survey, 5-Year Estimates, 2019. |                       |                  |            |

**Figure 3-20** and **Figure 3-21** show overcrowded households and severely overcrowded households, respectively. The data from these figures shows that overcrowded households is not a precedent issue for Newport Beach. **Figure 3-20** shows that all the census tracts in Newport Beach is less than the statewide average for overcrowded households.



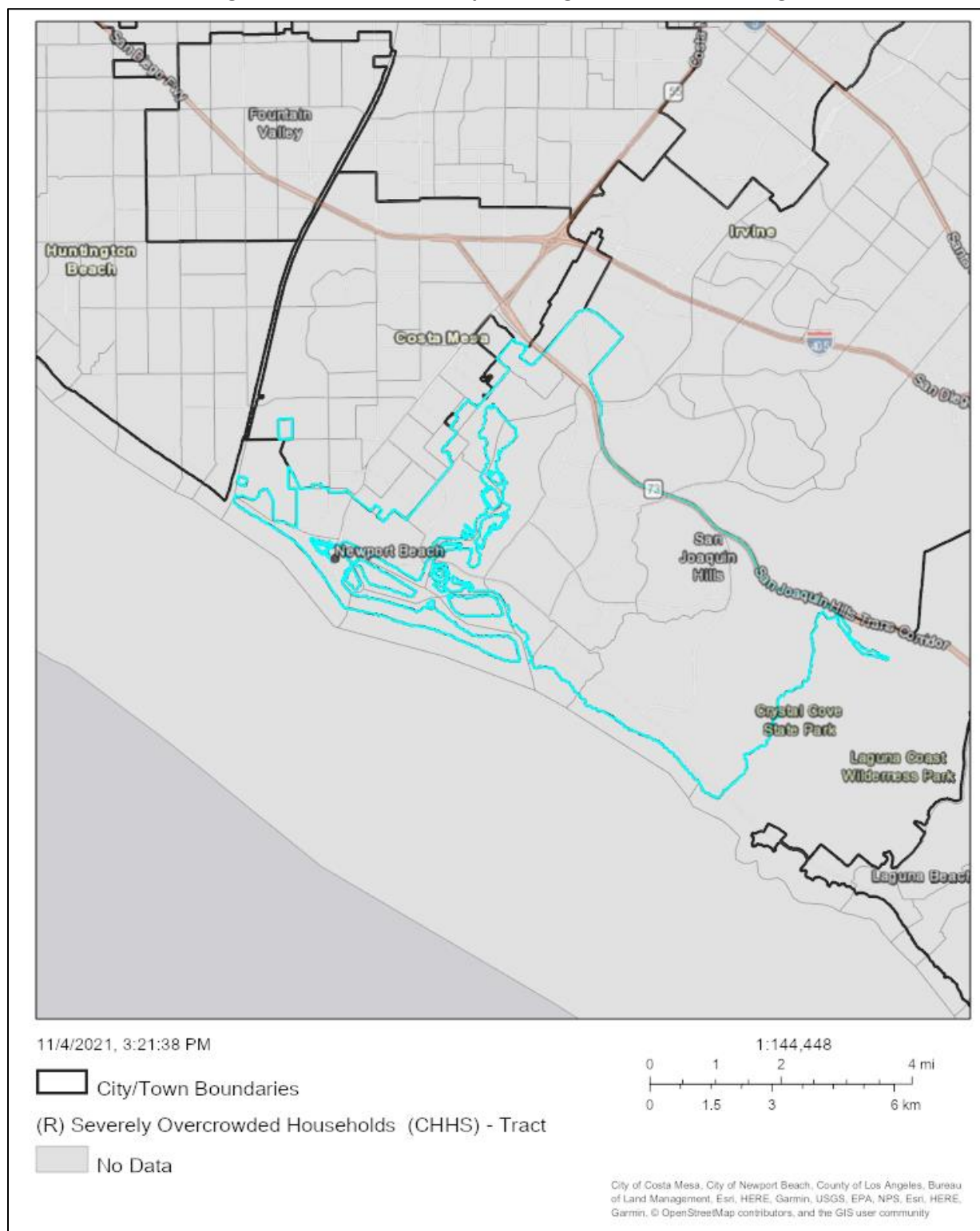
**Figure 3-20: Households Experiencing Overcrowding**



Source: HCD AFFH Database, American Community Survey. Accessed November 3, 2021.



**Figure 3-21: Households Experiencing Severe Overcrowding**



Source: HCD AFFH Database, American Community Survey. Accessed November 3, 2021.

### Housing Stock in Newport Beach

**Table 3-28** displays comparative housing stock data for the State, County and City. **Table 3-28** below shows data for occupied housing units by type. A variety of housing stock provides increased opportunity in communities for different size and households types. The majority of housing stock in Newport Beach is classified as one-unit-detached housing, or single-family housing. Just under 18 percent of Newport Beach homes include 20 or more units, referred to as multi-family housing. In comparison to the County Orange has a greater amount of single-family homes, and an overall smaller number multi-family housing (2 or more units).

**Table 3-28: Occupied Housing Units by Type, Compared by Geography**

| Housing Unit Type                    | City of Newport Beach | County of Orange | California |
|--------------------------------------|-----------------------|------------------|------------|
| 1, detached                          | 48.4%                 | 50.6%            | 57.7%      |
| 1, attached                          | 15.1%                 | 12.3%            | 7.0%       |
| 2 units                              | 4.8%                  | 1.6%             | 2.4%       |
| 3 or 4 units                         | 4.5%                  | 6.9%             | 5.5%       |
| 5 to 9 units                         | 4.4%                  | 6.7%             | 6.0%       |
| 10 to 19 units                       | 3.5%                  | 5.4%             | 5.2%       |
| 20 or more units                     | 17.9%                 | 13.7%            | 12.3%      |
| Mobile home or other type of housing | 1.3%                  | 2.7%             | 3.7%       |

*Source: American Community Survey, 5-Year Estimates, 2019.*

**Table 3-29** below displays housing stock by year built or the City, County, and State. A factor used to determine housing condition is the age and state of the home. Older housing generally requires more upkeep, regular maintenance and can cause a cost burden on both renters and homeowners. Majority of Newport Beach's housing stock was built between 1960 and 1999. Development shows to have slowed significantly in the City after 2010, which could be indicative of the Great Recession. Majority of the County's and State's housing units were built between 1980 and 2009 whereas the distribution of development was more dispersed from 1950 to 1990 in the State. Majority of Newport Beach's homes are over between 40 and 70 years old, built between 1950 and 1979 (53.4 percent). Homes over 50 years old have an increased likelihood of needing more major repairs to key systems and building components. Therefore, these homes are at a higher risk of needing repair or replacement. Overall, increased numbers of older housing which is not maintained can lead to cost burden and substandard living conditions.

**Table 3-29: Housing Unit by Type, Compared by Geography**

| Year Built          | City of Newport Beach | County of Orange | California |
|---------------------|-----------------------|------------------|------------|
| Built 2014 or later | 1.6%                  | 2.7%             | 1.7%       |
| Built 2010 to 2013  | 1.7%                  | 2.0%             | 1.7%       |
| Built 2000 to 2009  | 10.4%                 | 8.3%             | 11.2%      |
| Built 1990 to 1999  | 14.3%                 | 11.7%            | 10.9%      |
| Built 1980 to 1989  | 10.9%                 | 14.9%            | 15.0%      |
| Built 1970 to 1979  | 22.7%                 | 23.3%            | 17.6%      |
| Built 1960 to 1969  | 19.8%                 | 19.5%            | 13.4%      |
| Built 1950 to 1959  | 10.9%                 | 13.0%            | 13.4%      |

| Year Built                                                        | City of Newport Beach | County of Orange | California |
|-------------------------------------------------------------------|-----------------------|------------------|------------|
| Built 1940 to 1949                                                | 3.6%                  | 2.1%             | 5.9%       |
| Built 1939 or earlier                                             | 4.1%                  | 2.5%             | 9.1%       |
| <i>Source: American Community Survey, 5-Year Estimates, 2019.</i> |                       |                  |            |

Substandard units are those in need of repair or replacement. Based on 2019 ACS data, one (1) percent of housing units in Newport Beach display substandard conditions. Approximately .03 percent of housing units lack complete plumbing facilities and .08 percent lack complete kitchen facilities. Based on this data, at a minimum 377 units (1 percent) within Newport Beach are substandard and in need of rehabilitation. In the Orange County Area, 1.5 percent of homes are considered substandard, lacking complete kitchen or plumbing facilities. The current distribution of the age of homes in Newport Beach also indicates that a majority of homes in the City were built prior to the 1990 Americans with Disabilities Act (ADA), which may result in a lack of accessible homes for those residents experiencing a disability. The City's older housing stock also reflects a rapidly gaining need to rehabilitate housing to meet minimum livability and quality requirements, which is a barrier to many homeowners and residents in Newport who have a lower income or a fixed income. However, the City of Newport Beach is moderate and above moderate income, therefore, substandard housing and units in need of rehabilitation may be passed on to renters with moderate to lower incomes.

## Displacement Risk

The potential for economic displacement risk can result from a variety of factors, including large-scale development activity, neighborhood reinvestment, infrastructure investments, and changes in local and regional employment opportunity. Economic displacement can be an inadvertent result of public and private investment, where individuals and families may not be able to keep pace with increased property values and market rental rates.

## Urban Displacement

The Urban Displacement Project developed a neighborhood change database to map neighborhood transformations and identify areas vulnerable to gentrification and displacement. This data was developed to assist local decision makers and stakeholders better plan for existing communities and provide additional resources to areas in need or at-risk of displacement and gentrification. **Table 3-30** provides the criteria used to identify each displacement typology and the total number of Newport Beach Census Tracts that currently fall within each category.

**Table 3-30: Displacement Typology Criteria and Newport Beach Census Tracts**

| Modified Types and Criteria                                                                                                                                                                        | Newport Beach Census Tracts |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| Low-Income/Susceptible to Displacement <ul style="list-style-type: none"> <li>Low or mixed low-income tract in 2018.</li> </ul>                                                                    | None                        |
| Ongoing Displacement of Low-Income Households <ul style="list-style-type: none"> <li>Low or mixed low-income tract in 2018.</li> <li>Absolute loss of low-income households, 2000-2018.</li> </ul> | None                        |
| At Risk of Gentrification                                                                                                                                                                          | None                        |



| Modified Types and Criteria                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Newport Beach Census Tracts                                                                    |                                                                                                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Low or mixed low-income tract in 2018.</li> <li>Housing affordable to low or mixed low-income households in 2018.</li> <li>Didn't gentrify 1990-2000 OR 2000-2018.</li> <li>Marginal change in housing costs OR Zillow home or rental value increases in the 90<sup>th</sup> percentile between 2012-2018.</li> <li>Local and nearby increases in rent were greater than the regional median between 2012-2018 OR the 2018 rent gap is greater than the regional median rent gap.</li> </ul> |                                                                                                |                                                                                                |
| <b>Early/Ongoing Gentrification</b> <ul style="list-style-type: none"> <li>Low or mixed low-income tract in 2018.</li> <li>Housing affordable to moderate or mixed moderate-income households in 2018.</li> <li>Increase or rapid increase in housing costs OR above regional median change in Zillow home or rental values between 2-12-2018.</li> <li>Gentrified in 1990-2000 or 2000-2018.</li> </ul>                                                                                                                            | None                                                                                           |                                                                                                |
| <b>Advanced Gentrification</b> <ul style="list-style-type: none"> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018.</li> <li>Housing affordable to middle, high, mixed moderate, and mixed high-income households in 2018.</li> <li>Marginal change, increase, or rapid increase in housing costs.</li> <li>Gentrified in 1990-2000 or 2000-2018.</li> </ul>                                                                                                                                                  | None                                                                                           |                                                                                                |
| <b>Stable Moderate/Mixed Income</b> <ul style="list-style-type: none"> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                           | None                                                                                           |                                                                                                |
| <b>At Risk of Becoming Exclusive</b> <ul style="list-style-type: none"> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018.</li> <li>Housing affordable to middle, high, mixed moderate, and mixed high-income households in 2018.</li> <li>Marginal change or increase in housing costs.</li> </ul>                                                                                                                                                                                                            | None                                                                                           |                                                                                                |
| <b>Becoming Exclusive</b> <ul style="list-style-type: none"> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018.</li> <li>Housing affordable to middle, high, mixed moderate, and mixed high-income households in 2018.</li> <li>Rapid increase in housing costs.</li> <li>Absolute loss of low-income households, 2000-2018.</li> <li>Declining low-income in-migration rate, 2012-2018.</li> <li>Median income higher in 2018 than in 2000.</li> </ul>                                                        | None                                                                                           |                                                                                                |
| <b>Stable/Advanced Exclusive</b> <ul style="list-style-type: none"> <li>High-income tract in 2000 and 2018</li> <li>Affordable to high or mixed high-income households in 2018.</li> <li>Marginal change, increase, or rapid increase in housing costs.</li> </ul>                                                                                                                                                                                                                                                                  | 6059062604<br>6059062643<br>6059062702<br>6059062800<br>6059062645<br>6059062642<br>6059062644 | 6059063500<br>6059062900<br>6059063400<br>6059063302<br>6059063009<br>6059062612<br>6059062630 |

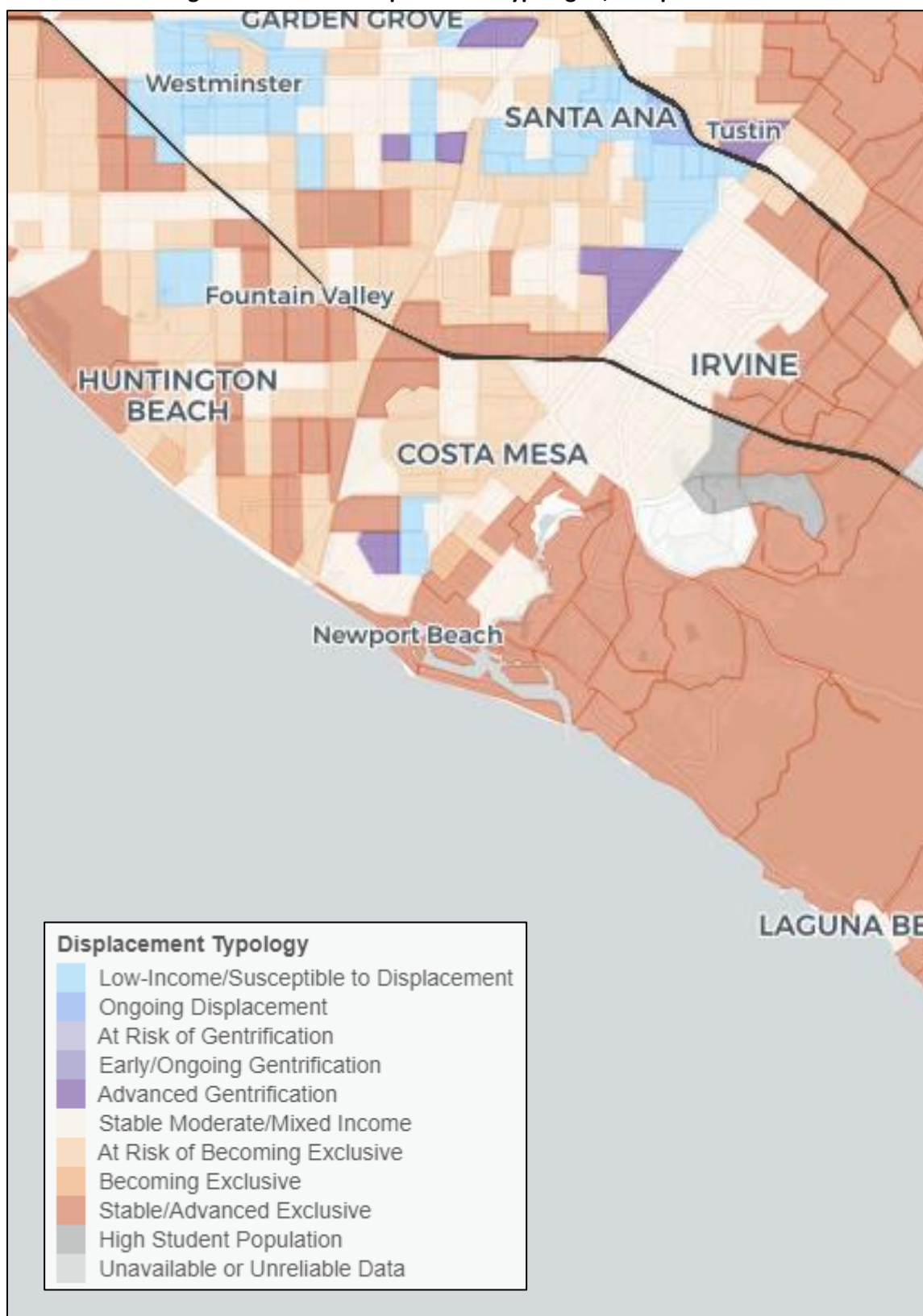




| Modified Types and Criteria                                                   | Newport Beach Census Tracts |            |
|-------------------------------------------------------------------------------|-----------------------------|------------|
|                                                                               | 6059063008                  | 6059062631 |
|                                                                               | 6059063007                  | 6059062629 |
|                                                                               | 6059063004                  | 6059063103 |
|                                                                               | 6059063006                  |            |
| High Student Population                                                       | None                        |            |
| Source: Urban Displacement Project, University of California Berkeley (2021). |                             |            |

**Table 3-30** and **Figure 3-22** show that all of Newport Beach is considered stable/advanced exclusive. Stable advanced exclusive means the households in the census tracts have high and above moderate incomes and that there is either little change in the cost of housing or rapid increases. Stable exclusive areas also means that it is very difficult for lower and moderate income households to partake in the housing market through ownership, and there is little mobility and fewer options in terms of rentership. The City of Newport Beach is one of the highest income cities in the County, consistent with income data for many coastal cities in Southern California, particularly Orange County. Paired with high costs of land and increasing costs of construction materials and labor, the housing market and cost of housing in Newport Beach will likely continue to increase. Affordable housing through density bonus and partnership with affordable developers is the key way to increase housing equity in Newport Beach. Additionally, the creation of accessory dwelling units can provide less costly housing opportunities within the City that would be available to a broader demographic.

**Figure 3-22: Urban Displacement Typologies, Newport Beach**



Source: Urban Displacement Project, University of California Berkeley (2021).



**Table 3-31** below identifies the assisted and affordable housing units within the City of Newport Beach and identifies the end date of each covenant. According to the table, 4 locations (with a total of 112 units) were up for renewal in the previous planning period (2014-2021). Additionally, 3 locations, with a total of 45 units are set to expire and be addressed for renewal over the next planning period (2021-2029).

The City of Newport Beach is committed to working with property owners and utilizing appropriate funds, as available, to review covenants set to expire for renewal.

**Table 3-31: City of Newport Beach Assisted (and Affordable) Housing Summary**

| Project Name/ Location                                      | Type of Assistance Received                                                                         | Earliest Possible Date of Change | Number of Units/Type                                |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|----------------------------------|-----------------------------------------------------|
| Newport Harbor Apartments<br>1538 Placentia Avenue          | Section 8 (rental assistance vouchers)<br>Density Bonus<br>Community Development Block Grant (CDBG) | 2020                             | 26 Low-Income                                       |
| Newport Harbor II Apartments<br>1530 Placentia Avenue       | Section 8 Density Bonus CDBG<br>In-Lieu Fee Funds                                                   | 2023                             | 10 Low-Income<br>4 Very Low-Income                  |
| Newport Seacrest Apartments<br>843 15th Street              | Section 8 CDBG<br>Fee Waivers Tax Credit Financing                                                  | 2016                             | 20 Very Low-Income<br>45 Low-Income                 |
| Pacific Heights Apartments 881-<br>887 W. 15th Street       | Section 8 Density Bonus                                                                             | 2019                             | 7 Low-Income                                        |
| Newport Seashore Apartments<br>849 West 15th Street         | Section 8 Fee Waivers                                                                               | 2018                             | 15 Low-Income                                       |
| Newport Seaside Apartment<br>1544 Placentia                 | Section 8 CDBG<br>Fee Waivers                                                                       | 2017                             | 25 Very Low-Income                                  |
| Seaview Lutheran Plaza (Seniors)<br>2800 Pacific View Drive | Section 202 (federal grant)<br>Section 8                                                            | 2039                             | 100 Extremely Low<br>and Very Low-<br>Income Senior |
| Villa del Este<br>401 Seaward Road                          | —                                                                                                   | 2026                             | 2 Moderate-Income<br>(ownership)                    |
| Villa Siena 2101 15th Street                                | Density Bonus                                                                                       | 2021                             | 3 Moderate-Income<br>(ownership)                    |
| Bayview Landing (Seniors) 1121<br>Back Bay Drive            | In-lieu Fee Funds Fee Waivers<br>Tax Credit Financing                                               | 2056                             | 24 Very Low<br>95 Low-Income                        |

### **Cost of Replacement Analysis**

In general, the cost for new land in the City cost about \$115/square foot, per market research (noted in Section 3.A.1). The actual construction cost for residential development ranges from \$118/square foot up to \$131/square foot. The total replacement cost for the at-risk units identified in **Table 3-31** are summarized below

- The cost for replacing the 65-unit Newport Seacrest Apartments would total more than \$12,499,600. This cost assumes that 1.5 acres of land will be required, and each unit will have a total floor area of 650 square feet (1-bedroom units). The land cost will be approximately \$7,514,100 (assuming \$115/square foot) while the construction cost will be approximately \$4,985,500 (assuming \$118/square foot for a 650-square foot unit= \$76,700/unit).

- The cost of replacing the 7-units in the Pacific Heights Apartments would total more than \$1,789,550. This cost assumes that 0.25 acres of land will be required, and each unit will have a total floor area of 650 square feet (1- bedroom). The land cost will be approximately \$1,252,350 (assuming \$115/square foot) while the construction cost will be approximately \$536,900 (assuming \$118/square foot for a 650-square foot unit=\$76,700/unit).
- The cost of replacing the 15 units in Newport Seashore Apartments would total more than \$3,655,200. This cost assumes that 0.5 acres of land (average 650 square feet per dwelling unit) will be required and each unit will have a total floor area of 650 square feet (1-bedroom units). The land cost will be approximately \$2,504,700 (assuming \$115/square foot) while the construction cost will be approximately \$1,150,500 (assuming \$118/square foot for a 650-square foot unit= \$76,700/unit).
- The cost of replacing the 25 units in Newport Seaside Apartments would total more than \$4,422,200. This cost assumes that .5 acres of land (average 650 square feet per dwelling unit) will be required and each unit will have a total floor area of 650 square feet (1-bedroom units). The land cost will be approximately \$2,504,700 (assuming \$115/square foot) while the construction cost will be approximately \$1,917,500 (assuming \$118/square foot for a 650-square foot unit= \$76,700/unit).
- The cost of replacing the 5 units for ownership in Villa del Este and Villa Siena developments would total more than \$1,809,100. This cost assumes that 0.25 acres of land (average 850 square feet per dwelling unit) will be required and each unit will have a total floor area of 850 square feet (2-bedroom units). The land cost will be approximately \$1,252,350 (assuming \$115/square foot) while the construction cost will be approximately \$556,750 (assuming \$131/square foot for an 850-square foot unit= \$111,350/unit).

To address the risk of affordable units converting to market rate housing, the City has identified **Programs 5A and 5C** to monitor these units. The City will actively work to create programs and seek additional funding in which the focus is to preserve these units beyond the expiration of the covenant so that the owners are able to have affordable housing options.

### ***Resources to Preserve At-Risk Units***

A variety of programs exist to help cities acquire, replace, or subsidize at-risk affordable housing units. The following summarizes financial resources available:

- Community Development Block Grant (CDBG) – CDBG funds are awarded to cities on a formula basis for housing activities. The primary objective of the CDBG program is the development of viable communities through the provision of decent housing, a suitable living environment and economic opportunity for principally low- and moderate-income persons. Eligible activities include administration, fair housing, energy conservation and renewable energy sources, assistance for economic development, public facilities and improvements and public services.
- HOME Investment Partnership – Local jurisdiction can receive funds by formula from the Department of Housing and Urban Development (HUD) to increase the supply of decent, safe,



sanitary, and affordable housing to lower income households. Eligible activities include housing acquisition, rehabilitation, and development, homebuyer assistance, and rental assistance.

- Section 8 Rental Assistance Program – The Section 8 Rental Assistance Program provides rental assistance payments to owners of private, market rate units on behalf of very low-income tenants, senior citizens, disabled and/or handicapped persons, and other individuals for securing affordable housing.
- Section 202/811 Program – Non-profit and consumer cooperatives can receive no-interest capital advances from HUD under the Section 202 program for the construction of very low-income rental housing with the availability of supportive services for seniors and persons with disabilities. These funds can be used in conjunction with Section 811, which can be used to develop group homes, independent living facilities and immediate care facilities. The capital advance funding can also provide project rental assistance for the properties developed using the funds. Eligible activities include acquisition, rehabilitation, new construction, and rental assistance.
- California Housing Finance Agency (CalHFA) Multifamily Programs – CalHFA’s Multifamily Programs provide permanent financing for the acquisition, rehabilitation, and preservation or new construction of rental housing that includes affordable rents for low- and moderate-income families and individuals. One of the programs is the Preservation Loan program which provides acquisition/rehabilitation and permanent loan financing designed to preserve or increase the affordability status of existing multifamily housing projects.
- Low-Income Housing Tax Credit (LIHTC) – This program provides tax credits to individuals and corporations that invest in low-income rental housing. Tax credits are sold to those with high tax liability and proceeds are used to create housing. Eligible activities include new construction, rehabilitation, and acquisition of properties.
- California Community Reinvestment Corporation (CCRC) – The California Community Reinvestment Corporation is a multifamily affordable housing lender whose mission is to increase the availability of affordable housing for low-income families, seniors, and residents with special needs by facilitating private capital flow from its investors for debt and equity to developers of affordable housing. Eligible activities include new construction, rehabilitation, and acquisition of properties.

### ***Qualified Entities to Preserve At-Risk Units***

The following organizations may potentially assist in preserving future at-risk units:

- Jamboree Housing Corporation
- Irvine Housing Opportunities, Inc.
- Bridge Housing Corporation
- The Irvine Company
- Orange County Housing Authority
- Housing Corporation of America
- Southern California Housing Development Corporation
- Century Housing



### ***Quantified Objectives***

Housing Element law requires that cities establish the maximum number of units that can be preserved over the planning period. The City's objective is to preserve the 52 affordable housing units "at-risk" of converting to market rate through policy programs provided in **Section 4**.

### ***Urban Displacement Analysis***

The UC Berkeley Urban Displacement projects provides a database for Los Angeles, Orange and San Diego Counties displaying gentrifications and socioeconomic indicators based on 2015 ACS data. The final (2018) version of the database shows whether each Census tract comprising these three Southern California counties gentrified between 1990 and 2000; gentrified between 2000 and 2015; gentrified during both of these periods; or exhibited characteristics of a "disadvantaged" tract that did not gentrify between 1990 and 2015. The outcome of the data is a map which displays displacement typology by census tract (outlined below).

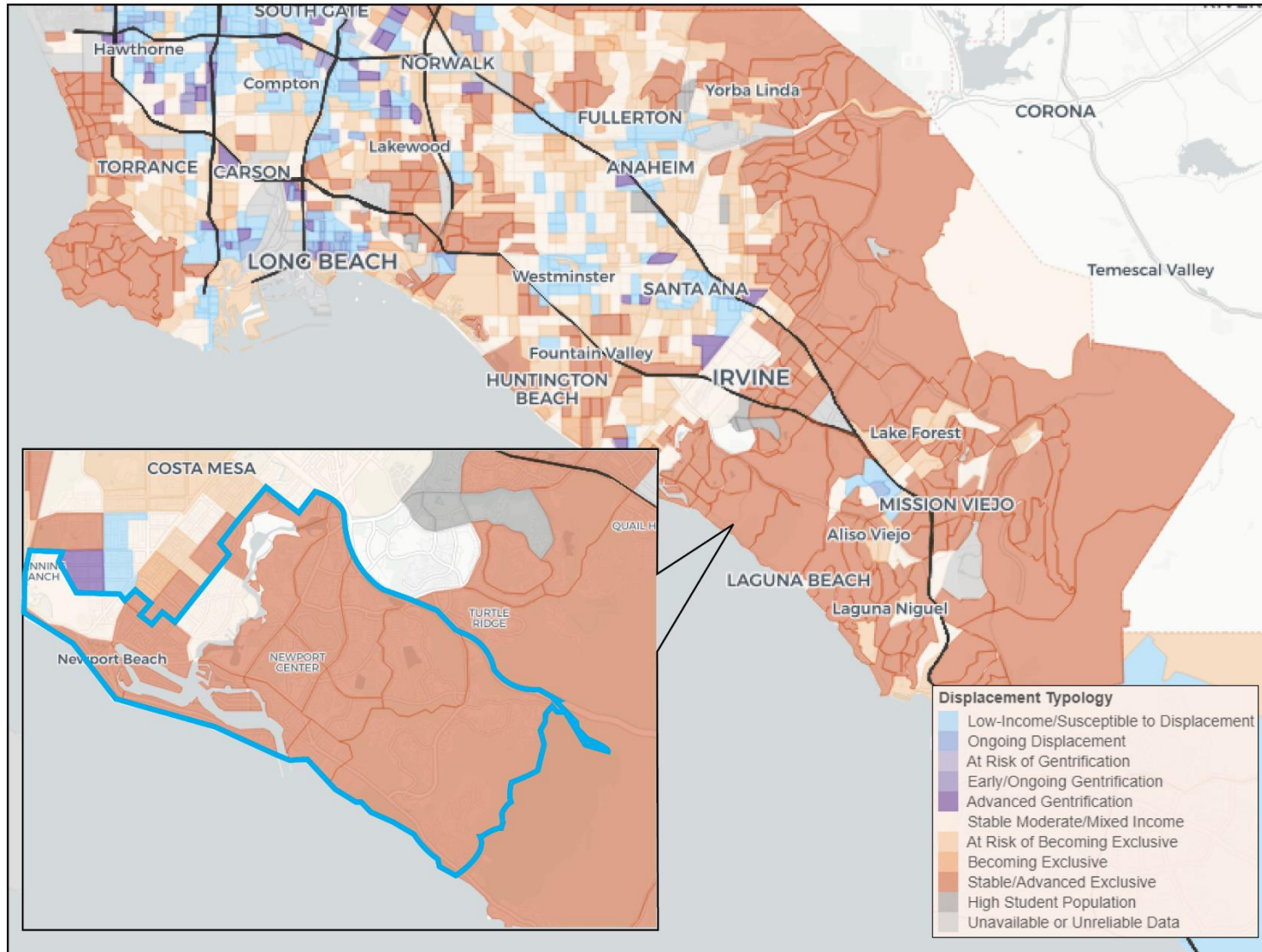
|                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Low Income/Susceptible to Displacement:        | <ul style="list-style-type: none"> <li>• Low or mixed low-income tract in 2018</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Ongoing Displacement of Low-Income Households: | <ul style="list-style-type: none"> <li>• Low or mixed low-income tract in 2018</li> <li>• Absolute loss of low-income households, 2000-2018</li> </ul>                                                                                                                                                                                                                                                                                                                                                                               |
| At Risk of Gentrification:                     | <ul style="list-style-type: none"> <li>• Low-income or mixed low-income tract in 2018</li> <li>• Housing affordable to low or mixed low-income households in 2018</li> <li>• Didn't gentrify 1990-2000 OR 2000-2018</li> <li>• Marginal change in housing costs OR Zillow home or rental value increases in the 90th percentile between 2012-2018</li> <li>• Local and nearby increases in rent were greater than the regional median between 2012-2018 OR the 2018 rent gap is greater than the regional median rent gap</li> </ul> |
| Early/Ongoing Gentrification:                  | <ul style="list-style-type: none"> <li>• Low-income or mixed low-income tract in 2018</li> <li>• Housing affordable to moderate or mixed moderate-income households in 2018</li> <li>• Increase or rapid increase in housing costs OR above regional median change in Zillow home or rental values between 2012-2018</li> <li>• Gentrified in 1990-2000 or 2000-2018</li> </ul>                                                                                                                                                      |
| Advanced Gentrification                        | <ul style="list-style-type: none"> <li>• Moderate, mixed moderate, mixed high, or high-income tract in 2018</li> <li>• Housing affordable to middle, high, mixed moderate, and mixed high• income households in 2018</li> <li>• Marginal change, increase, or rapid increase in housing costs</li> <li>• Gentrified in 1990-2000 or 2000-2018</li> </ul>                                                                                                                                                                             |



|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Stable Moderate/Mixed Income: | <ul style="list-style-type: none"> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018</li> </ul>                                                                                                                                                                                                                                                                                                                          |
| Risk of Becoming Exclusive:   | <ul style="list-style-type: none"> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018</li> <li>Housing affordable to middle, high, mixed moderate, and mixed high• income households in 2018</li> <li>Marginal change or increase in housing costs</li> </ul>                                                                                                                                                             |
| Becoming Exclusive:           | <ul style="list-style-type: none"> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018</li> <li>Housing affordable to middle, high, mixed moderate, and mixed high• income households in 2018</li> <li>Rapid increase in housing costs</li> <li>Absolute loss of low-income households, 2000-2018</li> <li>Declining low-income in-migration rate, 2012-2018</li> <li>Median income higher in 2018 than in 2000</li> </ul> |
| Stable/Advanced Exclusive:    | <ul style="list-style-type: none"> <li>High-income tract in 2000 and 2018</li> <li>Affordable to high or mixed high-income households in 2018</li> <li>Marginal change, increase, or rapid increase in housing costs</li> </ul>                                                                                                                                                                                                               |

**Figure 3-23** below displays the mapped displacement typology for Newport Beach. The data shows that nearly all of Newport Beach is considered Stable/Advanced Exclusive, furthering previous conclusions that the City is an overall high income and high-cost City to live in.

Figure 3-23: Displacement Risk, Newport Beach



Source: UC Berkeley, Urban Displacement Project, "Mapping Neighborhood Change in Southern California." Accessed November 4, 2021





### **SB 330**

Effective January 1, 2020, Senate Bill 330 (SB 330) aims to increase residential unit development, protect existing housing inventory, and expedite permit processing. Under this legislation, municipal and county agencies are restricted in ordinances and policies that can be applied to residential development. The revised definition of “Housing Development” now contains residential projects of two or more units, mixed-use projects (with two-thirds of the floor area designated for residential use), transitional, supportive, and emergency housing projects. SB330 sets a temporary 5-year prohibition of residential density reduction associated with a “housing development project,” from January 1, 2020, to January 1, 2025. For example, during this temporary prohibition, a residential triplex cannot be demolished and replaced with a duplex as this would be a net loss of one unit.

None of the housing strategy sites contain significant existing housing with low-income tenants who will be displaced if the sites redevelop. To the extent that there is existing housing, all housing must be replaced (Government Code Section 66300).

The City of Newport Beach has developed an informative webpage on SB 330 available for the public. The State has also adopted just cause eviction provisions and statewide rent control to protect tenants from displacement. The City is committed to making diligent efforts to engage underrepresented and disadvantaged communities in studying displacement.

## **Assessment of Contributing Factors to Fair Housing Issues in Newport Beach**

The AI identifies the following regional goals for mitigating impediments to fair housing within jurisdictions in Orange County:

- **Goal 1:** Increase the supply of affordable housing in high opportunity areas.<sup>1</sup>
- **Goal 2:** Prevent displacement of low- and moderate-income residents with protected characteristics, including Hispanic residents, Vietnamese residents, other seniors, and people with disabilities
- **Goal 3:** Increase community integration for persons with disabilities.
- **Goal 4:** Ensure equal access to housing for persons with protected characteristics, who are disproportionately likely to be lower-income and to experience homelessness.
- **Goal 5:** Expand access to opportunity for protected classes.

### **Summary of Fair Housing Analysis**

The Housing Element programs incorporate these recommended goals as they relate to Newport Beach. The analysis above regarding other fair housing issues within Newport Beach yields the following results:

- The City does not have any racial or ethnic groups that score higher than 60 on the dissimilarity index. However, those who identify as Native Hawaiian, Asian, American Indian, Black and Some Other Race experience moderate levels of segregation (a dissimilarity index of greater than 30).

While there are no groups experience high segregation, the City should focus on the needs and targeted outreach to the populations experiencing moderate segregation.

- 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% 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 the majority of 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 City should focus on increasing resources, housing opportunity and encourage economic development in these areas.
- The analysis of the TCAC/HCD opportunity Area Maps show 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 forty 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).

### **Key Findings from Fair Housing Analysis**

As a part of the Housing Element, the City considers protected class (such as race, ethnicity, income, etc.) and opportunity indicators as key factors in fair housing. Federal, state, and local data provide regional context, background information and supportive data which helps the City to understand fair housing issues and to identify key fair housing factors for Newport Beach. The section below uses available data to identify key trends and local contributing factors for fair housing, key themes identified through this analysis are stated below:

- Persons who identify as Native Hawaiian or Other experience the moderate levels of segregation with persons who identify as White in the City of Newport Beach.
- The City has twelve census tracts characterized as Racially Concentrated Areas of Affluence (RCCA) and no R/ECAPs.
- Residents of Newport Beach are more likely to experience high housing cost burden as homeowners.

- Persons who earn incomes below the poverty rate are more likely to have lower access to opportunities as indicated by the Opportunity Indices analysis.

### ***Local Contributing Factors to Fair Housing***

There are a number of factors and elements that contribute to and cause fair housing issues. The following lists a number of contributing factors within the City of Newport Beach:

- **Opportunities for Persons with Disabilities** – The analysis shows disability and access as possible fair housing issues in Newport Beach. In comparison to **Figure D-14**, the City shows a moderate portion of residents report at least one disability (10 percent) as well as some census tracts reporting 10-20 percent having a disability. While the City is considered a high opportunity area, residents with disabilities may have lower access to resources and information. Housing Goals #3: Increase community integration for persons with disabilities, Housing Goal #4: Ensure equal access to housing for persons with protected characteristics, who are disproportionately likely to be lower-income and to experience homelessness, and Housing Goal #5: Expand access to opportunity for protected classes.
- **Expansion of Opportunities in Lower Resource Areas** – While the City of Newport Beach is considered a moderate to high resource region, some parts of the City are characterized as lower opportunity zones as depicted in **Figure 3-6**. When compared to the CalEnviroScreen map in **Figure 3-13**, the low resource areas align with regions identified at the highest degree of pollution burdens. Various Housing Programs have been adopted to ensure opportunities for residents in low opportunity areas. Housing Goal #5: Expand access to opportunity for protected classes.

## ***4. Analysis of Sites Pursuant to AB 686***

AB 686 requires that jurisdictions identify sites throughout the community in a manner that is consistent with its duty to affirmatively further fair housing. The site identification requirement involves not only an analysis of site capacity to accommodate the RHNA (provided in Appendix B), but also whether the identified sites serve the purpose of replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

**Figures 3-24 through 3-26** below identify the sites to accommodate future housing, as identified in the adequate sites analysis, overlaid on demographic data using the 2018 American Community Survey 5-year Estimates.

- **Figure 3-24** – Newport Beach Proposed RHNA Sites, Hispanic/Latino, 2019
- **Figure 3-25** – Newport Beach Proposed RHNA Sites, Non-White Population 2019
- **Figure 3-26** – Newport Beach Proposed RHNA Sites, Low and Moderate-Income, 2019

**Figure 3-24** shows the proposed candidate sites to meet the RHNA for Newport Beach in relation to the location of residents of Hispanic origin. These sites take into consideration access to vital goods, services, and public transportation and are therefore ideal areas for the City to focus much of its future housing growth. It is anticipated that accessory dwelling unit (ADU) growth, including growth for affordable ADUs, will occur in the less dense areas of the community. **Figure 3-24** shows the following findings:



- 291 proposed sites to accommodate the RHNA allocation (totaling 20,999 potential units, or 94% of the total potential units) are located within block groups that have a percentage of the population that identifies as Hispanic below 20 percent.
- 3 proposed sites to accommodate the RHNA allocation (totaling 153 potential units, or 1% of the total potential units) are located within block groups that have a percentage of the population that identifies as Hispanic between 20 and 40 percent.
- 17 proposed sites to accommodate the RHNA allocation (totaling 920 potential units, or 4% of the total potential units) are located within block groups that have a percentage of the population that identifies as Hispanic between 40 and 60 percent.
- 2 proposed sites to accommodate the RHNA allocation (totaling 188 potential units, or 1% of the total potential units) are located within block groups that have a percentage of the population that identifies as Hispanic between 60 and 80 percent.

The data shows that the proposed candidate sites to meet the very low and low-income RHNA allocation are evenly dispersed throughout the community with an emphasis on locating units where there is a high level of access to important public services and transit. The distribution of potential units does not disproportionately impact areas with larger concentrations of the Hispanic population.



Figure 3-24: Newport Beach Proposed RHNA Sites, Hispanic/Latino, 2018

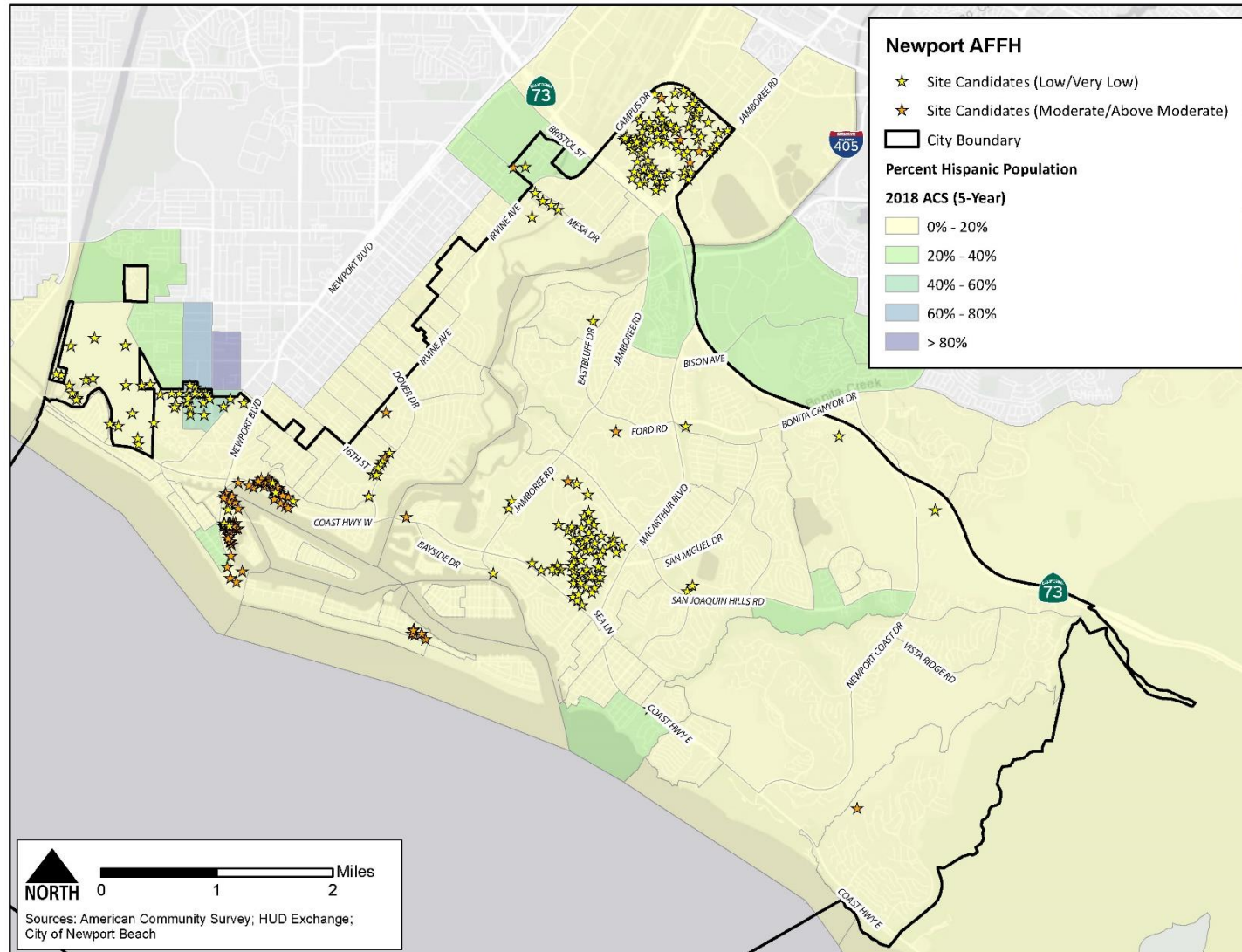




**Figure 3-25** shows the proposed candidate sites to meet the RHNA for Newport Beach in relation with census data showing the percentage of the population within each block group that is Non-white. **Figure 3-25** shows the following findings:

- 156 proposed sites to accommodate the RHNA allocation (totaling 9,867 potential units, or 44% of the total potential units) are located within block groups that have a percentage of the population that identifies as Non-White less than 20 percent.
- 46 proposed sites to accommodate the RHNA allocation (totaling 3,166 potential units, or 14% of the total potential units) are located within block groups that have a percentage of the population that identifies as Non-White between 20 and 40 percent.
- 109 proposed sites to accommodate the RHNA allocation (totaling 9,039 potential units, or 41% of the total potential units) are located within block groups that have a percentage of the population that identifies as Non-White between 40 and 60 percent.
- 2 proposed sites to accommodate the RHNA allocation (totaling 188 potential units, or 1% of the total potential units) are located within block groups that have a percentage of the population that identifies as Non-White between 60 and 80 percent.

The data shows that the proposed candidate sites to meet the very low and low-income RHNA allocation are evenly dispersed throughout the community with an emphasis on locating units where there is a high level of access to important public services and transit. The distribution of potential units does not disproportionately impact areas with larger concentrations of Non-white populations.

**Figure 3-25: Candidate Sites – Non-White Analysis**

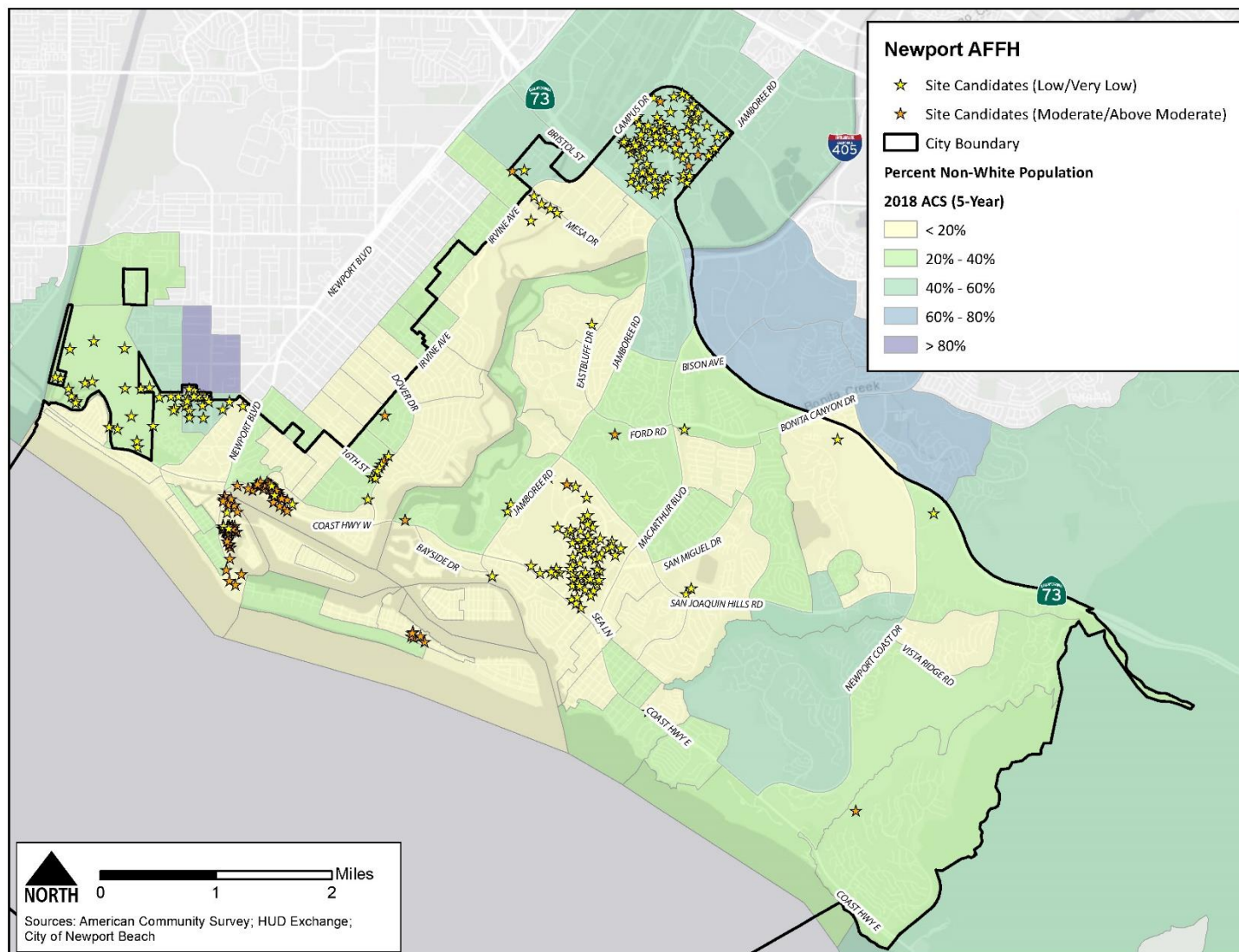






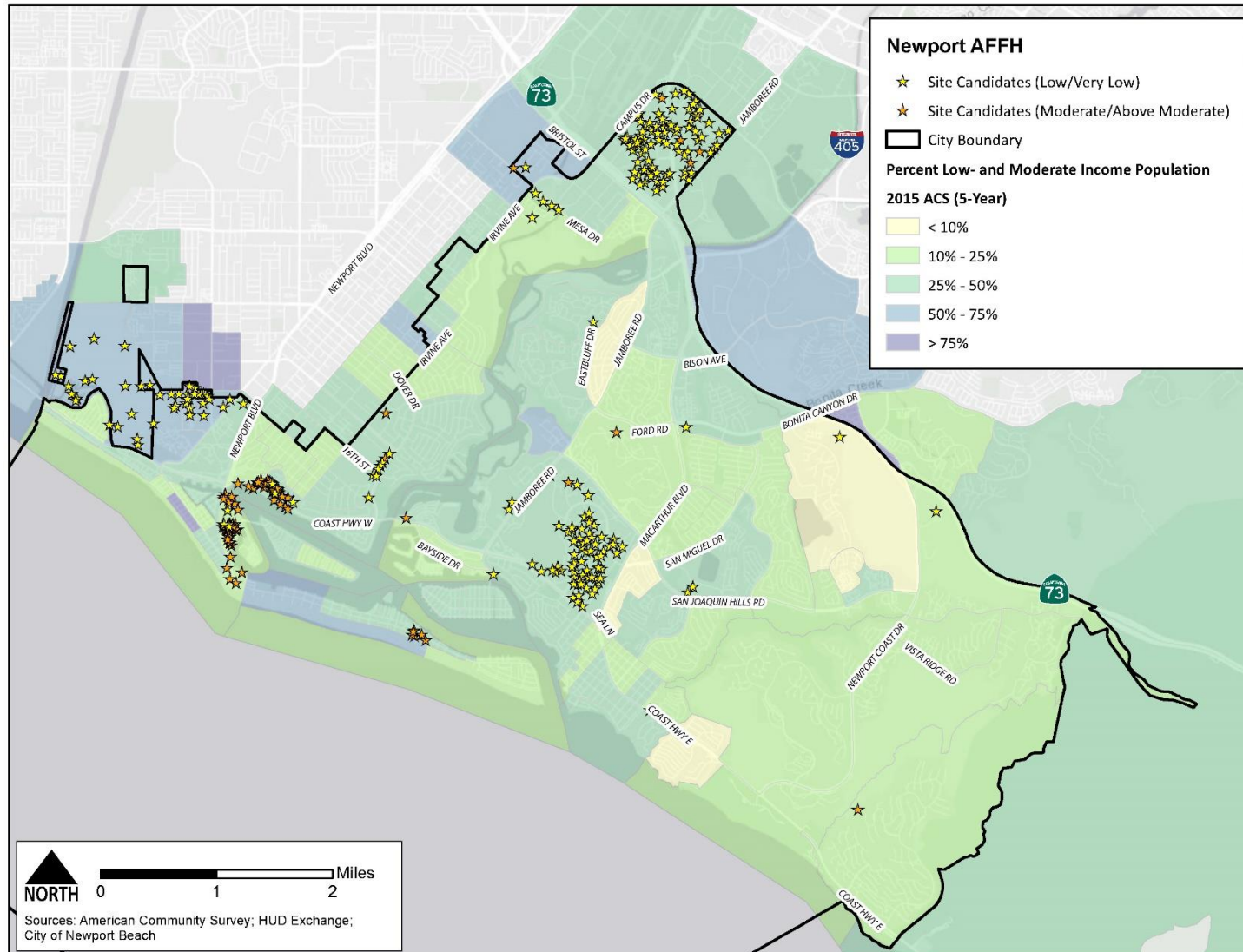
**Figure 3-26** shows location of proposed candidate sites to meet the RHNA for Newport Beach in comparison with census data showing the percentage of the population within each block group who is categorized as low-income or moderate by the American Community Survey. **Figure 3-26** shows the following findings:

- 1 proposed site to accommodate the RHNA allocation (totaling 1,046 potential units, or 5% of the total potential units) are located within block groups that have a percentage of the population that identifies as low-and-moderate-income less than 10.
- 54 proposed sites to accommodate the RHNA allocation (totaling 922 potential units, or 4% of the total potential units) are located within block groups that have a percentage of the population that identifies as low-and moderate-income between 10 and 25 percent.
- 212 proposed sites to accommodate the RHNA allocation (totaling 16,784 potential units, or 76% of the total potential units) are located within block groups that have a percentage of the population that identifies as low-and moderate-income between 25 and 50 percent.
- 44 proposed sites to accommodate the RHNA allocation (totaling 3,320 potential units, or 15% of the total potential units) are located within block groups that have a percentage of the population that identifies as low-and moderate-income between 50 and 75 percent.
- 2 proposed sites to accommodate the RHNA allocation (totaling 188 potential units, or 1% of the total potential units) are located within block groups that have a percentage of the population that identifies as low-and moderate-income greater than 75 percent.

The data shows that the proposed candidate sites to meet the very low and low-income RHNA allocation are evenly dispersed throughout the community with an emphasis on locating units where there is a high level of access to important public services and transit. The distribution of potential units provides increased opportunities for low-income housing in areas with higher rates of low-income persons.



**Figure 3-26: Candidate Sites – Low/Moderate-Income Block Group Analysis**





The concentration of low- and very low-income sites located in the northern, western, and central areas of the City as depicted in **Figures 3-24 through 3-26** above, are designated to include units at mixed income levels that would provide housing opportunity for both lower income households and moderate to above moderate-income households. Thus, the concentrations of low- and very low-income sites located in the northern, western, and central areas of the City would not exacerbate the current conditions in these areas.

### Analysis of Exacerbating Current Conditions

Through the City's sites analysis, which was conducted in compliance with the requirements of AB 1398, sites were selected to consider the following:

- Minimize over concentrations of affordable housing in one geographical area;
- Encouraging and expanding opportunities for mixed-income development; and
- Expanding mixed use, infill opportunities in areas adjacent to services and amenities.

The Airport Area and West Newport Area have been identified with a larger concentration of lower-income opportunities. These sites will help encourage mixed-income development and will expand opportunity in some of the City's highest resource areas proximate to jobs.

-The Airport Area has a higher amount of existing affordable units that were constructed in conjunction with market-rate development projects and through the implementation of density bonus incentives and past inclusionary housing largely due to new affordable housing being produced, as part of market rate development and density bonus developments. Due to high land costs city-wide, there are minimal opportunities to feasibly construct feasible lower-income development unless they are in conjunction with larger scale, market rate projects and . Therefore, much of the lower income opportunities would not have otherwise existed in this area. While the Airport Area scores in the 43<sup>rd</sup> -percentile related to pollution burden according to OEHHA's California Communities Environmental Health Screening Tool, this is primarily due to transportation and air quality impacts due to the areas given the proximity to John Wayne Airport related impacts. and are It is not related to majority polluting industries or other point sources. The area is experiencing a transition from low-scale, office/industrial uses to higher density, urban mixed-use development, as evidenced by the multiple project examples presented in Appendix B.

The Airport Area is also identified in the General Plan Recreation Element as deficient in park acreage. The Land Use Element currently provides policies for the dedication and improvement of neighborhood parks within future residential or mixed-use development. Three recently entitled projects have been required to dedicate and improve parks for future residents and the broader community (i.e., Uptown Newport, Newport Crossings, and the Residences at 4400 Von Karman). Continued implementation of these policies will further assist in the provision of necessary park spaces thereby improving access recreation and open space areas to enhance the livability of the area.



For the Airport Area, Policy Actions 1A and 4J requires new development standards that will further enhance the City's ability to establish quality mixed-income communities while helping to offset mitigate and/or avoid possible environmental considerations in the area. Examples include feasible and appropriate noise mitigation and possibly enhanced air filtration systems for buildings to reduce exposure of future resident to these environmental factors.

The West Newport Area contains most the City's mobile home parks and, thus, has long provided opportunities for affordable housing. It also has the largest industrial use area with several manufacturing-type uses concentrated in a smaller area. Industrial uses can be associated with increased noise and or pollution. Based on consultation with the City's Code Enforcement Division, there have been no recent complaints from residential uses regarding noise in this area. Air and ground pollutants are largely monitored and regulated by the South Coast Air Quality Management District (SCAQMD), as well as the Department of Toxic Substances Control (DTSC). The SCAQMD and DTSC began closely monitoring the emissions of a single operator in the West Newport Area between 2008 and 2015. The operator has implemented measures to reduce emissions to appropriate standards by installing a vapor extraction system as well as exhaust treatment equipment. The City has served as a coordinating partner in this effort and continues to assist in any inquiries related to pollutants in the area. Policy Action 4K has been included in Section 4 to ensure the City continues to monitor industrial users while striving to improve the environmental score for the area.

Although there is a concentration of industrial type uses in this area, it has long been viewed as an opportunity area for redevelopment. While there is currently a temporary City-run community center in the area, the City continues to pursue the siting and development of a permanent community center. In 2015, the City approved the Ebb Tide Residential Project, an 81-unit condominium community. In 2016, the City Council adopted the West Newport Mesa Streetscape Master Plan, which includes streetscape improvements that are required as part of private development projects and improvements that could be implemented as part of the City's Capital Improvements Program (CIP). The Ebb Tide Residential Project was the first private project to implement components of the West Newport Mesa Streetscape Master Plan. Future redevelopment projects will also be required to implement streetscape improvements that will foster an enhanced and safer environment for workers and residents.

As the area transitions to a more urban, dense environment, it is important to include affordable housing opportunity sites- to help preserve current affordable housing opportunities while serving to expand economic growth potential. In addition, there is an opportunity for workforce housing with the proximity of Hoag Hospital, one of Newport Beach's biggest employers. As touched upon, The West Newport area has seen experienced recent trends toward infill, mixed-income development that will continue in a high resource area. Policy Action 4K has a consideration to include residential-serving commercial as part of the rezoning mechanism-program (Policy 1B) to allow flexibility -beyond the underlying industrial zoning limits, which will allow new commercial uses that are more supportive of current and future residents as well as workers in the area.



Also notable, the West Newport Area is home to several education institutions such as Pacifica Christian High School, Coastline Community College, and Carden Hall. The City has seen recent reinvestment from the schools, which further demonstrates an improving neighborhood condition that shifts away from industrial to more mixed-use and mixed-income development.

Relevant to the West Newport Mesa Area, Policy Action 5D provides for the protection of mobile home opportunities. -Policy Action 1B states provisions to included development standards, overlay text and entitlement procedures to encourage the development of housing for persons of ~~v~~Very ~~L~~Low and ~~L~~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. -The intent in these incentive tools is to further opportunity for mixed-income developments in these areas.

Lastly, to ensure that these conditions are not exacerbated during the planning period, the City is introducing an inclusionary requirement (Policy 1K) that would further support mixed-use and mixed-income developments and provided additional incentives to increase lower, moderate and above moderate income development in these areas.

### ***Racially and Ethnically Concentrated Areas of Poverty and Affluence***

The HUD R/ECAP maps do not identify any racially or ethnically concentrated areas of poverty in Newport Beach. The analysis conducted for this housing element concluded that there are approximately 12 census tracts that are considered racially concentrated areas of affluence (RCAA) in the City. The RCAA areas are clustered throughout the City predominately in the east and along the southern and western boundaries of the City. The concentrations of lower income households located in the northern, western, and central areas of the City are in high income areas surrounded by RCAAs. The location of these area provides affordable housing opportunities within areas with high access to resources.

### ***Access to Opportunity***

The majority of the City is considered highest resource according to the TCAC Opportunity Map composite score. The majority of the sites identified in the sites inventory are located in the highest resource areas which will give households access to more opportunities and resources.

### **Transit**

According to AllTransit the City of Newport Beach has a low transit performance score overall. The City has identified a significant number of low- and very low-income housing opportunity sites in the Airport Area Environs in the north, the West Newport Mesa Area in the west, and the Newport Center Area in the central area of the City. These three areas of the City have high connectivity scores compared to other areas throughout the City. Households within these areas have better access to jobs and key destinations through transit than those located elsewhere in the City. The majority of the low- and very low-income





sites were strategically located within the Airport Area Environs, West Newport Mesa Area, and the Newport Center Area to take advantage of the increased transportation assets within these areas.

#### **Environmental**

OEHHA's California Communities Environmental Health Screening Tool considers the City of Newport Beach as having a primarily low pollution burden through the entire City. There are concentrations of low- and very low-income sites located in the northern, western, and central areas of the City which have low to moderate pollution burdens. The Northern area, identified as Airport Area Environs, has the highest pollution burden scoring in the 43<sup>rd</sup> percentile due to high exposure scores from traffic related pollutants. The northern area was selected to accommodate a number of housing opportunity sites due to its higher access to transit amenities and reduced, but high land values.



### ***Disproportionate Housing Needs***

#### **Disability**

The City of Newport Beach has a fairly low disabled population. With a higher representation of persons with disabilities located throughout the greater central area of the City. The sites inventory has identified a concentration of low- and very low-income sites located in the Newport Center Area. The placement of these sites was strategically located to increase affordable housing opportunities where persons with disabilities are already present as well as where there are nearby service amenities which can provide increased housing security for the City's disabled population.

#### **Income**

The majority of the City has low rates of populations categorized as low- to moderate-income. The northern, western, and central areas of the City have higher rates of residents considered to be low- to moderate-income. The sites inventory predominately concentrates low- and very low-income sites within the Airport Area Environs, West Newport Mesa Area, and Newport Center Area as they have the highest opportunities ratings, moderate or highest resource ratings, and higher transit connectivity. The low- and very low-income site within these areas will provide increased affordable housing options where there are higher rates of lower-income residents. Additionally, the majority of the selected sites throughout the City are planned to accommodate mixed-income housing units which will prevent exacerbating the concentrations of lower income households.

#### **Overpayment**

The City of Newport Beach experiences low to moderate rates of overpayment generally with only one census tract in the central area of the City experiencing high rates of overpayment. Site selection emphasized the development of multifamily and mixed-use housing within six focus areas that will be rezoned to allow for high-density housing. Housing located throughout the City's six focus areas will facilitate additional affordable units through multifamily development. The low- and very low-income sites associated with the residential development in the central area of the City will provide access to supportive services such as job opportunity and transit amenities and will ensure that there are affordable housing options in geographical areas that are experiencing moderate to high rates of overpayment.

#### **Overcrowding**

The entirety of the City experiences low rates of overcrowding. The placement of lower and moderate- to above moderate-income sites throughout the six focus areas within the City will not exacerbate any instances of overcrowding as additional housing development at all income levels would alleviate impacts of overcrowding.

## ***5. Analysis of Fair Housing Priorities and Goals***

To enhance mobility and promote inclusion for protected classes, the chief strategy included in this housing element is to provide sites suitable for affordable housing in high-resource, high opportunity



areas, as demonstrated by the analysis of the housing resource sites contained in this section. Other programs that affirmatively further fair housing include:

- Policy Action 4A: Affirmatively Furthering Fair Housing
- Policy Action 7A: Supportive Housing / Low Barrier Navigation Centers
- Policy Action 7B: Transitional and Supportive Housing
- Policy Action 7C: Housing for Persons with Developmental Disabilities
- Policy Action 7D: Fair Housing Services

## **D. Housing Resources**

### ***1. Regional Housing Needs Allocation***

This section of the Housing Element provides an overview of the resources available to the City to meet their Regional Housing Needs Allocation (RHNA).

#### **Residential Sites Inventory**

**Appendix B** of the Housing Element includes the required site analysis tables and site information for the vacant and non-vacant properties to meet the City's RHNA need through the 2021-2029 planning period. The following discussions summarize the City's site inventory and rezone plan.

#### **Above Moderate- and Moderate-Income Sites**

For the 2021-2029 planning period, the City's RHNA allocation is 1,050 for moderate-income site and 1,409 for above moderate-income sites. The City anticipates current planned growth, projects already in the approval process, to entirely meet the above moderate-income need within the planning period. The City will meet the moderate-income need through a combination of existing capacity on residentially zoned land, through the redevelopment of parcels rezoned within the focus areas, and through the development of accessory dwelling units (ADUs).

A total of 287 moderate-income and 40 above moderate-income units can be accommodated through existing zoning capacity on parcels. By subtracting existing units from maximum potential unit yield per parcel, the City projected additional capacity on several parcels. Each parcel included in the inventory was then vetted for likelihood of redevelopment and to ensure all HCD criteria were met. The required descriptive information for these sites can be found within **Appendix B**.

An additional 72 moderate and 5 above moderate-income units can be accommodated through the development of ADUs throughout the community. This is based on the methodology described within **Appendix D: Accessory Dwelling Units** and incorporates guidance from HCD's Housing Element Site Inventory Guidebook.

A supplemental 5, ~~613-798~~ moderate and above moderate-income units can be accommodated through the rezone strategies proposed for six focus areas throughout the City. Originally identified by the Housing

Element Update Advisory Committee (HEAUC), the focus areas guided the development of area-specific rezone policies and City actions to ensure that Newport Beach has sufficient capacity to meet the RHNA Allocation for the 6<sup>th</sup> Cycle.

### *Analysis of The City's Existing Capacity and Zoning*

**Table 3-32: Residential Capacity for Moderate and Above Moderate-Income Sites**

| Significant Zone                                                                                                                                                                  | Max Density | Reasonable Density* | Number of Parcels | Acreage         | Potential Units  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------|-------------------|-----------------|------------------|
| <b>Moderate-Income Sites</b>                                                                                                                                                      |             |                     |                   |                 |                  |
| MU-MM                                                                                                                                                                             | 26 du/ac    | 26 du/ac            | 24                | 9 acres         | 180 units        |
| MU-W2                                                                                                                                                                             | 26 du/ac    | 23 du/ac            | 13                | 4 acres         | 51 units         |
| MU-V                                                                                                                                                                              | 25 du/ac    | 20 du/ac            | 6                 | 1 acre          | 13 units         |
| MU-CV/15 <sup>th</sup> Street                                                                                                                                                     | 18 du/ac    | 15 du/ac            | 24                | 3 acres         | 43 units         |
| <b>Subtotal</b>                                                                                                                                                                   |             |                     | <b>67</b>         | <b>17 acres</b> | <b>287 units</b> |
| <b>Above Moderate-Income Sites</b>                                                                                                                                                |             |                     |                   |                 |                  |
| MU-W1                                                                                                                                                                             | 5 du/ac     | 5 du/ac             | 7                 | 9 acres         | 40 units         |
| <b>Subtotal</b>                                                                                                                                                                   |             |                     | <b>7</b>          | <b>9 acres</b>  | <b>40 units</b>  |
| <b>TOTAL CAPACITY</b>                                                                                                                                                             |             |                     | <b>74</b>         | <b>26 acres</b> | <b>327 units</b> |
| *Note – Specific densities vary within these zoning designations and potential unit projections are based on the parcel-specific requirements and existing conditions on parcels. |             |                     |                   |                 |                  |

### *Reasonable Capacity Assumptions*

This section describes the methodology developed to determine the site capacity for the moderate and above moderate-income sites. The City assumes that above moderate-income units will develop at a maximum up eight dwelling units per acre, and that moderate-income units will develop at a maximum of 26 dwelling units per acre. Reasonable capacity for sites identified to meet the City's moderate and above moderate need was calculated based on a number of factors, including site size, existing zoning requirements, vacancy and total number of units entitled, and the maximum density achievable for projects within the following zones:

- **MU-MM – Mixed-Use Mariners' Mile:** The MU-MM Zoning District is intended to provide areas for the development of mixed-use structures that vertically integrate residential dwelling units above the ground floor with retail uses including office, restaurant, and retail. The zone permits a density range of 20.1 – 26.7 dwelling units per acre.
- **MU-W1 – Mixed-Use Water:** This zoning district applies to waterfront properties along the Mariners' Mile Corridor in which nonresidential uses and residential dwelling units may be intermixed. A minimum of fifty (50) percent of the allowed square footage in a mixed-use development shall be used for nonresidential uses in which marine-related and visitor-serving land uses are mixed. This zone permits a density range of up to 15 dwelling units per acre.
- **MU-W2 – Mixed-Use Water:** This zoning district applies to waterfront properties in which marine-related uses may be intermixed with general commercial, visitor-serving commercial and





residential dwelling units on the upper floors. This zone permits a density range of up to 15 dwelling units per acre.

- **MU-V – Mixed-Use Vertical:** This zoning district is intended to provide for areas appropriate for the development of mixed-use structures that vertically integrate residential dwelling units above the ground floor with retail uses including office, restaurant, retail, and similar nonresidential uses located on the ground floor or above.
- **MU-CV/15th Street – Mixed-Use Cannery Village and 15<sup>th</sup> Street:** This zoning district applies to areas where it is the intent to establish a cohesively developed district or neighborhood containing multi-unit residential dwelling units with clusters of mixed-use and/or commercial structures on interior lots of Cannery Village and 15th Street on Balboa Peninsula. Allowed uses may include multi-unit dwelling units; nonresidential uses; and/or mixed-use structures, where the ground floor is restricted to nonresidential uses along the street frontage. Residential uses and overnight accommodations are allowed above the ground floor and to the rear of uses along the street frontage. Mixed-use or nonresidential structures are required on lots at street intersections and are allowed, but not required, on other lots. This zone permits a density range of 20.1 – 26.7 dwelling units per acre.

Potential constraints, to the extent they are known, such as environmentally sensitive areas and steep slopes were considered, and deductions made where those factors decreased the net buildable area of a parcel. Additionally, existing units' non-vacant parcels were analyzed to determine the number of existing units currently on the parcel. Replacement of existing units was included as a factor to prevent no net loss of existing housing stock.

### ***Rezones to Accommodate the Moderate and Above Moderate RHNA***

In additional to residential use on specific plans and ADUs, the City of Newport Beach has identified 212 sites to be rezoned from commercial use to residential use or to be rezoned to a higher residential density. The sites for rezone are further detailed in **Appendix B** and a rezone program is identified in **Section 4: Housing Plan**. **Figure 3-27** displays the focus areas for rezone, accompanied by a corresponding table of strategy information shown below as **Table 3-33**. The specific development assumptions (both on affordability and overall development potential) that produce the Potential Units are described, area-by-area, in the **Sites Inventory of Appendix B**.

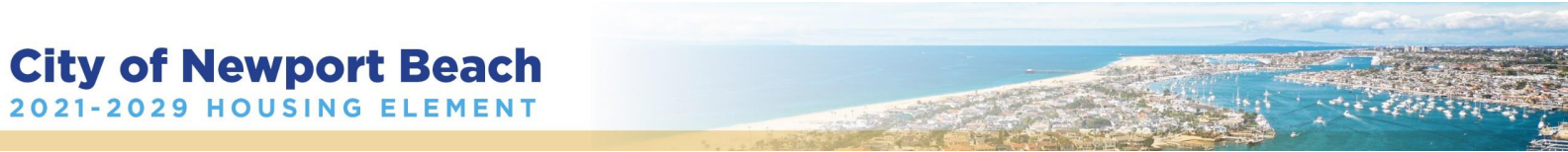


**Table 3-33: Moderate/Above Moderate-Income Rezone Strategy by Focus Area**

| Focus Area             | Feasible Acreage                      | Rezone Density | Potential Moderate-Income Units       | Potential Above Moderate-Income Units     |
|------------------------|---------------------------------------|----------------|---------------------------------------|-------------------------------------------|
| Airport Area Environs  | <del>162</del> <u>172</u> acres       | 50 du/ac       | <del>244</del> <u>258</u>             | <del>1,464</del> <u>546</u>               |
| West Newport Mesa Area | <del>47</del> <u>9</u> acres          | 50 du/ac       | 111                                   | 664                                       |
| Dover-Westcliff Area   | <del>18</del> <u>20</u> acres         | 50 du/ac       | <del>46</del> <u>52</u>               | <del>275</del> <u>312</u>                 |
| Newport Center Area    | <del>153</del> <u>163</u> acres       | 50 du/ac       | <del>237</del> <u>244</u>             | <del>1,425</del> <u>1,463</u>             |
| Coyote Canyon Area     | 34 acres                              | 60 du/ac       | 153                                   | 995                                       |
| <b>Total</b>           | <b><del>419</del><u>436</u> acres</b> | -              | <b><del>818</del><u>791</u> units</b> | <b><del>4,822</del><u>4,981</u> units</b> |
| Banning Ranch Area     | 30 acres                              | 50 du/ac       | 148                                   | 884                                       |
| <b>Total</b>           | <b><del>449</del><u>466</u> acres</b> | --             | <b><del>778</del><u>966</u> units</b> | <b><del>4,732</del><u>865</u> units</b>   |

### Development of Non-Vacant Sites and Converting to Residential Uses

To analyze the potential for redevelopment of non-vacant sites, the City sent out more than 500 letters to property owners. Responses to the letters were recorded and are included within the inventory of sites within **Appendix B**. Although a positive response to the redevelopment interest letters does not guaranty the redevelopment of a parcel to residential as a primary use within the planning period, it is a strong indicator of likelihood of redevelopment and is used as sufficient evidence for inclusion within the Adequate Sites Inventory.

### Accessory Dwelling Unit Production

The City of Newport Beach believes that ADUs present a viable option as part of the overall strategy to develop housing at all income levels during the 2021-2029 6<sup>th</sup> Cycle Housing Element planning period.

**Appendix D** describes:

- Recent ADU legislation and regional actions,
- Local factors that may increase ADU development over the next eight years, and
- Actions Newport Beach will take through housing programs to incentivizing ADU development

The City assumes a total development 240 ADUs from 2021-2029. Utilizing the Southern California Association of Governments (SCAG) approved ADU affordability assumptions, 163 ADUs will be allocated to the low and very low-income RHNA, 72 will be allocated to the City's moderate-income RHNA and 5 will be allocated to the above moderate. This is based on the methodology described within **Appendix D: Accessory Dwelling Units** and incorporates guidance from HCD's Housing Element Site Inventory Guidebook.

### Sites Suitable for Lower-Income Housing

This section contains a description and listing of the candidate sites identified to meet the Newport Beach's very low and low-income RHNA need. A full list of these sites is presented in **Appendix B**.

### Projects in the Pipeline and Accessory Dwelling Units

The City has identified a number of projects currently in the entitlements process which are likely to be developed during the planning period and count as credit towards the 2021-2029 RHNA allocation.



Projects with planned affordable components include:

- Newport Airport Village
- Residences at 4400 Von Karman
- Newport Village Mixed-Use
- West Coast Highway Mixed-Use
- Newport Crossings

The total anticipated development of Projects in the Pipeline and Accessory Dwelling Units is summarized in **Table 3-34** below to calculate the Remaining Need.

**Table 3-34: Low and Very Low-Income Remaining Need**

|                                           | Very Low-Income | Low-Income |
|-------------------------------------------|-----------------|------------|
| <b>RHNA Allocation</b>                    | <b>1,456</b>    | <b>930</b> |
| Pipeline Projects                         | 97              | 78         |
| 5 <sup>th</sup> Cycle Sites               | 0               | 0          |
| Accessory Dwelling Units                  | 60              | 103        |
| <b>Remaining Low/Very Low-Income Need</b> | <b>1,299</b>    | <b>749</b> |

### *Sites Identified for Rezone to Accommodate Low and Very low*

After the identification of projects in the pipeline and ADUs to accommodate the City's low and very low RHNA, a remaining 2,048 units must be accommodated to meet the City's RHNA. To account for this remaining need, the City conducted a community-driven process to identify several parcels for inclusion in the Adequate Sites Inventory. This process was led by the Housing Element Update Advisory Committee (HEUAC). To guide the identification of adequate sites, the committee created focus areas Sites identified by the committee and the public to meet the City's very low and low-income RHNA were selected based on the AB 1397 size requirements of at least 0.5 acres but not greater than 10 acres.

The 221 parcels are currently zoned as the following:

- 157 parcels are zoned non-residential
- 64 parcels are zoned residentially at a lower density.

All parcels are non-vacant and will be rezoned to higher densities (densities are specific to each focus area) able to accommodate the development of lower-income housing. **Figure 3-28** below displays the sites identified to accommodate the City's low and very low-income RHNA allocation. The **Housing Plan** section outlines actions the City will take to promote the development of affordable units within the following focus areas:

- Airport Vicinity Area
- West Newport Mesa Area
- Dover-Westcliff Area
- Newport Center Area
- Coyote Canyon Area
- Banning Ranch Area



The key assumptions and unit projections related to each focus area are shown below in **Table 3-35** and the focus areas are shown geographically below in **Figure 3-27**. The specific development assumptions (both on affordability and overall development potential) that produce the Potential Units are described, area-by-area, in the **Sites Inventory** of **Appendix B**.

**Table 3-35: Low/Very Low-Income Rezone Strategy by Focus Area**

| Focus Area             | Feasible Acreage (AC)                 | Rezone Density | Potential Low/Very Low-Income Units     |
|------------------------|---------------------------------------|----------------|-----------------------------------------|
| Airport Area Environs  | <del>163</del> <u>172</u> acres       | 50 du/ac       | <del>732</del> <u>773</u>               |
| West Newport Mesa Area | 47 acres                              | 50 du/ac       | 332                                     |
| Dover-Westcliff Area   | <del>20</del> <u>18</u> acres         | 50 du/ac       | <del>137</del> <u>156</u>               |
| Newport Center Area    | <del>158</del> <u>163</u> acres       | 50 du/ac       | <del>742</del> <u>732</u>               |
| Coyote Canyon Area     | 34 acres                              | 60 du/ac       | 383                                     |
| <b>Total</b>           | <b><del>419</del><u>436</u> acres</b> | <b>-</b>       | <b><del>2,296</del><u>376</u> units</b> |
| Banning Ranch Area     | 30 acres                              | 50 du/ac       | 443                                     |
| <b>Total</b>           | <b><del>449</del><u>466</u> acres</b> | <b>--</b>      | <b><del>3,072</del><u>819</u> units</b> |

**Figure 3-27: Focus Areas for Rezones**







### ***Development of Nonvacant Sites to Accommodate Low and Very Low-Income***

74 non-vacant sites were also identified in the 5<sup>th</sup> cycle. In accordance with AB 1397 the City will establish a program that permits By-Right development for projects that propose 20 percent of all units to be affordable to low and very low-income units. The program is outlined in detail in **Section 4: Housing Plan**.

### ***Regional Housing Needs Allocation***

#### ***Future Housing Needs***

Future housing need refers to the share of the regional housing need that has been allocated to the City. The State Department of Housing and Community Development (HCD) supplies a regional housing goal number to the Southern California Association of Governments (SCAG). SCAG is then mandated to allocate the housing goal to city and county jurisdictions in the region through a RHNA Plan. In allocating the region's future housing needs to jurisdictions, SCAG is required to take the following factors into consideration pursuant to Section 65584 of the State Government Code:

- Market demand for housing.
- Employment opportunities.
- Availability of suitable sites and public facilities.
- Commuting patterns.
- Type and tenure of housing.
- Loss of units in assisted housing developments.
- Over-concentration of lower-income households.
- Geological and topographical constraints.

HCD, through a determination process, allocates units to each region across California. It is then up to each region to determine a methodology and process for allocating units to each jurisdiction within that region. SCAG adopted its final Regional Housing Needs Allocation (RHNA Plan) in February 2021. This RHNA covers an 8-year planning period (starting in 2021) and addresses housing issues that are related to future growth in the region. The RHNA allocates to each city and county a "fair share" of the region's projected housing needs by household income group. The major goal of the RHNA is to assure a fair distribution of housing among cities and counties within the Southern California region, so that every community provides an opportunity for a mix of housing for all economic segments.

Newport Beach's share of the SCAG regional growth allocation is 4,845 new units for the current planning period (2021-2029). **Table 3-36, Housing Needs for 2021-2029**, indicates the City's RHNA need for the stated planning period.

**Table 3-36: Housing Needs for 2021-2029**

| Income Category (% of County AMI)                                                                                                                                                                                                                                                                                                       | Number of Units    | Percent     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------|
| Extremely Low (30% or less)                                                                                                                                                                                                                                                                                                             | 728 units          | 15%         |
| Very Low (31 to 50%) <sup>1</sup>                                                                                                                                                                                                                                                                                                       | 728 units          | 15%         |
| Low (51 to 80%)                                                                                                                                                                                                                                                                                                                         | 930 units          | 19%         |
| Moderate (81% to 120%)                                                                                                                                                                                                                                                                                                                  | 1,050 units        | 22%         |
| Above Moderate (Over 120%)                                                                                                                                                                                                                                                                                                              | 1,409 units        | 29%         |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                            | <b>4,845 units</b> | <b>100%</b> |
| Note 1: Pursuant to AB 2634, local jurisdictions are also required to project the housing needs of extremely low-income households (0-30% AMI). In estimating the number of extremely low-income households, a jurisdiction can use 50% of the very low-income allocation or apportion the very low-income figure based on Census data. |                    |             |

### **Adequacy of Sites For RHNA**

The City of Newport Beach has a total 2021-2029 RHNA allocation of 4,845 units. The City is able to take credit for 1,662 units currently within the planning process (Projects in the Pipeline), 327 units of 5<sup>th</sup> Cycle Sites being projected at existing buildout capacity, and 240 units of ADU's (addressed in **Appendix B** and in **Appendix D**). These three categories of existing capacity lower the total RHNA planning need to a "Remaining Need" of 2,707 units as shown in **Table 3-37**. The Housing Element update lists sites that would be able to accommodate an additional 7,909 total units, well in excess of the remaining 2,707-unit RHNA need.

Newport Beach has identified sites with a capacity to accommodate 2,296 lower-income dwelling units, which is in excess of its 2,386-unit lower-income housing need. The identified sites for lower-income dwelling units are on parcels that will permit residential development as a primary use at a base density of between 30 and 60 dwelling units per acre and at an assumed density of between 50 and 60 dwelling units per acre.

The Banning Ranch Focus area is included in the sites inventory, but not assumed to accommodate the City's 2021-2029 RHNA growth need. Banning Ranch is considered as additional dwelling unit opportunity in addition to those that accommodates the RHNA. When including Banning Ranch, the Housing Element would enable the City to increase its site surplus. This would result in a surplus of 691 low and very low income units compared to a 248 unit surplus without Banning Ranch.

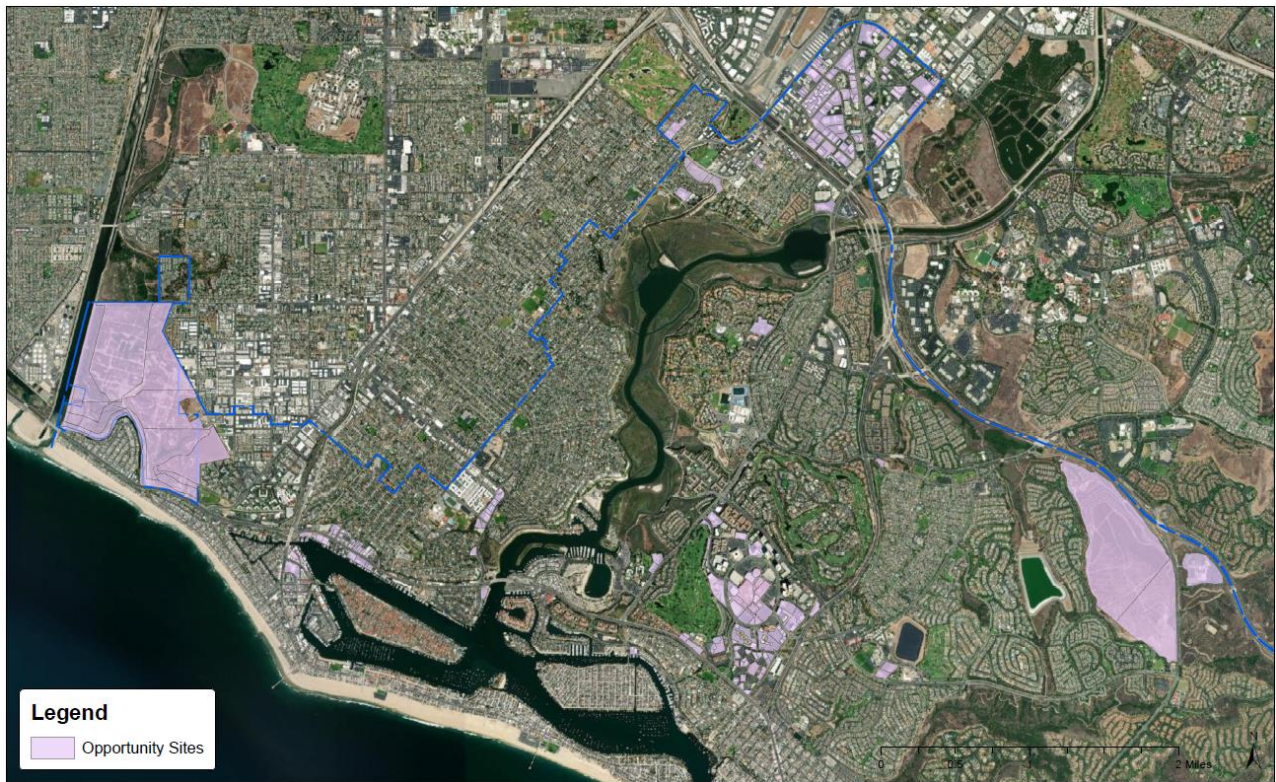
As described in **Appendix B**, the City believes that due to recent State legislation and local efforts to promote accessory dwelling unit (ADU) production, the City can realistically anticipate the development of 240 ADUs within the 8-year planning period. As outlined in the **Sites Inventory** within **Appendix B**, the City has compiled an inventory of sites for rezone that, combined, have development potential to wholly exceed and maintain the capacity to accommodate the RHNA Allocation throughout the 8-year planning period. Overall, the City has adequate capacity to accommodate its 2021-2029 RHNA.

**Table 3-37: Summary of RHNA Status and Sites Inventory**

|                                             | Extremely Low/ Very Low Income | Low Income         | Moderate Income        | Above Moderate Income  | Total        |
|---------------------------------------------|--------------------------------|--------------------|------------------------|------------------------|--------------|
| 2021-2029 RHNA                              | 1,456                          | 930                | 1,050                  | 1,409                  | 4,845        |
| RHNA Credit (Units Built)                   | TBD                            | TBD                | TBD                    | TBD                    | TBD          |
| <b>Total RHNA Obligations</b>               | <b>1,456</b>                   | <b>930</b>         | <b>1,050</b>           | <b>1,409</b>           | <b>4,845</b> |
| <b>Sites Available</b>                      |                                |                    |                        |                        |              |
| Projects in the Pipeline                    | 175                            | 32                 | 1,455                  | 1,662                  |              |
| Accessory Dwelling Units                    | 163                            | 72                 | 5                      | 240                    |              |
| 5 <sup>th</sup> Cycle Sites                 | 0                              | 287                | 40                     | 327                    |              |
| <b>Remaining RHNA</b>                       | <b>2,048</b>                   | <b>659</b>         | <b>--</b>              | <b>2,707</b>           |              |
| Airport Area Environs Rezone                | <del>732</del> 773             | <del>244</del> 258 | <del>1,464</del> 1,546 | <del>2,440</del> 2,557 |              |
| West Newport Mesa Rezone                    | 332                            | 111                | 664                    | 1,107                  |              |
| Dover-Westcliff Rezone                      | <del>137</del> 156             | <del>46</del> 52   | <del>275</del> 313     | <del>458</del> 521     |              |
| Newport Center Rezone                       | <del>712</del> 732             | <del>237</del> 244 | <del>1,425</del> 1,463 | <del>2,374</del> 2,439 |              |
| Coyote Canyon Rezone                        | 383                            | 153                | 995                    | 1,530                  |              |
| <b>Total Rezone</b>                         | <b>2,296</b> 376               | <b>791</b> 818     | <b>4,822</b> 4,981     | <b>7,909</b> 8,174     |              |
| <b>TOTAL POTENTIAL DEVELOPMENT CAPACITY</b> | <b>2,634</b> 2,714             | <b>1,182</b> 1,209 | <b>6,322</b> 6,481     | <b>10,138</b> 10,403   |              |
| <b>Sites Surplus/Shortfall (+/-)</b>        | <b>+248</b> +328               | <b>+132</b> +159   | <b>+4,913</b> +5,072   | <b>+5,293</b> +5,558   |              |
| <b>Percentage Buffer</b>                    | <b>10%</b> 14%                 | <b>13%</b> 15%     | <b>349%</b> 360%       | <b>109%</b> 115%       |              |
| Banning Ranch Rezone                        | 443                            | 148                | 884                    | 1,475                  |              |
| <b>Total Rezone with Banning Ranch</b>      | <b>2,739</b> 2,819             | <b>939</b> 966     | <b>5,775</b> 5,965     | <b>9,384</b> 9,749     |              |
| <b>TOTAL POTENTIAL DEVELOPMENT CAPACITY</b> | <b>3,077</b> 3,156             | <b>1,330</b> 1,357 | <b>7,206</b> 1,366     | <b>11,613</b> 11,878   |              |
| <b>Sites Surplus/Shortfall (+/-)</b>        | <b>+691</b> 770                | <b>+280</b> 307    | <b>+5,797</b> 957      | <b>+6,768</b> 7,033    |              |
| <b>Percentage Buffer</b>                    | <b>293</b> 2%                  | <b>297</b> 2%      | <b>411</b> 423%        | <b>145</b> 0%          |              |



**Figure 3-28: Sites Inventory and RHNA Obligations**



### **Summary of Sites Inventory and RHNA Obligations**

The data and map detailed in **Figure 3-28** above shows the City of Newport Beach’s ability to meet the 4,845 RHNA allocation in full capacity with a 5,293-unit buffer. Along with the identifying appropriate sites to meet the current and future housing needs, the City has established a Housing Plan to support its efforts in providing housing opportunities for all income levels in Newport Beach.

## ***2. Financial Resources***

Providing an adequate supply of decent and affordable housing requires funding from various sources, the City has access to the following finding sources.

### **Section 8 Housing Choice Voucher**

The Section 8 Housing Choice Voucher program is a Federal government program to assist very low-income families, the elderly, and the disabled with rent subsidy payments in privately owned rental housing units. Section 8 participants can choose any housing that meets the requirements of the program and are not limited to units located within subsidized housing projects. They typically pay 30 to 40 percent of their income for rent and utilities. The Orange County Housing Authority administers Section 8 Housing Choice vouchers within the City of Newport Beach. As of October 30, 2020, the City has allocated 112 Section 8 vouchers to residents within the community: 30 for families, 20 for persons with disabilities, and 62 for seniors.





## **Community Development Block Grants (CDBG)**

The Community Development Block Grant (CDBG) program provides annual grants on a formula basis to cities to develop viable urban communities by providing a suitable living environment and by expanding economic opportunities, principally for low- and moderate-income persons (up to 80 percent AMI).

CDBG funds can be used for a wide array of activities, including:

- Housing rehabilitation.
- Lead-based paint screening and abatement.
- Acquisition of buildings and land.
- Construction or rehabilitation of public facilities and infrastructure, and:
- Public services for low-income households and those with special needs.

According to the Federal regulations, the City of Newport Beach is allowed to spend no more than of 20% of CDBG funding on program administration, and 15% on community services such as senior meal delivery or homeless prevention programs. The remaining amount must be used other eligible projects that meet national objectives that principally benefit low- and moderate-income households or the disabled.

HUD requires Newport Beach to complete a Five-Year Consolidated Plan (Con Plan) to receive HUD's formula grant programs. The Con Plan identifies the City's 5-year strategies related to priority needs in housing, homelessness, community development, and economic development. It also identifies short- and long-term goals and objectives, strategies, and timetables for achieving its goals. Developed with the input of citizens and community groups, the Con Plan serves four basic functions:

- It is a planning document for the community built upon public participation and input.
- It is the application for funds under the CDBG Program.
- It articulates local priorities.
- It is a five-year strategy the City will follow in implementing HUD programs.

Additionally, HUD requires the City to prepare a One-Year Action Plan for each of the five years covered by the Con Plan. The City of Newport Beach reports a total of \$372,831 CDBG funds from HUD in the 2020-2021 Action Plan. In same report, the City reports an anticipated \$2.07 million of CDBG resources during the five-year period from July 1, 2020, through June 30, 2025.

## **HOME Investment Partnership Program (HOME)**

The HOME program provides federal funds for the development and rehabilitation of affordable rental and ownership housing for households with incomes not exceeding 80 percent of area median-income. The program gives local governments the flexibility to fund a wide range of affordable housing activities through housing partnerships with private industry and non-profit organizations. HOME funds can be used for activities that promote affordable rental housing and homeownership by low-income households. The City of Newport Beach does not currently receive HOME funds.



### *3. Opportunities for Energy Conservation*

#### *Energy Use and Providers*

The primary uses of energy in urban areas are for transportation lighting, water heating, and space heating and cooling. The high cost of energy demands that efforts be taken to reduce or minimize the overall level of urban energy consumption. Energy conservation is important in preserving non-renewable fuels to ensure that these resources are available for use by future generations. There are also a number of benefits associated with energy conservation including improved air quality and lower energy costs.

Southern California Gas Company (SCG) provides natural gas service for the City. Natural gas is a “fossil fuel” and is a non-renewable resource. Most of the major natural gas transmission pipelines within the City are owned and operated by SCG. SCG has the capacity and resources to deliver gas except in certain situations that are noted in state law. As development occurs, SCG will continue to extend its service to accommodate development and supply the necessary gas lines. Electricity is provided on an as-needed basis to customers within existing structures in the City. Southern California Edison Company (SCE) is the distribution provider for electricity in Newport Beach. Currently, SCE has no immediate plans for expansion of infrastructure, as most of the City is built out. However, every year SCE expands and improves existing facilities according to demand

#### *Energy Conservation*

The City’s energy goals, stated in the Natural Resources Element of the General Plan, make every effort to conserve energy in the City thus reducing dependence on fossil fuels. The City’s policies relating to energy include increasing energy efficiency in City facilities and operations and in private developments and reducing the City’s reliance on fossil fuels. In order to reach the City’s goals, objectives include the following:

- Develop incentives that encourage the use of energy conservation strategies by private and public developments,
- Promote energy-efficient design features,
- Promote or provide incentives for “Green Building” programs that go beyond the requirements of Title 24 of the California Administrative Code and encourage energy efficient design elements as appropriate to achieve “green building” status; and,
- Provide incentives for implementing Leadership in Environmental and Energy Design (LEED) certified building such as fee waivers, bonus densities, and/or awards recognition programs.<sup>18</sup>

The City of Newport Beach’s Energy Action Plan (EAP) is identified as a roadmap for the City of Newport Beach to reduce GHG through reductions in energy used in facility buildings and operations. According to the City’s EAP, the City’s long-term vision for energy efficiency focuses on the following objectives:

- Reduce the City’s carbon footprint and its adverse effect on the environment
- Conserve energy at the local government facilities

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<sup>18</sup> City of Newport Beach Natural Resource Element, 2006.



- Raise energy conservation awareness in local community and improve the quality of life

Currently, the City of Newport Beach has developed the “Building Green” construction manual, created by the City’s Task Force on Green Development. The City has also enacted a City-wide streetlight LED replacement program, replacing 400 units to date, and is continuing marketing. Education, and outreach to the community regarding every efficiency and conservation.



# Newport, Together.



## 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 to encourage 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. The City will make every effort to budget, plan for and comply with the timelines for implementation set forth in this Section, but may be contingent upon funding and staffing resources.

## **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 2021 MFI (for an assumed family of 4 persons) for Orange County is \$106,700. 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 the 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 program actions to achieve them. The stated Housing Program Actions are based on a review of past performance of the 5<sup>th</sup> 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 6<sup>th</sup> Cycle Housing Element. This City has identified a variety of candidate sites through extensive analysis in collaboration with the community and stakeholder through Newport Together’s “Listen and Learn” process, multiple meetings of the City’s Housing Element Update Advisory Committee (Committee), participation by interested residents at a variety of public meetings, workshops, and consultation with property owners. The City of Newport Beach has identified an adequate amount of land that was determined by the Committee 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 of adequate sites, the City has comprehensively reviewed opportunity sites citywide and have identify eight primary areas of opportunity:

- Airport Area Environs
- Dover/Westcliff
- West Newport Mesa
- Newport Center

- Banning Ranch
- Coyote Canyon
- 5<sup>th</sup> Cycle Housing Element Sites
- Accessory Dwelling Units

Since the City has identified several opportunity sites in the 5<sup>th</sup> Cycle that will be utilized in the 6<sup>th</sup> Cycle Housing Element, additional policy considerations are stated in this Policy Program.

These opportunities sites are described in map and tabular format in Appendix B of this Housing Element. Each of the opportunity areas described in this Housing Element have been assigned a targeted acreage, and a targeted number of new housing units (see following implementing Policy Action statements). Collectively, these targets must meet the unmet RHNA need as required by State law. It is expected there may be deviations from the targets with future implementing zoning actions. New opportunity sites may be identified, and other sites may be deemed unsuitable or densities may be modified, all based on new information received over time. The City may adopt future zoning strategies that are more or less than the identified targets in this Housing Element provided the total unmet RHNA need by income category is accommodated within state-defined deadlines. If future zoning strategies deviate from the targets expressed in this Housing Element but still meet the requirement to identify adequate sites to accommodate unmet RHNA need, no amendment to the Housing Element would be required and deviations of any magnitude may be considered subject to the City Council's review and approval in consultation with the Community.

All sites proposed for rezoning through implementation of Policy Actions 1A through 1F provided in Section 4 of this Housing Element will require a companion Land Use Element amendment that will be subject to a vote of the electorate pursuant to Charter Section 423. The City will initiate an election and conduct community outreach to educate the public on the benefits of higher density housing and pay for all costs associated with the ballot measure(s). The table below presents a timeline for the process including the vote. If the vote fails, the City will propose alternative Policy Actions and call for a second election. If the second vote fails to pass, the City Council will seek a legal opinion from the State Attorney General's Office as to how to proceed.

**Milestones for Housing Element Adoption, Implementation and Charter Section 423 Election**

| Anticipated Date                 | Action                                                                                                                                                | Requirements                              |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| February 2022                    | Housing Element Adoption                                                                                                                              | Public Hearing                            |
| February 2022-<br>September 2023 | Preparation of Land Use Element amendment(s),<br>Zoning to implement Policy Actions 1A – 1F, and completion<br>of Environmental Impact Report         | Community meetings<br>and Public Hearings |
| September 2023                   | Initiate ballot measure for Charter Section 423 vote                                                                                                  | 133 days prior to election<br>date        |
| March 2024                       | Charter Section 423 election date for voter approval on<br>proposed Land Use Element Amendment                                                        |                                           |
| If Charter 423 vote fails:       |                                                                                                                                                       |                                           |
|                                  | Amend Housing Element for HCD review and amend Land<br>Use Element and adopt corresponding zoning strategies after<br>conducting environmental review | Community meetings<br>and Public Hearings |

|                              |                                                                           |  |
|------------------------------|---------------------------------------------------------------------------|--|
|                              | Conduct second Charter Section 423 election on revised amendments         |  |
| If second Charter 423 fails: |                                                                           |  |
|                              | Request opinion from State Attorney General's Office as to City's options |  |

For all Rezone Policy Actions 1A to 1F, Pursuant to Government Code 65583.2, subdivisions (h) & (i), which rezone sites to accommodate the City's shortfall in satisfying the RHNA, the City commits to the following:

- permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. By-right means local government review must not require a CUP, planned unit development permit, or other discretionary review or approval.
- accommodate a minimum of 16 units per site;
- require a minimum density of 20 units per acre; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that accommodate all of the very low and low-income housing need, if those sites:
  - allow 100 percent residential use, and
  - require residential use occupy 50 percent of the total floor area of a mixed-use project.

#### ***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 ~~1,726~~ acres of land to provide for the accommodation of at least ~~2,440~~ 577 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 a variety of residential product types at a permitted average density of 50 dwelling units per acre.

Implementation of this program will also include but not limited to development standards, overlay text and entitlement procedures to, among other things, encourage the development of 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.

For Policy 1A, pursuant to Government Code 65583.2, subdivisions (h) & (i), which rezone sites to accommodate the City's shortfall in satisfying the RHNA, the City commits to the following:

- permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. By-right means local government review must not require a CUP, planned unit development permit, or other discretionary review or approval.
- accommodate a minimum of 16 units per site;
- require a minimum density of 20 units per acre; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that





accommodate all of the very low and low-income housing need, if those sites:

- allow 100 percent residential use, and
- require residential use occupy 50 percent of the total floor area of a mixed-useproject.

**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 1B: West Newport Mesa***

The City will establish a housing opportunity overlay, or similar rezoning strategy, in the West Newport Mesa area for 47 acres of land to provide for the accommodation of at least 1,107 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 a variety of residential product types at a permitted average density of 50 dwelling units per acre.

Implementation of this program will also include but not limited to development standards, overlay text and entitlement procedures to, among other things, encourage the development of 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.

For Policy 1B, pursuant to Government Code 65583.2, subdivisions (h) & (i), which rezone sites to accommodate the City's shortfall in satisfying the RHNA, the City commits to the following:

- permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. By-right means local government review must not require a CUP, planned unit development permit, or other discretionary review or approval.
- accommodate a minimum of 16 units per site;
- require a minimum density of 20 units per acre; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that accommodate all of the very low and low-income housing need, if those sites:
  - allow 100 percent residential use, and
  - require residential use occupy 50 percent of the total floor area of a mixed-useproject.

**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 1C: Newport Center***

The City will establish a housing opportunity overlay, or similar rezoning strategy, in the Newport Center area for ~~1,635~~8 acres of land to provide for the accommodation of at least 2,~~374~~~~439~~ 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 a variety of residential product types at a permitted average density of 50 dwelling units per acre.

Implementation of this program will also include but not be limited to development standards, overlay text and entitlement procedures to, among other things, encourage the development of 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.

For Policy 1C, pursuant to Government Code 65583.2, subdivisions (h) & (i), which rezone sites to accommodate the City's shortfall in satisfying the RHNA, the City commits to the following:

- permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. By-right means local government review must not require a CUP, planned unit development permit, or other discretionary review or approval.
- accommodate a minimum of 16 units per site;
- require a minimum density of 20 units per acre; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that accommodate all of the very low and low-income housing need, if those sites:
  - allow 100 percent residential use, and
  - require residential use occupy 50 percent of the total floor area of a mixed-use project.

**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 1D: Dover / Westcliff***

The City will establish an overlay, or similar rezoning strategy, in the Dover / Westcliff area for ~~20~~~~19~~ acres of land to provide for the accommodation of at least ~~521~~~~458~~ 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 a variety of residential product types at a permitted average density of 50 dwelling units per acre.

Implementation of this program will also include but not limited to development standards, overlay text and entitlement procedures to, among other things, encourage the development of 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.

For Policy 1D, pursuant to Government Code 65583.2, subdivisions (h) & (i), which rezone sites to accommodate the City's shortfall in satisfying the RHNA, the City commits to the following:

- permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. By-right means local government review must not require a CUP, planned unit development permit, or other discretionary review or approval.
- accommodate a minimum of 16 units per site;
- require a minimum density of 20 units per acre; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that accommodate all of the very low and low-income housing need, if those sites:
  - allow 100 percent residential use, and
  - require residential use occupy 50 percent of the total floor area of a mixed-use project.

**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 1E: Banning Ranch***

The City has identified the Banning Ranch area as a potential site to accommodate future housing needs. The City has previously approved housing development on this site, but the approved project was subsequently denied by the California Coastal Commission. Additionally, there is a potential the site will be purchased by an entity to preserve the area as open space. The State Department of Housing and Community Development and California Coastal Commission have expressed they do not support the City utilizing the site to the accommodate future RHNA needs based on this potential. Despite these statements, the City believes this site is still a viable opportunity to provide housing for a variety of income levels on a small portion of the 400+ acre site while protecting environmental resources. The City will continue to support development potential in the Banning Ranch Area, but will not assume the potential buildout of the area to demonstrate adequate sites for the 2021-2029 RHNA planning period.

The site is currently within the City's Sphere of Influence. The City will continue to work collaboratively with the County of Orange for annexation and with other agencies/entities regarding future use of the property. The City will continue to pursue residential opportunities on a portion of the Banning Ranch site, consistent with existing General Plan policies to provide opportunities for up to 1,475 residential units at an average density of 50 dwelling units per acre.

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



For Policy 1E, pursuant to Government Code 65583.2, subdivisions (h) & (i), which rezone sites to accommodate the City’s shortfall in satisfying the RHNA, the City commits to the following:

- permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. By-right means local government review must not require a CUP, planned unit development permit, or other discretionary review or approval.
- accommodate a minimum of 16 units per site;
- require a minimum density of 20 units per acre; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that accommodate all of the very low and low-income housing need, if those sites:
  - allow 100 percent residential use, and
  - require residential use occupy 50 percent of the total floor area of a mixed-use project.

**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 property is a closed landfill that is owned and managed by the County of Orange but leased to a private developer. The area is of substantial acreage but has limited development potential due to various environmental considerations. The developer has evaluated the entire landfill area and has concluded that 34 acres of the property is not subject to environmental constraints. Additionally, the City has been advised that 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 34 acres of land on the Coyote Canyon site, as shown in Appendix B, to accommodate up to 1,530 housing units at an average density of 60 dwelling units per acre.

Implementation of this program will also include development standards and entitlement procedures to encourage the development of 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: 5<sup>th</sup> Cycle Housing Element Sites***

The City has identified a number of sites in the sites inventory contained in Appendix B contain infill sites that were identified in the 5<sup>th</sup> Cycle Housing Element to accommodate the Very Low and Low-income categories. 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 discretionary permit application, such as a Conditional Use Permit or Planned Unit Development Permit, that 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.

The City commits to zoning these 5<sup>th</sup> Cycle sites to allow Newport Beach’s default density of 30 du/ac, pursuant to Government Code 65583.2, subdivision(c) or at densities demonstrated to be appropriate for the development of housing for lower-income households. Additionally, if any vacant sites in the inventory are being used to accommodate the lower RHNA and have been identified in two prior planning periods, the program must ensure that those sites meet the same requirements.

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

#### ***Policy Action 1H: Accessory Dwelling Unit Construction***

Accessory Dwelling Units (ADUs) are an accepted method of providing 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 240 ADUs by a variety of methods, including but not limited to:

- Developing and 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.
- Approve permit-ready standard plans to permit new ADU construction to minimize design costs, expedite permit processing, and provide development certainty for property owners.

|                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Timeframe:</b> Analyze methods within 12 months of Housing Element adoption; Establish programs within 24 months of Housing Element adoption.</p> <p><b>Responsible Agency:</b> City of Newport Beach Community Development</p> <p><b>Funding Source:</b> General Fund</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

***Policy Action 1I: Accessory Dwelling Units Monitoring Program***

The City will annually monitor its progress in permitting an average of 30 ADUs annually, for a total of 240 ADUs during the planning period, in conjunction with Annual Housing Element Progress Report. The analysis will track applications for ADUs, location, affordability, and other important features. If ADU permitting falls below 20 ADUs for more than two consecutive years, the City re-evaluate the City's ADU standards and procedures and modify accordingly within 6 months. If actual production of ADUs is far from anticipated trends, then the City will commit to increasing the capacity or inventory of sites within six months. This increase in capacity would apply to the proposed rezoning focus areas to demonstrate the City has remaining capacity to accommodate RHNA need previously assumed through ADU construction. If actual production is near anticipated trends, then the City will consider additional outreach and marketing

**Timeframe:** Ongoing, Annual, Developing Monitoring Program within 6 months of adoptions of Housing Element, Increase capacity in rezone areas withing 6 months if monitoring program is far from anticipated trends.

**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 Amnesty Program should consist of two parts: 1) education; and 2) incentives. The intent of Part 1 (education) of the program is to create an information guide to help educate and inform the importance and benefits of legalizing and bringing their unpermitted units into compliance. The information guide will include an overview of the necessary life safety code requirements and improvements that will need to be provided for permit issuance and advice on how to discuss and ask questions of permitting staff without the risk of Code Enforcement action. The information guide will also explain how the City's ADU regulations have created an easier path towards compliance whereas previously not feasible. Part 2 (Incentives) of the program will provide property owners incentives, such as fee waivers, courtesy inspections, or grants, to encourage property owners to seek permits to legalize units and make them safe for habitation.

**Timeframe:** Develop Amnesty Program within 24 months of Housing Element adoption, Target 10 Households annually to participate in the program.

**Responsible Agency:** City of Newport Beach Community Development

**Funding Source:** General Fund

***Policy Action 1K: Inclusionary Housing Policy***

The City has a substantial RHNA obligation of affordable housing that will be a challenge to accommodate due to prevailing project development costs include high land values. Therefore, the City must evaluate a variety of policy prescriptions that will encourage and facilitate the construction of below market-rate housing. The City will investigate inclusionary housing policy options as an additional means to provide a variety of housing types and opportunities for very low, low- and moderate-income households in Newport Beach. The City will assess and analyze a variety of inclusionary housing policy options, standards, requirements and regulations to determine the best course of action. Based upon this initial assessment, the City will determine the appropriateness and application of inclusionary policies, and



adopt policies, programs or regulations that will produce housing opportunities affordable to very low, low and moderate-income households.

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 as an interim measure prior to the adoption of a final inclusionary ordinance or policy. The final inclusionary policy shall address development of rental and for-sale housing affordable to very low, low- and moderate-income households, as well as the applicability of this requirement and its alternatives.

**Timeframe:** Adopt interim inclusionary policy within 6 months of Housing Element adoption. Evaluate Inclusionary options and adopt an Ordinance 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 6<sup>th</sup> 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 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 this 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 its website and developing brochures and other promotional materials.

**Timeframe:** Ongoing

**Responsible Agency:** City of Newport Beach Community Development

**Funding Source:** General Fund

***Policy Action 2C: Preservation of At-Risk Units***

There are a number of assisted housing developments or individual housing units within development that may be at-risk of converting to market rate during the 10-year period from the beginning of the 2021-2029 Housing Element planning period. “Assisted housing developments” shall mean multifamily rental housing that receives governmental assistance under federal programs listed in subdivision (a) of Government Code Section 65863.10, state and local multifamily revenue bond programs, local redevelopment programs, the federal Community Development Block Grant Program, or local in-lieu fees. “Assisted housing developments” shall also include multifamily rental units that were developed pursuant to a local housing program or used to qualify for a density bonus pursuant to Government Code Section 65916. During the planning period, preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs including those listed above, except where a City demonstrates it has other urgent needs for which alternative funding sources are not available. The city will include strategies that involve local regulation and technical assistance, including maintaining 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 proactively consult with the property owners identified in Table 3-31 of the Housing Element and potential preservation organizations regarding use of all federal, state and local resources to be used for maintaining affordable housing opportunities in those developments listed in Table 3-31 of Chapter 3 of this Housing Element. The City will provide technical assistance to non-profit entities for 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 provide specific assistance to owners of these units by making initial contact within 9 months of Housing Element adoption to identify and coordinate assistance. The City will provide in-kind assistance, through information dissemination, to assist in partnering local assisted unit owners with agencies or entities that can provide financial or other assistance to preserve the affordability of these units.

The City will maintain registration as a Qualified Preservation entity with HCD and continuously implement the above policy as notices are received from property owners in the 6<sup>th</sup> Cycle.

**Timeframe:** Ongoing, as necessary to preserve affordability. Initial contact with owners within 9 months of Housing Element adoption.

**Responsible Agency:** City of Newport Beach Community Development

**Funding Sources:** General Fund, State, Federal funding





### **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 a minimum affordable housing component. 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 for projects with a minimum affordable housing component with objective standards that do not impede the type and density of housing it is intended to allow.

**Timeframe:** Adopt standards within 24 months of Housing Element adoption

**Responsible Agency:** City of Newport Beach Community Development

**Funding Source:** General Fund

#### **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 discretionary review or public hearings; and in many cases the City cannot require parking. Reduced parking requirements would be established consistent with the requirements of SB 35 for qualified streamlining projects.



The City currently has consistently exceeded RHNA performance goals during the 5<sup>th</sup> Cycle. The City's status regarding SB 35 could change during the 6<sup>th</sup> Cycle dependent upon RHNA progress throughout the 2021-2029 Planning Period.

**Timeframe:** Adopt procedures within first year of the planning period  
**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 housing opportunities by restricting conversions of rental units to condominiums in a development containing 15 or more units unless the rental housing vacancy rate in Newport Beach is 5 percent or higher, and unless the property owner complies with condominium conversion regulations contained in Newport Beach Municipal Code Chapter 19.64. The City's intent is to ensure no net loss in rental opportunities in existing sites that contain 15 or more units and that the conversion of rentals do not create an imbalance of opportunity in the community. The City will conduct an annual vacancy rate survey to support the implementation of this policy.

To protect lower and moderate-income rental housing, the City shall amend the Municipal Code to restrict the demolition of lower and moderate-income rental housing on sites that provide more than 15 units unless the units maintain the same income categories after demolition.

**Timeframe:** Ongoing. Update Municipal Code within 24 months of Housing Element adoption.  
**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 6<sup>th</sup> 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 the 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 6<sup>th</sup> 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 give highest priority for use of Affordable Housing Fund monies to affordable housing developments providing units affordable to extremely-low-income households and senior households. The City will continue to implement this program as affordable housing projects are submitted to the City.

The City shall establish objective priorities to allow for the ranking/scoring of future affordable housing projects so that expenditures that most meet the City's objectives are prioritized for funding.

**Timeframe:** Ongoing. Establish objective priorities with project ranking/scoring within 16 months of Housing Element adoption.

**Responsible Agency:** City of Newport Beach Community Development

**Funding Sources:** Affordable Housing Fund, based upon available funds

***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. A copy of this brochure shall be located at the Planning Counter, on the City's website and shall also be provided to potential developers.

The City will update the 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 the program as housing projects are submitted to the City in the 6<sup>th</sup> 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, Dover-Westcliff, Newport Center, Mariners' Mile, and Balboa Peninsula areas. The City of Newport Beach will continue to implement its program as prospective developers contact the 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 during the 6<sup>th</sup> 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 6<sup>th</sup> 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 any restrictions on development due to the City “Charter Section 423”. The City will continue to implement such program as major commercial/industrial projects are submitted to the City in the 6<sup>th</sup> Cycle.

**Timeframe:** Ongoing

**Responsible Agency:** City of Newport Beach Community Development

**Funding Sources:** General Fund

### ***Policy Action 3O: Single Resident Occupancies (SROs)***

The City will continue to study housing impacts of proposed larger-scale, significant commercial/industrial Use State and federal funding to continue to provide assistance and make provisions for development of single-room occupancy (SRO) housing and other forms of housing for people experiencing homelessness in the City. The City will ensure that such housing options include reasonable accommodations and supportive services for people with disabilities. The City will seek to encourage the development of at least one SRO development within the Planning Period.

**Timeframe:** Ongoing, with targeted outreach on an annual basis.

**Responsible Agency:** City of Newport Beach Community Development

**Funding Sources:** : To be determined as State and federal funding sources become available.

### ***Policy Action 3P: Residential Care Facilities***

The City will review and amend ~~if necessary,~~ the permitting procedures, application requirements, and development standards applicable to residential care facilities for persons of 7 or more to ensure consistency with state and federal laws ~~and amend, if necessary~~ to promote objectivity and greater approval certainty.

**Timeframe:** By October 2022 and amend the Zoning Code by April 2023 if needed.

**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 fosters 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 the City of Newport Beach has no racial or ethnic populations with a dissimilarity index above 60, all populations (with the exception of the Hispanic/Latino population) have a score above 30, meaning all groups experience moderate segregation from the White population.
- 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 low 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. The opportunity indices identify low affordable transportation options to both the Asian or Pacific Islander (Non-Hispanic) and Native American (Non-Hispanic). Additionally the index identified that households who earn below the poverty rate in Newport Beach have lower levels of opportunity access across all indicators as well as race and ethnicities.
- Racially Concentrated Areas of Affluence (RCAA) are characterized by census tract areas in which 80 percent or more of the population is White and that have a median income of at least \$125,000. There are 12 census tracts within the City that are identified as RCAAs.
- Newport Beach and the State have the same rate of home ownership, but residents of Newport Beach experience higher rates of cost burden. Housing adequacy and affordability are similar in both the City and State, where California has a slightly higher rate of affordability.
- Newport Beach scored a 3.9 AllTransit performance score, illustrating a low combination of trips per week and number of jobs accessible that enable a moderate number of people to take transit to work. In total, 138,164 jobs are accessible within a 30-minute trip from Newport Beach, however just 0.55 percent of commuters use transit. By comparison, Newport Beach scored lower than neighboring jurisdictions of Costa Mesa (5.4), Huntington Beach (4.4), and Irvine (3.6), however slightly higher than Laguna Beach (3.8). Overall, the City of Newport Beach has a lower AllTransit score than the County of Orange (3.9) in Newport Beach and 4.2 in the County).

During the planning period, the City will take the following explicit actions to address and implement Fair Housing issues and to affirmatively further fair housing in the community:

- ~~Action 1: Address Fair Housing via R/ECAP and Environmental Justice by adopting an amendment addressing environmental justice to the General Plan (Timeline: Complete by December 2024)~~
- ~~Action 2: Update, analyze and identify regulations that may have historically contributed to the disparities in access to housing and propose innovative solutions such lot configuration, affordability covenants and lot splits to encourage diversified development and support opportunities for wealth building through home ownership. (Timeline: Complete by December 2024, Annual review and update as necessary)~~



- ~~Action 3: Examine the effect of existing development policies and regulations on areas with higher concentrations of low-income residents and communities of color. Explore and implement where feasible modified policies or procedures that combat the displacement of low-income residents and communities of color. (Timeline: Complete by December 2024. Annual review and update as necessary)~~
- ~~Action 4: Conduct ground-level site visits and meetings within R/ECAP census tracts to better understand resident and business barriers, resources, and needs. (Timeline: Complete by December 2024, Annual review and update as necessary)~~
- ~~Action 5: Address Disposition of Loans among Racial/Ethnic groups by proactive outreach to financial institutional partners, including banks, credit unions and other applicable organizations/entities to identify ways to discourage discrimination in underwriting and lending to Hemet households. (Timeline: Outreach conducted by December 2023)~~
- ~~Action 6: Address Access to Opportunity through facilitation of entrepreneurship opportunities the create economic opportunity with little personal investment, such as home-based businesses. The City will collaboration with the Chamber of Commerce to establish policies and programs supportive local employment opportunity. (Timeline: Complete by December 2023)~~
- ~~Action 7: Address Access to Opportunity in regard to education by increasing outreach to local school districts, vocational schools and other public and private education and job training entities. The City will outreach to and conduct annual meetings with these entities to discuss the housing needs and improving opportunity access, especially to lower income households located in low resource areas. (Timeline: Outreach conducted annually).~~
- ~~Action 8: To address the lower AllTransit Score experienced in the City, proactive outreach to local and regional transportation providers such as OCTA and local providers of transportation. In addition, the City would collaborate with local businesses and employers to define local needs for the population to maximize the use of transportation in Newport Beach. To accomplish this the City would conduct initial local outreach with the appropriate agencies and/or employers to identify specific areas of improvement. Subsequent to this initial meeting the City will establish policies, programs, and/or improvements as appropriate that demonstrate improvements to transportation access in Newport Beach. (Timeline: Conduct initial outreach within twelve months, establish policies and programs within three years)~~

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.~~





- ~~Target outreach for lower income residents to provide information about affordable housing opportunities and access to funding and finances. The City will partner with County Fair Housing or similar governmental and non-governmental organizations to host up to two (2) workshops.~~
- ~~Coordination and outreach with stakeholder groups, representatives, non-governmental organizations and non-Profits to further understand existing or potential fair housing issues in the City. The City will host up to two (2) meetings.~~



**Table 4-1: Fair Housing Actions**

| Identified Fair Housing Issue               | Local Contributing Factors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Geographic Target                   | City Actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Priority | Timeline and Metrics                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Anti-Displacement / Housing Mobility</b> | 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 | Airport Area, adjacent to UC Irvine | <p>To help address this issue, the City will take the following actions:</p> <ol style="list-style-type: none"> <li>1. Address potential R/ECAP and Environmental Justice issues by adopting an amendment <del>for</del>to include policies addressing environmental justice in the General Plan; and</li> <li>2. Facilitate an annual meeting with representatives from the City of Irvine and UC Irvine or other major employers to address any local affects these R/ECAP areas may have on opportunity for housing in Newport Beach.</li> </ol> | Low      | <p><u>Timeline(s):</u></p> <p>By December 2024, the City will aim to adopt amendments to the General Plan to include environmental justice policies that <del>would</del> promote a reduction in poverty rate, promote diversity, and require consideration of environmental justice principles in City decision-making.</p> <p><u>Evaluative Metric(s):</u></p> <ol style="list-style-type: none"> <li>1. The City will strive to meet annually with representatives from the City of Irvine and UC Irvine to review whether the R/ECAP is contributing to any fair housing issues. If determined to be a contributor, the City will coordinate additional actions that will seek to reduce or eliminate the R/ECAP identified adjacent to UC Irvine.</li> </ol> |



**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u>                  | <u>Local Contributing Factors</u>                                                                                                                                                                                                                        | <u>Geographic Target</u>                                                                                                                                                                                                                                                           | <u>City Actions</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <u>Priority</u> | <u>Timeline and Metrics</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                       | <u>housing in Newport Beach.</u>                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <u>Access to Opportunity / Place Based Strategies</u> | <u>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 portions of only two census tracts showing low access to opportunity.</u> | <u>Two census tracts with low access to opportunity. In the following areas:</u> <ol style="list-style-type: none"> <li><u>1. In the West Newport Focus Area adjacent to Hoag Hospital</u></li> <li><u>2. In the Airport Focus Area, adjacent to John Wayne Airport</u></li> </ol> | <u>To help address this issue, the City will take the following actions:</u> <ol style="list-style-type: none"> <li><u>1. Adopt and codify accessory dwelling unit (ADU) regulations that facilitate and incentivize ADU development beyond State law minimum requirements, create new housing development incentives and fee waivers, and that provide for access into areas of high opportunity that contribute to the following community development actions:</u> <ul style="list-style-type: none"> <li><u>o Increase residential development opportunities;</u></li> <li><u>o Maximize infill development in "built-out" neighborhoods; and</u></li> <li><u>o Increase affordable housing options.</u></li> </ul> </li> </ol> | <u>High</u>     | <u>Timeline(s):</u><br><br><u>By June 2023, the City will aim to adopt revised ADU regulations. By December 2023, the City will conduct two community workshops that are focused within the geographic target.</u><br><br><u>Evaluative Metric(s):</u> <ol style="list-style-type: none"> <li><u>1. The City will seek to produce 20 to 30 ADUs per calendar year within higher resource areas; and</u></li> <li><u>2. The City will seek to make contact with at least 50% of the households in the affected census tracts.</u></li> </ol> |



**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u>                  | <u>Local Contributing Factors</u>                                                          | <u>Geographic Target</u>                                                            | <u>City Actions</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <u>Priority</u> | <u>Timeline and Metrics</u>                                                                                                                       |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                       |                                                                                            |                                                                                     | <p><u>2. Target outreach to the two census tracts with low access to opportunity; and</u></p> <p><u>3. Conduct two community workshops that will accomplish the following:</u></p> <ul style="list-style-type: none"> <li><u>○ Identify local issues that are influencing low access to opportunity;</u></li> <li><u>○ Identify potential solutions to address those local issues;</u></li> <li><u>○ Identify opportunities to increase the housing supply for all income levels; and</u></li> <li><u>○ Establish economic development priorities to help stimulate the creation of jobs and access to services.</u></li> </ul> |                 |                                                                                                                                                   |
| <u>Access to Opportunity / Place Based Strategies</u> | <u>The analysis of the TCAC/HCD opportunity Area Maps shows that most census tracts in</u> | <u>Two census tracts with low access to opportunity are in the following areas:</u> | <u>To help address this issue, the City will take the following actions:</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 | <p><u>Timeline(s):</u></p> <p><u>Starting 2023, the City will annually review and update its housing-related webpages. Within 6 months of</u></p> |





**Table 4-1: Fair Housing Actions**

| Identified Fair Housing Issue | Local Contributing Factors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Geographic Target                                                                                                                                                                   | City Actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Priority | Timeline and Metrics                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                               | <p>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.</p> | <ol style="list-style-type: none"> <li>1. In the West Newport Focus Area adjacent to Hoag Hospital</li> <li>2. In the Airport Focus Area, adjacent to John Wayne Airport</li> </ol> | <ul style="list-style-type: none"> <li>• Adopt an Inclusionary Housing Ordinance (See Policy Action 1K) to ensure lower income units are developed in conjunction with new market-rate development equitably throughout the City and higher resource census tracts;</li> <li>• Target outreach to two low-access census tracts via mailers or by other means including social media to provide website information about local entrepreneurship and educational opportunities;</li> <li>• Maintain and promote the City’s Business Ambassador Program to local residents as a way to support local businesses and entrepreneurship; -and</li> <li>• Continually update the City’s housing related webpages to ensure current available data.</li> </ul> |          | <p>Housing Element adoption, the City will adopt an interim inclusionary housing policy. Within 36 months of Housing Element adoption, the City will adopt an inclusionary housing ordinance.</p> <p><u>Evaluative Metric(s):</u></p> <ol style="list-style-type: none"> <li>1. By December 2026, the City will aspire to have approved between 750 and 1,000 affordable housing units or to have collected a commensurate in-lieu affordable housing fee for use to subsidize future affordable housing projects;</li> <li>2. The City will improve upon its existing Business Ambassador Program and will seek to assist at least 35-45 persons annually with establishing their own business opportunities; and</li> <li>3. The Business Ambassador Program will be advertised within the lower-opportunity census tracts with a goal of reaching at least 50% of the households.</li> </ol> |



**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u> | <u>Local Contributing Factors</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <u>Geographic Target</u> | <u>City Actions</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <u>Priority</u> | <u>Timeline and Metrics</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b><u>Housing Mobility</u></b>       | <p><u>Availability of financing affects a person's ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications and the income, gender, and race of loan applicants. The primary concern in a review of lending activity is to determine whether home financing is available to residents of a community.</u></p> <p><u>According to available data, applicants in the 120 percent median-income or more had the highest rates of loans approved. Of that income category, applicants who reported White had the</u></p> | <u>Citywide</u>          | <p><u>To help address this issue, the City will take the following actions:</u></p> <ol style="list-style-type: none"> <li><u>1. Disseminate online information to the community about home loans and the loan application and approval process;</u></li> <li><u>2. Conduct biannually affordable housing workshops with invited guests from the local lending industry and local affordable housing advocates; and</u></li> <li><u>3. Conduct annual report of loan dispositions in the City and identify any trends or issues. Provide findings to local lenders and financial institutions.</u></li> </ol> | <u>Medium</u>   | <p><u>Timeline(s):</u></p> <p><u>By June 2023, the City will provide information to the community about home loans and the loan process. By December 2023, the City will conduct its first biannual affordable housing workshop with affordable housing lenders and local affordable housing advocates.</u></p> <p><u>Evaluative Metric(s):</u></p> <ol style="list-style-type: none"> <li><u>1. The City will seek to reach between 10,000 and 15,000 households with loan information and will further seek to reduce any occurrence of loan disposition discrimination, if found to be prevalent.</u></li> </ol> |



**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u> | <u>Local Contributing Factors</u>                                                                                                                                                                                                                                                                                                                                             | <u>Geographic Target</u> | <u>City Actions</u> | <u>Priority</u> | <u>Timeline and Metrics</u> |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------|-----------------|-----------------------------|
|                                      | <p><u>highest percentage of approval and the number of applications. Applicants in the less than 50 percent of the MSA/MD median-income categories were showed higher percentages of denied loans than loans originated. According to the data, applicants who reported white were, on average, more likely to be approved for a loan than another race or ethnicity.</u></p> |                          |                     |                 |                             |



**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u> | <u>Local Contributing Factors</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <u>Geographic Target</u>                                                                                                                                                                                                                                      | <u>City Actions</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <u>Priority</u> | <u>Timeline and Metrics</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><u>Access to Opportunity</u></p>  | <p>The majority of the City of Newport Beach is classified as a high opportunity zone. This indicates a high level of relative opportunities that people can achieve as well as a high level of relative opportunities that Newport Beach provides.</p> <p>While most of the census tracts within the City are areas of high opportunity, there are two census tracts identifying as low opportunity. Together these areas contain 86 sites which accommodate 1,941 potential units designated intended to meet the City's RHNA for lower-income units (shown in <b>Section 3: Housing Resources</b> and outlined in <b>Appendix B</b>).</p> | <p>Citywide w/ focus on two census tracts in the following locations:</p> <ol style="list-style-type: none"> <li>1. In the West Newport Focus Area adjacent to Hoag Hospital</li> <li>2. In the Airport Focus Area, adjacent to John Wayne Airport</li> </ol> | <p>To help address this issue, the City will take the following actions:</p> <ul style="list-style-type: none"> <li>• Conduct two public workshops for residents of the two census tracts identifying as lower opportunity;</li> <li>• Collaborate with the Chamber of Commerce to disseminate economic opportunity through entrepreneurship, job training on the City's website;</li> <li>• Maintain and promote the City's Business Ambassador Program to local residents as a way to support local businesses and entrepreneurship; and</li> <li>• Provide direct contact to residents within the lower opportunity census tracts via mailers or other means including social media to invite them to workshop.</li> </ul> |                 | <p><u>Timeline(s):</u></p> <p>Within the first half of the planning period, the City will conduct two public workshops on entrepreneurship and job training.</p> <p><u>Evaluative Metric(s):</u></p> <ol style="list-style-type: none"> <li>1. The City will improve upon its existing Business Ambassador Program and will seek to assist at least 35-45 persons annually with establishing their own business opportunities; and</li> <li>2. The Business Ambassador Program will be advertised within the lower-opportunity census tracts with a goal of reaching at least 50% of affected the households.</li> </ol> |





**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u> | <u>Local Contributing Factors</u>                                                                                                                                                                                                                                                                                                                                                                                                    | <u>Geographic Target</u> | <u>City Actions</u> | <u>Priority</u> | <u>Timeline and Metrics</u> |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------|-----------------|-----------------------------|
|                                      | <p>The data for both regions with lower opportunity show very low housing access, but conversely show high civic life, health, transportation, economic and educational access..</p> <p>Therefore, the consideration and identification of these areas for housing, affordable to low and very low-income households will address the deficiency to housing access in these otherwise high opportunity and high resources areas.</p> |                          |                     |                 |                             |



**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u>                  | <u>Local Contributing Factors</u>                                                                                                                                                                                                                                                                                                                                                                | <u>Geographic Target</u>                                  | <u>City Actions</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <u>Priority</u> | <u>Timeline and Metrics</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Access to Opportunity</u>                          | <u>Access to education is generally above average in Newport Beach. Additionally, access to quality education system is high among all racial/ethnic groups (each group has an opportunity index score above 80).</u>                                                                                                                                                                            | <u>Citywide</u>                                           | <u>To further improve access to education, the City will take the following action:</u><br><br><u>1. Conduct an annual meeting with local educational institutions to discuss housing needs related to education</u>                                                                                                                                                                                                                                                                                                       | <u>High</u>     | <u>Timeline(s):</u><br><br><u>Beginning 2023, the City will conduct meetings annually with local educational institutions.</u><br><br><u>Evaluative Metric(s):</u><br><br><u>1. The City will leverage the input from the annual meetings to identify up to two additional City policies or actions that will help enhance access to education.</u>                                                                                                                                                                                                                 |
| <u>Place Based Strategies / Access to Opportunity</u> | <u>The City of Newport Beach has a low transit performance score overall. The City has identified low- and very low-income housing opportunity sites in the Airport Area Environs in the north, the West Newport Mesa Area in the west, and the Newport Center Area in the central area of the City. While these three areas of the City have low transit performance scores, they have high</u> | <u>Citywide, with focus on the Airport Area environs.</u> | <u>To help improve access to transit, the City will take the following actions:</u><br><br><u>1. In adopting the annual Capital Improvements Program (CIP), the City will seek and consider projects that will help improve access to transit near housing opportunity sites;</u><br><br><u>2. Maintain a proactive working partnership with the Orange County Transportation Authority (OCTA) to continue to plan and coordinate public transit routes to serve existing community facilities and future development.</u> | <u>Medium</u>   | <u>Timeline(s):</u><br><br><u>Starting with the adoption of the FY23-24 Capital Improvement Program IP, the City will annually consider projects that enhance access to transit in the targeted areas of need. By December 2024, the City will consider updating the Land Use Element to include policies encouraging denser residential near transit stops.</u><br><br><u>Evaluative Metric(s):</u><br><br><u>1. The City will seek improve or trend the City's AllTransit Score from 3.9 to 5.0 or greater by the end of the Housing Element planning period.</u> |



**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u> | <u>Local Contributing Factors</u>                                                                                                                                                                                                                                                                                                                                                                                                                                       | <u>Geographic Target</u> | <u>City Actions</u>                                                                                                                                                                                                                                                                                                             | <u>Priority</u> | <u>Timeline and Metrics</u> |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------|
|                                      | <p><u>connectivity scores compared to other areas throughout the City. Households within these areas have better access to jobs and key destinations through transit than those located elsewhere in the City. The majority of the low- and very low-income sites were strategically located within the Airport Area Environs, West Newport Mesa Area, and the Newport Center Area to take advantage of the increased transportation assets within these areas.</u></p> |                          | <p><u>Continue to provide local input on the Long-Range Transportation Plan (LRTP); and</u></p> <p><u>3. With the Land Use Element Update, the City will consider policies that would encourage denser housing projects closer to transit stops consistent with the housing opportunity sites identified in Appendix B.</u></p> |                 |                             |



**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u>         | <u>Local Contributing Factors</u>                                                                                                                                                                                                                                                     | <u>Geographic Target</u> | <u>City Actions</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <u>Priority</u> | <u>Timeline and Metrics</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Place Based Strategies / Displacement</u> | <p>The City of Newport Beach has very high comparative rental and sales prices.</p> <p>The cost of housing limits upward mobility and the costs of upkeep, repairs or rehabilitation, especially for older housing units, may be prohibitive for some segments of the population.</p> | <u>Citywide</u>          | <p>To help address this issue, the City will take the following actions:</p> <ol style="list-style-type: none"> <li>1. Continue to provide quarterly and virtual training to landlords and tenants on fair housing requirements including allowable rent increases, source of income discrimination, and benefits of marketing housing units for vouchers to expand the locations of registered units in the City. Provide update information on the City's website;</li> <li>2. Encourage development of ADUs in high opportunity areas through targeted public outreach, user-friendly websites, pre-approved standard plans, fee waivers, and priority processing; and-</li> <li>3. Incentivize development of affordable housing units through inclusionary housing policies (Policy 1K).</li> </ol> | <u>Medium</u>   | <p><u>Timeline(s):</u></p> <p>By December 2023, the City will revamp and provide updated information on the website related to fair housing.</p> <p>Within 6 months of Housing Element adoption, the City will adopt an interim inclusionary housing policy.</p> <p>-Within 36 months of Housing Element adoption, the City will adopt an inclusionary housing ordinance.</p> <p><u>Evaluative Metric(s):</u></p> <ol style="list-style-type: none"> <li>1. Ensure the provision of quarterly fair housing educational workshops —conducted by a qualified fair housing service provider;</li> <li>2. The City will seek to assist at least 5 households annually through rehab assistance. The City will seek to abate 75% of major deferred maintenance incidents during the planning period; and</li> </ol> |





**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u> | <u>Local Contributing Factors</u>                                                                                                                                                                                                                                                                                                                    | <u>Geographic Target</u>                                                                             | <u>City Actions</u>                                                                                                                                                                                                                                                                                                                                                          | <u>Priority</u> | <u>Timeline and Metrics</u>                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                      |                                                                                                                                                                                                                                                                                                                                                      |                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                              |                 | 3. <u>The City will seek to produce 20 to 30 ADUs per calendar year within higher resource areas.</u>                                                                                                                                                                                                                                                                                                                                               |
| <u>Access to Opportunity</u>         | <p><u>There are approximately 12 census tracts that are considered racially concentrated areas of affluence (RCAA) in the City.</u></p> <p><u>The RCAA areas are clustered throughout the City predominately in the east and along the southern and western boundaries of the City. The concentrations of lower income households located in</u></p> | <u>Citywide, predominately in the east and along the southern and western boundaries of the City</u> | <p><u>To help address this issue, the City will take the following actions:</u></p> <ol style="list-style-type: none"> <li><u>1. Conduct summary review of RCAA census tracts to identify potential redlining; and</u></li> <li><u>2. Use findings from redlining study to develop potential greenlining policies that can be employed to benefit RCAA areas.</u></li> </ol> | <u>Medium</u>   | <p><u>Timeline(s):</u></p> <p><u>By June 2024, the City will conduct a summary review of RCAA census tracts. By June 2025, the City will use findings from the study to develop potential policies.</u></p> <p><u>Evaluative Metric(s):</u></p> <ol style="list-style-type: none"> <li><u>1. The City will seek to reduce the incidents of unlawful redlining (if found) in these RCAA by between 35-50% during the planning period.</u></li> </ol> |



**Table 4-1: Fair Housing Actions**

| <u>Identified Fair Housing Issue</u> | <u>Local Contributing Factors</u>                                                                                                                                                                                                               | <u>Geographic Target</u> | <u>City Actions</u> | <u>Priority</u> | <u>Timeline and Metrics</u> |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------|-----------------|-----------------------------|
|                                      | <p><u>the northern, western, and central areas of the City are in high income areas surrounded by RCAAs.</u></p> <p><u>The location of these area provides affordable housing opportunities within areas with high access to resources.</u></p> |                          |                     |                 |                             |



The City will maintain compliance with Fair Housing Laws and Regulations. The City will annually review and, if necessary, amend its Municipal Code to comply with State Housing Laws and Fair Housing Laws and Regulations.

**Timeframe:** Review annually, amend actions and modify Municipal Code as necessary to continue to affirmatively further fair housing and comply with State Housing Laws and Fair Housing Laws and Regulations.

**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 6<sup>th</sup> 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 (Newport Beach Municipal Code Chapter 20.32) 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 6<sup>th</sup> Cycle. The City will further encourage affordable housing and the potential use of density bonus statutes to accommodate additional affordable units.

**Timeframe:** Update to Newport Beach Municipal Code Chapter 20.32 within 12 months of the adoption of this Housing Element and implement future updates to maintain consistency with applicable State law on an ongoing basis.

**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 could 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 6<sup>th</sup> 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 6<sup>th</sup> 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/or 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 this 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: Review Mixed-Use Zones***

As part of the 2006 Comprehensive General Plan Update and 2010 Zoning Code Update, new mixed-use housing opportunity zones were created throughout the City as a strategy to enhance and revitalize underperforming and underutilized properties. These areas included the Airport Area, Dover/Westcliff, Newport Center, Mariners Mile, and portions of the Balboa Peninsula. The Airport Area and Newport Center have proven the most successful with several approved and constructed mixed-use developments, such as Uptown Newport and Villas Fashion Island. The Balboa Peninsula has had some limited success while Dover/Westcliff and Mariners' Mile have not proven successful to-date.

Despite the housing opportunity that was created in these areas, a majority of these sites remain underutilized with a single, non-residential use, such as retail or office. It is evident the City's existing development standards (e.g., setbacks, height, density, parking, dedications, etc.) related to mixed-use development may create constraints to the redevelopment of these properties.

Therefore, to ensure that mixed-use opportunities are maximized, the City will review established mixed-use land use categories and corresponding zoning regulations in the City and recommend policy or code changes to the City Council that reduce regulatory barriers and incentivize mixed-use residential development.

**Timeframe:** Complete the review and provide recommendations to the City Council within 12 months of Housing Element Adoption, and then complete a review annually thereafter.

**Responsible Agency:** City of Newport Beach Community Development

**Funding Source:** General Fund

#### ***Policy Action 4I: Establish Mixed-Use Resort Opportunities***

Mixed-use resorts are an established trend in the hospitality industry that incorporate hotel-branded residential units as an accessory use located within a resort hotel complex where residents enjoy access to the full range of services, facilities, and amenities provided by the hotel operator or brand. The residential use cannot exist without the hotel's services, facilities, and amenities.

The hotel industry has been one of the hardest hit industries due to the COVID-19 pandemic and a full recovery of the industry is not anticipated for many years. Mixed-use resorts provide an opportunity to revitalize older or underperforming hotels and maintain their competitive standing by creating multiple revenue streams.

Economies of scale created by shared facilities, amenities, and services add additional benefit to mixed-use resort developments. This cross pollination of business benefits both the hotel and the resident. It may also increase occupancy rates at the resort by creating increased synergy between uses and social gathering opportunities, boosting transient occupancy taxes while providing in-fill housing opportunities to partially assist the City in meeting its RHNA obligation in highly desirable and built-out areas.

Incorporating residences also helps to off-set cyclical variations in hotel occupancy rates that can, for instance, result in seasonal decreases in revenue for the hotel's food and beverage offerings.

Therefore, to further encourage and incentivize the development of mixed-use hotels, the City will consider policies, regulations and/or interpretations to: 1) clarify ambiguities in General Plan, Zoning Code, and/or Local Coastal Plan Program provisions to allow hotels and motels, located outside of the Coastal Commission Appeal Areas, to convert up to thirty percent (30%) of their permitted hotel and motel rooms into residential units on a one-for-one basis; 2) establish parking programs (e.g., shared parking) and/or reduced residential parking requirements that mitigate the need for any additional parking due to the conversion to residential use; 3) require a fiscal impact analysis to disclose and mitigate any reduction in transient occupancy tax due to a potential conversion; 4) increase the flexibility in use of transfer of development rights to allow for transfer of unbuilt residential units to hotel sites; 5) require property owners converting permitted hotel and motel rooms into residential units to mitigate impacts to on affordable housing production by either constructing affordable housing units within the development or through a contribution of in-lieu fees; 6) require mitigation of impacts to public access for potential conversions located within the Coastal Zone; and 7) require property owners converting permitted hotel and motel rooms into residential units to enter into a development agreement to ensure implementation of this policy at the project level.

**Timeframe:** Establish policies, regulations and/or interpretations within 24 months of Housing Element Adoption.

**Responsible Agency:** City of Newport Beach Community Development

**Funding Source:** General Fund

#### **Policy Action 4J: Airport Environs Sub Area Environmental Constraints**

As discussed in Section 3 (Analysis of Exacerbating Current Conditions), the Airport Area is potentially exposed subject to heightened noise and a lower environmental score primarily due to the proximity of John Wayne Airport.

The City will take the following actions to address potential environmental constraints in the Airport Environs Sub Area and ensure continued feasibility of sites, particularly for lower-income RHNA, in the Airport Area:

- Require new residential development projects in the Airport Environs Sub Area provide noise studies and acoustical analyses to and ensure designs include proper sound attenuation;
- Require new residential development projects in the Airport Environs Sub Area to explore advanced air filtration systems for buildings to help ensure promote cleaner air;
- Encourage on-site indoor amenities, such as fitness facilities or recreation and entertainment facilities; and
- Continue to implement park dedication requirements consistent with the City's Park Dedication ordinance and Land Use Element Policy LU 6.15.13 (Neighborhood Parks – Standards) and Policy LU 6.15.16 (On-Site Recreation and Open Space) to ensure adequate recreational space to ensure at least 8-percent of the project's gross land area (exclusive of existing rights-of-way) of the first phase for any development in each neighborhood or ½ acre, whichever is greater, is developed as a neighborhood park, unless waived through Density Bonus Law.



Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

**Policy Action 4K: West Newport Mesa Environmental Constraints**

As discussed in Section 3 (Analysis of Exacerbating Current Conditions), the West Newport Area is possibly exposed to heightened noise and pollutants largely due to a historic concentration of industrial type uses in the area.

The City will take the following actions to address environmental constraints and ensure feasibility of sites, particularly for lower-income RHNA, in the West Newport Mesa Area:

- Continue to coordinate with the South Coast Air Quality Management District (SCAQMD) and other responsible regulatory agencies to monitor compliance of industrial operators on an as-needed basis if any issues are identified;
- Closely examine new light industrial uses that may locate in the area to avoid and mitigate any potential environmental impacts to ensure the area use/activity is suitable for compatible with nearby residential uses;
- Provide a Code Enforcement Division response when complaints are made and track the nature of the complaints; review for trends or patterns that may require stronger enforcement actions to abate identified nuisances;
- Require implementation of the West Newport Mesa Streetscape Master Plan for new private development projects and consider including improvement projects in the City's Capital Improvements Program (CIP);
- Consider including residential-serving commercial as part of a zoning overlay (or similar rezoning mechanism) to support the future residents and to allow zoning flexibility beyond the underlying industrial zoning limits as part of the overall rezoning program within 36 months of Housing Element adoption; and
- Pursue the siting and development of a community center to serve the West Newport area. If a potential site is identified, the Community Development Department will research the feasibility from a land use and entitlement perspective and will present findings during at least one study session with the City Council.

Timeframe: Ongoing

Responsible Agency: City of Newport Beach Community Development

Funding Source: General Fund

**Policy Action 4L: Coyote Canyon Environmental Constraints**

As noted, the Coyote Canyon property is located on a closed landfill or is proximate to the landfill. The bulk of conceptual residential development is sited away from former landfill areas; however, the City understands the importance of ensuring the health and safety of future residents and the surrounding neighborhood.

The City will take the following actions to address environmental constraints on the Coyote Canyon landfill site:



- During the Coyote Canyon project design and entitlement phase, work closely with developer(s) and property owner(s) to ensure all residential units and construction comply with the proper building and safety code requirements (e.g., ensure seismic standards are met, provide appropriately designed landfill gas mitigation); and
- Implement the requirements of California Environmental Quality Act and other applicable environmental regulations.

**Timeframe:** Ongoing

**Responsible Agency:** City of Newport Beach Community Development

**Funding Source:** 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 19 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 6<sup>th</sup> 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 5C: Incentivize for Preserving of Affordability Covenants***

The City will investigate the potential for providing additional incentives or modify its current policy to incentivize property owners to maintain the affordability of units on their property during the 6<sup>th</sup> 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 5D: 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 5E: 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 5F: 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 such 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 5G: 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, to 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 6<sup>th</sup> 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 5<sup>th</sup> Cycle, the City was successful in providing funding to local organizations for providing shelter and services to 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 sub-recipients 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 Developmental 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 50<sup>th</sup> 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 CDGB and other Federal Formula Grant Funding***

The City receives annual allocation of CDBG and other Federal formula grant 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 following 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 6<sup>th</sup> 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 daycare 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 5<sup>th</sup> Cycle. 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 and 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 6<sup>th</sup> 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 of 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 the first year of the planning period.

**Responsible Agency:** City of Newport Beach Community Development

**Funding Sources:** General Fund

#### ***Policy Action 6G: Senior Housing Priority Program***

The City has an aging population that will require affordable housing options for its existing and future retirement age population. The City seeks to develop explore the feasibility and appropriateness of proactive policies and programs to address and prioritize the needs of its senior population.

The City will strategically collaborate with the local senior community and organizations providing senior services to evaluate existing programs, policies, procedures and funding priorities. Upon completion of this initial assessment and determination if there are feasible and practical approaches, the City will develop a comprehensive prioritization program for Senior Housing. The prioritization program will establish the specific methodologies for priority ranking, criteria, scoring and related new policies, programs, regulations and incentives as appropriate.

**Timeframe:** Study and evaluate existing policies within 24 months of Housing Element adoption. Establish formal policies, programs and regulations within 36 months of Housing Element adoption If deemed practical and feasible during initial study.

**Responsible Agency:** City of Newport Beach Community Development

**Funding Source:** General Fund

### **Housing Goal #7**

**Equal housing opportunities in the City for all people.**

**Housing Policy 7.1:** 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 to establish a non-discretionary local permit approval process that 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 first year of the planning period.

**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 is 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 within the first year of the planning period.

**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.

|                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Timeframe:</b> Adopt Code Amendments within 24 months of Housing Element adoption</p> <p><b>Responsible Agency:</b> City of Newport Beach Community Development</p> <p><b>Funding Sources:</b> General Fund</p> |
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#### ***Policy Action 7D: Fair Housing Services***

The City was successful in reaching out to the community about fair housing services during the 5<sup>th</sup> 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 of two public outreach and educational workshops a year, and distribute pamphlets containing information related to fair housing in the 6<sup>th</sup> Cycle.

|                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Timeframe:</b> Ongoing</p> <p><b>Responsible Agency:</b> City of Newport Beach Community Development</p> <p><b>Funding Sources:</b> General Fund</p> |
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### **Housing Goal #8**

|                                                                       |
|-----------------------------------------------------------------------|
| <p><b>Effective and responsive housing programs and policies.</b></p> |
|-----------------------------------------------------------------------|

**Housing Policy 8.1:** 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 6<sup>th</sup> 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***

The 2021-2029 Regional Housing Needs Assessment (RHNA) determined the City of Newport Beach had a construction need for 4,845 residential units between October 15, 2021 and October 15, 2029. The forecasted need by income group includes:

- Very Low-Income (0-50% County MFI);
- Low-Income (51-80% County MFI);
- Moderate-Income (81-120% County MFI); and,
- Above Moderate-Income (>120% County MFI)

Additionally, the City has goals to rehabilitate and preserve its existing inventory of housing units. As required by State housing law, quantified objectives by income group for the 2021-2029 planning period are summarized in this section. The quantified objectives represent the target number of housing units that the City anticipates will be constructed, rehabilitated, or preserved over the 2021-2029 planning period.





Table 4-1: Quantified Objective Summary

| Quantified Objective          | Extremely Low | Very Low | Low | Moderate | Above Moderate |
|-------------------------------|---------------|----------|-----|----------|----------------|
| Housing Production            |               |          |     |          |                |
| Accessory Dwelling Units      | 163           |          |     | 72       | 5              |
| RHNA Sites                    | 1,456         |          | 930 | 1,050    | 1,409          |
| Rehabilitation                | 5             | 5        | 10  | 284      | 00             |
| Preservation                  | 95            | 77       | 86  | 10       | 00             |
| Source: City of Newport Beach |               |          |     |          |                |



## A. Review of Past Performance

The following chart is a review of the City's housing project and program performance in the 2014-2021 Planning cycle. It is an evaluation of the 5<sup>th</sup> cycle's Policy Program and considers all current and existing programs and projects as well as the most current accomplishments and effectiveness and appropriateness.

| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                         | Objective                                                                                                                                                                                                                                                                                                                                                           | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Policy 1.1</b><br>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.                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>1.1.1</b><br>Improve housing quality and prevent deterioration of existing neighborhoods by strictly enforcing Building Code regulations and abating Code violations and nuisances.                                                                                                                                                                                                                                                | Prepare quarterly report on code enforcement activities                                                                                                                                                                                                                                                                                                             | The building inspectors and code enforcement officers continually enforce code regulations, abatement violations, and nuisances.<br><br>The City conducts quarterly reports on code enforcement activities and keeps them on file at City Hall.<br><br><ul style="list-style-type: none"> <li>In 2020, the City Council awarded funding for the Senior Home Assistance Repair Program.</li> </ul>                                                                                                                                                                                                                                                                                                                                            | <b>Ongoing</b><br>In accordance with State Law, the City will continue to enforce Building Code regulations and address violations and nuisances.                                                                                                                                                                                                                                                                                                                                                       |
| <b>1.1.2</b><br>Investigate the use of federal funds and local funds, including Community Development Block Grants (CDBG) and the Affordable Housing Fund, to provide technical and/or financial assistance, if necessary, to existing lower- and moderate-income, owner occupants of residential properties through low-interest loans or emergency grants to rehabilitate and encourage the preservation of existing housing stock. | Through Code Enforcement notifications and correction activities, attempt to identify property owners in need of financial assistance and overall resource allocation for a rehabilitation program. Attend quarterly OCHA (Cities Advisory Committee) meetings to keep up to date on rehabilitation programs offered by the County and investigate the availability | On April 29, 2015, the City published Request for Proposal (RFP) No. 15-55 for use of the City's Affordable Housing Fund toward affordable housing development or programming. Three projects received approval of the funding from City Council on November 24, 2015:<br><br>1. <b><u>Senior Home Assistance Repair Program (SHARP)</u></b> - An agreement with Habitat for Humanity Orange County (Habitat OC) granted up to \$600,000 for critical home repair for low-income seniors. The total the City has used in the program to date is \$243,466 for a total of 11 projects.<br><br><ul style="list-style-type: none"> <li>In <b>2020</b>, the program worked on 2 projects and expended a total of \$9,222.11. Projects</li> </ul> | <b>Ongoing</b><br>During the 5 <sup>th</sup> Cycle Planning Period, the City was successful in providing additional funding to 3 projects that resulted in new affordable housing units for low-income seniors and veterans and in the rehabilitation of residences belonging to lower income seniors. The City will continue to seek funding opportunities from federal and local funds for lower- and moderate-income households. This will continue assisting seniors and lower income households in |



| Policy Action | Objective                                                                                          | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Status for Sixth Cycle                                                                              |
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|               | of federal funds in February of each year, when new funding opportunities are typically announced. | <p>included home weatherization, roof repair and accessibility modifications. The total we have used in the program to date is \$228,023 for a total of 11 projects.</p> <ul style="list-style-type: none"> <li>○ In <b>2019</b>, the City worked on 2 projects and expended a total of \$30,682. Projects included home weatherization, roof repair and accessibility modifications.</li> <li>○ In <b>2018</b>, there was \$194,000 spent with 8 projects completed and 1 in the process at the end of the year. These projects include repairing and weatherizing roofing, bringing landscaping up to code, repairing stairs and railings, and replacing furnaces and windows.</li> <li>○ In <b>2017</b>, the first project was completed in West Newport in March 2017. The second project was completed in Corona del Mar in October 2017. The third and fourth projects were close to completion in Bayview and Santa Ana Heights in December 2017. Additionally, there were 3 projects in the application process in 2017 in West Newport Mesa, Bayside Village, and Peninsula Point.</li> <li>○ In <b>2016</b>, the first project was funded and underway in West Newport in December 2016 to repair the following: siding, roof, paint, chimney, faucets, outlets, smoke and carbon monoxide detectors. Anticipated completion is early 2017. The second project was in the initial inspection phases at a Santa Ana Heights residence for exterior clean-up items to address code</li> </ul> | maintaining their homes and incentivizes developers to create affordable housing for the community. |



| Policy Action | Objective | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Status for Sixth Cycle |
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|               |           | <p>enforcement issues such as landscape, garage door, paint and a broken window</p> <p>2. An agreement with <b><u>Community Development Partners</u></b> granting \$1,975,000 to assist with the acquisition, rehabilitation and conversion of an existing 12-unit apartment building located at 6001 Coast Boulevard for affordable housing – 6 for low-income veterans and 6 with a priority for low-income seniors and veterans (The Cove, formally known as the Newport Veterans Project). In June 2017, the project closed on construction financing. Building permits were issued and construction began in July 2017. The lease-up of the units were completed in 2018.</p> <p>3. <b><u>Seaview Lutheran Plaza Project</u></b> – Seaview Lutheran Plaza was awarded \$1.6 million to assist with the rehabilitation of an existing 100-unit apartment building that is affordable to low-income seniors located at 2800 Pacific View Drive. On July 26, 2016, the City and Seaview Lutheran entered into an affordable housing grant agreement for \$800,000 of the award for upgrades to existing bathrooms. The design and permits were approved late 2016 and construction was underway throughout 2017. By spring 2018 all 100 units were complete. The grant agreement extended the affordability requirement through 2069. Subsequent to the grant, Seaview Lutheran decided to not pursue the remaining \$800,000 for a loan 3 PROGRAM STATUS agreement. Therefore, this money remains in the City’s affordable housing account.</p> |                        |

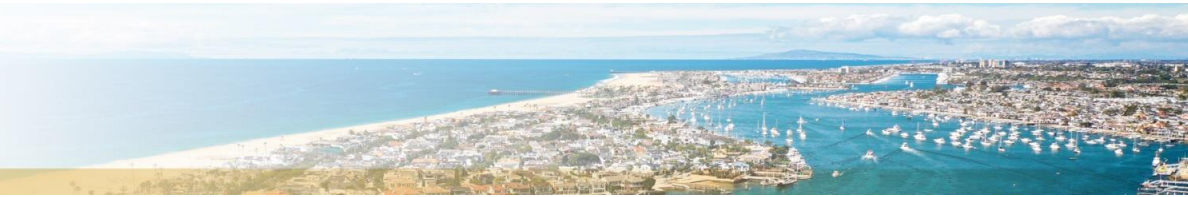




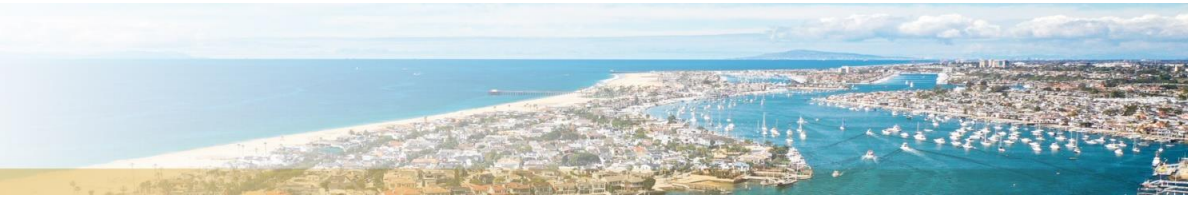
| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Objective                                                                                                                                                                                                                                                                 | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                                                |
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| <p><b>1.1.3</b><br/>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 determination of consistency with Government Code Section 65590 has been made. The specific provisions implementing replacement unit requirements are contained in Chapter 20.34 of the Municipal Code.</p> | <p>Use Chapter 20.34 “Conversion or Demolition of Affordable Housing” to implement Program continuously as projects are submitted.</p>                                                                                                                                    | <p>On October 29, 2019, the Community Development Director determined that Newport Beach Municipal Code (NBMC) Chapters 20.34 and 21.34 (Conversion of Demolition of Affordable Housing) are no longer required. These chapters of the NBMC implement the Mello Act (Government Code Sections 65590 - 65590.1 Low- and Moderate-Income Housing Within the Coastal Zone). The regulations require the replacement of housing units lost within the coastal zone that are occupied by low- and moderate-income households under certain circumstances when feasible. Both the NBMC and the Mello Act provide when there is less than 50 acres in aggregate, of privately owned, vacant land available for residential use within the City’s coastal zone, and 3 miles therefrom, the replacement requirement is not required.</p> <p>The Planning Division completed a land use inventory in October 2019 to determine if 50 aggregate acres of privately owned, vacant land is available for residential use within the City’s coastal zone and within 3 miles inland of the coastal zone. The inventory conducted found less than 50 qualifying acres.</p> | <p><b>Removed</b><br/>This policy action is no longer being considered at this time. The City is continuing to look for ways to protect and create affordable housing through the 6<sup>th</sup> Cycle Policy Actions and Sites Inventory.</p>                                                                                                        |
| <p><b>1.1.4</b><br/>The City will continue to implement the Residential Building Records (RBR) program to reduce and prevent violations of building and zoning ordinances by providing a report to 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.</p>                                                                 | <p>Continuously implement program as RBR applications are submitted to the City. 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.</p> | <p>This City report allows the City to verify that its residential buildings meet zoning and building code requirements, life safety requirements as set forth by the City’s Municipal Code and fulfill the State’s requirement that all homes have both smoke detectors and seismic strapping of water heaters (California Health and Safety Code, Section 19211).</p> <ul style="list-style-type: none"> <li>• In 2020, there were 1,629 RBRs processed.</li> <li>• In 2019, there were 1,405 RBRs processed.</li> <li>• In 2018, there were 1,059 RBRs processed.</li> <li>• In 2017, there were 1,547 RBRs processed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <p><b>Ongoing</b><br/>The City will continue implementing the RBR program through the 6<sup>th</sup> Planning Cycle. This allows the City to track the sale of properties, ensure the home meets Code regulations for life and safety purposes, and provide new homeowners with detailed information on the permitting history of their property.</p> |



| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                     | Objective                                                                                                | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                     | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                            |
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| The report provides information as to permitted and illegal uses/construction, and verification that buildings meet zoning and building requirements, including life safety requirements.                                                                                                                                                                                                                                         |                                                                                                          | <ul style="list-style-type: none"> <li>In 2016, there were 1,447 RBRs processed.</li> <li>In 2015, there were 1,432 RBRs processed.</li> <li>In 2014, there were 1,392 RBRs processed.</li> </ul>                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                   |
| <b>Policy 2.1</b><br>Encourage preservation of existing and provision of new housing affordable to extremely low-, very low-, low-, and moderate-income households.                                                                                                                                                                                                                                                               |                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                   |
| <b>2.1.1</b><br>Maintain rental opportunities by restricting conversions 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 4 consecutive quarters, and unless the property owner complies with condominium conversion regulations contained in Chapter 19.64 of the Newport Beach Municipal Code. | Complete a vacancy rate survey upon submittal of condominium conversion application of 15 or more units. | A vacancy rate survey is completed upon receiving an application for the conversion of 15 or more rental units to condominiums. Between 2014 and 2020 no project of 15 or more units were submitted.                                                                                                                                                                        | <b>Modified.</b> This program was ongoing during the 5 <sup>th</sup> cycle; however, no projects of this nature were submitted. The program is important in retaining the City's existing rental housing and will be continued in the 6 <sup>th</sup> cycle with appropriate modifications.                                       |
| <b>2.1.2</b><br>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.                                                                                                           | Continuously implement program as affordable housing projects are submitted to the City.                 | Pending applications that include affordable housing will be expedited. <ul style="list-style-type: none"> <li><b>2020:</b> Newport Airport Village</li> <li><b>2020:</b> Residences at 4040 Von Karmen <b>2019:</b> 4 very low-income applications submitted (1 ADU and 3 multi-unit).</li> <li><b>2018:</b> 3 very low-income applications submitted (3 ADUs).</li> </ul> | <b>Ongoing</b><br>The City will continue to promote the development of affordable housing by expediting the development process. The Regional Housing Needs Allocation (RHNA) requires the City to add 2,381 lower income homes and 1,048 moderate income homes; this policy action incentivizes the development of such housing. |



| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Objective                                                                                                                                                                                 | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                | Status for Sixth Cycle                                                                                                                                                                                                                               |
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| <b>2.1.3</b><br>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.                                                                                                                                                                                                                                   | Continuously implement program per project submittal as the developer applies for these bonds.                                                                                            | The issuance of tax-exempt mortgage revenue bonds is project driven, and the developer typically applies for the bonds.<br>No applications were received, 2020-2014.                                                                                                                                                                                                                                   | <b>Modify</b><br>The City will continue to incentivize the development of affordable housing units; however, the policy will be adjusted to include the promotion of available bonds to the public and developers.                                   |
| <b>2.1.4</b><br>Conduct an annual compliance-monitoring program for units required to be occupied by very low-, low-, and moderate-income households.                                                                                                                                                                                                                                                                                                                         | 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. | Annual compliance monitoring has been conducted for 2014-2020 and the report for the City's income- and rent-restricted units by Priscila Davila & Associates, Inc. (consultant) found all units in compliance.                                                                                                                                                                                        | <b>Ongoing</b><br>The City will continue to maintain the availability of affordable housing units for lower income and moderate-income households.                                                                                                   |
| <b>2.1.5</b><br>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. | Continuously implement program as affordable housing projects are submitted to the City.                                                                                                  | In 2018 the building permit fees were waived for the Seaview Lutheran Plaza Project. Planning staff assisted as a liaison between the applicant and the Building Division to assist in resolving Building Code issues during the plan check process for the Seaview Lutheran Plaza Project and assisted with coordinating plan check and expediting permitting for the Newport Beach Veterans project. | <b>Ongoing</b><br>The City, in accordance with recent updates to State Law, will continue to promote the development of affordable housing by committing to taking actions within the 2021-2029 Housing Element to expedite the entitlement process. |
| <b>2.1.6</b><br>Affordable housing developments providing units affordable to extremely low-income households shall be given the highest priority for                                                                                                                                                                                                                                                                                                                         | Continuously implement program as affordable housing projects are submitted to the City.                                                                                                  | In 2020, the City released an RFQ for Permeant Supportive Housing consultant to assist the City in developing a PSH.<br>See status of Program 1.1.2.                                                                                                                                                                                                                                                   | <b>Ongoing</b><br>The City will continue to prioritize the creation or conversion of housing units for extremely low-income households.                                                                                                              |

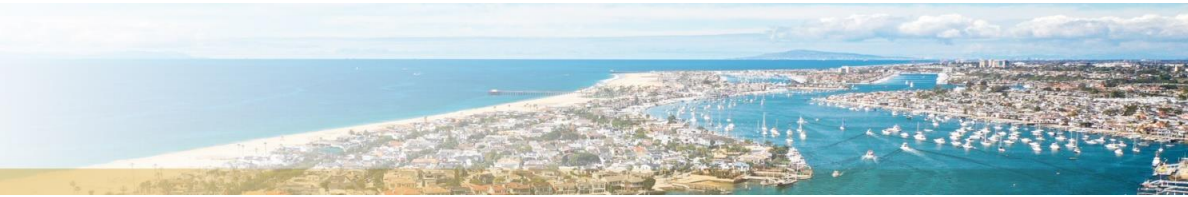


| Policy Action                                                                                                                                                                                                                                                                                                                     | Objective                                                                                                                                                                | Program Accomplishments                                                                                                                                                                                                                                                                                                                                  | Status for Sixth Cycle                                                                                                                                                                                                                                                                        |
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| use of Affordable Housing Fund monies.                                                                                                                                                                                                                                                                                            |                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                               |
| <b>Policy 2.2</b><br>Encourage the housing development industry to respond to existing and future housing needs of the community and to the demand for housing as perceived by the industry.                                                                                                                                      |                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                               |
| <b>2.2.1</b><br>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.         | 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. | A brochure is maintained and provided on the City website and in the public lobby.                                                                                                                                                                                                                                                                       | <b>Ongoing</b><br>The City will continue to promote affordable housing to the community. The City will continue in the 6 <sup>th</sup> Cycle planning period to pursue methods of outreach to the local development community, including non-profit developers, to explore partnerships.      |
| <b>2.2.2</b><br>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. | Continuously implement program as housing projects are submitted to the City.                                                                                            | The City provides financial assistance based on a project by project analysis, depending on need and overall project merits.<br><br>This program was considered in evaluating the proposals for the RFP and choosing the projects described in Program 1.1.2.                                                                                            | <b>Ongoing</b><br>The City will continue to provide assistance, through CDBG funds or the City's Affordable Housing Fund, for projects that provide a higher number of affordable housing units.                                                                                              |
| <b>2.2.3</b><br>For new developments proposed in the Coastal Zone areas of the City, the City shall follow Government Code Section 65590 and Title 20.<br><br>All required affordable units shall have restrictions to maintain their                                                                                             | Use Zoning Code Chapter 20.34 "Conversion or Demolition of Affordable Housing" to implement this program continuously as projects are submitted.                         | See status of Program 1.1.3.<br><br>The City uses NBMC Chapter 20.34 Conversion or Demolition of Affordable Housing by monitoring demolition requests and permits. One applicable project (PA2018-051) was submitted in 2018, requesting the demolition of 4 units; none of the 4 units were found to be occupied by low- or moderate-income households. | <b>Ongoing</b><br>The City will continue to ensure the number of affordable housing options within the City is not decreased. The 6 <sup>th</sup> Cycle RHNA calculations add to the number of needed affordable housing units, therefore maintaining the affordability of units does not add |





| Policy Action                                                                                                                                                                                                                                                                       | Objective                                                                                                                                                                                                                                                        | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Status for Sixth Cycle                                                                                                                                                                                                                                                              |
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| affordability for a minimum of 30 years.                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                  | Resulting from Mello Act Compliance for the Echo Beach project approved in 2014, 6 existing studio units at 305 E. Bay Avenue were remodeled and converted to very low and low-income rental units in 2016. The units were available to rent in 2017.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | to the amount the City must develop between 2021 and 2029.                                                                                                                                                                                                                          |
| <b>2.2.4</b><br>All required affordable units shall have restrictions to maintain their affordability for a minimum of 30 years.                                                                                                                                                    | Continuously implement program as housing projects are submitted to the City.                                                                                                                                                                                    | <p>Staff continues to include this affordability restriction as a standard condition on all affordable housing projects, unless an otherwise longer affordability covenant is agreed upon.</p> <p>On February 21, 2019, the 350-unit Newport Crossings Mixed-Use Project was approved, which includes 78 units affordable to low-income households. 52 units were restricted for a term of 55 years in compliance with density bonus law and the remaining 26 non-density bonus units were restricted for a term of 30 years.</p> <p>The Newport Veterans project has an affordability requirement of 50 years and the Seaview Lutheran project will add 30 additional years to their existing requirement, resulting in a new expiration date of 2069.</p> | <b>Ongoing</b><br>The City will continue to maintain a 30-year minimum restriction for affordable housing units to protect residents currently residing in such units and, in conjunction with other policy actions, incentivize the development of affordable housing in the City. |
| <b>2.2.5</b><br>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. | Continuously implement program as prospective developers contact City seeking development information. Maintain a designated staff person that can be contacted to provide housing opportunity information and incentives for development of affordable housing. | A brochure has been created and distributed that outlines development incentives and entitlement assistance available in the City. The brochure is maintained at the public counter in Bay C at the Civic Center and on the City website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Ongoing</b><br>The City will continue to promote affordable housing sites to prospective developers. The 6 <sup>th</sup> Cycle Housing Element will identify opportunity sites for housing that should be actively presented to developers through this policy action.           |



| Policy Action                                                                                                                                                                                                                                       | Objective                                                                                                                                                                                                                                                                                            | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Status for Sixth Cycle                                                                                                                                                                                                                                                                                              |
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| <b>2.2.6</b><br>Participate in other programs that assist production of housing.                                                                                                                                                                    | 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.       | City staff attends Orange County Housing Authority (OCHA) Cities Advisory Committee meetings to keep up-to-date with programs that assist in the production of housing.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Ongoing</b><br>The City will continue to participate in OCHA meetings and programs that assist in the production of housing. This policy action is necessary in order to achieve other actions (2.2.1) that inform the public of funding opportunities and programs to further develop the City's housing stock. |
| <b>2.2.7</b><br>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. | Provide 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 which is implemented continuously as these projects are submitted. | In 2017, the Newport Crossings Mixed-Use project, a 350-dwelling unit mixed-use development, was submitted within the Airport Area under the Residential Overlay of the Newport Place Planned Community. The proposed project includes 78 dwelling units affordable to low-income households. The Environmental Impact Report (EIR) was certified and the project was approved by the Planning Commission on February 21, 2019. The EIR concluded that adequate water and sewer capacity exist to support the development. The plan check for construction drawing review was submitted on November 17, 2020, with building permit issuance expected in Summer 2021. | <b>Ongoing</b><br>The City will continue to incentivize the production of affordable housing units by prioritize the allocation of resources towards new development that provide housing for lower income households.                                                                                              |
| <b>2.2.8</b><br>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                                    | Continuously implement program as housing projects are submitted to the City.                                                                                                                                                                                                                        | Implemented as projects are submitted. Density bonus information and incentives are included in an informational brochure available to the public.<br><br>In 2017, the Newport Crossings Mixed-Use project, a 350-dwelling unit mixed-use development, was submitted within the Airport Area under the Residential Overlay of the Newport Place Planned                                                                                                                                                                                                                                                                                                              | <b>Ongoing</b><br>In accordance with State Law, the City will continue to provide density bonuses to developments that provide housing to lower-income households. This action proved successful during the 5 <sup>th</sup>                                                                                         |



| Policy Action                                                                      | Objective | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Status for Sixth Cycle                                                                                                                             |
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| affordable to very low-, low-, and moderate-income households and senior citizens. |           | <p>Community. In exchange for providing 78 units affordable to low-income households, the developer has requested a density bonus of 91 units (35 percent bonus), an incentive to allow for flexibility with unit mix, and a development waiver of building height. The Environmental Impact Report (EIR) was certified and the project was approved by the Planning Commission on February 21, 2019.</p> <p>In December 2019, an application was submitted for a new mixed-use development located at 2510 West Coast Highway that includes the development of 36 dwelling units, 3 of which would be restricted for very low-income households. In exchange for providing the very low-income units, the developer has requested a density bonus of 9 units (35 percent bonus) and development waiver of building height. The project was approved by the Planning Commission in February of 2021 and is pending review by the City Council.</p> <p>In 2020 an application was submitted for Residences at 4400 Von Karman, which included 312 apartments of which 13 very-low income housing units. The project was approved by the City Council in February 2021. Newport Airport Village - A General Plan Amendment, Planned Community Development Plan (PCDP), and a Development Agreement that would allow for the future redevelopment of the 16.46-acre property with up to 444 dwelling units (329 base units and 115 density bonus units) and 297,572 square feet of retail, office, and other airport supporting uses. The project was approved by City Council on September 22, 2020.</p> <p>Residences at 4400 Von Karman - In 2020, the former Koll Center Residences project was actively reviewed under a new project submittal called The Residences</p> | Planning Cycle as 3 projects applied for density bonuses that resulted in the creation of 94 affordable housing units for lower-income households. |



| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Objective                                                                                         | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                                                                              |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                   | at 4400 Von Karman. The request consists of 637 rezoning nonresidential property to mixed-use land uses, including up to 260 residential units plus an allowance for density bonus units up to a total of 312 units (13 Very-Low Income units). On November 5, 2020, the Planning Commission considered the project and recommended approval to the City Council. The City Council approved the project on February 9, 2021, outside the reporting period.                  |                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Policy 2.3</b><br>Approve, wherever feasible and appropriate, mixed residential and commercial use developments that improve the balance between housing and jobs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>2.3.1</b><br>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. | Continuously implement program as major commercial/industrial projects are submitted to the City. | In conjunction with the environmental review required under the California Environmental Quality Act (CEQA), potential impacts to population, housing, and employment is reviewed and analyzed. Recent development trends have consisted of redevelopment of commercial and industrial sites for residential development or mixed-use, which has created new housing opportunities in the City.<br><br>No major commercial/industrial projects were submitted in 2020-2014. | <b>Ongoing</b><br>The City will continue to analyze the impacts of proposed commercial and industrial projects on housing the City. While no projects were proposed between 2014 and 2019 that triggered the requirement for an impact assessment, the analysis in coordination with CEQA identifies potential effects on housing and the City's ability to reach RHNA allocations. |





| Policy Action                                                                                                                                                                                                                                                                                                 | Objective                                                                                                                          | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Status for Sixth Cycle                                                                                                                                                                                                                                                                                |
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| <b>Policy 3</b><br>Mitigate potential governmental constraints to housing production and affordability by increasing the City of Newport Beach role in facilitating construction of affordable housing for all income groups.                                                                                 |                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                       |
| <b>3.1.1</b><br>Provide a streamlined “fast-track” development review process for proposed affordable housing developments.                                                                                                                                                                                   | Continuously implement program as housing projects are submitted to the City.                                                      | The City prioritizes the development review process for all affordable housing projects.<br><br>The renovation for the Cove project, the Seaview Lutheran rehabilitation and any Senior Home Repair Program rehabilitation projects were provided “fast-track” plan check.                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Ongoing</b><br>The City has been successful in streamlining projects that add to the affordable housing stock of Newport Beach. The City will continue to streamline and “fast-track” the development review process of affordable housing to incentivize developers to create affordable housing. |
| <b>3.1.2</b><br>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. | Continuously implement provisions of Chapter 20.32 Density Bonus in the Zoning Code as housing projects are submitted to the City. | 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.<br><br>As mentioned in Program 2.2.8, the approved Newport Crossings Mixed Use project includes 78 units affordable to low-income households, and the developer has requested a density bonus of 91 units (35 percent bonus), an incentive to allow for flexibility with unit mix, and a development waiver of building height.<br><br>Additionally, a 2020 development, Residences at 4400 Von Karman Project includes 312 apartment units (2510 West Coast Highway). Of which, 13 were designated very-low income. | <b>Ongoing</b><br>In accordance with State Law, the City will continue to provide density bonuses to developments that provide housing to lower income households.                                                                                                                                    |



| Policy Action                                                                                                                                                                                                                                                                                                    | Objective                                                                                                             | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Status for Sixth Cycle                                                                                                                                                                                             |
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| <p><b>3.1.3</b><br/>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.).</p> | <p>Work with the Affordable Housing Task Force to develop the list and obtain City Council approval by Fall 2014.</p> | <p>Waivers and incentives are considered by the Planning Commission and City Council on a project-by-project basis. Staff received information from the Department of Housing and Community Development (HCD) on examples of pre-approved incentive programs from the City of Los Angeles and the City of Anaheim. Staff will continue research with HCD to develop pre-approved incentives.</p> <p>As mentioned in Program 2.2.8, the Newport Crossings Mixed-Use project includes 78 units affordable to low-income households, and the developer has requested a density bonus of 91 units (35 percent), an incentive to allow for flexibility with unit mix, and a development waiver of building height.</p> <p>As mentioned in Program 2.2.8, the Newport Crossings Mixed-Use project includes 78 units affordable to low-income households, and the developer has requested a density bonus of 91 units (35 percent bonus), an incentive to allow for flexibility with unit mix, and a development waiver of building height. The plan check for construction drawing review was submitted on November 17, 2020, with building permit issuance expected in Summer 2021.</p> | <p><b>Ongoing</b><br/>The City will continue coordinating with HCD to develop pre-approved incentives for developing affordable housing and review the eligibility of projects for fee waivers and incentives.</p> |



| Policy Action                                                                                                                                                                                                                                                                                                         | Objective                                                                           | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                                     |
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| <b>Policy 3.2</b><br>Enable construction of new housing units sufficient to meet City quantified goals by identifying adequate sites for their construction. Development of new housing will not be allowed within the John Wayne Airport (JWA) 65 dB CNEL contour, no larger than shown on the 1985 JWA Master Plan. |                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                            |
| <b>3.2.1</b><br>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.                                                | Continuously implement program as property owners bring their requests to the City. | <p>The City continually monitors requests for zone changes of vacant and developed properties from nonresidential to residential and approves when determined to be compatible and feasible. When approved, these sites are mapped for residential uses on both the Zoning District Map and General Plan Land Use Map.</p> <p>Residences at 4400 Von Karman - In 2020, the former Koll Center Residences project was actively reviewed under a new project submittal called The Residences at 4400 Von Karman. The request consists of rezoning nonresidential property to mixed-use land uses, including up to 260 residential units plus an allowance for density bonus units up to a total of 312 units (13 Very-Low Income units). On November 5, 2020, the Planning Commission considered the project and recommended approval to the City Council. The City Council approved the project on February 9, 2021, outside the reporting period.</p> <p>Newport Airport Village - A General Plan Amendment, Planned Community Development Plan (PCDP), and a Development Agreement that would allow for the future redevelopment of the 16.46-acre property with up to 444 dwelling units (329 base units and 115 density bonus units) and 297,572 square feet of retail, office, and other airport supporting uses. The project was approved by City Council on September 22, 2020.</p> <p>Residences at Newport Center - Redevelopment of an underutilized commercial site in Newport Center to develop 28 condominiums. The project was submitted to the City in February 2020 and the</p> | <b>Ongoing</b><br>The City has been successful in rezoning properties from nonresidential to residential uses. The 6 <sup>th</sup> Cycle Housing Element identifies potential sites that could be rezoned to permit housing developments. The City will continue to review rezoning applications when appropriate for housing development. |

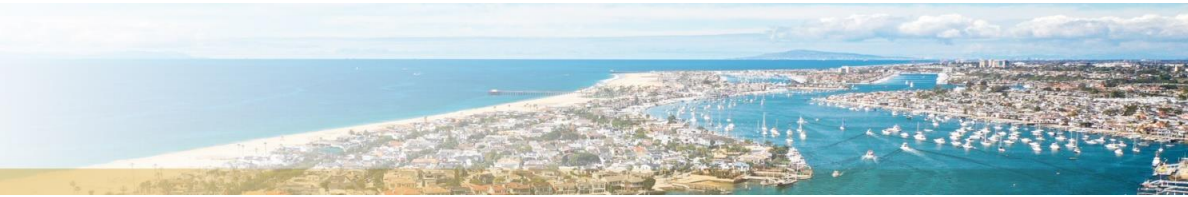


| Policy Action                                                                                                                                                                                                                | Objective                                                             | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Status for Sixth Cycle                                                                                                                                                                               |
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|                                                                                                                                                                                                                              |                                                                       | <p>application was deemed complete in December 2020. The City is currently preparing the draft environmental impact report for public distribution in the spring 2021.</p> <p>2510 West Coast Highway - In December 2019, an application was submitted for a new mixed-use development located at 2510 West Coast Highway that includes the development of 35 dwelling units, 3 of which would be restricted for Very Low-Income households. In exchange for providing the Very Low-Income units, the developer has requested a density bonus of 9 units (35 percent bonus), a development waiver for building height and a waiver regarding the unit mix. The project was approved by the Planning Commission in February 2021, and the decision will be reviewed by the City Council.</p> <p>In 2012, the City adopted an amendment to the North Newport Center Planned Community and approved an additional 79 residential units for construction within North Newport Center. The amendment now allows for the total construction of up to 524 residential units within the San Joaquin Plaza sub-area. On December 12, 2013, plans were submitted for the construction of a 524-unit apartment complex and building permits and demolition permits were issued in November 2014. Construction commenced in late 2014 and was completed in Summer 2017.</p> |                                                                                                                                                                                                      |
| <b>3.2.2</b><br>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 maintain an exception to the minimum 10-acre | Continuously implement program as projects are submitted to the City. | The Residential Overlay of the Newport Place Planned Community implements this program by providing an exception to the 10-acre site requirement for residential development projects in the Airport Area that include a minimum of 30 percent of the units affordable to lower income households.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Ongoing</b><br>Through this policy, the City has successfully added 734 new units, of which 193 are reserved for lower incomes.<br><br>To overcome constraints to the development of housing, and |





| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Objective | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Status for Sixth Cycle                                                                                                                                                                           |
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| <p>site 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.</p> |           | <p>In 2017, the Newport Crossings Mixed-Use project, a 350 dwelling unit mixed-use development was approved within the Airport Area under the Residential Overlay. In exchange for providing 78 units affordable to low-income households, the project is eligible for the 10-acre site requirement, a 91-unit density bonus, and development incentives and waivers. The application included a Site Development Review to ensure that the sufficient amenities and neighborhood integration improvements are provided. The project provides extensive on-site recreational amenities, including separate pool, entertainment, and lounge courtyards with eating, seating, and barbeque space; a rooftop terrace; a fifth-level view deck; a club room for entertainment and gatherings; and a fitness facility. In addition, a 0.5-acre public park is proposed to be constructed and dedicated to the City, and a public plaza is located in front of the retail shops facing the main corner of the project at Corinthian Way and Martingale Way. The plan check for construction drawing review was submitted on November 17, 2020, with building permit issuance expected in Summer 2021.</p> <p>In 2019, the Newport Crossings Mixed-Use project, a 350 dwelling unit mixed-use development was approved within the Airport Area under the Residential Overlay. In exchange for providing 78 units affordable to low-income households, the project is eligible for the 10-acre site requirement, a 91-unit density bonus, and development incentives and waivers. The application included a Site Development Review to ensure that the sufficient amenities and neighborhood integration improvements are provided. The project provides extensive on-site recreational amenities, including</p> | <p>specifically affordable housing, the City will continue to provide exceptions to the minimum 10-acre site requirement when 30 percent or more of the units are proposed to be affordable.</p> |



| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Objective                                                                                                                                                                                      | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                    |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                | separate pool, entertainment, and lounge courtyards with eating, seating, and barbeque space; a rooftop terrace; a fifth-level view deck; a club room for entertainment and gatherings; and a fitness facility. In addition, a 0.5- acre public park is proposed to be constructed and dedicated to the City, and a public plaza is located in front of the retail shops facing the main corner of the project at Corinthian Way and Martingale Way.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                           |
| <b>3.2.3</b><br>The City will encourage and facilitate residential and mixed-use development on vacant and underdeveloped sites listed in Appendix H3 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 it 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 | Continuously implement program as housing projects are submitted to the City. Review and update as necessary the Site Analysis and Inventory and provide information to interested developers. | Appendix H3 is the Sites Analysis and Inventory which identifies sites that can be developed for housing within the planning period and that are sufficient to provide for the City's share of the regional housing need allocation to provide realistic opportunities for the provision of housing to all income segments within the community. Appendix H3 can be found in the Housing Element available at the Planning Division or online at: <a href="http://www.newportbeachca.gov/index.aspx?page=2087">http://www.newportbeachca.gov/index.aspx?page=2087</a><br><br>The City has completed the following: <ol style="list-style-type: none"> <li>1. A user-friendly Sites Analysis and Inventory is on the City's website.</li> <li>2. A brochure is available on the website and in the public lobby that promotes the incentives and opportunities for affordable housing projects, which includes information of the City's Sites Analysis and Inventory.</li> <li>3. A layer and note have been added in the City's Geographic Information System (GIS) to identify sites within the inventory to assist staff in providing information to interested developers.</li> </ol> <ol style="list-style-type: none"> <li>1. The City will encourage density bonus and offer incentives to interested developers.</li> </ol> | <b>Ongoing</b><br>AB 1486 requires that the City identify and provide a list of sites designated in the sites inventory if they are owner by the City.<br><br>Through the 6 <sup>th</sup> Housing Element Planning Cycle, the City will review the opportunity sites identified and continue marketing opportunity sites. |



| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                                            | Objective                                                                                                                                                      | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Status for Sixth Cycle                                                                                                                                                                                                                                                                      |
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| expedited entitlement processing, and offer fee waivers and/or deferrals.                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                | Effective January 1, 2020, State law (Assembly Bill 1486, Statutes of 2019) requires a listing of sites owned by the City, that are included in the sites inventory, and that have been sold, leased, or otherwise disposed of in the prior year. The list shall include the entity to whom each site was transferred and their intended use. The City does not own any of the sites listed in the current housing opportunity sites; therefore, no listing of sites is provided.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                             |
| <b>3.2.4</b><br>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. | Annually report staff's findings within the annual General Plan Status Report including Housing Element Report provided to OPR and HCD by April 1st each year. | The City has significant projects on sites identified as underutilized: <ul style="list-style-type: none"> <li>In 2019, construction began the development of the <b>Plaza Corona del Mar</b> project, 6 detached residential condominiums units on an identified vacant site in Corona del Mar. Building permits were issued in 2017.</li> <li><b>Uptown Newport</b> was approved in February 2013, for the construction of up to 1,244 residential units, 11,500 square feet of retail commercial, and 2.05 acres of park space. The Uptown Newport Planned Community requires densities between 30 du/acre and 50 du/acre, consistent with the densities of the General Plan, and allows additional density opportunities with a density bonus. Construction of the first phase of the project (462 apartment units, including 91 affordable units) began in 2014 and 227 of these units were completed and finalized in 2019.</li> <li>The <b>Newport Crossings Mixed-Use</b> project is located on a site identified as underutilized. The project was submitted in 2017 and was under review in 2018. The project includes the development of 350 residential apartment units, including 78 units affordable to low-income</li> </ul> | <b>Ongoing</b><br>The City has been successful in identifying underutilized sites and aiding/facilitating the development of housing on said properties.<br><br>The City will continue to seek out underutilized sites at the time of the annual General Plan Status Report or OPR and HCD. |



| Policy Action | Objective | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Status for Sixth Cycle |
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|               |           | <p>households. The Environmental Impact Report (EIR) was certified and the project was approved by the Planning Commission on February 21, 2019.</p> <ul style="list-style-type: none"> <li>• <b>Residences at 4400 Von Karman</b> - In 2020, the former Koll Center Residences project was actively reviewed under a new project submittal called The Residences at 4400 Von Karman. The request consists of rezoning nonresidential property to mixed-use land uses, including up to 260 residential units plus an allowance for density bonus units up to a total of 312 units (13 Very-Low Income units). On November 5, 2020, the Planning Commission considered the project and recommended approval to the City Council. The City Council approved the project on February 9, 2021, outside the reporting period.</li> <li>• <b>Newport Airport Village</b> - A General Plan Amendment, Planned Community Development Plan (PCDP), and a Development Agreement that would allow for the future redevelopment of the 16.46-acre property with up to 444 dwelling units (329 base units and 115 density bonus units) and 297,572 square feet of retail, office, and other airport supporting uses. The project was approved by City Council on September 22, 2020.</li> <li>• <b>Residences at Newport Center</b> – Redevelopment of an underutilized commercial site in Newport Center to develop 28 condominiums. The project was submitted to the City in February 2020 and the application was deemed complete in December of 2020. The City is currently preparing the draft</li> </ul> |                        |





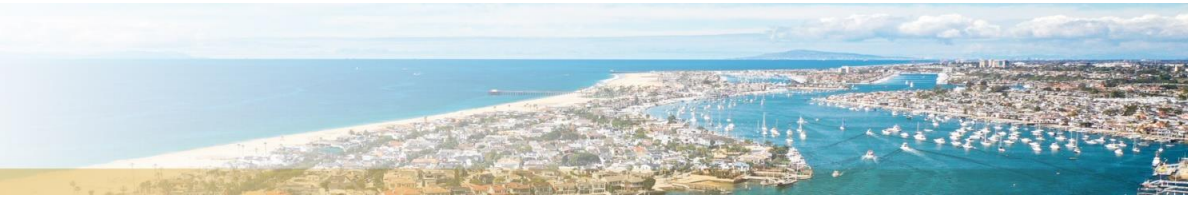
| Policy Action | Objective | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Status for Sixth Cycle |
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|               |           | <p>environmental impact report for public distribution in the spring of 2021.</p> <ul style="list-style-type: none"> <li>• <b>Newport Village Mixed Use</b> – Redevelopment of underutilized commercial sites for a new mix-use development including 14 residential condominiums and 108 Apartments on the North and South sides of West Coast Highway. The project was submitted in 2017 and has undergone several design revisions. In 2020, the City reviewed revised plans and continued preparation of the draft environmental impact report. The applicant and consultant prepared multiple technical studies for review. The City anticipates public release of the draft EIR in mid to late 2021.</li> <li>• In December 2019, an application was submitted for a new mixed-use development located at <b>2510 West Coast Highway</b> that includes the development of 36 dwelling units, 3 of which would be restricted for very low-income households. In exchange for providing the very low-income units, the developer has requested a density bonus of 9 units (35 percent bonus) and development waiver of building height. The project was approved by the in February 2021 and is currently pending City Council review.</li> <li>• The <b>VUE Newport</b> (formally known as Newport Bay Marina) project was identified as an underutilized site. The project was approved by the City in 2007 and the Coastal Commission in 2009 and permitted the development of 27 residential condominium units and 36,000 square feet of commercial floor area. The units were completed and for sale in 2017.</li> </ul> |                        |



| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                                   | Objective                                                                                                                                                   | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                                                                                |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                             | <ul style="list-style-type: none"> <li>In 2020 an application was submitted for Residences at 4400 Von Karman, which included 312 apartments of which 13 very-low-income housing units. The project was approved by the City Council in February of 2021.</li> </ul>                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Policy 4.1</b><br>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.                                                                                                              |                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>4.1.1</b><br>Annually contact owners of affordable units for those developments listed as part of the City’s annual monitoring of affordable housing agreements 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.               | Conduct as part of the annual compliance monitoring program required by Program 2.1.4. Contact list shall be provided on City website and updated annually. | Staff maintains an updated contact list for affordable units in conjunction with the 2014-2021 Housing Element. LDM Associates (consultant) included this information that was sent to the owners as a part of the annual monitoring. During the RFP process for the expenditure of the affordable housing funds, the City and LDM Associates reached out to the owners of the existing affordable housing units within the City and there was no interest to extend the existing affordable housing covenants except from Seaview Lutheran (see Program 1.1.2 for details). | <b>Ongoing</b><br>The City will continue to annually update its monitoring list of affordable housing units and contact the property owners for details on whether they will continue offering affordable units on their property. This promotes relations between the public, developers, and the City, as well as forecast the availability of affordable housing through the City. |
| <b>4.1.2</b><br>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. 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 | Maintain registration as a Qualified Preservation entity with HCD. Continuously implement program as notices are received from property owners.             | The City of Newport Beach is registered as a Qualified Preservation Entity with HCD as of 2012. When notification is received, City staff will evaluate the potential use of monies to preserve the affordable units.                                                                                                                                                                                                                                                                                                                                                        | <b>Ongoing</b><br>The City has not received notification between 214 and 2019 of developments seeking to convert affordable housing into market-rate housing.<br><br>The City will maintain its registration as a registered Qualified Preservation Entity to provide additional funding to developers who seek to make this                                                          |



| Policy Action                                                                                                                                                                                                                                                                                                                                               | Objective                                                                                                                                                                                                                                                                                                                            | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                           | Status for Sixth Cycle                                                                                                                                                                                                                |
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| 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 H12 or assist in the non-profit acquisition of the units to ensure long-term affordability. |                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | change during the 6 <sup>th</sup> planning cycle.                                                                                                                                                                                     |
| <b>4.1.3</b><br>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 and to assist tenants and prospective tenants acquire additional understanding of housing law and related policy issues.                    | 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. | Pamphlets informing prospective tenants and landlords about the Orange County Housing Authority (OCHA) Section 8 program have been made available in the public lobby and information is posted on the City website.                                                                                                                                                                                                                                              | <b>Ongoing</b><br>The City will continue to provide residents and developers with information in the OCHA Section 8 program and attend Cities Advisory Committee meetings to remain up-to-date on opportunities relevant to the City. |
| <b>4.1.4</b><br>Investigate availability of federal, state, and local programs and pursue these programs, if found feasible, for the preservation of existing lower-income housing, especially for preservation of lower-income housing that may convert to market rates during the next 10 years. In addition, continually                                 | Investigate availability of programs in February of each year when new funding opportunities are typically announced.                                                                                                                                                                                                                | The City attends OCHA meetings and has continued to investigate available programs and evaluate the feasibility of participating in such programs.<br><br>The Cove project worked directly with OCHA to obtain project-based Veterans Affairs Supportive Housing (VASH) vouchers. Orange County is provided VASH vouchers which are distributed to the Cities via OCHA. The project was awarded the project based VASH vouchers in 2016. Renovations of the units | <b>Ongoing</b><br>The City will continue to seek availability of programs for funding of affordable housing and make this information available to the public.                                                                        |



| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Objective                                                                              | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                        |
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| promote the availability of monies from the Affordable Housing Fund as a funding source for the preservation and rehabilitation of lower-income housing. A list of these programs, including sources and funding amounts, will be identified as part of this program and maintained on an ongoing basis.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                        | began in 2017 and lease-up of the project-based voucher units was complete in spring 2018. Additionally, the project received Veterans Housing and Homelessness Prevention (VHHP) funding through the Department of Housing and Community Development.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                               |
| <b>4.1.5</b><br>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 5 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 | Conduct as part of the annual compliance monitoring program required by Program 2.1.4. | Staff and consultant LDM Associates (“LDM”) were able to coordinate meetings and phone calls with property owners of existing units subject to affordable housing covenants or agreements. The owners were not interested in extending the existing affordable housing covenants. Staff worked with LDM to provide a notice to potentially affected property owners. <ul style="list-style-type: none"> <li>• <b>2019</b> - Newport Harbor I at 1538 Placentia Avenue is in the process of terminating. Their six-month notice was flagged by HCD. The City’s new Housing Consultant, Priscila Davila &amp; Associates, Inc. and City staff worked to resolve the issue with HCD, without requiring the notices to be resent. The final termination document was under review by City Attorney and is anticipated to be complete by March 2021.</li> <li>• <b>2018</b> - LDM discovered that 1 of the expiring affordable housing covenants did not provide the state law required noticing to their tenants. In May 2017, LDM notified the owner and management of 1544 Placentia Avenue and as a result, the expiration date of the affordability covenant was extended into 2018 to meet state law noticing requirements. In 2018 the following covenants for affordable housing expired and</li> </ul> | <b>Modify</b><br>The policy action was unsuccessful at encouraging property owner to maintain the affordable housing on their property during the 5 <sup>th</sup> Cycle planning period. Consequently, the policy should be modified to incentivize property owner maintain the affordability of the units on their property. |

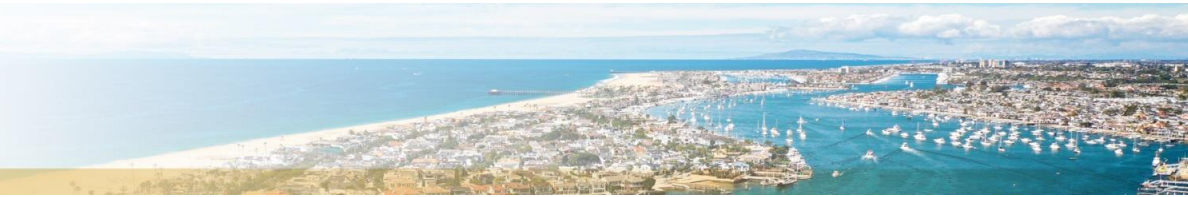




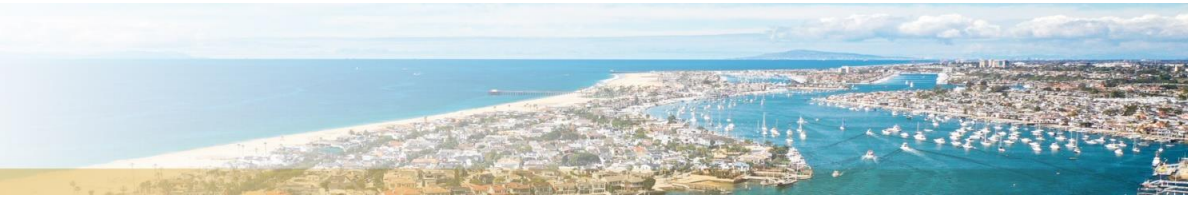
| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Objective                                                                                                                                                                                     | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| 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.                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                               | <p>staff was unable to reach an agreement to extend the affordability agreements:</p> <ul style="list-style-type: none"> <li>○ 849 West 15th Street - 15 units</li> <li>○ 1544 Placentia – 25 units</li> <li>○ 843 West 15th Street – 65 units</li> </ul>                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>4.1.6</b><br>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.                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Continuously implement program as projects are submitted to the City.                                                                                                                         | <p>Zoning Code Section 20.28.020 ensures compliance with the Government Code Section.</p> <p>One relocation impact report was submitted in September 2014 for the closure of the Ebb Tide Mobile Home Park and City Council found it sufficient pursuant to Government Code Section 65863.7 in January 2015.</p>                                                                                                                                                                                                                             | <b>Ongoing</b><br>The City will continue to require a relocation impact report as a prerequisite when an existing mobile home park seeks to close or convert.                                                                                                                                                                                                                                                                                                                  |
| <b>4.1.7</b><br>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, 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 | 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. | <p>Staff attends the quarterly meetings of the OCHA Cities Advisory Committee.</p> <p>Staff continually works in cooperation with the County to provide Section 8 rental housing assistance to residents.</p> <p>A link to the Orange County Housing Authority website has been placed on the City website to provide information on the Section 8 program.</p> <p>City staff worked closely with OCHA staff to facilitate the award of the Veterans Affairs Supportive Housing (VASH) Vouchers to the Cove project (see Program 4.1.4).</p> | <b>Ongoing</b><br>The City will continue to work with the OCHA to provide Section 8 rental housing assistance to residents and impose fair-market rent limits to increase the number of units eligible to participate in the program.<br><br>The City will also continue to promote the availability of Section 8 housing to lower-income households who may benefit from the aid. This allows the City to expand its income distribution and retain affordable housing units. |



| Policy Action                                                                                                                                                                                                                                                                                                                                                                                          | Objective                                                                           | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                                    |
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| Section 8 Certificate holders, and to make very low-income households aware of availability of the Section 8 Rental Housing Assistance Program.                                                                                                                                                                                                                                                        |                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                           |
| <b>Policy 4.2</b><br>Improve energy efficiency of all housing unit types (including mobile homes).                                                                                                                                                                                                                                                                                                     |                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                           |
| <b>4.2.1</b><br>Implement and enforce the 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.                                                        | Continuously implement program as housing projects are submitted to the City.       | The City continued to investigate available programs and evaluate the feasibility of participating in such programs.<br>All new development projects are reviewed for compliance with the City's Water Efficient Landscape Ordinance. <ul style="list-style-type: none"> <li>The annual report on the City's Water Efficient Landscape Ordinance for 2019 was submitted to California Department of Water Resources on January 31, 2020.</li> <li>In 2019, all new development projects were reviewed for compliance with the City's Water Efficient Landscape Ordinance.</li> <li>The <b>Cove</b> project incorporates water-efficient landscaping.</li> </ul> | <b>Ongoing</b><br>The City will continue to implement and enforce the Water Efficient Landscape Ordinance and Landscape and Irrigation Design Standards for new construction and rehabilitation projects. Such landscaping limits the additional cost (such as the cost of water and maintenance) for both residents and property owners. |
| <b>4.2.2</b><br>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, and water conserving fixtures that will contribute to reduced housing costs for future occupants of the units. | Continuously implement program as housing projects are awarded funds from the City. | Implement as projects are submitted. <ul style="list-style-type: none"> <li><b>2019-2020</b> - As part of the SHARP program, energy efficiency is a priority with upgraded sinks, water heaters, weather-proof windows and new water efficient toilets.</li> <li><b>2018-2015</b> - The Cove project and the Seaview Lutheran project incorporated the use of energy efficient appliances and lighting.</li> </ul>                                                                                                                                                                                                                                              | <b>Ongoing</b><br>The City will continue to require energy efficient appliances and devices to lower housing costs for affordable housing developments that receive CDBG funds.                                                                                                                                                           |



| Policy Action                                                                                                                                                                                                                                                                                                                                                                                      | Objective                                                                                                                              | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                     | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                                |
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| <b>4.2.3</b><br>Investigate the feasibility and benefits of using a portion of its CDBG or other local funds for the establishment and implementation of an energy conserving home improvements program for lower-income homeowners.                                                                                                                                                               | Complete investigation by Fall of 2014.                                                                                                | Continuously monitor requests for assistance and Code Enforcement quarterly reports to determine need.                                                                                                                                                                                                                                                                      | <b>Completed</b><br>The City completed the investigation by fall 2014.                                                                                                                                                                                                                                                                |
| <b>4.2.4</b><br>Maintain 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.                                                                                                                                                                           | Continually implement program as projects are submitted to the City.                                                                   | In 2020-2014, the City staff included 1 Leadership in Energy and Environmental Design (LEED) accredited staff member who was available to provide technical assistance when requested.                                                                                                                                                                                      | <b>Ongoing</b><br>The City will continue to provide technical assistance on LEED certification.                                                                                                                                                                                                                                       |
| <b>4.2.5</b><br>To encourage voluntary green building action, the City shall maintain a green recognition program that may include public recognition of LEED certified buildings (or equivalent certification), 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. | Enhance City website to provide recognition of exceptional developments and to promote the sustainable construction by Spring of 2014. | Staff will work on construction of a new webpage that will provide recognition to LEED certified buildings by displaying their project with pictures and their name or other information they would want advertised. An informational flyer is also being drafted to encourage green building that will advertise the new webpage and will be provided in the public lobby. | <b>Modified</b><br>The City was not able to complete the website and information flyer on LEED Certification during the 5 <sup>th</sup> Housing Cycle, therefore the program remains ongoing in order to provide the public and developers information on the benefits of creating LEED Certified buildings and housing developments. |
| <b>Policy 5.1</b><br>Encourage approval of housing opportunities for senior citizens and other special needs populations.                                                                                                                                                                                                                                                                          |                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                       |
| <b>5.1.1</b><br>Apply for United States Department of Urban Development Community Development Block Grant (CDBG)                                                                                                                                                                                                                                                                                   | Continue to annually apply for CDBG funds and submit Annual Action Plan to HUD in May of each year.                                    | Through the approved Action Plans for Fiscal Years 2014-20, the City allocated funding to the following organizations to preserve the supply of emergency and transitional housing: Human Options, Families                                                                                                                                                                 | <b>Ongoing</b><br>The City has been successful in providing funding to local organizations for providing shelter                                                                                                                                                                                                                      |



| Policy Action                                                                                                                                                                                                                                         | Objective                                                                                                                                                                     | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Status for Sixth Cycle                                                                                                                                                                                                                                   |
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| funds and allocate a portion of such funds to subrecipients who provide shelter and other services for the homeless.                                                                                                                                  |                                                                                                                                                                               | <p>Forward, StandUp for Kids Orange County, Serving People in Need (SPIN), Second Chance Orange County, and Fair Housing Foundation.</p> <p>A new program - Newport Beach: City Motel Voucher Program, was funded in 2020 through the Newport Beach Police Department (PD). The room key program allows PD to provide short-term (1 – 3 nights on average) motel rooms to individuals experiencing homelessness in Newport Beach. Additional CDBG monies have been allocated to the City from Federal funds under the CARES Act, approximately \$741,000, and will likely have a portion allocated to homeless transitional housing projects. An amendment to the Action Plan, to program these additional funds is anticipated to go to Council for consideration in early 2021.</p> <p>On November 24, 2020, the City Council approved the Memorandum of Understanding between the Cities of Costa Mesa and Newport Beach for the funding, development and Shared Use of a Temporary Homeless Shelter Facility. A shared shelter would enable both agencies to provide services to their respective homeless populations without duplicating efforts and thus better leveraging their respective resources.</p> <p>The Human Options organization has been funded to assist homeless battered women and children.</p> | and services the individuals experiencing homelessness. Considering the increased importance of such help during the 5 <sup>th</sup> Planning Cycle, the City will continue to apply for CDBG funds with the purpose of funding homeless services.       |
| <b>5.1.2</b><br>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. | 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 | <p>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.</p> <p>The City Council awarded Affordable Housing Funds for an agreement with Habitat for Humanity Orange</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>Ongoing</b><br>The City will continue to assist seniors in funding home repairs and property rehabilitation. The City has an aging population who is more susceptible to limited income, as well as a large housing stock of structures over 30 years |





| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                             | Objective                                                                                                                                           | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                                                            |
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| 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.                                                                                                                                                                                                                           | rental property owners within the City of opportunities and to encourage preservation of existing housing stock                                     | County (Habitat OC) granting up to \$600,000 to establish a critical home repair program for low-income seniors (Senior Home Assistance Repair Program). It is estimated that approximately 30 repair projects will be completed at various locations throughout the City. To date, there have been 11 projects, including 9 already completed. There is money remaining in this program and applications are currently being accepted (see Program 1.1.2).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | old that may be in need of renovations to maintain adequate quality of life and safety standards.                                                                                                                                                                                                                                                                 |
| <b>5.1.3</b><br>Permit, where appropriate, development of senior accessory dwelling “granny” units in single-unit areas of the City. The City will promote and facilitate the development of senior accessory dwelling units by providing brochures and/or informational materials at the building permit counter, online, and other appropriate locations detailing the benefits and the process for obtaining approval. | Continuously implement program as housing projects are submitted to the City. Promotional materials will be available to the public by Spring 2014. | <p>In 2017 and 2018, the City amended its regulations to permit the development of Accessory Dwelling Units (ADUs) in single-unit residential zoning districts to conform with changes in State Law.</p> <ul style="list-style-type: none"> <li>In <b>2020</b> additional amendments were made to update the City’s regulations on ADUs to be consistent with new State Law. There were 19 ADUs submitted, 8 ADUs permitted, and 2 ADUs finalized.</li> <li>In <b>2019</b>, there were 2 ADUs submitted, 3 ADUs permitted, 2 ADUs under construction, and 1 ADU finalized.</li> <li>In <b>2018</b>, there were 6 approved ADUs and 3 additional ADUs were in the permit process.</li> <li>In <b>2017</b>, there were 5 ADUs (1 new construction and 4 conversions) in the plan check process under the new regulations.</li> <li>No permits issued in <b>between 2014 and 2016</b>. <ul style="list-style-type: none"> <li>In 2015, staff provided a flyer that promotes senior accessory dwelling units and is provided in the public lobby and on City’s website.</li> </ul> </li> </ul> | <p><b>Modify</b><br/>New 2020 State Law permitted and facilitated the creation of ADUs in single unit zones with a shot clock for the permitting timeline and restrictions on development fees.</p> <p>The City will continue to promote and facilitate ADUs for senior households as well as provide information on the permitting process to the community.</p> |



| Policy Action                                                                                                                                                                                                                                                                      | Objective                                                                                                                                                                                                                                                                                                                                               | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Status for Sixth Cycle                                                                                                                                                                                                                                                                                                                                       |
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| <b>5.1.4</b><br>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.                                                                                               | Attend annual HOPWA strategy meetings for the County.                                                                                                                                                                                                                                                                                                   | The management of the HOPWA funds transferred from Santa Ana to Anaheim in 2016. As a result, City staff will stay up-to-date on services provided with HOPWA funds and Ryan White Program funds through the HIV Planning Council meeting agendas. If needed, City staff will attend the related budget allocation meetings which are usually held in August or September of each year.                                                                                                                                                                                                                                       | <b>Modified.</b>                                                                                                                                                                                                                                                                                                                                             |
| <b>5.1.5</b><br>Maintain a list of “Public and Private Resources Available for Housing and Community Development Activities.”                                                                                                                                                      | Continuously maintain a list of resources on City website and update as necessary.                                                                                                                                                                                                                                                                      | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Ongoing</b><br>The City will continue to maintain a list of resources for housing and community development activities to promote housing development throughout the City.                                                                                                                                                                                |
| <b>5.1.6</b><br>Encourage the development of day care centers as a component of new affordable housing developments and grant additional incentives in conjunction with a density bonus per the Chapter 20.32.                                                                     | Continuously implement program as housing projects are submitted to the City.                                                                                                                                                                                                                                                                           | No projects were submitted that included the establishment of a day care center (2020-2014).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Modify</b>                                                                                                                                                                                                                                                                                                                                                |
| <b>5.1.7</b><br>Encourage senior citizen independence through the promotion of housing 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. | Continue to provide social services, support groups, health screenings, fitness classes, and educational services at the City’s OASIS Senior Center. 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. | <p>The City provided \$30,000 (\$25,000 in 2018/2019, \$26,900 in 2017 &amp; \$16,000 in 2014) in CDBG funds to Age Well Senior Services home delivered meals program. The mobile meals program provides home-delivered meals to individuals who are homebound due to age, illness, or disability.</p> <p>The City also operates the OASIS Senior Center. Services include:</p> <ul style="list-style-type: none"> <li>A multi-purpose center owned and operated by the City of Newport Beach in partnership with the Friends of OASIS nonprofit dedicated to meeting needs of senior citizens and their families.</li> </ul> | <b>Ongoing</b><br>The City was successful in assisting the funding of senior housing services through the 5 <sup>th</sup> Planning Cycle and will continue to provide the same services and support through the 6 <sup>th</sup> Cycle. The City has an aging population that can be affected by limited income, so such projects can limit additional costs. |



| Policy Action | Objective | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Status for Sixth Cycle |
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|               |           | <ul style="list-style-type: none"> <li>Classes in art, health &amp; fitness, music &amp; dance, foreign languages, technology, enrichment, and much more.</li> <li>A state-of-the-art fitness center for those ages 50 and older which provides a safe, comfortable, senior-friendly exercise environment for the active older adult including access to hire a personal trainer for individualized programs. Separate membership required to join.</li> <li>Regularly scheduled low-cost special events and socials such as luncheons, concerts, barbecues, a talent show and volunteer recognition.</li> <li>Travel department coordination of day and overnight trips.</li> <li>Curb-to-curb transportation program for residents of Newport Beach ages 60 and older who are no longer driving to use for medical appointments, grocery shopping, banking, and to attend OASIS classes (fee required).</li> <li>Social services information and referral for seniors and their families dealing with a need for caregiver services, housing, transportation, work resources, legal matters, and more. Informational and supportive counseling is available to seniors and their family members on an individual basis.</li> <li>Various health resources and screenings for seniors, including flu shots, blood pressure, memory screenings, hearing screenings, and health insurance counseling services.</li> <li>Regularly scheduled support group meetings at the Center to help senior citizens and their</li> </ul> |                        |



| Policy Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Objective                                                                                                                                                                                                                       | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                    | Status for Sixth Cycle                                                                                                                                                                                                                                                                                |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                 | <p>families cope with stress, illness, life transitions, and crises.</p> <ul style="list-style-type: none"> <li>Lunch program for active and homebound senior citizens ages 60 and older that is funded by the federal government through the Older American Act. A donation is requested for meals, which are provided by Age Well Senior Services.</li> </ul>                                                                            |                                                                                                                                                                                                                                                                                                       |
| <p><b>5.1.8</b></p> <p>The City shall work 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. Information will be made available on the City's website. The City shall also offer expedited permit processing and fee waivers and/or deferrals to developers of projects designed for persons with physical and developmental disabilities.</p> | Summer 2014                                                                                                                                                                                                                     | <p>Information was added to the City website under Housing Assistance regarding resources through the RCOC which began implementation of an outreach program. The City remains in contact with RCOC on implementing outreach programs as they are developed. The City works with the housing consultant at the RCOC. When projects are submitted, they will be offered expedited permit processing and the possibility of fee waivers.</p> | <p><b>Ongoing</b></p> <p>The City will continue to work with the RCOC to provide families with information on services and housing available for persons with developmental disabilities. The City will also continue expediting future projects that offer housing to persons with disabilities.</p> |
| <p><b>Policy 6.1</b></p> <p>Support the intent and spirit of equal housing opportunities as expressed in Title VII of the 1968 Civil Rights Act, California Rumford Fair Housing Act, and the California Unruh Civil Rights Act.</p>                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                       |
| <p><b>6.1.1</b></p> <p>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</p>                                                                                                                                                         | <p>Adopt Analysis of Impediments to Fair Housing (2015-2020) by Summer of 2016. Provide pamphlets on an ongoing basis at community facilities and provide a minimum of 2 public workshops related to Fair Housing per year.</p> | <p>The City contracted with the Fair Housing Foundation to provide these services. The Fair Housing Foundation provided the following trainings, seminars, and outreach activities in the City during the following 6<sup>th</sup> Cycle years:</p> <p>2020:</p> <ul style="list-style-type: none"> <li>Virtual Fair Housing Workshops – 2/3/20 and 11/17/20</li> </ul>                                                                    | <p><b>Ongoing</b></p> <p>The City was successful in reaching out to the community about fair housing services during the 5<sup>th</sup> Planning Cycle.</p> <p>As required by State Law and HCD, the City will continue to provide fair housing information and</p>                                   |





| Policy Action                                                                                                                                     | Objective | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Status for Sixth Cycle                  |
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| City will continue to provide public outreach and educational workshops, and distribute pamphlets containing information related to fair housing. |           | <ul style="list-style-type: none"> <li>Virtual Walk-In Clinics – 5/13/20, 5/20/20, 7/15/20, 9/2/20, and 11/18/20.</li> <li>PSA, City of Newport Beach TV – 6/5/20</li> <li>Literature Distribution – 2,250</li> </ul> <p><b>2019:</b></p> <ul style="list-style-type: none"> <li>2 Community Booths – 9/28/19 and 10/19/19</li> <li>2 Tenant Rights Workshops – 5/5/19</li> <li>2 Landlord Workshops – 2/14/19 and 11/20/19</li> <li>2 Management Trainings – 3/6/19 and 6/18/19</li> </ul> <p><b>2018:</b></p> <ul style="list-style-type: none"> <li>2 Community Booths – 10/20/18 and 11/17/18</li> <li>2 Tenant Rights Workshops – 4/19/18 and 11/7/18</li> <li>2 Landlord Workshops – 3/27/18 and 8/30/18</li> <li>2 Management Trainings – 6/25/18 and 9/20/18</li> </ul> <p><b>2017:</b></p> <ul style="list-style-type: none"> <li>3 Community Booths – 6/15/17, 8/1/17, and 10/21/17</li> <li>3 Presentations – 4/13/17, 5/11/17, 6/6/17</li> <li>2 Tenant Rights Workshops – 3/1/17 and 12/7/17</li> <li>2 Landlord Workshops – 4/27/17 and 10/25/17</li> <li>2 Management Trainings – 6/1/17 and 11/21/17</li> </ul> <p><b>2016:</b></p> <ul style="list-style-type: none"> <li>1 Community Booth at National Night Out Event on 8/2/16</li> <li>5 Presentations – 2/24/16, 3/9/16, 6/2/16, 7/18/16, and 12/8/16</li> <li>2 Tenant Rights Workshops – 4/12/16 and 9/6/16</li> <li>2 Landlord Workshops – 6/8/16 and 11/2/16</li> <li>1 Walk in Clinic – 5/25/16</li> </ul> | assistance to residents and developers. |



| Policy Action                                                                                                                                                                 | Objective                                                                     | Program Accomplishments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Status for Sixth Cycle                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
|                                                                                                                                                                               |                                                                               | <ul style="list-style-type: none"> <li>2 Management Trainings – 5/12/16 and 12/21/16</li> </ul> <p><b>2015:</b></p> <ul style="list-style-type: none"> <li>4 Community Booths at Pavilions Grocery- 5/17/15 Hagen’s Food and Pharmacy 6/17/15 o National Night Out event on 8/4/15 o VA Landlord Appreciation Event 9/24/15</li> <li>4 Presentations – 1/20/15, 4/18/15, 6/14/15, 10/23/15</li> <li>2 Tenant Rights Workshops – 6/16/15 and 9/16/15</li> <li>2 Landlord Workshop – 2/23/15 and 7/7/15</li> <li>2 Walk-In Clinics - 4/14/15 and 8/5/15</li> <li>2 Management Trainings – 4/29/15, 8/6/15.</li> </ul> <p><b>2014:</b></p> <ul style="list-style-type: none"> <li>2 Outreach Booths at the Newport Beach Farmers Market on 6/8/14 and the National Night Out event on 8/5/14</li> <li>3 Presentations – 6/5/14 (2) and 8/23/14</li> <li>2 Tenant Rights Workshops – 3/5/14 and 12/4/14</li> <li>2 Landlord Workshop – 2/12/14 and 6/4/14</li> <li>2 Walk in Clinics - 3/25/14 and 9/18/14</li> <li>3 Management Training – 1/29/14, 5/7/14, and 11/3/14.</li> <li>1 Disability Policy Workshop on 6/10/14</li> </ul> <p>Pamphlets containing information on Fair Housing and Dispute Resolution Services are available at the public counter.</p> |                                                                                        |
| <b>Policy 7.1</b><br>Review the Housing Element on a regular basis to determine appropriateness of goals, policies, programs, and progress of Housing Element implementation. |                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                        |
| <b>7.1.1</b><br>As part of its annual General Plan Review, the City shall report on the                                                                                       | Annually report staff’s findings within the annual General Plan Status Report | This annual Housing Element Report will be submitted to HCD.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Ongoing</b><br>As required by HCD, the City will continue to provide annual reports |



| Policy Action                                                                                                                                                                                                                | Objective                                                                        | Program Accomplishments | Status for Sixth Cycle                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-------------------------|-----------------------------------------------------------|
| 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. | including Housing Element Report provided to OPR and HCD by April 1st each year. |                         | on the status of all housing programs to ensure progress. |

## B. Adequate Sites Analysis

The Housing Element is required to identify potential candidate housing sites by income category to meet the City's RHNA Allocation. The sites identified within the Housing Element represent the City's ability to plan for housing at the designated income levels within the 6<sup>th</sup> housing cycle planning period (2021-2029). These sites are either residentially zoned or within a specific plan area or urban plan that permits residential uses at a minimum of 30 dwelling units per acre (du/ac). As described in this appendix, the development capacity for each site depends largely on its location within a "Focus Area." It should be noted that the sites evaluated here explicitly identify sites that have a favorable chance of redevelopment in the planning period. The actual number of sites subject to future rezone and the actual unit yield, by income category, on each site may vary. The intent of the identification of sites in this Appendix shall provide justification of the availability of sites to accommodate the 2021-2029 RHNA need at all times during the planning period.

As part of the site selection process, letters of interest were sent out to all property owners within each Focus Area. Property owners were consulted to help the City better understand potential future housing growth on candidate housing sites within the City. Additionally, some property owners contacted the City requesting to be added and other requested their removal from consideration. Those requests were granted by the City and are reflected in the site analysis contained herein.

This appendix contains **Tables B-11, B-13, B-16, B-19, B-21, and B-22** which identify each candidate housing site within Newport Beach's sites inventory. The sites are identified by assessor parcel number (APN) as well as a unique identifier used to track sites within the inventory. Additionally, the following information is provided for each parcel.

- Address
- Ownership
- Zoning (including Specific Plan areas and Overlays, if applicable)
- Size (Net developable acres removing known development constraints)
- Density
- Vacancy status
- Previous Housing Element identification
- Potential Development Capacity (Dwelling Units) by income category
- Description of existing use

A summary of this information is included within the Housing Resources section (Section 3) of the City's 2021-2029 Housing Element.



## 1. *Candidate Sites Analysis and Identification Process*

The City of Newport Beach conducted a community driven Candidate Sites Analysis process beginning in 2019 with *Newport, Together* and concluding in 2021 with the work of the Housing Element Update Advisory Committee.

### **Newport, Together Sites Identification by Newport Beach Residents and Stakeholders**

*Newport, Together* is a community-based effort that included a Listen and Learn process to guide and inform a future General Plan Update. As a component of the General Plan Update, the Steering Committee identified the need to share information on the state-mandated Regional Housing Needs Assessment (RHNA) housing allocation for Newport Beach. A key activity during outreach meetings for Phase I included a presentation on RHNA and an activity designed to allow participants to create a heat map identifying potential locations to zone for state-mandated housing allocations. Completed in the Fall of 2019, the Listen & Learn process included digital engagement, a launch event, and a workshop series in each of the seven council districts. The heat map of potential rezoning locations developed by the community, shown below, was the starting point for the work of the Housing Element Update Advisory Committee (HEAUC).

**Figure B-1: Heat Map of Potential Rezoning Locations**





## **Housing Element Update Advisory Committee and Identification of Candidate Sites**

Building upon the efforts of *Newport, Together*, the Candidate Sites Analysis process in Newport Beach was continued by the Housing Element Update Advisory Committee (HEUAC). The creation of the HEUAC was also the beginning of the formal Housing Element Update development process. The HEUAC is comprised of a variety of professionals with relevant experience in affordable housing development and financing, housing policy, local development, environmental matters, and community engagement. The primary role of the HEUAC was to provide analysis and feedback on the selection of sites to be included in the Adequate Sites Inventory. The Purpose & Responsibilities of the committee are as follows:

- Ensure there is sufficient public outreach and stakeholder input regarding the update to the Housing and Land Use Elements of the City of Newport Beach General Plan and any other Elements deemed necessary;
- Review responses to the Request for Proposal for services to update the Housing, Land Use, and other Elements deemed necessary;
- Make recommendations to the City Council regarding the selection of consultants to assist in the update of the Housing, Land Use, and other Elements deemed necessary;
- Provide guidance to City staff and the consultant through the outreach process;
- Provide guidance to City staff, and the consultant, on goals and policies related to the update of the Housing, Land Use, and any other Elements deemed necessary by the Committee or City Council; and
- Make other recommendations to the City Council regarding the update of the General Plan, as necessary.

### **Composition of the Housing Element Update Advisory Committee (HEUAC)**

The HEUAC was appointed by the Newport Beach City Council for their demonstrated knowledge and expertise of housing, funding/financing, due diligence, site design among other factors. The HEUAC included the following members;

- Larry Tucker, Chair – Real estate development, financing and law
- Jeff Bloom – Real estate financing, specializing in affordable housing financing
- Susan DeSantis – Planner and a former director of HCD
- Paul Fruchbom – Affordable housing developer
- Beth Kiley – Real estate appraiser
- Geoffrey LePlastrier – Licensed Architect
- Stephen Sandland – Licensed Architect
- Debbie Stevens – Planner and CEQA practitioner
- Michelle Thrakulchavee – Real estate development and financing

Each of these experts provided professional insight for the identification and feasibility of sites to be included in the City 2021-2029 Housing Element. A summary of all meetings, efforts and conclusions of the HEUAC are provided in Appendix C of this Housing Element.

Based on the heat map developed by the community during the Listen & Learn, The HEUAC further identified “Focus Areas” for housing development, which are detailed in this document. Within each Focus Area, Subcommittees of the Committee assigned all nonvacant parcels a feasibility rating (“Infeasible”, “Potentially Feasible”, or “Feasible”) – analyzing the parcel’s propensity to redevelop during the planning period. For each of the Focus Areas, the HEUAC assigned area-specific Subcommittees to analyze all opportunity sites within the area for feasibility. Feasibility was assessed as follows:

- **Feasible sites** are those that appear that they could feasibly be redeveloped for housing or have housing added to the Parcel while the current use remains in whole or in part.
- **Potentially Feasible sites** are those that may work as housing, but due to the size and/or configuration of a Parcel, or the quality and functionality of existing improvements, a Parcel might be somewhat less likely to be a candidate for a housing use. Potentially Feasible sites may also include Parcels that would be infeasible standing alone, but if combined with adjacent the Parcel(s) could become part of a potential housing site.
- **Infeasible sites** are those that the Subcommittee determined would not work as housing due to existing improvements on the site, insufficient size, and or inefficiencies due to the configuration of the Parcel.

Each site was also evaluated by the Subcommittees considering factors such as:

- Access to schools and jobs
- Access to parks, services, health care facilities and grocery stores
- Proximity to infrastructure and utilities
- Likelihood or redevelopment and reuse
- Project feasibility based on existing site conditions and development features
- Funding/Financing and feasibility considerations

#### **HEUAC Identification of Sites to be Included in the Sites Inventory**

Each Subcommittee developed detailed technical memorandums that were presented at public meetings summarizing the detailed, parcel-by-parcel analysis completed to assess feasibility within each Focus Area. Once these sites were identified, the City then sent out individual letters to each property owner whose property was deemed “Feasible” or “Potentially Feasible” for residential development by the HEUAC. Responses to these letters are captured as evidence to reinforce likelihood for redevelopment within **Tables B-11, B-13, B-16, B-19, B-21, and B-23**. Based on these responses, the City removed Feasible or Potentially Feasible sites where the property owner was expressly unwilling to providing housing opportunities on their site.

#### **Final Determination of Sites Inventory**

Final determination of housing sites was established utilizing the following criteria:

- **Identification of sites w/ a Realistic Potential to Redevelop During the Planning Period** – The HEUAC identified only sites that adhered to the criteria established at the beginning of the



planning process. Supported by demonstrated features of recent development activity in the area and utilization of site selection criteria that provide sound analysis of site feasibility, the HEAUC identified only sites which can be realistically assumed to have the highest level of redevelopment potential during the 2021-2029 Planning Period.

- **Provision of a Significant Buffer of Sites to Accommodate Sites that may not Redevelop to Full Potential During the Planning Period** – The HEUAC concluded that it is infeasible to assume 100% of the sites identified in the inventory would see redevelopment in the planning period. Therefore, a large buffer of additional sites was identified to ensure a larger inventory of opportunity, inclusion of a greater number of property owners and establishment of identical regulatory and land use standards on these parcels to encourage and incentivize redevelopment. As summarized in Table B-1, the sites buffer provides to adherence to no net loss considerations and significantly expands opportunity for housing within each focus area.
- **Identification of Sites That Would be Physically Able to Accommodate Housing In Place of or in Addition to Existing Uses** – The HEUAC only identified sites that would physically be able to accommodate housing. Therefore, all sites identified have been evaluated for their ability to actually accommodate housing units based on site features, existing development and other site constraints.
- **Ensure the Public, Property Owners and Stakeholder Engaged in the Sites Identification Process** – The HEUAC collaborated with these groups throughout the planning process to ensure local concerns were addressed, sensitive sites were properly evaluated and preliminary sites were made available to the public for review and discussion.
- **Ensure Site Inventory Feasibility is Based Supported by Local Examples that Demonstrate Sites can be Developed at Proposed Densities and Affordability** – The HEUAC based project feasibility assumptions on actual projects constructed, under construction or in the entitlement process. It was important for the HEUAC to compare actual development opportunities within the Focus Area to provide a realistic assessment of the opportunities and constraints of developing and proposed densities and affordability levels. The HEUAC concluded that all sites in the inventory possess the ability to accommodate residential development. The local project examples are provided in the discussion for each Focus Area in this Appendix.

All nonresidential sites that were deemed Feasible or Potentially Feasible were included in the Sites Inventory, except those sites whose owners expressly requested that their properties not be considered opportunity sites. Therefore, the City does not foresee the opportunity to potentially add additional sites to the Sites Inventory since all Feasible or Potentially Feasible sites have already been included.

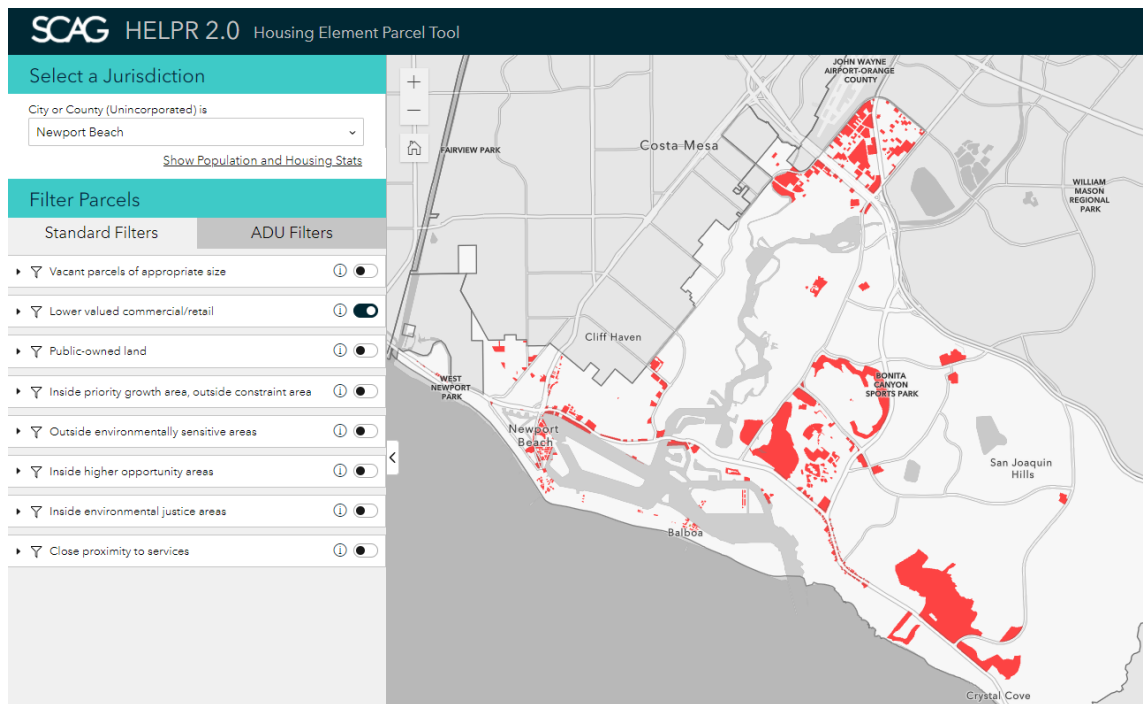
As shown within the following images, the Focus Areas and Candidate Sites identified by the HEAUC align closely with recommended sites within the SCAG HELPR Tool. This is primarily due to consistency in methodology between the HEUAC, comprised of local experts in relevant fields, and SCAG HELPR, a data-driven tool developed externally.



**Figure B-2: Focus Areas for Residential Development**



**Figure B-3: SCAG HELPR - Sites with Propensity for Residential Redevelopment**



The Housing Element is required to identify sites by income category to meet the City’s RHNA Allocation. The sites identified within the Housing Element represent the City’s ability to develop housing at the designated income levels within the planning period (2021-2029). These sites are (i) residentially zoned but for which no project has been proposed, (ii) have been entitled for a residential development project (but will not yet have received building permits and a certificate of occupancy by June 30, 2021) or (iii)

have been identified for (a) a rezone to a residential use from a non-residential use, or (b) for an overlay to enable a housing use in addition to or in the place of a non-residential use.

A summary of this information is included within the Housing Resources section (**Section 3**) of the City's 2021-2029 Housing Element.

**Table B-1** shows the City's 2021-2029 RHNA need by income category as well as a summary of the sites identified to meet that need. The analysis shows that the City of Newport Beach has the capacity to meet its 2021-2029 RHNA allocation through a variety of methods, including:

- Identification of additional increased capacity on existing, residentially zoned sites
- Identification of residential property for rezone to higher-density residential primary use
- Identification of non-residential property for rezone to residential primary use
- Development of approved projects which do not have certificates of occupancy
- Future development of accessory dwelling units (ADUs)

### **Water, Sewer, And Dry Utility Availability**

Each site has been evaluated to ensure there is adequate access to water and sewer connections as well as dry utilities. Each site is situated with a direct connection to a public street that has the appropriate water and sewer mains and other infrastructure to service the candidate site.

The City's Sewer System Management Plan provides for the identification of sewer system distribution throughout the community. All sites identified in the sites inventory have existing sewer system capacity and a sewer system capacity assurance plan is provide as part of the Management Plan to ensure the availability of future capacity citywide. Threshold criteria have been adopted to trigger any capacity enhancements necessary based upon changes to land use and other considerations.

The City's Jurisdictional Runoff Management Plan addresses stormwater management throughout the City as it provides for the identification and management of facilities to manage stormwater throughout the community. According to the City's Runoff Management Plan, facilities and mitigations for potential peak stormwater flows are not deemed a constraint to future residential development.

The Newport Beach Utilities Department, the Municipal Water District of Orange County, and the Irvine Ranch Water District provide water service and management of the City's potable water system. As a built-out community, the City's existing water system services all areas within the City limits through various trunk lines and mains. Fire flow considerations are the primary factor in determining the adequacy of service for future residential development. The City conducts regular monitoring of the water system in the community and provides for system upgrades via capital improvement program to ensure continued adequate water availability and service to existing and future planned residential development.

Southern California Gas Company provides natural gas services to the City of Newport Beach. SoCal Gas is a gas-only utility and, in addition to serving the residential, commercial, and industrial markets, provides gas for enhanced oil recovery (EOR) and EG customers in Southern California. Southern California Edison (SCE) is the electrical service provider for Newport Beach. SCE is regulated by the California Public Utilities

Commission (CPUC) and the Federal Energy Regulatory Commission (FERC) and includes 50,000 square miles of SCE service area across Central, Coastal, and Southern California. SCE will continue to provide adequate services to Newport Beach including increased household growth as projected by the City's RHNA allocation.

In accordance with the California Public Utilities Commission all electric and gas service will be provided for future development in Newport Beach as requested. SoCal Gas and Southern California Edison regularly partner with the City to provide services and obtain authorization to construct any required facilities. The City has a mature energy distribution system that will be able to add additional service connections for future residential land uses.

## ***2. Adequacy of Sites to Accommodate RHNA***

The City of Newport Beach has a total 2021-2029 RHNA allocation of 4,845 units. The City is able to take credit for 1,662 units currently within the planning process (Projects in the Pipeline), 327 units of 5<sup>th</sup> Cycle Sites being projected at existing buildout capacity, and 240 units of ADU's (strategy described later in this section and in **Appendix D**). These three categories of existing capacity lower the total RHNA planning need to a "Remaining Need" of 2,616 units as shown in **Table B-1**. The Housing Element update lists sites that would be able to accommodate an additional 7,9098,174 units, well in excess of the 2,616-unit RHNA need. In addition to the units provided to meet their RHNA, the City also plans to include potential units provided by the Banning Ranch Focus Area as extra buffer to ensure that the City would meet all of its housing needs. The inclusion of Banning Ranch would accommodate an additional 1,475 excess units, bringing the total potential units from rezone strategies to 9,384649 units.

Newport Beach has identified sites with a capacity to accommodate 2,634714 lower income dwelling units, which is in excess of its 2,386-unit lower income housing need. The identified sites for lower income dwelling units are on parcels that will permit residential development as a primary use at a base density of between 30 and 60 dwelling units per acre and at an assumed density of between 50 and 60 dwelling units per acre.

As described later in this section, the City believes that due to recent State legislation and local efforts to promote accessory dwelling unit (ADU) production, the City can realistically anticipate the development of 240 ADUs within the 8-year planning period. As outlined in the **Sites Inventory** later in this document, the City has compiled an inventory of sites for rezone that, combined, have development potential to wholly exceed and maintain the capacity to accommodate the RHNA Allocation throughout the 8-year planning period. Overall, the City has adequate capacity to accommodate its 2021-2029 RHNA.



**Table B-1: Summary of RHNA Status and Sites Inventory**

|                                             | Extremely Low/ Very Low Income | Low Income            | Moderate Income         | Above Moderate Income | Total        |
|---------------------------------------------|--------------------------------|-----------------------|-------------------------|-----------------------|--------------|
| 2021-2029 RHNA                              | 1,456                          | 930                   | 1,050                   | 1,409                 | 4,845        |
| RHNA Credit (Units Built)                   | TBD                            | TBD                   | TBD                     | TBD                   | TBD          |
| <b>Total RHNA Obligations</b>               | <b>1,456</b>                   | <b>930</b>            | <b>1,050</b>            | <b>1,409</b>          | <b>4,845</b> |
| <b>Sites Available</b>                      |                                |                       |                         |                       |              |
| Projects in the Pipeline                    | 175                            | 32                    | 1,455                   | 1,662                 |              |
| Accessory Dwelling Units                    | 163                            | 72                    | 5                       | 240                   |              |
| 5 <sup>th</sup> Cycle Sites                 | 0                              | 287                   | 40                      | 327                   |              |
| <b>Remaining RHNA</b>                       | <b>2,048</b>                   | <b>659</b>            | <b>--</b>               | <b>2,707</b>          |              |
| Airport Area Environs Rezone                | <del>732</del> 773             | <del>244</del> 258    | <del>1,464</del> 546    | <del>2,440</del> 577  |              |
| West Newport Mesa Rezone                    | 332                            | 111                   | 664                     | 1,107                 |              |
| Dover-Westcliff Rezone                      | <del>137</del> 156             | <del>46</del> 52      | <del>275</del> 3132     | <del>458</del> 521    |              |
| Newport Center Rezone                       | <del>712</del> 732             | <del>237</del> 244    | <del>1,425</del> 463    | <del>2,374</del> 439  |              |
| Coyote Canyon Rezone                        | 383                            | 153                   | 995                     | 1,530                 |              |
| <b>Total Potential Capacity of Rezones</b>  | <b>2,296</b> 376               | <b>791</b> 8187       | <b>4,822</b> 981        | <b>7,909</b> 8,174    |              |
| <b>TOTAL POTENTIAL DEVELOPMENT CAPACITY</b> | <b>2,634</b> 714               | <b>1,182</b> 2098     | <b>6,322</b> 481        | <b>10,138</b> 403     |              |
| <b>Sites Surplus/Shortfall (+/-)</b>        | <b>+248</b> 328                | <b>+132</b> 1598      | <b>+4,913</b> 5,072     | <b>+5,293</b> 558     |              |
| <b>Percentage Buffer</b>                    | <b>10</b> 14%                  | <b>13</b> 15%         | <b>349</b> 360%         | <b>109</b> 115%       |              |
| <b>Scenario with Banning Ranch</b>          |                                |                       |                         |                       |              |
| <i>Banning Ranch Rezone</i>                 | 443                            | 148                   | 884                     | 1,475                 |              |
| <b>TOTAL POTENTIAL DEVELOPMENT CAPACITY</b> | <b>3,077</b> 1566              | <b>1,330</b> 0501,357 | <b>7,206</b> 1,4097,366 | <b>11,613</b> 878     |              |
| <b>Surplus/ Deficit</b>                     | <b>+691</b> 770                | <b>+280</b> 3076      | <b>+5,797</b> 957       | <b>+6,768</b> 7,033   |              |
| <b>Percentage Over Need</b>                 | <b>29</b> 32%                  | <b>27</b> 29%         | <b>411</b> 423%         | <b>140</b> 145%       |              |

### Suitability of Non-Vacant Sites

The City has very limited vacant land resources and, therefore, understands that almost all future housing development must occur on infill, previously developed properties. Accordingly, suitability analysis for non-vacant sites takes into consideration history of development on infill sites and current entitlements on infill sites. For each of the Focus Areas identified, supportive evidence of past or current development activity within their environs have been identified.

### 3. Development of Very Low- and Low-Income Sites Inventory

This section contains a description and listing of the candidate sites identified to meet the City's very low and low income RHNA need. A full list of these sites is presented in **Tables B-11, B-13, B-16, B-19, B-21, and B-23.**





### Projects in the Pipeline

The City has identified a number of projects currently in, or that have completed the entitlement process which are likely to be developed and/or first occupied during the planning period and count as credit towards the 2021-2029 RHNA allocation. Key project details are shown below in **Table B-2**.

**Table B-2: Projects in the Pipeline**

| Project Name                       | Locations                                                                                                                                | Project Description                                                                                                                                                                                                  | Density                                       | Units by Income Level |          |                | Total |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------|----------|----------------|-------|
|                                    |                                                                                                                                          |                                                                                                                                                                                                                      |                                               | Very Low and Low      | Moderate | Above Moderate |       |
| Approved Projects <sup>1</sup>     |                                                                                                                                          |                                                                                                                                                                                                                      |                                               |                       |          |                |       |
| Newport Airport Village            | Northerly portion of the Campus Tract, generally bounded Birch Street, Campus Drive, MacArthur Blvd. and the extension of Corinthian Way | Redevelopment and consolidation of 15 lots that total 16.46-acres. Up to 444 dwelling units and 297,572 sf of non-residential floor area would be developed.                                                         | 46 du/acre<br>(69 du/acre with density bonus) | 48                    | 32       | 240            | 320   |
| Residences at 4400 Von Karman      | 4400 Von Karman                                                                                                                          | Redevelopment of an existing surface parking area. The project would result in 312 dwelling units, an 825-space enclosed parking structure, a 284-space free-standing parking structure, and a one-acre public park. | 44 du/acre<br>(53 du/acre with density bonus) | 13                    | -        | 299            | 312   |
| West Coast Highway Mixed-Use       | 2510 West Coast Highway                                                                                                                  | Redevelopment of a vehicle sales lot. The project would develop 36 dwelling units and one 5,096 sf office space.                                                                                                     | 26 du/acre<br>(36 du/acre with density bonus) | 3                     | -        | 33             | 36    |
| Newport Crossings                  | 1660 Dove Street                                                                                                                         | Redevelopment of the MacArthur Square commercial center. The project would result in the development of 350 dwelling units, 7,5000 sf of commercial space, and a 0.5-acre public park.                               | 50 du/acre<br>(67 du/acre with density bonus) | 78                    | -        | 272            | 350   |
| Residences at Newport Center       | 150 Newport Center Drive                                                                                                                 | Redevelopment of a carwash. The project would result in the development of 28 dwelling units.                                                                                                                        | 23 du/acre                                    | NA                    | -        | 28             | 28    |
| Uptown Newport Residences Phase 1B | APN: 445 134 17                                                                                                                          | The project would result in the development of 30 dwelling units on a 1.52-acre site.                                                                                                                                | 19.71 du/acre                                 | NA                    | -        | 30             | 30    |
| Plaza CDM                          | 3900, 3928 East Pacific Coast Highway                                                                                                    | The project would result in the development of six detached dwellings included in a larger mixed-use development.                                                                                                    | -                                             | -                     | -        | 6              | 6     |
| Ullman Sail Lofts                  | 410 29 <sup>th</sup> Street                                                                                                              | The project would result in the construction of two retail tenant spaces and four condominium spaces over the tenant units.                                                                                          | -                                             | -                     | -        | 4              | 4     |

| Project Name                                      | Locations                                                                                                                                                                              | Project Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Density                                       | Units by Income Level |          |                | Total |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------|----------|----------------|-------|
|                                                   |                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                               | Very Low and Low      | Moderate | Above Moderate |       |
| <b>Mariner's Square</b>                           | 1244 Irvine Avenue                                                                                                                                                                     | The project would demolish an existing 114-unit complex and construct 92 condominium spaces.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | -                                             | -                     | -        | -22            | -22   |
| <b>Vivante Senior Housing</b>                     | 850 San Clemente Drive                                                                                                                                                                 | Demolish the Orange County Museum. The project would result in a 6-story combination senior housing development with 90 dwelling units.                                                                                                                                                                                                                                                                                                                                                                                                                                             | -                                             | -                     | -        | 90             | 90    |
| <b>Pending Projects<sup>2</sup></b>               |                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                               |                       |          |                |       |
| <b>Uptown Newport Residences Phase 1C Details</b> | APN: 445 134 17                                                                                                                                                                        | The project would result in the development of 60 dwelling units on a 1.06-acre site.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 56.6 du/acre                                  | NA                    | -        | 60             | 60    |
| <b>Newport Village Mixed-Use</b>                  | North Parcel is approximately 5.3 acres and located at 2000–2244 West Coast Highway. The Project's South Parcel is approximately 4.1 acres and located at 2001-2241 West Coast Highway | Redevelopment of 9.4-acres. The project would result in 122 dwelling units, 128,640 non-residential space, parking, new pedestrian facilities, public open spaces, and marina improvements.                                                                                                                                                                                                                                                                                                                                                                                         | 20 du/acre                                    | 9                     | -        | 111            | 122   |
| <b>1300 Bristol Apartment Project</b>             | 1300 Bristol                                                                                                                                                                           | Demolition of a 339,292 sf office building. The project would result in the development of 193 dwelling units.                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 40 du/acre<br>(98 du/acre with density bonus) | 24                    | -        | 169            | 193   |
| <b>Bay Back Landing</b>                           | -                                                                                                                                                                                      | The proposed project involves land use amendments to provide the legislative framework that would allow for future mixed-use development of the site. Amendments to the general plan and coastal land use plan are required to change the land use designations to a mixed-use horizontal designation, and a planned community development plan is proposed to establish appropriate zoning regulations and development standards for the site. The requested approvals will allow for a horizontally distributed mix of uses, including recreational and marine commercial retail, | -                                             | -                     | -        | 49             | 49    |

| Project Name                                                                                                                                                                                                                         | Locations                                 | Project Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Density    | Units by Income Level |          |                | Total      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------------------|----------|----------------|------------|
|                                                                                                                                                                                                                                      |                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |            | Very Low and Low      | Moderate | Above Moderate |            |
|                                                                                                                                                                                                                                      |                                           | marine office, marine services, enclosed dry-stack boat storage, and a limited mix of freestanding multi-family residential and mixed-use structures with residential uses above the ground floor. In addition to the land use amendments, other requested approvals are a lot line adjustment and traffic study pursuant to the city's traffic phasing ordinance. Specific project design and site improvement approvals will be sought at a later time.                                                                                                                                                                          |            |                       |          |                |            |
| <b>10 Big Canyon</b>                                                                                                                                                                                                                 | <b>APN: 442-221-52</b>                    | The proposed project has three components: 1) a parcel map to subdivide a 1.9 acre portion of the golf course into a legal residential lot, 2) general plan amendment to create a new 1.9 acre parcel on the general plan land use map and change the land use from "parks and recreation" to "single unit residential - detached", and 3) amend the big canyon planned community (pc) to change the land use for the 1.9 acre parcel from "golf course" to "low density residential" and modify the appropriate text and pc land use map. The proposed 1.9 acre subdivision will create a large lot for one residential dwelling. | -          | -                     | -        | <b>1</b>       | <b>1</b>   |
| <b>Mesa Drive Townhomes</b>                                                                                                                                                                                                          | 1501 Mesa Drive and 20462 Santa Ana Drive | The project would result in six dwelling units.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | -          | -                     | -        | <b>6</b>       | <b>6</b>   |
| <b>Advanced Champion LLC Mixed-Use</b>                                                                                                                                                                                               | 503-505 East Balboa Avenue                | The project would merge two lots and construct new mixed-use buildings that would consist of three residential and three commercial spaces.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | -          | -                     | -        | <b>3</b>       | <b>3</b>   |
| <b>Ritz Carlton Residences</b>                                                                                                                                                                                                       | -                                         | Owner has <u>received approval</u> <del>filed an of an</del> entitlement application to convert 159 hotel rooms to 159 residences.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 57 du/acre | -                     | -        | -              | <b>159</b> |
| <b>Notes:</b><br><sup>1</sup> Approved projects have been checked and approved by the City and are in progress to begin.<br><sup>2</sup> Pending projects have yet to get approval from the City but are in the process of approval. |                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |            |                       |          |                |            |





## Accessory Dwelling Units (ADUs)

In areas such as Newport Beach where land values are high and there is a large amount of single-family detached housing, ADUs present a potentially more naturally affordable housing option for renters. ADUs are often smaller in size than typical apartments or rental housing, ranging from 300 to 600 square feet in size. They are also attractive to property owners who are able to gain rental income. Based on the unique land values and policy planning in the City of Newport Beach, the City identified a total of 240 units of ADU development assumed to be developed for the 8 years

The City of Newport Beach believes that ADUs present a viable option as part of the overall strategy to develop housing at all income levels during the 2021-2029 6<sup>th</sup> Cycle Housing Element planning period.

**Appendix D** describes:

- Recent ADU legislation and regional actions,
- Local factors that may increase ADU development over the next eight years, and
- Actions Newport Beach will take through housing programs to incentivizing ADU development

As part of the sites analysis found within this Appendix, the City has accounted for future ADU and JADU production using the methodology and rationale described in Appendix D of this Housing Element. SCAG conducted a regional analysis of current market rents that can be used to assign ADUs to income categories in Sixth Cycle Housing Elements, the analysis surveyed, market rents of 158 existing ADUs. The analysis then determined the proportion of ADUs within each income category for both one-person and two-person households and made assumptions for what percentage of ADUs are rented for free based on existing literature and allocate those towards Extremely Low Income. Finally, the analysis combined rented and non-rented ADUs into single affordability breakdown by county. Newport Beach utilized SCAGs affordability assumptions for ADUs in Orange County. This equates to an anticipated ADU development of 240 ADUs over the next 8 years, 163 of which are anticipated to be affordable. The ADUs not designated to meet the City's lower income RHNA need are anticipated to be 72 affordable at moderate income levels and 5 affordable at the above moderate-income level. Detailed analysis of City policies and monitoring requirements supporting this projection can be found within **Appendix D: Accessory Dwelling Units**.

## Remaining Need

**Table B-3** below displays the City's total RHNA allocation for the years 2021-2029 as well as the City's net RHNA allocation after the inclusion of Projects in the Pipeline and ADUs.

**Table B-3: Low and Very Low-Income Remaining Need**

|                                           | Very Low Income | Low Income |
|-------------------------------------------|-----------------|------------|
| <b>RHNA Allocation</b>                    | <b>1,456</b>    | <b>930</b> |
| Pipeline Projects                         | 97              | 78         |
| Existing Zoning                           | 0               | 0          |
| Accessory Dwelling Units                  | 60              | 103        |
| <b>Remaining Low/Very Low-Income Need</b> | <b>1,299</b>    | <b>749</b> |



## Selection of Sites to Accommodate Remaining Need

Sites identified to meet the City's very low and low-income RHNA were selected considering the AB 1397 size requirements of at least 0.5 acres but not greater than 10 acres. Based on a public process, sites were selected based on their realistic viability to accommodate lower-income housing within the 2021-2029 planning period.

Sites were also evaluated based on access to resources, proximity to additional residential development, transportation and major streetway access, and resources and opportunity indicators. **Section 3: Affirmatively Furthering Fair Housing**, outlines all fair housing, opportunity indicators, and environmental resources in Newport Beach.

The City has identified sites with capacity to accommodate the City's 2021-2029 RHNA. This capacity is based on a rezone strategy for several Focus Areas throughout the City. These Focus Areas are as follows:

- Airport Area Environs
- West Newport Mesa Area
- Dover-Westcliff Area
- Newport Center Area
- Coyote Canyon Area
- Banning Ranch Area<sup>1</sup>

The City has analyzed potential capacity based on rezone strategies specific to each area. Each of the following sections describes the identified areas and contains a table of redevelopment assumptions and projected unit capacities. Additionally, each Focus Area is followed by a map detailing the adequate sites inventory, organized by area.

Through a public process, the City has assessed the feasibility of parcels in the Focus Areas to redevelop residentially during the planning period. Those parcels deemed Feasible were then analyzed to ensure compliance with HCD's criteria for sites designated to accommodate lower income development (including sizing criteria). The inventory of feasible acreage for redevelopment within each Focus Area was developed with this process. **Table B-4** below summarizes the key statistics for the rezone strategies for all Focus Areas. The specific development assumptions (both on affordability and overall development potential) that produce the Potential Units are described, area-by-area, in the **Sites Inventory** of this document.

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<sup>1</sup> Units assigned to the Banning Ranch Focus Area are not used to accommodate any portion of the 6<sup>th</sup> cycle RHNA; however, to the extent the City is successful in creating housing opportunities at Banning Ranch, those opportunities may be used to satisfy a portion of the City's 6<sup>th</sup> cycle RHNA need.

**Table B-4: Low/Very Low-Income Rezone Strategy by Focus Area**

| Focus Area                      | Anticipated Feasible Acreage | Assumed Average Rezone Density | Potential Low/Very Low-Income Units       |
|---------------------------------|------------------------------|--------------------------------|-------------------------------------------|
| Airport Area Environs           | <del>163</del> 172           | 50 du/ac                       | <del>732</del> 773 units                  |
| West Newport Mesa Area          | 47                           | 50 du/ac                       | 332 units                                 |
| Dover-Westcliff Area            | <del>182</del> 0             | 50 du/ac                       | <del>137</del> 156 units                  |
| Newport Center Area             | <del>158</del> 163           | 50 du/ac                       | <del>712</del> 732 units                  |
| Coyote Canyon Area              | <del>44</del> 34             | 60 du/ac                       | 383 units                                 |
| <b>TOTAL</b>                    | <del>419</del> 436           | --                             | <b>2,296</b> 376 units                    |
| Banning Ranch Area              | 30                           | 50 du/ac                       | 443 units                                 |
| <b>TOTAL with Banning Ranch</b> | <del>449</del> 466           | --                             | <del>3,077</del> units <b>2,819</b> units |

The City's recent history of granting entitlement to residential uses with affordable units is shown below:

- Newport Airport Village
- Residences at 4400 Von Karman
- West Coast Highway Mixed-Use
- Newport Crossings

These projects provide evidence of recently approved projects with affordable components developed at higher densities. Additional details, including project status, evidence of affordability, evidence of nonvacant residential development, and evidence of lot consolidation are shown in **Table B-2: Projects in the Pipeline** and **Attachment B-3**. The **Section 4: Housing Plan** outlines actions the City will take to promote the development of affordable units within the Focus Areas.

### Small Sites

Notably, 20 sites within the sites inventory do not meet the recommended sizing criteria of a minimum of 0.5 acres and are proposed to provide low and very low income housing. Although all 20 small sites are non-vacant, all small site referenced in this section have had specific written development interest. Of the 20 small sites included in the Inventory, one is part of an existing pipeline project. The rest of the small sites are included in the inventory because each site's owner has expressed written interest in housing development on that site during the planning period. **Table B-5** below provides a brief summary of each small site.



**Table B-5: Small Sites Inventory**

| APN        | Vacant | Acreage | Letter of Interest? | Focus Area              | LVL Units | Moderate Units | Above Moderate Units | Total Net Units |
|------------|--------|---------|---------------------|-------------------------|-----------|----------------|----------------------|-----------------|
| 445 141 04 | No     | 0.26    | Y                   | Airport Area            | 4         | 1              | 8                    | 13              |
| 445 141 13 | No     | 0.29    | Y                   | Airport Area            | 4         | 1              | 9                    | 14              |
| 049 122 03 | No     | 0.14    | Y                   | Dover-Westcliff         | 2         | 1              | 4                    | 7               |
| 047 041 05 | No     | 0.11    | Y                   | Dover-Westcliff         | 2         | 1              | 2                    | 5               |
| 047 041 25 | No     | 0.06    | Y                   | Dover-Westcliff         | 1         | 0              | 2                    | 3               |
| 424 141 17 | No     | 0.23    | Y                   | West Newport Mesa Area  | 3         | 1              | 7                    | 11              |
| 424 141 17 | No     | 0.23    | Y                   | West Newport Mesa Area  | 3         | 1              | 7                    | 11              |
| 425 471 55 | No     | 0.20    |                     | <b>Pipeline Project</b> | 3         | 0              | 32                   | 35              |
| 445 141 31 | No     | 0.40    | Y                   | Airport Area            | 6         | 2              | 12                   | 20              |
| 442 161 06 | No     | 0.33    | Y                   | Newport Center Area     | 5         | 2              | 8                    | 15              |
| 442 161 07 | No     | 0.20    | Y                   | Newport Center Area     | 3         | 1              | 5                    | 9               |
| 424 141 10 | No     | 0.37    | Y                   | West Newport Mesa Area  | 5         | 2              | 9                    | 16              |





**Table B-5: Small Sites Inventory**

| APN               | Vacant    | Acreage     | Letter of Interest? | Focus Area          | LVL Units                 | Moderate Units           | Above Moderate Units       | Total Net Units            |
|-------------------|-----------|-------------|---------------------|---------------------|---------------------------|--------------------------|----------------------------|----------------------------|
| 427 141 13        | No        | 0.37        | Y                   | Airport Area        | 6                         | 2                        | 11                         | 19                         |
| 442 091 06        | No        | 0.32        | Y                   | Newport Center Area | 5                         | 2                        | 9                          | 16                         |
| 442 091 01        | No        | 0.44        | Y                   | Newport Center Area | 7                         | 2                        | 13                         | 22                         |
| 442 091 08        | No        | 0.39        | Y                   | Newport Center Area | 6                         | 2                        | 11                         | 19                         |
| 442 091 02        | No        | 0.25        | Y                   | Newport Center Area | 4                         | 1                        | 7                          | 12                         |
| 442 091 04        | No        | 0.38        | Y                   | Newport Center Area | 6                         | 2                        | 11                         | 19                         |
| 442 091 03        | No        | 0.36        | Y                   | Newport Center Area | 5                         | 2                        | 11                         | 18                         |
| 442 091 07        | No        | 0.13        | Y                   | Newport Center Area | 2                         | 1                        | 4                          | 7                          |
| <u>439 021 13</u> | <u>No</u> | <u>0.31</u> | <u>Y</u>            | <u>Airport Area</u> | <u>2</u>                  | <u>1</u>                 | <u>5</u>                   | <u>8</u>                   |
| <u>439 021 12</u> | <u>No</u> | <u>0.17</u> | <u>Y</u>            | <u>Airport Area</u> | <u>2</u>                  | <u>1</u>                 | <u>5</u>                   | <u>8</u>                   |
| <u>439 021 03</u> | <u>No</u> | <u>0.16</u> | <u>Y</u>            | <u>Airport Area</u> | <u>5</u>                  | <u>2</u>                 | <u>9</u>                   | <u>16</u>                  |
| <u>439 352 21</u> | <u>No</u> | <u>0.44</u> | <u>Y</u>            | <u>Airport Area</u> | <u>6</u>                  | <u>2</u>                 | <u>13</u>                  | <u>21</u>                  |
| <u>439 352 17</u> | <u>No</u> | <u>0.37</u> | <u>Y</u>            | <u>Airport Area</u> | <u>5</u>                  | <u>2</u>                 | <u>11</u>                  | <u>18</u>                  |
| <u>439 352 20</u> | <u>No</u> | <u>0.44</u> | <u>Y</u>            | <u>Airport Area</u> | <u>6</u>                  | <u>2</u>                 | <u>13</u>                  | <u>21</u>                  |
| <u>439 352 22</u> | <u>No</u> | <u>0.21</u> | <u>Y</u>            | <u>Airport Area</u> | <u>3</u>                  | <u>1</u>                 | <u>6</u>                   | <u>10</u>                  |
|                   |           |             |                     | <b>Total:</b>       | <b><u>82111</u> units</b> | <b><u>2738</u> units</b> | <b><u>182244</u> units</b> | <b><u>291393</u> units</b> |



## History of Small Site Development

The City of Newport Beach has made a practice of consolidating sites in order to develop housing (see Attachment A, *Lidos Villas Project*). Furthermore, the City has recently been in the process of approving projects that would consolidate sites below the 0.5 acre HCD sizing criteria. For example, a recently approved project proposed to consolidate five individual lots ranging in size from 0.05 to 0.49 acres into a larger parcel that would accommodate 36 units at a density of 26 du/acre in addition to a 5,096 s.f. office space (see Attachment B-3, *West Coast Highway Mixed-Use Project*). Another recently approved project proposed the consolidation of three parcels, two of which were below HCD's sizing criteria. The proposed project would provide up 350 residential units as well as commercial and open space components (see Attachment B-3, *Newport Crossings Project*). Given the interest expressed in the small sites above, the City will likely continue approving lot consolidation projects in the future.

## Calculation of Unit Capacity

Taking into account development standards, unit capacity for sites identified to accommodate low and very low units was calculated by multiplying the net acreage of the site by the assumed density established for each focus area. To support this assumption, the City has identified programs and policies to encourage developer interest and financial feasibility. These programs and policies are detailed in **Section 4: Housing Plan**. Additionally, based on previous development trends, the City assigned each Focus Area a percentage of its land area which the City projects to redevelop – meaning the percentage of land area within each Focus Area, which is expected to “turn over”, or develop with residential units during the planning period.

## City Commitments to Higher Density Housing

Although high density housing has not been achieved in some zones of the City, projects in areas such as the Airport Area prove that when zoning allows, high density housing is developed. The City has successfully implemented projects with high densities such as Phase 1A One Uptown Newport Apartments, which has a density of 56 du/acre. This project was developed in the Airport Area and construction was completed in 2017. The project provides approximately 492 total dwelling units with 91 being Low and Very Low-Income dwelling units. The Project has two more phases of construction that would result in high density housing as well.

## Evidence Supporting Development of Opportunity Sites at Higher Densities

Pursuant to Government Code Section 65583.2, a minimum density of 30 du/ac shall be deemed appropriate to accommodate housing for lower-income households for urbanized areas.

Within the current General Plan, the Airport Area is the only area in City that allows higher density residential housing with a maximum allowed density of 50 dwelling units per acre. This higher density residential opportunity was created as part of the 2006 Comprehensive General Plan Update. The General Plan identified this area as one of the greatest opportunities in the community to create new residential neighborhoods including workforce housing, through the replacement of existing uses and new construction on underutilized surface parking lots. Most of the properties in the area are currently designated by the General Plan as Mixed-Use Horizontal (MU-H2), which provides for the horizontal intermixing of uses, including the development of free-standing multi-family residential units. Residential units in the MU-H2 designation must developed at a maximum density of 50 units per acre (excluding

density bonus) and minimum density of 30 units per acre. Additionally, General Plan Policy 6.15.5 states that of the 2,200 units permitted within the Airport Area, only 550 units may be developed as infill on surface lots or areas not occupied by buildings. The remaining 1,650 units are permitted as the replacement of existing nonresidential uses or industrial uses. When a development phase includes a mix of residential and nonresidential uses or replaces existing industrial uses, the number of peak hour trips generated by the cumulative development of the site shall not exceed the number of trips that would have resulted from the development of the underlying permitted nonresidential uses.

Based on recent trends in residential development projects, and discussions with property owners, developers, and real estate professionals, it has become evident that the single most important land use change leading the new residential redevelopment has been the 30- 50 dwelling unit per acre allowances that were created in 2006.

As illustrated in **Table B-2: Projects in the Pipeline**, the City has approved several new residential projects in the Airport Area, all designed at or exceeding the maximum densities allowed of 50 dwellings per acre. In cases where the base densities were proposed below 50 dwellings per unit, the density was maximized based on the replacement trips the underlying commercial uses allowed for. But in all cases, a density bonus was utilized to exceed the maximum 50 dwelling unit per acre limit and increase the development yield. The City believes these projects are evidence that increasing densities to 50 dwelling per acre provide the necessary incentive to redevelop the existing nonvacant sites.

Although the 2006 Comprehensive General Plan also created new mixed-use housing opportunities in other parts of the City such as Mariners Mile and Westcliff Dover, the allowable densities are limited to 26.7 dwelling to the acre. Based on discussion with prospective developers and existing property owners who have contemplated residential development in these other opportunity areas, the allowable density of 26.7 dwelling per acre is not sufficient to create an adequate return on investment. Additionally, several of the mixed-use zoning opportunities in the City require a minimum ratio of commercial floor area to be provided in order to development a residential component. This minimum commercial component adds significant cost to a project due the intensive parking needs commercial uses generate, the need to incorporate expensive parking structures to accommodate the parking demand, and increased construction costs due to the increased size of a compliant project. In West Newport Mesa, additional multi-family residential opportunities were created; however, densities are limited to an average of 18 dwellings per acre. Based on discussion with prospective developers and existing property owners, the low-density limits were cited as constraints to redevelopment.

Given the success with housing opportunities that were created with densities of 50 dwelling per acre, the City believes committing to rezoning the other focus Areas to allow higher density residential with similar 50 dwelling per acre allowance. The City has committed to rezoning of sites to accommodate these higher densities in Policy Actions 1A through 1F. These rezone programs will include the requisite zoning standards that support the development of housing at these densities. Additionally, Policy 3A addresses the development of objective design standards appropriate for higher density product, Policy 4C and 4D addresses incentives for affordable housing and Policy 4H addresses furthering opportunities for residential in mixed use zones.

Given the success of housing opportunities created with densities of 50 dwelling units per acre, the City believes that it can successfully rezone other Focus Areas to allow for similar housing densities. Notably, each focus area has a redevelopment percentage applied to it, meaning a reduction in anticipated potential capacity based on the understanding that not every candidate site in the inventory will develop as housing during the planning period. These redevelopment percentage assumptions mean that the City has identified sites with the potential to accommodate far more than the anticipated “Total Net Units” shown below. Rezoning these Focus Areas would result in an increase of high-density housing in six different zones of the City and would increase the stock of affordable housing throughout the City of Newport Beach. Below is **Table B-6: Focus Area Strategies** that describes the characteristics of and contribution to the housing stock of each Focus Area.

**Table B-6: Focus Area Strategies**

| Focus Area                        | Inventory Area (Acres) | Redevelopment Percentage | Assumed Density | Total Net Units        |                       |                           | Total Net Units         |
|-----------------------------------|------------------------|--------------------------|-----------------|------------------------|-----------------------|---------------------------|-------------------------|
|                                   |                        |                          |                 | Low and Very Low       | Moderate              | Above Moderate            |                         |
| Airport Area                      | <del>163</del> 172     | <del>23</del> 30%        | 50 du/acre      | <del>732</del> 773     | <del>244</del> 258    | 1, <del>464</del> 546     | 2, <del>440</del> 577   |
| West Newport Mesa Area            | 47                     | <del>40</del> 47%        | 50 du/acre      | 332                    | 111                   | 664                       | 1,107                   |
| Dover-Westcliff                   | <del>18</del> 20       | <del>45</del> 52%        | 50 du/acre      | <del>137</del> 156     | <del>46</del> 52      | <del>275</del> 3132       | <del>458</del> 521      |
| Newport Center Area               | <del>158</del> 163     | <del>23</del> 30%        | 50 du/acre      | <del>712</del> 732     | <del>237</del> 244    | 1, <del>425</del> 463     | 2, <del>374</del> 439   |
| Coyote Canyon Area                | 34                     | 75%                      | 60 du/acre      | 383                    | 153                   | 995                       | 1,530                   |
| <b>Totals:</b>                    | <del>419</del> 435     | -                        | -               | 2, <del>296</del> 376  | <del>791</del> 8187   | 4, <del>822</del> 981     | <del>7,909</del> 8,174  |
| Banning Ranch                     | 30                     | 100%                     | 50 du/acre      | 443                    | 148                   | 884                       | 1,475                   |
| <b>Totals with Banning Ranch:</b> | <del>449</del> 465     | -                        | -               | <del>3,077</del> 2,818 | <del>1,330</del> 9665 | <del>7,206</del> 5,957865 | <del>11,613</del> 9,649 |

The City has also identified strategies in which these densities can be achieved in **Section 4: Housing Plan** under Housing Goal #1. For additional information about recently completed projects, see **Attachment B-1: Completed Projects of Mixed Densities**.



### Evidence Supporting Residential Development in Mixed-Use Zones

Considering existing development and a lack of vacant land, the City's housing strategy to demonstrate capacity for the 2021-2029 RHNA growth need relies on infill development opportunities within six focus areas. In each of these areas, existing land use policy either allows residential by-right, allows residential by-right through a mixed-use development project, or does not allow residential at all. As part of the identification of new sites for each area, the City will adopt new land use regulations (Policy Actions 1A to 1F) that will ensure residential development is permitted by-right with densities ranging between 50 and 60 du/ac. It is not the City's intent to exclude the permitting of nonresidential development in these areas, as it is a vital land use component that contributes to a livable, mixed-use character in support of many citywide goals.

While the City understands its RHNA obligations, it must also continue to accommodate growth for jobs, retail, services, and amenities, especially in existing mixed-use land use category areas. In order to account for and address this, the City has evaluated each of the focus areas and has assigned a redevelopment percentage for each area to account for assumptions of nonresidential growth. The percent assumptions vary depending on the past performance of recent development and future projected trends. In areas where there are pending applications and owner or developer interest, assumptions for residential were increased. Unit yields were primarily based upon written developer interest from property owners of these sites. Conversely, assumptions were decreased in areas where residential development is more speculative. The resulting percentages for residential redevelopment are as follows:

- In the Airport Focus Area, 30% of the 140 acres area is assumed to accommodate residential units
- In the West Newport Mesa Focus Area, 47% of the 47 acres is assumed to accommodate residential units
- In the Dover-Westcliff Focus Area, 52% of the 20 acres is assumed to accommodate residential units
- In the Newport Center Focus Area, 30% of the 163 acres is assumed to accommodate residential units
- In the Coyote Canyon Focus Area, 75% of the 34 acres is assumed to accommodate residential units
- While the Banning Ranch Focus Area identifies opportunity sites, they are not used to accommodate any part of the 2021-2029 RHNA growth need

Beyond this conservative approach with residential redevelopment percentages, the actual development trends for projects in existing mixed-use areas of Newport Beach, including the Airport Area, are heavily towards residential and away from commercial. This is evidenced by projects identified in Table B-10 (Airport Area Pipeline Projects Summarized). It is notable that none of these sites were zoned for primarily residential development, rather residential development was a redevelopment option. With the exception the MacArthur at Dolphin-Striker project (a small commercial center), there have been no major standalone commercial projects in the Airport Area for over two decades. Furthermore, projects in other



mixed-use areas, including Mariner’s Mile, where zoning requires a minimum commercial component as part of a mixed-use development, have been requesting and obtaining development incentives through density bonus to reduce the amount of commercial floor area required. Recent examples include the West Coast Highway Mixed-Use project, which included 36 new residential units and a development incentive to reduce the required nonresidential floor area from 0.25 floor area ratio (FAR) to just under 0.125 FAR. In the same area, the City recently accepted a preliminary development application for a larger-scale project (Newport Village) that will also include a request to reduce the required commercial floor area as part of the mixed-use project.

Between the redevelopment percentage and the demonstrative projects exhibiting a solid trend towards residential development, the City believes mixed-use designated areas are conducive to residential development and essential to maintaining thriving, vibrant neighborhoods.

#### 4. Development of Moderate and Above Moderate Sites Inventory

This section contains a description and listing of the candidate sites identified to meet the City's moderate and above moderate income RHNA need. A full list of these sites is presented **Tables B-12, B-14, B-17, B-20, B-22, and B-24**.

##### Projects in the Pipeline

The City has identified a number of projects currently in the entitlements process which are likely to be developed and/or first occupied during the planning period and count as credit towards the 2021-2029 RHNA allocation. Notably, Projects in the Pipeline can completely accommodate the City's Above Moderate RHNA allocation. **Table B-7** below summarizes the potential units from Projects in the Pipeline:

**Table B-7: Moderate and Above Moderate-Income Projects in the Pipeline**

|                   | Moderate Income | Above Moderate Income |
|-------------------|-----------------|-----------------------|
| Pipeline Projects | 32 units        | 1,455 units           |

##### Accessory Dwelling Units for Moderate and Above Moderate-Income Households

As noted in Section 3 of this Appendix, the City anticipates a total of 72 ADUs affordable at moderate income levels and 5 ADUs affordable at the above moderate-income level. The ADU production strategy for the City is thoroughly described in **Appendix D: Accessory Dwelling Units**.

##### Remaining Need

**Table B-8** below displays the City's RHNA allocation need affordable to moderate and above moderate-income households for the years 2021-2029 as well as the City's net RHNA allocation need affordable to moderate and above moderate households after the inclusion of Projects in the Pipeline and ADUs.

**Table B-8: Moderate and Above Moderate-Income Remaining Need**

|                                                                           | Moderate Income    | Above Moderate Income    |
|---------------------------------------------------------------------------|--------------------|--------------------------|
| <b>RHNA Allocation</b>                                                    | <b>1,050 units</b> | <b>1,409 units</b>       |
| Pipeline Projects                                                         | 32 units           | 1,455 units              |
| Existing Zoning                                                           | 287 units          | 40 units                 |
| Accessory Dwelling Units                                                  | 72 units           | 5 units                  |
| <b>Remaining <del>Moderate/Very Low-Above Moderate-</del> Income Need</b> | <b>659 units</b>   | <b>No remaining need</b> |

##### Selection of Sites to Accommodate Remaining Need

As noted in Section 3 of this Appendix, the City conducted a public process to establish Focus Areas for rezone. Similar to the strategies laid out for lower-income units, the development of moderate and above moderate units was projected within each Focus Area as well. Although the specific buildout assumptions (both on affordability and overall development potential) that produce the Potential Units are described, area-by-area, in the **Sites Inventory** of this document, **Table B-9** below serves as a summary:

**Table B-9: Moderate/Above Moderate-Income Rezone Strategy by Focus Area**

| Focus Area                      | Anticipated Feasible Acreage | Assumed Rezone Density | Potential Moderate-Income Units    | Potential Above Moderate-Income Units |
|---------------------------------|------------------------------|------------------------|------------------------------------|---------------------------------------|
| Airport Area Environs           | <del>163</del> 172 ac        | 50 du/ac               | <del>244</del> 258                 | 1,464546                              |
| West Newport Mesa Area          | 47 ac                        | 50 du/ac               | 111                                | 664                                   |
| Dover-Westcliff Area            | <del>182</del> 0 ac          | 50 du/ac               | <del>465</del> 2                   | <del>275</del> 3132                   |
| Newport Center Area             | <del>158</del> 163 ac        | 50 du/ac               | <del>237</del> 244                 | 1,425463                              |
| Coyote Canyon Area              | 34 ac                        | 60 du/ac               | 153                                | 995                                   |
| TOTAL                           | <del>429</del> 436 ac        | -                      | <del>791</del> 8187 units          | 4,913981 units                        |
| Banning Ranch Area              | 30 ac                        | 50 du/ac               | 148 units                          | 884 units                             |
| <b>TOTAL with Banning Ranch</b> | <b><del>459</del>466 ac</b>  | --                     | <b><del>1,330</del>93966 units</b> | <b>5,797706865 units</b>              |

## 5. The Sites Inventory

Each of the following sections describes the identified areas and contains a table of redevelopment assumptions and projected unit capacities. Additionally, each Focus Area is followed by a map detailing the adequate sites inventory, organized by area. This inventory should be understood as a large pool of sites from which the City can accommodate development and maintain capacity to meet the RHNA allocation as assigned. It is unlikely every site will develop housing units; therefore the larger inventory has been presented with realistic buildout assumptions. These buildout assumptions serve to both help the City properly project housing development for transportation and infrastructure needs, and to more accurately project development for the purposes of the Sites Inventory.

### Letters of Interest

Many sites within the sites inventory are characterized as non-vacant. Of those sites, ~~82~~91 have received letters of interest from developers that would like to build housing and other mixed-use projects on the parcels. Approximately 25 percent of all sites in the inventory have an explicit letter of interest from an owner/developer. The large volume of letters of interest proves that there is a strong appetite within the City of Newport Beach to develop on non-vacant sites including small, non-vacant sites (see Section 3, *Small Sites*). This is further supported by the list of in the pipeline projects list in this Appendix.

### Airport Area Environs

The Airport Area Environs has been an active area for development in the City for several years. The development of higher-density residential units within this Focus Area can be expected to accommodate lower-income units. Increasing density within the Airport Area was also a key strategy as part of the City's 4th and 5th Cycle Housing Element Updates. As a result, high-density developments such as Phase 1A of the Uptown Newport Apartments have been made possible. This development achieved a density of 56 du/acre and provided about 91 units of Low and Very Low-Income housing in the City. There are plans to continue this development, which are described below.

In addition to the Uptown Newport Apartment Project, there is interest to develop multi-family housing. As of November 2021, there are four approved and two pending projects within the Airport Area. These





projects would construct higher density housing for the area. **Table B-10** is a summarized version of Attachments 1 through 3. For more detailed information, please visit the Attachments.

**Table B-10: Airport Area Pipeline Projects Summarized**

| Project                            | Density                                             | Evidence for Future Development                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Approved Projects                  |                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Newport Airport Village            | 46 du/acre (69 du/acre with density bonus)          | The Project consolidates multiple smaller lots into one large development site. The Project demonstrates that nonvacant sites are viable for redevelopment into high-density residential and mixed-use developments.                                                                                                                                                                                                                                                                           |
| Residences at 4400 Von Karman      | 44 du/acre (53 du/acre with density bonus)          | This Project would convert an underutilized parking lot into higher density residential development.                                                                                                                                                                                                                                                                                                                                                                                           |
| Newport Crossings                  | 67 du/acre (50 du/acre excluding density bonus)     | The Subject Property is a pentagonal-shape site and consists of three contiguous parcels. The lot line adjustment allows the reconfiguration of the underlying parcels to create a 0.5-acre parcel (Parcel 2) to be deeded to the City for public park use consistent with General Plan requirements, a 0.11-acre parcel (Parcel 3) for public parking for park use and emergency vehicle access for the mixed-use development, and 5.08-acre parcel (Parcel 1) for the mixed-use development. |
| Uptown Newport Residences Phase 1B | 19.71 du/acre                                       | The Project site currently has a single-story office building. The Project would demonstrate that nonvacant sites can be viable for redevelopment into higher density residential and mixed-use developments.                                                                                                                                                                                                                                                                                  |
| Pending Projects                   |                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Uptown Newport Residences Phase 1C | 56.60 du/acre                                       | The Project site currently has a single-story office building. The Project would demonstrate that nonvacant sites can be viable for redevelopment into higher density residential and mixed-use developments.                                                                                                                                                                                                                                                                                  |
| 1300 Bristol Apartment             | 98 du/acre (40 du/acre excluding the density bonus) | The Project site currently has a two-story office building. The Project would demonstrate that nonvacant sites can be viable for redevelopment into higher density residential and mixed-use developments.                                                                                                                                                                                                                                                                                     |

Of the 223 acres of land deemed suitable for residential development in the Airport Area, ~~163~~172 acres met the criteria required by AB 1397 for sites projected to accommodate Low and Very Low-Income units.



Although the parcels within the Sites Inventory have the capacity to accommodate approximately ~~7,8188,272~~ units of development (at an assumed unit yield of 50 du/ac), an assumption of approximately 30% redevelopment has been applied considering development history, economic factors, and AFFH requirements. The assumed buildout is therefore projected at 2,~~440577440~~ units, ~~732773732~~ of which are projected to develop affordably.

**Table B-11** below displays the capacity and opportunity in this Focus Area which can help accommodate the City’s RHNA allocation. **Figure B-3** below maps the sites identified within this Focus Area which can help accommodate a portion of the City’s RHNA allocation.

**Table B-11: Airport Area Environs - Redevelopment Analysis**

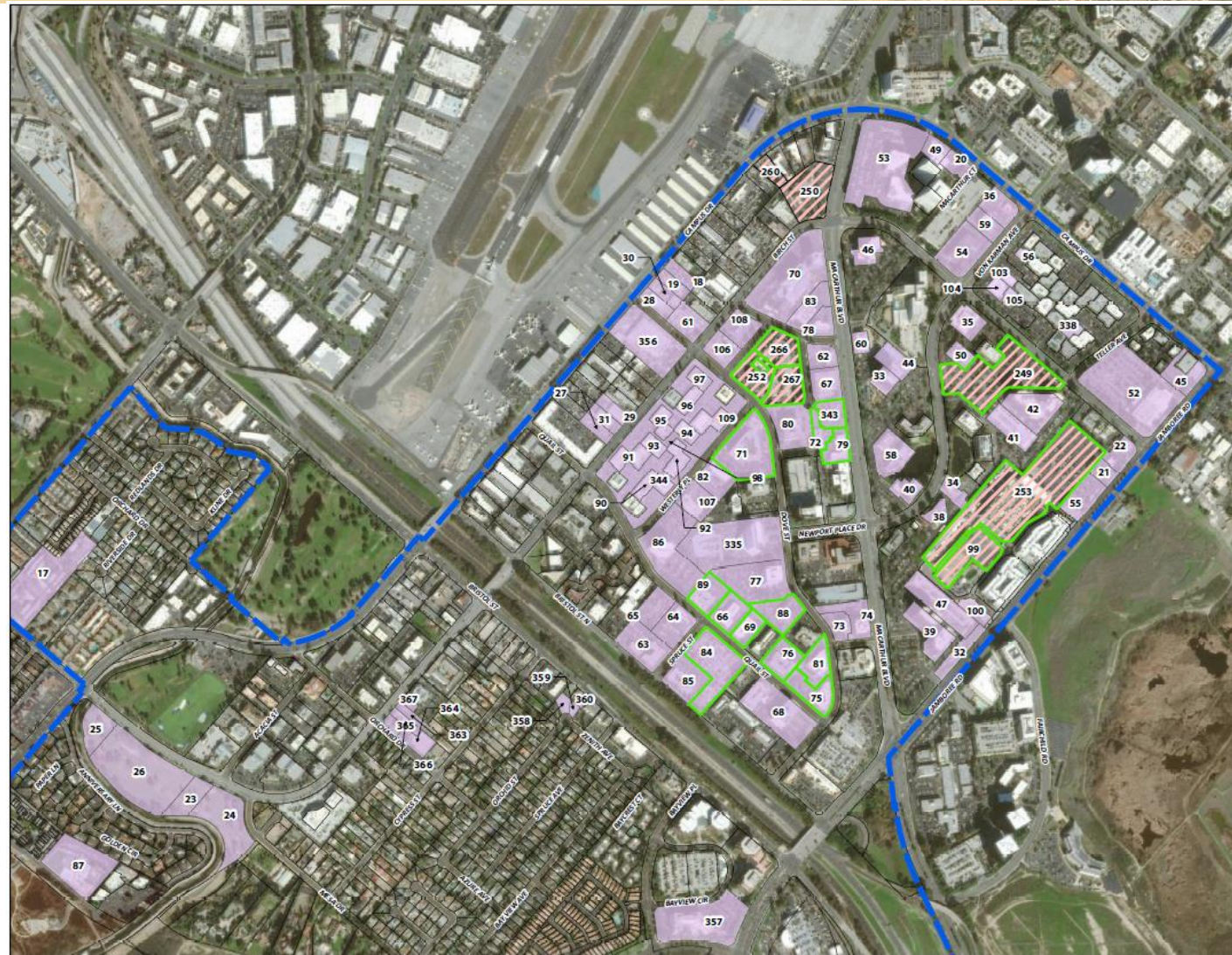
| Feasible Acreage        | Assumed Density | Net Units                 |                         |                              |                               |
|-------------------------|-----------------|---------------------------|-------------------------|------------------------------|-------------------------------|
|                         |                 | Low Very Low              | Moderate                | Above Moderate               | Total                         |
| <del>163172</del> acres | 50 du/ac        | <del>73273273</del> units | <del>244258</del> units | 1, <del>46445464</del> units | 2, <del>440577440</del> units |



Figure B-3: Airport Area Environs – Sites Inventory







### Site Inventory: Airport Area Environs

- LEGEND**
- City Boundary
  - 5th Cycle Sites
  - Pipeline Projects
  - Opportunity Sites

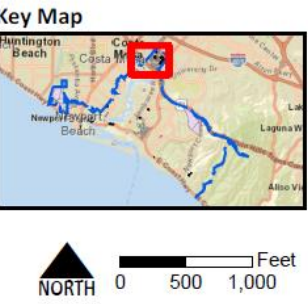






Table B-12: Airport Area Sites Inventory

| Parcel Number | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                                                                                                                                              | Letter Interest ? | Focus Area   | Inventory/ Map ID |
|---------------|--------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------|-------------------|
|               |                          |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                                                                                                                                                                                                                                         |                   |              |                   |
| 439 241 20    | Palm Mesa Ltd            | SP-7            | RM                             | No      |                 | 148            | 5.88          | 5.88              | Yes                  | 0                     | 50                        | 294                          | 146               | 44                     | 15  | 87        | This parcel currently has an aging apartment complex that does not show signs of renovation and several parking lots. This parcel has the opportunity to redevelop at a higher density or to accommodate additional development to the units currently on the property on the parking lot areas.                                                                                                                                        |                   | Airport Area | 17                |
| 427 121 24    | Beachwood Properties LLC | OA              | AO                             | No      |                 | 0              | 0.67          | 0.67              | Yes                  | 0                     | 50                        | 33                           | 33                | 10                     | 3   | 20        | This parcel was formerly a part of the "Koll Residences" and are contemplated as potential "infill housing" (not "replacement housing") located on surface parking lots under the Airport area provisions of the 2006 General Plan. An application has been filed with the City by Picerne for a new design of a residential project and this should be sufficient evidence of the desire of the owner to use the property for housing. |                   | Airport Area | 18                |
| 427 121 24    | Beachwood Properties LLC | OA              | AO                             | No      |                 | 0              | 0.67          | 0.67              | Yes                  | 0                     | 50                        | 33                           | 33                | 10                     | 3   | 20        | This parcel was formerly a part of the "Koll Residences" and are contemplated as potential "infill housing" (not "replacement housing") located on surface parking lots under the Airport area provisions of the 2006 General Plan. An application has been filed with the City by Picerne for a new design of a residential project and this should be sufficient evidence of the desire of the owner to use the property for housing. |                   | Airport Area | 18                |
| 445 121 17    | Co Irvine                | PC              | CO-G                           | No      |                 | 0              | 0.91          | 0.91              | Yes                  | 0                     | 50                        | 45                           | 45                | 14                     | 5   | 26        | The surface parking lot on this parcel is owned by the Irvine Company at SEC MacArthur & Campus. The parking structure on this parcel is a part of the Irvine Company Class A offices. The sizeable parking fields and parking structure on the parcel give opportunity for housing development.                                                                                                                                        |                   | Airport Area | 20                |
| 445 161 03    | Todd Todd Schiffman      | PC              | MU-H2                          | No      |                 | 0              | 0.69          | 0.69              | Yes                  | 0                     | 50                        | 34                           | 34                | 10                     | 3   | 21        | This parcel is already approved by the City for Newport Crossings multi-tenant housing project.                                                                                                                                                                                                                                                                                                                                         |                   | Airport Area | 21                |



Table B-12: Airport Area Sites Inventory

| Parcel Number | Owner                   | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                         | Letter Interest ? | Focus Area   | Inventory/ Map ID |
|---------------|-------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------|-------------------|
|               |                         |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                    |                   |              |                   |
| 445 161 03    | Todd Todd Schiffman     | PC              | MU-H2                          | No      |                 | 0              | 1.04          | 1.04              | Yes                  | 0                     | 50                        | 51                           | 51                | 15                     | 5   | 31        | This parcel is already approved by the City for Newport Crossings multi-tenant housing project.                                                                                    |                   | Airport Area | 22                |
| 119 300 17    | Newport Golf Club LLC   | SP-7            | PR                             | No      |                 | 0              | 1.38          | 1.38              | Yes                  | 0                     | 50                        | 69                           | 57*               | 17                     | 6   | 34        | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                 | Y                 | Airport Area | 23                |
| 119 310 04    | Newport Golf Club LLC   | SP-7            | PR                             | No      |                 | 0              | 3.70          | 3.70              | Yes                  | 0                     | 50                        | 184                          | 152*              | 46                     | 15  | 91        | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                 | Y                 | Airport Area | 24                |
| 119 300 15    | Newport Golf Club LLC   | SP-7            | PR                             | No      |                 | 0              | 1.52          | 1.52              | Yes                  | 0                     | 50                        | 76                           | 62*               | 19                     | 6   | 37        | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                 | Y                 | Airport Area | 25                |
| 119 300 16    | Newport Golf Club LLC   | SP-7            | PR                             | No      |                 | 0              | 7.30          | 7.30              | Yes                  | 0                     | 50                        | 364                          | 299*              | 89                     | 30  | 180       | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                 | Y                 | Airport Area | 26                |
| 427 131 16    | Birch Development Co    | OA              | AO                             | No      |                 | 0              | 0.67          | 0.67              | Yes                  | 0                     | 50                        | 33                           | 33                | 10                     | 3   | 20        | This parcel contains vegetation and excess parking stalls and is identified as a site for potential housing.                                                                       |                   | Airport Area | 27                |
| 427 121 01    | Dekk Associates LP      | OA              | AO                             | No      |                 | 0              | 0.73          | 0.73              | Yes                  | 0                     | 50                        | 36                           | 36                | 11                     | 4   | 21        | This parcel contains office space for an analytical data company and is identified as a site for potential housing.                                                                |                   | Airport Area | 28                |
| 427 131 14    | Chiappero               | OA              | AO                             | No      |                 | 0              | 0.67          | 0.67              | Yes                  | 0                     | 50                        | 33                           | 33                | 10                     | 3   | 20        | This parcel is currently under construction as a multi-story high rise apartment complex.                                                                                          |                   | Airport Area | 29                |
| 427 121 02    | Birch                   | OA              | AO                             | No      |                 | 0              | 0.67          | 0.67              | Yes                  | 0                     | 50                        | 33                           | 33                | 10                     | 3   | 20        | This parcel is a part of the "Koll Office Condo's" (SEC Campus and Von Karman). Due to the existing use of the parcel, it is identified as a possible site of housing development. |                   | Airport Area | 30                |
| 427 131 15    | Chiappero               | OA              | AO                             | No      |                 | 0              | 0.67          | 0.67              | Yes                  | 0                     | 50                        | 33                           | 33                | 10                     | 3   | 20        | This parcel is a part of the "Koll Office Condo's" (SEC Campus and Von Karman). Due to the existing use of the parcel, it is identified as a possible site of housing development. |                   | Airport Area | 31                |
| 445 131 26    | City National Bank      | PC              | MU-H2                          | No      |                 | 0              | 1.10          | 1.10              | Yes                  | 0                     | 50                        | 55                           | 55                | 17                     | 6   | 32        | This parcel contains office space for an architecture company and is identified as a site for potential housing.                                                                   |                   | Airport Area | 32                |
| 445 122 13    | 4400 Macarthur Property | PC              | MU-H2                          | No      |                 | 0              | 0.71          | 0.71              | Yes                  | 0                     | 50                        | 35                           | 35                | 11                     | 4   | 20        | This parcel contains vegetation and paved sidewalk and is identified as a site for potential housing.                                                                              |                   | Airport Area | 33                |



Table B-12: Airport Area Sites Inventory

| Parcel Number | Owner                     | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                                                                                                                                                         | Letter Interest ? | Focus Area   | Inventory/ Map ID |
|---------------|---------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------|-------------------|
|               |                           |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                   |              |                   |
| 445 133 06    | Mandarin Investment Group | PC              | MU-H2                          | No      |                 | 0              | 0.75          | 0.75              | Yes                  | 0                     | 50                        | 37                           | 37                | 11                     | 4   | 22        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                                                                                                                                   | Y                 | Airport Area | 34                |
| 445 131 21    | Von Karman Ventures LLC   | PC              | MU-H2                          | No      |                 | 0              | 1.19          | 1.19              | Yes                  | 0                     | 50                        | 59                           | 59                | 18                     | 6   | 35        | This parcel was formerly a part of the "Koll Residences" and are contemplated as potential "infill housing" (not "replacement housing") located on surface parking lots under the Airport area provisions of the 2006 General Plan. <del>An application has been filed with the City by Picerne for a new design of a residential project and this should be sufficient evidence of the desire of the owner to use the property for housing.</del> |                   | Airport Area | 35                |
| 445 121 11    | Carl's Jr Restaurants LLC | PC              | CG                             | No      |                 | 0              | 1.38          | 1.38              | Yes                  | 0                     | 50                        | 68                           | 68                | 20                     | 7   | 41        | This parcel is occupied by an office building at SWC Campus and Von Karman. This parcel could be combinable with parcel 59.                                                                                                                                                                                                                                                                                                                        |                   | Airport Area | 36                |
| 445 131 23    | Big Man On Campus LLC     | PC              | MU-H2                          | No      |                 | 0              | 0.53          | 0.53              | Yes                  | 0                     | 50                        | 26                           | 26                | 8                      | 3   | 15        | This parcel contains office space for lawyers and identified as a site for potential housing.                                                                                                                                                                                                                                                                                                                                                      |                   | Airport Area | 38                |
| 445 131 15    | Hg Newport Owner LLC      | PC              | MU-H2                          | No      |                 | 0              | 2.01          | 2.01              | Yes                  | 0                     | 50                        | 100                          | 100               | 30                     | 10  | 60        | Although this parcel is bisected by the 65dB line, City policy regarding noise dampening eliminates this impediment to development. Additionally, the presence of an auto-detailing shop presents the opportunity to develop housing.                                                                                                                                                                                                              |                   | Airport Area | 39                |
| 445 122 05    | Craig Realty              | PC              | MU-H2                          | No      |                 | 0              | 0.80          | 0.80              | Yes                  | 0                     | 50                        | 39                           | 39                | 12                     | 4   | 23        | This parcel is a small banking building, regular in shape and could potentially stand on its own as housing. Consolidating this parcel would make for a more developable scale.                                                                                                                                                                                                                                                                    |                   | Airport Area | 40                |
| 445 131 18    | John Hancock Life         | PC              | MU-H2                          | No      |                 | 0              | 1.61          | 1.61              | Yes                  | 0                     | 50                        | 80                           | 80                | 24                     | 8   | 48        | This parcel represents existing commercial development.                                                                                                                                                                                                                                                                                                                                                                                            |                   | Airport Area | 41                |
| 445 131 19    | John Hancock Life         | PC              | MU-H2                          | No      |                 | 0              | 2.30          | 2.30              | Yes                  | 0                     | 50                        | 115                          | 115               | 35                     | 12  | 68        | This parcel represents existing commercial development.                                                                                                                                                                                                                                                                                                                                                                                            |                   | Airport Area | 42                |





Table B-12: Airport Area Sites Inventory

| Parcel Number | Owner                      | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                                                                                                                         | Letter Interest ? | Focus Area   | Inventory/ Map ID |
|---------------|----------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------|-------------------|
|               |                            |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                                                                                                                                                                                                                    |                   |              |                   |
| 445 122 12    | 4400 Macarthur Property    | PC              | MU-H2                          | No      |                 | 0              | 1.17          | 1.17              | Yes                  | 0                     | 50                        | 58                           | 58                | 17                     | 6   | 35        | This parcel contains office space for banking and insurance companies and identified as a site for potential housing.                                                                                                                                                                                                                                                                                              |                   | Airport Area | 44                |
| 445 151 09    | Hoag Mem Hosp Presbyterian | PC              | MU-H2                          | No      |                 | 0              | 1.35          | 1.35              | Yes                  | 0                     | 50                        | 67                           | 67                | 20                     | 7   | 40        | This parcel is owned by Hoag. Staff has informed the subcommittee that UCI will be building a major medical facilities and hospital across the Jamboree (in Irvine). It is likely that this parcel will be used by Hoag to complement the UCI medical facilities, but it is possible that Hoag may consider workforce housing. A letter should be sent to Hoag to confirm Hoag's long-term land for those parcels. |                   | Airport Area | 45                |
| 445 122 09    | Ferrado Newport LLC        | PC              | MU-H2                          | No      |                 | 0              | 1.03          | 1.03              | Yes                  | 0                     | 50                        | 51                           | 51                | 15                     | 5   | 31        | This parcel does not look to have any parking facilities, as the parcel is not much larger than the building footprint, yet is identified as a potential site for housing development.                                                                                                                                                                                                                             |                   | Airport Area | 46                |
| 445 131 31    | Kcn Management LLC         | PC              | MU-H2                          | No      |                 | 0              | 2.58          | 2.58              | Yes                  | 0                     | 50                        | 128                          | 128               | 38                     | 13  | 77        | This parcel has a functioning office and identified as a potential location for housing.                                                                                                                                                                                                                                                                                                                           |                   | Airport Area | 47                |
| 445 121 05    | Mac Arthur Court LLC       | PC              | CO-G                           | No      |                 | 0              | 0.74          | 0.74              | Yes                  | 0                     | 50                        | 37                           | 37                | 11                     | 4   | 22        | This parcel is owned by the Irvine Company at SEC MacArthur & Campus. There are somewhat sizeable parking fields on the parcel, and the property owner should be advised that the addition of housing to the parcel might be possible.                                                                                                                                                                             |                   | Airport Area | 49                |
| 445 131 09    | 4440 Vka Tic 3 LLC         | PC              | MU-H2                          | No      |                 | 0              | 0.66          | 0.66              | Yes                  | 0                     | 50                        | 32                           | 32                | 10                     | 3   | 19        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                                                                                                   | Y                 | Airport Area | 50                |
| 445 151 01    | County Of Orange           | PC              | PF                             | No      |                 | 0              | 7.78          | 7.78              | Yes                  | 0                     | 50                        | 388                          | 388               | 116                    | 39  | 233       | This parcel is already approved by the City for Newport Crossings multi-tenant housing project.                                                                                                                                                                                                                                                                                                                    |                   | Airport Area | 52                |
| 445 121 14    | Mac Arthur Court LLC       | PC              | CO-G                           | No      |                 | 0              | 7.81          | 7.81              | Yes                  | 0                     | 50                        | 390                          | 390               | 117                    | 39  | 234       | This parcel is owned by the Irvine Company at SEC MacArthur & Campus. There are somewhat sizeable parking fields on the parcel, and the property owner should be advised that the addition of housing to the parcel might be possible.                                                                                                                                                                             |                   | Airport Area | 53                |



Table B-12: Airport Area Sites Inventory

| Parcel Number | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                         | Letter Interest ? | Focus Area   | Inventory/ Map ID |
|---------------|--------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------|-------------------|
|               |                          |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                    |                   |              |                   |
| 445 121 18    | Bre & Esa Properties LLC | PC              | CG                             | No      |                 | 0              | 2.65          | 2.65              | Yes                  | 0                     | 50                        | 132                          | 132               | 40                     | 13  | 79        | This parcel is designated for a hotel use that is <u>aan</u> identified as a possible candidate for housing. The property owner should be advised that a land use change to accommodate housing might be possible. |                   | Airport Area | 54                |
| 445 161 04    | 4425 Jamboree LLC        | PC              | MU-H2                          | No      |                 | 0              | 1.69          | 1.69              | Yes                  | 0                     | 50                        | 84                           | 84                | 25                     | 8   | 51        | This parcel is already approved by the City for Newport Crossings multi-tenant housing project.                                                                                                                    | Y                 | Airport Area | 55                |
| 445 141 04    | Coastal Azul Management  | PC              | MU-H2                          | No      |                 | 0              | 0.26          | 0.26              | No                   | 0                     | 50                        | 13                           | 13                | 4                      | 1   | 8         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                   | Y                 | Airport Area | 56                |
| 445 122 17    | Pacific Club             | PC              | MU-H2                          | No      |                 | 0              | 1.95          | 1.95              | Yes                  | 0                     | 50                        | 97                           | 97                | 29                     | 10  | 58        | This parcel contains a restaurant overlooking a pond and is identified as a site for potential housing.                                                                                                            |                   | Airport Area | 58                |
| 445 121 09    | Nf Von Karman LLC        | PC              | CG                             | No      |                 | 0              | 1.00          | 1.00              | Yes                  | 0                     | 50                        | 49                           | 49                | 15                     | 5   | 29        | This parcel is occupied by a "Carl's Jr." This parcel appears to be more underutilized than parcel 36, and these parcels could be combinable.                                                                      |                   | Airport Area | 59                |
| 445 122 19    | M4 Macarthur LLC         | PC              | MU-H2                          | No      |                 | 0              | 0.51          | 0.51              | Yes                  | 0                     | 50                        | 25                           | 25                | 8                      | 3   | 14        | This parcel is a viable commercial development that front Bristol and the 73 freeway and is identified as a site for potential housing.                                                                            |                   | Airport Area | 60                |
| 427 121 27    | Birch                    | OA              | AO                             | No      |                 | 0              | 1.41          | 1.41              | Yes                  | 0                     | 50                        | 70                           | 70                | 21                     | 7   | 42        | This parcel contains a parking lot and identified as a site for potential housing.                                                                                                                                 |                   | Airport Area | 61                |
| 427 173 01    | Bank First And Inc       | PC              | MU-H2                          | No      |                 | 0              | 1.00          | 1.00              | Yes                  | 0                     | 50                        | 49                           | 49                | 15                     | 5   | 29        | This parcel is a small banking building, regular in shape and could potentially stand on its own as housing. Consolidating this parcel would make for a more developable scale.                                    |                   | Airport Area | 62                |
| 427 332 02    | Bsp Bristol LLC          | PC              | CO-G                           | No      |                 | 0              | 2.38          | 2.38              | Yes                  | 0                     | 50                        | 118                          | 118               | 35                     | 12  | 71        | This parcel contains office space a hotel and is identified as a site for potential housing.                                                                                                                       |                   | Airport Area | 63                |
| 427 332 04    | Newport Place Investment | PC              | CO-G                           | No      |                 | 0              | 1.70          | 1.70              | Yes                  | 0                     | 50                        | 85                           | 85                | 26                     | 9   | 50        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                   | Y                 | Airport Area | 64                |



Table B-12: Airport Area Sites Inventory

| Parcel Number | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                                                                                                                                              | Letter Interest ? | Focus Area   | Inventory/ Map ID |
|---------------|--------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------|-------------------|
|               |                          |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                                                                                                                                                                                                                                         |                   |              |                   |
| 427 332 03    | Crown Building           | PC              | CO-G                           | No      |                 | 0              | 1.41          | 1.41              | Yes                  | 0                     | 50                        | 70                           | 70                | 21                     | 7   | 42        | This parcel is an improved parking lot that could be a potential location for infill housing. If suitable, the owner of this parcel should be advised that the addition of housing might be possible.                                                                                                                                                                                                                                   |                   | Airport Area | 65                |
| 427 221 14    | Ndh America Inc          | PC              | MU-H2                          | No      |                 | 0              | 1.50          | 1.50              | Yes                  | 0                     | 50                        | 75                           | 75                | 23                     | 8   | 44        | This parcel was formerly a part of the "Koll Residences" and are contemplated as potential "infill housing" (not "replacement housing") located on surface parking lots under the Airport area provisions of the 2006 General Plan. An application has been filed with the City by Picerne for a new design of a residential project and this should be sufficient evidence of the desire of the owner to use the property for housing. |                   | Airport Area | 66                |
| 427 181 01    | Macarthur Pacific Plaza  | PC              | MU-H2                          | No      |                 | 0              | 1.45          | 1.45              | Yes                  | 0                     | 50                        | 72                           | 72                | 22                     | 7   | 43        | This parcel contains office space for real estate developers and identified as a site for potential housing.                                                                                                                                                                                                                                                                                                                            |                   | Airport Area | 67                |
| 427 241 13    | Newport Plaza Office LLC | PC              | CG                             | No      |                 | 0              | 3.95          | 3.95              | Yes                  | 0                     | 50                        | 197                          | 197               | 59                     | 20  | 118       | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                                                                                                                        | Y                 | Airport Area | 68                |
| 427 221 13    | 1200 Quail St LLC        | PC              | MU-H2                          | No      |                 | 0              | 1.00          | 1.00              | Yes                  | 0                     | 50                        | 49                           | 49                | 15                     | 5   | 29        | This parcel has a functioning office building but could be a location for housing.                                                                                                                                                                                                                                                                                                                                                      |                   | Airport Area | 69                |
| 427 174 04    | Elite West LLC           | PC              | MU-H2                          | No      |                 | 0              | 6.32          | 6.32              | Yes                  | 0                     | 50                        | 315                          | 315               | 95                     | 32  | 188       | This parcel contains office space for a manufacturing company and is identified as a site for potential housing.                                                                                                                                                                                                                                                                                                                        |                   | Airport Area | 70                |
| 427 221 01    | Nf Dove LLC              | PC              | MU-H2                          | No      |                 | 0              | 3.99          | 3.99              | Yes                  | 0                     | 50                        | 199                          | 199               | 60                     | 20  | 119       | This parcel is currently under construction as a multi-story high rise apartment complex.                                                                                                                                                                                                                                                                                                                                               | Y                 | Airport Area | 71                |
| 427 181 08    | Gurcharan Singh Sandher  | PC              | MU-H2                          | No      |                 | 0              | 0.72          | 0.72              | Yes                  | 0                     | 50                        | 35                           | 35                | 11                     | 4   | 20        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                                                                                                                        | Y                 | Airport Area | 72                |
| 427 222 05    | Malaguena                | PC              | MU-H2                          | No      |                 | 0              | 0.90          | 0.90              | Yes                  | 0                     | 50                        | 45                           | 45                | 14                     | 5   | 26        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                                                                                                                        | Y                 | Airport Area | 73                |
| 427 222 06    | Pmc Macarthur LLC        | PC              | MU-H2                          | No      |                 | 0              | 1.56          | 1.56              | Yes                  | 0                     | 50                        | 77                           | 77                | 23                     | 8   | 46        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                                                                                                                        | Y                 | Airport Area | 74                |



Table B-12: Airport Area Sites Inventory

| Parcel Number | Owner                     | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                         | Letter Interest ? | Focus Area   | Inventory/ Map ID |
|---------------|---------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------|-------------------|
|               |                           |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                                                                                                                    |                   |              |                   |
| 427 221 10    | Sbs Dove Street Partners  | PC              | MU-H2                          | No      |                 | 0              | 1.71          | 1.71              | Yes                  | 0                     | 50                        | 85                           | 85                | 26                     | 9   | 50        | This parcel contains office space for an architectural firm and is identified as a site for potential housing.                                                                                                                                                                                                     |                   | Airport Area | 75                |
| 427 221 11    | Hankey Investment Company | PC              | MU-H2                          | No      |                 | 0              | 1.52          | 1.52              | Yes                  | 0                     | 50                        | 76                           | 76                | 23                     | 8   | 45        | This parcel contains office space for a manufacturing company and is identified as a site for potential housing.                                                                                                                                                                                                   |                   | Airport Area | 76                |
| 427 221 06    | Dove Owner Ag             | PC              | MU-H2                          | No      |                 | 0              | 3.59          | 3.59              | Yes                  | 0                     | 50                        | 179                          | 179               | 54                     | 18  | 107       | This parcel has a two-level parking structure for a multi-story office structure that could be re-worked to add housing. The owner of this parcel should be advised that the addition of housing might be possible.                                                                                                |                   | Airport Area | 77                |
| 427 174 06    | J Ray Macarthur Sanderson | PC              | MU-H2                          | No      |                 | 0              | 0.94          | 0.94              | Yes                  | 0                     | 50                        | 47                           | 47                | 14                     | 5   | 28        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                   | Y                 | Airport Area | 78                |
| 427 181 07    | Ridgeway Real Estate      | PC              | MU-H2                          | No      |                 | 0              | 1.10          | 1.10              | Yes                  | 0                     | 50                        | 55                           | 55                | 17                     | 6   | 32        | This parcel shares a parking lot with parcel 72. The two buildings on this parcel are newer, vintage commercial buildings, and due to the existing use, identified as a potential source for housing development. The current owner of the property has expressed to City staff written interest to allow housing. | Y                 | Airport Area | 79                |
| 427 181 03    | Gs 1600 Dove LLC          | PC              | MU-H2                          | No      |                 | 0              | 2.49          | 2.49              | Yes                  | 0                     | 50                        | 124                          | 124               | 37                     | 12  | 75        | This parcel is a commercial retail building operated by national food and beverage companies and likely to be housing sites if combined with neighboring sites.                                                                                                                                                    |                   | Airport Area | 80                |
| 427 221 09    | Feb Dove Street Partners  | PC              | MU-H2                          | No      |                 | 0              | 1.51          | 1.51              | Yes                  | 0                     | 50                        | 75                           | 75                | 23                     | 8   | 44        | This parcel is an oddly shaped parcel that would not be able to efficiently be planned as separate housing projects. The City will work with the owner to encourage housing development with adjacent parcels nearby.                                                                                              |                   | Airport Area | 81                |
| 427 221 02    | Westerly Ow-Aberdeen      | PC              | CO-G                           | No      |                 | 0              | 1.46          | 1.46              | Yes                  | 0                     | 50                        | 72                           | 72                | 22                     | 7   | 43        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                   | Y                 | Airport Area | 82                |





Table B-12: Airport Area Sites Inventory

| Parcel Number | Owner                     | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                                           | Letter Interest ? | Focus Area   | Inventory/ Map ID |
|---------------|---------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------|-------------------|
|               |                           |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                                                                                                                                      |                   |              |                   |
| 427 174 05    | J Ray Macarthur Sanderson | PC              | MU-H2                          | No      |                 | 0              | 1.50          | 1.50              | Yes                  | 0                     | 50                        | 75                           | 75                | 23                     | 8   | 44        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                     | Y                 | Airport Area | 83                |
| 427 342 02    | Jones Fletcher Jr.        | PC              | MU-H2                          | No      |                 | 0              | 3.70          | 3.70              | Yes                  | 0                     | 50                        | 184                          | 184               | 55                     | 18  | 111       | This parcel is a parking lot and large enough for a sizable, standalone project. If combined with parcel 85, there would be enough land for a good-sized project. The property owner will be advised that the use of housing of Parcel 84 alone or in combination with 85 would be possible, both as very feasible housing projects. |                   | Airport Area | 84                |
| 427 342 01    | Hilbert Properties II     | PC              | MU-H2                          | No      |                 | 0              | 1.97          | 1.97              | Yes                  | 0                     | 50                        | 98                           | 98                | 29                     | 10  | 59        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                     | Y                 | Airport Area | 85                |
| 427 221 16    | 1500 Quail Property LLC   | PC              | CO-G                           | No      |                 | 0              | 4.76          | 4.76              | Yes                  | 0                     | 50                        | 238                          | 238               | 71                     | 24  | 143       | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                     | Y                 | Airport Area | 86                |
| 439 401 01    | Men's Christian Young     | PF              | PF                             | No      |                 | 0              | 4.03          | 4.03              | Yes                  | 0                     | 50                        | 201                          | 201               | 60                     | 20  | 121       | This parcel is a community recreation center with a large parking lot and several grass fields which present the opportunity for additional housing development on the site.                                                                                                                                                         | Y                 | Airport Area | 87                |
| 427 221 07    | Hankey Investment Company | PC              | MU-H2                          | No      |                 | 0              | 1.75          | 1.75              | Yes                  | 0                     | 50                        | 87                           | 87                | 26                     | 9   | 52        | This parcel has a functioning office building but could be a location for housing.                                                                                                                                                                                                                                                   |                   | Airport Area | 88                |
| 427 221 15    | Davenport Quail Partners  | PC              | MU-H2                          | No      |                 | 0              | 1.47          | 1.47              | Yes                  | 0                     | 50                        | 73                           | 73                | 22                     | 7   | 44        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                     | Y                 | Airport Area | 89                |
| 427 141 14    | Sa Abanoub LLC            | PC              | CO-G                           | No      |                 | 0              | 0.64          | 0.64              | Yes                  | 0                     | 50                        | 31                           | 31                | 9                      | 3   | 19        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                     | Y                 | Airport Area | 90                |
| 936 790 44    | Jrj Investments LP        | PC              | CO-G                           | No      |                 | 0              | 0.97          | 0.97              | Yes                  | 0                     | 50                        | 48                           | 48                | 14                     | 5   | 29        | This parcel contains space for cosmetic services, an education center, and stockbrokers that are identifies as sites for potential housing.                                                                                                                                                                                          |                   | Airport Area | 91                |



Table B-12: Airport Area Sites Inventory

| Parcel Number | Owner                       | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                         | Letter Interest ? | Focus Area   | Inventory/ Map ID |
|---------------|-----------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------|-------------------|
|               |                             |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                    |                   |              |                   |
| 936 790 50    | Sa Abanoub LLC              | PC              | CO-G                           | No      |                 | 0              | 0.86          | 0.86              | Yes                  | 0                     | 50                        | 42                           | 42                | 13                     | 4   | 25        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                   | Y                 | Airport Area | 92                |
| 427 141 04    | Sa Abanoub LLC              | PC              | CO-G                           | No      |                 | 0              | 0.52          | 0.52              | Yes                  | 0                     | 50                        | 26                           | 26                | 8                      | 3   | 15        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                   | Y                 | Airport Area | 93                |
| 427 141 11    | Sa Abanoub LLC              | PC              | CO-G                           | No      |                 | 0              | 0.52          | 0.52              | Yes                  | 0                     | 50                        | 26                           | 26                | 8                      | 3   | 15        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                   | Y                 | Airport Area | 94                |
| 936 790 48    | Sa Abanoub LLC              | PC              | CO-G                           | No      |                 | 0              | 0.72          | 0.72              | Yes                  | 0                     | 50                        | 36                           | 36                | 11                     | 4   | 21        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                   | Y                 | Airport Area | 95                |
| 427 141 07    | Sa Abanoub LLC              | PC              | CO-G                           | No      |                 | 0              | 0.58          | 0.58              | Yes                  | 0                     | 50                        | 29                           | 29                | 9                      | 3   | 17        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                   | Y                 | Airport Area | 96                |
| 427 141 08    | Sa Abanoub LLC              | PC              | CO-G                           | No      |                 | 0              | 0.51          | 0.51              | Yes                  | 0                     | 50                        | 25                           | 25                | 8                      | 3   | 14        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                   | Y                 | Airport Area | 97                |
| 427 141 16    | Sa Abanoub LLC              | PC              | CO-G                           | No      |                 | 0              | 8.61          | 8.61              | Yes                  | 0                     | 50                        | 430                          | 430               | 129                    | 43  | 258       | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                   | Y                 | Airport Area | 98                |
| 445 134 22    | Uptown Newport Jamboree LLC | PC              | MU-H2                          | No      |                 | 0              | 0.67          | 0.67              | Yes                  | 0                     | 50                        | 33                           | 33                | 10                     | 3   | 20        | This parcel is currently under construction as a multi-story high rise apartment complex.                                                                                          |                   | Airport Area | 100               |
| 445 141 11    | Ncp GI Owner LLC            | PC              | MU-H2                          | No      |                 | 0              | 0.29          | 0.29              | N/A                  | 0                     | 50                        | 14                           | 14                | 4                      | 1   | 9         | This parcel is a part of the "Koll Office Condo's" (SEC Campus and Von Karman). Due to the existing use of the parcel, it is identified as a possible site of housing development. |                   | Airport Area | 103               |
| 445 141 12    | Lyon Housing LLC            | PC              | MU-H2                          | No      |                 | 0              | 0.48          | 0.48              | N/A                  | 0                     | 50                        | 23                           | 23                | 7                      | 2   | 14        | This parcel is a part of the "Koll Office Condo's" (SEC Campus and Von Karman). Due to the existing use of the parcel, it is identified as a possible site of housing development. |                   | Airport Area | 104               |
| 445 141 13    | Ncp GI Owner LLC            | PC              | MU-H2                          | No      |                 | 0              | 0.29          | 0.29              | N/A                  | 0                     | 50                        | 14                           | 14                | 4                      | 1   | 9         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                   | Y                 | Airport Area | 105               |



Table B-12: Airport Area Sites Inventory

| Parcel Number        | Owner                   | Existing Zoning | Existing General Plan Land Use | Vacancy   | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |           |            | Existing Use and Explanation of Propensity                                                                                                                                                                                                           | Letter Interest ? | Focus Area          | Inventory/ Map ID |
|----------------------|-------------------------|-----------------|--------------------------------|-----------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------|-------------------|
|                      |                         |                 |                                |           |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod       | Above Mod  |                                                                                                                                                                                                                                                      |                   |                     |                   |
| 427 171 02           | Global Alliance Caesar  | PC              | CG                             | No        |                 | 0              | 1.20          | 1.20              | Yes                  | 0                     | 50                        | 59                           | 59                | 18                     | 6         | 35         | Although this parcel is bisected by the 65dB line, City policy regarding noise dampening eliminates this impediment to development. Additionally, the presence of an auto-detailing shop presents the opportunity to develop housing.                |                   | Airport Area        | 106               |
| 427 221 03           | Westerly Ow-Aberdeen    | PC              | CO-G                           | No        |                 | 0              | 1.46          | 1.46              | Yes                  | 0                     | 50                        | 73                           | 73                | 22                     | 7         | 44         | This parcel is not developed and identified as a site for potential housing. It is bordered by a manufacturing office and multi-story apartment complex.                                                                                             | Y                 | Airport Area        | 107               |
| 427 171 03           | Beni Investments LLC    | PC              | CG                             | No        |                 | 0              | 1.40          | 1.40              | Yes                  | 0                     | 50                        | 69                           | 69                | 21                     | 7         | 41         | Although this parcel is bisected by the 65dB line, City policy regarding noise dampening eliminates this impediment to development. Additionally, the presence of an auto-detailing shop presents the opportunity to develop housing.                |                   | Airport Area        | 108               |
| 936 790 46           | Orange County Bar       | PC              | CO-G                           | No        |                 | 0              | 0.97          | 0.97              | Yes                  | 0                     | 50                        | 48                           | 48                | 14                     | 5         | 29         | Although this parcel is bisected by the 65dB line, City policy regarding noise dampening eliminates this impediment to development. Additionally, the presence of undeveloped building pads at the site presents the opportunity to develop housing. |                   | Airport Area        | 109               |
| 427 221 17           | 0                       | PC              | MU-H2                          | No        |                 | 0              | 6.46          | 6.46              | Yes                  | 0                     | 50                        | 322                          | 322               | 97                     | 32        | 193        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                     | Y                 | Airport Area        | 335               |
| 445 141 31           | 0                       | PC              | MU-H2                          | No        |                 | 0              | 0.40          | 0.40              | N/A                  | 0                     | 50                        | 20                           | 20                | 6                      | 2         | 12         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                     | Y                 | Airport Area        | 338               |
| 427 181 09           | Gurcharan Singh Sandher | PC              | MU-H2                          | No        |                 | 0              | 0.72          | 0.72              | Yes                  | 0                     | 50                        | 35                           | 35                | 11                     | 4         | 20         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                     | Y                 | Airport Area        | 343               |
| 427 141 13           | Sa Abanoub LLC          | PC              | CO-G                           | No        |                 | 0              | 0.37          | 0.37              | No                   | 0                     | 50                        | 19                           | 19                | 6                      | 2         | 11         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                     | Y                 | Airport Area        | 344               |
| <u>427 -131 - 09</u> | <u>DMP Properties</u>   | <u>OA</u>       | <u>AO</u>                      | <u>No</u> |                 | <u>0</u>       | <u>4.19</u>   | <u>4.19</u>       | <u>Yes</u>           | <u>0</u>              | <u>50</u>                 | <u>209</u>                   | <u>209</u>        | <u>63</u>              | <u>21</u> | <u>125</u> | <u>The current owner of the property has expressed to City staff written interest to allow housing.</u>                                                                                                                                              | <u>Y</u>          | <u>Airport Area</u> | <u>356</u>        |



Table B-12: Airport Area Sites Inventory

| Parcel Number                                     | Owner                                     | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |           |           | Existing Use and Explanation of Propensity                                                                                                                                                        | Letter Interest ? | Focus Area                   | Inventory/ Map ID   |
|---------------------------------------------------|-------------------------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----------|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------------|---------------------|
|                                                   |                                           |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod       | Above Mod |                                                                                                                                                                                                   |                   |                              |                     |
| <a href="#">442 -282 - 02</a>                     | <a href="#">CHC Bayview Holdings, Inc</a> |                 |                                | No      |                 | <u>0</u>       | <u>5.23</u>   | <u>2.0</u>        | <u>Yes</u>           | <u>0</u>              | <u>50</u>                 | <u>100</u>                   | <u>100</u>        | <u>30</u>              | <u>10</u> | <u>60</u> | <a href="#">The current owner of the property has expressed to City staff written interest to allow housing.</a>                                                                                  | <u>Y</u>          | <a href="#">Airport Area</a> | <a href="#">357</a> |
| <a href="#">439 -021 - 13</a>                     | <a href="#">Bristol Zenith, LLC</a>       |                 |                                | No      |                 | <u>0</u>       | <u>0.31</u>   | <u>0.31</u>       | <u>No</u>            | <u>0</u>              | <u>50</u>                 | <u>8</u>                     | <u>8</u>          | <u>2</u>               | <u>1</u>  | <u>5</u>  | <a href="#">The current owner of the property has expressed to City staff written interest to allow housing. Consolidated onto Map ID Sites 358, 359, 360</a>                                     | <u>Y</u>          | <a href="#">Airport Area</a> | <a href="#">358</a> |
| <a href="#">439 -021 - 12</a>                     | <a href="#">Bristol Zenith, LLC</a>       |                 |                                | No      |                 | <u>0</u>       | <u>0.17</u>   | <u>0.17</u>       | <u>No</u>            | <u>0</u>              | <u>50</u>                 | <u>8</u>                     | <u>8</u>          | <u>2</u>               | <u>1</u>  | <u>5</u>  | <a href="#">The current owner of the property has expressed to City staff written interest to allow housing. Consolidated onto Map ID Sites 358, 359, 360</a>                                     | <u>Y</u>          | <a href="#">Airport Area</a> | <a href="#">359</a> |
| <a href="#">439 -021 - 03</a>                     | <a href="#">Bristol Zenith, LLC</a>       |                 |                                | No      |                 | <u>0</u>       | <u>0.16</u>   | <u>0.16</u>       | <u>No</u>            | <u>0</u>              | <u>50</u>                 | <u>16</u>                    | <u>16</u>         | <u>5</u>               | <u>2</u>  | <u>9</u>  | <a href="#">The current owner of the property has expressed to City staff written interest to allow housing. Consolidated onto Map ID Sites 358, 359, 360</a>                                     | <u>Y</u>          | <a href="#">Airport Area</a> | <a href="#">360</a> |
| <a href="#">439 -352 - 21</a>                     | <a href="#">David Chen</a>                |                 |                                | No      |                 | <u>1</u>       | <u>0.44</u>   | <u>0.44</u>       | <u>No</u>            | <u>0</u>              | <u>50</u>                 | <u>21</u>                    | <u>21</u>         | <u>6</u>               | <u>2</u>  | <u>13</u> | <a href="#">The property is adjacent to another with property owner interest. Consolidation of Map ID 363, 364, 365, 366, and 367 is a possibility and would be encouraged by current policy.</a> |                   | <a href="#">Airport Area</a> | <a href="#">363</a> |
| <a href="#">439 -341 - 01</a>                     | <a href="#">Estate of Edward J Kisner</a> |                 |                                | No      |                 | <u>0</u>       | <u>0.87</u>   | <u>0.87</u>       | <u>Yes</u>           | <u>0</u>              | <u>50</u>                 | <u>43</u>                    | <u>43</u>         | <u>13</u>              | <u>4</u>  | <u>26</u> | <a href="#">The property is adjacent to another with property owner interest. Consolidation of Map ID 363, 364, 365, 366, and 367 is a possibility and would be encouraged by current policy.</a> |                   | <a href="#">Airport Area</a> | <a href="#">364</a> |
| <a href="#">439 -352 - 17</a>                     | <a href="#">Charles F Moothard</a>        |                 |                                | No      |                 | <u>4</u>       | <u>0.37</u>   | <u>0.37</u>       | <u>No</u>            | <u>0</u>              | <u>50</u>                 | <u>18</u>                    | <u>18</u>         | <u>5</u>               | <u>2</u>  | <u>11</u> | <a href="#">The current owner of the property has expressed to City staff written interest to allow housing.</a>                                                                                  | <u>Y</u>          | <a href="#">Airport Area</a> | <a href="#">365</a> |
| <a href="#">439 -352 - 20</a>                     | <a href="#">Charles F Moothard</a>        |                 |                                | No      |                 | <u>1</u>       | <u>0.44</u>   | <u>0.44</u>       | <u>No</u>            | <u>0</u>              | <u>50</u>                 | <u>21</u>                    | <u>21</u>         | <u>6</u>               | <u>2</u>  | <u>13</u> | <a href="#">The current owner of the property has expressed to City staff written interest to allow housing.</a>                                                                                  | <u>Y</u>          | <a href="#">Airport Area</a> | <a href="#">366</a> |
| <a href="#">439 -352 - 22</a>                     | <a href="#">Jackson Schuyler</a>          |                 |                                | No      |                 | <u>1</u>       | <u>0.21</u>   | <u>0.21</u>       | <u>No</u>            | <u>0</u>              | <u>50</u>                 | <u>10</u>                    | <u>10</u>         | <u>3</u>               | <u>1</u>  | <u>6</u>  | <a href="#">The property is adjacent to another with property owner interest. Consolidation of Map ID 363, 364, 365, 366, and 367 is a possibility and would be encouraged by current policy.</a> |                   | <a href="#">Airport Area</a> | <a href="#">367</a> |
| Airport Area Total Acreage Development Potential: |                                           |                 |                                |         |                 |                |               |                   |                      |                       |                           |                              |                   |                        |           |           | 7,818,272 units                                                                                                                                                                                   |                   |                              |                     |
| 427 111 03                                        | Ap Center                                 | PF              | PF                             | No      |                 | 0              | 0.73          | 0.73              | Yes                  | 0                     |                           | 0                            | 346               | 17                     | 0         | 329       | The city is aware of a development proposal on this site.                                                                                                                                         |                   | Pipeline Project             | 260                 |





Table B-12: Airport Area Sites Inventory

| Parcel Number                        | Owner                   | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                | Letter Interest ? | Focus Area       | Inventory/ Map ID |
|--------------------------------------|-------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------|-------------------|------------------|-------------------|
|                                      |                         |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                           |                   |                  |                   |
| 427 111 09                           | Corp Jrsm               | PF              | PF                             | No      |                 | 0              | 3.19          | 3.19              | Yes                  | 0                     |                           | 0                            | 28                | 0                      | 0   | 28        | The city is aware of a development proposal on this site. |                   | Pipeline Project | 250               |
| 427 172 02                           | Macarthur Starboard     | PF              | PF                             | No      |                 | 0              | 1.83          | 1.83              | Yes                  | 0                     |                           | 0                            | 117               | 26                     | 0   | 91        | The city is aware of a development proposal on this site. |                   | Pipeline Project | 266               |
| 427 172 06                           | Macarthur Starboard     | PF              | PF                             | No      |                 | 0              | 1.71          | 1.71              | N/A                  | 0                     |                           | 0                            | 117               | 26                     | 0   | 91        | The city is aware of a development proposal on this site. |                   | Pipeline Project | 252               |
| 427 172 03                           | Macarthur Starboard     | PF              | PF                             | No      |                 | 0              | 1.94          | 1.94              | Yes                  | 0                     |                           | 0                            | 117               | 26                     | 0   | 91        | The city is aware of a development proposal on this site. |                   | Pipeline Project | 267               |
| 445 131 29                           | Slf-Kc Towers LLC       | PF              | PF                             | No      |                 | 0              | 6.22          | 6.22              | N/A                  | 0                     |                           | 0                            | 325               | 13                     | 0   | 312       | The city is aware of a development proposal on this site. |                   | Pipeline Project | 249               |
| 445 133 07                           | Newport Jamboree Uptown | PF              | PF                             | No      |                 | 0              | 12.57         | 12.57             | N/A                  | 0                     |                           | 0                            | 66                | 0                      | 0   | 66        | The city is aware of a development proposal on this site. | Y                 | Pipeline Project | 253               |
| 445 134 17                           | Tsg-Parcel LLC          | PF              | PF                             | No      |                 | 0              | 2.58          | 2.58              | Yes                  | 0                     | 0                         | 0                            | 30                | 0                      | 0   | 30        | The city is aware of a development proposal on this site. |                   | Pipeline Project | 99                |
| Airport Area Pipeline Project Total: |                         |                 |                                |         |                 |                |               |                   |                      |                       |                           |                              |                   |                        |     |           | 1,146 units                                               |                   |                  |                   |

\*Please Note – these net unit totals have been manually manipulated to accurately reflect development interest



### West Newport Mesa Area

West Newport Mesa has been identified by the City as a reinvestment and redevelopment opportunity, where older industrial, smaller-scale development can transition to support future residential development. In 2017, the West Newport Mesa Area gained 81 detached condominiums in addition to 73 mobile home spaces through the development of the Ebb Tide Project. The development area achieved a density of approximately 17 du/acre. The adjacent Hoag hospital and supportive medical-related activities further support the opportunity to provide housing for local workers of various income levels and encourage multi-family living spaces in the area adjacent to the Hospital. Of the 55 acres of land deemed suitable for residential development in the West Newport Mesa Area, 47 acres met the criteria required by AB 1397 for sites projected to accommodate Low and Very Low-Income units. Although the parcels within the Sites Inventory have the capacity to accommodate approximately 2,000 units of development (at an assumed unit yield of 50 du/ac), an assumption of approximately 47% redevelopment has been applied considering development history, economic factors, and AFFH requirements. The assumed buildout is therefore projected at 1,107 units, 332 of which are projected to develop affordably.

**Table B-12** below displays the capacity and opportunity in this Focus Area which can help accommodate the City's RHNA allocation. **Figure B-4** below maps the sites identified within this Focus Area which can help accommodate the City's RHNA allocation.

**Table B-13: West Newport Mesa Environs - Redevelopment Analysis**

| Feasible Acreage | Assumed Density | Net Units    |           |                |             |
|------------------|-----------------|--------------|-----------|----------------|-------------|
|                  |                 | Low Very Low | Moderate  | Above Moderate | Total       |
| 47 acres         | 50 du/ac        | 332 units    | 111 units | 664 units      | 1,107 units |



Figure B-4: West Newport Mesa Area – Sites Inventory





Table B-14: West Newport Mesa Sites Inventory

| Parcel Number | Owner                   | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                              | Letter Interest ? | Focus Area             | Inventory/ Map ID |
|---------------|-------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------|-------------------|
|               |                         |                 |                                |         |                 |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                         |                   |                        |                   |
| 114 170 51    | School Costa Mesa Union | PF              | PF                             | No      |                 | 0              | 11.56         | 10                | No                    | 0                     | 50                        | 578                          | 578               | 173                    | 58  | 347       | This parcel contains office buildings and available parking spaces. The site is borders residential housing to the southwest and can be converted to housing redevelopment.                                             |                   | West Newport Mesa Area | 215               |
| 424 141 17    | Taormina Property       | IG              | IG                             | No      |                 | 0              | 0.23          | 0.23              | No                    | 0                     | 50                        | 11                           | 11                | 3                      | 1   | 7         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                        | Y                 | West Newport Mesa Area | 216               |
| 424 141 17    | Taormina Property       | IG              | IG                             | No      |                 | 0              | 0.23          | 0.23              | No                    | 0                     | 50                        | 11                           | 11                | 3                      | 1   | 7         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                        | Y                 | West Newport Mesa Area | 216               |
| 892 080 02    | Chi Ltd Ptnrship        | RM              | RM                             | No      |                 | 61             | 4.34          | 4.34              | Yes                   | 13                    | 50                        | 155                          | 94                | 28                     | 9   | 57        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                        | Y                 | West Newport Mesa Area | 218               |
| 424 151 01    | Chi Limited             | RM              | RM                             | No      |                 | 56             | 4.77          | 4.77              | Yes                   | 14                    | 50                        | 182                          | 126               | 38                     | 13  | 75        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                        | Y                 | West Newport Mesa Area | 219               |
| 892 090 55    | Brian Bellerose         | RM              | RM                             | No      |                 | 56             | 4.27          | 4.27              | Yes                   | 13                    | 50                        | 157                          | 101               | 30                     | 10  | 61        | This parcel is a portion of a mobile home park and has been identified as an opportunity for higher-density housing. The current owner of the property has expressed to City staff written interest to develop housing. |                   | West Newport Mesa Area | 220               |
| 892 109 03    | Charlotte Patronite     | RM              | RM                             | No      |                 | 36             | 1.90          | 1.90              | Yes                   | 13                    | 50                        | 59                           | 23                | 7                      | 2   | 14        | This parcel is a portion of a mobile home park and has been identified as an opportunity for higher-density housing.                                                                                                    |                   | West Newport Mesa Area | 221               |
| 114 170 82    | City Of Newport Beach   | PF              | PF                             | No      |                 | 0              | 3.05          | 0.92              | Yes                   | 0                     | 50                        | 45                           | 45                | 14                     | 5   | 26        | This parcel is City-owned property and a portion of this site has been identified as an opportunity site for higher-density housing.                                                                                    |                   | West Newport Mesa Area | 222               |
| 424 401 12    | City Of Newport Beach   | PF              | PF                             | No      |                 | 0              | 2.00          | 0.60              | Yes                   | 0                     | 50                        | 29                           | 29                | 9                      | 3   | 17        | This parcel is City-owned property and a portion of this site has been identified as an opportunity site for higher-density housing.                                                                                    |                   | West Newport Mesa Area | 223               |
| 425 171 01    | City Of Newport Beach   | PF              | PF                             | No      |                 | 0              | 7.95          | 2.38              | Yes                   | 0                     | 50                        | 119                          | 119               | 36                     | 12  | 71        | This parcel is City-owned property and has been identified as an opportunity site for higher-density housing. The City will consolidate and move current existing uses.                                                 |                   | West Newport Mesa Area | 224               |





Table B-14: West Newport Mesa Sites Inventory

| Parcel Number | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                                                         | Letter Interest ? | Focus Area             | Inventory/ Map ID |
|---------------|--------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------|-------------------|
|               |                          |                 |                                |         |                 |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                                                                                                                                                    |                   |                        |                   |
| 424 111 05    | Michael Voorhees         | IG              | IG                             | No      |                 | 0              | 0.55          | 0.55              | Yes                   | 0                     | 50                        | 27                           | 27                | 8                      | 3   | 16        | This parcel contains middle aged industrial buildings. Redevelopment of this site to accommodate housing is feasible as an individual parcel or in combination with neighboring sites.                                                                                                                                                             |                   | West Newport Mesa Area | 225               |
| 424 141 06    | Scab Wrks LLC            | IG              | IG                             | No      |                 | 0              | 0.52          | 0.52              | Yes                   | 0                     | 50                        | 25                           | 25                | 8                      | 3   | 14        | This parcel contains middle aged, tilt up, construction, industrial buildings that are feasible for housing redevelopment with zoning overlay.                                                                                                                                                                                                     |                   | West Newport Mesa Area | 226               |
| 424 111 06    | Trico Newport Properties | IG              | IG                             | No      |                 | 0              | 3.23          | 3.23              | Yes                   | 0                     | 50                        | 161                          | 161               | 48                     | 16  | 97        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                                   | Y                 | West Newport Mesa Area | 227               |
| 424 401 04    | Howland Associates LLC   | IG              | IG                             | No      |                 | 0              | 1.86          | 0.56              | Yes                   | 0                     | 50                        | 27                           | 27                | 8                      | 3   | 16        | This parcel contains middle aged industrial buildings. Redevelopment of this site to accommodate housing is feasible as an individual parcel or in combination with neighboring sites.                                                                                                                                                             |                   | West Newport Mesa Area | 228               |
| 424 141 01    | Richard Hunsaker         | IG              | IG                             | No      |                 | 0              | 2.73          | 2.73              | Yes                   | 0                     | 50                        | 136                          | 136               | 41                     | 14  | 81        | This parcel contains older industrial buildings including an auto shop and large parking lot. Redevelopment of this site to accommodate housing is feasible as an individual parcel or in combination with neighboring sites. The City will work with relevant property owners to explore lot consolidation and housing development opportunities. |                   | West Newport Mesa Area | 229               |
| 424 142 14    | Lois For Horness         | IG              | IG                             | No      |                 | 0              | 0.74          | 0.74              | Yes                   | 0                     | 50                        | 37                           | 37                | 11                     | 4   | 22        | This parcel contains middle aged, tilt up, construction, industrial buildings that feasible for housing redevelopment with zoning overlay.                                                                                                                                                                                                         |                   | West Newport Mesa Area | 230               |
| 424 141 04    | Orangeth orpe Properties | IG              | IG                             | No      |                 | 0              | 0.69          | 0.69              | Yes                   | 0                     | 50                        | 34                           | 34                | 10                     | 3   | 21        | This parcel contains middle aged, tilt up, construction, industrial buildings that feasible for housing redevelopment with zoning overlay.                                                                                                                                                                                                         |                   | West Newport Mesa Area | 231               |



Table B-14: West Newport Mesa Sites Inventory

| Parcel Number                                          | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                      | Letter Interest ? | Focus Area             | Inventory/ Map ID |
|--------------------------------------------------------|--------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------|-------------------|
|                                                        |                          |                 |                                |         |                 |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                 |                   |                        |                   |
| 424 141 05                                             | Brent & Ami Ducoing      | IG              | IG                             | No      |                 | 0              | 0.53          | 0.53              | Yes                   | 0                     | 50                        | 26                           | 26                | 8                      | 3   | 15        | This parcel contains middle aged, tilt up, construction, industrial buildings that feasible for housing redevelopment with zoning overlay.                                                                      |                   | West Newport Mesa Area | 232               |
| 424 131 16                                             | Riverport Properties LLC | OM              | CO-M                           | No      |                 | 0              | 1.07          | 1.07              | Yes                   | 0                     | 50                        | 53                           | 53                | 16                     | 5   | 32        | This parcel contains automotive shops and parking that present the opportunity to be redeveloped into housing. The parcel owner should be notified of the land use change to accommodate for potential housing. |                   | West Newport Mesa Area | 233               |
| 424 141 03                                             | James DeGraw             | IG              | IG                             | No      |                 | 0              | 1.08          | 1.08              | Yes                   | 0                     | 50                        | 54                           | 54                | 16                     | 5   | 33        | This parcel contains middle aged, tilt up, industrial buildings that feasible for housing redevelopment with zoning overlay.                                                                                    |                   | West Newport Mesa Area | 234               |
| 424 142 11                                             | Metal Finishing Hixson   | IG              | IG                             | No      |                 | 0              | 1.31          | 1.31              | Yes                   | 0                     | 50                        | 65                           | 65                | 20                     | 7   | 38        | This parcel contains middle aged, tilt up, industrial buildings that are feasible for housing redevelopment.                                                                                                    |                   | West Newport Mesa Area | 235               |
| 424 401 06                                             | Newport Business Center  | IG              | IG                             | No      |                 | 0              | 1.14          | 1.14              | Yes                   | 0                     | 50                        | 56                           | 56                | 17                     | 6   | 33        | This parcel contains middle aged, tilt up, industrial buildings that are feasible for housing redevelopment.                                                                                                    |                   | West Newport Mesa Area | 236               |
| 424 141 02                                             | Richard Hunsaker         | IG              | IG                             | No      |                 | 0              | 1.61          | 1.61              | Yes                   | 0                     | 50                        | 80                           | 80                | 24                     | 8   | 48        | This parcel contains middle aged industrial buildings. Redevelopment of this site to accommodate housing is feasible as an individual parcel or in combination with neighboring sites.                          |                   | West Newport Mesa Area | 237               |
| 424 401 08                                             | Allred Newport LLC       | IG              | IG                             | No      |                 | 0              | 0.76          | 0.76              | Yes                   | 0                     | 50                        | 38                           | 38                | 11                     | 4   | 23        | This parcel contains middle aged, tilt up, industrial buildings that are feasible for housing redevelopment.                                                                                                    |                   | West Newport Mesa Area | 238               |
| 424 141 09                                             | Glynn Van De Walker      | IG              | IG                             | No      |                 | 0              | 0.56          | 0.56              | Yes                   | 0                     | 50                        | 28                           | 28                | 8                      | 3   | 17        | This parcel contains middle aged, tilt up, industrial buildings adjacent to existing housing that are feasible for housing redevelopment.                                                                       |                   | West Newport Mesa Area | 239               |
| 424 141 10                                             | 0                        | IG              | IG                             | No      |                 | 0              | 0.37          | 0.37              | No                    | 0                     | 50                        | 16                           | 16                | 5                      | 2   | 9         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                | Y                 | West Newport Mesa Area | 342               |
| West Newport Mesa Total Acreage Development Potential: |                          |                 |                                |         |                 |                |               |                   |                       |                       |                           |                              |                   |                        |     |           | 2,000 units                                                                                                                                                                                                     |                   |                        |                   |



*\*Please Note – these net unit totals have been manually manipulated to accurately reflect development interest*

### **Dover-Westcliff Area**

Dover-Westcliff has been identified as an area with opportunity to support increased density that is compatible with adjacent higher density residential uses and other uses that will support residential development. In 2019, the Dover-Westcliff Area gained 23 townhouse style multi-family homes through the completion of the Lidos Villas Project. The development area achieved a density of approximately 19 du/acre. This project demonstrates the ability to develop multi-family housing in this desirable part of the City.

In addition to the Lidos Villas Project, there is interest to continue developing multi-family housing. As of November 2021, there is one approved and one pending project within the Dover-Westcliff Area. These projects would construct higher density housing for the area. **Table B-15** is a summarized version of Attachments 1 through 3. For more detailed information, please visit the Attachments.

**Table B-15: Dover-Westcliff Area Pipeline Projects Summarized**

| Project                      | Density                                               | Evidence for Future Development                                                                                                                                                                                                   |
|------------------------------|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Approved Projects            |                                                       |                                                                                                                                                                                                                                   |
| West Coast Highway Mixed-Use | 36 du/acre (26.7 du/acre excluding the density bonus) | The Project consolidates multiple smaller lots into one large development site. The Project demonstrates that nonvacant sites are viable for redevelopment into high-density residential and mixed-use developments.              |
| Pending Projects             |                                                       |                                                                                                                                                                                                                                   |
| Newport Village Mixed-Use    | 20 du/acre                                            | The Project site currently has older office buildings and associated parking lots. The Project would demonstrate that nonvacant sites can be viable for redevelopment into higher density residential and mixed-use developments. |

Of the 29 acres of land deemed suitable for residential development in the Dover-Westcliff Area, 18 acres met the criteria required by AB 1397 for sites projected to accommodate Low and Very Low-Income units. Although the parcels within the Sites Inventory have the capacity to accommodate approximately ~~950~~889 units of development (at an assumed unit yield of 50 du/ac), an assumption of approximately 52% redevelopment has been applied considering development history, economic factors, and AFFH requirements. The assumed buildout is therefore projected at ~~458~~521~~458~~ units, ~~137~~156~~137~~ of which are projected to develop affordably.





**Table B-15** below displays the capacity and opportunity in this Focus Area which can help accommodate the City’s RHNA allocation. **Figure B-5** below maps the sites identified within this Focus Area which can help accommodate the City’s RHNA allocation.

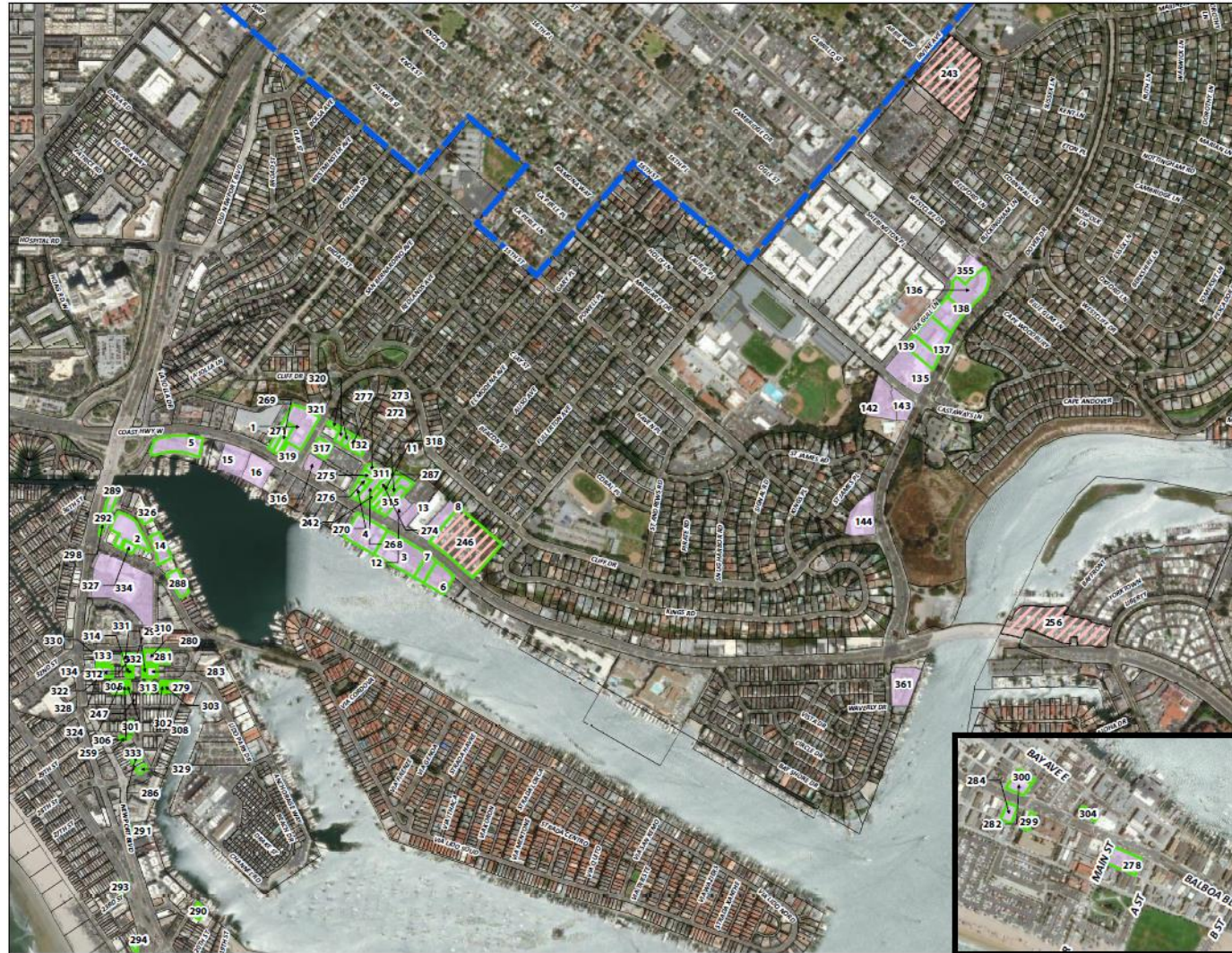
**Table B-16: Dover-Westcliff Environs - Redevelopment Analysis**

| Feasible<br>Acreage    | Assumed<br>Density | Net Units                  |                          |                                |                             |
|------------------------|--------------------|----------------------------|--------------------------|--------------------------------|-----------------------------|
|                        |                    | Low Very Low               | Moderate                 | Above<br>Moderate              | Total                       |
| <del>19</del> 20 acres | 50 du/ac           | <del>137</del> 15637 units | <del>465</del> 246 units | <del>2753</del> 12275<br>units | <del>4585</del> 21458 units |

Figure B-5: Dover Westcliff Area – Sites Inventory







### Site Inventory: Dover-Westcliff Area

#### LEGEND

- City Boundary
- 5th Cycle Sites
- Pipeline Projects
- Opportunity Sites

#### Key Map

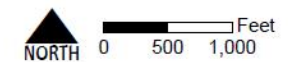






Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number | Owner                    | Existing Zoning           | Existing General Plan Land Use | Vacancy | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                                                                 | Letter Interest ? | Focus Area      | Inventory /Map ID |
|---------------|--------------------------|---------------------------|--------------------------------|---------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------|-------------------|
|               |                          |                           |                                |         |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                                                                                            |                   |                 |                   |
| 049 122 03    | Donna Carpenter          | MU-MM                     | MU-H1                          | No      | Yes                         | 0              | 0.14          | 0.14              | No                    | 21                    | 50                        | 7                            | 7                 | 2                      | 1   | 4         | This parcel is an existing commercial center with some small restaurants. The current owner of the property has expressed to City staff written interest to develop housing and the City will work with relevant property owners on the adjacent parcels to encourage lot consolidation and provide viability to accommodate lower income housing.         | Y                 | Dover-Westcliff | 132               |
| 047 041 05    | Newport Beach Alano Club | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.11          | 0.11              | No                    | 18                    | 50                        | 5                            | 5                 | 2                      | 1   | 2         | This parcel is an existing commercial center with some small galleries. The current owner of the property has expressed to City staff written interest to develop housing and the City will work with relevant property owners on the adjacent parcels to encourage lot consolidation and provide viability to accommodate lower income housing.           | Y                 | Dover-Westcliff | 133               |
| 047 041 25    | Patrick Chamberlain      | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.06          | 0.06              | No                    | 15                    | 50                        | 3                            | 3                 | 1                      | 0   | 2         | This parcel is an existing commercial center with some small galleries and shops. The current owner of the property has expressed to City staff written interest to develop housing and the City will work with relevant property owners on the adjacent parcels to encourage lot consolidation and provide viability to accommodate lower income housing. | Y                 | Dover-Westcliff | 134               |
| 117 631 12    | Corp Of The Presiding    | MU-DW                     | MU-H1                          | No      |                             | 0              | 2.15          | 2.15              | Yes                   | 26                    | 50                        | 107                          | 107               | 32                     | 11  | 64        | This parcel is a church on a 2+ acre parcel with a sizeable parking lot. The owner will be made aware that a portion of the property could be designated to accommodate housing if that would fit in with the mission of the church.                                                                                                                       |                   | Dover-Westcliff | 135               |





Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number | Owner                     | Existing Zoning | Existing General Plan Land Use | Vacancy | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                              | Letter Interest ? | Focus Area      | Inventory /Map ID |
|---------------|---------------------------|-----------------|--------------------------------|---------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------|-------------------|
|               |                           |                 |                                |         |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                                                                                                         |                   |                 |                   |
| 117 631 22    | Westcliff Properties LLC  | MU-DW           | MU-H1                          | No      |                             | 0              | 1.67          | 1.67              | Yes                   | 26                    | 50                        | 83                           | 83                | 25                     | 8   | 50        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                        | Y                 | Dover-Westcliff | 136               |
| 117 631 17    | M Horning Jr.             | MU-DW           | MU-H1                          | No      |                             | 0              | 1.30          | 1.30              | Yes                   | 26                    | 50                        | 65                           | 65                | 20                     | 7   | 38        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                        | Y                 | Dover-Westcliff | 137               |
| 117 631 18    | 901 Dover Ltd Partnership | MU-DW           | MU-H1                          | No      |                             | 0              | 1.10          | 1.10              | Yes                   | 26                    | 50                        | 55                           | 55                | 17                     | 6   | 32        | This parcel is a part of a series of office buildings, some appearing more updated than others. Some of the parcels could accommodate housing alone, or in combination with others. The owners of this parcel have contacted the city in the past about the potential for housing uses. |                   | Dover-Westcliff | 138               |
| 117 631 11    | Lincoln Yee               | MU-DW           | MU-H1                          | No      |                             | 0              | 0.87          | 0.87              | Yes                   | 26                    | 50                        | 43                           | 43                | 13                     | 4   | 26        | This parcel has a functioning medical office project but could be a location for housing.                                                                                                                                                                                               | Y                 | Dover-Westcliff | 139               |
| 117 811 18    | Donna Adele Gallant       | OG              | CO-G                           | No      |                             | 0              | 1.51          | 1.51              | Yes                   | 0                     | 50                        | 75                           | 75                | 23                     | 8   | 44        | This parcel is a developed medical facility. The owner of this parcel will be advised that housing development in combination with site 143 may be most feasible (as the owner of 143 has already expressed written interest in housing development).                                   |                   | Dover-Westcliff | 142               |
| 117 811 19    | Russell E R Fluter        | OG              | CO-G                           | No      |                             | 0              | 0.79          | 0.79              | Yes                   | 0                     | 50                        | 39                           | 39                | 12                     | 4   | 23        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                        | Y                 | Dover-Westcliff | 143               |
| 049 271 30    | Carol Rex Reynolds        | OG              | CO-G                           | No      |                             | 0              | 1.64          | 1.64              | Yes                   | 0                     | 50                        | 81                           | 81                | 24                     | 8   | 49        | This 1.6-acre parcel is a small commercial center including office space and medical office space. Although this parcel has existing parking lot area, the current use presents the viable opportunity for full-parcel redevelopment as housing.                                        |                   | Dover-Westcliff | 144               |



Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number                                        | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy   | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |           |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                                                   | Letter Interest ? | Focus Area             | Inventory /Map ID |
|------------------------------------------------------|--------------------------|-----------------|--------------------------------|-----------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------|-------------------|
|                                                      |                          |                 |                                |           |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod       | Above Mod |                                                                                                                                                                                                                                                                                                                                              |                   |                        |                   |
| 423 111 01                                           | LIDO PARTNERS            | CG              | CG                             | No        |                             | 0              | 4.82          | 4.82              | Yes                   | 0                     | 50                        | 241                          | 128               | 38                     | 13        | 77        | This parcel is a large commercial center including office space, restaurants, and shops. Although this parcel has an existing parking lot area, the current use presents the viable opportunity for full-parcel redevelopment as housing. The current owner of the property has expressed to City staff written interest to develop housing. | Y                 | Dover-Westcliff        | 334               |
| 050 391 12                                           | Investments Llc          | CM              | CM                             | No        |                             | 0              | 1.45          | 1.45              | N/A                   | 0                     | 50                        | 38                           | 38                | 11                     | 4         | 23        | This parcel is a commercial development on Jamboree and Bayside Cove with a large parking lot and very desirable location for housing. The current owner of the property has expressed to City staff written interest to develop housing.                                                                                                    | Y                 | Dover-Westcliff        | 337               |
| <u>117 631 21</u>                                    | <u>DMP Properties</u>    | <u>MU-DW</u>    | <u>MU-H1</u>                   | <u>No</u> |                             | <u>0</u>       | <u>4.19</u>   | <u>4.190.86</u>   | <u>Yes</u>            | <u>0</u>              | <u>50</u>                 | <u>43</u>                    | <u>43</u>         | <u>13</u>              | <u>4</u>  | <u>26</u> | <u>The current owner of the property has expressed to City staff written interest to allow housing.</u>                                                                                                                                                                                                                                      | <u>Y</u>          | <u>Dover-Westcliff</u> | <u>355</u>        |
| <u>049 191 30</u>                                    | <u>Palmo Investments</u> | <u>RM</u>       | <u>RM</u>                      | <u>NO</u> |                             | <u>0</u>       | <u>1.55</u>   | <u>1.55</u>       | <u>Yes</u>            | <u>0</u>              | <u>50</u>                 | <u>117</u>                   | <u>117</u>        | <u>35</u>              | <u>12</u> | <u>70</u> | <u>The current owner of the property has expressed to City staff written interest to allow housing.</u>                                                                                                                                                                                                                                      | <u>Y</u>          | <u>Dover-Westcliff</u> | <u>361</u>        |
| Dover-Westcliff Total Acreage Development Potential: |                          |                 |                                |           |                             |                |               |                   |                       |                       |                           |                              |                   |                        |           |           | 729889 units                                                                                                                                                                                                                                                                                                                                 |                   |                        |                   |
| 425 061 09                                           | Ms 36 Dev LLC            | RM-6000         | RM                             | No        |                             | 114            | 5.76          | 5.76              | Yes                   | 92                    | 0                         | 0                            | -22               | 0                      | 0         | -22       | The city is aware of a development proposal on this site.                                                                                                                                                                                                                                                                                    |                   | Pipeline Project       | 243               |
| 440 132 60                                           | Bayside Village Marina   | PC              | MU-W2                          | No        | 0                           | 0              | 4.74          | 4.74              | N/A                   | 0                     |                           | 0                            | 49                | 0                      | 0         | 49        | The city is aware of a development proposal on this site.                                                                                                                                                                                                                                                                                    |                   | Pipeline Project       | 256               |
| 425 471 27                                           | Nb Mariner's Mile LLC    | MU-MM           | MU-H1                          | No        | 0                           | 0              | 4.37          | 4.37              | N/A                   | 26                    | 0                         | 0                            | 198               | 9                      | 0         | 189       | The city is aware of a development proposal on this site.                                                                                                                                                                                                                                                                                    |                   | Pipeline Project       | 246               |



Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number                   | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                              | Letter Interest ? | Focus Area              | Inventory /Map ID |
|---------------------------------|--------------------------|-----------------|--------------------------------|---------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------|
|                                 |                          |                 |                                |         |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                         |                   |                         |                   |
| 425 471 55                      | Jeffrey Shafer           | MU-MM           | MU-H1                          | No      | 0                           | 0              | 0.20          | 0.20              | N/A                   | 24                    | 0                         | 0                            | 35                | 3                      | 0   | 32        | The city is aware of a development proposal on this site.                                                                                                                                               |                   | Pipeline Project        | 242               |
| Dover-Westcliff Pipeline Total: |                          |                 |                                |         |                             |                |               |                   |                       |                       |                           |                              |                   |                        |     |           | 260 units                                                                                                                                                                                               |                   |                         |                   |
| 049 130 18                      | Quay Works LLC           | MU-W1           | MU-W1                          | No      | Yes                         | 0              | 1.31          | 1.31              | Yes                   | 5                     | 0                         | 0                            | 7                 | 0                      |     | 7         | This site is adjacent to sites identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and is a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 15                |
| 049 130 14                      | Newport Beach Waterfront | MU-W1           | MU-W1                          | No      | Yes                         | 0              | 1.21          | 1.21              | Yes                   | 5                     | 0                         | 0                            | 7                 | 0                      |     | 7         | This site is adjacent to sites identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and is a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 16                |
| 049 121 22                      | Realty Corp              | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.43          | 0.43              | No                    | 25                    | 0                         | 0                            | 11                | 0                      | 11  | 0         | This site is adjacent to sites identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and is a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 316               |
| 425 471 14                      | 0                        | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.12          | 0.12              | No                    | 24                    | 0                         | 0                            | 7                 | 0                      | 7   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             | Y                 | Existing Zoning Density | 276               |
| 425 471 15                      | 0                        | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.23          | 0.23              | No                    | 26                    | 0                         | 0                            | 3                 | 0                      | 3   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 270               |
| 049 150 29                      | Mariners Mile LLC        | MU-W1           | MU-W1                          | No      | Yes                         | 0              | 1.65          | 1.65              | Yes                   | 5                     | 0                         | 0                            | 9                 | 0                      | 0   | 9         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 4                 |



Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number | Owner                   | Existing Zoning | Existing General Plan Land Use | Vacancy | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                              | Letter Interest ? | Focus Area              | Inventory /Map ID |
|---------------|-------------------------|-----------------|--------------------------------|---------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------|
|               |                         |                 |                                |         |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                         |                   |                         |                   |
| 425 471 23    | Susan Cuse Inc          | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.53          | 0.53              | Yes                   | 26                    | 0                         | 0                            | 14                | 0                      | 14  | 0         | This site is adjacent to sites identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and is a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 12                |
| 049 150 26    | Nb Mariner's Mile LLC   | MU-W1           | MU-W1                          | No      | Yes                         | 0              | 2.18          | 2.18              | Yes                   | 5                     | 0                         | 0                            | 1                 | 0                      | 0   | 1         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 3                 |
| 049 150 16    | Chino Hills Mall LLC    | MU-W1           | MU-W1                          | No      | Yes                         | 0              | 0.52          | 0.52              | Yes                   | 5                     | 0                         | 0                            | 3                 | 0                      | 0   | 3         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 7                 |
| 049 150 21    | Nb Mariner's Mile LLC   | MU-W1           | MU-W1                          | No      | Yes                         | 0              | 0.92          | 0.92              | Yes                   | 5                     | 0                         | 0                            | 5                 | 0                      | 0   | 5         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 6                 |
| 425 471 26    | Mariners Mile North LLC | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.95          | 0.95              | Yes                   | 26                    | 0                         | 0                            | 25                | 0                      | 25  | 0         | This site is adjacent to sites identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and is a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 8                 |
| 425 471 24    | Sadie Mary Stegmann     | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.54          | 0.54              | Yes                   | 25                    | 0                         | 0                            | 14                | 0                      | 14  | 0         | This site is adjacent to sites identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and is a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 13                |
| 425 471 57    | 2436pch LLC             | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.56          | 0.56              | Yes                   | 26                    | 0                         | 0                            | 15                | 0                      | 15  | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 11                |





Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number | Owner                | Existing Zoning | Existing General Plan Land Use | Vacancy | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                  | Letter Interest ? | Focus Area              | Inventory /Map ID |
|---------------|----------------------|-----------------|--------------------------------|---------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------|
|               |                      |                 |                                |         |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                             |                   |                         |                   |
| 425 471 56    | Shafer Irrevoc Tr    | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.49          | 0.49              | No                    | 26                    | 0                         | 0                            | 7                 | 0                      | 7   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 268               |
| 425 471 19    | 0                    | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.49          | 0.49              | No                    | 26                    | 0                         | 0                            | 13                | 0                      | 13  | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 315               |
| 425 471 13    | 0                    | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.14          | 0.14              | No                    | 21                    | 0                         | 0                            | 2                 | 0                      | 2   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 275               |
| 425 471 56    | Shafer Irrevoc Tr    | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.49          | 0.49              | No                    | 26                    | 0                         | 0                            | 7                 | 0                      | 7   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 268               |
| 425 471 56    | Shafer Irrevoc Tr    | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.49          | 0.49              | No                    | 26                    | 0                         | 0                            | 7                 | 0                      | 7   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 268               |
| 425 471 12    | Shaw Kathleen A      | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.16          | 0.16              | No                    | 25                    | 0                         | 0                            | 2                 | 0                      | 2   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 272               |
| 425 471 55    | Shafer Family 1983 T | MU-MM           | MU-H1                          | No      | 0                           | 0              | 0.20          | 0.20              | N/A                   | 24                    | 0                         | 0                            | 35                | 3                      | 0   | 32        | The city is aware of a development proposal on this site.                                                                                                                                   |                   | Pipeline Project        | 242               |
| 049 122 04    | Investments Llc      | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.17          | 0.17              | No                    | 22                    | 0                         | 0                            | 2                 | 0                      | 2   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 273               |



Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number | Owner                  | Existing Zoning | Existing General Plan Land Use | Vacancy | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                              | Letter Interest ? | Focus Area              | Inventory /Map ID |
|---------------|------------------------|-----------------|--------------------------------|---------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------|
|               |                        |                 |                                |         |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                                         |                   |                         |                   |
| 049 122 25    | Llc                    | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.09          | 0.09              | No                    | 22                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 277               |
| 425 471 54    | Humphries Family Tru   | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.43          | 0.43              | No                    | 25                    | 0                         | 0                            | 11                | 0                      | 11  | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 318               |
| 049 122 06    | 0                      | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.17          | 0.17              | No                    | 24                    | 0                         | 0                            | 4                 | 0                      | 4   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 320               |
| 049 110 25    | 0                      | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.33          | 0.33              | No                    | 24                    | 0                         | 0                            | 8                 | 0                      | 8   | 0         | This site is adjacent to sites identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and is a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 319               |
| 049 110 30    | Mariners Center M2 LLC | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 1.68          | 1.68              | Yes                   | 26                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 1                 |
| 049 122 05    | 0                      | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.17          | 0.17              | No                    | 24                    | 0                         | 0                            | 4                 | 0                      | 4   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             | Y                 | Existing Zoning Density | 321               |
| 049 121 18    | Llc                    | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.42          | 0.42              | No                    | 26                    | 0                         | 0                            | 11                | 0                      | 11  | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update.             |                   | Existing Zoning Density | 317               |



Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number | Owner       | Existing Zoning | Existing General Plan Land Use | Vacancy | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                  | Letter Interest ? | Focus Area              | Inventory /Map ID |
|---------------|-------------|-----------------|--------------------------------|---------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------|
|               |             |                 |                                |         |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                             |                   |                         |                   |
| 049 110 19    | 0           | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.32          | 0.32              | No                    | 24                    | 0                         | 0                            | 5                 | 0                      | 5   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 269               |
| 049 110 21    | 0           | MU-MM           | MU-H1                          | No      | Yes                         | 0              | 0.25          | 0.25              | No                    | 24                    | 0                         | 0                            | 3                 | 0                      | 3   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 271               |
| 423 121 03    | 0           | MU-W2           | MU-W2                          | No      | Yes                         | 0              | 0.07          | 0.07              | No                    | 13                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 298               |
| 423 121 05    | 3 L P       | MU-W2           | MU-W2                          | No      | Yes                         | 0              | 0.30          | 0.30              | No                    | 26                    | 0                         | 0                            | 4                 | 0                      | 4   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 289               |
| 423 121 06    | 0           | MU-W2           | MU-W2                          | No      | Yes                         | 0              | 0.08          | 0.08              | No                    | 26                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 292               |
| 423 123 04    | Partnership | MU-W2           | MU-W2                          | No      | Yes                         | 0              | 0.24          | 0.24              | No                    | 25                    | 0                         | 0                            | 6                 | 0                      | 6   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 326               |
| 423 122 11    | 0           | MU-W2           | MU-W2                          | No      | Yes                         | 0              | 0.17          | 0.17              | No                    | 23                    | 0                         | 0                            | 4                 | 0                      | 4   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 327               |



Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number | Owner                  | Existing Zoning           | Existing General Plan Land Use | Vacancy | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                  | Letter Interest ? | Focus Area              | Inventory /Map ID |
|---------------|------------------------|---------------------------|--------------------------------|---------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------|
|               |                        |                           |                                |         |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                             |                   |                         |                   |
| 423 123 08    | Wypark Investmen ts Pc | MU-W2                     | MU-W2                          | No      | Yes                         | 0              | 0.59          | 0.59              | Yes                   | 25                    | 0                         | 0                            | 15                | 0                      | 15  | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 14                |
| 423 122 01    | Lido Group Retail LLC  | MU-W2                     | MU-W2                          | No      | Yes                         | 0              | 1.34          | 1.34              | Yes                   | 26                    | 0                         | 0                            | 5                 | 0                      | 5   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 2                 |
| 423 123 10    | 0                      | MU-W2                     | MU-W2                          | No      | Yes                         | 0              | 0.50          | 0.50              | No                    | 26                    | 0                         | 0                            | 7                 | 0                      | 7   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 288               |
| 047 031 19    | Developm ent Llp       | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.29          | 0.29              | No                    | 23                    | 0                         | 0                            | 4                 | 0                      | 4   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 280               |
| 047 041 31    | Llc                    | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.07          | 0.07              | No                    | 14                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 312               |
| 047 041 06    | Partnershi p           | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.11          | 0.11              | No                    | 18                    | 0                         | 0                            | 2                 | 0                      | 2   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 330               |
| 047 041 35    | Close 2010 Irrevoc T   | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.09          | 0.09              | No                    | 22                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 296               |





Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number | Owner                   | Existing Zoning           | Existing General Plan Land Use | Vacancy | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                  | Letter Interest ? | Focus Area              | Inventory /Map ID |
|---------------|-------------------------|---------------------------|--------------------------------|---------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------|
|               |                         |                           |                                |         |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                             |                   |                         |                   |
| 047 041 24    | 0                       | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 1              | 0.06          | 0.06              | No                    | 15                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 314               |
| 047 031 02    | 0                       | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.06          | 0.06              | No                    | 15                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 310               |
| 049 130 22    | Golden Hills Towers LLC | MU-W1                     | MU-W1                          | No      | Yes                         | 0              | 1.39          | 1.39              | Yes                   | 5                     | 0                         | 0                            | 8                 | 0                      | 0   | 8         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. | Y                 | Existing Zoning Density | 5                 |
| 047 041 33    | 0                       | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.19          | 0.19              | No                    | 26                    | 0                         | 0                            | 5                 | 0                      | 5   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 322               |
| 047 031 03    | 0                       | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.19          | 0.19              | No                    | 26                    | 0                         | 0                            | 3                 | 0                      | 3   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 283               |
| 047 032 04    | Charlotte L Jackson     | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.06          | 0.06              | No                    | 15                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 308               |
| 047 031 20    | 0                       | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.24          | 0.24              | No                    | 25                    | 0                         | 0                            | 3                 | 0                      | 3   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 281               |



Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number | Owner                       | Existing Zoning           | Existing General Plan Land Use | Vacancy | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                  | Letter Interest ? | Focus Area              | Inventory /Map ID |
|---------------|-----------------------------|---------------------------|--------------------------------|---------|-----------------------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|-------------------|
|               |                             |                           |                                |         |                             |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                             |                   |                         |                   |
| 047 032 03    | Ellison Tr                  | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.06          | 0.06              | No                    | 15                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 303               |
| 047 041 12    | 0                           | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.10          | 0.10              | No                    | 20                    | 0                         | 0                            | 2                 | 0                      | 2   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 328               |
| 047 043 11    | Tr                          | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.06          | 0.06              | No                    | 15                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 301               |
| 047 042 32    | C-N Properties LP           | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      |                             | 0              | 0.06          | 0.06              | N/A                   | 15                    | 0                         | 0                            | 3                 | 0                      | 0   | 3         | The city is aware of a development proposal on this site.                                                                                                                                   |                   | Pipeline Project        | 247               |
| 047 042 07    | Ptnshp                      | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.06          | 0.06              | No                    | 15                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 305               |
| 047 042 04    | Marshall Family Tr          | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.06          | 0.06              | No                    | 15                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 306               |
| 047 052 01    | 410 Twenty Ninth Street LLC |                           | MU-H4                          | No      | 0                           | 0              | 0.05          | 0.05              | N/A                   | 0                     | 0                         | 0                            | 4                 | 0                      | 0   | 4         | The city is aware of a development proposal on this site.                                                                                                                                   |                   | Pipeline Project        | 259               |
| 047 042 20    | 0                           | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No      | Yes                         | 0              | 0.06          | 0.06              | No                    | 15                    | 0                         | 0                            | 1                 | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density | 302               |



Table B-17: Dover-Westcliff Sites Inventory

| Parcel Number                      | Owner                                | Existing Zoning           | Existing General Plan Land Use | Vacancy            | 5 <sup>th</sup> Cycle Site? | Existing Units | Gross Acreage        | Buildable Acreage     | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield   | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                  | Letter Interest ? | Focus Area                              | Inventory /Map ID   |
|------------------------------------|--------------------------------------|---------------------------|--------------------------------|--------------------|-----------------------------|----------------|----------------------|-----------------------|-----------------------|-----------------------|---------------------------|------------------------------|---------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------------------------------|---------------------|
|                                    |                                      |                           |                                |                    |                             |                |                      |                       |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                     | Low/ Very Low          | Mod | Above Mod |                                                                                                                                                                                             |                   |                                         |                     |
| 047 032 19                         | 0                                    | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No                 | Yes                         | 0              | 0.27                 | 0.27                  | No                    | 25                    | 0                         | 0                            | 4                   | 0                      | 4   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density                 | 279                 |
| 047 032 07                         | 0                                    | MU-CV/15 <sup>TH</sup> ST | MU-H4                          | No                 | Yes                         | 1              | 0.06                 | 0.06                  | No                    | 15                    | 0                         | 0                            | 1                   | 0                      | 1   | 0         | This site was identified by the City during the 5 <sup>th</sup> Cycle Housing Element Update and remains a location suitable for housing at the existing zoning density during this update. |                   | Existing Zoning Density                 | 313                 |
| <a href="#">117-631-21</a>         | <a href="#">DMP Properties</a>       |                           |                                | <a href="#">No</a> | <a href="#">No</a>          |                | <a href="#">0.86</a> | <a href="#">0.086</a> | <a href="#">No</a>    |                       |                           |                              | <a href="#">43</a>  |                        |     |           | <a href="#">Owner requested addition of site to the Inventory</a>                                                                                                                           |                   |                                         | <a href="#">355</a> |
| <a href="#">049-191-30</a>         | <a href="#">Palmo Investments GP</a> |                           | <a href="#">MU-H4</a>          | <a href="#">No</a> | <a href="#">No</a>          |                | <a href="#">1.55</a> | <a href="#">1.55</a>  | <a href="#">Yes</a>   |                       |                           |                              | <a href="#">117</a> |                        |     |           | <a href="#">Owner requested addition of site to the Inventory</a>                                                                                                                           |                   | <a href="#">Existing Zoning Density</a> | <a href="#">361</a> |
| 5 <sup>th</sup> Cycle Sites Total: |                                      |                           |                                |                    |                             |                |                      |                       |                       |                       |                           |                              |                     |                        |     |           | 336                                                                                                                                                                                         |                   |                                         |                     |



### Newport Center Area

Newport Center has recently had construction of several new residential developments. In 2016, construction was completed on the Meridian project, which replaced eight underutilized tennis courts and resulted in a gain of 79 condominium units at 18.5 du/acre. This project required the approval of a General Plan amendment from the City and a Local Coastal Program (LCP) amendment from the Coastal Commission. In 2017, the area gained 524 apartment units from the completion of the Villas at Fashion Island Project, which replaced a large office plaza. The development area achieved a density of approximately 36 du/acre and demonstrates the possibility of high-density housing in the Newport Center Area. The project included an affordable housing component where nearby market rate housing units were converted to moderate income units. This fact demonstrates the City's ability to provide affordable housing opportunities when entitling market rate housing in the Newport Center area. In 2019, the City granted entitlements for the redevelopment of a museum site formerly occupied by the Orange County Museum of Art. This project, Vivante Senior Housing, resulted in a gain of 90 new senior living units at a density of 30 du/acre. These projects further demonstrate that nonvacant sites are viable in the Newport Center area.

The City expects the continuation of these development opportunities that create housing adjacent to major employment opportunities and support retail. Currently, there is strong owner interest to develop additional multi-family housing in the area on several sites that are occupied by large surface parking lots and older commercial developments. Additionally, The Newport Beach Tennis Club site (Map IDs. 214, 182, 240, and 257) was entitled to construct a new tennis facility, hotel accommodations and low-density housing in 2012 and 2018. The property owner is currently conducting due diligence to seek entitlements to construct a high-density housing project consisting of 350 units on a 7-acre site creating a 50 du/acre project. Based on track record of development in the Newport Center Area and recent discussions with property owners, existing development is not presumed to be impediment to housing development due to the high values achieved with residential use. Put simply, when the value of residential development exceeds the value of the existing development sufficiently to absorb the cost to redevelop, the existing improvements are not considered an impediment to housing. The high property values and rents currently achieved in Newport Center with existing residential uses that replaced prior uses is compelling evidence that nonvacant sites are feasible for future residential use. **Table B-18** is a summarized version of Attachments 1 through 3. For more detailed information, please see the Attachments.

**Table B-18: Newport Center Area Pipeline Projects Summarized**

| Project                      | Density    | Evidence for Future Development                                                                                                                                                  |
|------------------------------|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Approved Projects            |            |                                                                                                                                                                                  |
| Residences at Newport Center | 23 du/acre | The Project site currently has one carwash. The Project demonstrates that nonvacant sites are viable for redevelopment into high-density residential and mixed-use developments. |



| PendingApproved Projects |          |                                                                                                                          |
|--------------------------|----------|--------------------------------------------------------------------------------------------------------------------------|
| Ritz Carlton Residences  | 57 du/ac | Owner has received approval of <del>filed</del> an entitlement application to convert 159 hotel rooms to 159 residences. |

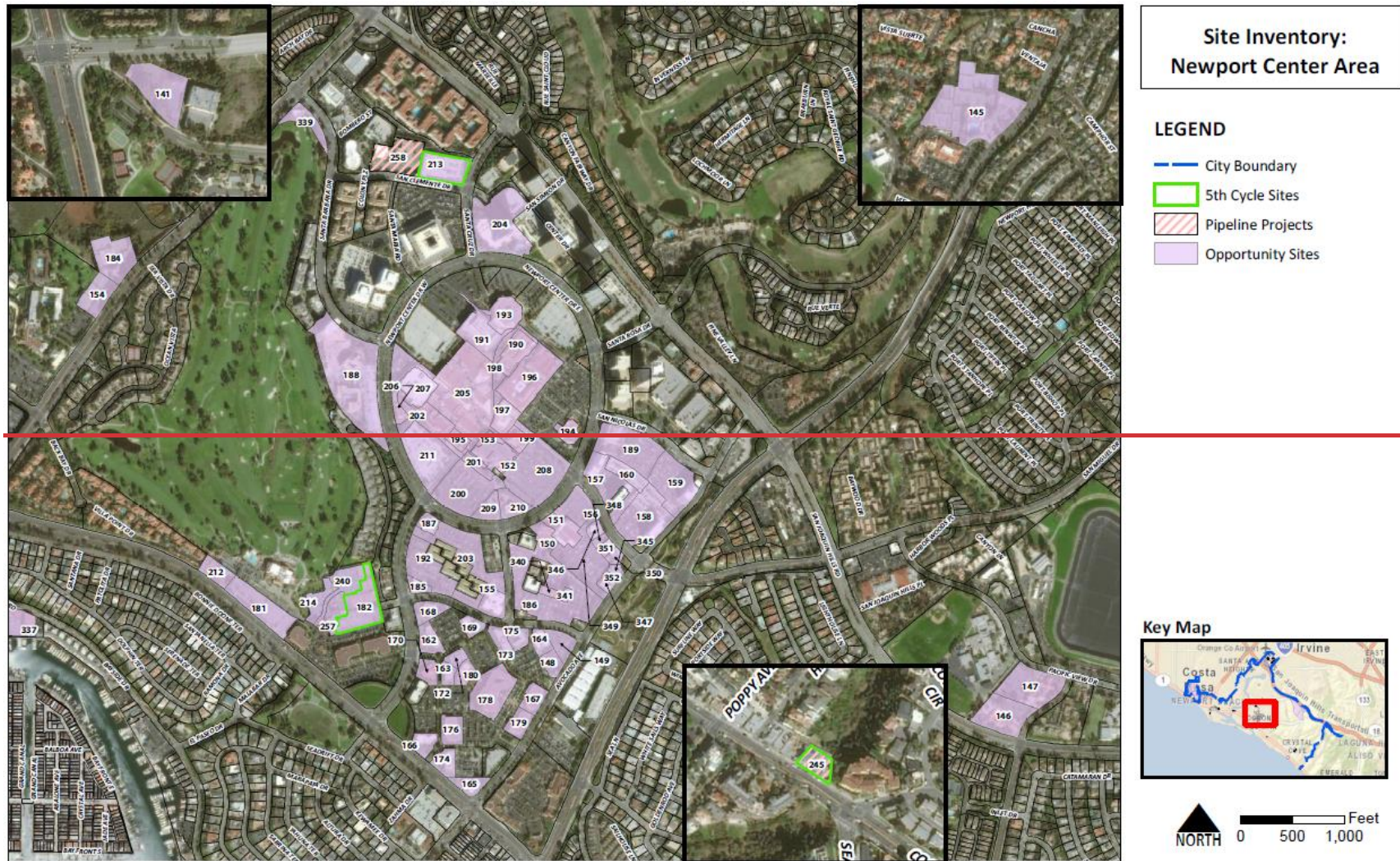
Of the 432 acres of land deemed suitable for residential development in the Newport Center Area, ~~158~~172 acres met the criteria required by AB 1397 for sites projected to accommodate Low and Very Low-Income units. Although the parcels within the Sites Inventory have the capacity to accommodate approximately 7,883 units of development (at an assumed unit yield of 50 du/ac), an assumption of approximately 30% redevelopment has been applied considering development history, economic factors, and AFFH requirements. The assumed buildout is therefore projected at ~~2,374~~660,374 units, ~~712~~73212 of which are projected to develop affordably.

Table B-19 below displays the capacity and opportunity in this Focus Area which can help accommodate the City’s RHNA allocation. Figure B-6 below maps the sites identified within this Focus Area which can accommodate the City’s RHNA allocation.

Table B-19: Newport Center Area – Redevelopment Analysis

| Feasible Acreage                | Assumed Density | Net Units                                 |                                           |                                              |                                               |
|---------------------------------|-----------------|-------------------------------------------|-------------------------------------------|----------------------------------------------|-----------------------------------------------|
|                                 |                 | Low Very Low                              | Moderate                                  | Above Moderate                               | Total                                         |
| <del>158</del> <u>172</u> acres | 50 du/ac        | <del>712</del> <u>732</u> <u>12</u> units | <del>237</del> <u>244</u> <u>37</u> units | 1, <del>425</del> <u>463</u> <u>25</u> units | 2, <del>374</del> <u>439</u> <u>374</u> units |

Figure B-6: Newport Center Area – Sites Inventory





# City of Newport Beach

## 2021-2029 HOUSING ELEMENT







Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                          | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                            | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|--------------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                                |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                                                       |                  |                     |                   |
| 458 361 10    | Pacific Bell Telephone Company | PF              | PF                             | No      |                 | 0              | 1.29          | 1.29              | Yes                  | 0                     | 50                        | 64                           | 64                | 19                     | 6   | 39        | This parcel is a site that was proposed for 21 housing units but the application was withdrawn before it went to the Planning Commission. The site is feasible for housing, although the density may have to be reduced in order for a design to be achieved that meets any safety concerns.                          | Y                | Newport Center Area | 141               |
| 440 281 02    | Ath LLC                        | PC              | PR                             | No      |                 | 0              | 7.60          | 7.60              | Yes                  | 0                     | 50                        | 379                          | 379               | 114                    | 38  | 227       | This parcel contains the Newport Beach Tennis Club. Given the minor amount of building improvements, the site could readily be redeveloped for housing.                                                                                                                                                               |                  | Newport Center Area | 145               |
| 458 341 02    | Church Newport Center          | PI              | PI                             | No      |                 | 0              | 3.03          | 3.03              | Yes                  | 0                     | 50                        | 151                          | 151               | 45                     | 15  | 91        | These parcels are a religious facility with large parking lots. Additional development or replacement development are both feasible paths for residential units on this site.                                                                                                                                         |                  | Newport Center Area | 146               |
| 458 341 01    | Wardens Rector                 | PI              | PI                             | No      |                 | 0              | 3.60          | 3.60              | Yes                  | 0                     | 50                        | 179                          | 179               | 54                     | 18  | 107       | These parcels are a religious facility with large parking lots. Additional development or replacement development are both feasible paths for residential units on this site.                                                                                                                                         |                  | Newport Center Area | 147               |
| 442 271 30    | Irvine Company                 | PC              | CO-R                           | No      |                 | 0              | 0.75          | 0.75              | Yes                  | 0                     | 50                        | 37                           | 37                | 11                     | 4   | 22        | This parcel contains an improved parking lot for the surrounding office buildings and cosmetic surgery offices. Due to the excess amount of parking on the site, there is feasible room to accommodate housing units. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 148               |





Table B-20: Newport Center Sites Inventory

| Parcel Number         | Owner                           | Existing Zoning | Existing General Plan Land Use | Vacancy       | 5th Cycle Site? | Existing Units | Gross Acreage   | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |              |               | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                                                       | Letter Interest? | Focus Area                     | Inventory /Map ID |
|-----------------------|---------------------------------|-----------------|--------------------------------|---------------|-----------------|----------------|-----------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|--------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------|-------------------|
|                       |                                 |                 |                                |               |                 |                |                 |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod          | Above Mod     |                                                                                                                                                                                                                                                                                                                                                  |                  |                                |                   |
| 442 271 30            | Irvine Company                  | PC              | CO-R                           | No            |                 | 0              | 0.75            | 0.75              | Yes                  | 0                     | 50                        | 37                           | 37                | 11                     | 4            | 22            | This parcel contains an improved parking lot for the surrounding office buildings and cosmetic surgery offices. Due to the excess amount of parking on the site, there is feasible room to accommodate housing units. The property owner should be advised that a land use change to allow housing might be possible.                            |                  | Newport Center Area            | 148               |
| <del>442 091 16</del> | <del>Trail Properties LLC</del> | <del>OR</del>   | <del>CO-R</del>                | <del>No</del> | <del>-</del>    | <del>0</del>   | <del>0.79</del> | <del>0.79</del>   | <del>Yes</del>       | <del>0</del>          | <del>50</del>             | <del>39</del>                | <del>39</del>     | <del>12</del>          | <del>4</del> | <del>23</del> | <del>This parcel contains two theatre buildings and a surface parking lot. With the status of the movie theatre business in doubt, the property can accommodate housing redevelopment during the 6th cycle. If the site is found suitable, the property owner should be advised that a land use change to allow housing might be possible.</del> | <del>Y</del>     | <del>Newport Center Area</del> | <del>150</del>    |
| <del>442 091 16</del> | <del>Trail Properties LLC</del> | <del>OR</del>   | <del>CO-R</del>                | <del>No</del> | <del>-</del>    | <del>0</del>   | <del>0.79</del> | <del>0.79</del>   | <del>Yes</del>       | <del>0</del>          | <del>50</del>             | <del>39</del>                | <del>39</del>     | <del>12</del>          | <del>4</del> | <del>23</del> | <del>This parcel contains two theatre buildings and a surface parking lot. With the status of the movie theatre business in doubt, the property can accommodate housing redevelopment during the 6th cycle. If the site is found suitable, the property owner should be advised that a land use change to allow housing might be possible.</del> | <del>Y</del>     | <del>Newport Center Area</del> | <del>150</del>    |
| 442 021 47            | The Irvine Company LLC          | PC              | CR                             | No            |                 | 0              | 0.54            | 0.54              | Yes                  | 0                     | 50                        | 26                           | 26                | 8                      | 3            | 15            | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                                                                |                  | Newport Center Area            | 152               |



Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                  | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                                                       | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                        |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                                                                                  |                  |                     |                   |
| 442 021 47    | The Irvine Company LLC | PC              | CR                             | No      |                 | 0              | 0.54          | 0.54              | Yes                  | 0                     | 50                        | 26                           | 26                | 8                      | 3   | 15        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                                                                |                  | Newport Center Area | 152               |
| 440 132 40    | Jgkallins Investments  | PR              | PR                             | No      |                 | 0              | 1.79          | 1.79              | Yes                  | 0                     | 50                        | 89                           | 89                | 27                     | 9   | 53        | This parcel includes the Palisades Tennis Club. Given the minor amount of building improvements, the site could readily be redeveloped for housing. If the site is found suitable, the property owner should be advised that a land use change to allow housing might be possible.                                                               |                  | Newport Center Area | 154               |
| 442 231 08    | 180 Investors LLC      | OR              | CO-R                           | No      |                 | 0              | 1.17          | 1.17              | Yes                  | 0                     | 50                        | 58                           | 58                | 17                     | 6   | 35        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                                                                                 | Y                | Newport Center Area | 155               |
| 442 091 12    | Trail Properties LLC   | OR              | CO-R                           | No      | -               | 0              | 1.75          | 1.75              | Yes                  | 0                     | 50                        | 87                           | 87                | 26                     | 9   | 52        | <del>This parcel contains two theatre buildings and a surface parking lot. With the status of the movie theatre business in doubt, the property can accommodate housing redevelopment during the 6th cycle. If the site is found suitable, the property owner should be advised that a land use change to allow housing might be possible.</del> | Y                | Newport Center Area | 156               |
| 442 082 11    | Ncmb No LLC            | PC              | CO-M                           | No      |                 | 0              | 2.72          | 2.72              | Yes                  | 0                     | 50                        | 135                          | 135               | 41                     | 14  | 80        | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                                                                                                                                                                               | Y                | Newport Center Area | 157               |
| 442 082 14    | Ncmb No LLC            | PC              | CO-M                           | No      |                 | 0              | 4.05          | 4.05              | Yes                  | 0                     | 50                        | 202                          | 202               | 61                     | 20  | 121       | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                                                                                                                                                                               | Y                | Newport Center Area | 158               |



Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                          | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|--------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                          |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                     |                  |                     |                   |
| 442 082 08    | Ncmb No LLC              | PC              | CO-M                           | No      |                 | 0              | 3.46          | 3.46              | Yes                  | 0                     | 50                        | 173                          | 173               | 52                     | 17  | 104       | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                                                                                                                  | Y                | Newport Center Area | 159               |
| 442 082 12    | Ncmb No LLC              | PC              | CO-M                           | No      |                 | 0              | 1.17          | 1.17              | Yes                  | 0                     | 50                        | 58                           | 58                | 17                     | 6   | 35        | This parcel is an older office building on a smaller parcel that is a potential site for housing. If the site is found suitable, the property owner should be advised that a land use change to allow housing might be possible.                                                    | Y                | Newport Center Area | 160               |
| 442 271 17    | 17 Corporate Plaza Assoc | PC              | CO-R                           | No      |                 | 0              | 1.04          | 1.04              | Yes                  | 0                     | 50                        | 51                           | 51                | 15                     | 5   | 31        | This parcel contains office space for corporate companies with large amounts of surrounding landscape. Due to the large parcel size, this site can be a potential site for housing. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 162               |
| 442 271 23    | Mark Robinson Jr LLC     | PC              | CO-R                           | No      |                 | 0              | 0.55          | 0.55              | Yes                  | 0                     | 50                        | 27                           | 27                | 8                      | 3   | 16        | This parcel contains office space for corporate companies with large amounts of surrounding landscape. Due to the large parcel size, this site can be a potential site for housing. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 163               |
| 442 271 12    | Mitchell Junkins         | PC              | CO-R                           | No      |                 | 0              | 0.76          | 0.76              | Yes                  | 0                     | 50                        | 38                           | 38                | 11                     | 4   | 23        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                    | Y                | Newport Center Area | 164               |
| 442 271 05    | Property Reserve Inc     | PC              | CO-R                           | No      |                 | 0              | 0.89          | 0.89              | Yes                  | 0                     | 50                        | 44                           | 44                | 13                     | 4   | 27        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                    | Y                | Newport Center Area | 165               |
| 442 271 03    | Property Reserve Inc     | PC              | CO-R                           | No      |                 | 0              | 0.89          | 0.89              | Yes                  | 0                     | 50                        | 44                           | 44                | 13                     | 4   | 27        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                                                                                    | Y                | Newport Center Area | 166               |



Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                     | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                          | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|---------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                           |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                     |                  |                     |                   |
| 442 271 32    | Burnham-Newport LLC       | PC              | CO-R                           | No      |                 | 0              | 0.98          | 0.98              | Yes                  | 0                     | 50                        | 49                           | 49                | 15                     | 5   | 29        | This parcel contains office space for corporate companies with large amounts of surrounding landscape. Due to the large parcel size, this site can be a potential site for housing. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 167               |
| 442 271 16    | Newport Corporate Plaza   | PC              | CO-R                           | No      |                 | 0              | 1.02          | 1.02              | Yes                  | 0                     | 50                        | 51                           | 51                | 15                     | 5   | 31        | This parcel contains office space for corporate companies with large amounts of surrounding landscape. Due to the large parcel size, this site can be a potential site for housing. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 168               |
| 442 271 15    | Heritage One LLC          | PC              | CO-R                           | No      |                 | 0              | 0.68          | 0.68              | Yes                  | 0                     | 50                        | 33                           | 33                | 10                     | 3   | 20        | This parcel contains office space for corporate companies with large amounts of surrounding landscape. Due to the large parcel size, this site can be a potential site for housing. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 169               |
| 442 271 01    | Pacific Development Group | PC              | CO-R                           | No      |                 | 0              | 0.84          | 0.84              | Yes                  | 0                     | 50                        | 41                           | 41                | 12                     | 4   | 25        | This parcel contains office space for corporate companies with large amounts of surrounding landscape. Due to the large parcel size, this site can be a potential site for housing. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 170               |





Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                          | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|----------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                      |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                     |                  |                     |                   |
| 442 271 34    | Scott Boras          | PC              | CO-R                           | No      |                 | 0              | 0.51          | 0.51              | Yes                  | 0                     | 50                        | 25                           | 25                | 8                      | 3   | 14        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.   |                  | Newport Center Area | 172               |
| 442 271 14    | George Randy Kinkle  | PC              | CO-R                           | No      |                 | 0              | 0.88          | 0.88              | Yes                  | 0                     | 50                        | 44                           | 44                | 13                     | 4   | 27        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.   |                  | Newport Center Area | 173               |
| 442 271 04    | Division Tax         | PC              | CO-R                           | No      |                 | 0              | 0.97          | 0.97              | Yes                  | 0                     | 50                        | 48                           | 48                | 14                     | 5   | 29        | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                                                                                                                  | Y                | Newport Center Area | 174               |
| 442 271 13    | Chico Associates Inc | PC              | CO-R                           | No      |                 | 0              | 0.76          | 0.76              | Yes                  | 0                     | 50                        | 38                           | 38                | 11                     | 4   | 23        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.   |                  | Newport Center Area | 175               |
| 442 271 19    | Co Irvine            | PC              | CO-R                           | No      |                 | 0              | 1.13          | 1.13              | Yes                  | 0                     | 50                        | 56                           | 56                | 17                     | 6   | 33        | This parcel contains office space for corporate companies with large amounts of surrounding landscape. Due to the large parcel size, this site can be a potential site for housing. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 176               |



Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                     | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                        | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|---------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                           |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                   |                  |                     |                   |
| 442 271 31    | Irvine Company            | PC              | CO-R                           | No      |                 | 0              | 3.00          | 3.00              | Yes                  | 0                     | 50                        | 149                          | 149               | 45                     | 15  | 89        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 178               |
| 442 271 33    | 24 Corporate Plaza II LLC | PC              | CO-R                           | No      |                 | 0              | 0.98          | 0.98              | Yes                  | 0                     | 50                        | 49                           | 49                | 15                     | 5   | 29        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 179               |
| 442 271 24    | Baldwin Bone Properties   | PC              | CO-R                           | No      |                 | 0              | 0.70          | 0.70              | Yes                  | 0                     | 50                        | 35                           | 35                | 11                     | 4   | 20        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 180               |
| 442 011 53    | Fainbarg                  | PC              | PR                             | No      |                 | 0              | 2.98          | 2.98              | Yes                  | 0                     | 50                        | 149                          | 149               | 45                     | 15  | 89        | This parcel contains the Newport Beach Country Club. A large part of this parcel is a parking lot, yet can offer housing redevelopment above the club parking. The property owner should be advised that a land use change to allow housing might be possible.                    |                  | Newport Center Area | 181               |
| 442 011 64    | Golf Realty Fund LP       | PC              | MU-H3/PR                       | No      |                 | 0              | 2.96          | 2.96              | Yes                  | 0                     | 50                        | 148                          | 25*148            | 644                    | 215 | 1789      | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                                                                                                                | Y                | Newport Center Area | 182               |



Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                        | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                  | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|------------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                              |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                             |                  |                     |                   |
| 440 132 48    | Russell Fluter               | PR              | PR                             | No      |                 | 0              | 2.80          | 2.80              | Yes                  | 0                     | 50                        | 140                          | 140               | 42                     | 14  | 84        | This parcel includes the Palisades Tennis Club. Given the minor amount of building improvements, the site could readily be redeveloped for housing. If the site is found suitable, the property owner should be advised that a land use change to allow housing might be possible.          |                  | Newport Center Area | 184               |
| 442 231 09    | Southwest Investors          | OR              | CO-R                           | No      |                 | 0              | 0.51          | 0.51              | Yes                  | 0                     | 50                        | 25                           | 25                | 8                      | 3   | 14        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.           |                  | Newport Center Area | 185               |
| 442 161 17    | Design Plaza Owners Assn     | OR              | CO-R                           | No      |                 | 0              | 7.17          | 7.17              | Yes                  | 0                     | 50                        | 358                          | 358               | 107                    | 36  | 215       | This parcel contains an improved parking lot for nearby commercial and retail stores. Due to the excess amount of parking on the site, there is feasible room to accommodate housing units. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 186               |
| 442 231 13    | 100 Newport Center Drive LLC | OR              | CO-R                           | No      |                 | 0              | 0.61          | 0.61              | Yes                  | 0                     | 50                        | 30                           | 30                | 9                      | 3   | 18        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.           |                  | Newport Center Area | 187               |



Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                 | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                              | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|-----------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                       |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                                         |                  |                     |                   |
| 442 491 02    | Hhr Newport Beach LLC | CV              | CV                             | No      |                 | 0              | 9.54          | 9.54              | Yes                  | 0                     | 50                        | 476                          | 476               | 143                    | 48  | 285       | This parcel contains the Marriot Hotel, with two hotel towers and an irregularly shaped three-story hotel room building that can be converted to housing. If the addition of housing is found suitable, the property owner should be advised that a land use change to allow housing could be possible. |                  | Newport Center Area | 188               |
| 442 082 05    | Co Irvine             | PC              | CO-M                           | No      |                 | 0              | 4.10          | 4.10              | Yes                  | 0                     | 50                        | 204                          | 204               | 61                     | 20  | 123       | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                       |                  | Newport Center Area | 189               |
| 442 021 28    | Co Irvine             | PC              | CR                             | No      |                 | 0              | 1.74          | 1.74              | Yes                  | 0                     | 50                        | 87                           | 87                | 26                     | 9   | 52        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                       |                  | Newport Center Area | 190               |
| 442 021 26    | Irvine Company LLC    | PC              | CR                             | No      |                 | 0              | 2.50          | 2.50              | Yes                  | 0                     | 50                        | 125                          | 125               | 38                     | 13  | 74        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                       |                  | Newport Center Area | 191               |





Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner              | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|--------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                    |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                                           |                  |                     |                   |
| 442 231 11    | Co Irvine          | PC              | CO-R                           | No      |                 | 0              | 2.83          | 2.83              | Yes                  | 0                     | 50                        | 141                          | 141               | 42                     | 14  | 85        | This parcel in combination with parcel 203 contains parking for surrounding office space buildings. Due to the excess amount of parking on the site, there is feasible room to accommodate housing units. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 192               |
| 442 021 13    | Irvine Company LLC | PC              | CR                             | No      |                 | 0              | 1.73          | 1.73              | Yes                  | 0                     | 50                        | 86                           | 86                | 26                     | 9   | 51        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                         |                  | Newport Center Area | 193               |
| 442 021 08    | Co Irvine          | PC              | CR                             | No      |                 | 0              | 0.80          | 0.80              | Yes                  | 0                     | 50                        | 40                           | 40                | 12                     | 4   | 24        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                         |                  | Newport Center Area | 194               |
| 442 021 32    | Co Irvine          | PC              | CR                             | No      |                 | 0              | 0.63          | 0.63              | Yes                  | 0                     | 50                        | 31                           | 31                | 9                      | 3   | 19        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                         |                  | Newport Center Area | 195               |



Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                  | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                        | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                        |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                   |                  |                     |                   |
| 442 021 29    | Irvine Company LLC     | PC              | CR                             | No      |                 | 0              | 4.09          | 4.09              | Yes                  | 0                     | 50                        | 204                          | 204               | 61                     | 20  | 123       | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 196               |
| 442 021 30    | Co Irvine              | PC              | CR                             | No      |                 | 0              | 1.24          | 1.24              | Yes                  | 0                     | 50                        | 62                           | 62                | 19                     | 6   | 37        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 197               |
| 442 021 27    | Co Irvine              | PC              | CR                             | No      |                 | 0              | 1.17          | 1.17              | Yes                  | 0                     | 50                        | 58                           | 58                | 17                     | 6   | 35        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 198               |
| 442 021 40    | The Irvine Company LLC | PC              | CR                             | No      |                 | 0              | 0.87          | 0.87              | Yes                  | 0                     | 50                        | 43                           | 43                | 13                     | 4   | 26        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 199               |



Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                  | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                                                | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                        |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                                           |                  |                     |                   |
| 442 021 46    | The Irvine Company LLC | PC              | CR                             | No      |                 | 0              | 4.11          | 4.11              | Yes                  | 0                     | 50                        | 205                          | 205               | 62                     | 21  | 122       | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                         |                  | Newport Center Area | 200               |
| 442 021 35    | Co Irvine              | PC              | CR                             | No      |                 | 0              | 0.56          | 0.56              | Yes                  | 0                     | 50                        | 28                           | 28                | 8                      | 3   | 17        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                         |                  | Newport Center Area | 201               |
| 442 021 33    | Co Irvine              | PC              | CR                             | No      |                 | 0              | 4.03          | 4.03              | Yes                  | 0                     | 50                        | 201                          | 201               | 60                     | 20  | 121       | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site.                         |                  | Newport Center Area | 202               |
| 442 231 14    | Co Irvine              | PC              | CO-R                           | No      |                 | 0              | 4.10          | 4.10              | Yes                  | 0                     | 50                        | 205                          | 205               | 62                     | 21  | 122       | This parcel in combination with parcel 192 contains parking for surrounding office space buildings. Due to the excess amount of parking on the site, there is feasible room to accommodate housing units. The property owner should be advised that a land use change to allow housing might be possible. |                  | Newport Center Area | 203               |



Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                        | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|--------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                          |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                   |                  |                     |                   |
| 442 101 27    | Island Hotel Finance LLC | PC              | MU-H3                          | No      |                 | 0              | 5.37          | 5.37              | Yes                  | 0                     | 50                        | 268                          | 268               | 80                     | 27  | 161       | This parcel is the Fashion Island Hotel and parking structures that could be reconfigured to accommodate housing. If the site is found suitable, the property owner should be advised that a land use change to allow some housing might be possible.                             |                  | Newport Center Area | 204               |
| 442 021 31    | Co Irvine                | PC              | CR                             | No      |                 | 0              | 8.25          | 8.25              | Yes                  | 0                     | 50                        | 412                          | 412               | 124                    | 41  | 247       | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 205               |
| 442 021 11    | Co Irvine                | PC              | CR                             | No      |                 | 0              | 0.56          | 0.56              | Yes                  | 0                     | 50                        | 27                           | 27                | 8                      | 3   | 16        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 206               |
| 442 021 17    | Irvine Company           | PC              | CR                             | No      |                 | 0              | 1.74          | 1.74              | Yes                  | 0                     | 50                        | 87                           | 87                | 26                     | 9   | 52        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 207               |
| 442 021 43    | The Irvine Company LLC   | PC              | CR                             | No      |                 | 0              | 5.43          | 5.43              | Yes                  | 0                     | 50                        | 271                          | 271               | 81                     | 27  | 163       | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the                                                                |                  | Newport Center Area | 208               |





Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                  | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                        | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                        |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                                                                                   |                  |                     |                   |
|               |                        |                 |                                |         |                 |                |               |                   |                      |                       |                           |                              |                   |                        |     |           | surrounding parking lots) are both possibilities on this site.                                                                                                                                                                                                                    |                  |                     |                   |
| 442 021 45    | The Irvine Company LLC | PC              | CR                             | No      |                 | 0              | 0.99          | 0.99              | Yes                  | 0                     | 50                        | 49                           | 49                | 15                     | 5   | 29        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 209               |
| 442 021 44    | Irvine Co LLC The      | PC              | CR                             | No      |                 | 0              | 1.25          | 1.25              | Yes                  | 0                     | 50                        | 62                           | 62                | 19                     | 6   | 37        | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 210               |
| 442 021 42    | The Irvine Company LLC | PC              | CR                             | No      |                 | 0              | 4.16          | 4.16              | Yes                  | 0                     | 50                        | 208                          | 208               | 62                     | 21  | 125       | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area | 211               |
| 442 411 01    | Brett Feuerstein       | PC              | CG                             | No      |                 | 0              | 1.12          | 1.12              | Yes                  | 0                     | 50                        | 56                           | 56                | 17                     | 6   | 33        | This parcel has a two mid-rise office buildings and a large parking structure with some adjacent surface parking that might be able to be reconfigured to create a housing site. If the site is found suitable, the property owner should be advised that                         |                  | Newport Center Area | 212               |



Table B-20: Newport Center Sites Inventory

| Parcel Number         | Owner                          | Existing Zoning | Existing General Plan Land Use | Vacancy       | 5th Cycle Site? | Existing Units | Gross Acreage   | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |                |                  | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                        | Letter Interest? | Focus Area                     | Inventory /Map ID |
|-----------------------|--------------------------------|-----------------|--------------------------------|---------------|-----------------|----------------|-----------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|----------------|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------|-------------------|
|                       |                                |                 |                                |               |                 |                |                 |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod            | Above Mod        |                                                                                                                                                                                                                                                                                   |                  |                                |                   |
|                       |                                |                 |                                |               |                 |                |                 |                   |                      |                       |                           |                              |                   |                        |                |                  | a land use change to allow some housing might be possible.                                                                                                                                                                                                                        |                  |                                |                   |
| 442 261 21            | Co Irvine                      |                 | MU-H3                          | No            |                 | 0              | 2.23            | 2.23              | Yes                  | 0                     | 50                        | 111                          | 111               | 33                     | 11             | 67               | These parcels are a portion of the large commercial development including retail and office space in Newport Center. Mixed-use development of residential units or replacement housing (possibly incorporating the surrounding parking lots) are both possibilities on this site. |                  | Newport Center Area            | 213               |
| <del>442 011 65</del> | <del>Golf Realty Fund LP</del> | <del>PC</del>   | <del>MU-H3/PR</del>            | <del>No</del> | <del>-</del>    | <del>0</del>   | <del>1.11</del> | <del>1.11</del>   | <del>Yes</del>       | <del>0</del>          | <del>50</del>             | <del>56</del>                | <del>56</del>     | <del>17</del>          | <del>6</del>   | <del>34</del>    | <del>The current owner of the property has expressed to City staff written interest to develop housing.</del>                                                                                                                                                                     | <del>Y</del>     | <del>Newport Center Area</del> | <del>214</del>    |
| <del>442 011 65</del> | <del>Golf Realty Fund LP</del> | <del>PC</del>   | <del>MU-H3/PR</del>            | <del>No</del> | <del>-</del>    | <del>0</del>   | <del>1.72</del> | <del>1.72</del>   | <del>Yes</del>       | <del>0</del>          | <del>50</del>             | <del>86</del>                | <del>86</del>     | <del>26</del>          | <del>9</del>   | <del>52</del>    | <del>The current owner of the property has expressed to City staff written interest to develop housing.</del>                                                                                                                                                                     | <del>Y</del>     | <del>Newport Center Area</del> | <del>240</del>    |
| 442 011 65            | Golf Realty Fund LP            | PC              | MU-H3/PR                       | No            |                 | 0              | 1.18            | 1.18              | Yes                  | 0                     | 50                        | 60                           | <del>60</del> 50* | <del>11</del> 8        | <del>4</del> 6 | <del>35</del> 59 | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                                                                                                                | Y                | Newport Center Area            | 257               |
| 442 011 37            | David Michael Ellis            | OG              | CO-G                           | No            |                 | 0              | 1.21            | 1.21              | N/A                  | 0                     | 50                        | 60                           | 60                | 18                     | 6              | 36               | The current owner of the property has expressed to City staff written interest to develop housing.                                                                                                                                                                                | Y                | Newport Center Area            | 339               |



Table B-20: Newport Center Sites Inventory

| Parcel Number | Owner                                         | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                                                                                                                    | Letter Interest? | Focus Area          | Inventory /Map ID |
|---------------|-----------------------------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------|-------------------|
|               |                                               |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/Very Low           | Mod | Above Mod |                                                                                                                                                                                                                               |                  |                     |                   |
| 442 161 06    | Llc                                           | OR              | CO-R                           | No      |                 | 0              | 0.33          | 0.33              | No                   | 0                     | 50                        | 15                           | 15                | 5                      | 2   | 8         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                              | Y                | Newport Center Area | 340               |
| 442 161 07    | TY NEWPORT LLC                                | OR              | CO-R                           | No      |                 | 0              | 0.20          | 0.20              | No                   | 0                     | 50                        | 9                            | 9                 | 3                      | 1   | 5         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                              | Y                | Newport Center Area | 341               |
| 442 091 01    | EASTLUND PROPERTIES LLC                       | OR              | CO-R                           | No      |                 | 0              | 0.44          | 0.44              | No                   | 0                     | 50                        | 22                           | 22                | 7                      | 2   | 13        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                              | Y                | Newport Center Area | 346               |
| 442 091 08    | TRAIL ASSET MANAGEMENT LLC                    | OR              | CO-R                           | No      |                 | 0              | 0.39          | 0.39              | No                   | 0                     | 50                        | 19                           | 19                | 6                      | 2   | 11        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                              | Y                | Newport Center Area | 347               |
| 442 091 02    | EASTLUND PROPERTIES LLC                       | OR              | CO-R                           | No      |                 | 0              | 0.25          | 0.25              | No                   | 0                     | 50                        | 12                           | 12                | 4                      | 1   | 7         | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                              | Y                | Newport Center Area | 348               |
| 442 091 15    | SAN MIGUEL PLAZA OWNERS ASSN                  | OR              | CO-R                           | No      |                 | 0              | 3.54          | 3.54              | No                   | 0                     | 50                        | 177                          | 177               | 53                     | 18  | 106       | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                              | Y                | Newport Center Area | 349               |
| 442 091 04    | BURNHAM SCOTT T TR                            | OR              | CO-R                           | No      |                 | 0              | 0.38          | 0.38              | No                   | 0                     | 50                        | 19                           | 19                | 6                      | 2   | 11        | The current owner of the property has expressed to City staff written interest to allow housing.                                                                                                                              | Y                | Newport Center Area | 350               |
| 442 091 03    | ZIA TRUST INC TR THE BENJAMIN KRAUT SURVIVORS | OR              | CO-R                           | No      |                 | 0              | 0.36          | 0.36              | No                   | 0                     | 50                        | 18                           | 18                | 5                      | 2   | 11        | The current owner of the property has expressed to City staff written interest to allow housing. This property was identified as a possible redevelopment opportunity with the adjoining property owners expressing interest. | Y                | Newport Center Area | 351               |
| 442 091 07    | 1333 AVOCADO LLC                              | OR              | CO-R                           | No      |                 | 0              | 0.13          | 0.13              | No                   | 0                     | 50                        | 7                            | 7                 | 2                      | 1   | 4         | The current owner of the property has expressed to City staff written interest to allow housing. This property was identified as a possible redevelopment opportunity with the adjoining property owners expressing interest. | Y                | Newport Center Area | 352               |



Table B-20: Newport Center Sites Inventory

| Parcel Number                                                       | Owner                                          | Existing Zoning    | Existing General Plan Land Use | Vacancy            | 5th Cycle Site? | Existing Units    | Gross Acreage         | Buildable Acreage    | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield   | Assumed Net Unit Yield |                    |                     | Existing Use and Explanation of Propensity                                                                               | Letter Interest?  | Focus Area                          | Inventory /Map ID   |
|---------------------------------------------------------------------|------------------------------------------------|--------------------|--------------------------------|--------------------|-----------------|-------------------|-----------------------|----------------------|----------------------|-----------------------|---------------------------|------------------------------|---------------------|------------------------|--------------------|---------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------------------|---------------------|
|                                                                     |                                                |                    |                                |                    |                 |                   |                       |                      |                      | Existing Zone Density | Rezoned Density (Assumed) |                              |                     | Low/Very Low           | Mod                | Above Mod           |                                                                                                                          |                   |                                     |                     |
| <a href="#">442-011-52</a>                                          | <a href="#">Golf Realty Fund</a>               | <a href="#">PC</a> | <a href="#">PR</a>             | <a href="#">No</a> |                 | <a href="#">0</a> | <a href="#">0.84</a>  | <a href="#">0.84</a> | <a href="#">No</a>   | <a href="#">0</a>     | <a href="#">50</a>        | <a href="#">25</a>           | <a href="#">25</a>  | <a href="#">8</a>      | <a href="#">3</a>  | <a href="#">14</a>  | <a href="#">The current owner of the property has expressed to City staff written interest to allow housing.</a>         | <a href="#">Y</a> | <a href="#">Newport Center Area</a> | <a href="#">353</a> |
| <del><a href="#">442-131-09</a></del><br><a href="#">442 011 52</a> | <a href="#">Golf Realty Fund</a>               | <a href="#">PC</a> | <a href="#">PR</a>             | <a href="#">No</a> |                 | <a href="#">0</a> | <a href="#">.0.72</a> | <a href="#">0.72</a> | <a href="#">No</a>   | <a href="#">0</a>     | <a href="#">50</a>        | <a href="#">25</a>           | <a href="#">25</a>  | <a href="#">8</a>      | <a href="#">3</a>  | <a href="#">14</a>  | <a href="#">The current owner of the property has expressed to City staff written interest to allow housing.</a>         | <a href="#">Y</a> | <a href="#">Newport Center Area</a> | <a href="#">354</a> |
| 442 091 06                                                          | NEWPORT BEACH ATHLETIC CLUB LLC                | OR                 | CO-R                           | No                 |                 | 0                 | 0.32                  | 0.32                 | No                   | 0                     | 50                        | 16                           | 16                  | 5                      | 2                  | 9                   | The current owner of the property has expressed to City staff written interest to allow housing.                         | Y                 | Newport Center Area                 | 345                 |
| <a href="#">442-261-07</a>                                          | <a href="#">City of Newport Beach</a>          | <a href="#">PF</a> | <a href="#">PF</a>             | <a href="#">No</a> |                 | <a href="#">0</a> | <a href="#">3.99</a>  | <a href="#">3.99</a> | <a href="#">Yes</a>  | <a href="#">0</a>     | <a href="#">50</a>        | <a href="#">199</a>          | <a href="#">199</a> | <a href="#">60</a>     | <a href="#">20</a> | <a href="#">119</a> | <a href="#">Planned relocation of Police and Fire Station will make property available.</a>                              |                   | <a href="#">Newport Center Area</a> | <a href="#">362</a> |
| <a href="#">442-014-22</a>                                          | <a href="#">Orange County Transit District</a> | <a href="#">PC</a> | <a href="#">PF</a>             | <a href="#">No</a> |                 | <a href="#">0</a> | <a href="#">2.43</a>  | <a href="#">2.43</a> | <a href="#">Yes</a>  | <a href="#">0</a>     | <a href="#">50</a>        | <a href="#">121</a>          | <a href="#">121</a> | <a href="#">36</a>     | <a href="#">12</a> | <a href="#">73</a>  | <a href="#">The current owner of the property has expressed to City staff the desire to allow housing or other uses.</a> |                   | <a href="#">Newport Center Area</a> | <a href="#">368</a> |
| <a href="#">442 011 65</a>                                          | <a href="#">Golf Realty Fund</a>               | <a href="#">PC</a> | <a href="#">MU-H3/PR</a>       | <a href="#">No</a> |                 | <a href="#">0</a> | <a href="#">1.72</a>  | <a href="#">1.72</a> | <a href="#">Yes</a>  | <a href="#">0</a>     | <a href="#">50</a>        | <a href="#">86</a>           | <a href="#">25*</a> | <a href="#">8</a>      | <a href="#">3</a>  | <a href="#">52</a>  | <a href="#">The current owner of the property has expressed to City staff written interest to allow housing.</a>         | <a href="#">Y</a> | <a href="#">Newport Center Area</a> | <a href="#">240</a> |
| Newport Center Total Acreage Development Potential:                 |                                                |                    |                                |                    |                 |                   |                       |                      |                      |                       |                           |                              |                     |                        |                    |                     | 7, <del>883</del> 852 units                                                                                              |                   |                                     |                     |
| 459 123 41                                                          | Auto Spa Of Corona Del                         | RM                 | RM                             | No                 |                 | 0                 | 0.27                  | 0.27                 | No                   | 8                     | 0                         | 0                            | 6                   | 0                      | 0                  | 6                   | The city is aware of a development proposal on this site.                                                                |                   | Pipeline Project                    | 245                 |
| 442 261 17                                                          | Vivante Newport Center                         | PC                 | MU-H3                          | No                 |                 | 0                 | 2.91                  | 2.91                 | N/A                  | 0                     |                           | 0                            | 90                  | 0                      | 0                  | 90                  | The city is aware of a development proposal on this site.                                                                |                   | Pipeline Project                    | 258                 |
| Newport Center Pipeline Project Total:                              |                                                |                    |                                |                    |                 |                   |                       |                      |                      |                       |                           |                              |                     |                        |                    |                     | 96 units                                                                                                                 |                   |                                     |                     |

\*Please Note – these net unit totals have been manually manipulated to accurately reflect development interest





### **Coyote Canyon Area**

The Coyote Canyon focus area is in the northeastern part of the City. Currently, the City is in ongoing communication with a developer, Tait and Associates, that has expressed written and verbal interest in developing 34 acres of the focus area at 60 du/acre. The property owner, the County of Orange, has expressed interest written interest in housing development and they have entered into an option agreement with the developer to plan and develop the property

#### **Environmental Constraints**

Tait has extensive experience in the development of large projects adjacent to, or on top of former landfill sites. They have developed a core competency and expertise in this area and were selected by the County of Orange in large part because of this expertise. In summary, there are approximately 34 acres of non-landfill “terra-firma” area within the 375 acres that are suitable and feasible for structural and residential development. With thoughtful engineering and environmental planning, these portions of the site would be considered ideal for residential development. In addition to those 34 acres, there are another approximately 34.5 acres of area where the debris + landfill-cap depth is low enough (less than 25’) that it would be feasible and economical to use proven and previously used techniques to remove and relocate debris and build residential on terra-firma land below. As with all development around former landfill sites, there are extensive processes and mitigation measures that must be taken to ensure safety.

While siting buildings atop a landfill includes structural and environmental constraints, Tait is an industry leader in developing more productive uses on and around closed landfills. Tait believes both the structural and environmental constraints can be overcome with proven previously used techniques. Two opportunities exist with the property. First is residential development atop the landfill itself. Sizable portions of the closed landfill have shallow depths (i.e., less than 25 feet) that can be excavated to a solid substrate that could then accommodate residential construction. This area may be up to 34.5 acres in size. The second opportunity on the County-owned parcel is an approximately 34-acre portions adjacent to the landfill that is not subject to the environmental constraints of the landfill itself. These portions of are considered an ideal opportunity for future residential development. Either location would include methane mitigation systems ensuring the health and safety of future residents.

#### **Developer Interest**

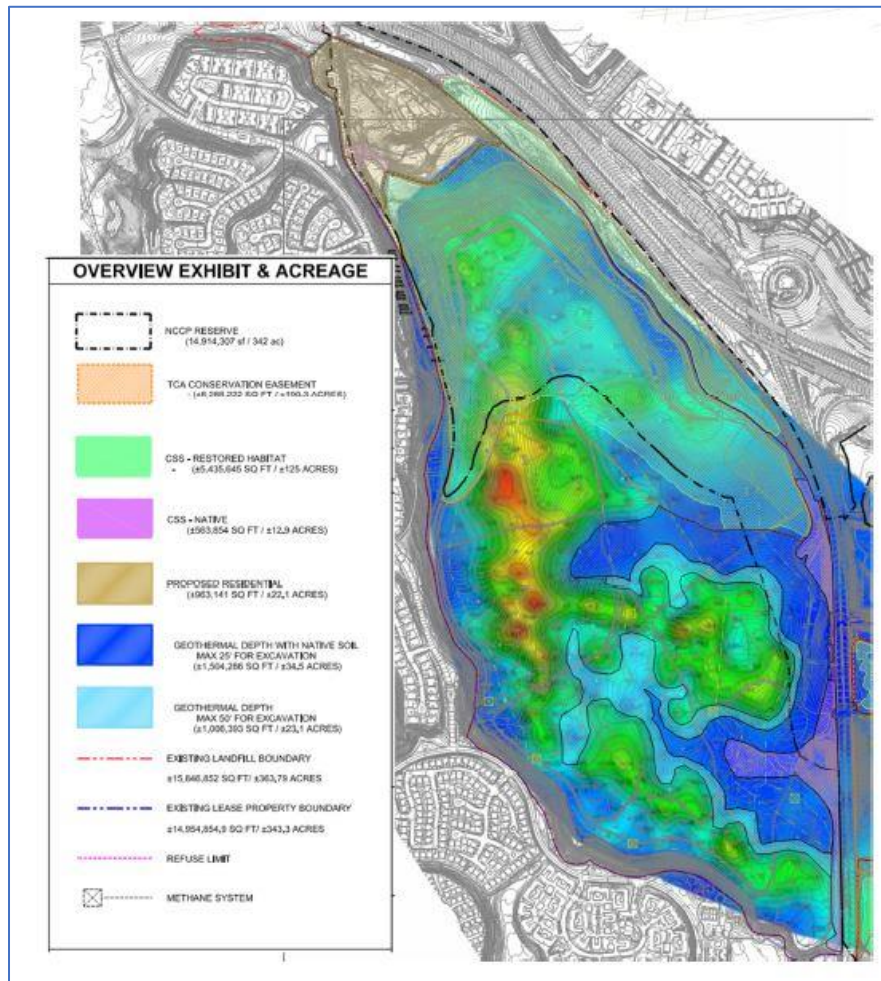
The City has received specific outreach for two parcels, both of which are reflected within this inventory. Of primary note is the closed Coyote Canyon landfill and adjacent areas. The parcel is owned by the County of Orange (County) who has entered into an agreement with Tait and Associates (Tait) for the future development. Both Tait and the County have expressed interest in developing the site with affordable and market rate housing. Tait has recently communicated an interest to develop 34-acres of the site at a density of 60 du/acre and at a 75 percent redevelopment rate.

Of secondary note is the approximately 28-acre property across Newport Coast Drive with a development proposal for 10 units. Less than one acre of this property is expected to develop with housing. The site is presently developed with a private school and the school is interested in developing low-cost housing for a portion of its workforce.

### Sites Inventory Information

Although the parcels within the Sites Inventory have the capacity to accommodate 2,630 units of development (at an assumed unit yield of 60 du/ac), an assumption of approximately 75% redevelopment has been applied considering developer interest and agreements. Therefore, the assumed buildout is projected at 1,530 units, 383 of which are projected to develop for low and very low-income households.

An extensive analysis of site feasibility and site level due diligence has occurred on the site in consideration of the current environmental constraints. An extensive effort to identify the actual feasible area of development potential. As shown in the figure below, extensive site analysis has identified the acreage on the site that has the most appropriate conditions for residential development.



The analysis has concluded that the assumed acreage with development potential represents the most feasible opportunity for residential development. The identified site acreage suitable for residential development, therefore, is an accurate representation of site development potential.



**Table B-21** below displays the capacity and opportunity in this Focus Area which can help accommodate the City’s RHNA allocation. **Figure B-7** below maps the portion of the property within Coyote Canyon which can help accommodate the City’s RHNA allocation.

**Table B-21: Coyote Canyon Environs - Redevelopment Analysis**

| Net Units        |                 |              |           |                |             |
|------------------|-----------------|--------------|-----------|----------------|-------------|
| Feasible Acreage | Assumed Density | Low Very Low | Moderate  | Above Moderate | Total       |
| 34acres          | 60 du/ac        | 383 units    | 153 units | 995 units      | 1,530 units |



Figure B-7: Coyote Canyon Area – Sites Inventory

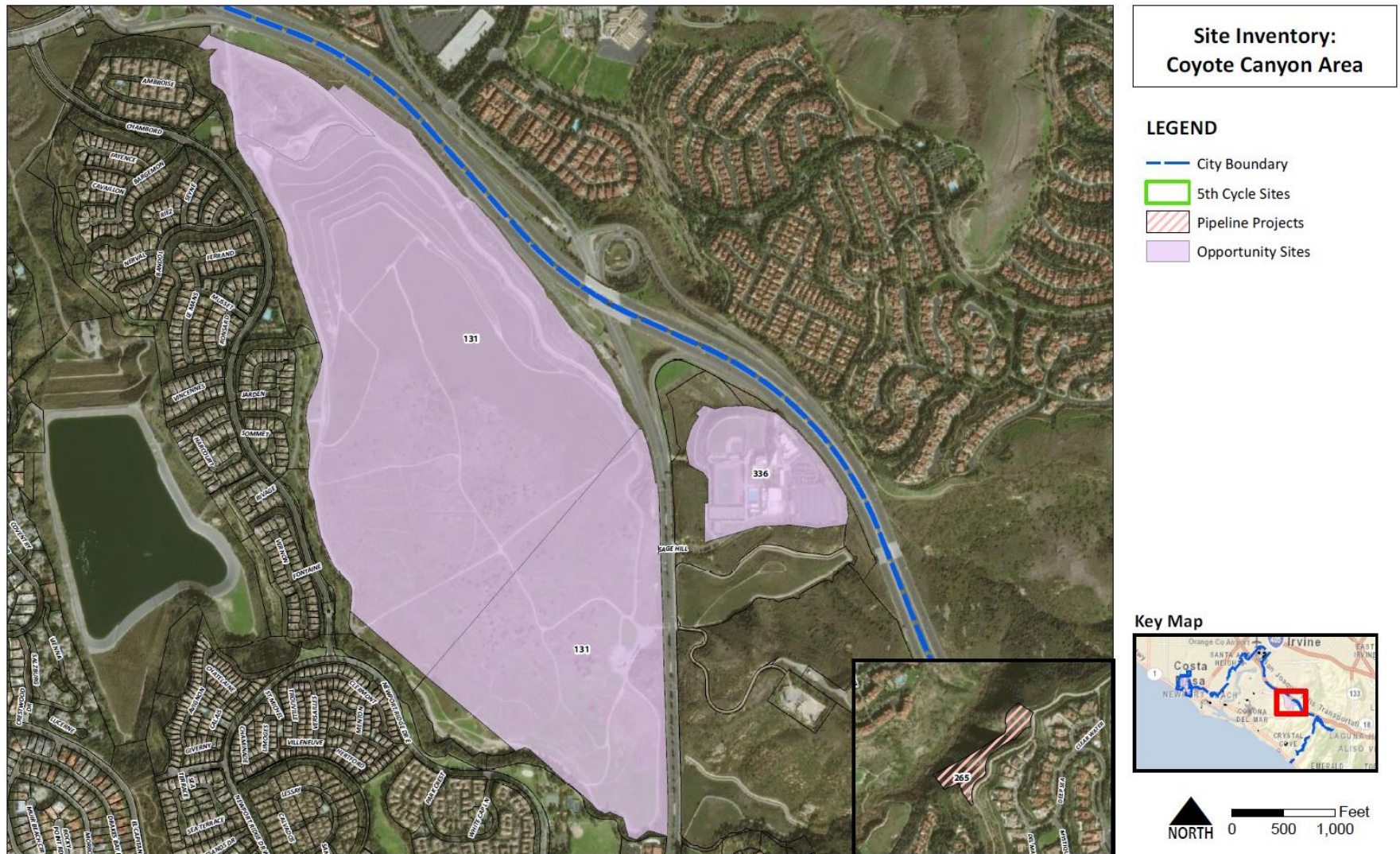






Table B-22: Coyote Canyon Sites Inventory

| Parcel Number (s)                                  | Owner            | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria ? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed Net Yield | Assumed Net Unit Yield |     |           | Existing Use and Explanation of Propensity                                                                                        | Letter Interest ? | Focus Area          | Inventory /Map ID |
|----------------------------------------------------|------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|-----------------------|-----------------------|---------------------------|------------------------------|-------------------|------------------------|-----|-----------|-----------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------|-------------------|
|                                                    |                  |                 |                                |         |                 |                |               |                   |                       | Existing Zone Density | Rezoned Density (Assumed) |                              |                   | Low/ Very Low          | Mod | Above Mod |                                                                                                                                   |                   |                     |                   |
| 120 571 12<br>478 032 10                           | County Of Orange | PF              | PF                             | Yes     |                 | 0              | 341.93        | 44                | No                    | 0                     | 60                        | 2,640                        | 2,640             | 660                    | 264 | 1,676     | The City is aware of a development proposal on this site. Details on the development proposals are provided in the section above. |                   | Coyote Canyon, etc. | 131               |
| 478 031 56                                         | SCHOOL SAGE HILL | PC              | PR                             | No      |                 | 0              | 28.41         | 28.41             | N/A                   | 0                     | 60                        | 20                           | 20                | 5                      | 2   | 13        | The current owner of the property has expressed to City staff written interest to allow housing.                                  | Y                 | Coyote Canyon, etc. | 336               |
| 477 261 54                                         | 0                | PC              | MU-W3                          | No      |                 | 0              | 5.168229152   | 5.168229152       | N/A                   | 0                     | 0                         | 0                            | 76                | 0                      | 0   | 76        | The city is aware of a development proposal on this site.                                                                         |                   | Pipeline Project    | 265               |
| Coyote Canyon Total Acreage Development Potential: |                  |                 |                                |         |                 |                |               |                   |                       |                       |                           |                              |                   |                        |     |           | 2,736 units                                                                                                                       |                   |                     |                   |

### ***Banning Ranch Area***

In the development of adequate sites to accommodate the City's 2021-2029 RHNA growth need, the City of Newport Beach believes Banning Ranch is a viable opportunity for future residential development as evidenced by prior development submittals, pre-zoning of the area and consistent General Plan land use policies. Upon review of this opportunity, multiple agencies at the State of California expressed concerns about the viability of future residential in the area. In response to this, the Banning Ranch Focus Area is not used to accommodate any portion the City's 2021-2029 RHNA growth need. The City's 2021-2029 RHNA will be accommodated through analysis of the other Focus Areas identified in this Housing Element. Banning Ranch is therefore an additional policy option the City desires to preserve, as it is consistent with existing land use policy in the Newport Beach General Plan. Units assigned to the Banning Ranch Focus Area are not used to accommodate any portion of the 6<sup>th</sup> cycle RHNA; however, to the extent the City is successful in creating housing opportunities at Banning Ranch, those opportunities may be used to satisfy a portion of the City's 6<sup>th</sup> cycle RHNA need.

The approximately 527-acre Banning Ranch Focus Area is inclusive of the 401-acre Banning Ranch property and has been identified in prior planning periods to accommodate future housing needs. Specific to the Banning Ranch property, the site has been the subject of environmental review by the City of Newport Beach. Consistent with the City of Newport Beach General Plan,

The Banning Ranch site is designated OS(RV), Open Space/Residential Village, which establishes Open Space as the Primary Use and Residential Village as the Alternative Use. The General Plan Land Use Element specifies that if the property is not acquired for open space within a time period and pursuant to terms agreed to by both the City and property owner, the property could be developed as a Residential Village containing a mix of housing types, limited supporting retail, visitor accommodations, a school, and active community parklands with a majority of the property preserved as open space. The General Plan identifies the maximum intensity of development allowed on the property to include up to 1,375 dwelling units (du), 75,000 square feet (sf) of retail commercial uses oriented to serve the needs of local and nearby residents, and 75 hotel rooms in a small boutique hotel or other type of overnight visitor accommodation. The Newport Beach Banning Ranch Project and Program EIR were approved by the City during the 5<sup>th</sup> RHNA cycle. The active oilfield with surface and subsurface oil production facilities was proposed for development consistent with the allowable land uses and development intensity set forth in the Newport Beach General Plan.

Banning Ranch is in the coastal zone and the project approved by the City of Newport Beach required approval by the California Coastal Commission. In 2016, the Coastal Commission staff recommended approval of a modified project subject to multiple conditions of approval. Approximately 19.7 acres of the site (non-contiguous) were identified by Coastal Commission staff for development noting that the developable land was outside of mapped constraints. Mapped constraints included biological and cultural resources. Staff recommended approval of the project as conditioned to include oil well abandonment and clean-up to the appropriate levels with habitat restoration, protection of all sensitive resources both biological and cultural, development of water quality improvements, and the residential areas connected with a road with all infrastructure and utilities outside of the mapped constraints, and vehicular access

limited to 17<sup>th</sup> Street. Staff also recommended that 329 acres be dedicated to open space and habitat restoration.

The project applicant and the Coastal Commission could not reach agreement on the Coastal Commission staff's revised development proposal including the conditions of approval and the Coastal Commission denied the project in September 2016. The property owner was not provided the ability to adequately rebut these presumptions that ultimately led to the denial of the project. The complete extent of those resource constraints and the extent that development buffers were necessary was not fully vetted at the time the project was denied. While the City supports conservation of the site, the City also believes more land can be determined free of environmental constraints allowing residential development. For this reason, the City is assuming that 30 acres within the Banning Ranch Focus Area can be developed for housing.

The Coastal Act allows for the resolution of conflicts between competing priorities. The State is in a housing crisis and the Coastal Act encourages housing development, including affordable housing, when not subject to hazards. The Coastal Act also requires development to avoid and mitigate environmental impacts. These two seemingly conflicting goals can be balanced in ways that provides for both housing production and sensitive resource protection. Any housing development will mitigate impacts to sensitive resources leading to further restoration of nearby degraded resources in the area.

Additionally, the Coastal Act promotes maximum access to the coast for all Californians and development of Banning Ranch will provide significant enhancements to access in an environmentally sensitive way while assisting the City to meet environmental justice principles. Ultimately the City believes future opportunities exist for housing development on the Banning Ranch.

The property owner is negotiating the possible sale of the property to the Trust for Public Lands for conservation. However, while significant funds have been pledged, a significant gap in funds to acquire the site remains. If retained as open space, the General Plan Land Use Element specifies that the Primary Open Space land use alternative include consolidation of oil operations; restoration of wetlands; the provision of nature education and interpretative facilities and an active park containing playfields and other facilities to serve residents of adjoining neighborhoods. Under both the Open Space and Residential Village land use designations, the Orange County Master Plan of Arterial Highways identifies roadways through the property extending from Pacific Coast Highway to 17<sup>th</sup> Street.

The property owner has expressed a desire to pursue development of the site with housing and other community-serving uses if the site is not acquired for public use. The value of the development opportunities will assist with the consolidation of the oil drilling operations and site remediation. Based on City staff understanding of the previous development proposal, the Banning Ranch property, consultations with the property owner, the site has the potential to feasibly accommodate a minimum of 1,475 units of development on approximately 30 acres of the considerably larger property. The assumed buildout is therefore projected at 1,475 units, 443 of which are projected to develop for low and very low-income households.



**Table B-23** below displays the capacity and opportunity for Banning Ranch which illustrates the assumed development potential but does not ~~assumed~~assume accommodation of the City’s 2021-2029 RHNA growth need. **Figure B-8** below maps Banning Ranch.

**Table B-23: Banning Ranch Environs - Redevelopment Analysis**

| Feasible Acreage | Assumed Density | Net Units    |           |                |             |
|------------------|-----------------|--------------|-----------|----------------|-------------|
|                  |                 | Low Very Low | Moderate  | Above Moderate | Total       |
| 30 acres         | 50 du/ac        | 443 units    | 148 units | 884 units      | 1,475 units |



Figure B-8: Banning Ranch Area – Sites Inventory





Table B-24: Banning Ranch Sites Inventory

| Parcel Number | Owner                  | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed   | Assumed Net Unit Yield |          |                | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                       | Letter Interest? | Focus Area    | Inventory/Map ID |
|---------------|------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-----------|------------------------|----------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------|------------------|
|               |                        |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              | Net Yield | Low/Very Low           | Moderate | Above Moderate |                                                                                                                                                                                                                                                                                  |                  |               |                  |
| 114 170 72    | Newport Beach Cherokee | PF              | PF                             | Yes     |                 | 0.00           | 130.87        | 130.87            | No                   | 0.00                  | 0.00                      | 0.00                         | 383       | 115                    | 38       | 230            | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 110.00           |
| 114 170 52    | Newport Beach Cherokee | PC              | PR                             | Yes     |                 | 0.00           | 74.64         | 74.64             | No                   | 0.00                  | 0.00                      | 0.00                         | 218       | 66                     | 22       | 130            | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 111.00           |
| 114 170 50    | Newport Beach Cherokee | PI              | PI                             | Yes     |                 | 0.00           | 65.05         | 65.05             | No                   | 0.00                  | 0.00                      | 0.00                         | 190       | 57                     | 19       | 114            | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 112.00           |
| 114 170 52    | Newport Beach Cherokee | PI              | PI                             | Yes     |                 | 0.00           | 74.64         | 74.64             | No                   | 0.00                  | 0.00                      | 0.00                         | 149       | 45                     | 15       | 89             | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section                                                                                                                |                  | Banning Ranch | 111.00           |





| Parcel Number | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed   | Assumed Net Unit Yield |          |                | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                       | Letter Interest? | Focus Area    | Inventory/Map ID |
|---------------|--------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-----------|------------------------|----------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------|------------------|
|               |                          |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              | Net Yield | Low/Very Low           | Moderate | Above Moderate |                                                                                                                                                                                                                                                                                  |                  |               |                  |
|               |                          |                 |                                |         |                 |                |               |                   |                      |                       |                           |                              |           |                        |          |                | 4, the City will work with the property owner and local developers to pursue housing development on this site.                                                                                                                                                                   |                  |               |                  |
| 114 170 83    | Newport Beach Cherokee   | PC              | CO-R                           | Yes     |                 | 0.00           | 44.78         | 44.78             | No                   | 0.00                  | 0.00                      | 0.00                         | 131       | 39                     | 13       | 79             | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 114.00           |
| 114 170 71    | United States Of America | PC              | CO-R                           | Yes     |                 | 0.00           | 41.20         | 41.20             | No                   | 0.00                  | 0.00                      | 0.00                         | 121       | 36                     | 12       | 73             | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 115.00           |
| 114 170 76    | United States Of America | OR              | CO-R                           | Yes     |                 | 0.00           | 19.35         | 19.35             | No                   | 0.00                  | 0.00                      | 0.00                         | 57        | 17                     | 6        | 34             | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 116.00           |



| Parcel Number | Owner                      | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed   | Assumed Net Unit Yield |          |                | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                       | Letter Interest? | Focus Area    | Inventory/Map ID |
|---------------|----------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-----------|------------------------|----------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------|------------------|
|               |                            |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              | Net Yield | Low/Very Low           | Moderate | Above Moderate |                                                                                                                                                                                                                                                                                  |                  |               |                  |
| NO AP #       | #N/A                       | OR              | CO-R                           | Yes     |                 | 0.00           | 15.76         | 15.76             | No                   | 0.00                  | 0.00                      | 0.00                         | 46        | 14                     | 5        | 27             | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 117.00           |
| 114 170 74    | United States Of America   | PC              | CR                             | Yes     |                 | 0.00           | 14.32         | 14.32             | No                   | 0.00                  | 0.00                      | 0.00                         | 42        | 13                     | 4        | 25             | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 118.00           |
| 114 170 78    | United States Of America   | PC              | CR                             | Yes     |                 | 0.00           | 11.48         | 11.48             | No                   | 0.00                  | 0.00                      | 0.00                         | 34        | 10                     | 3        | 21             | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 120.00           |
| 424 041 04    | CHEROKEE NEWPORT BEACH LLC | PR              | PR                             | Yes     |                 | 0.00           | 10.81         | 10.81             | No                   | 0.00                  | 0.00                      | 0.00                         | 32        | 9                      | 3        | 20             | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and                                                              |                  | Banning Ranch | 121.00           |





| Parcel Number | Owner                    | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed   | Assumed Net Unit Yield |          |                | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                       | Letter Interest? | Focus Area    | Inventory/Map ID |
|---------------|--------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-----------|------------------------|----------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------|------------------|
|               |                          |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              | Net Yield | Low/Very Low           | Moderate | Above Moderate |                                                                                                                                                                                                                                                                                  |                  |               |                  |
|               |                          |                 |                                |         |                 |                |               |                   |                      |                       |                           |                              |           |                        |          |                | local developers to pursue housing development on this site.                                                                                                                                                                                                                     |                  |               |                  |
| 114 170 43    | Newport Beach Cherokee   | OR              | CO-R                           | Yes     |                 | 0.00           | 6.52          | 6.52              | Yes                  | 0.00                  | 0.00                      | 0.00                         | 19        | 6                      | 2        | 11             | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 122.00           |
| 114 170 65    | United States Of America | OR              | CO-R                           | Yes     |                 | 0.00           | 5.79          | 5.79              | Yes                  | 0.00                  | 0.00                      | 0.00                         | 17        | 5                      | 2        | 10             | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 123.00           |
| 114 170 80    | City Of Newport Beach    | PC              | CO-M                           | Yes     |                 | 0.00           | 3.86          | 3.86              | Yes                  | 0.00                  | 0.00                      | 0.00                         | 11        | 3                      | 1        | 7              | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 124.00           |



| Parcel Number | Owner                  | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed   | Assumed Net Unit Yield |          |                | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                       | Letter Interest? | Focus Area    | Inventory/Map ID |
|---------------|------------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-----------|------------------------|----------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------|------------------|
|               |                        |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              | Net Yield | Low/Very Low           | Moderate | Above Moderate |                                                                                                                                                                                                                                                                                  |                  |               |                  |
| 114 170 24    | Newport Beach Cherokee | PC              | CO-M                           | Yes     |                 | 0.00           | 0.37          | 0.37              | No                   | 0.00                  | 0.00                      | 0.00                         | 1         | 0                      | 0        | 1              | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 126.00           |
| 114 170 81    | City Of Newport Beach  | PC              | CO-M                           | Yes     |                 | 0.00           | 5.33          | 5.33              | N/A                  | 0.00                  | 0.00                      | 0.00                         | 16        | 5                      | 2        | 9              | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 127.00           |
| 114 170 75    | Newport Beach Cherokee | PC              | CO-M                           | Yes     |                 | 0.00           | 0.21          | 0.21              | N/A                  | 0.00                  | 0.00                      | 0.00                         | 1         | 0                      | 0        | 1              | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 128.00           |
| 114 170 49    | Newport Beach Cherokee | PC              | CO-R                           | Yes     |                 | 0.00           | 1.10          | 1.10              | N/A                  | 0.00                  | 0.00                      | 0.00                         | 3         | 1                      | 0        | 2              | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and                                                              |                  | Banning Ranch | 129.00           |



| Parcel Number                              | Owner               | Existing Zoning | Existing General Plan Land Use | Vacancy | 5th Cycle Site? | Existing Units | Gross Acreage | Buildable Acreage | HCD Sizing Criteria? | Density (Du/Ac)       |                           | Potential Rezoned Unit Yield | Assumed   | Assumed Net Unit Yield |          |                | Existing Use and Explanation of Propensity                                                                                                                                                                                                                                       | Letter Interest? | Focus Area    | Inventory/Map ID |
|--------------------------------------------|---------------------|-----------------|--------------------------------|---------|-----------------|----------------|---------------|-------------------|----------------------|-----------------------|---------------------------|------------------------------|-----------|------------------------|----------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------|------------------|
|                                            |                     |                 |                                |         |                 |                |               |                   |                      | Existing Zone Density | Rezoned Density (Assumed) |                              | Net Yield | Low/ Very Low          | Moderate | Above Moderate |                                                                                                                                                                                                                                                                                  |                  |               |                  |
|                                            |                     |                 |                                |         |                 |                |               |                   |                      |                       |                           |                              |           |                        |          |                | local developers to pursue housing development on this site.                                                                                                                                                                                                                     |                  |               |                  |
| 114 170 66                                 | Orange County Flood | PC              | CO-R                           | Yes     |                 | 0.00           | 1.49          | 1.49              | N/A                  | 0.00                  | 0.00                      | 0.00                         | 4         | 1                      | 0        | 3              | The Banning Ranch area is currently vacant land within the City's sphere of influence and has previously received a development proposal. As described in Section 4, the City will work with the property owner and local developers to pursue housing development on this site. |                  | Banning Ranch | 130.00           |
| Banning Ranch Total Development Potential: |                     |                 |                                |         |                 |                |               |                   |                      |                       |                           |                              | 1,475     |                        |          |                |                                                                                                                                                                                                                                                                                  |                  |               |                  |



Attachment B-1: Completed Projects of Mixed Densities

| Project Name                                                                                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Affordable Component                                                                                                                                                    | Affordability Confirmation                                                                  |                                          | Additional Justification Project Provides                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Uptown Newport Summary and Phase 1A One Uptown Newport Apartments (APN 445 134 08 and 09)</b> | <p><b>Summary:</b> The total Uptown Newport Master Plan approval consists of redevelopment of a 438,127 square foot industrial complex into 1,244 residential units, 11,500 square feet of neighborhood serving retail area, and development of two acres of public parks on a 25 acre site.</p> <p>Phase 1A development resulted in the demolition and redevelopment of an existing single-story, 126,675 square foot office building into two new apartment buildings totaling 462 units and approximately 10,700 square feet of retail floor area.</p> <p><b>Project Approvals and Status:</b> The zoning entitlements and EIR for the Uptown Newport Master Plan project were approved on February 26, 2013. On January 14, 2016, the Minor Site Development review for Phase 1 was approved. Phase 1 was completed in February 2020.</p> <p><b>Density:</b> Excluding the two acre parks, the overall project results in an effective density of approximately 54 units per acre, which includes 322 density bonus units.</p> <p>Phase 1A development consists of 4.63 acres, resulting in an effective density of 100 units per acre.</p> <p><b>Approved Height Limit:</b> The maximum height for low-rise and mid-rise buildings is 75 feet. The maximum building eight for high-rise portions of building is 150 feet.</p> <p>Phase 1 development measure 66 feet in height</p> | <p>The total Uptown Newport Master Plan development requires a minimum of 102 very low-income units.</p> <p>Phase 1A development includes 91 very low-income units.</p> | <p>Affordable housing covenant recorded requiring affordability for a term of 55 years.</p> | <p>Phase 1A completed February 2020.</p> | <ul style="list-style-type: none"><li><u>Realistic Capacity</u> of Airport Area density. Airport Area allows minimum density of 30 du/ac and maximum of 50 du/ac. Actual project density equates to 54 du/ac.</li><li><u>Suitability of Nonvacant Sites:</u> Demonstrates nonvacant sites are viable for redevelopment into higher density residential and mixed-use developments. Existing uses consisted of existing single-story, 126,675 square foot office building.</li><li><u>Airport Area Desirability</u></li></ul> <div></div> |





| Project Name                              | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Affordable Component                                                      | Affordability Confirmation                                                           |                                          | Additional Justification Project Provides                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ebbtide<br>(APN 424 131 27)               | <p><b>Summary:</b> The project involved the redevelopment of a 73-space residential mobile home park with a new 81-unit detached condominiums on a 4.7 acre site.</p> <p><b>Project Approvals and Status:</b> A Tentative Tract Map, Planned Development Permit, Traffic Study and Mitigated Negative Declaration. The project was approved by the Planning Commission on August 6, 2015.</p> <p><b>Density:</b> 17 du/ac. The maximum allowed density is 18 du/ ac.</p> <p><b>Approved Height Limit:</b> Approx. 38 feet</p>                                                                                                                                                          | None, but relocation benefits provided to displace mobile home residents. | N/A                                                                                  | Construction completed in December 2017. | <ul style="list-style-type: none"><li><u>Suitability of Nonvacant Sites:</u> Demonstrates nonvacant sites are viable for redevelopment. Existing uses consisted of a 73-space residential mobile home park.</li><li><u>West Newport Mesa Desirability</u></li></ul>                                                                                                |
| Lido Villas<br>(APN 423 112 05)           | <p><b>Summary:</b> The project involved demolition of a three-story 32,469-square-foot commercial building and single-story, 8,961-square-foot church and construction of 23 townhouse style multi-family dwelling units on a 1.2 acre site in the coastal zone.</p> <p><b>Project Approvals and Status:</b> A General Plan Amendment, Coastal Land Use Plan Amendment, Zoning Code Amendment, Site Development Plan Review, Tentative Tract Map and Mitigated Negative Declaration. The project was approved by the California Coastal Commission on October 9,2014.</p> <p><b>Density:</b> 19 du/ac proposed and maximum allowable.</p> <p><b>Approved Height Limit:</b> 35 feet</p> | None                                                                      | N/A                                                                                  | Construction completed in December 2019. | <ul style="list-style-type: none"><li><u>Suitability of Nonvacant Sites:</u> Demonstrates nonvacant sites are viable for redevelopment. Existing uses consisted of a three-story 32,469-square-foot commercial building and single-story, 8,961-square-foot church.</li><li><u>Lot Consolidation</u> The subject property consisted of 6 legal lots .</li></ul>  |
| Villas Fashion Island<br>(APN 442 261 03) | <p><b>Summary:</b> The project involved the redevelopment of a five-building office complex with a 524-unit apartment complex on a 14.4-acre site.</p> <p><b>Project Approvals and Status:</b> Master Plan Review approved on November 3, 2014 administratively. Construction completed 2017.</p>                                                                                                                                                                                                                                                                                                                                                                                      | 105 moderate-income rental units provided at an off-site location.        | Affordable housing covenant recorded requiring affordability for a term of 30 years. | Construction completed 2017.             | <ul style="list-style-type: none"><li><u>Suitability of Nonvacant Sites:</u> Demonstrates nonvacant sites are viable for redevelopment. Existing uses consisted of a five office buildings ranging in height from 2 to 3 story.</li><li><u>Newport Center Desirability</u></li></ul>                                                                                                                                                                  |



| Project Name | Description                                                                                                 | Affordable Component | Affordability Confirmation |  | Additional Justification Project Provides                                                                                           |
|--------------|-------------------------------------------------------------------------------------------------------------|----------------------|----------------------------|--|-------------------------------------------------------------------------------------------------------------------------------------|
|              | <p><b>Density:</b> 36 du/ac proposed and maximum allowable</p> <p><b>Approved Height Limit:</b> 65 feet</p> |                      |                            |  | <ul style="list-style-type: none"><li></li></ul> |



Attachment B-2: Pending Projects – Anticipated Completion in 6th Cycle

| Project Name                                                                                                                                                                                                                  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Affordable Component                                                                                                                                | Affordability Confirmation                                                                                                    |                                                                                                                                                                                                                                                              | Additional Justification Project Provides                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| <b>Uptown Newport Residences Phase 1C Details</b><br><b>(APN 445 134 17)</b>                                                                                                                                                  | <p><b>Summary:</b> Development of 60 residential condominium units on a 1.06 acre portion of the Uptown Newport Master Plan. Plans are currently in process.</p> <p><b>Project Approvals and Status:</b> The zoning entitlements and EIR for the Uptown Newport Master Plan project were approved on February 26, 2013. The application for this Phase1C is in process.</p> <p><b>Density:</b> 56.60 units per acre</p> <p><b>Approved Height Limit:</b> Proposed and allowed height is 75 feet.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | None- Addressed in Phase 1A                                                                                                                         | None- Addressed in Phase 1A                                                                                                   | Under review and approvals anticipated in early 2021.                                                                                                                                                                                                        | <ul style="list-style-type: none"><li>• <u>Realistic Capacity</u> of Airport Area density. Airport Area allows minimum density of 30 du/ac and maximum of 50 du/ac. Actual project density equates to 56.60 du/ac. Part of the overall Uptown Newport Master Plan that has an overall density of 54 du/ac.</li><li>• <u>Suitability of Nonvacant Sites:</u> Demonstrates nonvacant sites are viable for redevelopment into higher density residential and mixed-use developments. Existing uses consisted of existing single-story, 126,675 square foot office building.</li><li>• <u>Airport Area Desirability</u></li></ul>                                               |
| <b>Newport Village Mixed-use</b><br><b>(The Project's North Parcel is approximately 5.3 acres and located at 2000–2244 West Coast Highway. The Project's South Parcel is approximately 4.1 acres and located at 2001-2241</b> | <p><b>Summary:</b> Project would result in the mixed-use redevelopment of approximately 9.4 acres currently comprised of six underlying parcels that will be consolidated into two parcels on the north and south sides of West Coast Highway. The Project's North Parcel is approximately 5.3 acres and the Project's South Parcel is approximately 4.1 acres. The Project consists of 14 residential condominium units on the South Parcel and 108 apartment units on the North Parcel; 128,640 square feet (sf) of nonresidential floor area (including 96,905 sf of existing and new office, 19,820 sf of boat and vehicle sales, and 11,915 sf of existing and new retail/food service uses); surface, subterranean, and structured parking; a new pedestrian promenade along the waterfront; public open space areas; landscaping; a new bulkhead/seawall and reinforcement of existing portions of bulkhead/seawall; and marina improvements.</p> <p><b>Project Approvals and Status:</b></p> <p>A Site Development Review to allow for construction of development, and Tentative Tract Map to consolidate parcel and create condominiums. Application is currently incomplete and applicant has indicated they will redesign to add more density, including affordable units.</p> | Above-moderate income; however, applicant is considering amending project to include 9 very low-income units and take advantage of a density bonus. | If affordable units provided, an Affordable Housing Implementation Plan will be required and affordability covenant recorded. | Pending project. Applicant is redesigning project to add more density, including affordable units and maximize density bonus allowances, and to make the project eligible for Housing Accountability Act (HAA) protections and expediate the review process. | <ul style="list-style-type: none"><li>• <u>Lot Consolidation</u> of 6 individual lots (ranging in size from 0.44-4.37 acres) into a larger development site</li><li>• <u>Realistic Capacity</u> of Mixed-Use Mariner's Mile zoning district, which allows for up to 26.7 units per. Actual project density equates to 20 du/ac on North Parcel.</li><li>• <u>Suitability of Nonvacant Sites:</u> Demonstrates nonvacant sites are viable for redevelopment into higher density mixed-use development. Existing uses consist of older office buildings and large parking lots currently utilized for vehicle sales.</li><li>• <u>Mariners Mile Desirability</u></li></ul>  |





| Project Name                   | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Affordable Component                     | Affordability Confirmation                                                                                                 |                           | Additional Justification Project Provides                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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| West Coast Highway)            | <p><b>Density:</b> Current application would result in a density of 3.42 du/ ac on south parcel and 20.33 du/ac on north parcel.</p> <p>Pending redesigned project would result in density of 8.9 du/ ac on south parcel and a net density of 26.5 du/ac on north parcel. The net density does not include the 20 percent density increase (33 units) that is allowed by the State Bonus Density law and the Newport Beach Municipal Code in exchange for the 5-percent or 9 units set aside for affordable housing. With density bonus, the effective density on south parcel is 33 du/ac</p> <p><b>Approved Height Limit:</b></p> <p>Base height limit is 26 feet flat roof/31 feet sloping roof; increases up to 35 feet flat roof/40 feet sloping roof.</p> |                                          |                                                                                                                            |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 1300 Bristol Apartment Project | <p><b>Summary:</b> Demolition of a two-story, 33,9292-square-foot office building and redevelopment with a new 193-unit apartment complex on a 1.97 acre site. The proposed units consist of 77 base units, 77 transfer of development units, and a density bonus of 39 units.</p> <p><b>Project Approvals and Status:</b> The project applications include a site development review, transfer of development rights (77 unit transfer), density bonus and affordable housing implementation plan. Applied for in June of 2021 and in process.</p> <p><b>Density:</b></p> <ul style="list-style-type: none"><li>• 98 du/ac total project</li><li>• 40 du/ac base project (no transfer or density bonus)</li></ul> <p><b>Proposed Height Limit:</b> 80 feet</p> | 169 market-rate and 24 low-income units. | The approved Affordable Housing Implementation Plan (AHIP) will require the recordation of an affordable housing covenant. | Application under review. | <ul style="list-style-type: none"><li>• <u>Realistic Capacity</u> of Airport Area density. Airport Area allows minimum density of 30 du/ac and maximum of 50 du/ac. Actual project density equates to 98 du/ac. Without density bonus or transfer of development rights, based density is 40 du/acre.</li><li>• <u>Suitability of Nonvacant Sites:</u> Demonstrates nonvacant sites are viable for redevelopment into higher density residential and mixed-use developments. Existing use consists of two-story, 33,9292-square-foot office building.</li><li>• <u>Airport Area Desirability</u></li></ul>  |





Attachment B-3: Recently Approved Projects – Completion Anticipated in 6th Cycle Planning Period

| Project Name                                                                                                                                                                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Affordable Component                                                                                                                                                                                                                                                                                                      | Affordability Confirmation                                                                                                                                           | Anticipated Availability in Planning Period                                                                                                                                                                                                                                                                                                                                                                 | Additional Justification Project Provides                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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| <b>Newport Airport Village</b><br><br>(Northerly portion of the Campus Tract, generally bounded Birch Street, Campus Drive, MacArthur Blvd. and the extension of Corinthian Way) | <p><b>Summary:</b> The project would result in consolidation and redevelopment of 15 lots totaling 16.46-acres of existing nonresidential property for mixed-use development. More specifically, the development would consist of two Planning Areas (PA1 and PA2). PA1 is 7.14 acres and would allow for the development of up to 444 dwelling units (329 base units and 115 density bonus units) and 94,583 square feet of nonresidential floor area (i.e., retail, office, and other airport supporting uses). PA2 would consist of 9.32 acres and would allow for the development of up to 202,989 square feet of nonresidential floor area.</p> <p><b>Project Approvals and Status:</b> A General Plan Amendment to allow for mixed-use development, Planned Community Development Plan (PC-60) to establish the zoning and development standards for the site, and a Development Agreement providing vested development rights in exchange for public benefits. The project was approved by City Council on September 22, 2020.</p> <p><b>Density:</b> Planning Area 1 is 7.14 acres, to which the construction of 329 units would have an effective density of 46 units per acre. With the requested density bonus, the 493 total units would result in an effective density of 69 units per acre.</p> <p><b>Approved Height Limit:</b> Within PA1, residential or mixed-use structures are permitted a height of 85 feet.</p> | The residential development shall include affordable housing as follows: a minimum of 5% of units for very-low income households (16 units), or a minimum of 10% of units for low-income households (32 units), or a minimum 10% of units for moderate-income households (32 units) within a common-interest development. | The approved development agreement and adopted Newport Airport Planned Community require the minimum levels of affordability to be provided.                         | Highly motivated developer in full ownership of property. Zoning in place to accommodate the density and height of residential development. Environmental clearance prepared and adopted in the form of an Addendum to the Program Environmental Impact Report to the 2006 General Plan Update and Supplemental Environmental Impact Report to the 2014 update to the Land Use Element of the General Plan. | <ul style="list-style-type: none"><li>• <u>Lot Consolidation</u> of smaller individual lots into larger development site</li><li>• <u>Realistic Capacity</u> of Airport Area density. Airport Area allows minimum density of 30 du/ac and maximum of 50 du/ac. Actual project density equates to 46 du/ac (69 du/ac with density bonus).</li><li>• <u>Suitability of Nonvacant Sites:</u> Demonstrates nonvacant sites are viable for redevelopment into higher density residential and mixed-use developments. Existing uses consist of older office buildings, vehicle rental facilities, retail uses, and restaurants.</li><li>• <u>Airport Area Desirability</u></li></ul>  |
| <b>Residences at 4400 Von Karman</b>                                                                                                                                             | <p><b>Summary:</b> Project would result in the redevelopment of an existing surface parking area with a 312-unit apartment building units atop an 825-space parking structure, an approximately one-acre public park, and a 284-space free-standing parking structure to replace parking displaced by the residential building and park.</p> <p><b>Project Approvals and Status:</b> A Site Development Review to allow for construction of development, Planned Community Development Plan Amendment (PC-15) to establish residential overlay zone and development standards for the site, and a Development Agreement providing vested development rights in</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Of the 312 rental units, five percent of the base units, or 13 units, will be affordable and restricted to very low-income households for 55 years and the remaining 299 units will be market-rate rentals.                                                                                                               | The approved Affordable Housing Implementation Plan (AHIP) and development agreement for the project will require the recordation of an affordable housing covenant. | Recent project approval in place.                                                                                                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"><li>• <u>Suitability of Nonvacant Sites:</u> Demonstrates ability to develop underutilized parking lot.</li><li>• <u>Realistic Capacity</u> of Airport Area density. Airport Area allows minimum density of 30 du/ac and maximum of 50 du/ac. Actual project density equates to 44 du/ac (53 du/ac with density bonus).</li><li>• <u>Airport Area Desirability</u></li></ul>                                                                                                                                                                                                                                                                                                                                                      |



| Project Name                                                  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Affordable Component                                                                | Affordability Confirmation                                                                                                 | Anticipated Availability in Planning Period | Additional Justification Project Provides                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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|                                                               | <p>exchange for public benefits. Lot Line Adjustment to adjust underlying parcels, and Affordable Housing Implementation Plan establishing the density bonus, incentives, waivers, and affordability requirements. The City Council approved the project on February 9, 2021.</p> <p><b>Density:</b> The project has a net developable residential area of 5.9 acres, which includes the project site of 4.51 acres and the free-standing parking area of 1.39 acres. The net density of the project is 44 units per acre. The net density does not include the 20 percent density increase (52 units) that is allowed by the State Bonus Density law and the Newport Beach Municipal Code in exchange for the 5-percent or 13 units set aside for affordable housing. Altogether, the project has an overall density of 53 units per net acre.</p> <p><b>Approved Height Limit:</b> 71-foot height limit</p>                                                                                                  |                                                                                     |                                                                                                                            |                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>West Coast Highway Mixed-Use (2510 West Coast Highway)</b> | <p><b>Summary:</b> The project would result in the redevelopment of a vehicle sales office with a mixed-use development consisting of 36 units and a 5,096 square foot office.</p> <p><b>Project Approvals and Status:</b> A Site Development Review and Coastal Development Permit to allow for construction of development, Tentative Parcel Map to consolidate the underlying parcels, and Affordable Housing Implementation Plan establishing the density bonus, incentives, waivers, and affordability requirements. The City Council approved the project on July 27, 2021.</p> <p><b>Density:</b> The site is 0.98 acres, to which the construction of base 26 units and 10 density bonus units results in an effective density of 36 unit per acre (26 units per acre is maximum 26.7 units per acre is maximum allowable density in MU-MM zoning district applicable to subject lot).</p> <p><b>Approved Height Limit:</b> 35 feet utilizing density bonus development standard waiver allowance.</p> | Three of the 36 residential units would be reserved for very low-income households. | The approved Affordable Housing Implementation Plan (AHIP) will require the recordation of an affordable housing covenant. | Project approval in place.                  | <ul style="list-style-type: none"><li>• <u>Lot Consolidation</u> of 5 smaller individual lots (ranging in size from 0.05-0.49 acres) into a larger development site</li><li>• <u>Realistic Capacity</u> of Mixed-Use Mariner’s Mile zoning district, which allows for up to 26.7 units per. Actual project density equates to 36 du/ac utilizing density bonus (base units equates to 26 units per acre).</li><li>• <u>Suitability of Nonvacant Sites:</u> Demonstrates nonvacant sites are viable for redevelopment into higher density mixed-use development. Existing uses consist of older office buildings and large parking lots currently utilized for vehicle sales.</li><li>• <u>Mariners Mile Desirability</u></li></ul>  |



| Project Name                        | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Affordable Component                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Affordability Confirmation                                                                                                 | Anticipated Availability in Planning Period                                       | Additional Justification Project Provides                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| Newport Crossings<br>(1660 Dove St) | <p><b>Summary:</b> The project would redevelop an existing 58,277-square-foot commercial center known as MacArthur Square with a mixed-use development consisting of 350 residential dwelling units, 7,500 square feet of commercial floor area, and a 0.5-acre public park.</p> <p><b>Project Approvals and Status:</b> A Site Development review to allow construction of the development, a Lot Line Adjustment to reconfigure the three underlying lots, and Affordable Housing Implementation Plan establishing the density bonus, incentives, waivers, and affordability requirements. The project was approved by the Planning Commission on February 21, 2019.</p> <p><b>Density:</b> Net acres is 5.19 acres. The project has a base density of 50 units per net acre (259 units) which is consistent with a maximum of 50 du/acre allowance by this policy. This base density does not include the 35- percent density bonus of 91 units that is allowed by the Newport Place Planned Community and State Bonus Density law in exchange for the 30-percent or 78 units set aside for affordable housing. Altogether, the project has an effective density of 67 units per net acre.</p> <p><b>Approved Height Limit:</b> 78 feet utilizing density bonus developments standard waiver (base height limit is 55 feet with height increases permitted through site development review).</p> | Consistent with the affordable housing requirements of the Residential Overlay, 30 percent of the project’s base apartment units (78 units) would be set aside as affordable units to low-income households. Of the 78 affordable units provided, 52 units would be set aside for households earning 60 percent or less of the area median income1 for a minimum term of 55 years. The remaining 26 affordable units would be set aside for households earning 80 percent or less of the area median income for a minimum term of 30 years. | The approved Affordable Housing Implementation Plan (AHIP) will require the recordation of an affordable housing covenant. | Project approval. Plans are in plan check with permits expected later early 2022. | <div></div> <ul style="list-style-type: none"><li><u>Lot Consolidation</u> The subject property is a pentagonal-shape site and consists of three contiguous parcels. The lot line adjustment allows the reconfiguration of the underlying parcels to create a 0.5-acre parcel (Parcel 2) to be deeded to the City for public park use consistent with General Plan requirements, a 0.11-acre parcel (Parcel 3) for public parking for park use and emergency vehicle access for the mixed-use development, and 5.08-acre parcel (Parcel 1) for the mixed-use development.</li><li><u>Realistic Capacity</u> of Airport Area density. Airport Area allows minimum density of 30 du/ac and maximum of 50 du/ac. Actual project density equates to 67 du/ac (50 du/ac excluding density bonus).</li><li><u>Suitability of Nonvacant Sites:</u> Demonstrates nonvacant sites are viable for redevelopment into higher density mixed-use development. Existing uses consist an eight building shopping center built in 1974. Tenants included retail stores, professional offices, and restaurants.</li><li><u>Airport Area Desirability</u></li></ul> |





| Project Name                                                           | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Affordable Component                                                                                                                                                                                                                                          | Affordability Confirmation  | Anticipated Availability in Planning Period                 | Additional Justification Project Provides                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| <b>Residences at Newport Center<br/>(150 Newport Center Drive)</b>     | <p><b>Summary:</b> Project would result in the redevelopment of an existing car wash with a new 28 residential condominium development.</p> <p><b>Project Approvals and Status:</b> General Plan Amendment to change land use designation to Multiple Residential (RM), Site Development Review to allow for construction of development, Planned Community Development Plan to establish development standards for the site, a Tentative Tract Map to establish condominiums, and Development Agreement. The City Council approved the project on October 12, 2021.</p> <p><b>Density:</b> 1.26 acre site, resulting in a density of 23 units per acre. Residential was not previously allowed on the site.</p> <p><b>Approved Height Limit:</b> 53 feet high with additional height (60 feet) for rooftop appurtenances</p> | All unit would be above-moderate income. Development Agreement includes payment of \$2.5 million public benefit fee, of which \$325,000 would be reserved for affordable housing and \$150,000 reserved to fund services for those experiencing homelessness. | NA                          | Project approval in place.                                  | <div><p><b>Suitability of Nonvacant Sites:</b> Demonstrates nonvacant sites are viable for redevelopment into medium density residential development. Existing use consists of a successful car wash. However, residential allowance in desirable area incentives the redevelopment of the site.</p><p><b>Newport Center Desirability</b></p></div>                                                                                                                                                                                                                                     |
| <b>Uptown Newport Residences Phase 1B Details<br/>(APN 445 134 17)</b> | <p><b>Summary:</b> Development of 30 residential condominium units on a 1.52 acre portion of the Uptown Newport Master Plan.</p> <p><b>Project Approvals and Status:</b> The zoning entitlements and EIR for the Uptown Newport Master Plan project were approved on February 26, 2013. On October 22, 2020, 2016, the Minor Site Development review for Phase 1B was approved. Construction is anticipated in 2022.</p> <p><b>Density:</b> 19.71 du/ac (Within the MU-H2 designation applicable to the site, density is limited to a maximum of 50 unit and minimum of 30 units per acre.)</p> <p><b>Approved Height Limit:</b> 63 feet proposed, 75 feet allowed</p>                                                                                                                                                        | None- Addressed in Phase 1A                                                                                                                                                                                                                                   | None- Addressed in Phase 1A | Entitlements approved. Construction is anticipated in 2022. | <div><p><b>Realistic Capacity</b> of Airport Area density. Airport Area allows minimum density of 30 du/ac and maximum of 50 du/ac. Actual project density equates to 19.71 du/ac. Part of the overall Uptown Newport Master Plan that has an overall density of 54 du/ac.</p><p><b>Suitability of Nonvacant Sites:</b> Demonstrates nonvacant sites are viable for redevelopment into higher density residential and mixed-use developments. Existing uses consisted of existing single-story, 126,675 square foot office building.</p><p><b>Airport Area Desirability</b></p></div> |



## Summary of Community Outreach

Section 65583 of the Government Code states that, “the local government shall make diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.” Meaningful community participation is also required in connection with the City’s Assessment of Fair Housing (AFH). A summary of citizen participation is provided below.

As part of the 6<sup>th</sup> Cycle Housing Element Update process, Newport Beach has conducted extensive public outreach activities beginning in 2019. In October 2019, the City launched Newport Together, a Listen & Learn process to guide and inform a future General Plan Update. The goal of the Listen & Learn was to hear from a broad spectrum of community members on community values, assess the current General Plan Vision, and provide recommendations for a future General Plan Update. Newport Together was guided by the General Plan Update Steering Committee, a body appointed by City Council to oversee the Listen and Learn process. The following series of Community Workshops occurred in each of the Newport Beach Council Districts:

- November 12, 2019 from 6 – 8 p.m. at 16<sup>th</sup> Street Recreation Center – *District 2*
- November 14, 2019 from 6 – 8 p.m. Back Bay Science Center – *District 3*
- November 20, 2019 from 6 – 8 p.m. Newport Coast Community Center – *District 7*
- November 21, 2019 from 6 – 8 p.m. OASIS Senior Center – *District 6*
- December 3, 2019 from 6 – 8 p.m. Central Library's Friend Meeting Room – *District 5*
- December 11, 2019 from 6 – 8 p.m. Bonita Creek Community Center - *District 4*
- December 12, 2019 from 6 – 8 p.m. Marina Park Community Center – *District 1*

Beginning in 2020 the City began additional focused discussion for the 6<sup>th</sup> Cycle Housing Element Update. These recent outreach efforts included Community Workshops, Digital Engagement, Planning Commission Study Sessions, Housing Element Advisory Committee Meetings, digital media, and noticed Public Hearings. Project materials, including summaries from community workshops and public meetings, notices, and draft public review documents are available on the City’s website: <https://www.newporttogether.com/housing>.

Outreach for the 6<sup>th</sup> Cycle Housing Element to the Newport Beach community, includes the following actions:

- **Community Workshop #1** – The City conducted a virtual community workshop on October 20, 2020. Advertising for the workshop included emailing the City’s list serve, posting on social media, creating an item on the City’s calendar, newspaper ads, water bill notices, and announcing the event on the project website. The recorded workshop is available for viewing on the workshop’s webpage at [https://www.newporttogether.com/virtual\\_workshop](https://www.newporttogether.com/virtual_workshop). The 82 workshop participants were provided with an overview of the Housing Element Update process, community and housing characteristics, and also participated in engagement activities. Takeaways from the workshop include the following:

- Many believe Newport Beach has opportunities to overcome housing challenges in communities where density may be increased and through a mixture of housing types that meets the needs of many different family types and income levels;
  - Traffic impacts and parking are important issues to be addressed along with housing;
  - Different densities are suitable in different areas of the City;
  - And, some people are opposed to the development of more housing.
- **Community Workshop #2 and #3** – The City conducted a second and third community workshop on November 16<sup>th</sup> and 17<sup>th</sup>, 2020. Advertising for the workshop included emails out to the City’s distribution list, social media posts, creating an item on the City’s calendar, newspaper ads, water bill notices, and announcing the event on the project website. The recorded workshop is available for viewing on the workshop’s webpage at <https://www.newporttogether.com/housing-suitability>. The workshop included an ice breaker that asked participants to guess the density of various housing types. The activity’s goal was to have participants think about density and to associate density numbers with housing projects in Newport Beach. Participants could submit comments and questions via the Zoom chat box in the first half of the workshop. In the second half, during the public comment section, participants could use the “raise hand” function to indicate that they would like to speak verbally, and project staff would then unmute their microphone. Each participant was allotted three minutes to ask questions or provide comments. Participants were also able to submit comments via the chat box. A primary objective of the workshop was allowing participants opportunities to comment on the housing suitability analysis for focus areas in the City. Participants were asked to consider if focus areas were suitable for housing development and if there were challenges and opportunities associated with these specific areas. Attendance for the part 1 and part 2 of the workshop was as follows:
    - **Part 1:** 61 participants (4 called in and 57 participated on the web)
    - **Part 2:** 55 participants (1 called in and 54 participated on the web)
- ~~● **Community Workshop #4** – The City conducted a fourth community workshop on February 24<sup>th</sup>, 2021. Advertising for the workshop included emails out to the City’s distribution list, social media posts, creating an item on the City’s calendar, newspaper ads, water bill notices, and announcing the event on the project website. The recorded workshop is available for viewing on the workshop’s webpage at <https://www.newporttogether.com/circulation-element-themes2>. The workshop discussed opportunity sites and policy strategies for the Housing Element and provide opportunities for the public to discuss options and provided feedback.~~
- **Community Workshop #45** – The City conducted a ~~fourth~~<sup>fifth</sup> community workshop on March 22<sup>nd</sup>, 2021. Advertising for the workshop included emails out to the City’s distribution list, social media posts, creating an item on the City’s calendar, newspaper ads, water bill notices, and announcing the event on the project website. The recorded workshop is available for viewing on the workshop’s webpage at <https://www.newporttogether.com/housing-element-initial-draft>.



The workshop provided an introduction to the initial draft and provided opportunities for the public to provide questions and comments.

- **Community Workshop #56** – The City conducted a ~~fifth~~sixth community workshop on June 21<sup>st</sup>, 2021. Advertising for the workshop included emails out to the City’s distribution list, social media posts, creating an item on the City’s calendar, newspaper ads, water bill notices, and announcing the event on the project website. The recorded workshop is available for viewing on the workshop’s webpage at <https://www.newporttogether.com>. The workshop provided an overview of inclusionary housing, accessory dwelling units, and housing overlays. Staff also introduced a revised housing production scenario that would be shared with City Council for feedback the following night.
- **Property Owner Outreach** – The City provided direct contact to all property owners with sites identified in the draft Sites Inventory. There were two rounds of mailers that were sent out to registered owners of properties. In instances where a property owner expressed disinterest in participating, those sites were removed from consideration.
- **Planning Commission Study Session** –The City held a Planning Commission Study Session on March 22<sup>nd</sup>, 2021. During the study session, the project team provided a presentation with an overview of the Public Review Draft Housing Element and Housing Element update process to date. Community members had the opportunity to give public comments.
- **City Council Study Sessions** –The City held eight City Council Study Sessions on April 27<sup>th</sup>, June 8<sup>th</sup>, June 22<sup>nd</sup>, July 13<sup>th</sup>, September 14<sup>th</sup> (inclusionary), October 26<sup>th</sup>, November 16<sup>th</sup>, 2021 and January 25, 2022 to discuss the draft Housing Element, the City Council review draft RHNA accommodation scenarios and provided input and direction in consideration of community comments received.
- **Housing Element Update Advisory Committee (HEUAC) Meetings** – The City established a Housing Element Update Advisory Committee to:
  - Ensure there is sufficient public outreach and stakeholder input regarding the update to the Housing, Land Use, and Circulation Elements of the Newport Beach General Plan and any other Elements deemed necessary.
  - Review responses to the Request for Proposal for services to update the Housing, Land Use, Circulation, and other Elements deemed necessary.
  - Make recommendations to the City Council regarding the selection of consultants to assist in the update of the Housing, Land Use, and other Elements deemed necessary.
  - Provide guidance to City staff and the consultant through the outreach process.
  - Provide guidance to City staff, and the consultant, on goals and policies related to the update of the Housing, Land Use, and any other Elements deemed necessary by the Committee or City Council.

- Make other recommendations to the City Council regarding the update of the General Plan, as necessary.

The HEUAC meeting agendas, minutes, and videos are available on the City's webpage at: <https://ecms.newportbeachca.gov/Web/Browse.aspx?startid=2503780&cnb=BoardsCommissions>. Nine Newport Beach residents were appointed by the Mayor and Confirmed by the City Council to be part of the committee.

- **Housing Element Update Website** – A website was developed for public consumption and can be accessed at <https://www.newporttogether.com/housing>. The website provided relevant information about the update process, key features of the housing element, project timeline and a calendar of events for outreach activities. The website also provided a link to the community survey tool, past recorded meetings and summaries, as well as the contact information of the City for residents and community members to send additional comments or request additional information.
- **Targeted Outreach** –From the time the City kicked off an update of the General Plan in 2019, there has been an extensive broad-sweeping outreach and engagement effort. To get the whole community involved, the City published materials in the local newspaper (*The Daily Pilot*), provided inserts in utility bill mailers, posted on social media, distributed flyers, and relied upon word-of-mouth through City council announcements and neighborhood conversations. [As part of the analysis of Affirmatively Furthering Fair Housing, the City conducted a variety of informal meetings with internal city staff and stakeholders to provide anecdotal evidence supporting the requisite analysis contained in Chapter 3 of this Housing Element.](#)
- **Planning Commission Public Hearing** –On December 9, 2021, the City held a duly noticed Public Hearing to recommend adoption of the Housing Element to the City Council. The Planning Commission received public comments, made findings pursuant to CEQA and adopted Resolution PC2021-034 recommending adoption of the General Plan Amendment No. GP2021-005 for the 2021 6<sup>th</sup> Cycle Housing Element.
- **City Council Public Hearing** –On February 8, 2022, the City held a duly noticed Public Hearing to adopt of the Housing Element to the City Council. The City Council received public comments, made findings pursuant to CEQA and adopted Resolution No. 2022-14 adopting the General Plan Amendment No. GP2021-005 for the 2021 6<sup>th</sup> Cycle Housing Element.

For all community engagement events, staff contacts in Spanish were provided to community members who required language assistance. The City's website provided links for assistance to those needing Spanish language services. No Spanish translation services requests were made by the public at any Workshop, Study Session or community activity.

In addition, a centralized website ([www.NewportTogether.com](http://www.NewportTogether.com)) was created to act as an accessible, interactive landing point for all those interested in learning more about the City's





efforts. It is important to know that contact information was provided in case there is any trouble reviewing the information or translation services were required. Hard copies of draft Housing Element updates were also made available at City Hall for review for those who may not have digital access capabilities.

Newport Beach has been named a “deaf-friendly city” and Deaf, hard-of-hearing, and non-English speakers now have access to tablets that allow them to connect to interpreters who help translate information regarding city services at libraries, City Hall, and other facilities.

The City distributed meeting flyers/event notices for all public outreach activities to a variety of local and County services agencies, interest groups, universities, private/public services agencies, advocacy organizations that support and advocate for extremely-low and low-income households in Orange County. Many of these groups actively participated and provided comments at the Workshops, HEUAC and Hearings before the Planning Commission and City Council. There comments area summarized in the meeting summaries provided in this **Appendix**.

An email registration sign up was offered, that provided regular updates to local residents, agencies and organizations who desired continued participation in the process. Registrants were regularly informed of outreach and engagement activities throughout the planning process.

Through the City’s website and the project website, interested individuals have been able to sign up for newsletter updates and alerts about upcoming activity. In this manner, nongovernmental organizations have been able to stay informed. In addition, workshop notices were included in the Kennedy Commission (local nonprofit housing organization) newsletters that are sent via electronic mail to a wide variety of housing stakeholders in the Orange County area.

At the City’s Housing Element workshops, representatives of YIMBY Law, the Kennedy Commission, and other nongovernmental organizations attended. Comments are provided during the workshop discourse and are always included in the prepared summary for consideration as the update continues.

Also, the Chair of the Housing Element Update Advisory Committee (HEUAC) invited Kennedy Commission’s Executive Director Cesar Covarrubias to make a presentation to the HEUAC at its October 21, 2020 meeting.

The City has made every attempt to engage a broad cross representation of residents in the development of housing policy. Individuals and organizations were invited to participate and comment throughout the development of the draft Housing Element. Many of these organizations also outreached to their own constituents informing them of the opportunity. Those invited and encouraged to participate through the means described above and/or were active participants in the creation of the Housing Element included:



- Kennedy Commission
- Public Law Center
- Campaign for Fair Housing
- YIMBY Law
- People for Housing
- SPON
- Jamboree Housing
- Trellis, Homeless outreach
- St. James Episcopal Church
- Serving People in Need
- [Be Well Orange County](#)

As required by Government Code Section 65585(b)(2), all written comments regarding the Housing Element made by the public have previously been provided to each member of the City Council.

This Appendix contains a summary of all public comments regarding the Housing Element received by the City at scheduled public meetings, and the Appendix has been provided to the City Council.



## **C.1 Community Workshop 1 Materials**

This section contains all the related materials from the virtual Community Workshop 1. This includes the outreach flyer, materials provided to participants, and the workshop summary. Comments were received in the chat box, polling questions, and open-ended questions with types responses. Video recording of the workshop and verbal comments are available at <https://www.newporttogether.com/>.



## **C.2 Community Workshop 2 and 3 Materials**

This section contains the summary and chat responses from the virtual Community Workshop 2/3. Comments were received in the chat box and verbally during the meeting. Video recording of the workshop and verbal comments are available at <https://www.newporttogether.com/>.





## **C.3 Community Workshop 4 Materials**

This section contains the summary and chat responses from the virtual Community Workshop 4. Comments were received in the chat box and verbally during the meeting. Video recording of the workshop and verbal comments are available at <https://www.newporttogether.com/>.



## C.4 Community Workshop 5 Materials

This section contains the summary and chat responses from the virtual Community Workshop 5. Comments were received in the chat box and verbally during the meeting. Video recording of the workshop and verbal comments are available at <https://www.newporttogether.com/>.



## **C.5 Community Workshop 6 Materials**

~~This section contains the summary and chat responses from the virtual Community Workshop 6. Comments were received in the chat box and verbally during the meeting. Video recording of the workshop and verbal comments are available at <https://www.newporttogether.com/>.~~







|



## **C.56 Planning Commission Study Session**

~~This section contains the meeting minutes and materials provided at the study session.~~ All recordings, agendas, and minutes can be found on the City's website at <https://www.newportbeachca.gov/government/data-hub/agendas-minutes>.

-



## **C.67 City Council Study Sessions**

All recordings, agendas, and minutes for City Council Study Sessions occurring on the following dates can be found on the City's website at <https://www.newportbeachca.gov/government/data-hub/agendas-minutes>.

April 27, 2021

June 8, 2021

July 13, 2021

September 14, 2021 (Inclusionary Housing)

October 26, 2021

November 16, 2021

January 25, 2022

April 26, 2022

This section contains the summary presentations and minutes for Study Sessions before the City Council occurring in 2021. All recordings, agendas, and minutes can be found on the City's website at <https://www.newportbeachca.gov/government/data-hub/agendas-minutes>.



## **C.78 HEUAC Meetings**

This section contains the meeting minutes and public comments for each meeting held up to March 31<sup>st</sup>, 2021. All recordings, agendas, and minutes can be found on the City's website at <https://www.newportbeachca.gov/government/data-hub/agendas-minutes/housing-element-update-advisory-committee>. ~~Error! Hyperlink reference not valid.~~





## **C.89 Public Comments**

~~This section contains all the public~~Public comments received regarding the Housing Element Update. Personal addresses and contact details have been redacted for privacy.

A summary matrix of public comments to the Draft Housing Element is provided in this section.



## **D. Accessory Dwelling Units (ADUs)**

### *Background and Purpose*

#### **ADU Purpose**

Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) are additional independent living facilities, for one or more persons, which are located on the same parcel as a single-unit or multi-unit residential dwelling. The concept of ADUs has existed for decades but has recently come to the forefront of the California housing discussion due to legislation passed starting in 2018. This legislation, discussed in more detail in the following section, makes it easier to develop ADUs by increasing the development zones where ADUs can be built, broadening the definition of an ADU, and removing previous restrictions such as requiring replacement parking.

In areas such as Newport Beach where land values are high and there is a large amount of single-unit detached housing, ADUs present a potentially more naturally affordable housing option for renters. ADUs are often smaller in size than typical apartments or rental housing, ranging from 300 to 600 square feet in size. They are also attractive to property owners who can gain rental income.

The City of Newport Beach (City) believes that ADUs present a viable option as part of the overall strategy to develop housing at all income levels during the 2021-2029 6<sup>th</sup> Cycle Housing Element planning period.

**Appendix D** describes:

- Recent ADU legislation and regional actions;
- Local factors that may increase ADU development over the next eight years; and
- Actions Newport Beach will take through housing programs to incentivizing ADU development.

#### **Background on Legislation and Statutory Requirements**

Currently in Newport Beach, ADUs and JADUs are primarily regulated through Section 20.48.200 (Accessory Dwelling Units) of Title 20 (Planning and Zoning) of the Newport Beach Municipal Code (NBMC). Within the Coastal Zone, ADUs and JADUs are primarily regulated through Section 21.48.200 (Accessory Dwelling Units) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC.

ADU legislation is addressed in Government Code Section 65852.150; it establishes that ADUs are valuable and viable form of housing which can support the varying needs of California residents. In recent years, ADU legislation has been revised to increase opportunity and improved effectiveness in creating more housing in California. Recent changes in law have increased the feasibility and streamlined the ADU process to encourage development; below is a summary of recent legislation that has amended ADU law.

#### **SB 1069**

SB 1069 made legislative changes to address barriers to the development of ADUs and expanded capacity for ADU development. The bill reduces parking requirements per unit, restricts local agencies' ability to require ADU applicants to install new or separate utility connects or impose related fees, and requires local governments to ministerially approve applications for one ADU within single-unit residential so long as it meets specific requirements.



### **AB 2299**

AB 2299 requires local governments to ministerially approve ADUs if the proposed unit meets all parking requirements, maximum allowable size of an attached unit and specific setback requirements. Additionally, the bill states that any existing ADU ordinances do not meet the bill's requirements is null and void and that the jurisdiction must approve accessory dwelling units based on Government Code Section 65852.2 until the jurisdiction adopts a compliant ordinance.

### **AB2406**

AB 2406 creates more flexibility by authorizing local governments to permit junior accessory dwelling units (JADU) through an ordinance. The bill defines JADUs to be a unit that cannot exceed 500 square feet and must be completely contained within the space of an existing residential structure. In addition, the bill requires specified components for a local JADU ordinance.

### **AB 3182**

AB 1382 further addresses barriers to the development and use of ADUs and JADUs in local jurisdictions. The legislation streamlines approvals of ADU and JADUs using ministerial approval processes, including a requirement that complete applications for a compliant ADU/JADU which have not been acted upon within 60 days are *deemed approved*.

### **AB 68, AB 881, SB 13**

AB 68, 881 and SB 13 prohibits a number development standards and design regulations a local government may impose in ADU/JADUs, decreased the allowable time for an ADU review and permitting process, reduces the allowable associated fees for ADUs and provided additional regulatory clarifications and guidelines pursuant to Government Code Sections 65852.2, 65852.22.

### **AB 587**

AB 587 permits an ADU to be sold or conveyed as a deed restricted affordable unit separately from the primary dwelling residence. Additional, regulations are outlined in Government Code Section 65852.26, including the provision that the primary and accessory unit must be built by a qualified nonprofit.

### **AB 670**

AB 670 states that all covenants or provisions that unreasonably restrict or prohibit the development of ADU/JADUs on a lot zoned for single-unit residential use is void and unenforceable.

### **AB 671**

AB 671 requires jurisdictions to include a plan and programs in the Housing Element which incentivizes and promotes the development of ADUs for very low, low- and moderate-income households.

## **HCD/SCAG Policies and Programs**

In August 2020, the State Department of Housing and Community Development (HCD) and the Southern California Association of Governments (SCAG) completed an analysis of accessory dwelling unit affordability to establish approved assumptions for use in the sites analysis for the 2021-2029 Housing Element Cycle. The analysis surveyed rents for ADUs through different online real estate platforms between April and June 2020 and focused on specific geographic regions to determine differences in



affordability. The final affordability assumptions resulting from SCAG and HCD's analysis for jurisdictions within Orange County are as follows:<sup>1</sup>

- Extremely Low – 15.0%
- Very Low – 10.0%
- Low – 43.0%
- Moderate – 30.0%
- Above Moderate – 2.0%

The City of Newport Beach applied the above approved affordability breakdown to the anticipated ADU development within the 6<sup>th</sup> Cycle planning period.

## *Opportunities for ADUs in Newport Beach*

### **Influences Supporting Affordable Housing in Newport Beach**

Opportunities to develop affordable housing on vacant land in the City are extremely limited with only three parcels qualifying based on the SCAG Housing Element Parcel Tool (HELPR) (see **Figure 1**). The City, however, has substantial opportunity to develop affordable housing through ADUs based on the following key factors:

- **High land values in the City incentivize ADU development** - Because of the high land values in Newport Beach and the propensity to have viable, financially performing properties, infill opportunities on existing residential sites via ADU development represents the greatest opportunity for affordable housing construction and to integrate such development within established neighborhoods. According to SCAG's HELPR, there are numerous parcels that could qualify for by-right detached ADUs, with little to no restrictions. In addition, every single-unit in the City has the potential to convert existing space, including garage area, into an ADU or JADU by-right, resulting in approximately 19,000 eligible properties (see **Figure D-2**). Therefore, the City contends this provides the most significant opportunity to generate affordable housing in the community.
- **Site availability for ADUs is significant** - Almost 8,000 existing parcels have the physical space to accommodate detached ADUs and provide for ample opportunity to add to the housing stock. Whereas the City may lose economic potential, jobs and tax base with infill redevelopment of existing commercial uses, encouraging ADU development on existing residential properties does not deteriorate economic, job and tax base considerations. Rather, it will likely enhance availability of diverse housing opportunities, promote economic stability and further the City's tax base.
- **Positive Historical Trends in ADU Development** - The City's history of ADU/JADU development within multifamily developments demonstrates opportunity to develop attached ADUs as an affordable component of larger housing projects. These positive trends are directly correlated with the City's current efforts to provide supportive policies, outreach and information dissemination to its residents. The City has experienced year over year increase in ADU activity

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<sup>1</sup> SCAG Regional Accessory Dwelling Unit Affordability Analysis, 2020





in the City and will continue to see these trends increase and exponentially expand throughout the 2021-2029 planning period through intensified public outreach and development incentives.

- **Demonstrated Commitment to ADU Development through Policies/Programs** – The City Council has recently adopted policies that support ADU development and has developed an ADU Ordinance that strongly encourages ADU development. In addition, that City will adopt additional ADU policies the further support ADU development citywide. Providing strong support through policies, community outreach and monitoring of ADU construction.
- **Council Policy K-4 (Reducing the Barriers to the Creation of Housing)** – On March 9, 2021, the City Council adopted Council Policy K-4, which includes a stated goal of increasing the production of ADUs and JADUs. The policy recognizes that further encouraging development of ADUs beyond State law minimums is an important strategy to accommodate future growth. To further encourage and incentive the development of ADUs, the policy set forth the following directives:
  1. Interpret ambiguities in code provisions regulating ADUs in a manner that accommodates and maximizes production.
  2. Direct staff and the Planning Commission to review and recommend code changes that reduce regulatory barriers, streamline the approval process, and expand potential capacity of ADUs beyond minimum State law requirements
  3. Publicize incentives for construction of ADUs with a systematic approach utilizing all forms of media and outreach.
  4. Prepare and maintain a user-friendly website committed to information related to codes, processes, and incentives pertaining to the development of ADUs and JADUs in the City.
  5. Develop and administer a program that includes waiving all permit and City fees for property owners of unpermitted units when they agree to bring units into compliance with current building and fire codes to ensure the safety of occupants and structures.
  6. Develop permit-ready standard plans to permit new ADU construction to minimize design costs, expedite permit processing, and provide development certainty for property owners.
- **Temporary 2-Year Fee Waiver Program for ADU and JADU Development** – On April 27, 2021, the City Council adopted Resolution No. 2021-37 waiving City building plan check, building construction permit, and other related City fees required for plan check, permits, inspections, re-inspections and other related activities, for the design and construction of ADUs and JADUs on existing residential developments and the legalization of exiting unpermitted ADUs and JADUs.



**Figure D-1: Vacant Land Availability**

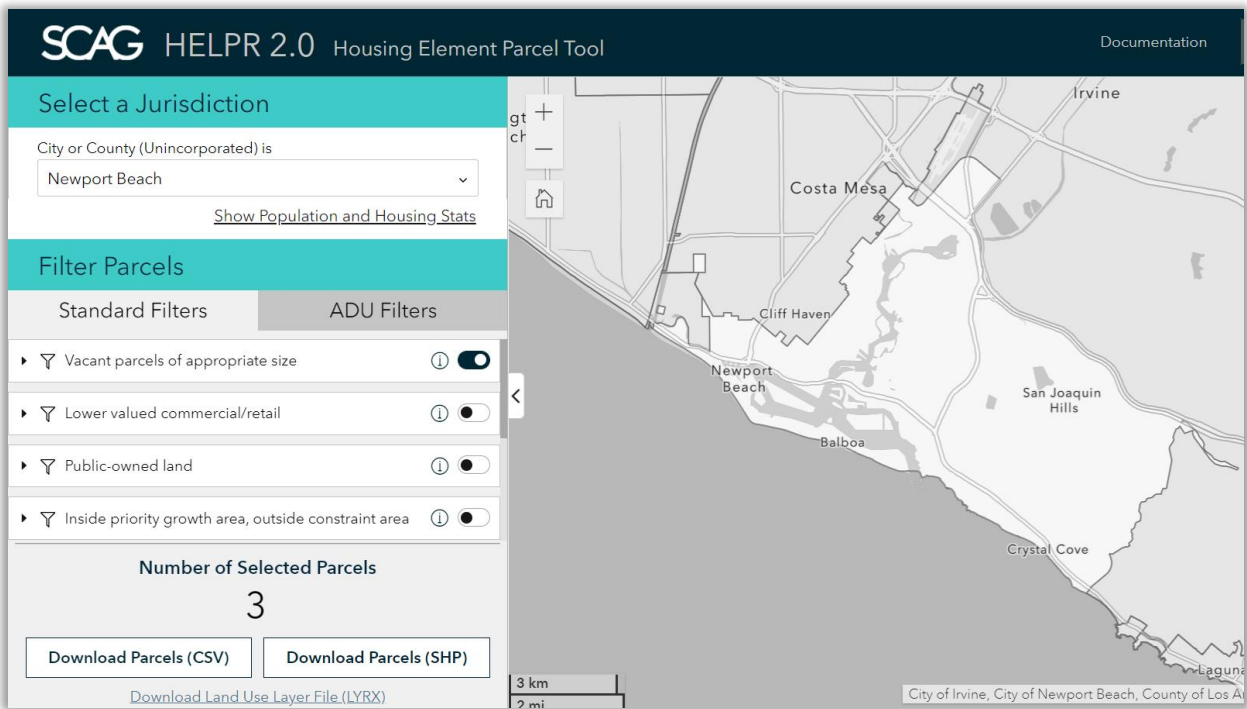


**Figure D-2: ADU Eligible Lots**

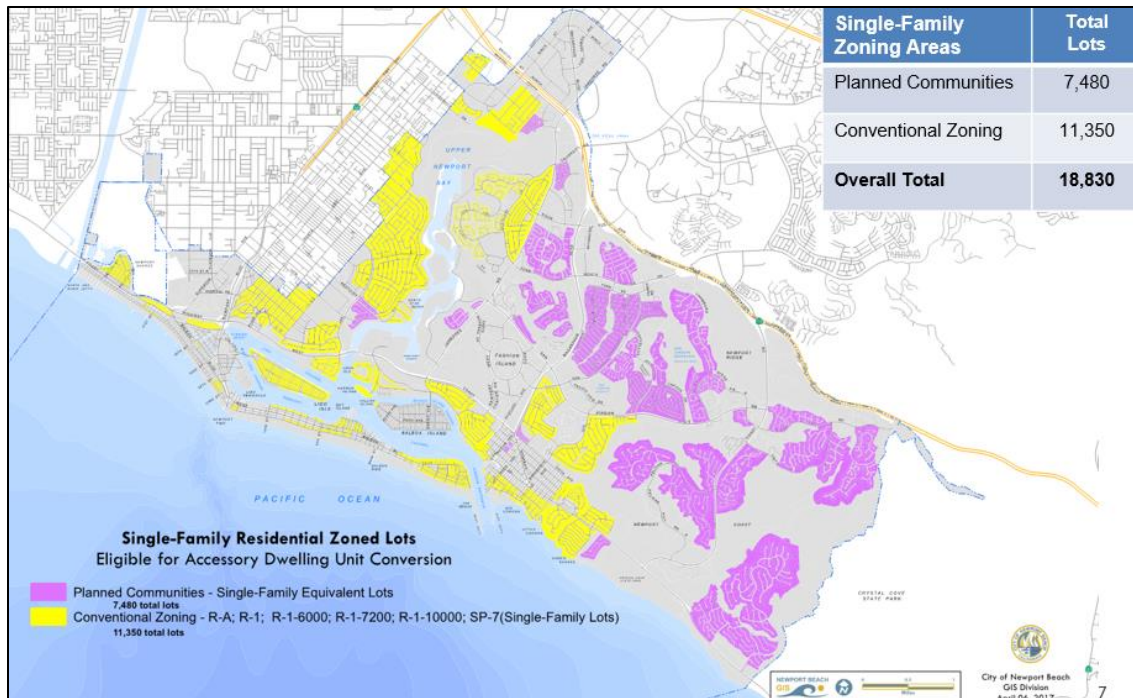
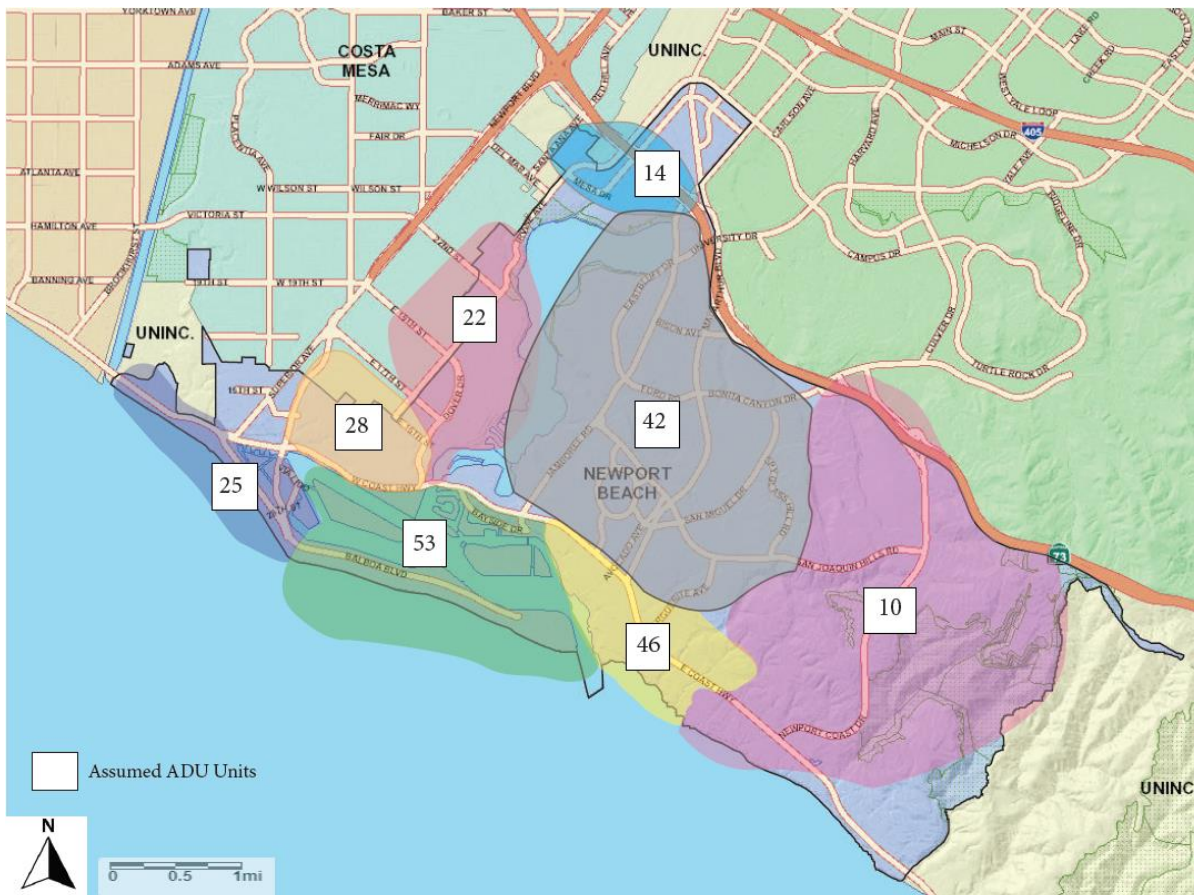


**Figure D-3: ADU Opportunity Areas Map**





## Local ADU Trends and 2021-2029 Projections

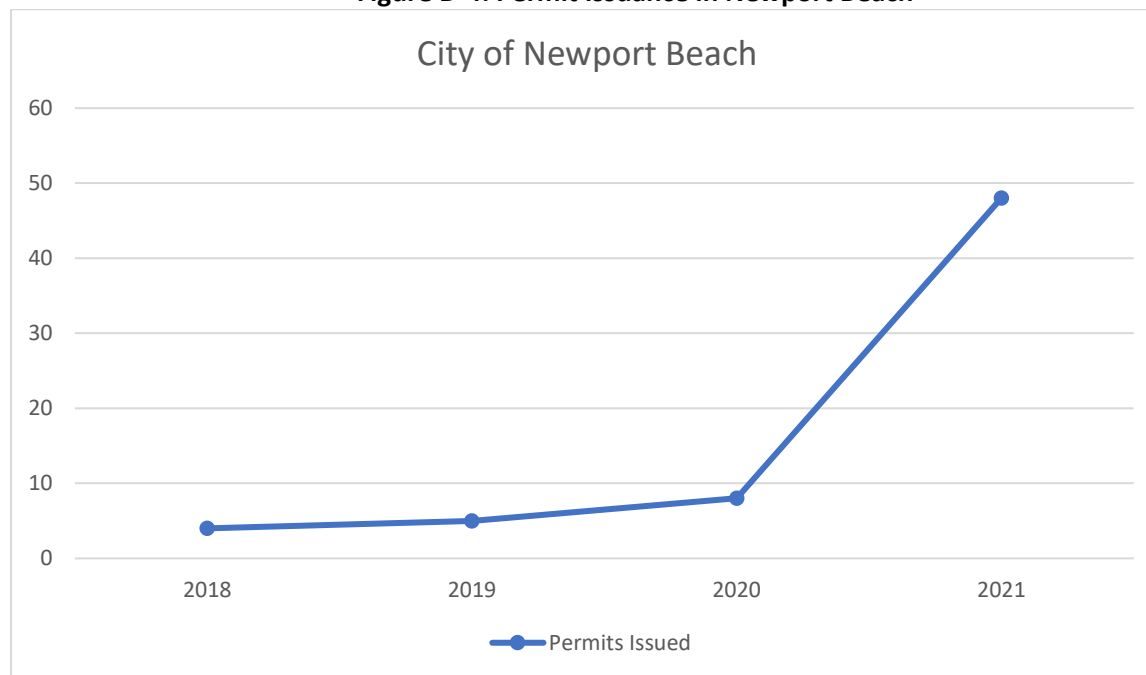
There are several indicators of strong growth in ADU development since 2018 within Newport Beach. **Table D-1** shows the City's number of ADUs that were issued building permits (permitted) since 2018. Initial interest in development of ADUs in the City, like other cities in the State, was slow due lack of public awareness of the new opportunities and complexity of the laws. Additionally, the City's initial ADU regulations adopted in 2018 were intended to comply with State law be as restrictive as possible. However, in 2019, the City amended its ADU regulations to comply with updates in State law but also included additional design flexibility for ADUs and adopted incentives. Due in large part to increased education of property owners, City Council support of ADU development, and additional local policies promoting the development of ADUs, the City of Newport Beach is experiencing exponential growth in ADU interest and development. The largest increase came in 2021 when the City issued building permits for 40 ADUs with an additional 29 ADU permits pending. This represents a 1325% increase in total permits issued from 2018 through 2021.

**Table D-1: Newport Beach ADU Development (2018-2021)**

| ADU STATUS | 2018 | 2019 | 2020 | 2021 <sup>1</sup> | Total |
|------------|------|------|------|-------------------|-------|
| Permitted  | 4    | 5    | 8    | 48                | 57    |

<sup>1</sup> 40 ADUs permits have been issued as of October 28, 2021, which prorated monthly represents 48 for the year. Final year totals anticipated to be higher given there are an additional 29 permits are pending.

**Figure D-4: Permit Issuance in Newport Beach**



This exponential growth is not unique to the City of Newport Beach, but is similarly occurring in all other cities throughout the State. **Table D-2** below illustrates the number of ADUs permitted from 2018-2020 in the various council of governments within the Southern California Council of Governments region. The data is based on HCD Annual Progress Report (APR) analysis and only includes data from the available reported years of 2018-2020. Similar to what is being experienced in Newport Beach, it is anticipated that



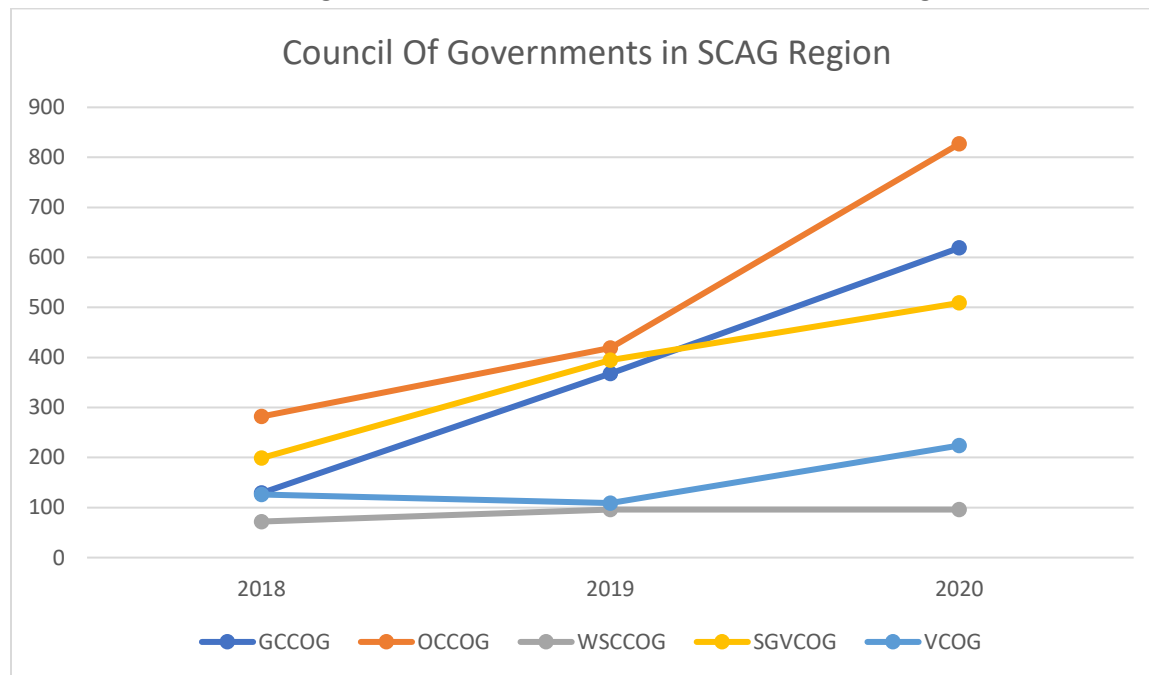
reported ADU permits for 2021 will have exponentially grown due to the increased public awareness and outreach efforts of the various jurisdictions.

**Table D-2: ADU Development in SCAG COGs (2018-2020)**

| ADU STATUS                                         | 2018 | 2019 | 2020 |
|----------------------------------------------------|------|------|------|
| Gateway Cities Council of Governments (GCCOG)      | 129  | 368  | 619  |
| Orange County Council of Governments (OCCOG)       | 282  | 419  | 827  |
| Westside Cities Council of Governments (WSCCOG)    | 72   | 96   | 96   |
| San Gabriel Valley Council of Governments (SGVCOG) | 199  | 395  | 509  |
| Ventura Council of Governments (VCOG)              | 126  | 109  | 224  |

*Source: SCAG ADU APR Permit Reporting Data Analysis*

**Figure D-5: Council of Governments in the SCAG Region**



## Newport Beach 2021-2029 ADU Projections

Based on the data in **Table D-1**, the citywide availability of land for ADU development and the existing and future policies supporting more aggressive ADU development, Newport Beach is reasonably and justifiably projecting future growth beyond the safe harbor methodology provide in HCD's published guidance.

**Table D-3: 2021-2029 ADU Annual Average**

| Year                                | Conservative Approach |
|-------------------------------------|-----------------------|
| 2018 - 2021 Prorated Annual Average | 19                    |
| Annual Average x 1.5                | 30 (rounded)          |
| Planning Period Total               | 240                   |

**Table D-3** shows the City’s ADU assumptions as described in **Appendix B** of the Housing Element. As noted, the City anticipates that growth in ADU development will continue to occur year over year; however, the City is assuming a conservative approach by anticipating a growth factor of approximately 1.5 times the past four-year average of 19 ADUs (approximately 30 ADUs per year anticipated), resulting in a total anticipated production of 240 ADUs for the 2021-2029 Planning Period. A 1.5 factor for growth is reasonable given the development trends illustrated in Tables D-1 and D-3, extensive local policy emphasis on ADU development, and proposed housing programs described in **Section 4**. In addition, the City is committed to enhanced monitoring to ensure actual production is on pace with projections.

The City of Newport Beach is well positioned, both from an availability of potential development areas within existing single-unit neighborhoods and from a political will standpoint, to realize a large increase in ADU development significantly exceeding the conservative estimate of 240 ADUs during the 2021-2029 planning period.

### *Housing Element Policy Framework*

The City of Newport Beach has identified programs to maintain and encourage ADUs during the 2021-2029 planning period. The matrix below identified existing policies contain in **Section 4** of this document as well as policies the City will review for feasibility to implement in order to increase affordable housing.

**Table D-3: ADU/JADU Policies and Policy Considerations**

| ADU Policy Type/Name                                                 | Description                                                    | Consideration                                                                                                                                                             |
|----------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Housing Element Policies</b>                                      |                                                                |                                                                                                                                                                           |
| <b>Policy Action 1H: Accessory Dwelling Unit Construction</b>        | Support and encourage the development of ADUs in Newport Beach | Explore feasibility of incentives for ADUs, including developing educational campaigns and minimizing development costs through permit ready plans.                       |
| <b>Policy Action 1I: Accessory Dwelling Units Monitoring Program</b> | ADU development Tracking Program                               | To identify progress and make appropriate program adjustments, the City will monitor ADU applications and approvals.                                                      |
| <b>Policy Action 1J: Accessory Dwelling Units Amnesty Program</b>    | Legalizing unpermitted ADUs                                    | Providing education, incentives and low-risk avenues to encourage property owners to legalize unpermitted ADUs and bring them up to necessary fire and life safety codes. |
| <b>ADU Policies for Consideration</b>                                |                                                                |                                                                                                                                                                           |
| <b>ADU Development Streamlining</b>                                  | Permit Ready Program                                           | Developing and offering of pre-approved ADU building plans to help to reduce cost burden on applicant side.                                                               |
| <b>JADU Incentive Production</b>                                     | Junior ADU Program                                             | Evaluate additional incentives for JADU production above those currently offered.                                                                                         |

| ADU Policy Type/Name                             | Description                                                        | Consideration                                                                                                                                                                       |
|--------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Public Outreach and ADU Education Program</b> | ADU Outreach Program                                               | Formal development of public outreach and dissemination of materials for ADU and JADU (both electronically and in print).                                                           |
| <b>ADU/JADU Subsidy Program</b>                  | Subsidy incentives to construct ADUs                               | Provide grants or low interest loans to interested property owners in exchange for deed restricted ADU/JADUs.                                                                       |
| <b>Production/Incentives</b>                     | Incentives to create long term affordability of ADU/JADU           | Granting fee waivers, additional development standards waivers, or square footage bonuses in exchange for affordability covenants.                                                  |
| <b>ADU and JADU Incentive Programs</b>           | Various development standards and entitlement streamlining actions | <ul style="list-style-type: none"> <li>• Fee Waiver/Deferral</li> <li>• Over the Counter Approvals</li> <li>• ADU One Stop Permit</li> <li>• Subsidies for Affordability</li> </ul> |

## *Summary of Newport Beach ADU Approach*

### **Anticipated ADU Growth (Planning Period 2021-2029)**

Newport Beach anticipates that the City will continue to see year after year growth in ADU development which matches or exceeds the growth in ADU activity shown from 2019 to 2020. The City has over 21,000 single-unit dwelling units, all of which are eligible to develop one ADU and one JADU. Additionally, multi-unit apartment complexes can also develop ADUs if the requirements of State law and the City's local ordinances are met.

While the City anticipates hundreds of ADUs to be developed within the 2021-2029 planning period based on increased production of ADUs year over year as demonstrated in **Table D-2**, for the purposes of the Housing Element, the City is conservatively estimating 240 ADUs.

In accordance with HCD/SCAG guidance on affordability assumptions within the Housing Element Update process, the City anticipates that 151 of these units will be affordable to residents within the very low and low-income categories, 84 will be affordable to residents within the moderate income category, and 48 will be affordable to residents within the above moderate-income category.

### **Supportive Policies and Programs**

Newport Beach has proposed programs within the 2021-2029 Housing Element to take meaningful steps towards promoting and incentivizing ADU growth during the planning period. The City will explore incentives beyond what has been established to date, including the potential for permit-ready plans or a streamlined process if certain requirements are met. **Table D-3** outlines a list of further ADU incentives that the City may explore during implementation of **Policy Action 1H**. The City also plans to continue its ADU amnesty program to bring existing non-conforming accessory units up to code so that the City can realize RHNA credit for these existing housing units within the community.



## Monitoring Requirements

The City of Newport Beach is required to report all development within the City, including ADU development, to the State Department of Housing and Community Development (HCD) annually through their Annual Progress Reports (APRs). As part of this reporting, the City must show adequate progress in meeting their identified ADU growth assumptions as described above.

To address HCD's ADU monitoring and reporting requirements, the City has included **Program 1I** within the Housing Plan (Section 4). This states that the City will conduct an assessment of ADU growth within two years of adoption of the Housing Element. If ADU assumptions are not keeping pace with the assumptions made within the Housing Element, the City will implement fall back actions to accommodate the shortfall, if necessary.