



NEWPORT BEACH

City Council Staff Report

March 25, 2025
Agenda Item No. 3

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Ordinance No. 2025-4: Amending the Newport Beach Municipal Code to Update Administrative Procedures Related to Good Cause Determinations and the Extension of Deadlines for Short-Term Lodging Permits

ABSTRACT:

For the City Council's consideration is the adoption of an ordinance to amend various provisions of the Newport Beach Municipal Code to authorize the finance director to extend deadlines for short-term lodging permit applications, transfers, suspensions and revocations upon finding "good cause." "Good cause" includes unforeseen circumstances such as medical emergencies, natural disasters, administrative errors, or events beyond the applicant's control. Ordinance No. 2025-4 was introduced and considered at the City Council's regular meeting on March 11, 2025.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Conducted second reading and adopt 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.*

DISCUSSION:

At its March 11, 2025, meeting, the City Council introduced and passed to second reading Ordinance No. 2025-4: Amending the Newport Beach Municipal Code to Update Administrative Procedures Related to Good Cause Determinations and the Extension of Deadlines for Short-Term Lodging Permits.

The ordinance defines “good cause” as substantial evidence of unusual or unforeseen circumstances that justify the requested action. Such circumstances include, but are not limited to, medical emergencies, delays caused by events beyond the applicant’s control, natural disasters, weather-related delays, administrative errors, or health and safety concerns.

The proposed ordinance authorizes the finance director to grant a waiver for “good cause” to extend deadlines in the following cases:

1. Deadlines for Applications from the Waiting List (Section 5.95.042(D)) – The finance director may extend the deadline for individuals on the waiting list to file an application for a short-term lodging permit upon determining that good cause exists.
2. Transfer of Permit Deadlines (Section 5.95.043(B)) – The finance director may extend the deadline to file an application for transferring a valid short-term lodging permit upon finding good cause.
3. Suspension and Revocation Deadlines (Section 5.95.065(E)) – The finance director may extend deadlines related to the suspension or revocation of a permit if a waiver for good cause is granted.
4. Retroactive Extensions (Section 7 of the Ordinance) – The finance director may retroactively extend deadlines covered by the ordinance upon determining that a waiver for good cause is warranted.

FISCAL IMPACT:

The City of Newport Beach may incur costs related to the administration of hearings if the City allows for the extension of deadlines related to the transfer, suspension and revocation of short-term lodging permits. The fiscal impact is expected to be nominal and can be absorbed within the existing budget.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action 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, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

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

ATTACHMENTS:

Attachment A – Ordinance No. 2025-4

Attachment B – Redlined Changes to the Code