



== CITY OF ==

NEWPORT BEACH

City Council Staff Report

January 13, 2026
Agenda Item No. 14

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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

PREPARED BY: Liz Westmoreland, AICP, Principal Planner - 949-644-3234, lwestmoreland@newportbeachca.gov

TITLE: Authorizing Receipt of Services Under the Regional Early Action Planning (REAP) 2.0 Program for Housing Element Implementation

ABSTRACT:

For the City Council's consideration is authorization to participate in the Regional Early Action Planning (REAP) 2.0 Program in partnership with the Orange County Council of Governments (OCCOG). If authorized, OCCOG would provide grant-funded technical consultant assistance to support the City of Newport Beach's Housing Element Policy Action 4H (Review Mixed-Use Zones) and City Council Policy K-4 (Reducing Barriers to the Creation of Housing). The project will evaluate existing mixed-use zoning standards to identify regulatory, physical and economic impediments and develop best practices to better facilitate infill mixed-use development. OCCOG selected Houseal Lavigne through a competitive process to complete the approximately \$200,000 project, which will be managed by OCCOG in coordination with the City. While no local fund matching is required, the City must provide staff support for outreach and public presentations and conclude the effort by June 30, 2026. Importantly, the City is not obligated to amend its Zoning Code or General Plan based on the project's findings.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Authorize the City Manager to sign the Regional Early Action (REAP) 2.0 Project Funding Letter Agreement on behalf of the City Council.

DISCUSSION:

The Southern California Association of Governments (SCAG) previously issued grant funds to the OCCOG to establish a technical consultant bench that would support OCCOG member agencies in completing Housing Element Implementation Programs. The partnership is referred to as the "Subregional Partnership Program 2.0." In March 2025, the City applied to OCCOG for technical assistance to complete Housing Element Policy Action 4H: Review Mixed-Use Zones (Project), which is intended to review and

identify opportunities to improve existing zoning regulations related to Mixed-Use zoning districts. The Project would also implement the “Planning Commission Review and Recommendations for Mixed-Use Designations” component of [Council Policy K-4 \(Reducing Barriers to the Creation of Housing\)](#). This component was intended to determine constraints to the redevelopment of mixed-use properties and recommend code changes or policy ideas to reduce regulatory barriers.

In May 2025, OCCOG selected the City to receive technical assistance to complete the Project and issued a request for proposals to its consultant bench. In October 2025, two proposals were received and OCCOG identified Houseal Lavigne as the best suited consultant to provide services to the City.

To complete the Project, Houseal Lavigne will evaluate existing mixed-use zoning standards to develop best practices for mixed-use zoning that will allow underutilized properties to redevelop with a mix of housing and resident-serving nonresidential uses. The Project would explore existing impediments to the production of housing in proximity to services including physical, regulatory and economic constraints. These best practices for mixed-use zoning would also be implementable on a regional basis to better encourage the development of mixed-use housing in proximity to services. Relevant areas of focus may include minimum lot sizes, lot consolidation incentives, parking minimums, and height limits, among other possibilities. The consultant’s proposed scope of work is included as Attachment B. The value of the contract is approximately \$200,000.

Although the City is not a direct recipient of the grant funds and will not be responsible for managing the grant nor the consultant, the attached Letter Agreement (Attachment A) must be executed to accept the services. The services exceed \$10,000, and pursuant to Council Policy F-25 (Grant Administration), City Council authorization is required to execute the support agreement.

To accept the consultant services, the City would be obligated to conclude the effort by June 30, 2026. Additionally, the City would be required to allocate sufficient staff time to support the consultant in completing the scope of work, which includes an outreach component and preparation of a staff report and presentations to the Planning Commission and City Council, with a recommendation “to consider the information and conclusions identified in the deliverables.” Importantly, the City is not obligated to amend its Zoning Code or General Plan based on the findings of the Project.

FISCAL IMPACT:

There is no fiscal impact related to this item.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA

Authorizing Receipt of Services Under the Regional Early Action Planning (REAP) 2.0
Program for Housing Element Implementation
January 13, 2026
Page 3

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.

NOTICING:

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 – Regional Early Action Planning (REAP) 2.0 Project Funding Letter Agreement

Attachment B – Houseal Lavigne Proposed Project Approach