

Attachment A

Ordinance No. 2025-15 (Chapter 5.95)

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)

WHEREAS, Section 200 of the City Charter, of the City of Newport Beach ("City"), 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 City 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, Section 20.66.020 (Initiation of Amendment) of the Newport Beach Municipal Code ("NBMC") provides that the Planning Commission or the City Council of the City of Newport Beach ("City Council") may initiate an amendment to Title 20 (Planning and Zoning) ("Title 20") of the Newport Beach Municipal Code ("NBMC");

WHEREAS, the City Council directed the Planning Commission to identify opportunities to modify Titles 20 ("Code Amendment") and 21 ("LCP Amendment") of the NBMC on May 23, 2023, effectively initiating amendments, to facilitate new visitor serving accommodation opportunities within the Mixed-Use Water (MU-W2) and Mixed-Use Cannery Village and 15th Street (MU-CV/15th St.) zoning districts;

WHEREAS, the Planning Commission discussed the Code Amendment and LCP Amendment on June 22, 2023, to facilitate new visitor serving accommodations;

WHEREAS, the Planning Commission held a public hearing on October 19, 2023, in the City Council Chambers, located at 100 Civic Center Drive, Newport Beach, California. A notice of time, place and purpose of the hearing was given in accordance with California Government Code Section 54950 *et seq.* ("Ralph M. Brown Act") and Chapter 20.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this hearing;

WHEREAS, at the conclusion of the hearing, the Planning Commission adopted Resolution No. PC2023-037 by a majority vote (3 ayes, 1 nay) recommending approval of the Code Amendment and LCP Amendment to the City Council;

WHEREAS, the City Council held a duly noticed public hearing on November 28, 2023, 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 Chapters 20.62 (Public Hearings) and 21.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to, and considered by, the City Council at this public hearing;

WHEREAS, the City Council adopted Resolution No. 2023-83 on November 28, 2023, authorizing submittal of the LCP Amendment filed as PA2023-0116 to the Coastal Commission by a unanimous vote (6 ayes, 0 nays) amending Title 21 (Local Coastal Program Implementation Plan) of the NBMC related to short term lodging regulations for properties within the coastal zone;

WHEREAS, the City Council also adopted Ordinance No. 2023-23 on December 12, 2023, amending Chapter 5.95 (Short Term Lodging Permit) and Title 20 (Planning and Zoning) of the NBMC, which is attached hereto as Exhibit "A," and incorporated herein by reference, implementing the Code Amendment, however, the Code Amendment does not take effect until certification of the LCP Amendment by the California Coastal Commission;

WHEREAS, subsequent to that, the City Council adopted Ordinance No. 2025-4 on March 11, 2025, amending Sections 5.95.042 (Maximum Number of Permits), Section 5.95.043 (Transfer of Permit), and Section 5.95.065 (Suspensions and Revocations) of Chapter 5.95 (Short Term Lodging Permit), which is attached hereto as Exhibit "B," and incorporated herein by reference, to update administrative procedures related to short term permits which took effect on April 10, 2025;

WHEREAS, the California Coastal Commission denied the LCP Amendment as submitted at its May 7, 2025, hearing and approved it with suggested modifications (LCP-5-NPB-24-0004-1 Part A) that require a revision to Section 5.95.042 (Maximum Number of Permits), for consistency with Title 21;

WHEREAS, it is necessary to amend Chapter 5.95 (Short Term Lodging Permit) to incorporate the California Coastal Commission modifications to the LCP Amendment as well as create consistency with Ordinance No. 2025-4; and

WHEREAS, the City Council held a hearing on July 22, 2025, in the Council Chambers located at 100 Civic Center Drive, Newport Beach, California. A notice of time, place and purpose of the hearing was given in accordance with the Ralph M. Brown Act. Evidence, both written and oral, was presented to, and considered by, the City Council at this public hearing.

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

Section 1: The City Council hereby approves the amendments to Chapter 5.95 (Short Term Lodging Permit) of the Newport Beach Municipal Code as set forth in Exhibit "C," and supported by the findings set forth in Exhibit "D," both of which are attached hereto and incorporated herein by reference.

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, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases may be declared invalid or unconstitutional.

Section 4: The City Council of the City of Newport Beach finds the introduction and adoption of this ordinance 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.

Section 5: This ordinance, shall not become effective until thirty days after adoption and until the Executive Director of the Coastal Commission certifies that this ordinance complies with the Coastal Commission's May 7, 2025, action on LCP Amendment Request No. LCP-5-NPB-24-0004-1 Part A (STRs in Mixed Use Zones).

Section 6: 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 7: 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 and shall become final and effective as provided in Section 5 of this ordinance.

This ordinance was introduced at a regular meeting of the City Council of the City of Newport Beach held on the 22nd day of July 2025, and adopted on the 26th day of August 2025, by the following vote, to-wit:

AYES: _____

NAYS: _____

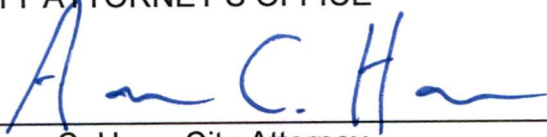
ABSENT: _____

Joe Stapleton, Mayor

ATTEST:

Molly Perry, Interim City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE



Aaron C. Harp, City Attorney

Attachments: Exhibit A – Ordinance No. 2023-23
Exhibit B – Ordinance No. 2025-4
Exhibit C – Code Amendment
Exhibit D – Findings in Support of Code Amendment

EXHIBIT “A”

ORDINANCE NO. 2023-23

ORDINANCE NO. 2023-23

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) AND TITLE 20 (PLANNING AND ZONING) OF THE NEWPORT BEACH MUNICIPAL CODE RELATED TO SHORT TERM LODGING (PA2023-0116)

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, Section 20.66.020 (Initiation of Amendment) of the Newport Beach Municipal Code ("NBMC") provides that the Planning Commission or the City Council of the City of Newport Beach ("City Council") may initiate an amendment to Title 20 (Planning and Zoning) ("Title 20") of the Newport Beach Municipal Code ("NBMC");

WHEREAS, on May 23, 2023, the City Council directed the Planning Commission to identify opportunities to modify Titles 20 and 21 of the NBMC, effectively initiating amendments, to facilitate new visitor serving accommodation opportunities within the Mixed-Use Water (MU-W2) and Mixed-Use Cannery Village and 15th Street (MU-CV/15th St.) zoning districts ("Code Amendment");

WHEREAS, on June 22, 2023, the Planning Commission discussed amendments to Titles 20 and 21 to facilitate new visitor serving accommodations;

WHEREAS, the Planning Commission held a public hearing on October 19, 2023, in the City Council Chambers, located at 100 Civic Center Drive, Newport Beach, California. A notice of time, place and purpose of the hearing was given in accordance with California Government Code Section 54950 *et seq.* ("Ralph M. Brown Act") and Chapter 20.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this hearing;

WHEREAS, at the conclusion of the hearing, the Planning Commission adopted Resolution No. PC2023-037 by a majority vote (3 ayes, 1 nay) recommending approval of the Code Amendment to the City Council; and

WHEREAS, the City Council held duly noticed public hearing on November 28, 2023, in the City 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 20.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to, and considered by, the City Council at this public hearing.

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

Section 1: The City Council of the City of Newport Beach does hereby approve Code Amendment No. PA2023-0116 to amend Chapter 5.95 (Short Term Lodging Permit) and Title 20 (Planning and Zoning) of the Newport Beach Municipal Code as set forth in Exhibit "A," and supported by the findings set forth in Exhibit "B," both of which are attached hereto and incorporated herein by reference.

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, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases may be declared invalid or unconstitutional.

Section 4: The City Council of the City of Newport Beach finds the introduction and adoption of this ordinance 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.

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. This ordinance shall take effect upon certification of Local Coastal Program Amendment No. PA2023-0116 by California Coastal Commission. The City Clerk shall cause the ordinance, or a summary thereof, to be published pursuant to City Charter Section 414.

This ordinance was introduced at a regular meeting of the City Council of the City of Newport Beach held on the 28th day of November 2023, and adopted on the 12th day of December 2023, by the following vote, to-wit:

AYES: Mayor Pro Tem O'Neill, Councilmember Avery, Councilmember Grant, Councilmember Kleiman, Councilmember Stapleton, and Councilmember Weigand

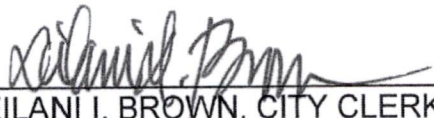
NAYS: _____

RECUSED: Mayor Blom _____



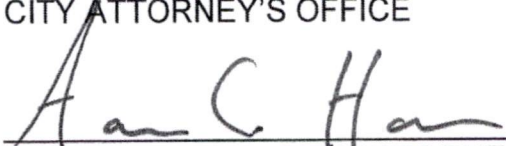
NOAH BLOM, MAYOR

ATTEST:



LEILANI I. BROWN, CITY CLERK

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE



AARON C. HARP, CITY ATTORNEY

Attachments: Exhibit A – Code Amendment No. PA2023-0116
Exhibit B – Findings in Support of Code Amendment No. PA2023-0116

EXHIBIT “A”

CODE AMENDMENT NO. PA2023-0116

Section 1: The Table of Contents of Chapter 5.95 (Short Term Lodging Permit) of the Newport Beach Municipal Code is hereby amended to read as follows:

Chapter 5.95 SHORT TERM LODGING PERMIT

Sections:

- 5.95.005 Purpose and Findings.**
- 5.95.010 Definitions.**
- 5.95.015 Properties Eligible for Short Term Lodging Permits.**
- 5.95.020 Permit Required.**
- 5.95.025 Agency.**
- 5.95.030 Application for Permit.**
- 5.95.035 Denial of Permit.**
- 5.95.040 Filing Fee.**
- 5.95.042 Maximum Number of Permits.**
- 5.95.043 Transfer of Permit.**
- 5.95.045 Conditions.**
- 5.95.047 Violations of Permit Conditions by Transient User, Occupant or Guest.**
- 5.95.050 Agents and Hosting Platform Responsibilities.**
- 5.95.055 Issuance of Administrative Subpoenas.**
- 5.95.065 Suspensions and Revocations.**
- 5.95.070 Permits and Fees Not Exclusive.**
- 5.95.080 License and Permit Closure.**

Section 2: Subsection (B) of Section 5.95.005 (Purpose and Findings) of the Newport Beach Municipal Code is hereby amended to read as follows:

B. Over a thousand dwelling units within residential zones near the City's beaches and harbor are rented for thirty (30) consecutive days or less with the vast majority of those rentals occurring during the summer when the demand for parking and City services is the greatest.

Section 3: Subsection (C) of Section 5.95.005 (Purpose and Findings) of the Newport Beach Municipal Code is hereby amended to read as follows:

C. Many of the occupants of short term lodging units are permanent residents of areas distant from Newport Beach and the City has no effective way to prevent occupants from continuing to violate provisions of this Code and the Cal. Pen. Code relating to noise, disturbances and disorderly conduct. The only effective way to minimize the problems associated with occupancy of short term lodging units is to impose responsibility on the owner of the property, either personally or through an agent, to control the conduct of guests and occupants.

Section 4: Subsection (L) of Section 5.95.005 (Purpose and Findings) of the Newport Beach Municipal Code is hereby amended to read as follows:

L. The restrictions of this chapter are necessary to preserve the City's housing stock, the quality and character of the City's residential neighborhoods and mixed-use areas as well as to prevent and address the impacts on residential neighborhoods posed by short term lodgings.

Section 5: Subsection (M) of Section 5.95.005 (Purpose and Findings) of the Newport Beach Municipal Code is hereby added to read as follows:

M. With appropriate restrictions, certain mixed-use zones present an opportunity to accommodate tourists while protecting the City's residential zones.

Section 6: Section 5.95.010 (Definitions) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.010 Definitions.

For the purpose of this chapter, the following definitions shall apply:

A. "Accessory dwelling unit" shall have the same definition as set forth in Chapter 20.70.

B. "Agent" shall mean any person who is authorized in writing by the owner to represent and act for an owner.

- C. "Booking transaction" shall mean any reservation or payment service provided by a person who facilitates a short term lodging rental transaction between a transient user and owner for the use of a unit for a period of thirty (30) consecutive days or less.
- D. "Gross floor area" shall mean the area of the lodging unit that includes the surrounding exterior walls and any interior finished portion of a structure that is accessible and that measures more than six (6) feet from finished floor to ceiling. Stairwells and elevator shafts above the first (1) level shall be excluded from the calculation of gross floor area.
- E. "Home-sharing" shall mean an activity whereby the owner hosts a transient user in the owner's lodging unit, for compensation, for periods of less than thirty (30) consecutive calendar days, during which time the owner of the unit lives on site, in the unit, throughout the transient user's stay and the owner, the transient user and any other occupants live together in the same unit as a single housekeeping unit.
- F. "Hosting platform" shall mean a person, other than an owner or agent, who participates in the short term lodging business by facilitating a booking transaction using any medium of facilitation.
- G. "Lodging unit" or "unit" shall mean a "dwelling unit" as that term is defined in Chapter 20.70. An accessory dwelling unit shall not be considered a lodging unit or unit for purposes of this chapter.
- H. "Multi-use area" shall mean those areas of the City designated by Title 20 and Title 21 as Mixed-Use Water (MU-W2) and Mixed-Use Cannery Village and 15th Street (MU-CV/15th St.).
- I. "Owner" shall mean the person(s) that hold(s) legal and/or equitable title to the lodging unit.
- K. "Residential district" shall mean those areas of the City so designated by Title 20 as well as any other area in the City designated for a residential use as part of a planned community development plan, specific area plan or planned residential district.
- J. "Short term" shall mean a lodging unit that is rented or leased as a single housekeeping unit for a period of thirty (30) consecutive days or less. This also includes home-sharing.
- L. "Short term lodging unit registry" shall mean the published registry maintained by the City that sets forth a list of all owners and the address of all units that have a valid short term lodging permit and business license with the City, a copy of which is available, without charge, to any person who requests a copy and which shall be accessible on the City's website.
- M. "Single housekeeping unit" shall have the same definition as set forth in Chapter 20.70.

N. "Transient" or "transient user" shall mean any person or persons who, for any period of thirty (30) consecutive days or less either at his or her own expense, or at the expense of another, obtains lodging in a lodging unit or the use of any lodging space in any unit, for which lodging or use of lodging space a charge is made.

Section 7: The title and contents of Section 5.95.015 (Residential Properties Eligible for Short Term Lodging Permits) of the Newport Beach Municipal Code are hereby amended to read as follows:

5.95.015 Properties Eligible for Short Term Lodging Permits.

Only properties in a residential district or multi-use area that are authorized under Titles 20 and 21 and this chapter shall be eligible for a short term lodging permit.

Subsequent to June 1, 2004, no annual permit shall be issued to or renewed for any dwelling unit on any parcel zoned for "Single-Unit Residential (R-1)" or that is designated for a single-family residential use as part of a planned community development plan, specific area plan or planned residential district, unless a permit has previously been issued for that lodging unit and the permit was not subsequently revoked.

Section 8: Section 5.95.020 (Permit Required) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.020 Permit Required.

No owner of a lodging unit shall advertise for rent or rent a lodging unit located within a residential district or multi-use area for a short term without a valid short term lodging permit for that unit issued pursuant to this chapter.

Section 9: Section 5.95.030 (Application for Permit) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.030 Application for Permit.

An application for an annual short term lodging permit, renewal of a short term lodging permit, reinstatement of a short term lodging permit or transfer of a short term lodging permit shall be filed with the Finance Director upon forms provided by the City.

A. An application for a new permit, renewal permit, the reinstatement of a permit or the transfer of a permit shall contain the following information:

1. The name, address and telephone number of the owner of the unit for which the short term lodging permit is to be issued.
2. The name, address and telephone number of the agent, if any, of the owner of the unit.

3. Evidence of a valid business license issued by the City for the separate business of operating a short term lodging unit or units.
4. The number of bedrooms in the lodging unit.
5. The gross floor area of the lodging unit.
6. The number of parking spaces available on site and a description indicating the location and size of each parking space.
7. A nuisance response plan, which sets forth the owner's plan for handling disruptive transient users.
8. A certification that the applicant has reviewed the covenants, conditions and restrictions, if any, and a short term use is permitted at the location pursuant to the terms of the covenants, conditions and restrictions, if any.
9. Acknowledgment of receipt and inspection of a copy of all regulations pertaining to the operation of a short term lodging unit.
10. Such other information as the Finance Director deems reasonably necessary to administer this chapter.

B. An application for the renewal of a short term lodging permit shall be filed within thirty (30) days of the short term lodging permit's expiration, or the short term lodging permit shall be deemed abandoned.

C. An application for the reinstatement of a short term lodging permit closed by the Finance Director pursuant to Section 5.95.080 shall be filed within thirty (30) days of the date the permit was closed by the Finance Director, or the short term lodging permit shall be deemed abandoned.

D. An application for the reinstatement of a previously suspended short term lodging permit shall be filed within thirty (30) days of the end of the suspension period, or the short term lodging permit shall be deemed abandoned.

E. If any application is deemed incomplete, which shall be determined in the sole discretion of the Finance Director, the application shall be completed within thirty (30) days of the service of notice that the application is incomplete, which shall be served in accordance with Section 1.08.080, or the application and any associated permit shall be deemed abandoned.

F. If good causes exist, as determined in the sole discretion of the Finance Director, the Finance Director may extend the deadlines set forth in subsections (B) through (E) of this section.

Section 10: Section 5.95.035 (Denial of Permit) of the Newport Beach Municipal Code is amended to read as follows:

5.95.035 Denial of Permit.

If permits are available for issuance, no timely application filed by an owner for an annual permit, renewal of a permit, reinstatement of a permit or transfer of a permit for a unit eligible to be used as a short term lodging unit, as provided for in Section 5.95.015 and this Code, shall be denied unless: the owner does not have a current valid business license; the owner has failed to pay transient occupancy tax, the visitor service fee, a penalty, a fine or inspection cost, due and owing to the City; the nuisance response plan is deemed inadequate by the Finance Director; the short term lodging permit for the same unit and issued to the same owner has been revoked, or the short term lodging permit is not eligible for reinstatement.

Section 11: Section 5.95.042 (Maximum Number of Permits) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.042 Maximum Number of Permits.

A. Except as provided in subsection (B), the maximum number of short term lodging permits in a residential district shall be limited to one thousand four hundred seventy-five (1,475) permits at any time. If there are more than one thousand four hundred seventy-five (1,475) valid permits in residential districts as of January 13, 2022, an owner shall be permitted to renew, reinstate, or transfer a valid permit in accordance with the provisions of this chapter; however, no new permit shall be issued to any person on the waiting list, as described in subsection (F) of this section, until the total number of residential district permits does not exceed one thousand four hundred seventy-five (1,475). To avoid wholesale conversion of existing and new housing complexes into short term lodgings within the residential district, multi-unit developments with five (5) or more units may permit a maximum of twenty (20) percent of the total number of units to be short term lodgings (rounded down to the nearest whole number).

B. The maximum number of short term lodging permits in the multi-use area shall be limited to seventy-five (75) permits. No new permit shall be issued to any person on the waiting list, as described in subsection (F) of this section, until the total number of multi-use area permits is less than seventy-five (75). Notwithstanding the foregoing, the seventy-five (75) permit maximum shall not apply to a short term lodging unit that was legally established as of November 25, 2010, on a lot within a Mixed-Use Coastal Zoning District provided the owner maintains a valid short term lodging permit that is not subsequently revoked or abandoned.

C. For purposes of calculating the maximum number of short term lodging permits available as provided in subsection (A) or (B) of this section, a permit shall be deemed valid and unavailable unless abandoned in accordance with Sections 5.95.030(B) through (F), and/or Section 5.95.043(B) or, if the short term lodging permit has been revoked and the time has run to seek administrative or judicial review of the decision.

D. An owner who has a short term lodging permit, or an owner seeking to reinstate a short term lodging permit that has not been abandoned in accordance with Sections 5.95.030(B) through (F), shall have priority to renew or reinstate the permit over anyone on the waiting list, as described in subsection (F) of this section.

E. An owner seeking to transfer a valid short term lodging permit that files an application within the time frames set forth in Section 5.95.043(A) shall have priority to transfer the permit over anyone on the waiting list, as described in subsection (F) of this section.

F. If the City has issued the maximum number of permits available, the City shall maintain a waiting list. An application for placement on the waiting list shall be submitted to the Finance Director, on a form approved by the Finance Director, and shall be accompanied by a fee established by resolution of the City Council. In the event a short term lodging permit becomes available, the Finance Director shall notify the person or persons next in order on the waiting list as provided for in Section 1.08.080. The notice shall specify that applications will be accepted for ten (10) days after the date of the notice, and that failure to apply within the ten (10) day period shall result in removal of the person or persons receiving notice from the waiting list. The City shall not be liable for a failure to notify any person or persons on the waiting list since placement on the list does not create any property right in any person or persons on the list nor any contractual obligation on the part of the City.

Section 12: Subsections A(19) through A(22) of Section 5.95.045 (Conditions) of the Newport Beach Municipal Code are hereby amended to read as follows:

19. The owner shall allow the City to inspect the short term lodging unit to confirm the number of bedrooms, gross floor area, and number/availability of parking spaces, seven (7) days after the City serves the owner with a request for inspection in accordance with Section 1.08.080. If, based on the inspection, it is determined that the information submitted to the City in accordance with Section 5.95.030 was false, in addition to any other remedy set forth in this chapter, the owner agrees that the owner shall be liable for the cost of conducting the inspection.

20. The owner shall provide the City with a copy of any written rental agreement(s) and the good neighbor policy, within seven (7) days after the City serves the owner with a notice of request for written rental agreements and the good neighbor policy in accordance with Section 1.08.080.

21. Neither an owner nor the owner's agent shall rent, let, advertise for rent, or enter into an agreement for the rental of any lodging unit, for less than two (2) consecutive nights.

22. The owner shall:

a. Require every transient user and guest of the transient user to comply with all State and local laws that regulate parking while staying at or visiting the short term lodging unit;

b. Require every transient user to provide the owner with the license plate number for all vehicles which are used by the transient user or the transient user's guest while staying at or visiting the short term lodging unit; and

c. Provide the City with the vehicle license plate number(s) for every vehicle which was used by the transient user or the transient user's guest while staying at or visiting the short term lodging, within seven (7) days after the City serves the owner with a notice of request for the vehicle license plate number(s) in accordance with Section 1.08.080.

Section 13: Section 5.95.055 (Issuance of Administrative Subpoenas) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.055 Issuance of Administrative Subpoenas.

The City Manager shall have the authority to issue and serve administrative subpoenas to the owner, agent or hosting platform, as necessary, to obtain specific information regarding short term rental listings located in the City, including but not limited to the names of the persons responsible for each such listing, the address of each such listing, the length of stay for each such listing and the price paid for each stay, to determine whether the short term rental listing complies with this chapter. Any subpoena issued pursuant to this section shall not require the production of information sooner than thirty (30) days from the date of service. A person that has been served with an administrative subpoena may seek judicial review during that thirty (30) day period. Failure to respond to an administrative subpoena in accordance with the terms set forth therein shall be punishable in accordance with Section 5.95.060 and the City may file a judicial action to compel compliance with the subpoena.

Section 14: Section 5.95.060 (Violations, Penalties and Enforcement) of the Newport Beach Municipal Code is hereby deleted in its entirety.

Section 15: Subsection A(3) of Section 5.95.065 (Suspensions and Revocations) of the Newport Beach Municipal Code is hereby amended to read as follows:

3. If a lodging unit that is subject to a short term lodging permit has been the location of two (2) or more loud or unruly gatherings, as defined in Chapter 10.66, while the lodging unit was occupied on a short term basis, within any twenty-four (24) month period, the permit may be suspended for a period of one (1) year or revoked in accordance with subsection (B) of this section. A loud or unruly gathering that occurred prior to the passage of fourteen (14) days from the mailing of notice to the owner in compliance with Section 10.66.030(D) shall not be included within the calculation of the two (2) or more loud or unruly gatherings required to revoke a short term lodging permit.

Section 16: Subsection (B) of Section 5.95.065 (Suspensions and Revocations) of the Newport Beach Municipal Code is hereby amended to read as follows:

B. Permits shall be suspended or revoked, only in the manner provided in this section.

1. The Finance Director shall investigate whenever he or she has reason to believe that an owner has submitted an application that contains false information or committed a violation of a permit condition, this Code, state or federal law related to a permitted unit. Such investigation may include, but is not limited to, on-site property inspections. Should the investigation reveal substantial evidence to support a finding that warrants a suspension or revocation of the short term lodging permit, the Finance Director shall issue written notice of intention to suspend or revoke the short term lodging permit. The written notice shall be served on the owner in accordance with Section 1.08.080, and shall specify the facts which, in the opinion of the Finance Director constitute substantial evidence to establish grounds for imposition of the suspension and/or revocation, and specify the proposed time the short term lodging permit shall be suspended and/or that the short term lodging permit shall be revoked within thirty (30) days from the date the notice is given, unless the owner files with the Finance Director, before the suspension and/or revocation becomes effective, a request for hearing before a hearing officer, who shall be retained by the City, and pays the fee for the hearing established by resolution of the City Council.

2. If the owner requests a hearing and pays the hearing fee, established by resolution of the City Council, within the time specified in subsection (B)(1) of this section, the Finance Director shall serve written notice on the owner, pursuant to Section 1.08.080, setting forth the date, time and place for the hearing. The hearing shall be scheduled not less than fifteen (15) days, nor more than sixty (60) days, from the date on which notice of the hearing is served by the Finance Director. The hearing shall be conducted according to the rules normally applicable to administrative hearings. At the hearing, the hearing officer will preside over the hearing, take evidence and then submit proposed findings and recommendations to the City Manager. The City Manager shall suspend or revoke the short term lodging permit only upon a finding that a violation has been proven by a preponderance of the evidence, and that the suspension or revocation is consistent with the provisions of this section. The City Manager shall render a decision within thirty (30) days of the hearing and the decision shall be final as to the City but subject to judicial review pursuant to Cal. Code Civ. Proc. Section 1094.5.

Section 17: Section 5.95.080 (License and Permit Closure) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.080 License and Permit Closure.

A. Any owner that has ceased operating a short term lodging unit shall inform the Finance Director in writing of the date of the last rental, and having done such, the short term lodging permit shall be closed. The City will send a final transient occupancy tax and visitor service fee bill, which will be due and payable thirty (30) days from the date of the invoice.

B. The Finance Director shall close any permit that has no short term lodging activity for a period of two (2) consecutive annual reporting periods as evidenced by the owner and/or agent remitting zero dollars (\$0.00) on the required transient occupancy tax and visitor service fee forms or the owner/agent failing to return these forms. After any permit closure pursuant to this subsection, the owner may reapply one (1) time for reinstatement of the short term lodging permit which shall be processed in accordance with Section 5.95.030. Any subsequent closure of the short term lodging permit pursuant to this subsection shall not be eligible for reinstatement.

Section 18: Rows entitled "Visitor Accommodations, Residential" and "Short Term Lodging" are hereby added to the "Residential Uses" section of Table 2-8 (Allowed Uses) of Section 20.22.020(C) (Mixed-Use Zoning Districts Land Uses and Permit Requirements) of the Newport Beach Municipal Code to read as follows:

TABLE 2-8 ALLOWED USES AND PERMIT REQUIREMENTS	Mixed-Use Zoning Districts Permit Requirements				
	P CUP MUP LTP —	Permitted by Right Conditional Use Permit (Section 20.52.020) Minor Use Permit (Section 20.52.020) Limited Term Permit (Section 20.52.040) Not Allowed *			
Land Use See Part 7 of this title for land use definitions. See Chapter 20.12 for unlisted uses.	MU-V	MU-MM (6)	MU-DW	MU- CV/15th St. (7)	Specific Use Regulations
Residential Uses					
Accessory Dwelling Units and Junior Accessory Dwelling Units	P	P	P	P	Section 20.48.200

TABLE 2-8 ALLOWED USES AND PERMIT REQUIREMENTS	Mixed-Use Zoning Districts Permit Requirements				
	P CUP MUP LTP —	Permitted by Right Conditional Use Permit (Section 20.52.020) Minor Use Permit (Section 20.52.020) Limited Term Permit (Section 20.52.040) Not Allowed *			
Land Use See Part 7 of this title for land use definitions. See Chapter 20.12 for unlisted uses.	MU-V	MU-MM (6)	MU-DW	MU- CV/15th St. (7)	Specific Use Regulations
Single-Unit Dwellings					
Located on 1st floor	—	—	—	P (3)	Section 20.48.130
Located above 1st floor	P (1)	—	—	P (3)	Section 20.48.130
Multi-Unit Dwellings					
Located on 1st floor	—	P (1)(2)	P (1)	P (3)	Section 20.48.130
Located above 1st floor	P (1)	P (1)(2)	P (1)	P (3)	Section 20.48.130
Two-Unit Dwellings					
Located on 1st floor	—	—	—	P (3)	Section 20.48.130
Located above 1st floor	P (1)	—	—	P (3)	Section 20.48.130
Home Occupations	P	P (1)	P	P	Section 20.48.130
Live-Work Units	P	P (1)(2)	P	P (3)	
Visitor Accommodations, Residential					
Short Term Lodging	—	—	—	P	Chapter 5.95

Section 19: Rows entitled "Visitor Accommodations, Residential" and "Short Term Lodging" are hereby added to the "Residential Uses" section of Table 2-9

(Allowed Uses) of Section 20.22.020(C) (Mixed-Use Zoning Districts Land Uses and Permit Requirements) of the Newport Beach Municipal Code to read as follows:

TABLE 2-9 ALLOWED USES AND PERMIT REQUIREMENTS	Mixed-Use Zoning Districts Permit Requirements		
	P	Permitted by Right	
	CUP	Conditional Use Permit (Section 20.52.020)	
	MUP	Minor Use Permit (Section 20.52.020)	
	LTP	Limited Term Permit (Section 20.52.040)	
	—	Not allowed *	
Land Use See Part 7 of this title for land use definitions. See Chapter 20.12 for unlisted uses.	MU-W1 (5)(6)	MU-W2	Specific Use Regulations
Residential Uses			
Accessory Dwelling Units and Junior Accessory Dwelling Units	P	P	Section 20.48.200
Single-Unit Dwellings			
Located on 1st floor	—	—	
Located above 1st floor	P (1)	P (2)	Section 20.48.130
Multi-Unit Dwellings			
Located on 1st floor	—	—	
Located above 1st floor	P (1)	P (2)	Section 20.48.130
Two-Unit Dwellings			
Located on 1st floor	—	—	
Located above 1st floor	P (1)	P (2)	
Home Occupations	P	P (2)	Section 20.48.110
Visitor Accommodations, Residential			
Short Term Lodging	—	P	Chapter 5.95

Section 20: Subsection A(3)(f) of Section 20.38.060 (Nonconforming Parking) of the Newport Beach Municipal Code is hereby amended to read as follows:

f. Outside the coastal zone, dwellings within the residential development shall not be rented for periods of thirty (30) days or less. Refer to subsection (A)(4)(f) of this section for short term lodging allowances for developments within the coastal zone; and

Section 21: Subsection B(4)(h) of Section 20.48.205 (SB 9 Housing Developments and Urban Lot Splits in Single-Unit Residential Zoning Districts) of the Newport Beach Municipal Code is hereby amended to read as follows:

h. Short Term Lodging. Any dwelling unit permitted pursuant to an SB 9 housing development or urban lot split shall not be rented for periods of thirty (30) days or less.

Section 22: The definition of “Bed and breakfast inn” of Section 20.70.020 (Definitions of Specialized Terms and Phrases) of the Newport Beach Municipal Code is hereby amended to read as follows:

“Bed and breakfast inn” means a dwelling unit that offers guest rooms or suites for a fee for thirty (30) days or less, with incidental eating and drinking service provided from a single kitchen for guests only.

Section 23: The title and definition of “Short-term lodging” of Section 20.70.020 (Definitions of Specialized Terms and Phrases) of the Newport Beach Municipal Code is amended to read as follows:

“Short term lodging” means a dwelling unit that is rented or leased as a single housekeeping unit (see “Single housekeeping unit”) for a period of less (30) days or less, subject to the requirements of Chapter 5.95 (Short Term Lodging Permits) and any additional standards required by the City Manager.

EXHIBIT “B”

FINDINGS IN SUPPORT OF CODE AMENDMENT NO. PA2023-0116

1. An amendment to Chapter 5.95 (Short Term Lodging Permit) and Title 20 (Planning and Zoning) of the NBMC is a legislative act. There are no required findings for either approval or denial of such amendments. Notwithstanding the foregoing, the Code Amendment is consistent with the following goals and policies of the City’s General Plan:

Land Use Element Policy LU 2.6 (Visitor Serving Uses), which states, “Provide uses that serve visitors to Newport Beach’s ocean, harbor, open spaces, and other recreational assets, while integrating them to protect neighborhoods and residents.” The Code Amendment would allocate and allow 75 short term lodging permits within the MU-W2 and MU-CV/15th St. zones, both of which are located in the Coastal Zone, subject to specific regulations that would require the operation of short-term lodging would be subject to a permit issued by the City, managed by professional management, and not impact parking in the neighborhood. The Code Amendment would also maintain the existing Citywide maximum cap of 1,550 permits by establishing a maximum cap of 1,475 permit with residential coastal zoning districts and a maximum cap of 75 permit within the MU-W2 and MU-CV/15th St. coastal zoning districts. This would maintain the existing allowance for this type of visitor accommodations in the additional visitor accommodations in the City without altering existing provisions and regulations on short term lodging previously adopted to protect residential neighborhoods.

Land Use Element Goal LU 4 states, “Management of growth and change to protect and enhance the livability of neighborhoods and achieve distinct and economically vital business and employment districts, which are correlated with supporting infrastructure and public services and sustain Newport Beach’s natural setting.” In specific mixed use zones, permit holders would be permitted to operate short term lodging. This provides additional opportunities for properties in the mixed-use zones to achieve and maintain economic viability and avoids new impacts on residential neighborhoods.

2. A Local Coastal Program Amendment is also underway to ensure the regulations within the Coastal Zone are consistent with the Code Amendment.


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; that the foregoing ordinance, being Ordinance No. 2023-23 was duly introduced on the 28th day of November, 2023, at a regular meeting, and adopted by the City Council at a regular meeting duly held on the 12th day of December, 2023, and that the same was so passed and adopted by the following vote, to wit:

AYES: Mayor Pro Tem Will O'Neill, Councilmember Brad Avery, Councilmember Robyn Grant, Councilmember Lauren Kleiman, Councilmember Joe Stapleton, Councilmember Erik Weigand
NAYS: None
RECUSED: Mayor Noah Blom

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of said City this 13th day of December, 2023.



Leilani I. Brown, MMC
City Clerk
City of Newport Beach, California

CERTIFICATE OF PUBLICATION

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

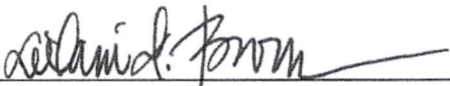
ss.

I, Leilani I. Brown, City Clerk of the City of Newport Beach, California, do hereby certify that Ordinance No. 2023-23 has been duly and regularly published according to law and the order of the City Council of said City and that same was so published in *The Daily Pilot*, a newspaper of general circulation on the following dates:

Introduced Ordinance: December 2, 2023
Adopted Ordinance: December 16, 2023

In witness whereof, I have hereunto subscribed my name this 21st day of December, 2023.





Leilani I. Brown, MMC
City Clerk
City of Newport Beach, California

City of Newport Beach

EXHIBIT "B"

ORDINANCE NO. 2025-4

ORDINANCE NO. 2025-4

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, AMENDING SECTION 1.08.120 (DEFINITIONS) OF TITLE 1 (GENERAL PROVISIONS), SECTION 5.95.042 (MAXIMUM NUMBER OF PERMITS), SECTION 5.95.043 (TRANSFER OF PERMIT), AND SECTION 5.95.065 (SUSPENSIONS AND REVOCATIONS) OF CHAPTER 5.95 (SHORT TERM LODGING PERMIT) OF TITLE 5 (BUSINESS LICENSES AND REGULATIONS) OF THE NEWPORT BEACH MUNICIPAL CODE TO UPDATE ADMINISTRATIVE PROCEDURES RELATED TO GOOD CAUSE DETERMINATIONS AND THE EXTENSION OF DEADLINES

WHEREAS, Section 200 of the City Charter, of the City of Newport Beach ("City"), 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 City 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 is committed to ensuring the safety, health, and welfare of all its residents, visitors, and businesses;

WHEREAS, Chapter 5.95 (Short Term Lodging Permit) of the Newport Beach Municipal Code ("NBMC"), regulates the rental of dwelling units, for less than thirty (30) consecutive calendar days, to help preserve the City's housing stock, maintain the quality and character of the City's residential neighborhoods, and limit the impacts of short term lodgings on residential neighborhoods;

WHEREAS, Section 5.95.042 (Maximum Number of Permits), which imposes a limit on the number of active short term lodging permits, Section 5.95.043 (Transfer of Permit), which imposes limits on the transfer of short term lodging permits, and Section 5.95.065 (Suspensions and Revocations), which sets forth the applicable procedures for the suspension and revocation of short term lodging permits, contain fixed deadlines that cannot be extended;

WHEREAS, as part of the administration of the short term lodging permit program, the Finance Director has determined that, in certain circumstances, good cause may exist to extend deadlines for the transfer of permits or the filing of a request for hearing;

WHEREAS, to ensure that the short term lodging permit provisions of the NBMC are administered in the most fair and efficient manner, the Finance Director requests the City Council amend Section 5.95.042 (Maximum Number of Permits), Section 5.95.043 (Transfer of Permit), and Section 5.95.065 (Suspensions and Revocations) to authorize the Finance Director to extend deadlines if the Finance Director determines that there is good cause to grant an extension;

WHEREAS, several sections throughout the NBMC provide exceptions from the provisions of the NBMC based on a determination that good cause exists, such that adding a globally applicable definition for good cause will provide consistency and minimize redundancy;

WHEREAS, Chapter 1.08 (Rules of Construction) sets forth provisions that are globally applicable throughout the NBMC, including but not limited to, Section 1.08.120 (Definitions) which defines terms that are commonly used throughout the NBMC, except where a more specific definition is provided or the context clearly requires otherwise; and

WHEREAS, the City Council desires to amend the NBMC to increase efficiency and ensure that the NBMC is administered in an efficient and fair manner by adding a global definition of good cause to Section 1.08.120 (Definitions), and by amending Section 5.95.042 (Maximum Number of Permits), Section 5.95.043 (Transfer of Permit), and Section 5.95.065 (Suspensions and Revocations) to authorize the Finance Director to grant an extension where the Finance Director determines goods cause exists.

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

Section 1: Section 1.08.120 (Definitions) is hereby amended in its entirety to read as follows:

1.08.120 Definitions.

Unless a more specific definition is provided or the context in which they are used clearly requires otherwise, the following terms and phrases used in this Code shall have the meaning ascribed to them in this section:

Assistant City Manager. The term "Assistant City Manager" means an Assistant City Manager working in the City Manager's office.

Building Official. The term “Building Official” means the Building Manager or Chief Building Official of the City’s Community Development Department or the person designated by the Community Development Director as the Building Official.

California Code of Regulations. The terms “California Code of Regulations” or “CCR” means the State administrative regulations that are cited as “title number CCR section number” or “title number CCR division number, chapter number, article number, section number.”

California Environmental Quality Act or CEQA. The term “California Environmental Quality Act” or “CEQA” means the California Environmental Quality Act (California Public Resources Code Section 21000 et seq.) and the State CEQA Guidelines (14 CCR Section 15000 et seq.).

Chief of Police. The term “Chief of Police” or “Police Chief” means the individual who manages and directs the City’s Police Department.

City. The term “City” means the City of Newport Beach, a municipal corporation and charter city, or, when referring to territory or territorial limits, it means the area within the territorial City limits of the City and such territory outside the City over which the City has jurisdiction or control by virtue of any law.

City Attorney. The term “City Attorney” means the City Council appointed official who occupies the position as the City Attorney of the City.

City Charter. The term “City Charter” means the City Charter of the City.

City Clerk. The term “City Clerk” means the City Council appointed official who occupies the position as the City Clerk of the City.

City Council. The term “City Council” or “Council” means the City Council of the City of Newport Beach.

City Engineer. The term “City Engineer” means the City Engineer of the City’s Public Works Department, or the individual designated by the Public Works Director as the City Engineer.

City Hall or Civic Center. The term “City Hall” or “Civic Center” means the City’s Civic Center located at 100 Civic Center Drive, Newport Beach, California, that includes most administrative offices of the City and related parking.

City Manager. The term “City Manager” means the City Council appointed official who occupies the position as the chief administrative officer of the City.

City Treasurer. The term “City Treasurer” means the individual appointed as the City’s Finance Director.

Code. The term “Code” means the Newport Beach Municipal Code.

Community Development Director. The term “Community Development Director” means the individual who manages and directs the City’s Community Development Department.

Consumer Price Index. The term “Consumer Price Index” means the Los Angeles-Long Beach-Anaheim, California Area, All Urban Consumers, All Items, Base Period (1982-84 = 100), or successor index, as published by the United States Department of Labor, Bureau of Labor Statistics.

County. The term “County” means the County of Orange.

Day. The term “day” or “days” means a calendar day, unless otherwise specifically provided.

Day Care Center. The term “day care center” means a child care—infant center, and child care center (preschool) licensed by the State Department of Social Services that is not located on a residentially zoned property including, but not limited to, Bright Horizons at Newport Beach; Carden Hall; Catalyst Kids-Newport Heights; Christ Church by the Sea Children’s Center; Environmental Nature Center (ENC) Nature Preschool; Miraculous Milestones; Montessori Way Learning Center, Inc., Newport Coast Child Development Preschool; Newport Harbor Lutheran Church; St. Andrew’s Preschool; St. Mark Community Preschool; St. Matthew’s Montessori Preschool; Temple Bat Yahm; and Tutor Time Child Care/Learning Center.

Designee. The term “designee” means a position, employee, or person that is authorized to fulfill a duty, obligation or responsibility.

District Attorney. The term "District Attorney" means the Orange County District Attorney.

Fair Political Practices Commission. The term "Fair Political Practices Commission" or "FPPC" means the five-member independent, nonpartisan commission that has primary responsibility for the impartial and effective administration of the Political Reform Act.

Finance Director. The term "Finance Director" means the individual who manages and directs the City's Finance Department.

Fire Chief. The term "Fire Chief" means the individual who manages and directs the Fire Department.

Fire Marshal. The term "Fire Marshal" means the Fire Marshal of the City's Fire Department, or the individual designated by the Fire Chief as the Fire Marshal.

Good Cause. The term "good cause" means that there is substantial evidence that unusual or unforeseen circumstances justify the taking of a particular action, which circumstances include, but are not limited to, a medical emergency; a delay caused by events beyond the person's control; a natural disaster; a weather-related delay; an administrative error; or health and safety concerns.

Harbor Commission. The term "Harbor Commission" means the Harbor Commission of the City.

Harbor Department. The term "Harbor Department" means the Harbor Department of the City. Any provision within this Code or any uncodified ordinance or resolution referring to the Harbor Resources Division shall mean the Harbor Department.

Harbormaster. The term "Harbormaster" means the individual who manages and directs the Harbor Department. Any provision within this Code or any uncodified ordinance or resolution referring to the Harbor Resources Manager shall mean the Harbormaster.

Health Officer. The term "Health Officer" means the Orange County Health Officer.

Human Resources Director. The term "Human Resources Director" means the individual who manages and directs the City's Human Resources Department.

Library Services Director. The term "Library Services Director" means the individual who manages and directs the City's Public Library System.

Oath. The term "oath" means and includes affirmation.

Office. The term "office" means the title of any officer, employee, or office, of the City of Newport Beach.

Owner. The term "owner," applied to a building or land, means and includes any part owner, joint owner, tenant, tenant in common or joint tenant, of the whole or a part of such building or land.

Pacific Ocean. The term "Pacific Ocean" means the waters off of the City from the beach to a point three nautical miles seaward.

Person. The term "person" means and includes any individual, firm, partnership, joint venture, limited liability company, association, social club, fraternal organization, corporation, estate, trust, business trust, receiver, assignee for the benefit of creditors, trustee, trustee in bankruptcy, syndicate, the United States, this State, any county, city and county, municipality, district, or other political subdivision of the State, or any other group or combination acting as a unit.

Public park or public facility. The terms "public park" or "park facility" means all publicly owned, managed or leased land that is open to the public, walking or hiking trails, parks and park-related buildings, facilities and improvements, and any school facilities when they are in use as recreational or community center facilities and under the control of the Director of the Recreation and Senior Services Department including, but not limited to, Arroyo Park; 38th Street Park; Back Bay View Park; Bayside Park; Bayview Park; Begonia Park; Big Canyon Park; Bob Henry Park; Bolsa Park; Bonita Canyon Sports Park; Bonita Creek Park & Community Center; Buffalo Hills Park; Canyon Watch Park; Carroll Beek Community Center and Balboa Island Park; Castaways Park; Channel Place Park; Civic Center Community Center; Civic Center Park; Cliff Drive Park and Community Center; Coastal Peak Park; Corona del Mar Pocket Park; Corona del Mar State Beach; Dog Park; Eastbluff Park and Boys and Girls Club; Galaxy

View Park; Gateway Park; Grant Howald Park & Community Youth Center; Harbor View Nature Park; Harbor Watch Park; Inspiration Point; Irvine Terrace Park; Jasmine Creek Park; John Wayne Park and Theater Arts Center; Kings Road Park; L Street Park; Lake Ave Park; Lido Park; Lincoln Athletic Center; Lookout Point; Los Trancos Canyon View Park (lower, middle, upper); Lower Castaways Park; M Street Park; Marian Bergeson Aquatic Center; Marina Park; Mariners Park and VJ Community Center; Mesa Birch Park; Miramar Park; Myrtle Park; Newport Aquatic Center; Newport Coast Community Center; Newport Island Park; Newport Shores Park; North Star Beach; OASIS Senior Center; Old School Park; Peninsula Park; Rhine Wharf Park; San Joaquin Hills Park and Lawn Bowling Center; San Miguel Park; Spyglass Hill Park; Spyglass Hill Reservoir Park; Sunset Ridge Park; Sunset View Park; Upper Buck Gully Reserve; Uptown Park; Veterans Memorial Park; West Jetty View Park; West Newport Community Center; West Newport Park; and Westcliff Park.

Public Works Director. The term “Public Works Director” means the individual who manages and directs the City’s Public Works Department.

Recreation and Senior Services Director. The term “Recreation and Senior Services Director” means the individual who manages and directs the City’s Recreation and Senior Services Department.

Revenue Division. The term “Revenue Division” means the City’s Finance Department Revenue Division.

Risk Manager. The term “Risk Manager” means the Risk Manager of the City’s Human Resources Department, or the individual appointed by the Human Resources Director as the Risk Manager.

School. The term “school” means an institution of learning, whether public or private, which offers in-person instruction in grades K through twelve (12) in those courses of study required by the California Education Code and is licensed by the State Board of Education. This definition includes all kindergarten, elementary, junior high, senior high or any special institution of learning under the jurisdiction of the State Department of Education including, but not limited to, Andersen Elementary School; Carden Hall; Corona del Mar Middle and High School; Eastbluff Elementary School; Ensign Intermediate School; Harbor Day School; Harbor View Preschool and Elementary School; Lincoln Elementary School; Mariners Elementary School; Newport Christian Academy; Newport

Coast Preschool and Elementary School; Newport Preschool and Elementary School; Newport Harbor High School; Newport Heights Elementary School; Our Lady Queen of Angels Catholic School; Pacifica Christian High School; and Sage Hill High School.

State. The term "State" means the State of California.

Street. The term "street" means and includes all streets, roads, highways, avenues, lanes, alleys, courts, boulevards, places, squares, curbs, or other public ways in this City, which have been or may hereafter be dedicated and open to public use, or such other public property so designated in any law of this State.

Tenant, Occupant. The term "tenant" or "occupant" applied to a building or land means and includes any person who occupies the whole or part of such building or land, whether alone or with others.

Utilities Director. The term "Utilities Director" means the individual who manages and directs the City's Utilities Department.

Section 2: Subsection (D) of Section 5.95.042 (Maximum Number of Permits) of the NBMC is hereby amended and shall read as follows:

D. If the City has issued the maximum number of permits available, the City shall maintain a waiting list. An application for placement on the waiting list shall be submitted to the Finance Director, on a form approved by the Finance Director, and shall be accompanied by a fee established by resolution of the City Council. In the event a short term lodging permit becomes available, the Finance Director shall notify the person or persons next in order on the waiting list. The notice shall specify that applications will be accepted for ten (10) calendar days after the date of the notice, and that failure to apply within the ten (10) calendar-day period shall result in removal of the person or persons receiving notice from the waiting list. The Finance Director may extend the deadline to apply if the Finance Director determines that good cause has been shown to extend the deadline. Notice shall be deemed given when deposited in the United States mail, with the first-class postage prepaid, and addressed as specified by the person or persons on the waiting list. The City shall not be liable for a failure to notify any person or persons on the waiting list since placement on the list does

not create any property right in any person or persons on the list nor any contractual obligation on the part of the City.

Section 3: Subsection (B) of Section 5.95.043 (Transfer of Permit) of the NBMC is hereby amended and shall read as follows:

B. The deadlines set forth in subsection (A) of this section are established for purposes of setting deadlines for the transfer of a valid permit that has not been deemed abandoned in accordance with Sections 5.95.030 (B) through (F). The deadlines set forth in subsection (A) of this section shall not extend the deadlines set forth in or in accordance with Sections 5.95.030 (B) through (F). Authorization to transfer a valid short term lodging permit shall be deemed waived and the permit abandoned if an application is not filed to transfer a permit in accordance with the deadlines set forth in subsection (A), unless the Finance Director determines that good cause has been shown for extending the deadline.

Section 4: Subsection (B) (1) of Section 5.95.065 (Suspensions and Revocations) of the NBMC is hereby amended and shall read as follows:

B. Permits shall be suspended or revoked, only in the manner provided in this section.

1. The Finance Director shall investigate whenever he or she has reason to believe that an owner has submitted an application that contains false information or committed a violation of a permit condition, this Code, state or federal law related to a permitted unit. Such investigation may include, but is not limited to, on-site property inspections. Should the investigation reveal substantial evidence to support a finding that warrants a suspension or revocation of the short term lodging permit, the Finance Director shall issue written notice of intention to suspend or revoke the short term lodging permit. The written notice shall be served on the owner in accordance with Section 1.08.080, and shall specify the facts which, in the opinion of the Finance Director constitute substantial evidence to establish grounds for imposition of the suspension and/or revocation, and specify the proposed time the short term lodging permit shall be suspended and/or that the short term lodging permit shall be revoked within thirty (30) calendar days from the date the notice is given, unless the owner files with the Finance Director, before the suspension or revocation becomes effective, a request for hearing before a hearing officer, who shall be retained by the City, and pays the fee for the hearing established by resolution of the City Council.

Subject to subsection (E), failure to file a timely request for a hearing and pay all applicable fees shall result in the suspension or revocation of the permit.

Section 5: Subsection (E) is hereby added to Section 5.95.065 (Suspensions and Revocations) of the NBMC and shall read as follows:

E. The Finance Director may extend the deadlines set forth in this section if the Finance Director determines that good cause has been shown to extend the deadline.

Section 6: The recitals provided in this ordinance are true and correct and are incorporated into the substantive portion of this ordinance.

Section 7: The Finance Director is hereby authorized to retroactively extend deadlines as provided in Sections 2 through 5 of this ordinance upon a determination by the Finance Director that good cause has been shown to do so.

Section 8: 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 9: 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.

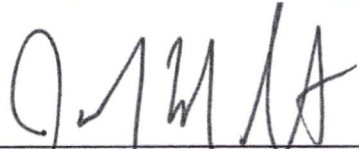
Section 10: Except as expressly modified in this ordinance, all other sections, subsections, terms, clauses and phrases set forth in the NBMC shall remain unchanged and shall be in full force and effect.

Section 11: 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 11th day of March, 2025, and adopted on the 25th day of March, 2025, by the following vote, to-wit:

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

NAYS: None



JOE STAPLETON, MAYOR

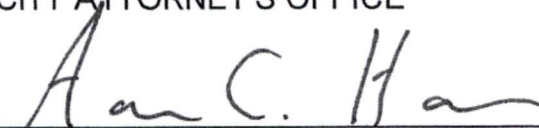
ATTEST:



LEILANI I. BROWN, CITY CLERK



APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE



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; that the foregoing ordinance, being Ordinance No. 2025-4 was duly introduced on the 11th day of March, 2025, at a regular meeting, and adopted by the City Council at a regular meeting duly held on the 25th day of March, 2025, and that the same was so passed and adopted by the following vote, to wit:

AYES: Mayor Joe Stapleton, Mayor Pro Tem Lauren Kleiman, Councilmember Michelle Barto, Councilmember Noah Blom, Councilmember Robyn Grant, Councilmember Sara J. Weber, Councilmember Erik Weigand
NAYS: None

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of said City this 26th day of March, 2025.



Leilani I. Brown, MMC
City Clerk
City of Newport Beach, California

CERTIFICATE OF PUBLICATION

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 Ordinance No. 2025-4 has been duly and regularly published according to law and the order of the City Council of said City and that same was so published in the *Daily Pilot*, a newspaper of general circulation on the following dates:

Introduced Ordinance: March 15, 2025
Adopted Ordinance: March 29, 2025

In witness whereof, I have hereunto subscribed my name this 8th day of April, 2025.



Leilani I. Brown, MMC
City Clerk
City of Newport Beach, California

City of Newport Beach

EXHIBIT “C”

CODE AMENDMENT

Section 1: The Table of Contents of Chapter 5.95 (Short Term Lodging Permit) of the Newport Beach Municipal Code is hereby amended to read as follows:

Chapter 5.95 SHORT TERM LODGING PERMIT

Sections:

- 5.95.005 Purpose and Findings.**
- 5.95.010 Definitions.**
- 5.95.015 Properties Eligible for Short Term Lodging Permits.**
- 5.95.020 Permit Required.**
- 5.95.025 Agency.**
- 5.95.030 Application for Permit.**
- 5.95.035 Denial of Permit.**
- 5.95.040 Filing Fee.**
- 5.95.042 Maximum Number of Permits.**
- 5.95.043 Transfer of Permit.**
- 5.95.045 Conditions.**
- 5.95.047 Violations of Permit Conditions by Transient User, Occupant or Guest.**
- 5.95.050 Agents and Hosting Platform Responsibilities.**
- 5.95.055 Issuance of Administrative Subpoenas.**
- 5.95.065 Suspensions and Revocations.**
- 5.95.070 Permits and Fees Not Exclusive.**
- 5.95.080 License and Permit Closure.**

Section 2: Subsection (B) of Section 5.95.005 (Purpose and Findings) of the Newport Beach Municipal Code is hereby amended to read as follows:

B. Over a thousand dwelling units within residential zones near the City’s beaches and harbor are rented for thirty (30) consecutive days or less with the vast majority of those rentals occurring during the summer when the demand for parking and City services is the greatest.

Section 3: Subsection (C) of Section 5.95.005 (Purpose and Findings) of the Newport Beach Municipal Code is hereby amended to read as follows:

C. Many of the occupants of short term lodging units are permanent residents of areas distant from Newport Beach and the City has no effective way to prevent occupants from continuing to violate provisions of this Code and the Cal. Pen. Code relating to noise, disturbances and disorderly conduct. The only effective way to minimize the problems associated with occupancy of short term lodging units is to impose responsibility on the owner of the property, either personally or through an agent, to control the conduct of guests and occupants.

Section 4: Subsection (L) of Section 5.95.005 (Purpose and Findings) of the Newport Beach Municipal Code is hereby amended to read as follows:

L. The restrictions of this chapter are necessary to preserve the City's housing stock, the quality and character of the City's residential neighborhoods and mixed-use areas as well as to prevent and address the impacts on residential neighborhoods posed by short term lodgings.

Section 5: Subsection (M) of Section 5.95.005 (Purpose and Findings) of the Newport Beach Municipal Code is hereby added to read as follows:

M. With appropriate restrictions, certain mixed-use zones present an opportunity to accommodate tourists while protecting the City's residential zones.

Section 6: Section 5.95.010 (Definitions) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.010 Definitions.

For the purpose of this chapter, the following definitions shall apply:

A. "Accessory dwelling unit" shall have the same definition as set forth in Chapter 20.70.

B. "Agent" shall mean any person who is authorized in writing by the owner to represent and act for an owner.

C. "Booking transaction" shall mean any reservation or payment service provided by a person who facilitates a short term lodging rental transaction between a transient user and owner for the use of a unit for a period of thirty (30) consecutive days or less.

D. "Gross floor area" shall mean the area of the lodging unit that includes the surrounding exterior walls and any interior finished portion of a structure that is accessible and that measures more than six (6) feet from finished floor to ceiling. Stairwells and elevator shafts above the first (1) level shall be excluded from the calculation of gross floor area.

E. "Home-sharing" shall mean an activity whereby the owner hosts a transient user in the owner's lodging unit, for compensation, for periods of less than thirty (30) consecutive calendar days, during which time the owner of the unit lives on site, in the unit, throughout the transient user's stay and the owner, the transient user and any other occupants live together in the same unit as a single housekeeping unit.

F. "Hosting platform" shall mean a person, other than an owner or agent, who participates in the short term lodging business by facilitating a booking transaction using any medium of facilitation.

G. "Lodging unit" or "unit" shall mean a "dwelling unit" as that term is defined in Chapter 20.70. An accessory dwelling unit shall not be considered a lodging unit or unit for purposes of this chapter.

H. "Multi-use area" shall mean those areas of the City designated by Title 20 and Title 21 as Mixed-Use Water (MU-W2) and Mixed-Use Cannery Village and 15th Street (MU- CV/15th St.).

I. "Owner" shall mean the person(s) that hold(s) legal and/or equitable title to the lodging unit.

K. "Residential district" shall mean those areas of the City so designated by Title 20 as well as any other area in the City designated for a residential use as part of a planned community development plan, specific area plan or planned residential district.

J. "Short term" shall mean a lodging unit that is rented or leased as a single housekeeping unit for a period of thirty (30) consecutive days or less. This also includes home-sharing.

L. "Short term lodging unit registry" shall mean the published registry maintained by the City that sets forth a list of all owners and the address of all units that have a valid short term lodging permit and business license with the City, a copy of which is available, without charge, to any person who requests a copy and which shall be accessible on the City's website.

M. "Single housekeeping unit" shall have the same definition as set forth in Chapter 20.70.

N. "Transient" or "transient user" shall mean any person or persons who, for any period of thirty (30) consecutive days or less either at his or her own expense, or at the expense of another, obtains lodging in a lodging unit or the use of any lodging space in any unit, for which lodging or use of lodging space a charge is made.

Section 7: The title and contents of Section 5.95.015 (Residential Properties Eligible for Short Term Lodging Permits) of the Newport Beach Municipal Code are hereby amended to read as follows:

5.95.015 Properties Eligible for Short Term Lodging Permits.

Only properties in a residential district or multi-use area that are authorized under Titles 20 and 21 and this chapter shall be eligible for a short term lodging permit.

Subsequent to June 1, 2004, no annual permit shall be issued to or renewed for any dwelling unit on any parcel zoned for "Single-Unit Residential (R-1)" or that is designated for a single-family residential use as part of a planned community development plan, specific area plan or planned residential district, unless a permit has previously been issued for that lodging unit and the permit was not subsequently revoked.

Section 8: Section 5.95.020 (Permit Required) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.020 Permit Required.

No owner of a lodging unit shall advertise for rent or rent a lodging unit located within a residential district or multi-use area for a short term without a valid short term lodging permit for that unit issued pursuant to this chapter.

Section 9: Section 5.95.030 (Application for Permit) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.030 Application for Permit.

An application for an annual short term lodging permit, renewal of a short term lodging permit, reinstatement of a short term lodging permit or transfer of a short term lodging permit shall be filed with the Finance Director upon forms provided by the City.

A. An application for a new permit, renewal permit, the reinstatement of a permit or the transfer of a permit shall contain the following information:

1. The name, address and telephone number of the owner of the unit for which the short term lodging permit is to be issued.
2. The name, address and telephone number of the agent, if any, of the owner of the unit.
3. Evidence of a valid business license issued by the City for the separate business of operating a short term lodging unit or units.
4. The number of bedrooms in the lodging unit.
5. The gross floor area of the lodging unit.
6. The number of parking spaces available on site and a description indicating the location and size of each parking space.
7. A nuisance response plan, which sets forth the owner's plan for handling disruptive transient users.
8. A certification that the applicant has reviewed the covenants, conditions and restrictions, if any, and a short term use is permitted at the location pursuant to the terms of the covenants, conditions and restrictions, if any.
9. Acknowledgment of receipt and inspection of a copy of all regulations pertaining to the operation of a short term lodging unit.
10. Such other information as the Finance Director deems reasonably necessary to administer this chapter.

B. An application for the renewal of a short term lodging permit shall be filed within thirty (30) days of the short term lodging permit's expiration, or the short term lodging permit shall be deemed abandoned.

C. An application for the reinstatement of a short term lodging permit closed by the Finance Director pursuant to Section 5.95.080 shall be filed within thirty (30) days of the date the permit was closed by the Finance Director, or the short term lodging permit shall be deemed abandoned.

D. An application for the reinstatement of a previously suspended short term lodging permit shall be filed within thirty (30) days of the end of the suspension period, or the short term lodging permit shall be deemed abandoned.

E. If any application is deemed incomplete, which shall be determined in the sole discretion of the Finance Director, the application shall be completed within thirty (30) days of the service of notice that the application is incomplete, which shall be served in accordance with Section 1.08.080, or the application and any associated permit shall be deemed abandoned.

F. If good causes exist, as determined in the sole discretion of the Finance Director, the Finance Director may extend the deadlines set forth in subsections (B) through (E) of this section.

Section 10: Section 5.95.035 (Denial of Permit) of the Newport Beach Municipal Code is amended to read as follows:

5.95.035 Denial of Permit.

If permits are available for issuance, no timely application filed by an owner for an annual permit, renewal of a permit, reinstatement of a permit or transfer of a permit for a unit eligible to be used as a short term lodging unit, as provided for in Section 5.95.015 and this Code, shall be denied unless: the owner does not have a current valid business license; the owner has failed to pay transient occupancy tax, the visitor service fee, a penalty, a fine or inspection cost, due and owing to the City; the nuisance response plan is deemed inadequate by the Finance Director; the short term lodging permit for the same unit and issued to the same owner has been revoked, or the short term lodging permit is not eligible for reinstatement.

Section 11: Section 5.95.042 (Maximum Number of Permits) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.042 Maximum Number of Permits.

A. The maximum number of short term lodging permits in a residential district shall be limited to one thousand four hundred seventy-five (1,475) permits at any time. If there are more than one thousand four hundred seventy-five (1,475) valid permits in residential districts as of the effective date of Ordinance No. 2025-___, an owner shall be permitted to renew, reinstate, or transfer a valid permit in accordance with the provisions of this chapter; however, no new permit shall be issued to any person on the waiting list, as described in subsection (G) of this section, until the total number of residential district permits does not exceed one thousand four hundred seventy-five (1,475). To avoid wholesale conversion of existing and new housing complexes into short term lodgings within the residential district, multi-unit developments with five (5) or more units may permit a maximum of twenty (20) percent of the total number of units to be short term lodgings (rounded down to the nearest whole number).

B. The maximum number of short term lodging permits in the multi-use area shall be limited to seventy-five (75) permits. No new permit shall be issued to any person on the waiting list, as described in subsection (G) of this section, until the total number of multi-use area permits is less than seventy-five (75).

C. The total number of short-term lodging permits in the City shall not exceed one thousand five-hundred and fifty (1,550).

D. For purposes of calculating the maximum number of short term lodging permits available as provided in subsection (A),(B), or (C) of this section, a permit shall be deemed valid and unavailable unless abandoned in accordance with Sections 5.95.030(B) through (F), and/or Section 5.95.043(B) or, if the short term lodging permit has been revoked and the time has run to seek administrative or judicial review of the decision.

E. An owner who has a short term lodging permit, or an owner seeking to reinstate a short term lodging permit that has not been abandoned in accordance with Sections 5.95.030(B) through (F), shall have priority to renew or reinstate the permit over anyone on the waiting list, as described in subsection (G) of this section.

F. An owner seeking to transfer a valid short term lodging permit that files an application within the time frames set forth in Section 5.95.043(A) shall have priority to transfer the permit over anyone on the waiting list, as described in subsection (G) of this section.

G. If the City has issued the maximum number of permits available, the City shall maintain a separate waiting list for both the residential districts and the multi-use areas.

An application for placement on the waiting list shall be submitted to the Finance Director, on a form approved by the Finance Director, and shall be accompanied by a fee established by resolution of the City Council. In the event a short term lodging permit becomes available, the Finance Director shall notify the person or persons next in order on the waiting list. The notice shall specify that applications will be accepted for ten (10) calendar days after the date of the notice, and that failure to apply within the ten (10) calendar day period shall result in removal of the person or persons receiving notice from the waiting list. The Finance Director may extend the deadline to apply if the Finance Director determines that good cause has been shown to extend the deadline. Notice shall be deemed given when deposited in the United States mail, with the first class postage prepaid, and addressed as specified by the person or persons on the waiting list. The City shall not be liable for a failure to notify any person or persons on the waiting list since placement on the list does not create any property right in any person or persons on the list nor any contractual obligation on the part of the City.

Section 12: Subsections A(19) through A(22) of Section 5.95.045 (Conditions) of the Newport Beach Municipal Code are hereby amended to read as follows:

19. The owner shall allow the City to inspect the short term lodging unit to confirm the number of bedrooms, gross floor area, and number/availability of parking spaces, seven (7) days after the City serves the owner with a request for inspection in accordance with Section 1.08.080. If, based on the inspection, it is determined that the information submitted to the City in accordance with Section 5.95.030 was false, in addition to any other remedy set forth in this chapter, the owner agrees that the owner shall be liable for the cost of conducting the inspection.

20. The owner shall provide the City with a copy of any written rental agreement(s) and the good neighbor policy, within seven (7) days after the City serves the owner with a notice of request for written rental agreements and the good neighbor policy in accordance with Section 1.08.080.

21. Neither an owner nor the owner's agent shall rent, let, advertise for rent, or enter into an agreement for the rental of any lodging unit, for less than two (2) consecutive nights.

22. The owner shall:

- a. Require every transient user and guest of the transient user to comply with all State and local laws that regulate parking while staying at or visiting the short term lodging unit;

b. Require every transient user to provide the owner with the license plate number for all vehicles which are used by the transient user or the transient user's guest while staying at or visiting the short term lodging unit; and

c. Provide the City with the vehicle license plate number(s) for every vehicle which was used by the transient user or the transient user's guest while staying at or visiting the short term lodging, within seven (7) days after the City serves the owner with a notice of request for the vehicle license plate number(s) in accordance with Section 1.08.080.

Section 13: Section 5.95.055 (Issuance of Administrative Subpoenas) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.055 Issuance of Administrative Subpoenas.

The City Manager shall have the authority to issue and serve administrative subpoenas to the owner, agent or hosting platform, as necessary, to obtain specific information regarding short term rental listings located in the City, including but not limited to the names of the persons responsible for each such listing, the address of each such listing, the length of stay for each such listing and the price paid for each stay, to determine whether the short term rental listing complies with this chapter. Any subpoena issued pursuant to this section shall not require the production of information sooner than thirty (30) days from the date of service. A person that has been served with an administrative subpoena may seek judicial review during that thirty (30) day period. Failure to respond to an administrative subpoena in accordance with the terms set forth therein shall be punishable in accordance with Section 5.95.060 and the City may file a judicial action to compel compliance with the subpoena.

Section 14: Section 5.95.060 (Violations, Penalties and Enforcement) of the Newport Beach Municipal Code is hereby deleted in its entirety.

Section 15: Subsection A(3) of Section 5.95.065 (Suspensions and Revocations) of the Newport Beach Municipal Code is hereby amended to read as follows:

3. If a lodging unit that is subject to a short term lodging permit has been the location of two (2) or more loud or unruly gatherings, as defined in Chapter 10.66, while the lodging unit was occupied on a short term basis, within any twenty-four (24) month period, the permit may be suspended for a period of one (1) year or revoked in accordance with subsection (B) of this section. A loud or unruly gathering that occurred prior to the passage of fourteen (14) days from the mailing of notice to the owner in compliance with Section 10.66.030(D) shall not be included within the calculation of the two (2) or more loud or unruly gatherings required to revoke a short term lodging permit.

Section 16: Subsection (B) of Section 5.95.065 (Suspensions and Revocations) of the Newport Beach Municipal Code is hereby amended to read as follows:

B. Permits shall be suspended or revoked, only in the manner provided in this section.

1. The Finance Director shall investigate whenever he or she has reason to believe that an owner has submitted an application that contains false information or committed a violation of a permit condition, this Code, state or federal law related to a permitted unit. Such investigation may include, but is not limited to, on-site property inspections. Should the investigation reveal substantial evidence to support a finding that warrants a suspension or revocation of the short term lodging permit, the Finance Director shall issue written notice of intention to suspend or revoke the short term lodging permit. The written notice shall be served on the owner in accordance with Section 1.08.080, and shall specify the facts which, in the opinion of the Finance Director constitute substantial evidence to establish grounds for imposition of the suspension and/or revocation, and specify the proposed time the short term lodging permit shall be suspended and/or that the short term lodging permit shall be revoked within thirty (30) days from the date the notice is given, unless the owner files with the Finance Director, before the suspension or revocation becomes effective, a request for hearing before a hearing officer, who shall be retained by the City, and pays the fee for the hearing established by resolution of the City Council. Subject to subsection (E), failure to file a timely request for hearing and pay all applicable fees shall result in the suspension or revocation of the permit.

2. If the owner requests a hearing and pays the hearing fee, established by resolution of the City Council, within the time specified in subsection (B)(1) of this section, the Finance Director shall serve written notice on the owner, pursuant to Section 1.08.080, setting forth the date, time and place for the hearing. The hearing shall be scheduled not less than fifteen (15) days, nor more than sixty (60) days, from the date on which notice of the hearing is served by the Finance Director. The hearing shall be conducted according to the rules normally applicable to administrative hearings. At the hearing, the hearing officer will preside over the hearing, take evidence and then submit proposed findings and recommendations to the City Manager. The City Manager shall suspend or revoke the short term lodging permit only upon a finding that a violation has been proven by a preponderance of the evidence, and that the suspension or revocation is consistent with the provisions of this section. The City Manager shall render a decision within thirty (30) days of the hearing and the decision shall be final as to the City but subject to judicial review pursuant to Cal. Code Civ. Proc. Section 1094.5.

Section 17: Section 5.95.080 (License and Permit Closure) of the Newport Beach Municipal Code is hereby amended to read as follows:

5.95.080 License and Permit Closure.

A. Any owner that has ceased operating a short term lodging unit shall inform the Finance Director in writing of the date of the last rental, and having done such, the short term lodging permit shall be closed. The City will send a final transient occupancy tax and visitor service fee bill, which will be due and payable thirty (30) days from the date of the invoice.

B. The Finance Director shall close any permit that has no short term lodging activity for a period of two (2) consecutive annual reporting periods as evidenced by the owner and/or agent remitting zero dollars (\$0.00) on the required transient occupancy tax and visitor service fee forms or the owner/agent failing to return these forms. After any permit closure pursuant to this subsection, the owner may reapply one (1) time for reinstatement of the short term lodging permit which shall be processed in accordance with Section 5.95.030. Any subsequent closure of the short term lodging permit pursuant to this subsection shall not be eligible for reinstatement.

EXHIBIT “D”

FINDINGS IN SUPPORT OF CODE AMENDMENT

1. An amendment to Chapter 5.95 (Short Term Lodging Permit) and Title 20 (Planning and Zoning) of the NBMC is a legislative act. There are no required findings for either approval or denial of such amendments. Notwithstanding the foregoing, the Code Amendment is consistent with the following goals and policies of the City’s General Plan:

Land Use Element Policy LU 2.6 (Visitor Serving Uses), which states, “Provide uses that serve visitors to Newport Beach’s ocean, harbor, open spaces, and other recreational assets, while integrating them to protect neighborhoods and residents.” The Code Amendment would allocate and allow 75 short term lodging permits within the MU-W2 and MU-CV/15th St. zones, both of which are located in the Coastal Zone, subject to specific regulations that would require the operation of short-term lodging would be subject to a permit issued by the City, managed by professional management, and not impact parking in the neighborhood. The Code Amendment would also maintain the existing Citywide maximum cap of 1,550 permits by establishing a maximum cap of 1,475 permit with residential coastal zoning districts and a maximum cap of 75 permit within the MU-W2 and MU-CV/15th St. coastal zoning districts. This would maintain the existing allowance for this type of visitor accommodations in the additional visitor accommodations in the City without altering existing provisions and regulations on short term lodging previously adopted to protect residential neighborhoods.

Land Use Element Goal LU 4 states, “Management of growth and change to protect and enhance the livability of neighborhoods and achieve distinct and economically vital business and employment districts, which are correlated with supporting infrastructure and public services and sustain Newport Beach’s natural setting.” In specific mixed use zones, permit holders would be permitted to operate short term lodging. This provides additional opportunities for properties in the mixed-use zones to achieve and maintain economic viability and avoids new impacts on residential neighborhoods.