

City of Newport Beach

100 Civic Center Drive, Newport Beach, CA 92660



MINUTES

Tuesday, May 26, 2026

4:00 PM

REGULAR MEETING- 4:00 PM

Council Chambers

City Council

LAUREN KLEIMAN, Mayor
NOAH BLOM, Mayor Pro Tem
MICHELLE BARTO, Councilmember
ROBYN GRANT, Councilmember
JOE STAPLETON, Councilmember
SARA J. WEBER, Councilmember
ERIK WEIGAND, Councilmember

I. **ROLL CALL - 4:00 p.m.**

Mayor Kleiman called regular meeting to order at 4:41 p.m. following the Special Joint City Council and Finance Committee Meeting.

Present: Mayor Lauren Kleiman, Mayor Pro Tem Noah Blom, Councilmember Michelle Barto, Councilmember Robyn Grant, Councilmember Joe Stapleton, Councilmember Sara J. Weber, Councilmember Erik Weigand.

INVOCATION

The invocation was delivered by Councilmember Michelle Barto.

PLEDGE OF ALLEGIANCE

Councilmember Stapleton led the Pledge of Allegiance.

II. **STUDY SESSION**

Proposed Fiscal Year 2026-27 through 2031-32 Capital Improvement Program (CIP)

Councilmember Stapleton recused himself from discussions related to the MacArthur Boulevard pavement rehabilitation and Birch Street pavement rehabilitation due to real property interests. Mayor Pro Tem Blom recused himself from participating in discussions or decisions regarding the following projects due to potential conflicts of interest: all Balboa Island improvement projects, Via Lido pavement projects, and Via Lido intersection improvement projects. Lastly, Mayor Kleiman stated conflicts regarding Landscape Enhancement Program (East Coast Highway Beautification, and Bayview Heights Trail), based on personal home interests.

Public Works Director Dave Webb and Deputy Director/City Engineer Jim Houlihan presented the proposed FY 2026-27 through 2031-32 CIP with a total proposed budget of \$95 million (\$47.8 million in new funding and \$47.3 million in carryover). Director Webb noted that by fiscal year end, 36 projects valued at nearly \$60 million will have been completed, with 39 more in design and construction valued at approximately \$75 million. Highlights for the coming year include the Fire Station 1/Balboa Library project now undergoing abatement, the MacArthur Boulevard rehabilitation (bid awarded at this meeting), and commencement of construction on the Old Newport

Boulevard/West Coast Highway intersection improvements pending property acquisition. Other notable projects include the 15th Street restroom, Bonita Creek athletic field turf replacement, Balboa Yacht Basin dock replacement, new water wells and pipeline in Fountain Valley, ongoing ocean pier maintenance, and initiation of the seventh cycle housing element planning effort.

Councilmember Weigand asked about progress on the Old Newport Boulevard/West Coast Highway intersection project; Director Webb and City Manager Jurjis confirmed the primary obstacle has been property acquisition from two private owners, and that OCTA is funding the design grant while Caltrans has been engaged but not as actively as hoped. Councilmember Weigand also raised pedestrian safety concerns along the Via Lido corridor, noting a recent bike-pedestrian collision, and requesting a holistic review from the Findlay truck area to Lido Marina Village.

Councilmember Grant expressed appreciation that only approximately \$13 million of the \$95 million budget comes from the general fund, with the remainder from grants and other sources, and she noted ongoing efforts to improve pedestrian safety at the MacArthur/Coast Highway intersection.

Councilmember Grant also sought confirmation, consistent with her earlier discussion with City Manager Jurjis, that CEQA and design expenditures in the police station CIP line item are directed solely toward the Civic Center site, with no funds allocated to other candidate locations. City Manager Jurjis confirmed that current Council direction covers only the Civic Center site, and that any recommendation to study additional sites would require a formal Council action following the forthcoming ad hoc committee's recommendation.

Mayor Pro Tem Blom praised the CIP as exemplary capital planning, commending staff for the comprehensiveness of the document and the City's continued financial integrity.

Councilmember Weber thanked staff specifically for the Spyglass Hill project, calling it visually excellent and noting that construction disruption was minimal.

Councilmember Barto commended City staff and the overall planning approach, noting that the quality of the City's infrastructure and proactive planning directly supports continued property value and tax revenue growth.

Public comment was received from Jim Mosher, who raised questions about whether the CIP's longer-range plan had been reviewed by the Planning Commission as required by the General Plan, and who clarified that prior Council straw votes on the police station site are nonbinding and that formal appropriation will occur at the June 9 meeting.

Laura Curran commended staff and Mayor Kleiman for advancing the Corona del Mar Street and Traffic Improvements project, noting the extensive public outreach conducted, and praised the focus on pedestrian safety improvements including bump-outs and enhanced crosswalk signalization.

PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

Adam Leverenz announced a town hall meeting the following evening titled "Navigating Newport Harbor's Future" at the Oasis Senior Center, 81 Narcissus Avenue, noting that State Lands Commission representatives would be present to discuss Tidelands management issues. He also expressed support for Councilmember Weigand's forthcoming agenda item regarding video recording of all Brown Act meetings, and noted that Harbor Commission meetings, while audio-recorded, are not videotaped.

Jim Mosher acknowledged May 26 as the tenth annual John Wayne Day in Newport Beach and offered comments in support of the audio/video recording proposal, suggesting that simply making existing audio recordings publicly accessible online would be a low-cost and immediate step.

CITY COUNCIL ANNOUNCEMENTS AND ORAL REPORTS FROM CITY COUNCIL ON COMMITTEE ACTIVITIES

Councilmember Weigand thanked City Manager Jurjis, Municipal Operations Director Zac Gentry, and waste hauler CR&R for coordinating emergency truck deployments from multiple locations to ensure uninterrupted trash collection in Newport Beach following a chemical incident in a Garden Grove facility.

Councilmember Barto expressed appreciation for the Memorial Day Field of

Honor ceremony at the Castaways, organized by the Exchange Club, calling it the best yet, and also recognized the Armed Forces Day event on May 16.

Councilmember Grant announced the Hoag Senior Players Championship at the Newport Beach Country Club, noting the PGA Tour had elevated the Hoag Classic to a major senior championship, with the event scheduled for March 22-28, 2027. She also highlighted the "Dog Days of Sherman" summer installation at Sherman Library and Gardens, and reported that the San Joaquin Hills Transportation Corridor Agency approved a \$47 million early bond principal paydown, with a \$1 billion prepayment opportunity anticipated in 2032.

Councilmember Weber echoed appreciation for the Exchange Club's Field of Honor and announced that 250 flags will be displayed on the Civic Center lawn from June 22 through July 6 in celebration of the nation's 250th anniversary.

Councilmember Stapleton commended Newport Harbor High School for its Memorial Day activities, the Lido Yacht Club opening, strong trolley ridership on the peninsula over Memorial Day weekend, and the Newport Beach Foundation's graduation of its fourteenth Distinguished Citizen Program class.

III. **MATTERS WHICH COUNCILMEMBERS HAVE ASKED TO BE PLACED ON A FUTURE AGENDA (NON-DISCUSSION ITEM)**

- *Consider purchasing and installing audio livestream and recording devices for all City Board, Commission and Committee (A-2) Ralph M. Brown Act applicable meetings (Councilmember Weigand)*

The straw vote to place this matter on a future agenda was approved 7-0.

PUBLIC COMMENTS ON CONSENT CALENDAR

Public comments included Jim Mosier, who suggested improvements to the ordinance relating to cost recovery percentages and noted a lack of transparency in how the adopted fee schedule specifies the chosen cost recovery percentage for various services.

IV. **CONSENT CALENDAR**

Councilmember Stapleton announced a conflict of interest on Item 8 due to real property interest at 4104/4110 MacArthur Boulevard and

recused himself from that item. No other conflicts were announced and no items were pulled for separate discussion.

The following ordinance was adopted and read by title only:

Ordinance No. 2026-04, An Ordinance of the City Council of the City of Newport Beach, California, Amending Newport Beach Municipal Code Section 3.36.030 Related to Cost Recovery Percentages.

Mayor Pro Tem Blom moved, seconded by Councilmember Stapleton, to approve the Consent Calendar, with noted minutes changes and Councilmember Stapleton's recusal on Item 8. The motion carried by unanimous vote. The motion carried by the following vote:

Ayes: Councilmember Barto, Mayor Pro Tem Blom, Councilmember Grant, Mayor Kleiman, Councilmember Stapleton, Councilmember Weber, and Councilmember Weigand

1. Approval of Minutes for the May 12, 2026, City Council Meeting.

ORDINANCES FOR ADOPTION

2. Ordinance No. 2026-04: Amending Newport Beach Municipal Code Section 3.36.030 Related to Cost Recovery Percentages

CONTRACTS AND AGREEMENTS

3. Fiscal Year 2025-2026 Citywide Park Fence Rehabilitation - Notice of Completion for Contract No. 9837-1 (25P02)
4. Amendment No. One to Professional Services Agreement with MissionSquare Retirement for Retirement Health Savings Plan Recordkeeping, Administration, and Claims Processing Services - One-Year Term Extension (Contract No. C-7279-2)
5. Increase Purchase Order Amount with Mueller Systems for As-Needed Water Meters
6. On-Call Professional Services Agreement for Animal Care Medical Services

7. General Liability Third Party Administrator - Approval of Professional Services Agreement with George Hills Company, Inc.
8. MacArthur Boulevard Pavement Rehabilitation and Median Improvements - Award of Contract No. 9431-2 (24R13)

MISCELLANEOUS

9. Set Public Hearing Date to Adopt Fiscal Year 2026-2027 Budget
10. Third Quarter Budget Update
11. Planning Commission Agenda for the May 21, 2026, Meeting

ACTION: MOVE AFFIRMATIVE ACTION OF THE CONSENT CALENDAR, EXCEPT FOR THOSE ITEMS REMOVED

ITEMS REMOVED FROM THE CONSENT CALENDAR

No items were removed from the consent calendar.

v. PUBLIC HEARINGS

12. **Ordinance No. 2026-5: Amending Title 21 of the Newport Beach Municipal Code, and Resolution No. 2026-30: Implementing the Housing Element and Establishing the Housing Opportunity (HO) Overlay Coastal Zoning District (PA2022-0245)**

No staff report was requested. The public hearing was opened.

Jim Mosher commented that while the coastal overlay program has been certified by the Coastal Commission and approved by HCD, courts have found it does not fully comply with Government Code affordable housing requirements, and that the city is unlikely to meet its RHNA quota under the current plan without careful tracking of the affordable percentage of remaining entitled units.

The public hearing was closed.

Mayor Pro Tem Blom moved, seconded by Councilmember Weber, to find that all potential environmental effects for the amendment have been adequately

addressed in the previously certified Final Program Environmental Impact Report identified by State Clearinghouse Number 2023060699, and the City Council of the City of Newport Beach intends to use said document for the approval of the Local Coastal Program Amendment; Adopt Resolution No. 2026-30, A Resolution of the City Council of the City of Newport Beach, California, Approving an Amendment to the Coastal Land Use Plan, as Modified by the California Coastal Commission, to Incorporate Updates for Consistency with the Adopted and Certified 6th Cycle Housing Element (PA2022-0245); and Introduce Ordinance No. 2026-05, An Ordinance of the City Council of the City of Newport Beach, California, Approving an Amendment to Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code, as Modified by the California Coastal Commission, to Establish the Housing Opportunity (HO) Overlay Coastal Zoning District (PA2022-0245 & PA2024-0205), and pass to second reading on June 9, 2026. The motion carried by the following vote:

Ayes: Councilmember Barto, Mayor Pro Tem Blom, Councilmember Grant, Mayor Kleiman, Councilmember Stapleton, Councilmember Weber, and Councilmember Weigand

13. Resolution No. 2026-31: Community Development Block Grant - 2026-2027 Annual Action Plan

No staff report was requested. The public hearing was opened and closed with no public comment.

Mayor Pro Tem Blom moved, seconded by Councilmember Weigand to a) Find the approval of the 2026-2027 Annual Action Plan exempt from the National Environmental Policy Act (NEPA) pursuant to 24 CFR Part 58, Section 58.34; Find the approval of the 2026-2027 Annual Action Plan exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and Section 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; Adopt Resolution No. 2026-31, A Resolution of the City Council of the City of Newport Beach, California, Approving the 2026-2027 Annual Action Plan for the Allocation of the Federal Community Development Block Grant Program Funds for Fiscal Year 2026-2027; and Authorize the City Manager to: Proportionally adjust appropriations to specific programs and projects as necessary to conform with the final 2026-2027 formula grant allocation of CDBG funds

from HUD if the appropriation is more or less than \$409,157; Submit the 2026-2027 Annual Action Plan to HUD; Execute the 2026-2027 CDBG Program Grant Agreement and all related documents on behalf of the City of Newport Beach; Execute all sub-recipient agreements with the non-profit organizations receiving allocations of CDBG funds in the 2026-2027 Action Plan; and Authorize the Community Development Director, or his designee, to be the official representative of the City of Newport Beach, administer the 2026-2027 Annual Action Plan and submit required environmental documentation to HUD for CDBG projects. The motion carried by the following vote:

Ayes: Councilmember Barto, Mayor Pro Tem Blom, Councilmember Grant, Mayor Kleiman, Councilmember Stapleton, Councilmember Weber, and Councilmember Weigand

14. Ordinance No. 2026-06: Amending Title 5 (Business Licenses and Regulations) and Title 20 (Planning and Zoning) for Tobacco Retailer Businesses and Cigar Lounges

Associate Planner Oscar Orozco presented the proposed ordinance, summarizing the regulatory history: a 45-day moratorium on new tobacco retailers adopted in September 2025, subsequently extended through September 2026, and a Planning Commission recommendation in March 2026 with suggested edits now incorporated. The ordinance establishes an annual, non-transferable tobacco retailer permit, prohibits self-service displays, enforces existing bans on flavored tobacco and nitrous oxide, and requires minimum separation distances of 1,000 feet between tobacco retailers and 500 feet from schools, parks, hospitals, libraries, and residential zones. Ten currently existing businesses that would not meet the new distance requirements are designated as legal non-conforming uses, provided they maintain continuous operations and obtain permits within 60 days of the effective date. A new cigar lounge land use category is established, permissible only in the Office Airport and Regional Commercial Office zones, with a 21+ requirement, fire sprinklers, adequate ventilation, and a 1,000-foot separation requirement between cigar lounges.

Adam Leverenz asked whether the ordinance creates an effective cap on the number of tobacco retailers or allows for new permits.

Jim Mosher raised concerns about the ordinance's definitional precision, suggesting that terms such as "tobacco related" are undefined and that the interaction with housing overlay zones creates ambiguity regarding future non-conforming status.

Mayor Kleiman noted prior enforcement difficulties with smoke shops in Corona del Mar that were selling illegal substances and tobacco to minors and expressed support for the ordinance's permit-based approach. She proposed modifying the enforcement provisions to allow suspension of up to 180 days for a first violation and mandatory revocation upon a second violation, in place of the three-tier system proposed by staff. City Attorney's Office staff confirmed the modification was appropriate and consistent with staff's intent to provide enforcement discretion.

Mayor Kleiman moved, seconded by Councilmember Weber to Find this project categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 21080.17 of the Public Resources Code and pursuant to Section 15061(b)(3), the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment; Introduce Ordinance No . 2026-06, An Ordinance of the City Council of the City of Newport Beach, California, Adding Chapter 5.55 (Tobacco Retailer Businesses) to Title 5 (Business Licenses and Regulations) and Amending Title 20 (Planning and Zoning) of the Newport Beach Municipal Code Related to Operation of New Tobacco Retailer Businesses and the Relocation or Physical Expansion of Existing Tobacco Retailer Businesses, Also Known as Smoke Shops, with the enforcement modifications of up to 180-day suspension for a first violation and mandatory revocation for a second violation, passing to second reading on June 9, 2026. The motion carried by the following vote:

Ayes: Councilmember Barto, Mayor Pro Tem Blom, Councilmember Grant, Mayor Kleiman, Councilmember Stapleton, Councilmember Weber, and Councilmember Weigand

VI. MOTION FOR RECONSIDERATION

No motions for reconsideration were offered.

PUBLIC COMMENTS ON CLOSED SESSION

There were no comments on Closed Session.

VII. CLOSED SESSION

Councilmember Weigand announced a recusal due to extreme bias.

A. CONFERENCE WITH LEGAL COUNSEL

EXISTING LITIGATION

Government Code § 54956.9 (d)(1): 1 matter.

Steven Shulman v. City of Newport Beach

WCAB Case Nos. ADJ7917346 and ADJ8398388

CLOSED SESSION REPORT

City Attorney Aaron C. Harp reported no action taken in closed session.

ADJOURNMENT - In Memory of Judy Ware

Councilmember Robyn Grant delivered a tribute to Judy Ware, co-founder of Ware Disposal, a longtime Newport Beach resident and trailblazer in Southern California's waste and recycling industry, who passed away recently. The meeting was adjourned in her memory at 6:02 p.m.