ORDINANCE NO. 2025-10

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, AMENDING SECTION 20.28.050 (HOUSING OPPORTUNITY (HO) OVERLAY ZONING DISTRICTS) IN TITLE 20 (PLANNING AND ZONING) OF THE NEWPORT BEACH MUNICIPAL CODE RELATED TO IMPLEMENTATION OF THE HOUSING ELEMENT (PA2024-0205)

WHEREAS, Section 200 of the City of Newport Beach ("City") Charter vests the City Council with the authority to make and enforce all laws, rules, and regulations with respect to municipal affairs subject only to the restrictions and limitations contained in the Charter and the State Constitution, and the power to exercise, or act pursuant to any and all rights, powers, and privileges, or procedures granted or prescribed by any law of the State of California;

WHEREAS, California Government Code Section 65580 *et seq*. ("State Housing Element Law") requires each city and county adopt a housing element that identifies and analyzes existing and projected housing needs within their jurisdiction and prepare goals, policies, and programs, and quantified objectives to further the development, improvement, and preservation of housing;

WHEREAS, the City Council adopted Resolution Nos. 2024-52 and 2024-58 on July 23, 2024, authorizing submittal of the Local Coastal Program Amendment ("LCPA") to the California Coastal Commission ("CCC") amending the City's Coastal Land Use Plan and Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code ("NBMC") to establish the Housing Opportunity (HO) Overlay Coastal Zoning Districts and their corresponding development standards applicable to properties located within the Coastal Zone and initiating a narrowly focused amendment to the 6th Cycle Housing Element ("Housing Element") to remove reference to Charter Section 423 to implement the Housing Element;

WHEREAS, the City filed the LCPA application with the CCC on August 16, 2024, and received a letter from CCC staff on January 7, 2025, confirming the City's application is complete and pending a hearing date;

WHEREAS, the City Council adopted Ordinance Nos. 2024-16 and 2024-17 on September 24, 2024, adding Section 20.28.050 (Housing Opportunity (HO) Overlay Zoning Districts) and Section 20.48.185 (Multi-Unit Objective Design Standards) to the NBMC establishing Housing Opportunity Overlay Zoning Districts and creating multi-unit objective design standards respectively;

WHEREAS, the new sections implement Policy Actions 1A through 1G and 3A of the Housing Element;

WHEREAS, Section 20.28.050 of the NBMC allows for new housing opportunities within five focus areas consisting of the Airport Area Environs Area (HO-1), West Newport Mesa Area (HO-2), Dover-Westcliff Area (HO-3), Newport Center Area (HO-4), and Coyote Canyon Area (HO-5) ("Focus Areas") that correspond with the Focus Areas in the Housing Element to ensure that the City accommodates its Housing Element Regional Housing Needs Assessment allocation:

WHEREAS, properties identified within the Focus Areas are eligible for specified development standards conducive to residential development at the prescribed average density of 20 to 60 dwelling units per acre that include, but are not limited, to minimum lot area, setbacks, height, open space, landscaping, and parking;

WHEREAS, the City Council adopted Resolution No. 2024-85 on November 19, 2024, initiating amendments to Section 20.28.050 (Housing Opportunity (HO) Overlay Zoning Districts) and the pending amendments to Section 21.28.070 of the NBMC to adjust certain development standards, including but not limited to, building height limits;

WHEREAS, an amendment to Table 2-16 in Section 20.28.050 and pending Table 21.28-1 in Section 21.28.070 of the NBMC are necessary to adjust the height limitations of certain properties within the Newport Center Area (HO-4) to accommodate potential residential development with the intended prescribed density range, and to identify a certain number of units being allocated from the respective development limits for a selected group of City-owned properties located within Airport Area Environs Area (HO-1) and Newport Center Area (HO-4) ("Amendment");

WHEREAS, a public hearing was held by the Planning Commission on January 23, 2025, in the Council Chambers at 100 Civic Center Drive, Newport Beach, California to consider the Amendment. A notice of time, place and purpose of the public hearing was given in accordance with California Government Code Section 54950 *et seq*. ("Ralph M. Brown Act") and Chapters 20.62 (Public Hearings) and 21.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this public hearing;

- **WHEREAS**, at the conclusion of the public hearing, the Planning Commission adopted Resolution No. PC2025-004 by a unanimous vote of (5 ayes and 1 recusal) recommending the City Council approve the Amendment including the addition of Site ID Nos. 146 and 147 with a maximum height limit of 50 feet for flat roofs and 55 feet for sloped roofs and Site ID No. 141 with a maximum height limit of 48 feet;
- **WHEREAS**, California Public Utilities Code ("CPUC") Section 21676(b) requires the City to refer the Amendment to the Orange County Airport Land Use Commission ("ALUC") to review for consistency with the 2008 John Wayne Airport Environs Land Use Plan ("AELUP");
- **WHEREAS**, on February 20, 2025, the ALUC conducted a public hearing on the Amendment and continued the hearing to its March 20, 2025, meeting by a unanimous vote (5 ayes, 0 nays);
- **WHEREAS**, at the continued hearing on March 20, 2025, the ALUC determined the Amendment is inconsistent with the AELUP (5 ayes, 1 nay);
- WHEREAS, the City Council unanimously adopted Resolution No. 2025-13 on April 15, 2025, pursuant to Sections 21670 and 21676 of the CPUC, notifying the ALUC and State Department of Transportation Aeronautics Program of the City's intent to override ALUC's inconsistency finding; and
- WHEREAS, a public hearing was held on June 10, 2025, by the City Council in the Council Chambers located at 100 Civic Center Drive, Newport Beach, California to consider the Amendment. A notice of time, place and purpose of the public hearing was given in accordance with the Ralph M. Brown Act, CPUC Section 21676(b), and Chapters 20.62 (Public Hearings) and 21.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to, and considered by, the City Council at this public hearing.
- **NOW, THEREFORE**, the City Council of the City of Newport Beach resolves as follows:
- **Section 1:** The City Council finds the Amendment is a legislative act. Neither Title 20 nor California Government Code Section 65000 *et seq.*, sets forth any required findings for either approval or denial of the Amendment.

Section 2: Notwithstanding the above, the City Council does hereby make the findings set forth in Exhibit "A," and the amendment to Title 20 (Planning and Zoning) of the NBMC, as set forth in Exhibit "B," both of which are attached hereto and incorporated herein by reference.

Section 3: The City Council finds all potential environmental effects for the Amendment have been adequately addressed in the previously certified Final Program Environmental Impact Report (PEIR) (SCH No. 2023060699) which was done in compliance with the California Environmental Quality Act ("CEQA") as set forth in the Public Resources Code Section 21000 et seq., Title 14, Division 6, Chapter 3 of the California Code of Regulations ("CEQA Guidelines"), and City Council Policy K-3 (Implementation Procedures for the California Environmental Quality Act) related to the implementation of the 6th Cycle Housing Element Implementation involving amendments to the General Plan, Coastal Land Use Plan, Title 20 (Planning and Zoning) and Title 21 (Local Coastal Program Implementation Plan) of the NBMC. Furthermore, the Amendment does not constitute substantial changes to the circumstances under which the project shall be undertaken that would result in new or more severe environmental impacts than previously addressed in the PEIR, nor has any new information regarding the potential for new or more severe significant environmental impacts been identified as detailed in the CEQA Consistency Memorandum, which is attached hereto as Exhibit "C" and incorporated by reference. Therefore, in accordance with Section 21166 of the California Public Resources Code and Section 15162 of the CEQA Guidelines, no additional environmental review is required to adopt the Amendment.

Section 4: The recitals provided in this ordinance are true and correct and are incorporated into the substantive portion of this ordinance.

Section 5: If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 6: Except as expressly modified in this ordinance, all other sections, subsections, terms, clauses and phrases set forth in the Newport Beach Municipal Code shall remain unchanged and shall be in full force and effect.

Section 7: The Mayor shall sign and the City Clerk shall attest to the passage of this ordinance. The City Clerk shall cause the ordinance, or a summary thereof, to be published pursuant to City Charter Section 414. This ordinance shall be effective thirty (30) calendar days after its adoption.

This ordinance was introduced at a regular meeting of the City Council of the City of Newport Beach held on the 10th day of June, 2025, and adopted on the 24th day of June, 2025, by the following vote, to-wit:

AYES:	
NAYS:	
ABSENT:	
	Joe Stapleton, Mayor
ATTEST:	
Leilani I. Brown, Cit	ty Clerk
APPROVED AS TO CITY ATTORNEY'S	
Aaron C. Harp, City	Attorney
Attachment(s):	Exhibit "A" – Findings for Approval Exhibit "B" – Amendment to Chapter 20.28 (Overlay Zoning Districts (MHP, PM, B, H) of Title 20 (Planning And

Zoning)

Exhibit "C" - CEQA Consistency Memorandum

EXHIBIT "A" Findings for Approval

General Finding:

An amendment to Title 20 (Planning and Zoning) of the NBMC is a legislative act. Neither Title 20 itself nor California Government Code Section 65000 *et seq.*, sets forth any required findings for approval of such amendments.

Findings and Facts in Support of Finding:

- Title 20 (Planning and Zoning) of the NBMC serves as the City's Zoning Code, which is a tool to ensure consistency with and implementation of the General Plan. It is necessary to amend and update Title 20 from time to time to ensure the policies set forth by the General Plan are implemented effectively.
- 2. The Amendment specific to Title 20 (Planning and Zoning) of the NBMC, which is attached hereto as Exhibit "B" and incorporated herein by reference will further enable the implementation of the Housing Element's key objective, which is to accommodate the development of housing to fulfill City's obligation to meet regional housing demands. Specifically, the Amendment will allow increased height limitations for certain properties within HO-4 to accommodate residential developments within the intended prescribed density range while furthering the longstanding vision for development in Newport Center, as noted in General Plan Land Use Element Policy 6.14.4 (Development Scale). Increased heights will accommodate density on smaller sites and/or fewer sites and will increase walkability for residents and activate the urban core of Newport Center to create a true mixed-use community while decreasing development footprints and encouraging increased open space and views through developments.
- 3. The Amendment will also allocate a portion of the development limits in HO-1 and HO-4 to City-owned sites where there is a potential for redevelopment with housing projects within the Housing Element's planning period.

EXHIBIT "B" Amendment to Chapter 20.28 (Overlay Zoning Districts (MHP, PM, B, H) of Title 20 (Planning And Zoning)

Table 2-16 of Section 20.28.50 (Housing Opportunity (HO) Overlay Zoning Districts) of Chapter 20.28 of the Newport Beach Municipal Code would be amended as follows, currently shown in redline-strikeout format for ease of reference only:

TABLE 2-16

DEVELOPMENT STANDARDS FOR HOUSING OPPORTUNITY OVERLAY ZONES

	Housing Opportunity Subareas							
Development Feature	HO-1	HO-2	НО-3	HO-4	HO-5	HO-6		
Development Limit (units) ⁽¹⁾	2,577 ⁽¹¹⁾	1,107	521	2,439(12)	1,530	N/A		
Lot Size/Dimension	Per Base Zone							
Lot area required per unit (sq. ft.) ⁽²⁾	Minimum: 2,178 (20 du/ac) Maximum: 871 (50 du/ac)	Minimum: 2,178 (20 du/ac) Maximum: 871 (50 du/ac)			Minimum: 2,178 (20 du/ac) Maximum: 726 (60 du/ac) ⁽¹⁰⁾	All Standards Per Base Zone		
Setbacks						1		
Front	0 ft. ⁽³⁾	10 ft. ⁽³⁾	10 ft. ⁽³⁾⁽⁴⁾	O ⁽³⁾	10 ft. ⁽³⁾]		
Rear	0	20 ft.	20 ft.	0	20 ft.]		
Side			0 ⁽⁴⁾]		
Street Side	0(3)	10 ft. ⁽³⁾	10 ft. ⁽³⁾	0 ft. ⁽³⁾	10 ft. ⁽³⁾			
Height	Per Base Zone unless otherwise identified on the map	65 ft.	65 ft. ⁽⁶⁾	Per Base Zone unless otherwise Identified on the map ⁽⁷⁾	65 ft.			
Building Separation	10 ft.							
Floor Area Ratio (FAR)	No restriction ⁽⁸⁾							
Common Open Space ⁽⁹⁾	Minimum 75 square feet/dwelling unit. (The minimum dimension (length and width) shall be 15 feet.)							
Private Open Space ⁽⁹⁾	5% of the gross floor area for each unit. (The minimum dimension (length and width) shall be 6 feet.)							
Fencing	See Section 20.30.040 (Fences, Hedges, Walls, and Retaining Walls).							
Landscaping	See Chapter <u>20.36</u> (Landscaping Standards).							

TABLE 2-16

DEVELOPMENT STANDARDS FOR HOUSING OPPORTUNITY OVERLAY ZONES

	Housing Opportunity Subareas						
Development Feature	HO-1	HO-2	HO-3	HO-4	HO-5	HO-6	
Lighting	See Section 20.30.070 (Outdoor Lighting).						
Outdoor Storage/Display	See Section 20.48.140 (Outdoor Storage, Display, and Activities).						
Parking	See subsection (D)(3) of this section and Chapter <u>20.40</u> (Off-Street Parking).						
Satellite Antennas	See Section <u>20.48.190</u> (Satellite Antennas and Amateur Radio Facilities).						
Signs	See Chapter 20.42 (Sign Standards).						

- (1) Development limits are additional residential development opportunities beyond the base allowances in this Title or the General Plan. These limits shall not include density bonus units or units that are either identified as pipeline units in the 6th Cycle Housing Element (Table B-2) or units that were applied for and predate the effective date of the HO Overlay Zoning Districts. Furthermore, eligible units are only counted against the development limits when they are either entitled or are issued a building permit if allowed by right. However, 25% of the development limit within each HO Overlay Zoning District that includes properties within the Coastal Zone shall be reserved until such a time as the City's Local Coastal Program has been amended to allow for housing consistent with the implementation of the 6th Cycle Housing Element. Following the City's Local Coastal Program Amendment, priority for the reserved units will be given to sites located within the Coastal Zone.
- (2) Minimum/maximum allowable density range may be based on an average density of the entire project site, excluding density bonus units.
- (3) Any portion of the building that is over 20 feet in height shall be setback a minimum 20 feet from the street right-of-way.
- (4) Except in the Mixed-Use Mariners Mile (MU-MM) Zoning District wherein residential uses are only allowed beginning 100 feet north of Coast Highway.
- (5) The combined total from both sides shall be 15 feet.
- (6) The height shall be limited to 35 feet in the Shoreline Height Limit Area, as identified in Map H-1.
- (7) "Base Zone" includes all height limitations established by the Sight Plane Ordinance (Ordinance No. 1371 and Ordinance No. 1596).
- (8) The FAR in this table only applies to residential floor area, including any supporting facilities. In mixed-use developments, the FAR for nonresidential is still applicable.
- (9) For purposes of this section, common and private open space in HO-1 may include enclosed shared amenities such as a clubhouse, swimming pool, tennis court, basketball court, racquetball court, weightlifting facility, children's playground equipment, sauna, jacuzzi, day care facility, or any other recreational amenities/facilities as deemed appropriate by the Community Development Director.
- (10) This density is intended for the former Coyote Canyon Landfill site only. The Sage Hill School site is limited to a maximum of 20 dwelling units.
- (11)Of the 2,577 base development units, 179 units shall be allocated to Site ID No. 77 (1201 Dove Street) from the 6th Cycle Housing Element Sites Inventory.
- (12)Of the 2,439 base development units for HO-4, 152 units shall be allocated to Site ID No. 362 (868 and 870 Santa Barbara Drive) from the 6th Cycle Housing Element Sites Inventory.

The following map is updated in Section 20.80.025 (Housing Opportunity Overlay District maps) of Chapter 20.80 (Maps) of the NBMC:

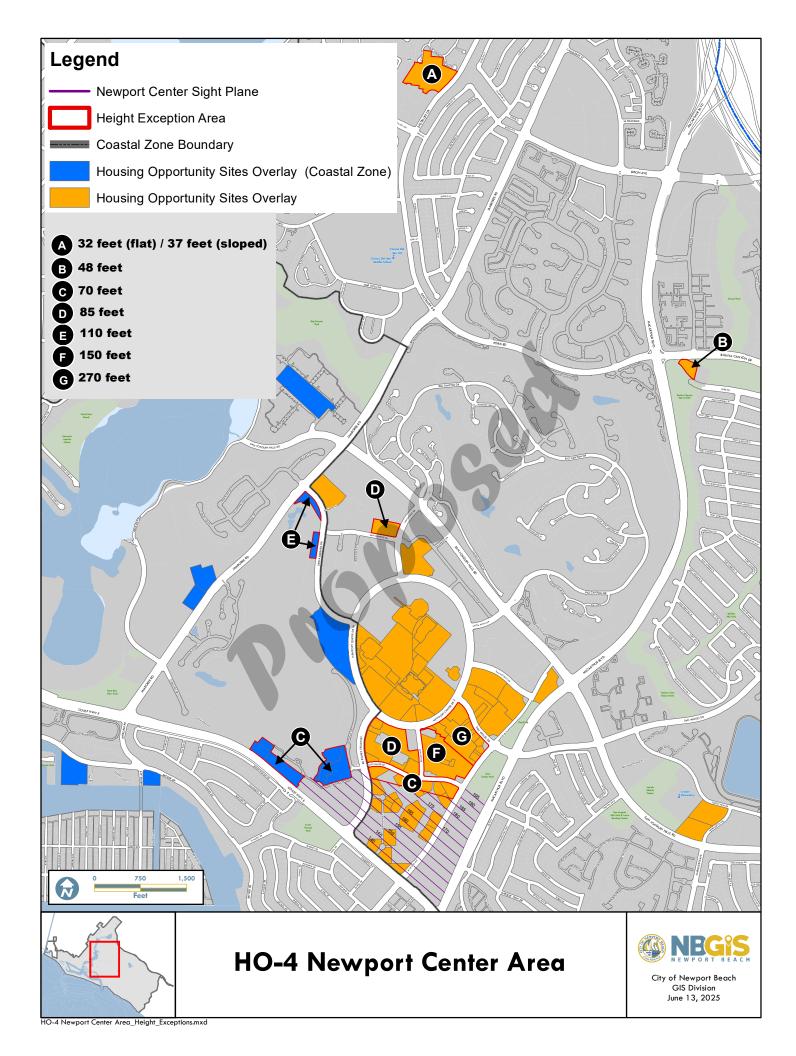


EXHIBIT "C" CEQA Consistency Memorandum

Available separately due to bulk at:

https://newportbeachca.gov/home/showdocument?id=76683&t=638833463869042483

