November 12, 2024 Agenda Item No. 7

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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**TITLE:** Ordinance No. 2024-28: Amending Title 21 (Local Coastal Program

Implementation Plan) of the Newport Beach Municipal Code Relating

to Accessory Dwelling Unit Regulations (PA2021-113)

## ABSTRACT:

For the City Council's consideration is adoption of Ordinance No. 2024-28, which amends Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code (NBMC) regarding the construction of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) in the coastal zone and is needed to comply with the amended provisions of Government Code Sections 65852.1 and 65852.2 (now 66310 through 66342) and City Council Policy K-4 (Reducing the Barriers to the Creation of Housing). The ordinance was introduced and considered at the October 22, 2024, City Council meeting.

#### **RECOMMENDATIONS:**

- a) Find this project is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15282(h) of the CEQA Guidelines, which states that the adoption of an ordinance regarding second units to implement the provisions of Sections 65852.1 and 65852.2 (now 66310 through 66342) of the Government Code are exempt from the requirements of CEQA; and
- b) Conduct second reading and adopt Ordinance No. 2024-28, An Ordinance of the City Council of the City of Newport Beach, California, Adopting Local Coastal Program Amendment No. LC2021-003 as Modified by the California Coastal Commission to Amend Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code to Implement Council Policy K-4 (Reducing the Barriers to the Creation of Housing) and New State Law Requirements Relating to Accessory Dwelling Units (PA2021-113).

#### **DISCUSSION:**

In 2022, the State of California adopted a group of housing bills aimed at addressing the housing crisis. The legislature approved, and the governor signed, SB 897 (Chapter 6664, Statutes of 2021) and AB 2221 (Chapter 650, Statutes of 2021) into law which amended Government Code Sections 65852. 2 and 65852. 22 (now 66310 through 66342) to impose new limits on cities' ability to regulate ADUs and JADUs, reduce regulatory barriers and costs, streamline the approval process, and expand the potential capacity for ADUs in response to California's housing shortage.

On March 9, 2021, the City Council adopted Resolution No. 2021-18 to add City Council Policy K-4, Reducing the Barriers to the Creation of Housing. The policy encourages the development of ADUs and it is an integral component of the City's strategy to help meet Newport Beach's Regional Housing Needs Assessment (RHNA) allocation.

The City Council introduced Ordinance No. 2023-2 on January 24, 2023, and adopted it on February 14, 2024. Ordinance No. 2023-2 amends Section 20.48.200 (Accessory Dwelling Units) of Title 20 (Planning and Zoning) and modifies regulations relating to the development of ADUs and JADUs in response to new state laws and incorporates recommendations from an ad hoc committee formed by the Planning Commission.

The City Council also adopted Resolution No. 2023-8 on January 24, 2023, authorizing submittal of Local Coastal Program (LCP) Amendment No. LC2021-003 to the California Coastal Commission (CCC) for review and approval. The resolution specified LCP Amendment No. LC2021-003 shall not become effective until approval by the CCC and adoption, including any modifications suggested by the CCC, by resolution(s) and/or ordinance(s) of the City Council.

On July 11, 2024, the CCC approved the LCP Amendment with suggested modifications.

At its October 22, 2024 meeting, the City Council introduced Ordinance No. 2024-28 and held a public hearing. No further amendments were requested and the item is attached for the City Council's adoption accepting and incorporating the CCC's suggested modifications and incorporating regulations related to ADUs and JADUs within the coastal zone. If the ordinance is adopted, the item will be sent back to the CCC for final acceptance.

### **FISCAL IMPACT**:

There is no fiscal impact related to this item.

### **ENVIRONMENTAL REVIEW:**

Staff recommends the City Council find this action is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080.17 and CEQA Guidelines Section 15282(h), which states that the adoption of an ordinance regarding second units in a single-family or multifamily zone by a city or county to implement the provisions of Sections 65852.1 and 65852.2 (now renumbered to 66310 through 63342) of the Government Code are exempt from the requirements of CEQA. Similarly, the ministerial approval of ADUs would not be a project for CEQA purposes, and environmental review would not be required prior to approving individual applications.

# **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).

### ATTACHMENT: