



## CITY OF NEWPORT BEACH PLANNING COMMISSION STAFF REPORT

September 9, 2021  
Agenda Item No. 4

**SUBJECT:** Code Update Related to Accessory Dwelling Units (PA2021-113)  
▪ Zoning Code Amendment No. CA2021-005  
▪ Local Coastal Program Amendment No. LC2021-003

**SITE LOCATION:** Citywide

**APPLICANT:** City of Newport Beach

**PLANNER:** Jaime Murillo, AICP, Principal Planner  
949-644-3209, [jmurillo@newportbeachca.gov](mailto:jmurillo@newportbeachca.gov)

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### **PROJECT SUMMARY**

Staff will provide the Planning Commission an overview of the existing Accessory Dwelling Unit (ADU) regulations and explain how ADUs can be used as a strategy to meet the City's Regional Housing Needs Assessment (RHNA) allocations. Per City Council's direction to promote the permitting of ADUs, staff is asking for the Planning Commission's input on potential amendments to facilitate and encourage new ADU development within the City.

### **RECOMMENDATION:**

Receive presentation and provide staff direction regarding proposed amendments.

### **BACKGROUND:**

#### *Existing ADU Regulations*

Regulations pertaining to the development of ADUs, including Junior Accessory Dwelling Units (JADUs), are primarily regulated through [Section 20.48.200 \(Accessory Dwelling Units\)](#) of Title 20 (Planning and Zoning) of the Newport Beach Municipal Code (NBMC). Regulations were last amended on March 24, 2020 (Attachment No. PC 1).

Within the Coastal Zone, ADUs and JADUs are primarily regulated through [Section 21.48.200 \(Accessory Dwelling Units\)](#) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC. Regulations were last authorized for amendment and submittal to the California Coastal Commission on March 10, 2020, and are currently pending their review (Attachment No. PC 2).

As a result of the various State law limitations placed on a local jurisdiction's ability to regulate ADUs, depending on use of the principal structure (i.e. single-unit dwelling or multi-unit development) and the type of ADU (i.e., conversion, internal, attached, or

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detached), the code provisions are complex. To assist with communicating the various regulations that apply to each type, staff has prepared a [reference table](#) (Attachment No. PC 3).

*City Council Policy K-4 (Reducing the Barriers to the Creation of Housing)*

At the March 9, 2021, City Council meeting, the City Council adopted Council Policy K-4 (Reducing the Barriers to the Creation of Housing) (Attachment No. PC 4). Council Policy K-4 recognizes that the City has several major constraints that severely limit or totally restrict the City's ability to accommodate the 4,845 dwelling unit growth identified in the 6<sup>th</sup> Cycle RHNA Allocation. As a result, new and flexible land use and zoning regulations and strategies should be developed in order to reasonably and practically accommodate this ambitious State housing mandate while protecting the character and maintaining a quality of life that makes Newport Beach a special place to live, work, and visit.

As it relates to ADUs, Council Policy K-4 specifically directs staff and the Planning Commission to review and recommend code changes that reduce regulatory barriers, streamline the approval process, and expand potential capacity of ADUs beyond minimum State law requirements.

*ADU Strategy in Draft 2021-2029 Housing Element Update*

The City has recently prepared a Draft 2021-2029 Housing Element Update in response to the 6<sup>th</sup> Cycle Regional Housing Needs Assessment (RHNA). Per State law, ADUs may be utilized as an alternative means to satisfy a portion of the City's assigned RHNA. The [August 13, 2021, Draft Housing Element](#) aggressively anticipates that approximately 1,000 ADUs can be permitted through the eight-year planning period. [Appendix D](#) (Accessory Dwelling Units) of the Draft Housing Element provides a detailed discussion of the ADU strategy and justification (Attachment No. PC 5).

The State Department of Housing and Community Development (HCD) recommends using permitting trends since 2018 when estimating the potential for ADU development. As illustrated in Appendix D, between 2018 and 2020, the City permitted an average of 21 ADUs per year. However, given high land values and limited opportunities for new residential growth, combined with a strong public outreach and development incentives, the City believes ADU development can be a realistic strategy to help achieve the assigned housing needs while protecting the character and quality of life. Staff anticipates that the City will continue to see year after year growth in ADU development which will exceed the growth in ADU activity shown from 2019 to 2020 for the following reasons:

- *High land values in the City incentivize ADU development.* Because of the high land values in Newport Beach and the propensity to have viable, financially performing properties, infill opportunities on existing residential sites via ADU development represents the greatest opportunity for new housing construction and to integrate such development within established neighborhoods.

- Site availability for ADUs are significant. Almost 8,000 existing parcels have the physical space to accommodate detached ADUs and provide for ample opportunity to add to the housing stock. In addition, every single-unit dwelling in the City has the potential to convert existing space, including garage area, into an ADU or JADU by-right, resulting in approximately 19,000 eligible properties.
- Positive historical trends in ADU development. The City continues to experience year over year increase in ADU activity, due in large part to increased education of property owners, City Council support of ADU development, and additional local policies promoting the development of ADUs.

<b>ADU Status</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021*</b>	<b>Total</b>
<b>Finalized (constructed)</b>	1	1	3	4	<b>9</b>
<b>Permitted (under construction)</b>	1	3	5	35	<b>44</b>
<b>Applied (permits pending)</b>	0	2	14	16	<b>32</b>
<b>Total</b>	<b>2</b>	<b>6</b>	<b>22</b>	<b>55</b>	<b>85</b>
*As of August 30, 2021 Note: Figures in this table differ from Table D-1 in Draft Housing Element due to changes in ADU status (e.g., permits previously pending in 2020 may have been issued in 2021).					

- Demonstrated commitment to ADU development through policies/programs.
  - Adopted Council Policy K-4, including Council support to reduce regulatory barriers and streamline development of ADUs.
  - Council adopted temporary two-year fee waiver program for ADU development.
  - City staff is in the process of selecting consult to help develop permit-ready, preapproved ADU plans, develop an amnesty program to permit existing unauthorized conversions, and improve website and public outreach.

**POTENTIAL AMENDMENTS:**

A key component of the ADU strategy is revising the regulations to ease the development restrictions and create additional ADU opportunities. Please refer to Attachment No. PC 6 for a table of potential revisions to the City’s ADU regulations in preparation of this study session. For each option, the table explains why the revision should be considered, the specific decision point to be made, and additional considerations. The potential revisions include:



- A. Expanding opportunities for ADU construction in multi-unit developments;
- B. Reducing costs for ADU construction;
- C. Providing incentives for ADU development;
- D. Making ADU development more attractive for investors and developers;
- E. Reducing parking requirements; and
- F. Removing architectural design constraints.

After receiving Planning Commission direction at the study session, staff will develop the proposed amendments for the Planning Commission to review at a future public hearing to make recommendations to the City Council for their consideration. California Coastal Commission approval will also be required for amendments to Title 21 affecting properties within the coastal zone.

**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). Additionally, an e-mail Newsplash was distributed, and flyers were provided at the Permit Center.

Prepared by:

Submitted by:



Jaime Murillo  
Principal Planner



Jim Campbell  
Deputy Community Development Director

**ATTACHMENTS**

- PC 1 NBMC Section 20.48.200 (Zoning Code ADU Regulations)
- PC 2 NBMC Section 21.48.200 (LCP ADU Regulations)
- PC 3 ADU Reference Table (Summary of Regulations)
- PC 4 Council Policy K-4
- PC 5 Appendix D of Draft Housing Element Update
- PC 6 Table of Potential Revisions to ADU Regulations

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# **Attachment No. PC 1**

NBMC Section 20.48.200  
Zoning Code ADU Regulations

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**20.48.200 Accessory Dwelling Units.**

A. Purpose. The purpose of this section is to establish the procedures for the creation of accessory dwelling units and junior accessory dwelling units, as defined in Part 7 (Definitions) of this title and in California Government Code Sections 65852.2 and 65852.22, or any successor statute, in areas designated for residential use, including as part of a planned community development plan or specific plan, and to provide development standards to ensure the orderly development of these units in appropriate areas of the City.

B. Effect of Conforming. An accessory dwelling unit or junior accessory dwelling unit that conforms to the requirements in this section shall not be:

1. Deemed to be inconsistent with the General Plan and zoning district designation for the lot on which the accessory dwelling unit or junior accessory dwelling unit is located;
2. Deemed to exceed the allowable density for the lot on which the accessory dwelling unit or junior accessory dwelling unit is located;
3. Considered in the application of any ordinance, policy, or program to limit residential growth; or
4. Required to correct a legally established nonconforming zoning condition. This does not prevent the City from enforcing compliance with applicable building standards in accordance with California Health and Safety Code Section 17980.12.

C. Review Authority. Accessory dwelling units and junior accessory dwelling units shall be approved in any residential or mixed-use zoning district, subject to a zoning clearance and the following conditions:

1. There is an existing or proposed dwelling unit on the lot;
2. The dwelling conforms to the development standards and requirements for accessory dwelling units and/or junior accessory dwelling units as provided in this section; and
3. The zoning clearance shall be considered and approved ministerially, without discretionary review or a hearing, within sixty (60) days from the date that the City receives a completed application, unless either:
  - a. The applicant requests a delay, in which case the sixty (60) day time period is tolled for the period of the requested delay; or
  - b. In the case of an application for an accessory dwelling unit and/or junior accessory dwelling unit submitted with an application to create a new single-unit dwelling on the lot, the City may delay acting on the accessory dwelling unit and/or junior accessory dwelling application until the City renders a decision on the new single-unit dwelling application.

D. Maximum Number of Units Allowed. The following is the maximum number of accessory dwelling units and/or junior accessory dwelling units allowed on any residential lot. Unless specified below, only one category may be used per lot.

1. Conversion of Single-Unit Dwelling. Only one accessory dwelling unit or one junior accessory dwelling unit may be permitted on a lot with a proposed or existing single-unit dwelling, subject to the following:
  - a. The accessory dwelling unit or junior accessory dwelling unit is proposed:
    - i. Within the space of a proposed single-unit dwelling;
    - ii. Within the existing space of an existing single-unit dwelling; or
    - iii. Within the existing space of an existing accessory structure, plus an addition beyond the physical dimensions of up to one hundred fifty (150) square feet if the expansion is limited to accommodating ingress and egress.
  - b. The accessory dwelling unit or junior accessory dwelling unit will have independent exterior access from the single-unit dwelling.
  - c. Side and rear setbacks comply with Title 9 (Fire Code) and Title 15 (Buildings and Construction).
2. Detached/Attached on Lot with Single-Unit Dwelling. One detached or one attached, new-construction accessory dwelling unit may be permitted on a lot with a proposed or existing single-unit dwelling. A detached, new-construction accessory dwelling unit may also be permitted in addition to any junior accessory dwelling unit that might otherwise be established on the lot under subsection (D)(1) of this section.
3. Conversion of Multi-Unit Dwelling. Multiple accessory dwelling units may be permitted on lots with existing multi-unit dwellings subject to the following:
  - a. The number of accessory dwelling units shall not exceed twenty-five (25) percent of the existing multi-unit dwellings on the lot. For the purpose of calculating the number of allowable accessory dwelling units, the following shall apply:
    - i. Previously approved accessory dwelling units shall not count towards the existing multi-unit dwellings;
    - ii. Fractions shall be rounded down to the next lower number of dwelling units, except that at least one accessory dwelling unit shall be allowed; and

iii. For the purposes of this section, multi-unit developments approved and built as a single complex shall be considered one lot, regardless of the number of parcels.

b. The portion of the existing multi-unit dwelling that is to be converted is not used as livable space, including but not limited to storage rooms, boiler rooms, passageways, attics, basements, or garages.

4. Detached on Multi-Unit Lot. Up to two detached, new-construction accessory dwelling units may be permitted on a lot that has an existing multi-unit dwelling. For the purposes of this section, multi-unit developments approved and built as a single complex shall be considered one lot, regardless of the number of parcels.

E. Development Standards. Except as modified by this subsection, an accessory dwelling unit and/or junior accessory dwelling unit shall conform to all requirements of the underlying residential zoning district, any applicable overlay district, and all other applicable provisions of this title (Planning and Zoning), including but not limited to height, setback, site coverage, floor area limit, and residential development standards and design criteria.

1. Minimum Lot Area. There shall be no minimum lot area required in order to establish an accessory dwelling unit and/or junior accessory dwelling unit.

2. Setback Requirements. Accessory dwelling units and junior accessory dwelling units shall comply with the setback requirements applicable to the zoning district, except as noted below:

a. For conversion of existing enclosed floor area, garage, or carport, no additional setback is required, beyond the existing provided setback.

b. For replacement of an existing enclosed structure, garage, or carport, no existing setback is required, beyond the existing provided setback. This provision shall only apply to accessory dwelling units and junior accessory dwelling units that are replacing existing structures within the same footprint and do not exceed the existing structure's size and/or height.

c. Newly constructed accessory dwelling units may provide a minimum setback of four feet from all side property lines and rear property lines not abutting an alley.

3. Building Height. Detached accessory dwelling units shall not exceed one story and a height of sixteen (16) feet. Notwithstanding the foregoing, an accessory dwelling unit constructed above a detached garage shall not exceed two stories and the maximum allowable height of the underlying zoning district, provided all of the following criteria are met:

a. The accessory dwelling unit meets the minimum setbacks required by the underlying zoning district; and

- b. The principal dwelling unit complies with parking standards set forth in Section 20.40.040.
4. Unit Size.
- a. The maximum size of a detached or attached accessory dwelling unit is eight hundred fifty (850) square feet for a studio or one-bedroom unit and one thousand (1,000) square feet for a two-bedroom unit. No more than two bedrooms are allowed.
- b. An attached accessory dwelling unit that is created on a lot with an existing single-unit dwelling is further limited to fifty (50) percent of the floor area of the existing dwelling.
- c. Application of size limitations set forth in subsections (E)(4)(a) and (b) of this section shall not apply to accessory dwelling units that are converted as part of a proposed or existing space of a principal residence or existing accessory structure.
- d. Application of size limitations set forth in subsection (E)(4)(b) of this section, or other development standards, such as floor area limit or site coverage, might further limit the size of the accessory dwelling unit, but in no case shall the floor area limit, open space, or site coverage requirement reduce the accessory dwelling unit to less than eight hundred (800) square feet.
- e. The maximum size of a junior accessory dwelling unit shall be five hundred (500) square feet.
- f. The minimum size of an accessory dwelling unit or junior accessory dwelling unit shall be at least that of an efficiency unit.
5. Design. An accessory dwelling unit and/or junior accessory dwelling unit shall be similar to the principal dwelling with respect to architectural style, roof pitch, color, and materials.
6. Fire Sprinklers. An accessory dwelling unit and/or junior accessory dwelling unit shall not require fire sprinklers so long as fire sprinklers are not required for the principal residence.
7. Passageway. No passageway shall be required in conjunction with the construction of an accessory dwelling unit and/or junior accessory dwelling unit. For the purposes of this section, "passageway" means a pathway that is unobstructed clear to the sky and extends from the street to one entrance of the accessory dwelling unit.
8. Parking. Parking shall comply with the requirements of Chapter 20.40 (Off-Street Parking) except as modified below:
- a. No additional parking shall be required for junior accessory dwelling units.



- b. A maximum of one parking space shall be required for each accessory dwelling unit.
- c. When additional parking is required, the parking may be provided as tandem parking and/or located on an existing driveway; however, in no case shall parking be allowed in a rear setback abutting an alley or within the front setback, unless the driveway in the front setback has a minimum depth of twenty (20) feet.
- d. No additional parking shall be required for:
  - i. Accessory dwelling units converted as part of a proposed or existing space of a principal residence or existing accessory structure;
  - ii. Accessory dwelling units located within one-half mile walking distance of a public transit. For the purposes of this section “public transit” shall include a bus stop where the public may access buses that charge set fares, run on fixed routes, and are available to the public;
  - iii. Accessory dwelling units located within an architecturally and historically significant historic district;
  - iv. When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit; or
  - v. When there is a car-share vehicle located within one block of the accessory dwelling unit. For the purposes of this section, “car-share vehicle” shall mean part of an established program intended to remain in effect at a fixed location for at least ten (10) years and available to the public.
- e. No Replacement Parking Necessary. Outside the coastal zone, when a garage, carport, or covered parking structure is demolished in conjunction with the construction of an accessory dwelling unit at the same location or converted to an accessory dwelling unit, those off-street parking spaces are not required to be replaced. Refer to Section 21.48.200(F)(8)(e)\* for replacement parking in the coastal zone.

F. Utility Connection.

1. Connection Required. All accessory dwelling units and junior accessory dwelling units shall connect to public utilities (or their equivalent), including water, electric, and sewer services.
2. Except as provided in subsection (F)(3) of this section, the City may require the installation of a new or separate utility connection between the accessory dwelling unit, junior accessory dwelling unit and the utility.

3. Conversion. No separate connection between the accessory dwelling unit and the utility shall be required for units created within a single-unit dwelling, unless the accessory dwelling unit is being constructed in connection with a new single-unit dwelling.

4. Septic Systems. If the principal dwelling unit is currently connected to an on-site wastewater treatment system and is unable to connect to a sewer system, accessory dwelling units and junior accessory dwelling units may connect to the on-site wastewater treatment system. However, the owner must include with the application a percolation test completed within the last five years or, if the percolation test has been recertified, within the last ten (10) years.

G. Additional Requirements for All Accessory Dwelling Units and Junior Accessory Dwelling Units.

1. No Separate Conveyance. An accessory dwelling unit or junior accessory dwelling unit may be rented, but no accessory dwelling unit or junior accessory dwelling unit may be sold or otherwise conveyed separately from the lot and the principal dwelling (in the case of a single-unit dwelling) or from the lot and all of the dwellings (in the case of a multi-unit dwelling).

2. Short-Term Lodging. The accessory dwelling unit and/or junior accessory dwelling unit shall not be rented for periods of thirty (30) days or less.

3. Owner Occupancy.

a. Accessory Dwelling Units. A natural person with legal or equitable title to the lot must reside in either the principal dwelling unit or the accessory dwelling unit as the person's legal domicile and permanent residence. However, this owner occupancy requirement shall not apply to any accessory dwelling unit that is permitted in accordance with this section between January 1, 2020, and January 1, 2025.

b. Junior Accessory Dwelling Units. A natural person with legal or equitable title to the lot must reside in either the principal dwelling unit or the junior accessory dwelling unit as the person's legal domicile and permanent residence. However, this owner occupancy requirement shall not apply to any junior accessory dwelling unit owned by a governmental agency, land trust, or housing organization.

H. Deed Restriction and Recordation Required. Prior to the issuance of a building and/or grading permit for an accessory dwelling unit and/or junior accessory dwelling unit, the property owner shall record a deed restriction with the County Recorder's Office, the form and content of which is satisfactory to the City Attorney. The deed restriction document shall notify future owners of the owner occupancy requirements, prohibition on the separate conveyance, the approved size and attributes of the unit, and restrictions on short-term rentals. This deed restriction shall remain in effect so long as the accessory dwelling unit and/or junior accessory dwelling unit exists on the lot.

I. Historic Resources. Accessory dwelling units and/or junior accessory dwelling units proposed on residential or mixed-use properties that are determined to be historic shall be approved ministerially, in conformance with California Government Code Sections 65852.2 and 65852.22. However, any accessory dwelling unit or junior accessory dwelling unit that is listed on the California Register of Historic Resources shall meet all Secretary of the Interior Standards, as applicable. (Ord. 2020-9 § 4, 2020)

\* Code reviser's note: Section 7 of Ord. 2020-9 provides, "An amendment to Title 21 (Local Coastal Program Implementation Plan) is also underway pursuant to Resolution 2020-24 to approve LCP Amendment No. LC2019-008. Zoning Code Amendment CA2019-009 shall not become effective for projects located in the coastal zone for which Title 21 is applicable until approval of the LCP Amendment No. LC2019-008 by the California Coastal Commission and adoption, including any modifications suggested by the California Coastal Commission, by resolution and/or ordinance of the City Council of the City of Newport Beach." The reference to Section 21.48.200(F)(8)(e) in this section will be a valid reference when this amendment to Title 21 takes effect.

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# **Attachment No. PC 2**

Pending NBMC Section 21.48.200  
LCP ADU Regulations

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**RESOLUTION NO. 2020-24**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, AUTHORIZING SUBMITTAL OF LOCAL COASTAL PROGRAM AMENDMENT NO. LC2019-008 TO THE CALIFORNIA COASTAL COMMISSION TO REPEAL AND REPLACE SECTION 21.48.200 (ACCESSORY DWELLING UNITS) OF TITLE 21 (LOCAL COASTAL PROGRAM IMPLEMENTATION PLAN) AND AMEND RELATED PROVISIONS OF THE NEWPORT BEACH MUNICIPAL CODE APPLICABLE TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS PURSUANT TO STATE LAW (PA2019-248)**

**WHEREAS**, Section 30500 of the California Public Resources Code requires each county and city to prepare a local coastal program (“LCP”) for that portion of the coastal zone within its jurisdiction;

**WHEREAS**, in 2005, the City of Newport Beach (“City”) adopted the City of Newport Beach Local Coastal Program Coastal Land Use Plan (“Local Coastal Program”) as amended from time to time including most recently on February 12, 2019, via Resolution No. 2019-16;

**WHEREAS**, the California Coastal Commission effectively certified the City’s Local Coastal Implementation Plan on January 13, 2017, and the City added Title 21 (“Local Coastal Program Implementation Plan”) (“Title 21”) to the City of Newport Beach Municipal Code (“NBMC”) whereby the City assumed coastal development permit-issuing authority on January 30, 2017;

**WHEREAS**, the California Legislature adopted and Governor Newsom signed Senate Bill 13 and Assembly Bills 68 and 881 in 2019 amending California Government Code Sections 65852.2 and 65852.22, which took effect January 1, 2020, imposing new limitations on local agencies, including charter cities, ability to regulate accessory dwelling units and junior accessory dwelling units;

**WHEREAS**, Government Code Section 65852.2(a)(4) deems existing ordinances governing accessory dwelling units that do not meet the requirements of its provisions null and void as of the legislation’s effective date in which case the standards established under state law apply;

**WHEREAS**, Section 21.48.200 (Accessory Dwelling Units) of the Newport Beach Municipal Code (“NBMC”) regulating accessory dwelling units, most recently amended in 2019 pursuant to Ordinance No. 2019-1, is partially inconsistent with Government Code Sections 65852.2 and 65852.22;

**WHEREAS**, the City desires to amend Title 21’s (Local Coastal Program Implementation Plan) provisions related to accessory dwelling units and junior accessory dwelling units in order to retain local control to the maximum extent permitted by Government Code Sections 65852.2 and 65852.22;

**WHEREAS**, Government Code Section 65852.2(a)(1)(D)(xi) provides that off-street parking shall not be required to be replaced when a garage, carport, or other covered parking is converted to an accessory dwelling unit and junior accessory dwelling unit, however, the California Coastal Act of 1976 is neither superseded nor in any way altered or lessened as provided in Government Code Section 65852.2(l) by this recent legislation;

**WHEREAS**, adopting an ordinance consistent with Government Code Sections 65852.2 and 65852.22 ensures that the character of the City is preserved to the maximum extent permitted by law and that the City’s regulation of accessory dwelling units and junior accessory dwelling units continues to promote the health, safety, and welfare of the community;

**WHEREAS**, accessory dwelling units and junior accessory dwelling units provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others, at below market prices within existing neighborhoods while also benefitting homeowners who construct these units with added income and increased financial security;

**WHEREAS**, allowing accessory dwelling units and junior accessory dwelling units in conjunction with existing or proposed residential development provides additional rental housing stock, some of which will satisfy the City’s 6<sup>th</sup> Cycle Regional Housing Needs Assessment (RNHA) for the period covering 2021-2029;

**WHEREAS**, accessory dwelling units and junior accessory dwelling units offer lower cost housing to meet the needs of existing and future residents within existing neighborhoods, while respecting architectural character;

**WHEREAS**, the City is a coastal community with numerous coastal resources that attract over ten million annual visitors, including public beaches, Newport Harbor, Balboa Peninsula, Balboa Island, and Newport Bay;



**WHEREAS**, the number of annual visitors, coupled with historic development patterns of the City, has created a significant impact on the City's limited parking supply in the Coastal Zone that would be exacerbated by allowing accessory dwelling units and junior accessory dwelling units to be built without placing certain parking requirements as it shifts residential parking from on-site to on-street;

**WHEREAS**, the elimination of off-street parking in residential properties within the Coastal Zone would create a significant impact to public parking and limit visitor access to coastal resources, therefore, replacement parking for conversion of garages, carports, and other covered parking is necessary in order to preserve the limited parking supply and ensure this code amendment is consistent with the California Coastal Act of 1976;

**WHEREAS**, the City finds that maintaining rear alley setbacks and prohibiting parking in rear alley setbacks is essential to preserve vehicular maneuverability for residents, fire and life safety personnel traveling through the City's narrow alleyways along with prohibiting parking in front setbacks, unless located on a driveway with a minimum twenty (20) feet in depth to ensure that driveways are of sufficient depth to accommodate a vehicle entirely on-site without protruding into the public right-of-way and blocking pedestrian, bicyclist, and vehicular traffic creating a life safety condition;

**WHEREAS**, a public hearing was held by the Planning Commission regarding LCP Amendment No. LC2019-008 on February 20, 2020, in the Council Chambers located at 100 Civic Center Drive, Newport Beach, California. A notice of time, place and purpose of the public hearing was given in accordance with California Government Code Section 54950 *et seq.* ("Ralph M. Brown Act") and Chapters 20.62 and 21.62 of the Newport Beach Municipal Code ("NBMC"). Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this public hearing;

**WHEREAS**, at the hearing, the Planning Commission adopted Resolution No. PC2020-007 by a majority vote (5 ayes, 1 no) recommending to the City Council review LCP Amendment No. CA 2019-008 and approve if the terms of code amendment retained greater local control over accessory dwelling units and junior accessory dwelling units than what is provided by Government Code Sections 65852.2 and 65852.22;

**WHEREAS**, the revisions to Title 21 proposed herein provide greater local control over accessory dwelling units and junior accessory dwelling units than what is provided by Government Code Sections 65852.2 and 65852.22;

**WHEREAS**, a public hearing was held by the City Council on March 10, 2020, in the Council Chambers located at 100 Civic Center Drive, Newport Beach, California. A notice of time, place and purpose of the public hearing was given in accordance with the Ralph M. Brown Act and Chapter 21.62 of the NBMC. Evidence, both written and oral, was presented to, and considered by, the City Council at this public hearing; and

**WHEREAS**, pursuant to Section 13515 of the California Code of Regulations Title 14, Division 5.5, Chapter 8, Subchapter 2, Article 5 (“Public Participation”), drafts of LCP Amendment No. LC2019-008 were made available and a Notice of Availability was distributed at least six (6) weeks prior to the City Council public hearing.

**NOW, THEREFORE**, the City Council of the City of Newport Beach resolves as follows:

**Section 1:** The City Council authorizes staff to submit Local Coast Amendment No. LC2019-008, as set forth below, to the California Coastal Commission for review and approval, repealing and replacing Section 21.48.200 (Accessory Dwelling Units) and amending related provisions of Title 21 (Local Coastal Program Implementation Plan) as provided herein.

**Section 2:** The row entitled “Accessory Dwelling Units” set forth in Table 21.18-1 (Allowed Uses) in Section 21.18.020(C) (Residential Coastal Zoning Districts Land Uses) of Chapter 21.18 (Residential Coastal Zoning Districts (R-A, R-1, R-BI, R-2, and RM)) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC is amended to read as follows:

Land Use See Part 7 of this Implementation Plan for land use definitions. See Chapter 21.12 for unlisted uses.	R-A	R-1 R-1-6,000	R-BI R-2 R-2-6,000	RM RM-6,000	Specific Use Regulations
<b>Residential Uses</b>					
Accessory Dwelling Units and Junior Accessory Dwelling Units	P	P	P	P	Section 21.48.200

**Section 3:** The row entitled “Accessory Dwelling Units and Junior Accessory Dwelling Units” is added to Tables 21.22-1 and 21.22-2 (Allowed Uses) of Section 21.22.020 (Mixed-Use Coastal Zoning Districts Land Uses and Permit Requirements) of Chapter 21.22 (Mixed-Use Coastal Zoning Districts (MU-V, MU-MM, MU-CV/15TH ST., MU-W1, MU-W2)) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC to read as follows:

TABLE 21.22-1 ALLOWED USES	Mixed-Use Zoning Districts			
			A	Allowed
		—		Not Allowed *
Land Use See Part 7 of this Implementation Plan for land use definitions. See Chapter 21.12 for unlisted uses.	MU-V (6)	MU-MM (4)	MU-CV/15th St. (5)(6)	Specific Use Regulations
Residential Uses				
Accessory Dwelling Units and Junior Accessory Dwelling Units	A	A	A	Section 21.48.200

TABLE 21.22-2 ALLOWED USES	Mixed-Use Coastal Zoning Districts			
			A	Allowed
		—		Not Allowed *
Land Use See Part 7 of this Implementation Plan for land use definitions. See Chapter 21.12 for unlisted uses.	MU-W1 (3)	MU-W2 (5)	Specific Use Regulations	
Residential Uses				
Accessory Dwelling Units and Junior Accessory Dwelling Units	A	A	Section 21.48.200	

**Section 4:** Section 21.26.045(A) (Planned Community Coastal Zoning District Land Uses) of Chapter 21.26 (Special Purpose Coastal Zoning Districts (OS, PC, PF, PI, PR, and TS)) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC is amended to read as follows:

Allowed Land Uses. Tables 21.26-3 through 21.26-9 indicate the uses allowed in the Planned Community Coastal Zoning Districts. Additionally, accessory dwelling units and junior accessory dwelling units may be allowed pursuant to Section 21.48.200.

**Section 5:** Section 21.48.200 (Accessory Dwelling Units) of Chapter 21.48 (Standards for Specific Land Uses) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC is repealed and replaced with the following:

**21.48.200 Accessory Dwelling Units.**

A. Purpose. The purpose of this section is to establish the procedures for the creation of accessory dwelling units and junior accessory dwelling units, as defined in Part 7 (Definitions) of this title and in California Government Code Sections 65852.2 and 65852.22, or any successor statute, in areas designated for residential use, including as part of a planned community development plan or specific plan, and to provide development standards to ensure the orderly development of these units in appropriate areas of the City.

B. Effect of Conforming. An accessory dwelling unit or junior accessory dwelling unit that conforms to the requirements in this section shall not be:

1. Deemed to be inconsistent with the Coastal Land Use Plan and coastal zoning district designation for the lot on which the accessory dwelling unit or junior accessory dwelling units is located;
2. Deemed to exceed the allowable density for the lot on which the accessory dwelling unit or junior accessory dwelling unit is located;
3. Considered in the application of any ordinance, policy, or program to limit residential growth; or
4. Required to correct a legally established nonconforming zoning condition. This does not prevent the City from enforcing compliance with applicable building standards in accordance with California Health and Safety Code Section 17980.12.

C. Review Authority. Accessory dwelling units and junior accessory dwelling units shall be approved in any residential or mixed-use zoning district, subject to a Zoning Clearance and the following conditions:

1. There is an existing or proposed dwelling unit on the lot;
2. The dwelling conforms to the development standards and requirements for accessory dwelling units and/or junior accessory dwelling units as provided in this section; and
3. The zoning clearance shall be considered and approved ministerially, without discretionary review or a hearing, within sixty (60) days from the date that the City receives a completed application, unless either:
  - a. The applicant requests a delay, in which case the sixty (60) day time period is tolled for the period of the requested delay, or
  - b. In the case of an application for an accessory dwelling unit and/or junior accessory dwelling unit submitted with an application to create a new single-unit dwelling on the lot, the City may delay acting on the accessory dwelling unit and/or junior accessory dwelling application until the City renders a decision on the new single-unit dwelling application.

4. The applicant shall obtain a Coastal Development Permit, pursuant to Chapter 21.52 (Coastal Development Review Procedures), unless otherwise exempt or excluded from the coastal development permit process.

D. Coastal Development Permits.

1. Hearing Exemption. All of the provisions of Chapter 21.52 (Coastal Development Review Procedures) regarding the review and approval of coastal development permits in relation to accessory dwelling units are applicable, except that a public hearing as required by Chapter 21.62 (Public Hearings) shall not be required. Public notice shall be provided as required in Section 21.62.020, except the requirements of Section 21.62.020(A) shall be replaced with a statement that no local public hearing will be held and that written comments on the proposed development may be submitted.

2. Appeal Exemption. Notwithstanding the local appeal provisions of Chapter 21.64 (Appeals and Calls for Review), coastal development permits for accessory dwelling units that are defined as "appealable development" pursuant to Section 21.64.035(A) may be directly appealed to the Coastal Commission in accordance with the provisions of Section 21.64.035 without a discretionary hearing by the Planning Commission or City Council.

E. Maximum Number of Units Allowed. The following is the maximum number of accessory dwelling units and/or junior accessory dwelling units allowed on any residential lot. Unless specified below, only one (1) category may be used per lot.

1. Conversion of Single-Unit Dwelling. Only one (1) accessory dwelling unit or one (1) junior accessory dwelling unit may be permitted on a lot with a proposed or existing single-unit dwelling, subject to the following:

a. The accessory dwelling unit or junior accessory dwelling unit is proposed:

i. Within the space of a proposed single-unit dwelling; or

ii. Within the existing space of an existing single-unit dwelling; or

iii. Within the existing space of an existing accessory structure, plus an addition beyond the physical dimensions of up to 150 square feet if the expansion is limited to accommodating ingress and egress.

b. The accessory dwelling unit or junior accessory dwelling unit will have independent exterior from the single-unit dwelling.

c. Side and rear setbacks comply with Title 9 (Fire Code) and Title 15 (Buildings and Construction) of this Code.

2. Detached/Attached on Lot with Single-Unit Dwelling. One (1) detached, new-construction accessory dwelling unit may be permitted on a lot with a proposed or existing single-unit dwelling. A detached, new-construction accessory dwelling unit may also be permitted in addition to any junior accessory dwelling unit that might otherwise be established on the lot under subsection (D)(1).

3. Conversion of Multi-Unit Dwelling. Multiple accessory dwelling units may be permitted on lots with existing multi-unit dwellings subject to the following:

a. The number of accessory dwelling units shall not exceed twenty-five (25) percent of the existing multi-unit dwellings on the lot. For the purpose of calculating the number of allowable accessory dwelling units, the following shall apply:

i. Previously approved accessory dwelling units shall not count towards the existing multi-unit dwellings;

ii. Fractions shall be rounded down to the next lower number of dwelling units, except that at least one (1) accessory dwelling unit shall be allowed; and

iii. For the purposes of this section, multi-unit developments approved and built as a single complex shall be considered one (1) lot, regardless of the number of parcels

b. The portion of the existing multi-unit dwelling that is to be converted is not used as livable space, including but not limited to storage rooms, boiler rooms, passageways, attics, basements, or garages.

4. Detached on Multi-Unit Lot. Up to two (2) detached, new-construction accessory dwelling units may be permitted on a lot that has an existing multi-unit dwelling. For the purposes of this section, multi-unit developments approved and built as a single complex shall be considered one (1) lot, regardless of the number of parcels.

F. Development Standards. Except as modified by this subsection, an accessory dwelling unit and/or junior accessory dwelling unit shall conform to all requirements of the underlying residential zoning district, any applicable overlay district, and all other applicable provisions of Title 20 (Planning and Zoning) and Title 21 (Local Coastal Program Implementation Plan) of this Code, including but not limited to height, setback, site coverage, floor area limit, and residential development standards and design criteria.

1. Minimum Lot Area. There shall be no minimum lot area required in order to establish an accessory dwelling unit and/or junior accessory dwelling unit.



2. Setback Requirements. Accessory dwelling units and junior accessory dwelling units shall comply with the setback requirements applicable to the zoning district, except as noted below:

a. For conversion of existing enclosed floor area, garage, or carport, no additional setback is required, beyond the existing provided setback.

b. For replacement of an existing enclosed structure, garage, or carport, no existing setback is required, beyond the existing provided setback. This provision shall only apply to accessory dwelling units and junior accessory dwelling units that are replacing existing structures within the same footprint and do not exceed the existing structure's size and/or height.

c. Newly constructed accessory dwelling units may provide a minimum setback of four (4) feet from all side property lines and rear property lines not abutting an alley.

3. Building Height. Detached accessory dwelling units shall not exceed one (1) story and a height of sixteen (16) feet. Notwithstanding the foregoing, an accessory dwelling unit constructed above a detached garage shall not exceed two (2) stories and the maximum allowable height of the underlying zoning district, provided all of the following criteria are met:

a. The accessory dwelling unit meets the minimum setbacks, as required by underlying zoning district; and

b. The principal dwelling unit complies with parking standards set forth in Section 21.40.040.

4. Unit Size.

a. The maximum size of a detached or attached accessory dwelling unit is 850 square feet for a studio or one-bedroom unit and 1,000 square feet for a two (2) bedroom unit. No more than two (2) bedrooms are allowed.

b. An attached accessory dwelling unit that is created on a lot with an existing single-unit dwelling is further limited to fifty (50) percent of the floor area of the existing dwelling.

c. Application of the size limitations set forth in subsections (F)(4)(a) and (F)(4)(b) above, shall not apply to accessory dwelling units that are converted as part of a proposed or existing space of a principal residence or existing accessory structure.

- d. Application of size limitations set forth in subsection (F)(4)(b) above, or other development standards, such as floor area limit or site coverage, might further limit the size of the accessory dwelling unit, but in no case shall the floor area limit, open space, or site coverage requirement reduce the accessory dwelling unit to less than 800 square feet.
  - e. The maximum size of a junior accessory dwelling unit shall be 500 square feet.
  - f. The minimum size of an accessory dwelling unit or junior accessory dwelling unit shall be at least that of an efficiency unit.
5. Design. An accessory dwelling unit and/or junior accessory dwelling unit shall be similar to the principal dwelling with respect to architectural style, roof pitch, color, and materials.
  6. Fire Sprinklers. An accessory dwelling unit and/or junior accessory dwelling unit shall not require fire sprinklers so long as fire sprinklers are not required for the principal residence.
  7. Passageway. No passageway shall be required in conjunction with the construction of an accessory dwelling unit and/or junior accessory dwelling unit. For the purposes of this section, "passageway" means a pathway that is unobstructed clear to the sky and extends from the street to one entrance of the accessory dwelling unit.
  8. Parking. Parking shall comply with requirements of Chapter 21.40 (Off-Street Parking) except as modified below:
    - a. No additional parking shall be required for junior accessory dwelling units.
    - b. A maximum of one (1) parking space shall be required for each accessory dwelling unit.
    - c. When additional parking is required, the parking may be provided as tandem parking and/or located on an existing driveway; however, in no case shall parking be allowed in a rear setback abutting an alley or within the front setback, unless the driveway in the front setback has a minimum depth of twenty (20) feet.
    - d. No parking shall be required for:
      - i. Accessory dwelling units converted as part of a proposed or existing space of principal residence or existing accessory structure;



ii. Accessory dwelling units located within one-half mile walking distance of a public transit. For the purposes of this section “public transit” shall include a bus stop where the public may access buses that charge set fares, run on fixed routes, and are available to the public;

iii. Accessory dwelling units located within an architecturally and historically significant historic district;

iv. When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit; or

v. When there is a car-share vehicle located within one block of the accessory dwelling unit. For the purposes of this section, “car-share vehicle” shall mean part of an established program intended to remain in effect at a fixed location for at least ten (10) years and available to the public.

e. If an accessory dwelling unit replaces an existing garage, replacement spaces shall be provided. When a garage, carport, or covered parking structure is demolished in conjunction with the construction of an accessory dwelling unit, any required replacement spaces may be located in any configuration on the same lot as the accessory dwelling unit, including, but not limited to, as covered spaces, uncovered spaces, or tandem spaces, or by the use of mechanical automobile parking lifts.

#### G. Utility Connection.

1. Connection Required. All accessory dwelling units and junior accessory dwelling units shall connect to public utilities (or their equivalent), including water, electric, and sewer services.

2. Except as provided in subsection (G)(3) below, the City may require the installation of a new or separate utility connection between the accessory dwelling unit, junior accessory dwelling unit and the utility.

3. Conversion. No separate connection between the accessory dwelling unit and the utility shall be required for units created within a single-unit dwelling, unless the accessory dwelling unit being constructed in connection with a new single-unit dwelling.

4. Septic Systems. If the principal dwelling unit is currently connected to an on-site wastewater treatment system and is unable to connect to a sewer system, accessory dwelling units and junior accessory dwelling units may connect to the onsite waste water-treatment system. However, the owner must include with the application a percolation test completed within the last five years or, if the percolation test has been recertified, within the last ten (10) years.

H. Additional Requirements for All Accessory Dwelling Units and Junior Accessory Dwelling Units.

1. No Separate Conveyance. An accessory dwelling unit or junior accessory dwelling unit may be rented, but no accessory dwelling unit or junior accessory dwelling unit may be sold or otherwise conveyed separately from the lot and the principal dwelling (in the case of a single-unit dwelling) or from the lot and all of the dwellings (in the case of a multi-unit dwelling).
2. Short-Term Lodging. The accessory dwelling unit and/or junior accessory dwelling unit shall not be rented for periods of thirty (30) days or less.
3. Owner-Occupancy.
  - a. Accessory dwelling units. A natural person with legal or equitable title to the lot must reside in either the principal dwelling unit or the accessory dwelling unit as the person's legal domicile and permanent residence. However, this owner-occupancy requirement shall not apply to any accessory dwelling unit that is permitted in accordance with this section between January 1, 2020 and January 1, 2025.
  - b. Junior accessory dwelling units. A natural person with legal or equitable title to the lot must reside in either the principal dwelling unit or the junior accessory dwelling unit as the person's legal domicile and permanent residence. However, this owner-occupancy requirement shall not apply to any junior accessory dwelling unit owned by a governmental agency, land trust, or housing organization.

I. Deed Restriction and Recordation Required. Prior to the issuance of a building and/or grading permit for an accessory dwelling unit and/or junior accessory dwelling unit, the property owner shall record a deed restriction with the County Recorder's Office, the form and content of which is satisfactory to the City Attorney. The deed restriction document shall notify future owners of the owner occupancy requirements, prohibition on the separate conveyance, the approved size and attributes of the unit, and restrictions on short-term rentals. This deed restriction shall remain in effect so long as the accessory dwelling unit and/or junior accessory dwelling unit exists on the lot.

J. Historic Resources. Accessory dwelling units and/or junior accessory dwelling units proposed on residential or mixed-use properties that are determined to be historic shall be approved ministerially, in conformance with California Government Code Sections 65852.2 and 65852.22. However, any accessory dwelling unit or junior accessory dwelling unit that is listed on the California Register of Historic Resources shall meet all Secretary of the Interior Standards, as applicable.

**Section 6:** The following definitions listed in the alphabetical list of definitions contained in Section 21.70.020 (Definitions of Specialized Terms and Phrases) of Chapter 21.70 (Definitions) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC are amended to read as follows:

“Accessory Dwelling Unit (Land Use).” See “Dwelling unit, accessory (land use).”

“Dwelling unit, accessory (land use)” means a dwelling unit accessory to and attached to, detached from, or contained within the principal dwelling unit on a site zoned for residential use. An accessory dwelling unit also includes the following:

1. An efficiency unit, as defined in Section 17958.1 of the California Health and Safety Code, or any successor statute.
2. A manufactured home, as defined in Section 18007 of the California Health and Safety Code, or any successor statute.

**Section 7:** The following definitions shall be added to the alphabetical list of definitions contained in Section 21.70.020 (Definitions of Specialized Terms and Phrases) of Chapter 21.70 (Definitions) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC to read as follows:

“Dwelling unit, junior accessory (land use)” means a dwelling unit accessory to and entirely contained within, an existing or proposed single-unit dwelling, and that:

1. Is no more than 500 square feet in size;
2. Includes its own separate sanitation facilities or shares sanitation facilities with the existing or proposed single-unit dwelling; and
3. Includes an efficiency kitchen.

“Junior Accessory Dwelling Unit (Land Use)”. See “Dwelling unit, junior accessory (land use)”.

**Section 8:** LCP Amendment No. LC2019-008, shall be carried out in full conformance with the California Coastal Act of 1976 as set forth in the California Public Resources Code Section 30000 *et seq.* LCP Amendment No. LC2019-008 shall not become effective until approval by the Coastal Commission and adoption, including any modifications suggested by the Coastal Commission, by resolution(s) and/or ordinance(s) of the City Council.

**Section 9:** The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

**Section 10:** If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

**Section 11:** The City Council finds the adoption of this resolution is statutorily exempt under the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080.17 and Section 15282(h) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, which exempts adoption of a resolution regarding second units to implement provisions of Sections 65852.2 and 65852.22 of the Government Code. Additionally, this resolution is categorically exempt pursuant to Sections 15303 (New Construction or Conversion of Small Structures) and 15305 (Minor Alterations in Land Use/Limitations). Similarly, the ministerial approval of accessory dwelling units and junior accessory dwelling units is not a "project" for CEQA purposes, and environmental review is not required prior to approving individual applications.

**Section 12:** This resolution shall not become effective for thirty (30) days and until certified by the Executive Director of the Coastal Commission.

**ADOPTED** this 10th day of March 2020.

  
\_\_\_\_\_  
Will O'Neill  
Mayor

**ATTEST:**

  
\_\_\_\_\_  
Leilani I. Brown  
City Clerk



**APPROVED AS TO FORM:  
CITY ATTORNEY'S OFFICE**

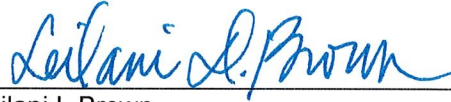
  
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Aaron C. Harp  
City Attorney

STATE OF CALIFORNIA                    }  
COUNTY OF ORANGE                    }  
CITY OF NEWPORT BEACH                }        ss.

I, Leilani I. Brown, City Clerk of the City of Newport Beach, California, do hereby certify that the whole number of members of the City Council is seven; the foregoing resolution, being Resolution No. 2020-24, was duly introduced before and adopted by the City Council of said City at a regular meeting of said Council held on the 10<sup>th</sup> day of March, 2020; and the same was so passed and adopted by the following vote, to wit:

AYES: Mayor Will O'Neill, Mayor Pro Tem Brad Avery, Council Member Joy Brenner, Council Member Diane Dixon, Council Member Duffy Duffield, Council Member Jeff Herdman, Council Member Kevin Muldoon  
NAYS: None

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of said City this 10<sup>th</sup> day of March, 2020.



\_\_\_\_\_  
Leilani I. Brown  
City Clerk  
Newport Beach, California



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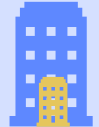

# **Attachment No. PC 3**

ADU Reference Table  
Summary of Regulations








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Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU) are regulated by Newport Beach Municipal Code Sections [20.48.200](#) and [21.48.200](#). Ministerial review of all ADUs and JADUs will occur through a Zoning Clearance within 60-days of receiving a complete application. A Coastal Development Permit may also be required for properties within the Coastal Zone. *Please consult with a planner prior to submitting and ADU/JADU project.*

	JADU	SINGLE UNIT – ADU				MULTI-UNIT – ADU	
ADU Type	 <b>CONVERSION<sup>1</sup></b> <i>Conversion of an interior portion of an existing or proposed single-unit dwelling</i>	 <b>CONVERSION<sup>1</sup></b> <i>Conversion of an interior portion of an existing or proposed single-unit dwelling or an existing detached accessory building</i>	 <b>ATTACHED<sup>1</sup></b> <i>Construction of a new ADU attached to an existing or proposed single-unit dwelling</i>	 <b>DETACHED</b> <i>Construction of a new ADU as a detached accessory building</i>	 <b>ABOVE DETACHED GARAGE</b> <i>Construction of a new ADU above a detached garage</i>	 <b>CONVERSION</b> <i>Conversion of an existing non-habitable portion of an existing multi-unit development</i>	 <b>DETACHED</b> <i>Construction of a new ADU as a detached accessory building to an existing multi-unit development</i>
Zoning	Allowed on all residential and mixed zoned properties that are improved with a single-unit dwelling					Allowed on all residential and mixed zoned properties that are improved with multi-unit dwellings	
Number of Units	One					At least one and no more than 25% of the existing unit count in the multi-unit development	Two
Allowed with Other ADU	May also provide detached single-unit ADU	No		May also provide JADU		No	
Additional Floor Area	No	Maximum 150 square feet to accommodate ingress/egress <sup>2</sup>	Yes			No	Yes
Minimum Lot Size	None						
Minimum Size	Must meet minimum efficiency unit requirements, as set forth in the Building Code						
Maximum Size (Square Feet)	500	No limit	Studio/One-Bedroom = 850 Two Bedroom = 1,000 Can be no more than 50% of existing primary dwelling	Studio and One-Bedroom = 850 Two Bedroom = 1,000			
Maximum Size Exception	None	None	Application of floor area limit or site coverage shall not reduce ADU below 800 square feet			None	Application of floor area limit or site coverage shall not reduce ADU below 800 square feet
Maximum Height	Per base zone	Per base zone	Per base zone	16 feet	Per base zone	N/A	16 feet
Front Setback <sup>3</sup>	Per base zone						
Side Setback <sup>3</sup>	Per base zone	Per base zone	4 feet or base zone, whichever is less		Per base zone	Per Base Zone	4 feet or base zone, whichever is less

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ADU Type	JADU	SINGLE UNIT – ADU				MULTI-UNIT – ADU	
	 <b>CONVERSION<sup>1</sup></b> <i>Conversion of an interior portion of an existing or proposed single-unit dwelling</i>	 <b>CONVERSION<sup>1</sup></b> <i>Conversion of an interior portion of an existing or proposed single-unit dwelling or an existing detached accessory building</i>	 <b>ATTACHED<sup>1</sup></b> <i>Construction of a new ADU attached to an existing or proposed single-unit dwelling</i>	 <b>DETACHED</b> <i>Construction of a new ADU as a detached accessory building</i>	 <b>ABOVE DETACHED GARAGE</b> <i>Construction of a new ADU above a detached garage</i>	 <b>CONVERSION</b> <i>Conversion of an existing non-habitable portion of an existing multi-unit development</i>	 <b>DETACHED</b> <i>Construction of a new ADU as a detached accessory building to an existing multi-unit development</i>
<b>Rear Setback<sup>3</sup></b>	Per base zone	Per base zone	4 feet (not abutting alley) or base zone, whichever is less		Per base zone	Per Base Zone	4 feet (not abutting alley) or base zone, whichever is less
<b>Access</b>	Exterior entrance required in all cases. JADUs may provide internal connection.						
<b>Bathroom</b>	May share with primary dwelling unit	Bathroom is required					
<b>Kitchen</b>	Efficiency <sup>4</sup>	Full kitchen, including fixed cooking appliance with outside exhaust.					
<b>Parking</b>		None	One	One plus the primary dwelling must comply with parking	None	One per unit	
<b>Parking Exception</b>	N/A	Parking waived for the ADU if the property is: 1) within ½ mile walking distance to transit (including ferry); 2) within an architecturally or historically significant district; 3) on-street parking permits are required and not provided to the occupant of the ADU; or 4) within one block of a car-share vehicle pick-up/drop-off location					
<b>Garage Conversion</b>	Allowed; Replacement parking required citywide	Allowed; Replacement parking required in the Coastal Zone	N/A		Allowed; Replacement parking required in the Coastal Zone	N/A	
<b>Deed Restriction</b>	Prior to issuance of building permit, owner must record deed restriction (prepared by the City) noting the size of the unit, description of unit, prohibition on short term rentals, prohibiting the sale of the ADU/JADU, and specifying owner-occupancy requirement.						
<b>Owner-Occupancy</b>	Owner shall live in either unit	Owner-occupancy is not required for units built between January 1, 2020 and January 1, 2025					
<b>Short-Term Lodging</b>	Short-term lodging is prohibited.						
<b>Utility Connection</b>	A separate utility connection is not required <sup>5</sup>	The City may require a separate utility connection					
<b>Fire Sprinklers</b>	Only required if fire sprinklers required and provided on primary unit (See <a href="#">State Fire Marshall Informational Bulletin 21-005</a> for exceptions)						
<b>Separate Conveyance</b>	ADUs and JADUs may not be sold separately						
<b>Design</b>	Shall have a similar style to the principal dwelling, including architectural style, roof pitch, color, and materials						

<sup>1</sup> Conversion is either: 1) conversion of existing floor area within the envelope of an existing single-unit dwelling (including garage); or 2) development of an ADU within the footprint of a proposed single-unit dwelling (excluding garage) that complies with all applicable development standards. Construction of a new ADU that extends beyond the envelope of an existing single-unit dwelling or beyond the footprint of a proposed single-unit dwelling shall comply with the standards applicable to *Attached ADUs*.

<sup>2</sup> Applicable to conversions of existing accessory structures only. Conversions within principal structure not entitled to 150 sf addition.

<sup>3</sup> For conversion of existing enclosed floor area, garage, or carport, no additional setback required. For replacement of an existing enclosed structure, garage, or carport, no additional setback is required beyond the existing setback.

<sup>4</sup> An efficiency kitchen may include a basic plug-in cooking appliance such as hot plate or microwave. A sink, food preparation counter and storage cabinets of reasonable size required.

<sup>5</sup> A separate utility connection may be required when the JADU or ADU is constructed as part of a new single-unit dwelling.

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# **Attachment No. PC 4**

Council Policy K-4

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## **Reducing the Barriers to the Creation of Housing**

### ***Background***

The State of California has declared that the lack of housing is a critical problem that threatens the economic, environmental, and social quality of life in California. The consequences of the housing crisis include the lack of housing to support employment growth, imbalance in jobs and housing, reduced mobility, urban sprawl, excessive commutes, and air quality deterioration. While the causes of this crisis are multiple and complex, the State attributes the underlying cause to insufficient housing supply.

On October 15, 2019, the California Department of Housing and Community Development (HCD) issued a Regional Housing Needs Assessment (RHNA) for the Southern California Association of Governments (SCAG) region of 1,341,827 units that each jurisdiction within the region must plan for in the 2021-2029 Planning Permit (Sixth Cycle). As required under State law, SCAG developed a RHNA Allocation Methodology to reallocate the regional determination to each of the 197 jurisdictions in the region, including Newport Beach.

The City of Newport Beach worked diligently for many months in partnership with other member jurisdictions and stakeholders throughout the RHNA Allocation Methodology development process to provide comments and recommendations to achieve a RHNA allocation that is fair, equitable and in consideration of the unique circumstances and local planning factors inherent in our community. Despite this process and a City-initiated RHNA appeal, the final adopted RHNA methodology resulted in an allocation of 4,845 units for the City.

The City has successfully obtained and maintained HCD certification of its Housing Element for both the Fourth Cycle (2008-2014) Planning Period with a RHNA Allocation of 1,769 units and the Fifth Cycle (2014-2021) Planning Period with a RHNA Allocation of 5 units. Despite a low Fifth Cycle RHNA Allocation, the City maintained its commitment to housing programs intended to reduce the barriers to the development of affordable housing, including preserving the Residential Overlay within the Newport Place Planned Community. During the first six years of the Fifth Cycle Planning Period, the City has permitted over 1,768 new units, including 95 lower income units. In addition, the City has approved entitlements for housing development projects totaling another 662 multi-unit residential units in the Airport Area, including 13 very low- and 78 low-income units. The Newport Airport Village Planned Community was also adopted creating the opportunity for another 444 residential units that would include a minimum affordable housing component consisting of at least 5 percent very low-income units or 10 percent low income units. Lastly, the City has committed approximately \$2 million to fund the

acquisition and rehabilitation of the Cove permanent supportive housing project a 12-unit apartment complex for homeless veterans and low-income seniors that opened in 2018.

Despite an immensely difficult-to-attain Sixth Cycle RHNA Allocation, the City remains committed to addressing the housing crisis by developing a timely and compliant Housing Element and continuing to support the production of housing for all income levels.

### ***Policy***

Recognizing that the City has several major constraints on existing lands that severely limit or totally restrict the City's ability to accommodate growth to the extent identified in the Sixth Cycle RHNA Allocation, it shall be the policy of the City Council to consider new and flexible land use and zoning regulations and strategies in order to reasonably and practically accommodate this ambitious State housing mandate while protecting the character and maintaining a quality of life that makes Newport Beach a special place to live, work, and visit.

The City Council therefore directs City staff and the Newport Beach Planning Commission to develop, modify as necessary, and aggressively implement strategies and action plans that are designed to accelerate housing production consistent with this policy as described in the following sections:

### **Production of Accessory Dwelling Units**

The Legislature approved, and the Governor signed SB 13 (Chapter 653, Statutes of 2019), AB 68 (Chapter 655, Statutes of 2019), and AB 881 (Chapter 659, Statutes of 2019) into law that, among other things, amended Government Code sections 65852.2 and 65852.22 to further impose new limits on the City's ability to regulate ADUs and Junior Accessory Dwelling Units (JADUs). The Legislature's intent was to reduce regulatory barriers and costs, streamline the approval process, and expand the potential capacity for ADUs.

Although the City has revised its ADU regulations to comply with the minimum requirements of State law, further encouraging the development ADUs is an important strategy to accommodate future growth in combination with other strategies to meet the RHNA Allocation. HCD allows ADUs to meet a portion of the City's RHNA based on trends in past production and more aggressive production estimates based on the adoption of production programs. Encouraging ADUs allows for the dispersing of density throughout the City and avoids the need for excessive rezoning and high infrastructure costs associated with new high-density developments. Because ADUs tend to be relatively small with modest amenities, they provide more affordable housing options for select groups, such as students, seniors, caretakers, and people with disabilities.

Therefore, to further encourage and incentivize the development of ADUs, the City should pursue the following:



1. Interpret ambiguities in code provisions regulating ADUs in a manner that accommodates and maximizes production.
2. Direct staff and the Planning Commission to review and recommend code changes that reduce regulatory barriers, streamline the approval process, and expand potential capacity of ADUs beyond minimum State law requirements.
3. Publicize incentives for construction of ADUs with a systematic approach utilizing all forms of media and outreach.
4. Prepare and maintain a user-friendly website committed to information related to codes, processes, and incentives pertaining to the development of ADUs and JADUs in the City.
5. Develop and administer a program that includes waiving all permit and City fees for property owners of unpermitted units when they agree to bring units into compliance with current building and fire codes to ensure the safety of occupants and structures.
6. Develop permit-ready standard plans to permit new ADU construction to minimize design costs, expedite permit processing, and provide development certainty for property owners.

### **Planning Commission Review and Recommendations for Mixed-Use Designations**

As part of the 2006 Comprehensive General Plan Update and 2010 Zoning Code Update, new mixed-use housing opportunity zones were created throughout the City as a strategy to enhance and revitalize underperforming and underutilized properties. These areas included the Airport Area, Dover/Westcliff, Newport Center, Mariners Mile, and portions of the Balboa Peninsula. The Airport Area and Newport Center have proven the most successful with several approved and constructed mixed-use developments, such as Uptown Newport and Villas Fashion Island. The Balboa Peninsula has had some limited success while Dover/Westcliff and Mariners' Mile have not proven successful to-date.

Despite the housing opportunity that has been created on several properties in these areas, a majority of these sites remain underutilized with a single, non-residential use, such as retail or office. It is evident the City's existing development standards (e.g., setbacks, height, density, parking, dedications, etc.) related to mixed-use development may create constraints to the redevelopment of these properties. Therefore, to ensure that mixed-use opportunities envisioned by the 2006 General Plan redevelop to their full potential, the City should pursue the following:

1. Direct staff and the Planning Commission to review annually the established mixed-use zones in the City and recommend code changes or policy ideas to the City Council that reduce regulatory barriers and incentivize mixed-use residential development.

## **Mixed-Use Resort Opportunities**

Mixed-use resorts are an established trend in the hospitality industry that incorporate hotel-branded residential units as an accessory use located within a resort hotel complex where residents enjoy access to the full range of services, facilities, and amenities provided by the hotel operator or brand. The residential use cannot exist without the hotel's services, facilities, and amenities.

The hotel industry has been one of the hardest hit industries due to the COVID-19 pandemic and a full recovery of the industry is not anticipated for many years. Mixed-use resorts provide an opportunity to revitalize older or underperforming hotels and maintain their competitive standing by creating multiple revenue streams.

Economies of scale created by shared facilities, amenities, and services add additional benefit to mixed-use resort developments. This cross pollination of business benefits both the hotel and the resident. It may also increase occupancy rates at the resort by creating increased synergy between uses and social gathering opportunities, boosting transient occupancy taxes while providing in-fill housing opportunities to partially assist the City in meeting its RHNA obligation in highly desirable and built-out areas. Incorporating residences also helps to off-set cyclical variations in hotel occupancy rates that can, for instance, result in seasonal decreases in revenue for the hotel's food and beverage offerings.

Therefore, to further encourage and incentivize the development of mixed-use hotels, the City should pursue the following:

1. Issue interpretations that interpret ambiguities in General Plan, Zoning Code, and/or Local Coastal Plan Program provisions to allow hotels and motels, located outside of the Coastal Commission Appeal Areas, to convert up to thirty percent (30%) of their permitted hotel and motel rooms into residential units on a one-for-one basis. Such interpretation would allow for residential units to be deemed an accessory use to the principal use of a hotel and find that such residential uses are consistent with the hotel's and motel's underlying General Plan, Zoning Code, and Local Coastal Plan Program land use and zoning designations.
2. The residential units may be allowed in repurposed hotel and motel rooms and/or in new residential structures, subject to the City's project approval process (e.g., Site Development Review) and including, as appropriate, review under the California Environmental Quality Act.
3. Consider establishing parking programs (e.g., shared parking) and/or reduced residential parking requirements that mitigate the need for any additional parking due to the conversion to residential use.
4. Consider fiscal impact analysis to disclose and mitigate any reduction in transient occupancy tax due to the conversion.

5. Consider increasing the flexibility in use of transfer of development rights to allow for transfer of unbuilt residential units to hotel sites.
6. Require property owners converting permitted hotel and motel rooms into residential units to mitigate impacts as a result of the conversion including, but not limited to, creating affordable housing units either in the project itself or through a contribution of in-lieu fees.

Adopted K-4 – 03-09-2021

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# **Attachment No. PC 5**

Appendix D of Draft Housing Element

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## **D. Accessory Dwelling Units (ADUs)**

### *Background and Purpose*

#### **ADU Purpose**

Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) are additional independent living facilities, for one or more persons, which are located on the same parcel as a single-unit or multi-unit residential dwelling. The concept of ADUs has existed for decades but has recently come to the forefront of the California housing discussion due to legislation passed starting in 2018. This legislation, discussed in more detail in the following section, makes it easier to develop ADUs by increasing the development zones where ADUs can be built, broadening the definition of an ADU, and removing previous restrictions such as requiring replacement parking.

In areas such as Newport Beach where land values are high and there is a large amount of single-unit detached housing, ADUs present a potentially more naturally affordable housing option for renters. ADUs are often smaller in size than typical apartments or rental housing, ranging from 300 to 600 square feet in size. They are also attractive to property owners who can gain rental income.

The City of Newport Beach (City) believes that ADUs present a viable option as part of the overall strategy to develop housing at all income levels during the 2021-2029 6<sup>th</sup> Cycle Housing Element planning period.

**Appendix D** describes:

- Recent ADU legislation and regional actions;
- Local factors that may increase ADU development over the next eight years; and
- Actions Newport Beach will take through housing programs to incentivizing ADU development.

#### **Background on Legislation and Statutory Requirements**

Currently in Newport Beach, ADUs and JADUs are primarily regulated through Section 20.48.200 (Accessory Dwelling Units) of Title 20 (Planning and Zoning) of the Newport Beach Municipal Code (NBMC). Within the Coastal Zone, ADUs and JADUs are primarily regulated through Section 21.48.200 (Accessory Dwelling Units) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC.

ADU legislation is addressed in Government Code Section 65852.150; it establishes that ADUs are valuable and viable form of housing which can support the varying needs of California residents. In recent years, ADU legislation has been revised to increase opportunity and improved effectiveness in creating more housing in California. Recent changes in law have increased the feasibility and streamlined the ADU process to encourage development; below is a summary of recent legislation that has amended ADU law.

#### **SB 1069**

SB 1069 made legislative changes to address barriers to the development of ADUs and expanded capacity for ADU development. The bill reduces parking requirements per unit, restricts local agencies' ability to require ADU applicants to install new or separate utility connects or impose related fees, and requires local governments to ministerially approve applications for one ADU within single-unit residential so long as it meets specific requirements.



**AB 2299**

AB 2299 requires local governments to ministerially approve ADUs if the proposed unit meets all parking requirements, maximum allowable size of an attached unit and specific setback requirements. Additionally, the bill states that any existing ADU ordinances do not meet the bill's requirements is null and void and that the jurisdiction must approve accessory dwelling units based on Government Code Section 65852.2 until the jurisdiction adopts a compliant ordinance.

**AB 2406**

AB 2406 creates more flexibility by authorizing local governments to permit junior accessory dwelling units (JADU) through an ordinance. The bill defines JADUs to be a unit that cannot exceed 500 square feet and must be completely contained within the space of an existing residential structure. In addition, the bill requires specified components for a local JADU ordinance.

**AB 3182**

AB 1382 further addresses barriers to the development and use of ADUs and JADUs in local jurisdictions. The legislation streamlines approvals of ADU and JADUs using ministerial approval processes, including a requirement that complete applications for a compliant ADU/JADU which have not been acted upon within 60 days are *deemed approved*.

**AB 68, AB 881, SB 13**

AB 68, 881 and SB 13 prohibits a number development standards and design regulations a local government may impose in ADU/JADUs, decreased the allowable time for an ADU review and permitting process, reduces the allowable associated fees for ADUs and provided additional regulatory clarifications and guidelines pursuant to Government Code Sections 65852.2, 65852.22.

**AB 587**

AB 587 permits an ADU to be sold or conveyed as a deed restricted affordable unit separately from the primary dwelling residence. Additional, regulations are outlined in Government Code Section 65852.26, including the provision that the primary and accessory unit must be built by a qualified nonprofit.

**AB 670**

AB 670 states that all covenants or provisions that unreasonably restrict or prohibit the development of ADU/JADUs on a lot zoned for single-unit residential use is void and unenforceable.

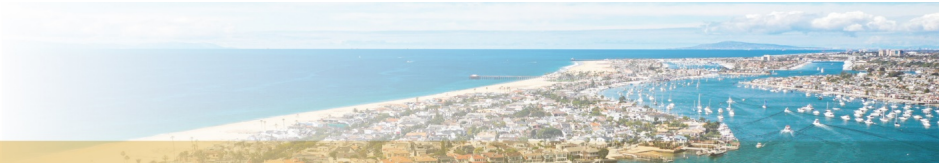
**AB 671**

AB 671 requires jurisdictions to include a plan and programs in the Housing Element which incentivizes and promotes the development of ADUs for very low, low- and moderate-income households.

**HCD/SCAG Policies and Programs**

In August 2020, the State Department of Housing and Community Development (HCD) and the Southern California Association of Governments (SCAG) completed an analysis of accessory dwelling unit affordability to establish approved assumptions for use in the sites analysis for the 2021-2029 Housing Element Cycle. The analysis surveyed rents for ADUs through different online real estate platforms between April and June 2020 and focused on specific geographic regions to determine differences in





affordability. The final affordability assumptions resulting from SCAG and HCD’s analysis for jurisdictions within Orange County are as follows:<sup>1</sup>

- Extremely Low – 15.0%
- Very Low – 10.0%
- Low – 43.0%
- Moderate – 30.0%
- Above Moderate – 2.0%

The City of Newport Beach applied the above approved affordability breakdown to the anticipated ADU development within the 6<sup>th</sup> Cycle planning period.

### *Opportunities for ADUs in Newport Beach*

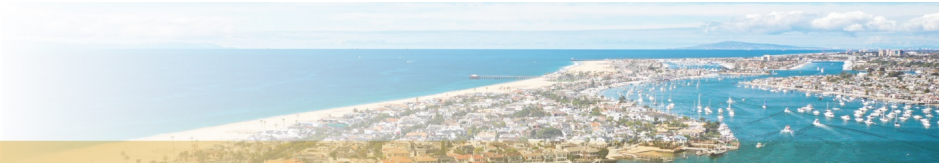
#### **Influences Supporting Affordable Housing in Newport Beach**

Opportunities to develop affordable housing on vacant land in the City are extremely limited with only three parcels qualifying based on the SCAG Housing Element Parcel Tool (HELPR) (see **Figure 1**). The City, however, has substantial opportunity to develop affordable housing through ADUs based on the following key factors:

- **High land values in the City incentivize ADU development** - Because of the high land values in Newport Beach and the propensity to have viable, financially performing properties, infill opportunities on existing residential sites via ADU development represents the greatest opportunity for affordable housing construction and to integrate such development within established neighborhoods. According to SCAG’s HELPR, there are numerous parcels that could qualify for by-right detached ADUs, with little to no restrictions. In addition, every single-unit in the City has the potential to convert existing space, including garage area, into an ADU or JADU by-right, resulting in approximately 19,000 eligible properties (see **Figure D-2**). Therefore, the City contends this provides the most significant opportunity to generate affordable housing in the community.
- **Site availability for ADUs are significant** - Almost 8,000 existing parcels have the physical space to accommodate detached ADUs and provide for ample opportunity to add to the housing stock. Whereas the City may lose economic potential, jobs and tax base with infill redevelopment of existing commercial uses, encouraging ADU development on existing residential properties does not deteriorate economic, job and tax base considerations. Rather, it will likely enhance availability of diverse housing opportunities, promote economic stability and further the City’s tax base.
- **Positive Historical Trends in ADU Development** - The City’s history of ADU/JADU development within multifamily developments demonstrates opportunity to develop attached ADUs as an affordable component of larger housing projects. These positive trends are directly correlated with the City’s current efforts to provide supportive policies, outreach and information dissemination to its residents. The City has experienced year over year increase in ADU activity

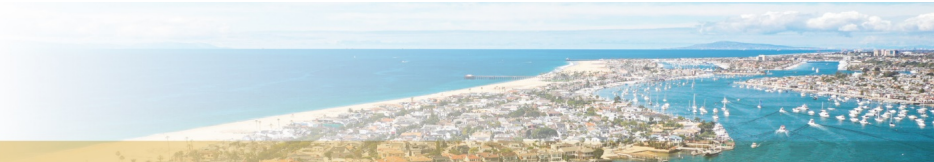
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<sup>1</sup> SCAG Regional Accessory Dwelling Unit Affordability Analysis, 2020

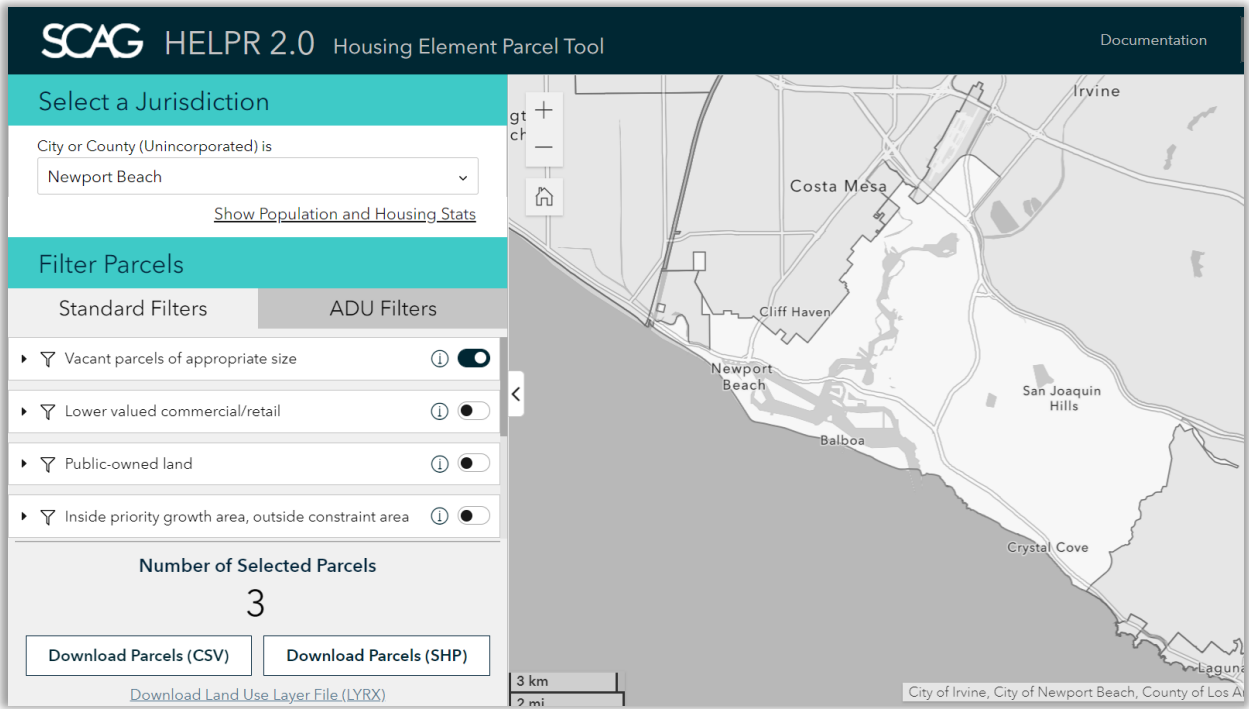


in the City and will continue to see these trends increase and exponentially expand throughout the 2021-2029 planning period through intensified public outreach and development incentives.

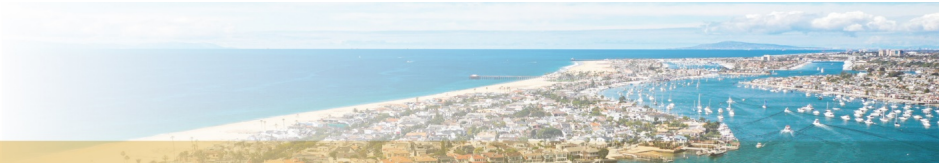
- **Demonstrated Commitment to ADU Development through Policies/Programs** – The City Council has recently adopted policies that support ADU development and has developed an ADU Ordinance that strongly encourages ADU development. In addition, that City will adopt additional ADU policies the further support ADU development citywide. Providing strong support through policies, community outreach and monitoring of ADU construction.
- **Council Policy K-4 (Reducing the Barriers to the Creation of Housing)** – On March 9, 2021, the City Council adopted Council Policy K-4, which includes a stated goal of increasing the production of ADUs and JADUs. The policy recognizes that further encouraging development of ADUs beyond State law minimums is an important strategy to accommodate future growth. To further encourage and incentive the development of ADUs, the policy set forth the following directives:
  1. Interpret ambiguities in code provisions regulating ADUs in a manner that accommodates and maximizes production.
  2. Direct staff and the Planning Commission to review and recommend code changes that reduce regulatory barriers, streamline the approval process, and expand potential capacity of ADUs beyond minimum State law requirements
  3. Publicize incentives for construction of ADUs with a systematic approach utilizing all forms of media and outreach.
  4. Prepare and maintain a user-friendly website committed to information related to codes, processes, and incentives pertaining to the development of ADUs and JADUs in the City.
  5. Develop and administer a program that includes waiving all permit and City fees for property owners of unpermitted units when they agree to bring units into compliance with current building and fire codes to ensure the safety of occupants and structures.
  6. Develop permit-ready standard plans to permit new ADU construction to minimize design costs, expedite permit processing, and provide development certainty for property owners.
- **Temporary 2-Year Fee Waiver Program for ADU and JADU Development** – On April 27, 2021, the City Council adopted Resolution No. 2021-37 waiving City building plan check, building construction permit, and other related City fees required for plan check, permits, inspections, re-inspections and other related activities, for the design and construction of ADUs and JADUs on existing residential developments and the legalization of exiting unpermitted ADUs and JADUs.



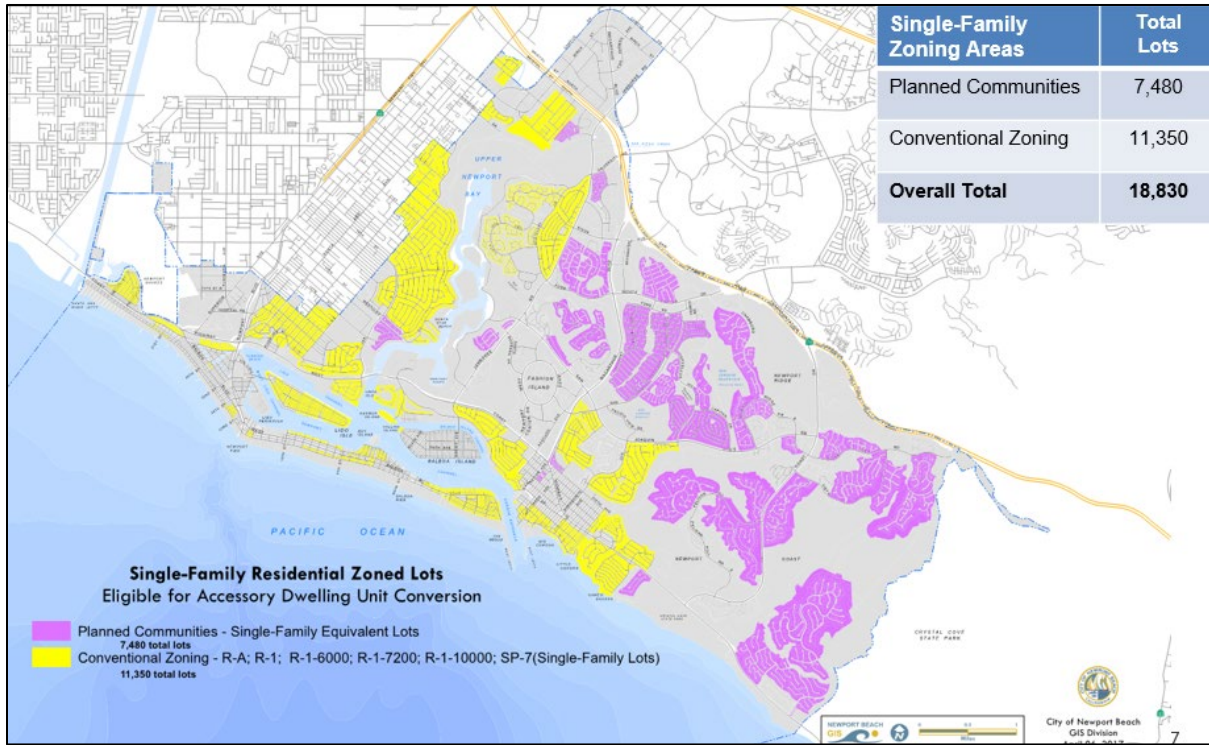
**Figure D-1: Vacant Land Availability**



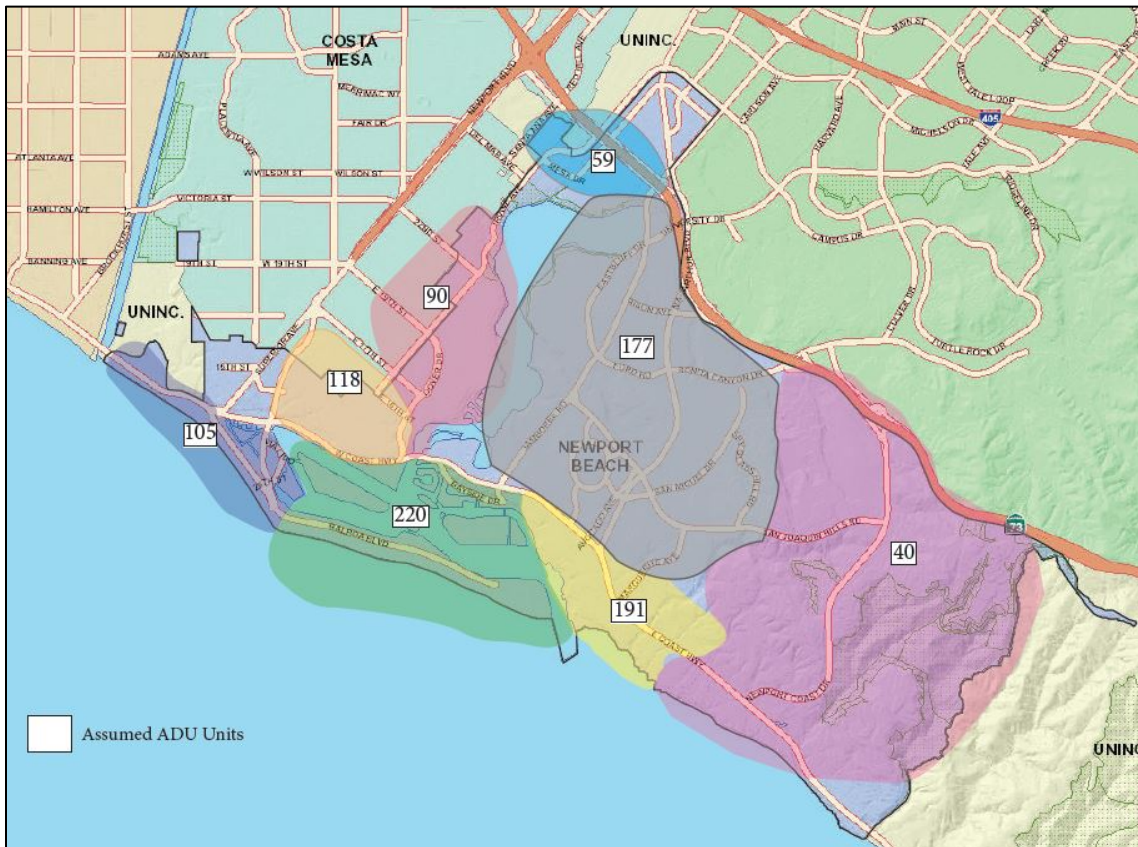




**Figure D-2: ADU Eligible Lots**



**Figure D-4 – ADU Opportunity Areas Map**





*Local ADU Trends and 2021-2029 Projections*

There are several indicators of growth in ADU development since 2018 within Newport Beach. **Table D-1** shows the City’s total ADU development since 2018, considering applications, permits, and finalized ADU units. The City of Newport Beach saw a twofold increase from 3 units with some level of ADU development to 6 in 2019. The largest increase came in 2020 when the City received 45 ADU applications (between traditional applications and zone change applications which do not require a plan check). It is anticipated that the majority of these units will be permitted and finalized in 2021. In addition to the 45 applications received, the City permitted 4 ADUs and finalized an additional 3 units. This represents almost 10-fold growth from 2019 to 2020, due in large part to increased education of property owners, City Council support of ADU development, and additional local policies promoting the development of ADUs. These are described in more detail in the following sections.

**Table D-1: Newport Beach ADU Development (2018-2020)**

ADU STATUS	2018	2019	2020	Total
<b>Finalized</b>	1	1	3	5
<b>Permitted</b>	1	4	4	12
<b>Applied</b>	1	1	40	42
<b>ZC Applied (No Plan Check)</b>			5	5
<b>Total</b>	<b>3</b>	<b>6</b>	<b>55</b>	<b>64</b>

**Newport Beach 2021-2029 ADU Projections**

Based on the data in **Table D-1**, the citywide availability of land for ADU development and the existing and future policy supporting ADU development, Newport Beach is reasonably and justifiably projecting future growth beyond the safe harbor methodology provide in HCD’s published guidance. The City believes the 2018-2020 ADU growth patterns, extensive local policy emphasis on ADU development, and proposed housing programs described in **Section 4** of the Housing Element strongly support continued year over year growth of ADU development.



Figure D-2 – Accessory Dwelling Unit Ordinance Summary (Part 1)



### ACCESSORY DWELLING UNIT ORDINANCE SUMMARY

Revised 05/25/21

Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU) are regulated by Newport Beach Municipal Code Sections [20.48.200](#) and [21.48.200](#). Ministerial review of all ADUs and JADUs will occur through a Zoning Clearance within 60-days of receiving a complete application. A Coastal Development Permit may also be required for properties within the Coastal Zone. *Please consult with a planner prior to submitting and ADU/JADU project.*

ADU Type	JADU	SINGLE UNIT – ADU				MULTI-UNIT – ADU		
	 CONVERSION <sup>1</sup> Conversion of an interior portion of an existing or proposed single-unit dwelling	 CONVERSION <sup>1</sup> Conversion of an interior portion of an existing or proposed single-unit detached accessory building	 ATTACHED <sup>1</sup> Construction of a new ADU attached to an existing or proposed single-unit dwelling	 DETACHED Construction of a new ADU as a detached accessory building	 ABOVE DETACHED GARAGE Construction of a new ADU above a detached garage	 CONVERSION Conversion of an existing non-habitable portion of a multi-unit development	 DETACHED Construction of a new ADU as a detached accessory building	
Zoning	Allowed on all residential and mixed zoned properties that are improved with a single-unit dwelling					Allowed on all residential and mixed zoned properties that are improved with multi-unit dwellings		
Number of Units	One					At least one and no more than 25% of the existing unit count in the multi-unit development	Two	
Allowed with Other ADU	May also provide detached single-unit ADU	No		May also provide JADU		No		
Additional Floor Area	No	Maximum 150 square feet to accommodate ingress/egress <sup>2</sup>	Yes				No	Yes
Minimum Lot Size	None							
Minimum Size	Must meet minimum efficiency unit requirements, as set forth in the Building Code							
Maximum Size (Square Feet)	500	No limit	Studio/One-Bedroom = 850 Two Bedroom = 1,000 Can be no more than 50% of existing primary dwelling	Studio and One-Bedroom = 850 Two Bedroom = 1,000				
Maximum Size Exception	None	None	Application of floor area limit or site coverage shall not reduce ADU below 800 square feet			None	Application of floor area limit or site coverage shall not reduce ADU below 800 square feet	
Maximum Height	Per base zone	Per base zone	Per base zone	16 feet	Per base zone	N/A	16 feet	
Front Setback <sup>3</sup>	Per base zone							
Side Setback <sup>3</sup>	Per base zone	Per base zone	4 feet or base zone, whichever is less		Per base zone	Per Base Zone	4 feet or base zone, whichever is less	



Figure D-2 – Accessory Dwelling Unit Ordinance Summary (Part 2)



ACCESSORY DWELLING UNIT ORDINANCE SUMMARY  
Revised 05/25/21

ADU Type	JADU	SINGLE UNIT – ADU			MULTI-UNIT – ADU		
	 CONVERSION <sup>1</sup> Conversion of an interior portion of an existing or proposed single-unit dwelling	 CONVERSION <sup>1</sup> Conversion of an interior portion of an existing or proposed single-unit dwelling or an existing detached accessory building	 ATTACHED <sup>1</sup> Construction of a new ADU attached to an existing or proposed single-unit dwelling	 DETACHED Construction of a new ADU as a detached accessory building	 ABOVE DETACHED GARAGE Construction of a new ADU above a detached garage	 CONVERSION Conversion of an existing non-habitable portion of a multi-unit development	 DETACHED Construction of a new ADU as a detached accessory building
Rear Setback <sup>3</sup>	Per base zone	Per base zone	4 feet (not abutting alley) or base zone, whichever is less		Per base zone	Per Base Zone	4 feet (not abutting alley) or base zone, whichever is less
Access	Exterior entrance required in all cases. JADUs may provide internal connection.						
Bathroom	May share with primary dwelling unit	Bathroom is required					
Kitchen	Efficiency <sup>4</sup>	Full kitchen, including fixed cooking appliance with outside exhaust.					
Parking		None	One	One plus the primary dwelling must comply with parking	None	One per unit	
Parking Exception	N/A	Parking waived for the ADU if the property is: 1) within ½ mile walking distance to transit (including ferry); 2) within an architecturally or historically significant district; 3) on-street parking permits are required and not provided to the occupant of the ADU; or 4) within one block of a car-share vehicle pick-up/drop-off location					
Garage Conversion	Allowed; Replacement parking required citywide	Allowed; Replacement parking required in the Coastal Zone	N/A		Allowed; Replacement parking required in the Coastal Zone	N/A	
Deed Restriction	Prior to issuance of building permit, owner must record deed restriction (prepared by the City) noting the size of the unit, description of unit, prohibition on short term rentals, prohibiting the sale of the ADU/JADU, and specifying owner-occupancy requirement.						
Owner-Occupancy	Owner shall live in either unit	Owner-occupancy is not required for units built between January 1, 2020 and January 1, 2025					
Short-Term Lodging	Short-term lodging is prohibited.						
Utility Connection	A separate utility connection is not required <sup>5</sup>	The City may require a separate utility connection					
Fire Sprinklers	Only required if fire sprinklers required and provided on primary unit						
Separate Conveyance	ADUs and JADUs may not be sold separately						
Design	Shall have a similar style to the principal dwelling, including architectural style, roof pitch, color, and materials						

<sup>1</sup> Conversion is either: 1) conversion of existing floor area within the envelope of an existing single-unit dwelling (including garage); or 2) development of an ADU within the footprint of a proposed single-unit dwelling (excluding garage) that complies with all applicable development standards. Construction of a new ADU that extends beyond the envelope of an existing single-unit dwelling or beyond the footprint of a proposed single-unit dwelling shall comply with the standards applicable to Attached ADUs.

<sup>2</sup> Applicable to conversions of existing accessory structures only. Conversions within principal structure not entitled to 150 sf addition.

<sup>3</sup> For conversion of existing enclosed floor area, garage, or carport, no additional setback required. For replacement of an existing enclosed structure, garage, or carport, no additional setback is required beyond the existing setback.

<sup>4</sup> An efficiency kitchen may include a basic plug-in cooking appliance such as hot plate or microwave. A sink, food preparation counter and storage cabinets of reasonable size required.

<sup>5</sup> A separate utility connection may be required when the JADU or ADU is constructed as part of a new single-unit dwelling.



Newport Beach’s commitment to ADU development through verifiable implementation of a specific programs that demonstrate a positive impact on ADU trends within the City.

**Table D-2: 2021-2029 ADU Capacity Assumptions**

Year	Aggressive Approach
<b>Planning Period Total</b>	<b>1,000</b>
2029	341
2028	231
2027	155
2026	104
2025	70
2024	47
2023	31
2022	21
<b>2018 - 2020 Average</b>	<b>21.3</b>

**Table D-2** shows the City’s ADU assumptions as described in **Appendix B** of the Housing Element. As noted, the City anticipates that growth in ADU development will continue to occur year over year with the potential for 1,000 accessory dwelling units to be constructed during the eight-year planning period. While seemingly a large number of units, 1,000 ADUs represents approximately 4.6 percent of the total existing single-family detached houses within Newport Beach. This does not factor in that ADUs can be developed on parcels with multi-unit developments or that single-unit uses may develop an ADU and a JADU, for a total of two additional units on one single-unit lot.

The City of Newport Beach is well positioned, both from an availability of potential development areas within existing single-unit neighborhoods and from a political will standpoint, to realize a large increase in ADU development during the 2021-2029 planning period.

***Housing Element Policy Framework***

The City of Newport Beach has identified programs to maintain and encourage ADUs during the 2021-2029 planning period. The matrix below identified existing policies contain in **Section 4** of this document as well as policies the City will review for feasibility to implement in order to increase affordable housing.

**Table D-3: ADU/JADU Policies and Policy Considerations**

ADU Policy Type/Name	Description	Consideration
<b>Housing Element Policies</b>		
<b>Policy Action 1H: Accessory Dwelling Unit Construction</b>	Support and encourage the development of ADUs in Newport Beach	Explore feasibility of incentives for ADUs, including developing educational campaigns and minimizing development costs through permit ready plans.
<b>Policy Action 1I: Accessory Dwelling Units Monitoring Program</b>	ADU development Tracking Program	To identify progress and make appropriate program adjustments, the City will monitor ADU applications and approval.
<b>Policy Action 1J: Accessory Dwelling Units Amnesty Program</b>	Legalizing unpermitted ADUs	Providing incentives and avenues to bring unpermitted ADUs up to code and regulation.





ADU Policy Type/Name	Description	Consideration
<b>ADU Policies for Consideration</b>		
<b>ADU Development Streamlining</b>	Permit Ready Program	Developing and offering of pre-approved ADU building plans to help to reduce cost burden on applicant side.
<b>JADU Incentive Production</b>	Junior ADU Program	Evaluate additional incentives for JADU production above those currently offered.
<b>Public Outreach and ADU Education Program</b>	ADU Outreach Program	Formal development of public outreach and dissemination of materials for ADU and JADU (both electronically and in print).
<b>ADU/JADU Subsidy Program</b>	Subsidy Incentives to Construct ADUs	Provide grants or low interest loans to interested property owners in exchange for deed restricted ADU/JADUs.
<b>On/Off-Site Development Subsidized</b>	Subsidy Incentives to Construct ADU	Providing a subsidy program to help pay for offsites such as water, sewer.
<b>Production/Incentives</b>	Incentives to create long term affordability of ADU/JADU	Granting square footage bonuses in exchange for affordability covenants.
<b>ADU and JADU Incentive Programs</b>	Various Development Standards and Entitlement Streamlining Actions	<ul style="list-style-type: none"> <li>• Fee Waiver/Deferral</li> <li>• Over the Counter Approvals</li> <li>• ADU One Stop Permit</li> <li>• Subsidies for Affordability</li> <li>• Square Footage Bonuses</li> </ul>

### *Summary of Newport Beach ADU Approach*

#### **Anticipated ADU Growth (Planning Period 2021-2029)**

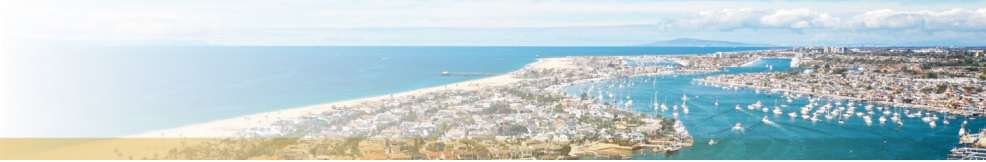
Newport Beach anticipates that the city will continue to see year after year growth in ADU development which matches or exceeds the growth in ADU activity shown from 2019 to 2020. The City has over 21,000 single-unit dwelling units, all of which are eligible to develop one ADU and one JADU. Additionally, multi-unit apartment complexes can also develop ADUs if the requirements of State law and the City’s local ordinances are met.

The City is anticipating 1,000 ADUs to be developed within the 2021-2029 planning period. This is based on increased production of ADUs year over year as demonstrated in **Table D-2**.

In accordance with HCD/SCAG guidance on affordability assumptions within the Housing Element Update process, the City anticipates that 680 of these units will be affordable to residents within the very low and low-income categories, 300 will be affordable to residents within the moderate income category, and 20 will be affordable to residents within the above moderate-income category.

#### **Supportive Policies and Programs**

Newport Beach has proposed programs within the 2021-2029 Housing Element to take meaningful steps towards promoting and incentivizing ADU growth during the planning period. The City will explore



incentives beyond what has been established to date, including the potential for permit-ready plans or a streamlined process if certain requirements are met. **Table D-3** outlines a list of further ADU incentives that the City may explore during implementation of **Policy Action 1H**. The City also plans to continue its ADU amnesty program to bring existing non-conforming accessory units up to code so that the City can realize RHNA credit for these existing housing units within the community.

### **Monitoring Requirements**

The City of Newport Beach is required to report all development within the City, including ADU development, to the State Department of Housing and Community Development (HCD) annually through their Annual Progress Reports (APRs). As part of this reporting, the City must show adequate progress in meeting their identified ADU growth assumptions as described above.

To address HCD's ADU monitoring and reporting requirements, the City has included **Program 1I** within the Housing Plan (Section 4). This states that the City will conduct an assessment of ADU growth within two years of adoption of the Housing Element. If ADU assumptions are not keeping pace with the assumptions made within the Housing Element, the City will implement fall back actions to accommodate the shortfall, if necessary.

# **Attachment No. PC 6**

Table of Potential Revisions to ADU  
Regulations

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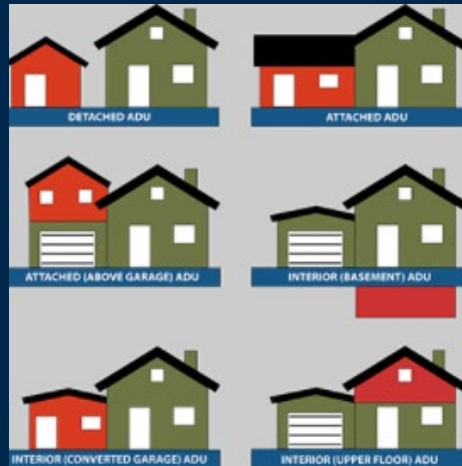
Potential Revisions to ADU Regulations			
Option	Why It's Needed	Decision Point	Considerations
A	<b>Expand opportunities for ADU construction in multi-unit dwelling developments</b> ADUs are allowed in a wide variety of single-unit dwelling configurations. However, for multi-unit developments, ADUs are currently only permitted in two limited scenarios:  1) Conversion of <u>existing non-living area</u> (e.g., storage rooms, boiler rooms, passageways, attics, basements, or garages). Permitted number of units equal to 25% of existing number of units. 2) Construction of up to two new detached ADUs on a lot with an <u>existing</u> multi-unit structure.	<b>A1</b> <i>Limit increase opportunities to range of smaller multi-unit developments?</i>  <i>For example, 2- to 4-unit developments only; larger developments maintain more restrictive standards?</i>	<ul style="list-style-type: none"> <li>Increased demand for on-street parking               <ul style="list-style-type: none"> <li>ADU conversions are exempt from parking requirements.</li> <li>Parking for new ADUs exempt if located within ½ mile of bus stop or ferry.</li> <li>Older multi-unit apartment buildings are already likely to be nonconforming to parking.</li> <li>Two- to four-unit developments tend to be in older and higher density neighborhoods within the coastal zone that may be more impacted with on-street parking demands.</li> </ul> </li> <li>Allowing ADUs with duplexes would have greatest impact since it's a common development type; 3- to 4-unit developments are less common and less likely to reduce in increased production.</li> <li>Allowing ADUs in conjunction with 4+ unit developments provides an instant density bonus to larger projects without a dedicated affordable housing component being provided.</li> </ul>
		<b>A2</b> <i>Allow only conversions or both conversions and new construction?</i>	<ul style="list-style-type: none"> <li>ADU conversions do not result in increased bulk or floor area, whereas new construction would. Allowing new construction creates an incentive for developers to include ADUs. Will likely result in increased production.</li> </ul>
		<b>A3</b> <i>For conversions, allow conversion of existing living area?</i>	<ul style="list-style-type: none"> <li>This would significantly increase the ability to create an amnesty program to help legalize non-permitted units. Many illegal units result from the conversion of a master bedroom into a separate unit.</li> <li>Creating two smaller units from a larger unit should result in lower rents and greater affordability.</li> </ul>
B	<b>Reduce costs for ADU construction</b> To provide a financial incentive, increased project feasibility and reduced costs for homeowners and developers to construct ADUs. City permitting fees, including Fair Share Fees, are currently waived temporarily for two years for most new ADUs (excludes ADUs as part of new single-unit dwelling)	<b>B1</b> <i>Permanently waive transportation Fair Share Fee for ADUs?</i>	<ul style="list-style-type: none"> <li>ADUs larger than 750 SF are assessed a reduced proportional fee based on the size of the principal dwelling. Few units are anticipated to be larger than 750 SF, resulting in little loss to the City.</li> </ul>
		<b>B2</b> <i>Permanently waive permitting fees for ADU conversions and additions?</i>	<ul style="list-style-type: none"> <li>Permitting costs average approximately \$1,000 for an ADU conversion and \$5,000 for an ADU addition.</li> </ul>
C	<b>Provide additional floor area allowances to incentivize ADU development</b> Typically, an ADU is subject to the maximum floor area allowance for a lot. Allowing increased floor area in exchange for constructing an ADU provides a very attractive incentive for homeowners and developers.	<b>C1</b> <i>Allow exterior access to subterranean basements to accommodate an ADU?</i>	<ul style="list-style-type: none"> <li>"Subterranean basements" are not included in the definition of gross floor area because they are not visible to the exterior and do not add visual bulk to a dwelling. However, per current Code, adding exterior access to a "subterranean basement" to create an ADU redefines the space to a "daylighting basement" and counts toward maximum allowable floor area. If basement area counts as floor area, developer or owner are less likely to build ADUs at expense of using their allowable floor area.</li> <li>Need to regulate size of exterior access to ensure it is as small as possible to reduce visibility of basement ADU.</li> </ul>

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Potential Revisions to ADU Regulations			
Option	Why It's Needed	Decision Point	Considerations
		<b>C2</b> <i>Provide an additional floor area allowance of up to 800 square feet for properties that include an ADU?</i>	<ul style="list-style-type: none"> <li>Consistent with State law, our Code currently allows an ADU to exceed floor area, open space, and/or site coverage limits when the development of any ADU of at least 800 SF is rendered infeasible. However, ADUs constructed as part of new development (which would not be constrained) are not entitled to the additional square footage. To eliminate confusion and provide equity to all property owners, an automatic 800-square-foot floor area bonus could be granted.</li> <li>May add bulk and mass to smaller lots which would be the lots most likely to take advantage. To combat this, we can clarify that additional square footage can only be granted if design-compliant with all other standards, including third floor standards.</li> </ul>
		<b>C3</b> <i>Remove 50% size limit for attached ADUs?</i>	<ul style="list-style-type: none"> <li>Attached ADUs are subject to an additional size constraint of no more than 50% of the size of the principal unit its attached to. Removing this limit simplifies Code by removing a specialized limit for only one type of ADU that provides little benefit.</li> <li>Without limitation, ADUs may appear larger and less subordinate to principal dwelling.</li> </ul>
<b>D</b>	<b>Make ADUs more attractive for investors and developers</b>	Developers are more likely to build ADUs to increase profitability than a homeowner who may not need additional profits and prefers privacy.	<b>D1</b> <i>Permanently remove owner-occupancy requirements?</i> <ul style="list-style-type: none"> <li>Although temporarily suspended until 2025 per State law, City Code requires either the principal dwelling unit or ADU to be owner-occupied. As a result of this suspension, the City has seen increased ADU production from developers.</li> <li>The owner-occupancy requirement was intended to ensure the property owner can readily address problems that may arise and remain part of the community.</li> </ul>
<b>E</b>	<b>Make parking requirements less restrictive</b>	To create more ADU conversion opportunities, removing replacement parking requirement in Coastal Zone could spur more ADU garage conversions. The City has received interest from investors seeking to purchase duplexes in the Coastal Zone and convert garage spaces to ADU.	<b>E1</b> <i>Eliminate replacement parking requirement for garage conversions in the Coastal Zone?</i> <ul style="list-style-type: none"> <li>State law already prohibits cities from requiring replacement parking when a principal dwelling's garage is converted or replaced with an ADU. However, State ADU laws do not supersede the Coastal Act; therefore, the LCP requires replacement parking in the Coastal Zone.</li> <li>Duplexes or multi-unit buildings that may be older and more affordable may be targeted by rental housing investors as opportunities to create more units through garage conversions, further straining demand for on-street parking in Coastal Zone neighborhoods that are already impacted with parking availability.</li> </ul>
		<b>E2</b> <i>Remove City requirement that principal unit must maintain Code-compliant parking when taking advantage of incentive that allows detached ADUs to exceed 16-foot height limit when constructed above a garage?</i>	<ul style="list-style-type: none"> <li>State law states the City must allow a detached ADU up to a height limit of 16 feet. The City Code allows incentives for detached ADUs, by allowing additional height when constructed above the garage up to the base height limit for the zone, provided the principal unit maintains Code-compliant parking.</li> <li>May further impact on-street parking demand and allows for a more visible detached ADU due to height.</li> </ul>
<b>F</b>	<b>Remove architectural design constraint</b>	Requiring an ADU to match the principal unit would discourage and possibly prevent use of pre-approved plans that the City may develop of modular designs that are becoming more prevalent in the industry.	<b>F1</b> <i>Remove design requirement that an ADU be similar to principal unit with respect to architectural style, roof pitch, and color?</i> <ul style="list-style-type: none"> <li>ADUs may be more visibly different from main house, standing out as a separate units taking away from single-family character of neighborhoods.</li> </ul>



# Potential Zoning Code and LCP Amendments



# Accessory Dwelling Units



**Planning  
Commission**

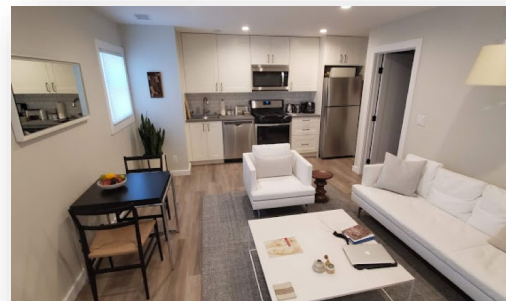
**Study Session**

**September 9, 2021**



## Junior Accessory Dwelling Unit JADU

- Single-family units only
- Not a separate unit for Building Code
- Maximum Size: 500 s.f.
- Owner must live in main dwelling or JADU
- Can share bathroom with primary dwelling
- Can have internal access



Community Development Department - Planning Division

## Accessory Dwelling Unit ADU

- Allowed in all residential and mixed-use zones
- Considered a separate unit for Building Code
- Maximum Size:
  - 850 s.f. for one bedroom
  - 1,000 s.f. for two bedroom
  - conversions unlimited
- Various configurations (conversion, attached, detached)



## JADU vs ADU

# ADU Parking Requirements





## JADU: No parking required

## ADU: One space per unit, but waived if property is:

- 1) located within one-half (1/2) mile walking distance of a bus/transit stop; or
- 2) proposed to be converted from existing or proposed space entirely within the primary dwelling unit or an existing accessory structure.



# ADU Options for Single-Family Homes

## *Very Flexible*

SINGLE UNIT – ADU			
 <p><b>CONVERSION<sup>1</sup></b> <i>Conversion of an interior portion of an existing or proposed single-unit dwelling or an existing detached accessory building</i></p>	 <p><b>ATTACHED<sup>1</sup></b> <i>Construction of a new ADU attached to an existing or proposed single-unit dwelling</i></p>	 <p><b>DETACHED</b> <i>Construction of a new ADU as a detached accessory building</i></p>	 <p><b>ABOVE DETACHED GARAGE</b> <i>Construction of a new ADU above a detached garage</i></p>

# ADU Options for Multi-Family Developments

## *Very Limited*

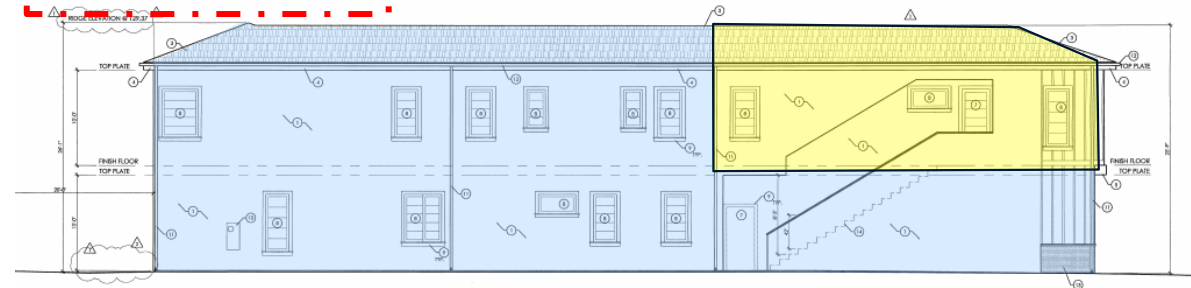
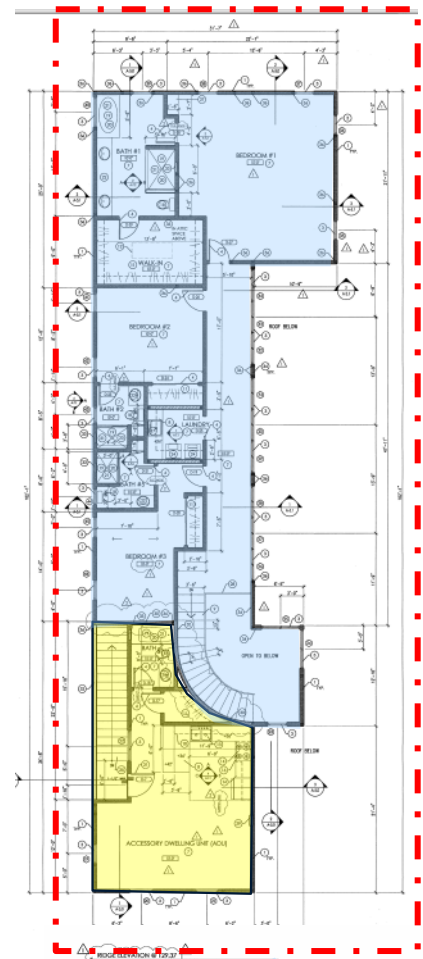
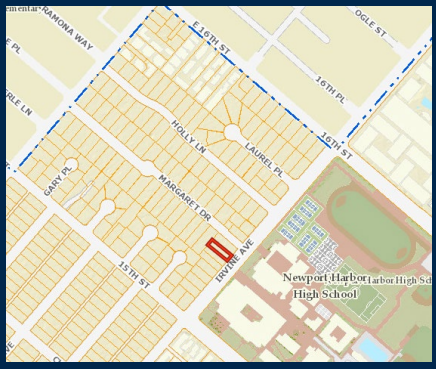
MULTI-UNIT – ADU	
 <p><b>CONVERSION</b> <i>Conversion of an existing non-habitable portion of an existing multi-unit development</i></p>	 <p><b>DETACHED</b> <i>Construction of a new ADU as a detached accessory building to an existing multi-unit development</i></p>

- Can only convert existing non-living area (e.g., storage rooms, boiler rooms, passageways, attics, basements, or garages).
- Permitted number of units equal to 25% of existing number of units

# ADU Example

Attached to New  
Single-Family

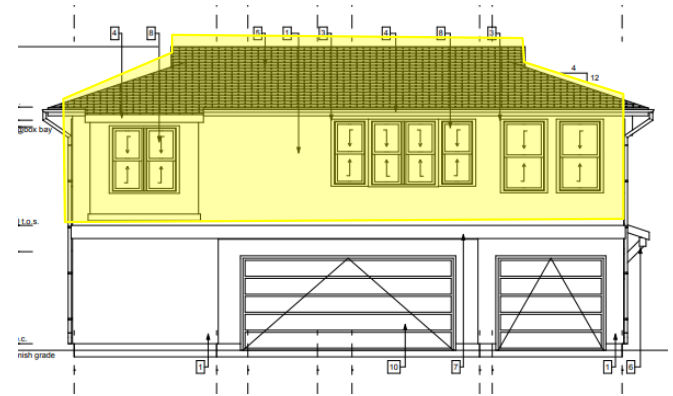
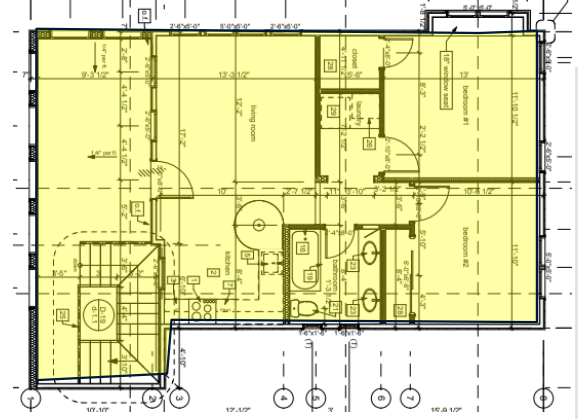
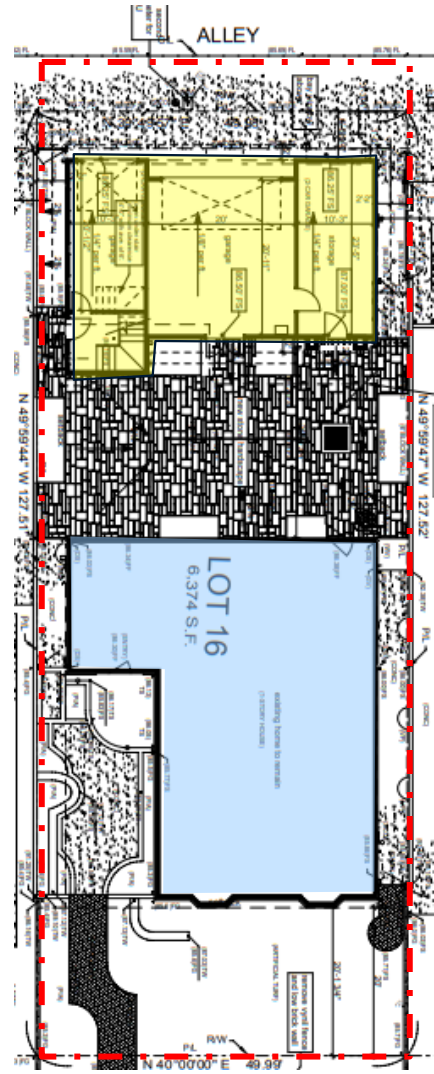
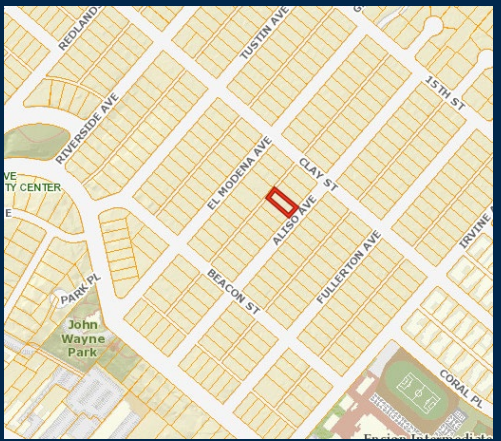
631 Irvine Ave



# ADU Example

## Detached to Existing Single-Family

### 435 Aliso Ave





## Background

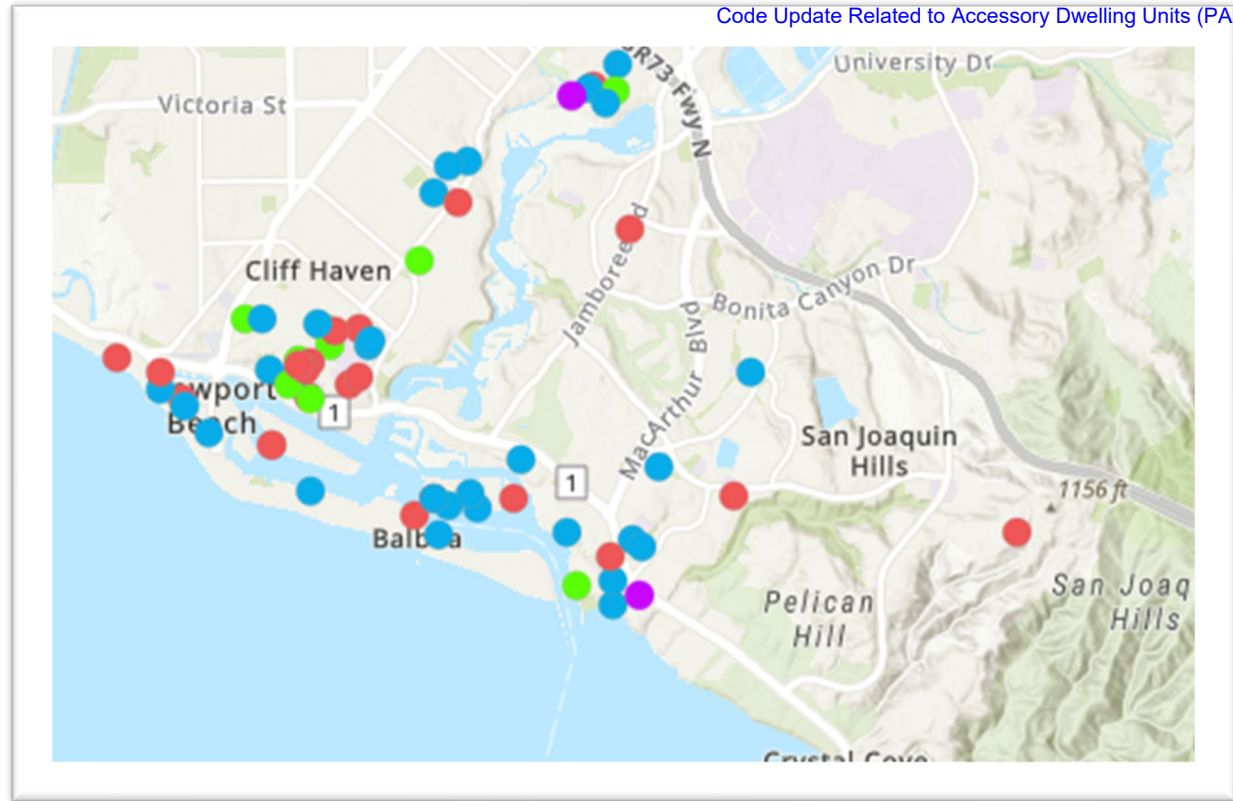
## City Laws

- Pre-2019: Second units prohibited except for granny units (Age 55+)
- 2019 and 2020: State Law mandated approval of ADUs and limited cities ability to regulate

**City's current ordinance drafted to comply with State law and be as restrictive as possible**

**Prior Direction**

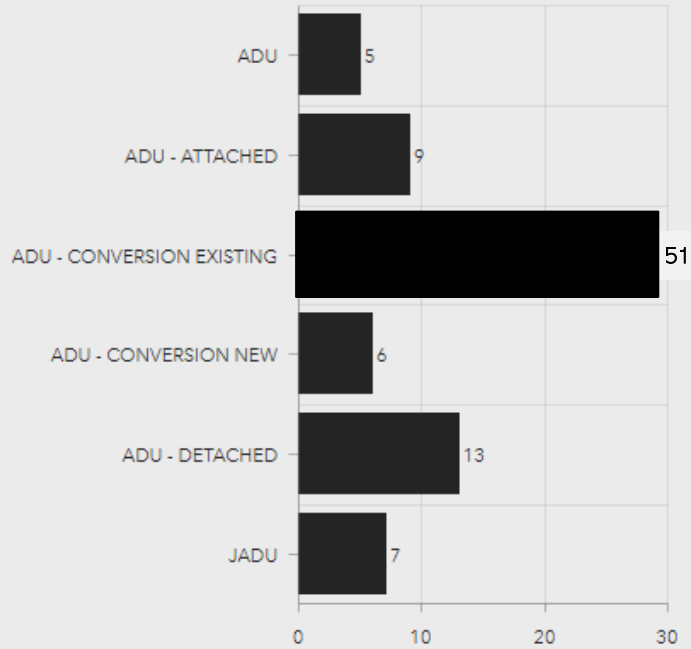
# Current Status of ADUs



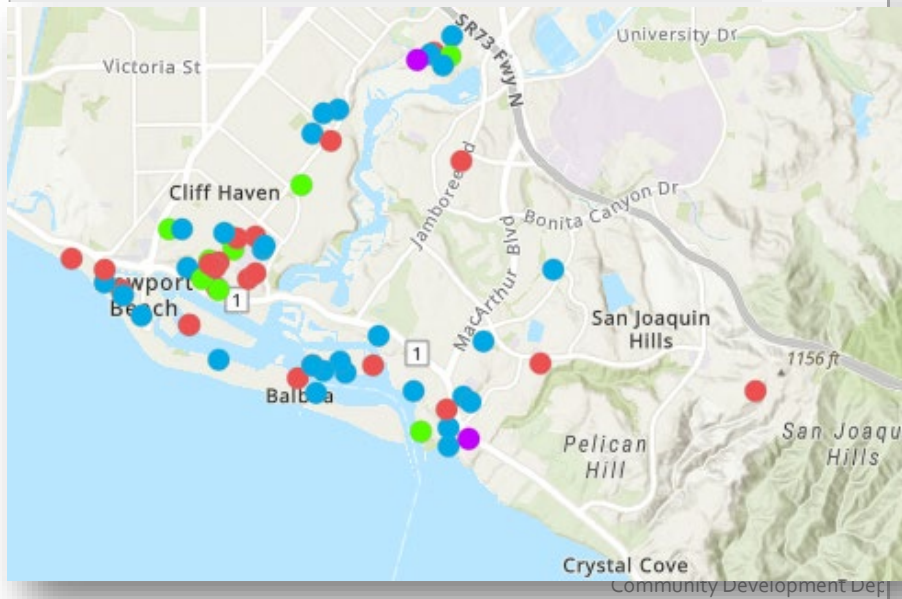
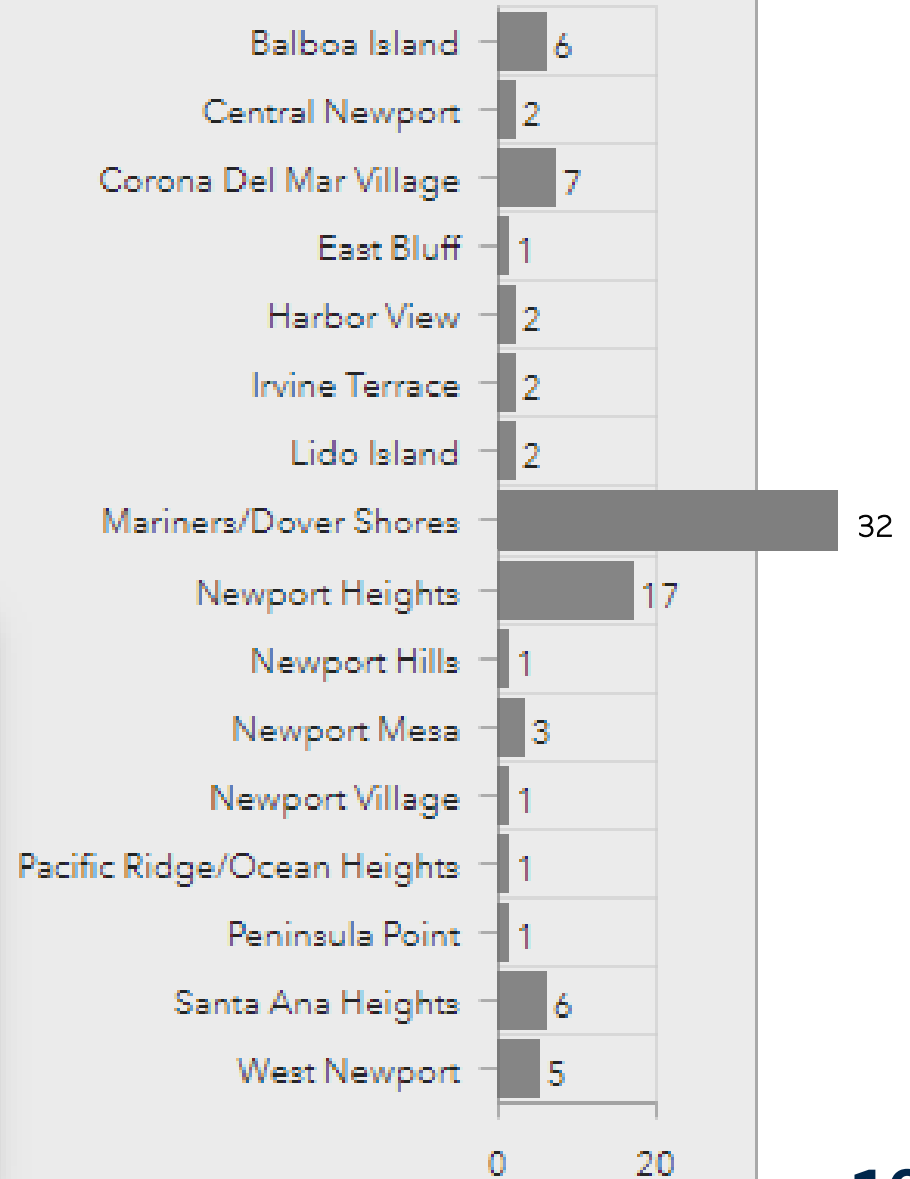
ADU Status	2018	2019	2020	2021*	Total
Finalized <i>(constructed)</i>	1	1	3	4	9
Permitted <i>(under construction)</i>	1	3	5	35	44
Applied <i>(permits pending)</i>	0	2	14	16	32
<b>Total</b>	<b>2</b>	<b>6</b>	<b>22</b>	<b>55</b>	<b>85</b>



# ADU Type

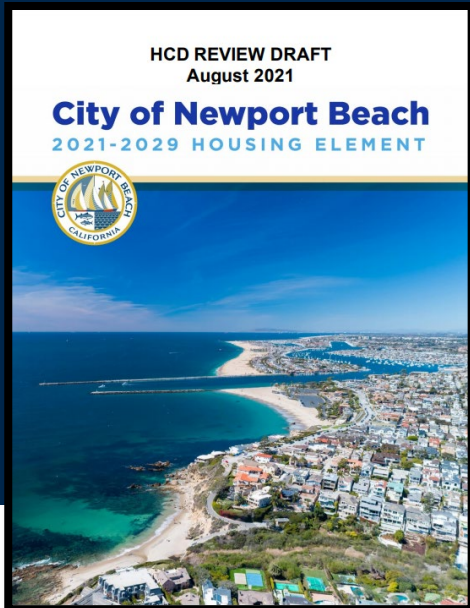


# Units by Neighborhood



# Regional Housing Needs Assessment

4,845 units



- Adequate Sites Analysis
- Higher density in-fill development
- 1000 unit projection (125/year)
- Direction to revise code (more permissive)
- Amnesty program
- Public outreach and materials
- Pre-approved plans

**New Direction**

# Planning Commission Questions

## *A) Expanding opportunities for ADU construction in multi-unit developments*

# Planning Commission Questions

## *B) Providing additional floor area as an incentive*

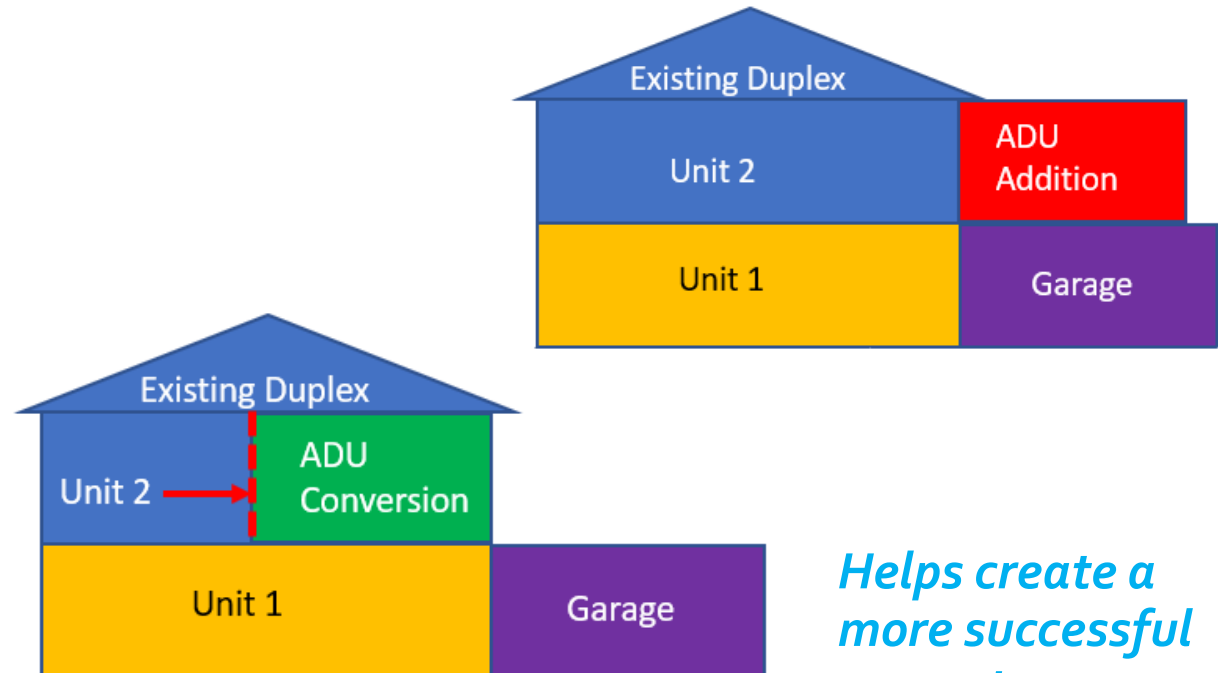
# Planning Commission Questions

## *C) Reducing parking requirements*

# Expand Opportunities for ADU Construction in Multi-Unit Dwelling Developments

## Question A1

Should we allow ADU additions to an existing multi-unit and conversions of existing living space?

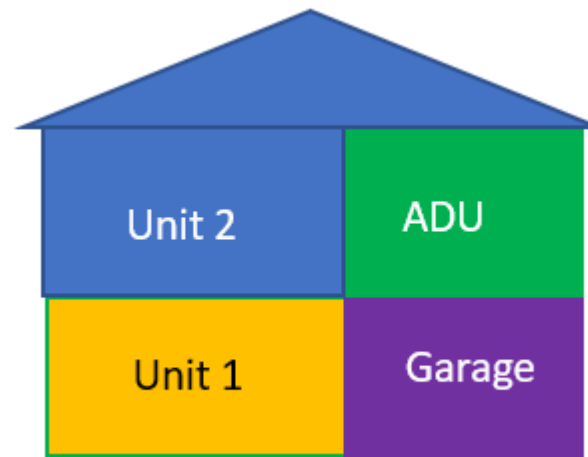


*Helps create a more successful amnesty program*

# Expand Opportunities for ADU Construction in Multi-Unit Developments

## Questions A2 & A3

2. Allow ADUs in a new multi-unit development?
3. What size development?
  - Duplex, 2-4 units, or unlimited



New Duplex + ADU

## SB330 (Housing Crisis Act ) prevent loss of density

- Downzoning created several nonconforming uses
- Property owners stuck between State law and local zoning
- Allowing ADUs with multi-unit can assist

### Example Problem Sites

### Street View

#### 1509 West Balboa

Existing Use: 3 units (single-level)  
Allowed Use: **Duplex (2 units)**  
Solution: **Duplex + ADU = 3 Units**



#### 303-305 Fernleaf Ave

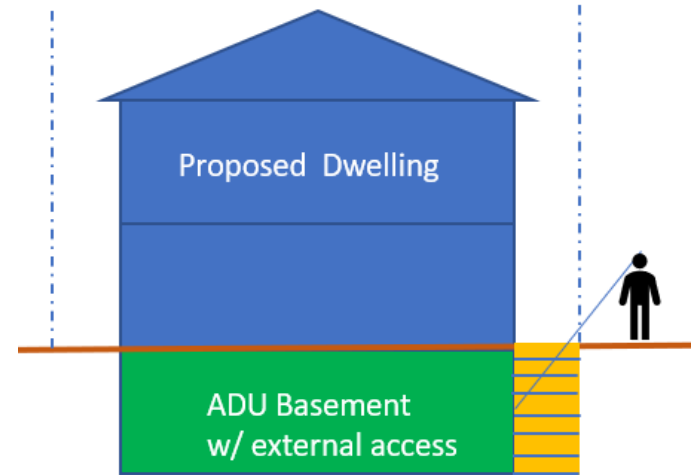
Existing Use: 5 units on two lots  
Allowed Use: **Two Duplexes (4 units)**  
Solution: **Duplex + Duplex + ADU = 5 Units**





## Question B4

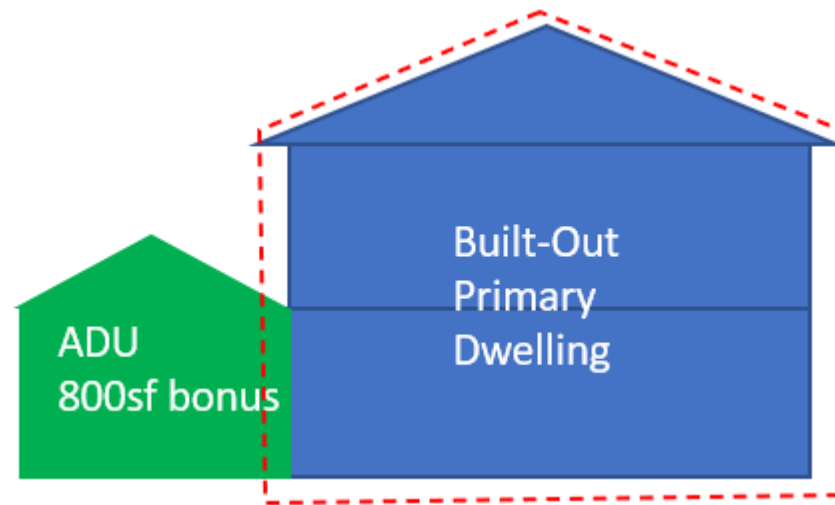
Provide  
additional  
floor area  
allowances to  
incentive ADU  
development



- *Doesn't add visual bulk or mass*
- *Must establish reasonable size limit on access*
- *Creates a big incentive to include ADU as part of new construction*

## Question B5

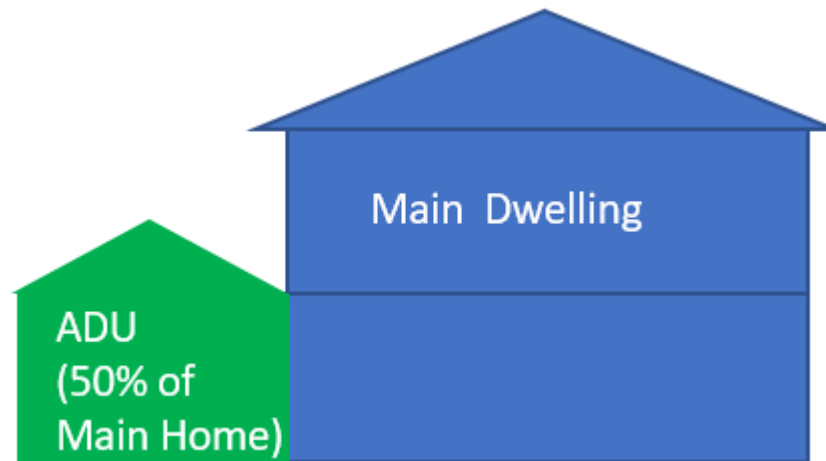
Provide additional floor area allowances to incentive ADU development



- *State Law prevents FAL, coverage limits, and open space requirements that prevents an 800 sf ADU no more than 16 feet high.*
- *Equity issue for new developments*
- *Bulk and massing concerns*

## Question B6

Provide  
additional  
floor area  
allowances to  
incentive ADU  
development



- *Simplifies Code and eliminates constraint*
- *ADUs may appear less subordinate to principal dwelling*

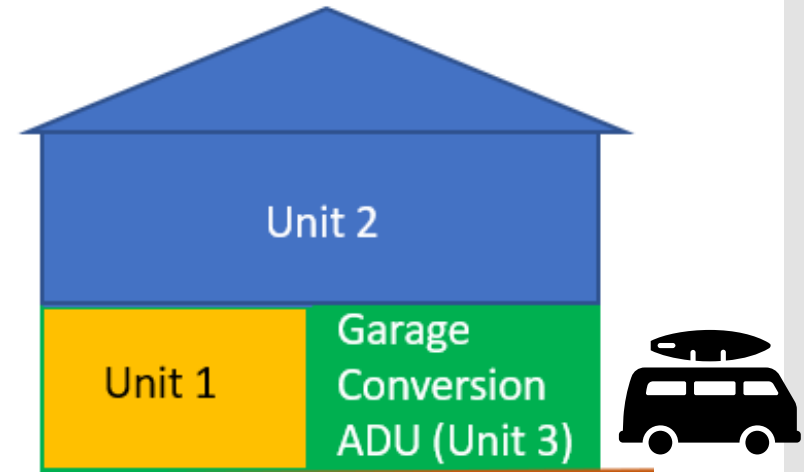
## Question B7

Provide  
additional  
floor area  
allowances to  
incentive ADU  
development

- *(Base Size Limit)*
    - *850sf one bedroom*
    - *1000sf two bedroom; or*
  - *(Optional Limit)*
    - *20% of lot area*
- (whichever is greater, up to a maximum 2000 sf)*
- *Can't restrict unit sizes any smaller, but can increase.*
  - *Examples (1 bedroom)*
    - *3,540 sf lot (CDM)= 850 sf ADU*
    - *5,737 sf lot (Heights)= 1147 sf ADU*
    - *10,000 sf lot (Dover) = 2000 sf ADU*
    - *19,800 sf lot (SAH)= 2000 sf ADU*

## Question C8

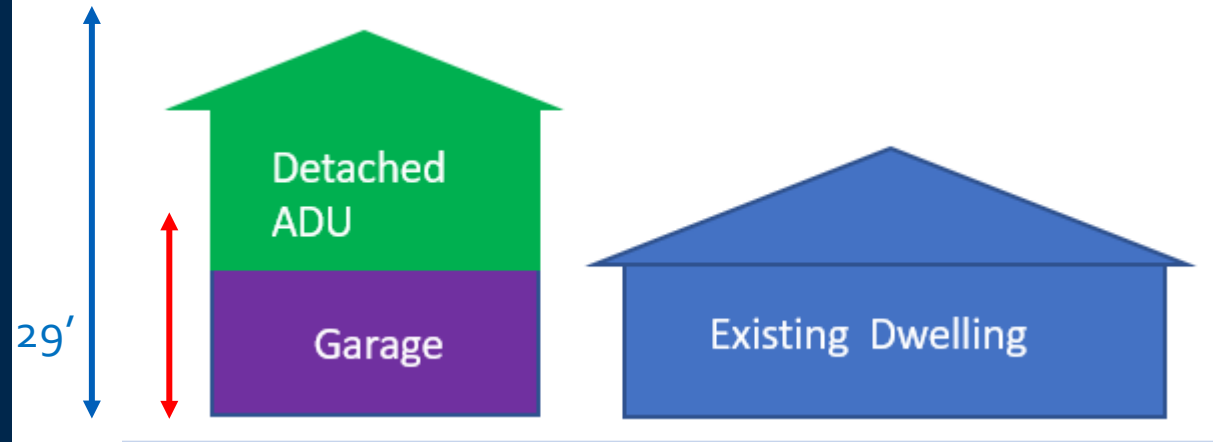
# Reduce parking requirements



- *State law prohibits replacement parking outside coastal zone*
- *May further constrain on-street parking that competes with public access demands*
- *Easy opportunity to create 3<sup>rd</sup> unit for rental housing investors*

## Questions C9

Reduce  
parking  
requirements



- *Currently detached ADUs limited to 16' tall, unless over a garage and only if all units on lot are parking compliant*
- *Provides an incentive to construct some garage parking, even if not all units fully compliant.*

# Recap and Staff Recommendations

## ***A) Expanding opportunities for ADU construction in multi-unit developments***

- **Yes, will spur development and help permit illegal units (amnesty program)**
- **Yes, will help spur development and assist SB330 trapped properties**
- **Yes, but limit to duplexes and triplexes only**
- **Allow only one ADU**

# Recap and Staff Recommendations

## *B) Providing additional floor area as an incentive*

- **Yes, but limit access to minimum necessary**
- **No, maintain State law for constrained developments only**
- **Yes, simplifies code**
- **No, further complicates code**



# Recap and Staff Recommendations

## *C) Reducing parking requirements*

- **Modify to only parking impacted areas of coastal zone**
- **500 feet of beach or harbor?**
  
- **Yes, simplifies code and still encourages some parking to be provided**

## Next Steps

- **Based on feedback, staff will begin to prepare draft code revisions**
- **Options**
  - Future Study Session; or
  - Ad Hoc Committee
- **Future public hearings**

## For more information Contact

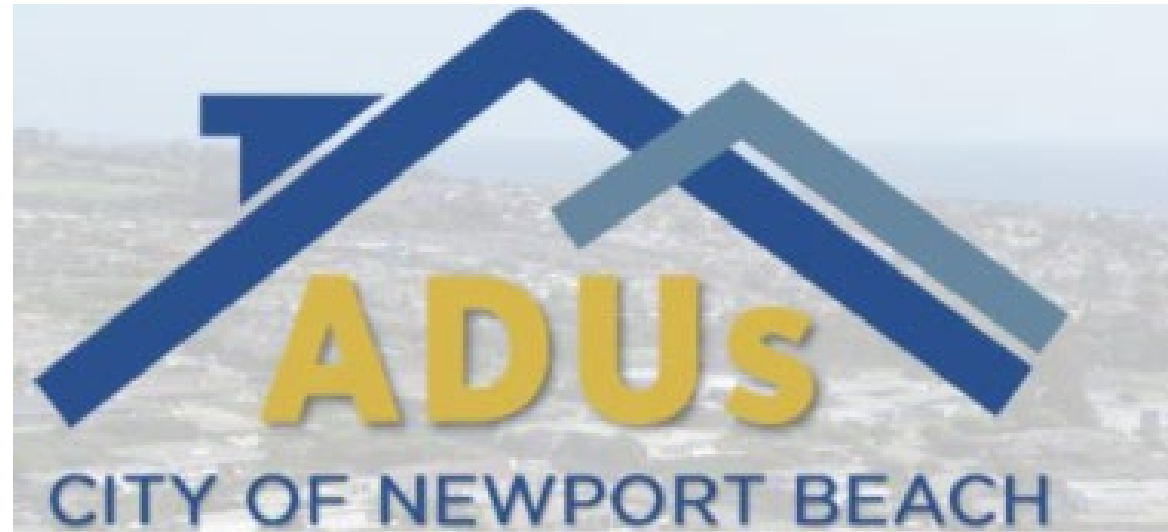
Jaime Murillo, AICP

Principal Planner

949-644-3209

[jmurillo@newportbeachca.gov](mailto:jmurillo@newportbeachca.gov)

[www.newportbeachca.gov](http://www.newportbeachca.gov)



# Questions?