

Attachment A

Ordinance No. 2026-04

ORDINANCE NO. 2026-__

**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**

WHEREAS, Section 200 of the City of Newport Beach ("City") Charter vests the City Council with the authority to make and enforce all laws, rules and regulations with respect to municipal affairs subject only to the restrictions and limitations contained in the Charter and the State Constitution, and the power to exercise, or act pursuant to any and all rights, powers, and privileges, or procedures granted or prescribed by any law of the State of California;

WHEREAS, the City funds certain municipal services, which are typically performed without request by the user, that benefit the public generally and are traditionally funded by tax revenue;

WHEREAS, the City performs other services which are funded, in whole or in part, by a person requesting the service;

WHEREAS, Subsection (A) of Section 3.36.030 (Cost Recovery Percentages) of the Newport Beach Municipal Code ("NBMC") provides the cost recovery for user service fees specifically requested by a person shall be at one hundred percent (100%), unless the amount is modified by Exhibit A to Section 3.36.030 (Cost Recovery Percentages) of the NBMC ("Exhibit A");

WHEREAS, the Administrative Services Department conducts regular fee studies and makes recommendations to the City Council regarding adjustments that may be made to the cost recovery amounts provided in Exhibit A, to ensure compliance with the law, consistency with current practices, and the maintenance of a high level of customer services for our residents;

WHEREAS, any instances with reference to Finance Director in Section 3.36.030 have been updated to reflect the title of Administrative Services Director/Treasurer;

WHEREAS, on April 16, 2026, the proposed revisions to Exhibit A were presented to the City's Finance Committee; and

WHEREAS, City staff recommends the City Council adopt the proposed revisions to Exhibit A.

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

Section 1: Section 3.36.030 (Cost Recovery Percentages) and its Exhibit A of the NBMC, are hereby amended to read as follows:

A. The municipal functions the City Council has determined to be user services and for which the City Council has initially determined the actual costs and the appropriate cost recovery percentage are described in the fee resolution. The cost recovery percentage appropriate for each user service shall be one hundred (100) percent with the exception of the user services listed in Exhibit "A" and those services for which the fee is limited by statute. The City Council may include in the fee resolution a schedule to phase in specific fee increases over a period not to exceed five years.

B. The City Council shall establish, pursuant to the fee resolution, the actual fee or charge for each user service described in the fee resolution. The fee or charge shall be based upon the actual cost of providing the user service, multiplied by the relevant cost recovery percentage.

C. The City Council may, without amending this chapter, modify (increase or decrease) the fee resolution to amend the amount of any fee or charge for, and the actual cost of providing, any user service upon a determination that there has been an increase or decrease in one or more of the cost factors relevant to the calculation of the actual cost of providing that service.

D. The City Council may modify the municipal functions determined to be user services in the fee resolution and the cost recovery percentage for any service only by amending this chapter.

E. Fees for service established in the fee resolution may be waived by:

1. The City Council;
2. The City Manager, up to an amount not to exceed one thousand dollars (\$1,000.00), per occurrence, for fees imposed on nonprofit organizations for nonprofit sponsored events; or
3. The City Manager or the Administrative Services Director/Treasurer up to an amount not to exceed five thousand dollars (\$5,000.00), per occurrence, if the City Manager or Administrative Services Director/Treasurer determines that the imposition of the fee would exceed the actual cost to the City or would result in duplicative fees for services rendered.

Exhibit A

The City’s cost of providing the following services shall be recovered through direct fees charged for services. Exhibit “A” limits cost recovery fees to the percentages or dollar amounts indicated below.

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
All Departments	
Appeals—For Any User Services Appeal Not Otherwise Specified—Appellant Successful	0%
Appeals—For Any User Services Appeal Not Otherwise Specified—Appellant Unsuccessful	50%
Administrative Services Department	
Admin. Cite Hearings	0%
Parking Hearings	0%
Short Term Lodging Permit Suspension or Revocation Hearing—Appellant Successful	0%
Short Term Lodging Permit Suspension or Revocation Hearing—Appellant Unsuccessful	50%
Zero Bill Reprint	0%
Community Development Department	
Building	

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Appeals Board Hearing—Appellant Successful	0%
Appeals Board Hearing—Appellant Unsuccessful	50%
Harbor Construction	50%
Preliminary Plan Review	First Two Hours Free, Full Cost Thereafter
Planning	
Appeals to City Council or Planning Commission—Appellant Successful	0%
Appeals to City Council or Planning Commission—Appellant Unsuccessful	50%
Coastal Development Permit Application Appeals from Zoning Administrator to Planning Commission	0%
General Plan Maintenance Fee	12%
Reasonable Accommodation	0%
Fire Department	
Emergency Medical Services	
Advanced Life Support (ALS)—Nontransport	\$450
Basic Life Support (BLS)—Nontransport	\$450

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
ALS First Responder Fee	\$450
BLS First Responder Fee	\$450
Lifeguard Operations & Junior Lifeguards Program	
Junior Lifeguards Program Participant Fee	85% of the FY 26/27 Fee effective July 1, 2026. A six percent (6%) adjustment shall occur to the Junior Guard Participant Fee on July 1, 2027, and each year thereafter until the full cost of service is reached. The underlying cost of service used to calculate the Junior Lifeguard Participant Fee shall be adjusted annually by CPI beginning on July 1, 2027.
Harbor Department	
Chapter <u>17.65</u> Appeal—Appellant Successful	0%
Chapter <u>17.65</u> Appeal to City Council or Harbor Commission—Appellant Unsuccessful	50%
Deposit/Late Cancellation Fee for Use of Human Lift—Marina Park	0%
Deposit/Late Cancellation Fee for Use of	0%

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Human Lift—Balboa Marina PD	
Library Services Department	
Black and White Copies from Self-Service Copier or Printer	\$0.15
Color Copies from Self-Service Copiers or Printers	\$0.45
Use Fees—Materials	\$1
Inter-Library Loan	\$5
Police Department	
Citation Sign-off	\$10
Fingerprinting—City Portion	\$30
Registrant—Narcotics	0%
Registrant—Sex	0%
Animal Shelter	
Adoption Fee—Puppies	\$225
Adoption Fee—Senior Dog—Animal Over Eight (8) Years Old	\$70
Adoption Fee—Dog—All Other	\$150
Adoption Fee—Kittens	\$110

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Adoption Fee—Senior Cat—Animal Over Eight (8) Years Old	\$70
Adoption Fee—Cat—All Other	\$90
Adoption Fee—Small Animals	\$45
Boarding Fee (per day)—Animals	\$25
Boarding Fee (per day)—Small Animals	\$10
Owner Turn-In Fee— Altered Animal	\$100
Owner Turn-In Fee—Unaltered Animal	\$200
Impound Fee—Dogs, Cats, Other Similar Size Animals	\$70
Public Works Department	
Chapter <u>17.65</u> Appeal—Appellant Successful	0%
Chapter <u>17.65</u> Appeal to City Council or Harbor Commission—Appellant Unsuccessful	50%
Recreation and Senior Services Department	
Adult Sports	50%—95%
Administrative Processing Fee	\$5
Badge Replacement	\$5

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
After School/Camp Programs	
Camps	20%—50%
After-School/Teen Program	20%—50%
Preschool Program	20%—50%
Aquatics	20%—50%
Contract Classes	50%—95%
Class Refunds	
\$74 or less	\$10
\$75 or more	\$20
Youth Sports	20%—50%
Special Events—Levels 1, 2, and 3	
Resident, Level 1 and Late Fees for Level 1	0%—20%
Resident, Levels 2—3 and Late Fees for Levels 2—3	20%—50%
Nonresident, Levels 1—2 and Late Fees for Level 1	20%—50%
Nonresident, Level 3 and Late Fees for Levels 2—3	50%—95%
Appeal to City Council—Appellant	0%

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Successful	
Appeal to City Council—Appellant Unsuccessful	50%—95%
Natural Resources Programs	0%—20%
Senior Services	
OASIS Transportation	\$1—\$3 each way
Contract Classes	20%—50%
Fitness Center	50%—95%
Utilities Department	
Construction Water Meter Establishment	50%
Fats, Oils, and Grease (FOG) Annual Permit	0%
City Council, Board, Commission, Committee or Any Individual Member Thereof When Acting Within the Scope of Their Official Duties	
Review from a Lower Body or Official	\$0

Section 2: The recitals provided in this ordinance are true and correct and are incorporated into the substantive portion of this ordinance.

Section 3: If any section, subsection, sentence, clause or phrase of this ordinance 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 ordinance. The City Council hereby declares that it would have passed this ordinance 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 4: The City Council finds the introduction and adoption of this ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 5: Except as expressly modified in this ordinance, all other sections, subsections, terms, clauses and phrases set forth in the Newport Beach Municipal Code shall remain unchanged and shall be in full force and effect.

Section 6: The Mayor shall sign and the City Clerk shall attest to the passage of this ordinance. The City Clerk shall cause the ordinance, or a summary thereof, to be published pursuant to City Charter Section 414. This ordinance shall be effective thirty (30) calendar days after its adoption.

This ordinance was introduced at a regular meeting of the City Council of the City of Newport Beach held on the 12th day of May, 2026, and adopted on the 26th day of May, 2026, by the following vote, to-wit:

AYES: _____

NAYS: _____

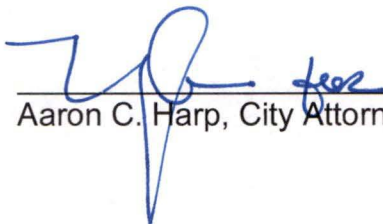
ABSENT: _____

Lauren Kleiman, Mayor

ATTEST:

Lena Shumway, City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE



Aaron C. Harp, City Attorney