August 26, 2025 Agenda Item No. 8

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Ordinances Nos. 2025-15 and 2025-16: Newport Beach Municipal

Code Amendments Related to Short Term Lodging (PA2023-0116)

ABSTRACT:

For the City Council's consideration is the adoption of Ordinances Nos. 2025-15 and 2025-16, which amend Chapter 5.95 (Short Term Lodging Permit) and Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code (NBMC) regarding the permitting and operation of short term lodging within the MU-W2 (Mixed-Use Water) and MU-CV/15th Street (Mixed-Use Cannery Village and 15th Street) zoning districts. These ordinances were introduced and considered at the July 22, 2025, City Council meeting.

RECOMMENDATIONS:

- a) Find the amendments exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15060(c)(2) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, which states that an activity is not subject to CEQA if "[t]he activity will not result in a direct or reasonably foreseeable indirect physical change in the environment";
- b) Conduct second reading and adopt Ordinance No. 2025-15, An Ordinance of the City Council of the City of Newport Beach, California, Approving a Code Amendment to Chapter 5.95 (Short Term Lodging Permit) of the Newport Beach Municipal Code to Ensure Consistency with the Local Coastal Program Amendment Related to Short Term Lodging (PA2023-0116), and
- c) Conduct second reading and adopt Ordinance No. 2025-16, An Ordinance of the City Council of the City of Newport Beach, California, Approving a Local Coastal Plan Amendment Amending Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code as Modified by the California Coastal Commission Related to Short Term Lodging (PA2023-0116).

DISCUSSION:

The proposed amendments would establish regulations and eligibility requirements authorizing the permitting of short term lodging within the MU-W2 (Mixed-Use Water) and MU-CV/15th Street (Mixed-Use Cannery Village and 15th Street) zoning districts. They would also change the maximum cap of short-term lodging permits from 1,550 permits citywide to 1,475 permits in residential districts; and 75 permits within the MU-W2 and MU-CV/15th Street zoning districts.

The City Council adopted Resolution No. 2023-83 on November 28, 2023, authorizing the submittal of a Local Coastal Program (LCP) Amendment authorizing the change in permitting to the California Coastal Commission (CCC) for review and approval. The resolution specified the LCP Amendment shall not become effective until approval by the CCC and adoption, including any modifications suggested by the CCC, by resolution(s) and/or ordinance(s) of the City Council.

On May 7, 2025, the CCC approved the LCP Amendment with suggested modifications.

At the July 22, 2025, City Council meeting, the City Council held a public hearing to consider the CCC suggested modifications and unanimously voted to accept the suggested modifications and introduced Ordinance Nos. 2025-15 and 2025-16. No further amendments were requested. If the ordinance is adopted, the item will be sent back to the CCC for final acceptance.

FISCAL IMPACT:

There is no fiscal impact related to this item.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to Section 15060(c)(2) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, which states that an activity is not subject to CEQA if "[t]he activity will not result in a direct or reasonably foreseeable indirect physical change in the environment". The Code Amendment would allow existing residential dwelling units in mixed-use zones to be used as short-term lodging. The Code Amendment would not authorize new development that would result in a physical change in the environment

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENTS:

Attachment A – Ordinance No. 2025-15 (Chapter 5.95)

Attachment B – Ordinance No. 2025-16 (Title 21 Amendment)