

4.7 POPULATION, HOUSING, AND EMPLOYMENT

4.7.1 INTRODUCTION

This section addresses the existing population, housing, and employment conditions in the City of Newport Beach (City), County of Orange (County) and region, as well as estimated population growth and trends related to future housing and employment anticipated in the City, County, and region, including the proposed Project. This analysis focuses on the Project's consistency with adopted plans addressing regional and local population, housing, and employment projections. The environmental effects of increased population, housing, and employment on factors such as traffic, air quality, and noise are addressed in their respective sections of this EIR. Cumulative impacts are addressed in Section 5.0 of this EIR.

4.7.2 REGULATORY SETTING

The Project area's demographics are examined in the context of existing and projected population, housing, and employment for the City and the County as a whole. Demographic information used in this analysis has been gathered from several sources, including the U.S. Census Bureau; the California Employment Development Department; the Center for Demographic Research (CDR) at California State University, Fullerton; the California Department of Finance; and the Southern California Association of Governments (SCAG).

The U.S. Census Bureau publishes demographic data gathered through the decennial census. This data provides a record of historic growth rates in the City of Newport Beach and in Orange County as a whole. The California Employment Development Department tracks labor market information, which was used to summarize historic employment trends for the years where the data are currently available, as noted in the applicable tables in this section. The California Department of Finance, Demographic Research Unit develops population and housing projections for counties and cities and updates these projections annually.

Demographic data was also derived from the Orange County Projections (OCP), a long-range projection of Orange County's population, dwelling units, and employment. OCP-2006 contains the most recent population, housing, and employment estimates for each city in Orange County through the year 2035.¹ The CDR developed the OCP-2006, which has been incorporated into SCAG's growth projection for the 2008 Regional Transportation Plan (RTP) and the Regional Housing Needs Assessment (RHNA); the South Coast Air Quality Management District's (SCAQMD's) Air Quality Management Plan (AQMP); and the Orange County Transportation Authority's (OCTA's) transportation model. These projections are recognized by the agencies that sponsor the CDR as the uniform data set for use in local planning applications.

Southern California Association of Governments

SCAG is a Joint Powers Agency established under Sections 6502 et seq. of the *California Government Code*. SCAG is designated as a Council of Governments (COG), a Regional Transportation Planning Agency (RTPA), and a Metropolitan Planning Organization (MPO) for the six-county region of Orange, Los Angeles, Ventura, San Bernardino, Riverside, and Imperial Counties. The region encompasses a population exceeding 18 million persons in an area that encompasses more than 38,000 square miles. As the designated MPO, SCAG is

¹ OCP-2006 is the most recent version of the report. The updated version is anticipated to be available in Summer 2011.

mandated by the federal government to research and create plans for transportation, growth management, hazardous waste management, and air quality that will effectively provide for the anticipated growth in the region. Among the leading activities SCAG undertakes are:

- Maintaining a continuous, comprehensive, and coordinated planning process resulting in a Regional Transportation Plan and a Regional Transportation Improvement Program;
- Developing demographic projections plus the integrated land use, housing, employment, transportation programs, measures, and strategies portions of the South Coast AQMP;
- Serving as co-lead agency for air quality planning for the Central Coast and Southeast Desert Air Basin Districts;
- Determining, pursuant to the federal Clean Air Act, projects', plans', and programs' conformity to the AQMP;
- Reviewing environmental impact reports for projects having regional significance for their consistency with regional plans;
- Serving as the authorized areawide waste treatment management planning agency pursuant to federal water pollution control statutes; and
- Preparing the RHNA pursuant to State law.

SCAG has developed a number of plans to achieve these regional objectives. The most applicable to the Project with respect to population, housing, and employment are the Regional Comprehensive Plan (RCP) (October 2008) and the Compass Growth Vision Report (June 2004) and its associated RHNA (July 2007). Proposed projects are reviewed and an assessment is made about whether a project is consistent with or supports policies of these plans. Some of the policies within these plans are advisory in nature. These plans are discussed below. The Project's consistency with applicable SCAG policies is provided later in this section.

2008 SCAG Regional Comprehensive Plan

SCAG has developed Southern California's RCP as a planning framework for the development and implementation of guidelines applied to both the public and private sectors. The RCP functions as a voluntary "toolbox" to assist local jurisdictions in making their General and Specific Plans and individual projects more sustainable (SCAG 2008c). SCAG's RCP is divided into nine chapters with each chapter focusing on the regional strategy that addresses the RCP's vision for a particular resource area. Each chapter also includes three levels of recommendations for the region: goals, outcomes, and an action plan that contains constrained policies (or near-term, feasible policies) and strategic initiatives (longer-term strategies). Although SCAG did not respond to the Notice of Preparation (NOP), RCP policies considered relevant to the proposed Project are addressed in this EIR because the Project is of regional significance in accordance with Section 15206 of the CEQA Guidelines.

Compass Growth Vision

The Compass Growth Vision Report presents the comprehensive Growth Vision for the six-county SCAG region and presents the achievements of the Compass process. It details the evolution of the draft's vision from the study of emerging growth trends to the effects of different growth patterns on transportation systems, land consumption, and other factors.

The report concentrates on the physical aspects of regional growth (where people and jobs are located, the type and quantity of buildings that may be constructed, and how people and goods move in the region). The Growth Vision is driven by four key principles:

- **Mobility:** Getting where we want to go;
- **Livability:** Creating positive communities;
- **Prosperity:** Long-term health for the region; and
- **Sustainability:** Promoting efficient use of natural resources.

To realize these principles on the ground, the Growth Vision encourages (1) focusing growth in existing and emerging centers and along major transportation corridors; (2) creating significant areas of mixed-use development and walkable communities; (3) targeting growth around existing and planned transit stations; and (4) preserving existing open space and stable residential areas.

The Compass Blueprint 2% Strategy is a guideline for how and where SCAG's Growth Vision for Southern California's future can be implemented. It calls for changes to current land use and transportation trends that make up approximately two percent of the land area of the region: the 2% Strategy Opportunity Areas. SCAG's planning efforts and resources invested according to the 2% Strategy would help meet the region's goals of improved mobility, livability, prosperity, and sustainability for local neighborhoods and their residents (SCAG 2004a). The Project site is not located within a SCAG targeted 2% Strategy Opportunity Area (SCAG 2004b).

Regional Housing Needs Assessment

The RHNA is mandated by State Housing Law as part of the periodic process of updating local housing elements of the General Plan. The RHNA is a key tool for SCAG and its member governments to plan for growth within its six-county region. State law requires all regional councils of government, which includes SCAG, to determine existing and future housing needs for its region (*California Government Code* §65584.05[h]). SCAG is also required to determine the share of need allocated to each city and county within the SCAG region. The RHNA quantifies the need for housing within each jurisdiction during specified planning periods. The current planning period is January 1, 2006 to June 30, 2014. The Final RHNA target allocation was adopted by the SCAG Regional Council on July 12, 2007, and approved by the California Department of Housing and Community Development (HCD) in September 2007 (SCAG 2010; Johnson 2010).

California Coastal Act

The California Coastal Act of 1976 (*California Public Resources Code* §§30000 et seq.) establishes policies guiding development and conservation along the California coast. Consistent with Section 30001 and the basic goals of Section 30001.5, and except as may be otherwise specifically noted in the Coastal Act, the policies of Section 30200 of the Coastal Act constitute the standards by which the adequacy of local coastal programs and the permissibility of proposed developments subject to these provisions are determined. The consistency of the Project with applicable California Coastal Act policies is provided in Table 4.7-13 later in this section.²

² For ease of reading, the policy tables are located at the end of this section.

City of Newport Beach

General Plan Housing Element

The Draft Housing Element (2011) of the *City of Newport Beach General Plan* is designed to facilitate attainment of the City's RHNA and to foster the availability of housing affordable to all income levels to the extent possible given Newport Beach's constraints. The Housing Element examines current housing needs; estimates future housing needs; and establishes goals, policies, and programs pertaining to those needs. The element includes goals and policies that are applicable to the proposed Project. The City's General Plan assumes a projected year 2030 buildout year.

The General Plan Housing Element identifies several areas where land use changes may be anticipated over the next 20 years, including new residential opportunities. With the exception of the Newport Banning Ranch site, new residential development is expected to occur as infill housing and replacement of previously permitted retail and office development capacity. The key opportunity areas identified in the Housing Element are Newport Banning Ranch, Corona del Mar, West Newport Mesa, Mariner's Mile, Balboa Peninsula, Dover Dr./Westcliff Dr., Newport Center, the Balboa Peninsula, and Airport Area. As identified on Table 4.7-1, these locations provide an opportunity for approximately 4,612 new dwelling units (du), inclusive of the Project site. The General Plan identifies up to 1,375 du for the Newport Banning Ranch site if the property is developed consistent with the Residential Village General Plan land use designation.

The City requires that projects with 50 or fewer units prepare an Affordable Housing Implementation Plan (AHIP) or pay an in-lieu fee. Projects of more than 50 units are required to prepare an AHIP that specifies how the development would meet the City's affordable housing goal. As a part of the City's Inclusionary Housing Program, it is the City's goal that an average of 15 percent of all new housing units be affordable to very low, low, or moderate income households.³ The consistency of the Project with applicable General Plan policies is provided in Table 4.7-12 later in this section.

4.7.3 METHODOLOGY

The potential population and employment associated with the proposed Project were estimated based on the number of proposed residential units, the published average household size for Newport Beach, and the types and amounts of employment-generating uses. To determine population-related impacts, the proposed number of dwelling units and the associated anticipated Project population were compared with State RHNA targets and the OCP-2006 population projections for the City and the County, respectively. The City's General Plan Housing Element provides a long-term blueprint for housing production goals, which are considered within the context of the local and regional trends. The City's General Plan assumes buildout in 2030. The Project's estimated employment generation was compared to the OCP-2006 projections for the City and County. Project impacts take into consideration population, housing, and employment projections for Newport Beach.

³ The draft AHIP for the proposed Project is on the City of Newport Beach website and is on file at the City of Newport Beach Community Development Department and can be reviewed during regular business hours.

**TABLE 4.7-1
NEWPORT BEACH HOUSING ELEMENT SITES ANALYSIS AND INVENTORY SUMMARY**

Areas	General Plan Designation	Zoning Designation	Realistic Dwelling Unit Capacity ^a	Density (du/ac) or Development Limit
Vacant				
Banning Ranch	RV and OS	PC	1,375	Maximum development limit of 1,375 du.
Corona del Mar	RM	RM	7	Development limit of 8 du permitted.
San Miguel	RM	PC	4	Development limit of 10 du permitted.
Infill/Mixed-Use				
John Wayne Airport Area	MU-H2	PC	2,061	30 du/ac minimum and 50 du/ac maximum. ^b Development limit of 2,200 du permitted as replacement of existing uses (550 du permitted as infill).
Newport Center	MU-H3 and RM	PC	529	Development limit of 529 du permitted as infill.
Mariners' Mile	MU-W1 and MU-H1	MU-W1 and MU-MM	236	MU-W-1: Mixed-Use: FAR 1.0, with 0.5 for residential. Multi-Family Residential: 12 du/ac (50% of site). MU-MM: Mixed-Use: FAR 1.5, with 1.0 for residential.
West Newport Mesa	RM	RM	132	18 du/ac.
Dover Dr./ Westcliff Dr.	MU-H1	MU-DW	89	MU-DW: FAR 1.5, with 1.0 for residential
Balboa Peninsula Area				
Lido Marina Village	MU-W2 and RM (20/ac)	MU-W2 and (RM 2,178)	70	MU-W2: FAR 1.5, with 0.8 for residential RM (20 du/ac)
Cannery Village	MU-H4 MU-W2	MU-CV/15 th St. and MU-W2	56	MU- CV/15 th St.: Mixed-Use: FAR 1.5, with 1.0 for residential Multi-Family: 20.1 to 26.7 du/net acre MU-W2: Mixed-Use: FAR 1.25, with 0.75 for residential
Balboa Village	MU-V	MU-V	14	MU-V: FAR 1.5, with 1.0 for residential
McFadden Square	MU-W2	MU-W2	39	MU-W2: FAR 1.25, with 0.75 for residential
Total			4,612	
du/ac: dwelling units per acre; FAR: floor area ratio;				
MU-H1 = Mixed-Use (MU) - Horizontal (H)1 MU-H2 = MU - Horizontal 2 MU-H3 = MU - Horizontal 3 MU-H4 = MU - Horizontal 4		MU-W1, MU-W2 = MU - Water (W) 1, 2 MU-MM, MU-DW = MU - Mariners' Mile, MU - Dover Westcliff MU-CV/15 th St. = MU - Cannery Village/15 th St.		MU-V = MU-Vertical RM = Multiple-Family Residential RV = Residential Village OS = Open Space PC = Planned Community
^a Capacities reflect potential net increase in dwelling units above existing uses. As explained in detail within the Sites Analysis and Inventory, realistic capacities were based on average densities of actual constructed, permitted, or proposed projects within the City and accurately reflect achievable housing units. For example, although mixed-use designations permit densities of up to 26.7 du/ac, realistic capacities were calculated using 16 du/ac, based on actual mixed-use projects constructed within the City. ^b Pursuant to Section 65583.2 of the <i>California Government Code</i> , a minimum density of 30 du/ac shall be deemed appropriate to accommodate housing for lower-income households for urbanized areas. Source: Newport Beach 2011.				

The assessment of population, housing, and employment impacts is based on the assumption that all proposed 1,375 du would be constructed. The site's projected population is based on a rate of 2.19 persons per unit (Newport Beach 2006a). This average household size is based on an aggregate of all types of housing: single-family, multi-family, and other types. The Project proposes both single-family and multi-family housing.

4.7.4 EXISTING CONDITIONS

The following is a discussion of historical, existing, and projected population, housing, and employment information relevant to the City. To ensure both a regional and local perspective, the most recently adopted OCP-2006 projections for the City, County, SCAG, and Regional Statistical Areas (RSA) are included. An RSA is an area viewed as an indicator of growth at the subregional level addressed in regional growth policies. Newport Beach is located in RSA F-39, which also includes the City of Costa Mesa and part of the City of Irvine.

Existing and Projected Population

SCAG Region

As identified on Table 4.7-2, in 2000, the population for the approximate 38,000-square-mile, 6-county SCAG region exceeded 16.5 million persons with the majority of the population located in Los Angeles County. Between 1980 and 1990, the population increased by 3,059,349 persons with an annual average increase of 305,935 persons (or 2.1 percent per year) within the SCAG region. Between 1990 and 2000, the population of the SCAG region increased by 1,875,168 (or 1.1 percent per year), which equates to an annual average of 187,517 persons.

**TABLE 4.7-2
SCAG, ORANGE COUNTY, AND NEWPORT BEACH POPULATION:
1980–2009**

Area	1980	1990	2000	2005	2009
SCAG Region	11,581,483 ^a	14,640,832 ^a	16,516,000 ^a	N/A	N/A
Orange County	1,932,709 ^b	2,410,556 ^c	2,846,289 ^d	3,044,980 ^e	3,134,858 ^f
Newport Beach	62,556 ^g	66,643 ^d	70,032 ^d	82,778 ^e	86,145 ^f
N/A: not available ^a SCAG 2007 ^b U.S. Census Bureau 2008e ^c U.S. Census Bureau 2008f ^d U.S. Census Bureau 2008g ^e DOF 2009 ^f DOF 2010 ^g Newport Beach 2006b.					

As identified in Table 4.7-3, according to SCAG projections, population is projected to grow by an annual average of 147,489 persons between 2010 and 2035, or 3,687,226 persons (0.7 percent per year) in SCAG's 6-county region.

**TABLE 4.7-3
SCAG, ORANGE COUNTY, AND NEWPORT BEACH
POPULATION PROJECTIONS: 2010–2035**

Area	2010	2015	2020	2025	2030	2035
SCAG Region^a	17,236,274	18,080,048	18,886,172	19,621,177	20,297,627	20,923,500
Orange County	3,166,461 ^b	3,451,757 ^c	3,533,935 ^c	3,586,285 ^c	3,629,540 ^c	3,653,988 ^c
RSA F-39^d	273,895	288,408	297,571	302,057	305,820	308,639
Newport Beach	86,738 ^b	91,321 ^d	93,195 ^d	95,427 ^d	96,892 ^d	97,776 ^d
^a SCAG 2007 ^b DOF 2010 ^c CDR 2009 ^d CDR 2007d.						

Orange County

Orange County’s population has experienced a pattern of growth in recent history (Table 4.7-2). Between 1980 and 1990, the County population increased by 477,847 persons (i.e., average of 47,785 persons, annually). Between 1990 and 2000, population increased by 435,733 persons (i.e., average of 43,573 persons annually). According to the Department of Finance, the County’s population was 3,134,858 persons in 2009 (DOF 2010). Using this data, the County’s population increased between 2000 and 2009 by 288,569 persons (i.e., average of 32,063 persons annually). According to OCP-2006 projections and as shown in Table 4.7-3, the Orange County population is projected to grow by an annual average of 19,501 people between 2010 and 2035, or 487,527 total persons (CDR 2007). The population within RSA F-39 is projected to grow by an annual average of 1,390 people, or 34,744 total persons between 2010 and 2035.

City of Newport Beach

As with Orange County and the SCAG region, Newport Beach has also experienced population growth (Table 4.7-2). Between 1980 and 1990, the City’s population increased by 4,087 persons (i.e., average of 409 persons, annually). Between 1990 and 2000, population increased by 3,389 persons (i.e., average of 339 persons annually). According to the Department of Finance, the City’s population was 86,145 persons in 2009 (DOF 2010). Using this data, the City’s population increased between 2000 and 2009 by 16,113 persons (i.e., average of 1,790 persons annually). This increase in population was primarily due to the City’s annexation of the Newport Coast and Newport Ridge areas in 2002. OCP-2006 projections indicate that Newport Beach’s population will experience an average increase of 442 persons per year between 2010 and 2035, or 11,038 persons total (Table 4.7-3) (CDR 2007). This represents approximately 32 percent of the projected population growth in RSA F-39 between 2010 and 2035. Based on a General Plan buildout year of 2030, the City’s population is projected to be 96,892; this represents approximately 32 percent of the growth in RSA F-39 and approximately 2.7 percent of the growth in the County during this time period.

Project Site

Approximately 40 acres of the Project site are located within the incorporated boundaries of the City; the remainder of the Project site is in unincorporated Orange County within the City’s Sphere of Influence. The Project proposes annexation to the City of those portions of the Project site currently under County jurisdiction. At the time of issuance of the Newport Banning Ranch

Project's Notice of Preparation (NOP) and the release of this Draft EIR, the Project site contained no residences.

Existing and Projected Housing

SCAG Region

As identified on Table 4.7-4, the SCAG region had 5,722,035 du in 2000. Consistent with population growth, the SCAG region's dwelling unit count has increased. Housing growth increased by 392,404 units for an annual average of 39,240 units from 1990 to 2000. As identified on Table 4.7-5, according to SCAG projections, the dwelling unit total is projected to grow by an annual average of 18,106 units between 2010 and 2035, or a total of 452,672 du.

**TABLE 4.7-4
SCAG, ORANGE COUNTY, AND NEWPORT BEACH HOUSING: 1980–2009**

Area	1980	1990	2000	2005	2009
SCAG Region^a	N/A	5,329,631 ^a	5,722,035 ^f	N/A	N/A
Orange County (du)	721,514 ^b	875,072 ^c	969,484 ^d	1,014,331 ^e	1,035,491 ^f
Newport Beach (du)	31,106 ^g	34,861 ^g	37,567 ^g	42,723 ^e	43,477 ^f

N/A: not available; du: dwelling unit.

^a SCAG 2007
^b U.S. Census Bureau 2008e
^c U.S. Census Bureau 2008f
^d U.S. Census Bureau 2008g
^e CDR 2007d
^f DOF 2009
^g Newport Beach 2006a.

**TABLE 4.7-5
SCAG, ORANGE COUNTY, AND NEWPORT BEACH HOUSING
PROJECTIONS: 2010–2035**

Area	2010	2015	2020	2025	2030	2035
SCAG Region^a	6,285,473 ^d	5,755,434	6,053,194	6,303,647	6,534,919	6,738,145
County^b	1,073,751	1,106,607	1,122,905	1,136,564	1,144,314	1,151,587
RSA F-39^c	109,595	114,932	117,811	119,542	120,149	121,426
Newport Beach^c	43,706	44,837	45,456	46,556	47,073	47,570

^a SCAG 2007
^b CDR 2009
^c CDR 2007d
^d DOF 2010.

Orange County

The County of Orange experienced housing growth between 2000 and 2009. However, the rate of growth has declined from a 0.9 percent annual increase between 2000 and 2005 to a 0.5 percent annual increase between 2005 and 2009. The number of dwelling units within the County increased by 153,558 units with an average annual increase of 15,356 units between 1980 and 1990 (Table 4.7-4) (U.S. Census Bureau 2007). This increase was reduced between 1990 and 2000 to 94,412 units or 9,441 average annual units. Between 2000 and 2009, the housing stock increased by 66,007 units with an average of 7,334 units per year (DOF 2009).

As identified in Table 4.7-5, according to the CDR, dwelling units within Orange County are projected to increase, on average, by 3,113 units per year between 2010 and 2035 for a total of 77,836 units (CDR 2007). Dwelling units within RSA F-39 are projected to increase, on average, by 473 units per year between 2010 and 2035 for a total of 11,831 units.

City of Newport Beach

As identified on Table 4.7-4, between 1980 and 1990, the City’s housing stock increased by 3,755 du (i.e., average of 376 units annually). Between 1990 and 2000, the City’s housing increased by 2,706 units (i.e., annual average rate of 271 units). Between 2000 and 2009, the City’s housing increased by 5,910 units (i.e., average of 657 units annually) primarily associated with the City’s annexation of the Newport Coast and Newport Ridge areas in 2002. There are currently an estimated 43,477 du in the City (DOF 2009). According to the OCP-2006 (Table 4.7-5), the City is projected to have an average annual increase of 155 units between 2010 and 2035, or 3,864 total units (CDR 2007d). This represents approximately 33 percent of the projected housing increase in RSA F-39. Based on a General Plan buildout year of 2030, the City is projected to have 47,073 du; this represents approximately 39 percent of the housing growth in RSA F-39 during this time period.

In 2000, the City’s housing stock represented approximately 3.8 percent of Orange County’s total dwelling units (Table 4.7-4). In 2025 and 2035, the City’s share of dwelling units is projected to be approximately 4.1 percent of the County total (Table 4.7-5).

Table 4.7-6 shows the composition of the housing stock in the City for 2000 and 2009. There were no residential dwelling units on the Project site at the time of the 2000 Census, nor are there any at the present time.

**TABLE 4.7-6
CITY OF NEWPORT BEACH HOUSING STOCK COMPOSITION**

Unit Type	2000	2009
1 unit, detached	16,095	19,441
1 unit, attached	6,685	7,166
2 to 4 units	5,351	5,587
5 plus units	8,294	10,420
Mobile Home	863	863
Total	37,288	43,477
Source: DOF 2009 (2000 housing counts are benchmarked to Census 2000).		

Vacancy Rates

As reported by the Department of Finance, the vacancy rate is a measure of the availability of housing in a community. It also demonstrates how well the types of units available actually meet the market demand. A low vacancy rate suggests that households may have difficulty finding housing within their price range; a high supply of vacant units may indicate either the existence of a high number of desired units, or an oversupply of units. The vacancy rate for housing in the City, as reported by the 2000 U.S. Census Bureau, was 11.3 percent in 2000. In 2009, the average vacancy rate was 10.9 percent with a reported vacancy rate of 7.5 percent for rental units⁴, which is the second highest vacancy rate in the County behind the City of Laguna Beach.

⁴ Ownership vacancy rate data is not available for 2009.

In 2008, the City's reported vacancy rate was 7.3 percent for rental units and 1.8 percent of sales units. The countywide 2009 vacancy rate is approximately 3 percent. The City has found that the discrepancy between overall vacancy rates and vacancy rates among available units may be due to the large number of seasonal units and second homes in Newport Beach. The City's General plan states, "According to the 2000 U.S. Census, 1,994 of 4,217 vacant units were identified as 'seasonal use'" (Newport Beach 2006a).

RHNA

For RHNA purposes, the HCD has defined "future needs" as the number of additional dwelling units by income level that need to be created, or the share of the region's housing needs that have been allocated to a community. SCAG calculates future housing needs based upon their household growth projection plus a certain amount of units needed to account for an appropriate level of vacancies and the replacement of units that are normally lost to conversion or demolition.

The HCD categorizes households into the following five income groups based on County Area Median Incomes (AMI):

- Extremely Low Income – 0 to 30 percent of the AMI.
- Very Low Income – 31 to 50 percent of the AMI.
- Low Income – 51 to 80 percent of the AMI.
- Moderate Income – 81 to 120 percent of the AMI.
- Above Moderate Income – above 120 percent of the AMI.

Extremely low, very low, and low income groups combined are referred to as "lower income groups". Household income is adjusted for household size. The City's 2000 Census income distribution using the above income thresholds was as follows:

- Extremely Low Income – 7 percent.
- Very Low Income – 6 percent.
- Low Income – 9 percent.
- Moderate and Above Moderate Income – 78 percent.

Table 4.7-7 identifies the adopted RHNA for the 2006–2014 period for the SCAG region, Orange County (unincorporated County and cities), and Newport Beach. The City's total RHNA allocation through 2014 is 1,784 du. Since the RHNA uses January 1, 2006, as the baseline for growth projections for the Housing Element planning period of 2008–2014, jurisdictions may count any new units built or issued certificates of occupancy since January 1, 2006, toward meeting their RHNA allocations. Since 2006, 270 du (15 percent) have been built in the City. These units were all market-rate, Above Moderate Income units.

**TABLE 4.7-7
REGIONAL HOUSING NEEDS ALLOCATION PLAN: FROM 2006 TO 2014**

Income Group	SCAG Region		Orange County		Newport Beach	
	RHNA Allocation	Percentage	RHNA Allocation	Percentage	RHNA Allocation	Percentage
Very Low Income ^a	165,457	23.7%	17,733	21.5%	392	22.0%
Low Income ^b	113,649	16.2%	14,566	17.7%	322	18.0%
Moderate Income ^c	126,715	18.1%	16,380	19.9%	362	20.3%
Above Moderate Income ^d	293,547	42.0%	33,653	40.9%	708	39.7%
Total	699,368	100.0%	82,332	100.0%	1,784 units	100.0%

^a 0–50% of Area Median Family Income (MFI).
^b 51–80% of MFI.
^c 81–120% of MFI
^d Greater than 120% of MFI
 Source: SCAG 2007.

Existing and Projected Employment

SCAG Region

As identified on Table 4.7-8, the SCAG region had 7,557,600 jobs in 2000. Between 1980 and 1990, jobs increased by 1,225,300 for an annual average of 122,530 jobs. Job growth increased at a slightly greater rate from 1990 to 2000, adding 1,202,800 total jobs (15.9 percent) or an average of 120,280 jobs (1.6 percent) annually. As identified on Table 4.7-9, according to SCAG projections, regional employment is projected to grow by an annual average rate of 59,051 jobs between 2010 and 2035, or 1,476,278 total positions.

**TABLE 4.7-8
SCAG, ORANGE COUNTY, AND CITY OF NEWPORT BEACH
EMPLOYMENT: 1980–2009**

Area	1980	1990	2000	2005	2009
SCAG Region	5,129,500 ^a	6,354,800 ^a	7,557,600 ^e	N/A	N/A
Orange County	843,800 ^a	1,306,200 ^b	1,428,400 ^b	1,534,400 ^b	1,483,600 ^b
Newport Beach	55,394 ^c	N/A	N/A	76,439 ^d	N/A

N/A: not available
^a SCAG 2007
^b EDD 2009
^c OCP 86/87 (from G. Ramirez, Newport Beach)
^d CDR 2007d
^e EDD 2010

**TABLE 4.7-9
SCAG, ORANGE COUNTY, AND NEWPORT BEACH EMPLOYMENT
PROJECTIONS: 2010–2035**

	2010	2015	2020	2025	2030	2035
SCAG Region^a	7,556,100 ^d	7,913,877	8,217,254	8,501,300	8,778,375	9,032,378
County^b	1,755,167	1,837,771	1,897,352	1,933,058	1,960,633	1,981,901
RSA F-39^b	242,867	249,610	256,014	261,305	267,448	274,516
Newport Beach^c	77,319	77,940	78,198	78,366	78,824	78,979
^a SCAG 2007 ^b CDR 2009 ^c CDR 2007d ^d EDD 2010.						

Orange County

Between 1980 and 1990, the County added 462,400 jobs or an average of 46,240 jobs (3.5 percent) annually (SCAG 2007). This rate of increase declined from 1990 to 2000 when the County added 122,200 jobs (8.5 percent) or an average of 12,220 jobs (0.9 percent) annually (SCAG 2007). Between 2000 and 2009, employment increased by an average of 6,133 jobs (0.4 percent) annually over the 9-year time period (Table 4.7-8) (SCAG 2007; EDD 2009). OCP-2006 projects that the County will continue this lower rate of growth between 2010 and 2035; employment is projected to increase by an average of 9,069 jobs (0.5 percent) per year, or 226,734 total jobs (Table 4.7-9) (CDR 2007). The number of jobs in RSA F-39 is projected to increase by an average of 1,266 jobs (0.5 percent) per year, or 31,649 total jobs (11.5 percent) for this time period (CDR 2007).

City of Newport Beach

In Newport Beach, the City added 21,045 jobs (27.5 percent) between 1980 and 2005, or an annual average of 842 jobs (1.1 percent) (OCP 2006). OCP-2006 projects that the City will have modest job growth at a rate of 66 jobs (0.08 percent) annually, or 1,660 total jobs (Table 4.7-9) between 2010 and 2035 (CDR 2007). OCP-2006 projects that the City will have a growth rate of 1,047 jobs between 2010 and 2025 (3.9 percent annually). Based on a General Plan buildout year of 2030, the City is projected to have 78,824 total jobs; this represents approximately 29 percent of RSA F-39 and approximately 4.0 percent of the County by 2030.

Project Site

The Project site is an active oilfield. The estimated number of employees associated with the Applicant's oil operations, including part-time employees, is 19 (Aera Energy 2009). The City's contractor has two employees for the facility.

Jobs to Housing Balance

SCAG states that "a balance between jobs and housing in a metropolitan region can be defined as a provision of an adequate supply of housing to house workers employed in a defined area (i.e., community or subregion). Alternatively, a jobs/housing balance can be defined as an adequate provision of employment in a defined area that generates enough local workers to fill the housing supply" (SCAG 2001). Jobs and housing are considered in balance when a subregion has enough employment opportunities for most people who live there and enough housing opportunities for most of the people who work there. The jobs/housing balance is one

indicator of a project's effect on growth and quality of life in a project area. SCAG uses the jobs/housing ratio to assess the relationship between housing and employment growth.

In 2001, the regional average ratio of jobs to households was 1.27⁵ jobs per household (a "household" is defined as an occupied dwelling unit) (SCAG 2001). By 2025, the SCAG region's jobs/housing ratio is projected to be 1.33 jobs per household (SCAG 2001). SCAG refers to communities with more than the average of 1.5 jobs per household as "jobs-rich". Jobs-rich areas are located in the highly urbanized areas in the western portion of the region, primarily in southern and western Los Angeles County, and in central and northern Orange County. Table 4.7-10 identifies the jobs per household ratio for both the County and the City between 2005 and 2035. Because future development on the Newport Banning Ranch site is assumed in the City's General Plan development projections, the information in this table includes the proposed Project as the City's assumed employment projections on the site.

As shown in Table 4.7-10, the County's jobs/housing ratio in 2005 was 1.51 and is projected to be 1.77 in 2035 while the City's jobs/housing ratio in 2005 was 1.79 and is projected to be 1.67 in 2030 (General Plan buildout) and 1.66 in 2035. Both the County and the City are currently and are expected to remain "jobs-rich".

**TABLE 4.7-10
ORANGE COUNTY AND NEWPORT BEACH: JOBS TO HOUSING RATIOS**

Orange County	2005	2010	2015	2020	2025	2030	2035
Population	3,059,950	3,166,461 ^b	3,451,759 ^c	3,533,956 ^c	3,586,291 ^c	3,629,538 ^c	3,653,988 ^c
Household (du)	1,014,331 ^a	1,039,201 ^c	1,071,810 ^c	1,088,375 ^c	1,102,370 ^c	1,110,659 ^c	1,118,490 ^c
Employment	1,534,400	1,755,167	1,837,771	1,897,352	1,933,058	1,960,633	1,981,901
Jobs/Housing Ratio	1.51	1.69	1.71	1.74	1.75	1.77	1.77
Newport Beach	2005	2010	2015	2020	2025	2030	2035
Population	82,778 ^a	86,738 ^b	91,321	93,195	95,427	96,892	97,766
Household (du)	42,723	43,706	44,837	45,456	46,556	47,073	47,570
Employment	76,439	77,319	77,940	78,198	78,366	78,824	78,979
Jobs/Housing Ratio	1.79	1.77	1.74	1.72	1.68	1.67	1.66

du: dwelling units
 Note: Greater than the average of 1.5 jobs per household is "jobs-rich".
^a DOF 2009
^b DOF 2010
^c California Employment Development Department (EDD) 2009
 Source for all other data: CDR 2007.

4.7.5 PROJECT DESIGN FEATURES AND STANDARD CONDITIONS

Project Design Features

PDF 4.7-1 The Master Development Plan includes a range of housing types to meet the housing needs of a variety of economic segments of the community to be designed to appeal to different age groups and lifestyles.

⁵ Rather than using a typical ratio (#:#) where the number of jobs is listed first, followed by the number of dwelling units, SCAG divides the number of jobs by the number of dwelling units, resulting in a percentage that is expressed as a decimal.

Standard Conditions and Requirements

SC 4.7-1 Projects of 50 or fewer units have the option of preparing an Affordable Housing Implementation Plan (AHIP) or paying an in-lieu fee. Projects of more than 50 units are required to prepare an AHIP that specifies how the development will meet the City's affordable housing goal.

4.7.6 THRESHOLDS OF SIGNIFICANCE

The following significance criteria are from the City of Newport Beach Environmental Checklist. A significant impact related to population, housing, and employment would occur if the Project would:

Threshold 4.7-1 Induce substantial population growth in an area, either directly (for example, by proposed new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure).

Threshold 4.7-2 Conflict with any applicable plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect.

As previously discussed in Section 1.6.1, Effects Found Not to be Significant, the City has determined that the proposed Project would not have a significant impact for the following thresholds because the Project site does not contain any existing residences. As such, no existing housing would be removed from the site and no persons would be displaced.

- Would the project displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?
- Would the project displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

4.7.7 ENVIRONMENTAL IMPACTS

Threshold 4.7-1 *Would the project induce substantial population growth in an area, either directly (for example, by proposed new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?*

The *City of Newport Beach General Plan* designates the Project site as Open Space/Residential Village (OS/RV). The OS/RV land use designation provides land use policy for both the primary use (Open Space) and an alternative use (Residential Village) on the Project site. The General Plan identifies the maximum intensity of development allowed on the property to include 1,375 du, 75,000 square feet (sf) of retail commercial uses oriented to serve the needs of local and nearby residents, and 75 resort inn rooms in a small boutique hotel or other type of overnight visitor accommodation. The proposed Project's land uses are consistent with the alternative use land use designation (i.e., Residential Village).

Population and employment projections were developed using factors from CDR and information provided by the City and Applicant. As previously noted, this analysis uses a City generation factor of 2.19 persons per dwelling unit. Employment projections were based on the

following generation factors provided by the Applicant and approved for use in this EIR by the City:

- 1 job per 303 sf of retail uses.
- 1 job per 707 sf of resort inn room, lobby, conference area, or business center uses.
- 1 job per 303 sf of restaurant, gift shop, or fitness area uses.

Population

The projected City population at General Plan buildout (year 2030) would be 96,892. OCP-2006 projections indicate that the City's population could experience an average increase of 441 people per year between 2010 and 2035, or 11,038 total persons. Assuming 2.19 persons per dwelling unit, the Project with 1,375 residential units has the potential to generate 3,012 new residents. The Applicant has projected residential occupancy commencing in 2016 with buildout in 2024. As such, the proposed Project at buildout would represent approximately 54 percent of the City's growth projections at General Plan buildout in 2030 occurring between 2015 and 2030. When considered in a County context, the proposed Project would represent approximately 1.5 percent of Orange County's projected population increase between 2010 and 2035.

Housing

The projected number of total dwelling units at General Plan buildout would be 47,073 du. The projection for new dwelling units in the City between 2010 and 2025 is 2,850 du. As previously discussed in this section, the City is projected to have an average annual increase of 190 du between 2010 and 2025 and 155 du between 2010 and 2035 (CDR 2007). As set forth in Section 3.0, Project Description, the proposed Project is expected to be phased with completion of residential development anticipated by 2023. The proposed Project's 1,375 units represent approximately 36 percent of the City's total new housing between 2010 and 2035 as projected by the CDR. The Project represents approximately 48 percent of the City's total new units as projected by the City's General Plan by 2025 (between 2010 and 2025).

The draft Newport Banning Ranch AHIP proposes the construction of a minimum of 50 percent of the required affordable housing on the Project site. The remaining affordable housing obligation would be met through the payment of in-lieu fees; the construction of off-site affordable housing including the rehabilitation of existing off-site housing that would contribute to meeting the City's RHNA requirements; and/or land dedication. Should the Project be approved with 1,375 du, the Project would provide the following number of Very Low Income, Low Income, or Moderate Income housing units. The Applicant can also provide a combination of the following income category housing units rather than a single income group.

- Very Low Income: 5 percent of the total units (69 units);
- Low Income: 10 percent of the total units (138 units);
- Moderate Income: 15 percent of the total units (206 units)

Because no dwelling units are anticipated to be occupied until 2016, the proposed affordable housing units would not count toward the City achieving its SCAG 2014 RHNA housing construction target. However, it is anticipated that the Project site would have been rezoned prior to that timeframe, which would demonstrate that the City has an available site on the Newport Banning Ranch property for the inclusion in the City's affordable housing sites

inventory. Additionally, the Project's obligation to provide off-site affordable housing (in-lieu fees, rehabilitation, land dedication, or a combination thereof) would assist the City in meeting its RHNA target for the subsequent planning period of January 1, 2011 to September 30, 2021.

Employment

Both the City contractor's 2 oilfield employees and the Applicant's 19 oilfield employees are expected to be retained to oversee ongoing oil operations within the consolidated oilfield areas upon implementation of the proposed Project. The proposed Project is anticipated to create 422 new employment opportunities: 247 jobs associated with the proposed retail uses and 175 jobs associated with the resort inn; it is anticipated that this would include both full-time and part-time employment positions with varying salaries including minimum wage positions. OCP-2006 projections anticipate that the City would have an average annual increase of 70 jobs between 2010 and 2025 (1,047 total jobs) and 67 jobs between 2010 and 2035 (1,660 total jobs). The Project is projected to add 422 jobs to the City by 2023. The 422 jobs represent approximately 40 percent of the City's total projected increase in employment between 2010 and 2025 and 25 percent between 2010 and 2035. The Project represents approximately 0.002 percent of the County's total employment through 2035.

Jobs to Housing Balance

In addition to the absolute numbers analyzed in the previous subsections, jobs/housing balance is another indicator of a project's effect on growth and quality of life. The County's jobs/housing ratio in 2005 was 1.51 and is projected to be 1.77 in 2035, while the City's jobs/housing ratio in 2005 was 1.79 and is projected to be 1.68 in 2025 and 1.66 in 2035. Both the County and the City are currently and are expected to remain "jobs-rich".

The Project would provide housing and employment, and would benefit the overall City and subregional jobs/housing ratio. The Project has a jobs/housing ratio of 0.31, because an estimated 422 new jobs and 1,375 residential units would be added. This results in greater benefits for balancing jobs and housing opportunities in the City and the County. Over time, the County of Orange is projected to become slightly more jobs-rich and the City is projected to become slightly less jobs-rich than it is today as a result of economic and demographic forces. The proposed Project would not change this overall projection. As discussed previously, the proposed Project lies in RSA F-39. The jobs/housing ratio for RSA F-39 is projected at 2.2 in 2010, 2.2 in 2025, and 2.3 in 2035. These ratios reflect the fact that RSA F-39 contains large concentrations of employment areas in the Cities of Newport Beach, Costa Mesa, and Irvine.

Impact Conclusion

In summary, the proposed Project's population, housing, and employment growth are within the overall OCP-2006 projections for Orange County and RSA F-39. As previously identified in Table 4.7-3, based on existing growth projections for Newport Beach, it is projected that the City's population will reach 96,892 by 2030 (General Plan buildout) and 97,776 persons by 2035 (representing an increase of 8,689 persons between 2010 and 2025 and 11,038 persons between 2010 and 2035). The Project is expected to directly generate 3,012 residents, which would account for approximately 34 percent of the projected growth in the City by 2025 and approximately 27 percent by 2035.

The General Plan Housing Element identifies several areas for future housing opportunities. The General Plan designates these areas provide an opportunity for approximately 4,612 new du. The General Plan identifies 1,375 du for the Newport Banning Ranch site, which is

approximately 29 percent of the total number of new dwelling units identified in the General Plan for these collective areas.

The Project would also provide new jobs that would result from development of the proposed neighborhood commercial and resort inn uses. It is assumed that the housing demand generated by these new jobs would be met by (1) existing units in the City; (2) projected future units in the City; (3) the proposed 1,375 residential units, including affordable housing, associated with the Project; and (4) dwelling units located elsewhere in Orange County and the larger SCAG region. Given the mobility of workers within the SCAG region, it is not possible to accurately estimate the housing demand jobs would generate in other parts of the region. Therefore, this EIR does not speculate about the locations or numbers of houses in those locations.

Orange County is expected to add 77,836 new households between 2010 and 2035 and 3,864 units would be added in the City of Newport Beach during the same time period. Although the expected employment generation from the Project would represent approximately 25 percent of the employment generation in the City by 2035, it is expected that the demand for new housing generated from Project employees (422 jobs) could be accommodated by the projected housing growth. The proposed Project would also result in a temporary increase in job creation during the development phases of the Project (e.g., construction jobs). These jobs are typically filled by existing residents of the region and do not induce substantial housing demand. Therefore the potential growth associated with Project-generated jobs (construction and operation) would not be significant. While no significant Project impacts have been identified, PDF 4.7-1 and SC 4.7-1 are applicable to the Project. PDF 4.7-1 requires the Project to include a range of housing types to meet the housing needs of a variety of economic segments of the community. SC 4.7-1 requires the Project to prepare an AHIP that specifies how the Project will meet the City's affordable housing goal.

Impact Summary: **Less Than Significant.** PDF 4.7-1 and SC 4.7-1 are applicable. The Project would provide up to 1,375 residential units including up to 206 affordable units, resulting in a population increase of 3,012 persons. While the Project would result in population growth in the area through the construction of new residences and employment opportunities, the Project would not exceed the growth currently projected for the Project site or exceed regional projections. Based on the City's significance criteria set forth in this EIR, the increase in population would be less than significant.

Threshold 4.7-2 **Would the project conflict with any applicable plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?**

Tables 4.7-11 through 4.7-13 evaluate the consistency of the proposed Project with the applicable goals and policies of SCAG, the City's General Plan, and the Coastal Act, respectively.

Impact Summary: **No Impact.** As identified in Tables 4.7-11 through 4.7-13, the proposed Project would not conflict with any applicable goals or policies of SCAG, the *City of Newport Beach General Plan*, or the Coastal Act related to population, housing, and employment.

4.7.8 MITIGATION PROGRAM

Project Design Features

PDF 4.7-1 requires that the Project include a range of housing types at different economic levels.

Standard Conditions and Requirements

SC 4.7-1 requires that an AHIP be prepared for the Project.

Mitigation Measures

No mitigation is required.

4.7.9 LEVEL OF SIGNIFICANCE AFTER MITIGATION

The proposed Project's increase in population, housing, and employment would be within regional and City projections. No significant impacts would occur.

**TABLE 4.7-11
SCAG REGIONAL POLICY CONSISTENCY ANALYSIS**

Relevant Principles and Goals	Consistency Analysis
Compass Blueprint Principles and Goals	
<p>Principle 3: Enable prosperity for all people.</p> <p>GV P3.1 Provide, in each community, a variety of housing types to meet the housing needs of all income levels.</p> <p>GV P3.2 Support educational opportunities that promote balanced growth.</p> <p>GV P3.3 Ensure environmental justice regardless of race, ethnicity, or income class.</p> <p>GV P3.4 Support local and state fiscal policies that encourage balanced growth.</p> <p>GV P3.5 Encourage civic engagement.</p>	<p>The Project is consistent with this principle. The proposed Project would contribute to balanced housing, population, and employment growth on a Citywide basis. Although the Project would be housing-rich due to the provision of 1,375 du and creation of 422 jobs, the Project would provide housing opportunities for employees throughout the City of Newport Beach, a City that is projected to continue to be jobs-rich in the future. Additionally, the Project is consistent with this principle because it would provide up to 1,375 du, including single-family, multi-family, and affordable housing units. Please also refer to Section 4.1, Land Use and Related Planning Programs.</p>

**TABLE 4.7-12
CITY OF NEWPORT BEACH GENERAL PLAN CONSISTENCY ANALYSIS**

City of Newport Beach General Plan Relevant Goals, Policies, and Programs	Consistency Analysis
Land Use Element	
Land Use Element Goal LU 1	
<p>A unique residential community with diverse coastal and upland neighborhoods, which values its colorful past, high quality of life, and community bonds, and balances the needs of residents, businesses, and visitors through the recognition that Newport Beach is primarily a residential community.</p>	<p>As addressed in Section 4.1, Land Use and Related Planning Programs, the Project is consistent with the goal. The proposed Project would allow for the development of residential, retail, visitor-serving resort inn, active and passive recreational, and open space uses consistent with the alternative use General Plan land use designation (Residential Village) for the Project site (the primary General Plan designation is Open Space).</p>
Policies	
<p>LU Policy 1.4: Growth Management</p> <p>Implement a conservative growth strategy that enhances the quality of life of residents and balances the needs of all constituencies with the preservation of open space and natural resources.</p>	<p>As addressed in Section 4.1, Land Use and Related Planning Programs, the Project is consistent with this policy. Please refer to the response to General Plan LU Goal 1. As proposed, the Project would retain approximately 252 acres (63%) of the site as open space and would provide approximately 51.4 gross acres for parks including a 26.8-gross-acre (21.7-net acre) Community Park. The General Plan Housing Element identifies 5 locations—Newport Banning Ranch, Airport Area, Newport Center, Mariners' Mile, and the Balboa Peninsula—as key sites for future housing opportunities. The General Plan designates these areas with the potential for development of approximately 4,612 new du. The General Plan identifies 1,375 du for the Newport Banning Ranch site, which is approximately 29% of the total number of new dwelling units identified in the General Plan for these collective areas. The General Plan identifies the maximum intensity of development allowed on the Newport Banning Ranch site to include up to 1,375 du, 75,000 sf of retail commercial uses oriented to serve the needs of local and nearby residents, and 75 resort inn rooms in a small</p>

TABLE 4.7-12 (Continued)
CITY OF NEWPORT BEACH GENERAL PLAN CONSISTENCY ANALYSIS

City of Newport Beach General Plan Relevant Goals, Policies, and Programs	Consistency Analysis
	boutique hotel or other type of overnight visitor accommodation. The Project is consistent with the growth projected for the property.
<p>LU Policy 1.5: Economic Health Encourage a local economy that provides adequate commercial, office, industrial, and marine-oriented opportunities that provide employment and revenue to support high-quality community services.</p>	The Project is consistent with this policy. SCAG refers to communities with more than the average of 1.5 jobs per household as “jobs-rich”. As such, the City of Newport Beach is considered a “jobs rich” community. The Project proposes to provide the maximum amount of commercial and visitor-serving uses authorized under the General Plan Residential Village designation for the site. The Project is anticipated to create approximately 422 jobs associated with commercial uses and the resort inn.
Land Use Element Goal LU 2	
A living, active, and diverse environment that complements all lifestyles and enhances neighborhoods, without compromising the valued resources that make Newport Beach unique. It contains a diversity of uses that support the needs of residents, sustain and enhance the economy, provide job opportunities, serve visitors that enjoy the City’s diverse recreational amenities, and protect its important environmental setting, resources, and quality of life.	The Project is consistent with the goal. Please refer to the response to General Plan LU Policy 1.4. (Please also refer to Section 4.1, Land Use and Related Planning Programs.)
Policies	
<p>LU Policy 2.2: Sustainable and Complete Community Emphasize the development of uses that enable Newport Beach to continue as a self-sustaining community and minimize the need for residents to travel outside of the community for retail, goods and services, and employment.</p>	The Project is consistent with this policy. The proposed Project would allow for the development of a mix of residential, retail, visitor-serving resort inn, active and passive recreation, and open space uses on the Project site. Included in the Project is up to 75,000 sf of community retail uses integrated into the Urban Colony (mix of retail and residential) area of the site, which is intended to provide local convenient goods and services to the residents of and visitors to the Project site and nearby residential areas. While parking would be provided for the retail uses, the Project includes pedestrian and bicycle trails throughout the Project site with access to the retail area. (Please also refer to Section 4.1, Land Use and Related Planning Programs.)
<p>LU Policy 2.3: Range of Residential Choices Provide opportunities for the development of residential units that respond to community and regional needs in terms of density, size, location, and cost. Implement goals, policies, programs, and objectives identified within the City’s Housing Element.</p>	<p>The Project is consistent with this policy. The Project proposes development of a variety of housing types, including low and medium density housing, affordable housing units, and housing associated with mixed-use development. These housing types would range in size and cost to accommodate a variety of future residents.</p> <p>As addressed in this EIR section, the City requires that projects with more than 50 units prepare an AHIP that specifies how the development would meet the City’s affordable housing goal. As a part of the City’s Inclusionary Housing Program, it is the City’s goal that an average of 15% of all new housing units be affordable to very low, low, or moderate income households. The Project would provide a minimum of 50% of its affordable housing requirement on the Project site. The remaining affordable housing obligation would be met through the payment of in-lieu fees, the</p>

TABLE 4.7-12 (Continued)
CITY OF NEWPORT BEACH GENERAL PLAN CONSISTENCY ANALYSIS

City of Newport Beach General Plan Relevant Goals, Policies, and Programs	Consistency Analysis
	construction of off-site affordable housing including the rehabilitation of existing off-site housing.
Land Use Element Goal LU 6.2	
Residential neighborhoods that contain a diversity of housing types and supporting uses to meet the needs of Newport Beach’s residents and are designed to sustain livability and a high quality of life.	<p>As previously addressed in Section 4.1, Land Use and Related Planning Programs, the Project is consistent with this goal. The Project proposes development of a variety of housing types, including low and medium density housing, affordable housing units, and housing associated with mixed-use development. These housing types would range in size and cost to accommodate a variety of future residents. The proposed development is organized into four Villages and Colonies: the South and North Family Villages west of Bluff Road; the Resort Colony west of South Bluff Road; and the Urban Colony east of Bluff Road, north and south of 17th Street. (Please also refer to Section 3.0, Project Description; Section 4.1, Land Use and Related Planning Programs; and Section 4.2, Aesthetics and Visual Resources for more detail on housing types.)</p> <p>The South Family Village is proposed to include a variety of single-family detached residences. The North Family Village is proposed to include both single-family detached residences and multi-family condominium development. Within the Urban Colony, both residential development and community retail uses are proposed. The Urban Colony is proposed for higher-density, multi-family attached homes; live-work units are also proposed. The Resort Colony would include the proposed resort inn and residential condominiums. The residential condominiums are proposed to be conventionally owned but, at the discretion of the individual owners, may be operated by the resort inn as visitor-serving overnight accommodations.</p> <p>The Project would retain approximately 252 acres (63%) of the site as open space and provide approximately 51.4 gross acres for parks including a 26.8-gross-acre (21.7-net-acre) Community Park. Additionally, the Project includes pedestrian and bicycle trails throughout the Project site with access to the County’s regional trail system (see Section 4.8, Recreation and Trails) as well as the proposed pedestrian and bicycle bridge across West Coast Highway.</p>
Policies	
<p>LU Policy 6.2.1: Residential Supply</p> <p>Accommodate a diversity of residential units that meets the needs of Newport Beach’s population and fair share of regional needs in accordance with the Land Use Plan’s designations, applicable density standards, design and development policies, and the adopted Housing Element.</p>	<p>The Project is consistent with this policy. The General Plan Housing Element identifies key areas for future housing opportunities. The General Plan designates these areas as having the opportunity for approximately 4,612 new du. The General Plan identifies 1,375 du for the Newport Banning Ranch site, which is approximately 29% of the total number of new dwelling units identified in the General Plan for these collective areas. The General Plan identifies the maximum intensity of development allowed on the Newport Banning Ranch site to include 1,375 du; 75,000 sf of retail commercial uses oriented to serve the needs of local and nearby</p>

TABLE 4.7-12 (Continued)
CITY OF NEWPORT BEACH GENERAL PLAN CONSISTENCY ANALYSIS

City of Newport Beach General Plan Relevant Goals, Policies, and Programs	Consistency Analysis
	<p>residents; and 75 resort inn rooms in a small boutique hotel or other type of overnight visitor accommodation.</p> <p>Should the Project be approved with 1,375 du, the Project would provide a minimum of 50 percent of the required affordable housing on the Project site. The remaining affordable housing obligation would be met through the payment of in-lieu fees, the construction of off-site affordable housing including the rehabilitation of existing off-site housing that would contribute to meeting the City's RHNA requirements; and/or land dedication. Should the Project be approved with 1,375 du, the Project would provide Very Low Income (5%), Low Income (10%), or Moderate Income (15%) housing units. The Applicant can also provide a combination of the income category housing units rather than a single income group. Because no dwelling units are anticipated to be occupied until 2016, the proposed affordable housing units would not count toward the City achieving its SCAG 2014 RHNA housing construction target. However, it is anticipated that the Project site would have been rezoned prior to that timeframe, which would demonstrate that the City has an available site on the Newport Banning Ranch property for inclusion in the City's affordable housing sites inventory. Additionally, the Project's obligation to provide off-site affordable housing (in-lieu fees, rehabilitation, land dedication, or a combination thereof) would assist the City in meeting its RHNA target for the subsequent planning period of January 1, 2011 to September 30, 2021. The Project is consistent with the growth projected for the property.</p>
<p>LU Policy 6.2.3: Residential Affordability Encourage the development of residential units that are affordable for those employed in the City.</p>	<p>The Project is consistent with this policy. As noted in the response to Land Use Policy 6.2.1, the Project would include affordable housing. As a part of the City's Inclusionary Housing Program, it is the City's goal that an average of 15% of all new housing units be affordable to very low, low, or moderate income households.</p>
<p>Housing Element</p>	
<p>A balanced residential community, comprised of a variety of housing types, designs, and opportunities for all social and economic segments</p>	<p>The Project is consistent with this goal. The Project proposes development of a variety of housing types, including the opportunity for low and medium density housing, affordable housing units, and housing associated with mixed-use development. These housing types would range in size and cost to accommodate a variety of future residents. Please also refer to the response to Land Use Element Goal LU 6.2.</p>
<p>Policies and Programs</p>	
<p>H Policy 2.1 Encourage preservation of existing and provision of new housing affordable to very low, low- and moderate-income households.</p>	<p>The Project is consistent with the policy. Of the total 1,375 du, the Project includes up to 206 affordable units to be developed in accordance with the AHIP.</p>

TABLE 4.7-12 (Continued)
CITY OF NEWPORT BEACH GENERAL PLAN CONSISTENCY ANALYSIS

City of Newport Beach General Plan Relevant Goals, Policies, and Programs	Consistency Analysis
<p>Housing Program 2.1.2</p> <p>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 low- and moderate-income housing requirements.</p>	<p>The Project is consistent with this program. Should the City approve the Project, the proposed Development Agreement between the City and the Applicant would require the provision of affordable housing. The Applicant anticipates that residential occupancy would commence in 2016.</p>
<p>H Policy 2.2</p> <p>Encourage the housing development industry to respond to housing needs of the community and to the demand for housing as perceived by the industry, with the intent of achieving the Regional Housing Needs Assessment construction goals within five years.</p>	<p>The Project is consistent with this policy. The Project proposes a maximum of 1,375 du, including detached and attached single-family, multi-family, and mixed-use residences including a minimum of 50% of the Project's affordable housing units provided on the Project site, as described in the draft AHIP.</p>
<p>Housing Program 2.2.1</p> <p>Require a proportion of affordable housing in new residential developments or levy an in-lieu fee. The City's goal over the five-year planning period is for an average of 15 percent of all new housing units to be affordable to very low-, low-, and moderate-income households. The City shall either (a) require the payment of an in-lieu fee, or (b) require the preparation of an Affordable Housing Implementation Plan (AHIP) that specifies how the development will meet the City's affordable housing goal, depending on the following criteria for project size:</p> <ol style="list-style-type: none"> 1. Projects of 50 or fewer units shall have the option of preparing an AHIP or paying the in-lieu fee. 2. Projects where more than 50 units are proposed shall be required to prepare an AHIP. <p>Implementation of this program will occur in conjunction with City approval of any residential discretionary permits or Tentative Tract Maps. To insure compliance with the 15 percent affordability requirements, the City will include conditions in the approval of discretionary permits and Tentative Tract Maps to require ongoing monitoring of those projects.</p>	<p>The Project is consistent with this program. As addressed in the Project Description and in this EIR section, a draft AHIP has been prepared and is a discretionary action associated with approval of the Project by the City. Please refer to the response to Land Use Policy 6.2.1.</p>
<p>Housing Program 2.2.2</p> <p>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 funds or the City's in-lieu housing fund.</p>	<p>The Project is consistent with this program. Please refer to the response to LU Policy 6.2.1: Residential Supply. The Applicant has not requested City funding assistance.</p>
<p>Housing Program 2.2.3</p> <p>For new developments proposed in the Coastal Zone areas of the City, the City shall follow Government Code Section 65590 and Title 20.</p>	<p>The Project is consistent with this program. Section 65590 of the <i>California Government Code</i> applies to the provision of housing that is affordable to low income and moderate income households in the coastal zone and precludes the conversion or demolition of existing residences occupied by persons and families of low or moderate income unless provision has been made for the replacement of the units with units for persons and families of low or moderate income in the same city. Section 65590(d) requires that "new housing</p>

TABLE 4.7-12 (Continued)
CITY OF NEWPORT BEACH GENERAL PLAN CONSISTENCY ANALYSIS

City of Newport Beach General Plan Relevant Goals, Policies, and Programs	Consistency Analysis
	developments constructed within the coastal zone shall, where feasible, provide housing units for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code". Because there are no residences on the Project site, no residents would be displaced. The Project is consistent with this Program because a minimum of 50% percent of the Project's affordable housing obligation would be constructed on the Project site.
Housing Program 2.2.4 All required affordable units shall have restrictions to maintain their affordability for a minimum of 30 years.	The Project is consistent with this program. The City would require that the moderate income units associated with the Project remain as affordable units for 30 years.
Housing Program 2.2.8 New developments which 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. (NR 1.6)	The Project is consistent with this program. With respect to public services and utilities, the proposed Project can be adequately served; please refer to Section 4.14, Public Services and Facilities, and Section 4.15, Utilities.
H Policy 2.3 Approve, wherever feasible and appropriate, mixed residential and commercial use developments that improve the balance between housing and jobs.	The Project is consistent with this policy. As proposed, the Project would include residential, retail, and visitor-serving resort uses, in addition to recreational uses and open space uses. Within the Mixed-Use District on the Project site, 703 units are proposed.
Housing Element Goal H 3	
Housing opportunities for as many renter and owner occupied households as possible in response to the demand for housing in the city.	The Project is consistent with this goal. The Project proposes the maximum number of units (1,375 du) allowed by the General Plan for this site. As proposed, the Project would include both rental and ownership units. All affordable housing units are proposed as rental units.
Policies and Programs	
Housing Program 3.1.2 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.	The Project is consistent with this program. The Project would provide very low, low, and/or moderate income housing with a minimum of 50% of the units provided on the Project site. No additional affordable units have been proposed by the Applicant. The Applicant has not requested a density bonus.
Housing Program 3.1.3 Review and consider in accordance with state law, the waiver of planning and park fees, and modification of development standards, (e.g., setbacks, lot coverage, etc.) at the discretion of City Council and Planning Commission for developments containing very low, low- and moderate-income housing in proportion to the number of low- and moderate-income units in each entire project.	The Project is consistent with this program. The City addresses Project fees as a part of the proposed Development Agreement; fees would not affect the potential environmental effects of the Project.
Housing Element Goal H 5	
Housing opportunities for special needs populations.	The Project is consistent with this goal. While housing for special needs populations has not been identified as a part of the Project, such housing could be provided on the Project site.

TABLE 4.7-12 (Continued)
CITY OF NEWPORT BEACH GENERAL PLAN CONSISTENCY ANALYSIS

City of Newport Beach General Plan Relevant Goals, Policies, and Programs	Consistency Analysis
Policies and Programs	
H Policy 5.1 Encourage approval of housing opportunities for senior citizens and other special needs populations.	The Project is consistent with this policy. Please refer to the response to Housing Element Goal H 5.
Housing Program 5.1.3 Permit, where appropriate, development of “granny” units in single-family areas of the City.	The Project is consistent with this program. No granny units are proposed by the Applicant as a part of the Project. However, the <i>Newport Banning Ranch Planned Community Development Plan</i> (PC-57) would not prohibit them; the City’s Municipal Code zoning provisions would apply. As such, granny units could be developed in the future on the Project site in accordance with the City’s Municipal Code.
du: dwelling unit; sf: square feet; AHIP: Affordable Housing Implementation Program.	

TABLE 4.7-13
CALIFORNIA COASTAL ACT CONSISTENCY ANALYSIS

Relevant California Coastal Act Policies	Consistency Analysis
Development	
Section 30250 Location; existing developed area (a) New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. In addition, land divisions, other than leases for agricultural uses, outside existing developed areas shall be permitted only where 50 percent of the usable parcels in the area have been developed and the created parcels would be no smaller than the average size of surrounding parcels. (b) Where feasible, new hazardous industrial development shall be located away from existing developed areas. (c) Visitor-serving facilities that cannot feasibly be located in existing developed areas shall be located in existing isolated developments or at selected points of attraction for visitors.	As addressed in Section 4.1, Land Use and Related Planning Programs, the Project is consistent with this section. The proposed Project is located near and/or adjacent to several existing residential communities as well as areas that are already developed for commercial and industrial purposes. To the north of the Project site is existing residential development and park and open space uses; to the south is West Coast Highway, and south of the highway is existing residential development; to the east is existing residential, institutional, industrial, and office uses; and to the west is existing residential development, wetlands, and the Santa Ana River. As a part of the Project, the site would be remediated and oil facilities would be consolidated into two locations away from the proposed residential development on the Project site. Visitor-serving facilities are proposed on the Project site closest to existing transportation corridors (e.g., West Coast Highway) and near recreational uses. Therefore, adequate public services (e.g., sewer, water, utilities) can be extended to the Project site and are sufficient to serve new development.

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