



# CITY OF NEWPORT BEACH PLANNING COMMISSION STAFF REPORT

March 6, 2025  
Agenda Item No. 4

**SUBJECT:** General Plan Annual Progress Report and Housing Element Report for 2024 (PA2025-0008)

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## **SUMMARY**

The General Plan Annual Progress Report including, Housing Element Report (Report), are documents reviewed by the Planning Commission and City Council that summarize the City of Newport Beach's progress with implementing the goals, policies, and programs of the General Plan and specifically, the Housing Element. The Report covers the period from January through December of each calendar year. The current Report expansively covers the City's activities in 2024.

## **RECOMMENDATION**

- 1) Find the preparation, review and submission of the 2024 General Plan Annual Progress Report and Housing Element Report is not subject to the California Environmental Quality Act (CEQA) pursuant to Section 15060(b)(2) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly;
- 2) Review and comment on the 2024 General Plan Progress Report, including the Housing Element Annual Progress Report; and
- 3) Recommend the City Council review and authorize the submittal of the 2024 General Plan Progress Report to the California Office of Land Use and Climate Innovation (LCI) and the submittal of the Housing Element portion of the Annual Progress Report to the State Department of Housing and Community Development (HCD).

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## **DISCUSSION**

### ***2024 General Plan Annual Progress Report***

Government Code Section 65400 and the City's General Plan Implementation Program Imp 1.3 require the preparation of an annual report on the status and progress of the General Plan implementation. Following City Council review, the Report will be sent to the Office of Land Use and Climate Innovation (LCI), formerly the Office of Planning and Research (OPR), and the Department of Housing and Community Development (HCD), as required by State law. There is no standardized form or format for the preparation of the General Plan Annual Progress Report; however, the report format and content follows the guidance provided by the [APR Memo Reporting Year 2024](#) and the HCD [APR Instructions for Calendar Year 2018-2024](#), including the updated APR form for the Housing Element Report.

The Reports (Attachment No. PC 1) reflect the status of the implementation measures between January 1, 2024, and December 31, 2024 (Reporting Period), and do not reflect changes or updates that may have been directed since. The Newport Beach General Plan was adopted in November 2006 pursuant to available guidelines provided by the State at that time pursuant to Government Code Section 65040.2 and consistent with Section 65400(a)(2). Since initial adoption, the City has updated the Housing and Circulation Elements in 2022, the Noise Element in 2023, and the Land Use Element in 2024. The Reports include a discussion of the status of each General Plan Implementation Program (Appendix A of PC 1), a comprehensive status on each Housing Element Implementation Program (Appendix B of PC 1), and an analysis on the degree to which the City's existing General Plan complies with criteria identified in LCI's General Plan Guidelines. Staff believes the City has achieved substantial progress in the implementation of the General Plan. Some of the progress is evident in completed tasks such as the comprehensive Zoning Code Update in 2010; however, most progress is illustrated through ongoing tasks and long-term coordination efforts, with updates highlighted for 2024. The Reports also summarize identified priorities for land use decision making for the Reporting Period.

### ***General Plan Update***

The City embarked on a comprehensive update of the General Plan in 2019 but pivoted in 2020 to focus on preparing the 6<sup>th</sup> Cycle Housing Element (Housing Element), as well as an update to the Circulation Element.

The City continued to focus its efforts, which ultimately led to City Council's initial adoption of the Housing Element on February 8, 2022. After several reviews and revisions with HCD, the City Council re-adopted a refreshed Housing Element on September 13, 2022. The update is a comprehensive statement of the City's housing policies and serves as a guide for the implementation of these policies. As required by state law, the update

examines current housing needs, estimates future housing needs, and establishes goals, policies, and programs pertaining to those needs while demonstrating capacity to accommodate the Regional Housing Needs Assessment (RHNA) allocation of 4,845 new housing units. Housing programs are responsive to current and future needs and established within the context of available community, state, and federal economic and social resources, realistic quantified housing objectives, and affirmatively furthering fair housing (AFFH). On October 5, 2022, HCD determined the Housing Element is in full statutory compliance.

On October 25, 2022, the City Council adopted an updated Circulation Element that included several refreshed policies that are compliant with state law. For example, the updated Circulation Element contains policies related to complete streets and vehicle miles traveled. The policies were reviewed by the community through extensive outreach and remain consistent with the community's vision.

Simultaneous with the efforts to update the Housing Element and Circulation Element, the General Plan Update Steering Committee (GPUSC) began meeting in July 2022 to restart the comprehensive update efforts. In November 2022, the City Council appointed a 30-member General Plan Advisory Committee (GPAC) to help represent the community and guide potential policy changes.

In July 2023, the City contracted with Dudek to provide consulting services on the comprehensive General Plan Update. "Phase One" outreach for the comprehensive update to the General Plan was conducted from March 2024 to June 2024. The following are highlights of this first phase of outreach:

- Used the City Manager's *The Week In Review*, as well as local papers and social media to reach residents, community members, and stakeholders;
- Launched a dedicated website on March 15, 2024 – [Newport, Together](#) including an online questionnaire and interactive map to collaboratively help shape the vision for Newport Beach; and
- Hosted "pop-up" booths at six community events to raise awareness through engaging and hearing from residents.

In addition to conducting outreach with the broader community, the City convened the GPAC subcommittees to review the "Existing Conditions and Background Analysis" reports prepared by the consultant team. The subcommittees met in January, March, April, and May 2024.

"Phase Two" of outreach included four community workshops in November and December of 2024 designed to share the draft vision statement, draft guiding values, and discuss ideas to support each element. These workshops were held for the Recreation &

Natural Resources; Coastal Resilience & Safety; Arts & Culture and Historical Resources; and Land Use; and Harbor, Bay and Beaches elements.

Information regarding the General Plan update efforts to date, including the initiation, evaluation, and overall process can be found on the City's website and at [Newport Together](#).

### ***Housing Element Implementation***

This comprehensive general plan update effort is on a parallel track alongside the City's implementation of the Housing Element. In November 2023, the City Council adopted an amendment to the Noise Element to adjust the policy framework surrounding housing proximate to John Wayne Airport. In July 2024, the City Council adopted an amendment to the Land Use Element to revise the necessary goals and policies to support housing production in the focus areas identified by the Housing Element. The Noise Element revisions can be found in [Exhibit A of Resolution No. 2023-72](#) and the Land Use Element revisions can be found in [Exhibit A of Resolution 2024-51](#).

Additionally, on September 24, 2024, the City Council adopted Zoning Code Amendments required to implement the Housing Element. These amendments included adding Housing Overlays into the Zoning Code (NBMC Section [20.28.050](#)). The details are provided below in the ***Policy Actions 1A through 1G Related to Housing Implementation*** Section of this staff report.

### ***2024 Housing Element Annual Progress Report***

Government Code Section 65400 requires that each city, including charter cities, provide an annual progress report on the status of the Housing Element of its General Plan. HCD has provided mandatory forms (Excel spreadsheets) and definitions for the housing portion of the Report. The forms include six large tables (Tables A through F). Due to the large size and format of the tables, only a summary of the contents of each table is provided in the attached Report. The complete forms will be made available online at [www.newportbeachca.gov/APR](http://www.newportbeachca.gov/APR) and they will be submitted to HCD in electronic format.

The annual report requires the City to report all housing applications submitted in 2024 including building permits (Table A in Report) and all housing applications with a net increase in units approved and finalized in 2024 (Table A2 in Report). Table B includes the number of units for which permits were issued to demonstrate progress in meeting the City's RHNA goal. The Southern California Association of Governments (SCAG) prepared the RHNA for each jurisdiction within the SCAG region. SCAG, through the RHNA process, assigned Newport Beach a share of the region's new housing units needs for the 2021 - 2029 planning period to be a total of 4,845 new dwelling units further broken down by income category.

Housing production towards the 6<sup>th</sup> Cycle RHNA allocation is best summarized by Table B, which is included in the Report and excerpted below.

<b>Table B Summary: Regional Housing Needs Allocation Progress</b>											
		<b>Permitted Units Issued by Affordability</b>									
<b>Income Level</b>	<b>RHNA</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>Total to Date</b>
Very Low	1,456	13	8	11	8						32
Low	930	21	14	18	23						53
Moderate	1,050	1	11	13	17						25
Above Moderate	1,409	31	7	1	33						72
<b>Total RHNA</b>	<b>4,845</b>										
<b>Total Units Produced</b>		66	40	43	81						230

Of the 81 permitted units contributing to RHNA, 46 units are accessory dwelling units including above-moderate, moderate- and lower-income units, and 32 of the above-moderate units and 3 of the very low-income units are from the 2510 West Coast Highway Mixed-Use Project that received permits on February 22, 2024.

The Housing Element portion of the Reports also includes status and/or progress of implementing each Housing Element Policy Action for the Reporting Period (Appendix B of Report). Appendix B includes a detailed status report of each Housing Element Policy Action.

**Efforts to Assist the Unhoused**

The City continues to provide robust assistance to those who are unhoused in the community. For this reporting period, the following was accomplished:

- In 2024, the Be Well OC Mobile Crisis Team (Be Well) operated seven days a week for 12 hours per shift, from January to the end of August. Be Well responded to mental, behavioral, and substance use crises throughout the City. The team proactively engaged the unhoused population to provide resources, shelter placements, and program referrals. Be Well had 2,825 contacts with residents, visitors, and unhoused people. Be Well transported individuals 302 times to social service, medical, and other essential appointments, or intakes. Of the 302 transports, 56 were for shelter intake appointments, 34 to crisis stabilization units for treatment, and 45 to the Be Well campus sobering station for treatment. Be Well also reunified four people with their families.

- The City's homeless outreach and engagement team permanently housed one person from the streets to housing. In addition, one person was housed in assisted living and four were reunified with family from the street.
- The Costa Mesa Bridge Shelter services permanently housed eleven people and reunified one person with their family. In July 2023, the City Council approved an additional five beds in the Costa Mesa Bridge Shelter, with the option to use up to six more beds if the City of Costa Mesa has open beds. The daily cost for the additional six beds is \$155 per bed per day including full wrap-around services. In 2024, the per six (per-diem) beds were used several times. There were 28 Newport Beach shelter guests for two weeks in October 2024.
- In February 2024, PATH (People Assisting the Homeless) became the City's social service contractor. PATH placed 34 people into shelters and provided 520 contacts with the unhoused population in Newport Beach.
- In December 2024, the City Police Department reorganized to assign three officers dedicated as Homeless Liaison Officers (HLO).
- Trellis International is a Costa Mesa-based non-profit organization which provides volunteer opportunities for individuals experiencing homelessness or housing insecurity to learn and/or rebuild job skills and a path forward to stable employment and housing. The Public Works Department manages projects with Trellis' Community Impact Team (CIT). CIT participants develop and refine job skills needed to reenter the job market and remain employed. The projects may include beach cleanup, trash and graffiti removal, vegetation trimming and removal, and more. The CIT completed 114 projects in 2024.

The outreach and engagement team had three notable permanent housing placements in 2024. A man was unhoused for 34 years in Newport Beach. PATH and the City's homeless liaison police officer built a rapport with him within weeks of contacting him. The man had a housing voucher and was afraid to look for apartments on his own. PATH and the officer started showing him apartments online and their proximity to public libraries. He located an apartment he liked and moved into independent living in June 2024. PATH continues to check in with him to ensure stability and success. A man who experienced homelessness, living in his vehicle for several months, stayed at the Costa Mesa Bridge Shelter after working with the Be Well team. He moved into permanent supportive housing in September 2024 and is now addressing his medical needs. A woman was reunified with her family in another state in October 2024 after staying at the Costa Mesa Bridge Shelter. She volunteered in the Newport Beach community for 10 years and

did not want to end her service. She now lives with her daughter and is building a new community for herself.

### **Significant Residential Development Projects with Affordable Units**

Another highlight is significant residential projects that include an affordable housing component on sites identified as underutilized. These projects, which are at different stages of review, include: Newport Crossings Mixed-Use Project, Residences at 4400 Von Karman, Residences at Newport Airport Village, Newport Village Mixed-Use Project, 2510 West Coast Highway Mixed-Use Project, Residences at 1300 Bristol Street, Residences at 1600 Dove Street, Residences at 1401 Quail Street, Residences at 1400 Bristol Street, Residences at 1500 Quail Street, and the Placentia Avenue Apartments. Cumulatively, these projects have the potential to add 266 lower-income housing units and 36 moderate-income housing units to the City. Each of these projects are detailed in the attached Reports.

### **Policy Actions 1A through 1G Related to Housing Implementation**

Immediately after the Housing Element's adoption in September 2022, the City began efforts to implement the housing strategy. This predominantly included analyzing the General Plan Land Use Element for necessary amendments needed for consistency, drafting an overlay zoning text for the various focus areas, and creating objective design standards. The goal was to rezone the housing opportunity sites appropriately for housing development. The City worked with the General Plan Update Steering Committee and the General Plan Advisory Committee on this effort, held study sessions with the Planning Commission and City Council, and made draft documents available for public review and input to ensure a transparent process that is representative of the community's values.

- In July 2024, the City Council adopted an amendment to the Land Use Element to revise the necessary goals and policies to support housing production in the focus areas identified by the Housing Element. The Land Use Element's revised policies and goals can be found in Exhibit A of [Resolution 2024-51](#).
- On September 24, 2024, the City Council adopted Zoning Code Amendments to implement the Housing Element by providing the necessary zoning. These amendments included adding a Housing Opportunity (HO) Overlay Zoning District (Overlay) to the NBMC , Section [20.28.050](#), which provides procedures and development standards for future housing projects. The Overlay provides allowed uses, maximum dwelling unit limits for each subarea, and appropriate development standards such as height, parking, setbacks, and open space requirements. The Overlay also provides a streamlined review process for projects that include a minimum of 20 percent of units reserved for very-low- and low-income residents, which serves to incentive the provision of affordable housing.



Properties that are located within the Overlay are identified in the maps codified in Section 20.80.025 (Housing Opportunity Overlay Zoning Districts Maps) of the NBMC and provided below:

[HO-1 Airport Area Environs Area](#)

[HO-2 West Newport Mesa Area](#)

[HO-3 Dover-Westcliff Area](#)

[HO-4 Newport Center Area](#)

[HO-5 Coyote Canyon Area](#)

[HO-6 Existing 5th Cycle Sites](#)

- The Zoning Code Amendment also added Section [20.48.185 \(Multi-Unit Objective Design Standards\)](#) to provide a baseline standard for all new multi-unit development (See the Section **Policy Action 3A: Objective Design Standards**).
- Lastly, the City Council authorized the submittal of a Local Coastal Program Amendment to the California Coastal Commission (CCC) to amend the City's Coastal Land Use Plan and Title 21 (Local Coast Program Implementation Plan) to apply the new Overlay to applicable properties in the coastal zone. The City filed the amendment application on August 16, 2024, with the CCC, and received a letter from CCC staff on January 7, 2025, confirming the City's application is complete and pending a hearing date.

### **Policy Actions 1H, 1I, and 1J Related to Accessory Dwelling Units (ADUs)**

In 2024, the City pursued several efforts related to revising the City's regulations pertaining to accessory dwelling units and incentivizing their development:

- *Code Amendment Related to State Law Updates and Additional Incentives:* In 2024, the City began to work on revising the ADU Ordinance to comply with SB1211 for multi-family properties, which outlines additional parking allowances, adds a definition of livable space, and additional units allowed. Amendments related to the SAFE ADU program and compliance with AB2533 are provided below.
- *Website Enhancements:* In Spring of 2023, the Community Development Department launched a comprehensive update to the Newport Beach ADU webpage. The webpage is intended to supplement the City's outreach and foster interest in constructing ADUs. The website now includes a downloadable guidebook, interactive activities and exercises to help homeowners plan their ADU, an online calculator to estimate costs, and standard plans. The website also includes resources to help the homeowner understand the different types of ADUs

by providing links to development standards and processes. External resources are available for potential finance and grant opportunities for homeowners. Users can look up their property attributes including zoning and approximate lot size. An interactive mapping application is also included for residents to see the ADUs that are being constructed in their neighborhoods. The website is updated on a regular basis, for example in 2024, updates regarding the SAFE ADU program were added. The Newport Beach ADU website is accessible at <https://www.newportbeachca.gov/adu>.

- *ADU Standard Plans:* In late 2023 and early 2024, the City created its ADU Standard Plans program designed to offer property owners permit ready ADU plans at no charge. Use of the standard plans provide a substantial cost savings (\$15k to \$30k) for property owners by eliminating the need to hire a design professional to prepare custom set of architectural and structural plans. They also reduce permit processing times since the architectural and structural component of the plans have been pre-reviewed and approved for building code compliance. The City currently offers two separate types of studio designs, one one-bedroom design, and one-and-two-car-garage conversion plans. In 2024, staff worked on enhancing the standard plans page on the City's website to include a process for architects to submit their own drawings to be reviewed as standard plans/preapproval. This effort is also being completed to comply with AB1332 (effective January 1, 2025).
- *SAFE ADU Program:* Efforts began towards the end of 2023 to implement the State's amnesty program to permit informal (unpermitted) units. The program became official in 2024, allowing concessions for qualifying units that were existing but unpermitted. Three safe ADUs were permitted, and one was in applied status (i.e. plan check) in 2024. Additionally, the City prepared for implementation of changes to the SAFE ADU Ordinance pursuant to AB2533 (effective 2025) changing the year for qualified units from 2018 to 2020; and allowing JADUs for SAFE ADU. However, the City's Ordinance was a step ahead and already allowed JADUs to qualify for a SAFE ADU.
- *ADU Permit and Plan Check Fee Waiver:* On November 29, 2022, the City Council extended a pilot program to temporarily waive City plan check review fees, building construction permit review fees, and other City permit fees directly related to a project creating an ADU or a JADU. The fee waiver extension ran through the end of 2024 and complemented other City programs intended to promote and facilitate ADU development, including website enhancements and standard plans.

In 2024, 62 ADUs were submitted for review. There were 46 ADUs that received building permits and contributed towards the RHNA; and 28 that received final inspections.

### **Policy Action 3A: Objective Design Standards**

The Zoning Code Amendment that approved the Housing Overlays also added Section [20.48.185 \(Multi-Unit Objective Design Standards\)](#) to provide a minimum baseline design standard for all new multi-unit development. The objective design standards are intended to result in quality design of multi-unit residential and mixed-use development. Review under the standards supports development that builds on context, contributes to the public realm, and provides high quality and resilient buildings and public spaces. These standards shall be applied uniformly and without discretion to enhance the built environment for both affordable and market-rate multi-unit residential development. The standards would apply to housing throughout the City that consists of a density of 20 dwelling units per acre or greater. Furthermore, the City prepared a [Checklist](#) for applicants to help streamline review of the objective design standards.

### **Policy Action 4A: Affirmatively Furthering Fair Housing**

For Policy Action 4A (Affirmatively Furthering Fair Housing), the City intends to emphasize meaningful actions to overcome patterns of segregation and to foster inclusive communities free from barriers that restrict access to opportunity based on protective classes, as defined by State law. The City continues to maintain a contract for fair housing services with the Fair Housing Foundation and will participate in an update to the Orange County Regional Analysis of Impediments to Fair Housing when the next update occurs. The City is also collaborating with neighboring jurisdictions through the Orange County Council of Government (OCCOG) and its Regional Early Action Planning (REAP) on-call services bench, as there is an effort to streamline various housing element implementation program actions, including AFFH efforts, regionally.

#### Summary

These highlights demonstrate that the City is committed to compliance with State Housing Element law and the furtherance of all Housing Element goals and policies. The efforts outlined to update the General Plan for compliance with all mandates and best practices demonstrate the City is also committed to maintaining compliance with the latest General Plan Guidelines and requirements therein issued by LCI. All implementation efforts are detailed in the attached Reports and staff recommends that the Planning Commission recommend the City Council review and authorize the submittal of the 2024 General Plan Progress Report to the California Office of Planning and Research and the submittal of the Housing Element Annual Progress Report to the State Department of Housing and Community Development.

#### Environmental Review

The review of the Reports is not subject to the California Environmental Quality Act (CEQA) pursuant to Section 15060(b)(2) of the CEQA Guidelines, California Code of

Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Public Notice

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

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**ATTACHMENTS**

PC 1 General Plan Annual Progress Report including Housing Element Progress Report  
2024