



NEWPORT BEACH

City Council Staff Report

May 26, 2026
Agenda Item No. 12

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: Jaime Murillo, Community Development Director - 949-644-3209, jmurillo@newportbeachca.gov

PREPARED BY: Benjamin M. Zdeba, Deputy City Manager - 949-644-3253, bzdeba@newportbeachca.gov

TITLE: Ordinance No. 2026-05: Amending Title 21 of the Newport Beach Municipal Code, and Resolution No. 2026-30: Implementing the Housing Element and Establishing the Housing Opportunity (HO) Overlay Coastal Zoning District (PA2022-0245)

ABSTRACT:

On July 23, 2024, the City Council adopted Resolution No. 2024-51, amending the General Plan Land Use Element to incorporate policies supporting implementation of the adopted and certified 6th Cycle Housing Element (Housing Element). On September 24, 2024, the City Council adopted Ordinance No. 2024-16 establishing the Housing Opportunity (HO) Overlay Zoning District within Title 20 (Planning and Zoning) of the Newport Beach Municipal Code (NBMC), which was subsequently amended through adoption of Ordinance No. 2025-10 on June 24, 2025. Concurrently, the City Council authorized submittal of a complementary Local Coastal Program Amendment (LCPA), including amendments to the Coastal Land Use Plan (CLUP) and Title 21 (Local Coastal Program Implementation Plan) of the NBMC, to the California Coastal Commission (CCC). Collectively, these amendments complete implementation of Housing Element Policy Actions 1A through 1G. On April 17, 2026, the CCC approved the submitted LCPA with suggested modifications.

For the City Council consideration are a proposed resolution accepting and incorporating the CCC's suggested modifications into the CLUP (Attachment A) and a proposed ordinance accepting and incorporating the CCC's suggested modifications into Title 21 of the NBMC (Attachment B).

RECOMMENDATIONS:

- a) Conduct a public hearing;
- b) Find that all potential environmental effects for the amendment have been adequately addressed in the previously certified Final Program Environmental Impact Report identified by State Clearinghouse Number 2023060699, and the City Council of the

City of Newport Beach intends to use said document for the approval of the Local Coastal Program Amendment;

- c) Adopt Resolution No. 2026-30, *A Resolution of the City Council of the City of Newport Beach, California, Approving an Amendment to the Coastal Land Use Plan, as Modified by the California Coastal Commission, to Incorporate Updates for Consistency with the Adopted and Certified 6th Cycle Housing Element (PA2022-0245)*; and
- d) Introduce Ordinance No. 2026-05, *An Ordinance of the City Council of the City of Newport Beach, California, Approving an Amendment to Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code, as Modified by the California Coastal Commission, to Establish the Housing Opportunity (HO) Overlay Coastal Zoning District (PA2022-0245 & PA2024-0205)*, and pass to second reading on June 9, 2026.

DISCUSSION:

The Housing Element is one of the seven mandatory elements of the Newport Beach General Plan. Every eight years, state law requires the City of Newport Beach to update its Housing Element to plan for projected housing needs. As required by state law, the City adopted the 6th Cycle Housing Element for the 2021-2029 planning period (Housing Element) on September 13, 2022, which was certified by the California Department of Housing and Community Development on October 5, 2022.

On July 23, 2024, the City Council adopted Resolution No. 2024-51 (Attachment C), approving an amendment to the General Plan Land Use Element, including updates that support the implementation of the Housing Element.

On September 24, 2024, the City Council adopted Ordinance No. 2024-16 (Attachment D), approving an amendment to Title 20 (Planning and Zoning) of the NBMC, to establish the HO Overlay Zoning Districts in Section 20.28.050 [HO Overlay Zoning Districts]. The amendment served to partially implement Policy Actions 1A through 1G in the Housing Element.

The adoption of this ordinance provided new housing opportunities within five subareas to ensure the City can meet its 6th Cycle Regional Housing Needs Assessment (RHNA) allocation: 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). These subareas correspond directly to the Focus Areas identified in Appendix B (Adequate Sites Analysis) of the Housing Element. Properties identified within these subareas are eligible for special development allowances intended to be conducive to

residential development at the prescribed average density of 20 to 50 dwelling units per acre (du/ac).

On July 23, 2024, alongside the adoption of Resolution No. 2024-51 and the introduction of Ordinance No. 2024-16, the City Council adopted Resolution No. 2024-52 (Attachment E), authorizing the submittal of the corresponding Local Coastal Program Amendment (LCPA) to the CCC to amend the City's Coastal Land Use Plan and Title 21 (Local Coastal Program Implementation Plan) of the NBMC. The LCPA would establish the HO Overlay Coastal Zoning Districts and their corresponding development standards applicable to properties located within the Coastal Zone of the city to implement the Housing Element. The City filed the LCPA application with the CCC on August 16, 2024.

On November 19, 2024, the City Council adopted Resolution No. 2024-85, initiating an amendment to Section 20.28.050 in Title 20 and the pending complementary section in Title 21 of the NBMC, to review and make possible adjustments to certain development standards, including but not limited to building height limits specified in Table 2-16 (Development Standards for HO Overlay Zones) of Section 20. 28.050 [HO Overlay Zoning Districts] and pending Table 21.28-1 (Development Standards for Housing Opportunity Overlay Zones) in Title 21 of the NBMC.

On June 10, 2025, consistent with the initiation, an amendment to Title 20 was introduced and subsequently adopted with Ordinance No. 2025-10 (Attachment F). Alongside the introduction, the City Council adopted Resolution No. 2025-32 (Attachment G), authorizing the submittal of the corresponding LCPA to the CCC to amend Title 21 of the NBMC. City staff coordinated with CCC staff to modify the original LCPA submittal to include this amendment.

Coastal Commission Action and Acceptance of Suggested Modifications

On August 16, 2024, City staff submitted the City Council's authorized LCPA to the CCC and it was deemed filed by CCC staff on January 7, 2025.

On April 17, 2026, the CCC considered and denied the LCPA, as submitted, but approved it with seven suggested modifications, which are detailed in the staff report and addendum included as Attachment H and the approval letter included as Attachment I.

Table 1 lists a summary of each suggested modification from the CCC and City staff's analysis of the appropriateness.

Table 1 – CCC Suggested Modifications		
No.	Summarized Revision	Staff’s Analysis
1	Modify proposed CLUP Policy 2.1.11-1 to remove the reference to “West Newport Mesa” as a subarea.	As part of the initial review, it was identified that the two sites in the Coastal Zone and within the West Newport Mesa (HO-2) Subarea are part of the Deferred Certification Area of the Local Coastal Program. Suggested Modification 1 is necessary to refocus the LCPA to areas where the City has coastal permitting authority.
2	Modify proposed CLUP Policy 2.1.11-2 to include a requirement for properties with base zoning designations of Visitor Serving Commercial or Parks and Recreation to retain or replace existing Coastal Act priority uses. Any existing priority uses must be retained or replaced with a functionally equivalent use.	Suggested Modification 2 interjects a policy statement that serves to harmonize the proposed additional opportunity for housing development with the priority land uses of the Coastal Act when such uses exist on a site that is proposed for redevelopment. The “functionally equivalent” phrase gives flexibility in application and compliance for any future projects.
3	Modify proposed Implementation Plan Subsection 21.28.070(A), IP Table 21.28-1, IP Subsection 21.28.070(C), and IP Section 21.80.032 to remove the reference to “West Newport Mesa” as a subarea and to clean up footnote references in IP Table 21.28-1.	See the analysis for Suggested Modification 1. The balance of Suggested Modification 3 serves to incorporate missing footnote references.
4	Modify IP Table 21.14-1 to include a reference to the new Housing Opportunity (HO) Overlay Coastal Zoning Districts.	Suggested Modification 4 is a clean-up item to add a reference that was inadvertently missed when submitted.
5	Modify IP Subsection 21.28.070(B) to include a requirement that any proposed residential uses must harmonize with uses prioritized by the Coastal Act. Any existing priority uses must be retained or replaced with a functionally equivalent use.	Suggested Modification 5 is an implementation component of Suggested Modification 2. It allows for the opportunity to redevelop sites with housing projects while ensuring any existing priority uses in the Coastal Act are retained or replaced. The “functionally equivalent” phrase gives flexibility in application and compliance for any future projects.

Table 1 – CCC Suggested Modifications		
No.	Summarized Revision	Staff’s Analysis
6	Modify IP Subsection 21.28.070(C)(2) to include requirements specific to Housing Opportunity Sites 23, 24, 25, and 26, such as enhanced environmentally sensitive habitat area (ESHA) buffers and specificity on public recreational improvements.	Suggested Modification 6 only applies to the Newport Beach Golf Course parcels south of Mesa Drive. It primarily requires enhanced buffers from the new native habitat that is anticipated with the County of Orange’s Santa Ana Delhi Channel Improvement Project. It also includes specific public recreational improvements intended to ensure that any future housing project on the sites respects the underlying Parks and Recreation designation and enhances it with meaningful public recreation opportunities. Importantly, the Suggested Modification allows the sites to remain viable for future housing opportunities, should it be pursued by the owner.
7	Modify IP Subsection 21.28.070(D) to: (1) require retention or replacement of visitor-serving commercial or marine-related uses on sites proposed for housing projects; (2) prohibit the conversion of overnight visitor accommodations; (3) require the retention or replacement of parks and recreation or open space uses; and (4) add references to other existing IP sections and chapters to ensure housing projects are evaluated for compliance.	Similar to Suggested Modification 5, Suggested Modification 7 is an implementation component of Suggested Modification 2. It specifically addresses and serves to prevent the loss of visitor-serving commercial, marine-related uses, overnight visitor accommodations, parks and recreation, and open space uses with any future housing projects on an affected site. The “functionally equivalent” phrase gives flexibility in application and compliance for any future projects.

The recommended action is to accept and incorporate all the CCC's suggested modifications into the amendments to the CLUP and Title 21 of the NBMC. The amendments, as modified, will continue to provide opportunities for residential development on sites identified as housing opportunities within the Coastal Zone while harmonizing any potential housing projects with the Coastal Act.

The City Council must accept or reject all the suggested modifications. Partial acceptance is not permitted and would require resubmittal to the CCC through a new amendment

application. A redline-strikeout version incorporating all CCC modifications for Title 21 is included as Attachment J.

If introduced, the ordinances would return for a second reading on June 9, 2026, and take effect 30 days thereafter or when the executive director of the CCC certifies the amendment, whichever is later.

Once effective, the City will have successfully completed its rezoning requirements to implement the residential capacity required by the Housing Element.

FISCAL IMPACT:

There is no fiscal impact related to this item.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find that all potential environmental effects for the amendment have been adequately addressed in the previously certified Final Program Environmental Impact Report (EIR) identified by State Clearinghouse Number (SCH No.) 2023060699, and the City intends to use said document for the approval of the amendments. Copies of the previously prepared environmental document are available for public review and inspection at the Planning Division or at the City of Newport Beach website here: [Housing Implementation Program EIR \(PA2022- 0245\)](#).

NOTICING:

Pursuant to Section 13515 of the California Code of Regulations, a review draft of the Title 21 Amendment was made available, and a Notice of Availability was originally distributed on May 2, 2023, to all persons and agencies on the Notice of Availability mailing list.

In addition, notice of this hearing was published in the Daily Pilot as an eighth-page advertisement at least 10 days before the scheduled meeting, consistent with the provisions of the NBMC. The item also appeared on the agenda for this meeting, which was posted at City Hall and on the City's website. The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENTS:

Attachment A – Resolution No. 2026-30

Attachment B – Ordinance No. 2026-05

Attachment C – Resolution No. 2024-51

Attachment D – Ordinance No. 2024-16

Attachment E – Resolution No. 2024-52

Attachment F – Ordinance No. 2025-10

Attachment G – Resolution No. 2025-32

Attachment H – California Coastal Commission Staff Report, Addendum, and
Correspondence

Attachment I – California Coastal Commission Approval Letter and Suggested
Modifications

Attachment J – Redline-Strikeout with Suggested Modifications