

CITY OF NEWPORT BEACH

City Council Meeting Minutes Regular Meeting July 22, 2025

I. ROLL CALL – 4:01 p.m.

Present: Mayor Joe Stapleton, Mayor Pro Tem Lauren Kleiman, Councilmember Noah Blom, Councilmember Robyn Grant, Councilmember Sara J. Weber, Councilmember Erik Weigand

Absent: Councilmember Michelle Barto

II. CURRENT BUSINESS

III. INVOCATION – Dave Manne, Pastor Emeritus - Calvary Chapel of Costa Mesa

IV. PLEDGE OF ALLEGIANCE – Councilmember Weigand

V. PUBLIC COMMENTS

Interim City Clerk Molly Perry read the notice for Public Comments.

VI. PRESENTATIONS

- History of the Wedge by Tim Burnham and John Karam

Mayor Stapleton introduced Tim Burnham and John Karam, who provided an extensive historical PowerPoint presentation on the Wedge including how the Wedge was formed; the evolution of the Wedge's culture including the tight-knit "Wedge Crew" community; the various improvements related to surfboards, body boards and fins; and highlighted the implementation of "blackball" rules in 1993 to manage overcrowding and conflicts between different types of wave riders.

- Recognition of Outgoing Board, Commission and Committee Members

Mayor Stapleton noted that Scott Cunningham (Harbor Commission) and Barbara Gladman (City Arts Commission) were unable to attend the meeting but thanked them for their service.

Mayor Stapleton recognized Maureen Flanagan for her service on the City Arts Commission and Lee Lowrey, for his service on the Planning Commission.

Both Ms. Flanagan and Mr. Lowrey expressed their appreciation for the opportunity to serve on their respective commissions.

Councilmember Weigand personally thanked Mr. Lowrey for his dedication and service on the Planning Commission and noted that he and Mayor Pro Tem Kleiman had served on the Planning Commission together.

VII. CITY COUNCIL ANNOUNCEMENTS AND ORAL REPORTS FROM CITY COUNCIL ON COMMITTEE ACTIVITIES

Oral reports provided by the following Councilmembers:

Councilmember Weigand:

- Reported that Orange County Mosquito and Vector Control District was not meeting this month.

- Will be attending an Orange County Sanitation District meeting the following day (July 23, 2025).

Councilmember Grant:

- Attended a presentation by Sean Levin, Director of Recreation and Senior Services, at Speak Up Newport about the "gems of Newport Beach."
- Attended an elected official roundtable discussion for the Measure M2 10-year review offered by the Orange County Transportation Authority (OCTA).
- Attended the Association of California Cities Summer Legislative Reception at Wild Rivers where local officials got together to discuss issues in their communities.
- Attended the Second Anniversary celebration of the Newport Beach Animal Shelter.

Mayor Stapleton:

- Attended the Ben Carlson Scholarship Awards Dinner at the Balboa Yacht Club, that highlighted three scholarship winners. He praised the foundation's work and the promising youth as represented by the scholarship recipients.

VIII. MATTERS WHICH COUNCILMEMBERS HAVE ASKED TO BE PLACED ON A FUTURE AGENDA (NON-DISCUSSION ITEM)

There were none.

IX. PUBLIC COMMENTS ON CONSENT CALENDAR

Interim City Clerk Perry read the notice regarding public comments on the Consent Calendar.

X. CONSENT CALENDAR

Before voting on the Consent Calendar, and as required by California law, City Manager Leung provided an oral report on Agenda Items six through eight, (Agenda Item 6: *Resolution No. 2025-45: To Adopt Revisions to the City of Newport Beach Key and Management Compensation Plan*; Agenda Item 7: *Resolution No. 2025-46: Adopting a Memorandum of Understanding with the Newport Beach Fire Management Association (NBFMA) and Associated Salary Schedules*; and Agenda Item 8: *Resolution No. 2025-47: Adopting a Memorandum of Understanding with the City of Newport Beach and the Newport Beach Lifeguard Management Association (NBLMA) and Associated Salary Schedule*) which included the following:

- City Manager Leung made an announcement regarding the salary schedules including changes related to the City Manager, City Attorney, City Clerk, Department Heads, and other key and management employees to accommodate an increase in each of their base salaries by 5% effective July 12, 2025; 4% effective July 11, 2026; and 3% effective July 10, 2027.
- The salary schedule regarding the Fire Chief and Assistant Fire Chief included an increase in each of their base salaries by 9% for the Fire Chief and Assistant Fire Chief; and 6% for the Assistant Chief and Lifeguard Operations, effective July 12, 2025; 4% increases for all three positions effective July 11, 2026; and 4% increases in all three positions effective July 10, 2027.
- Changes to the CalPERS percentage contributions included 8% for non-safety, Tier 1 and Tier 2 employees; 13.6 % for Tier 1 and Tier 2 Police and Lifeguard Safety Employees; and 13.5% for Fire Safety Employees.

Tier 3 employees will pay the statutorily required 50% contribution of total normal costs but not less than any other members.

- Cafeteria allowances would be increased by \$300 to \$2,205; holiday pay and closure for non-safety employees, the Fire Chief and Police Chief holiday leave will be full day pay on December 24, 2025, and December 31, 2025; holiday closure pay for up to three days between December 25, 2025, and December 31, 2025.

- Holiday closure safety allowances for the Assistant Police Chief and Assistant Chief Lifeguard will be 3.7 hours per pay period that will be paid for holiday compensation pay; and the Assistant Fire Chief will receive 5.6 hours per pay period.

Continuing review of the Consent Calendar included City Staff requesting approval of amendments on Agenda Item 1; the continuance of Agenda Item 3; and corrections to Agenda Item 6, Exhibit B.

The City Council noted the following Conflicts of Interest related to the Consent Calendar:

Agenda Item 3: Councilmembers Weber, Grant, and Mayor Pro Tem Kleiman
Agenda Item 5: Councilmember Blom
Agenda Item 15: Councilmember Weber

PUBLIC COMMENTS

Jim Mosher spoke on Agenda Item 18, *FY 2024-25 Annual District Discretionary Grant Report and the Grants and Donations Report for the Quarter Ending June 30, 2025*, noting the City of Newport Beach has a reasonably long history of providing limited financial support to important institutions and groups that provide public benefits to all. Mr. Mosher further noted that he believed the staff report mischaracterizes the particular component of gift giving which was added to the City Policy in 2001. City Council Policy A-12 allows the City Council to direct funds for worthy projects or programs that they deem beneficial to the residents of Newport Beach's quality of life. His understanding is that the seven elected officials are to make a decision, not individually but to act collectively, and feels the policy is contrary to that. As part of the policy, originally in 2001, the Councilmembers were supposed to acknowledge to the public, what contributions they had made at the meeting closest to the time they had made the donations. In 2010, it was reduced to this annual report which was to summarize and provide the public benefit for each donation. Some of the allocations in the staff report indicate the public purpose, but about half of the entries say, "donation." Mr. Mosher further felt that "donation" does not provide the public purpose. In closing Mr. Mosher thanked Councilmember Blom for not exhausting his entire \$6,000 allotment.

Adam Leverenz provided brief comments on Agenda Item Nos. 6, 7, 8, 9, 12 that are reports related to employee benefits and salaries and expressed concern over the total expenditures from FY 2025-2028; noted that employees are generously compensated and benefited, which can be further reviewed on the Transparent California website; provided additional comments on Agenda Item No. 14 (expressed appreciation for the restroom improvements); Agenda Item No. 16 (importance of the seasonal operation of a live bait barge in Newport Harbor); Agenda Item No. 19 (would note his comments on the Grand Jury response to short-term rentals later in the meeting); and Agenda Item 20 (noted reduction of the City's homeless numbers after the implementation of the City's camping ordinance, which has resulted in the pushing of the homeless into other communities), but thanked the City Council for their efforts.

Todd Priest spoke on Agenda Item 19 (*Response to Grand Jury Report: "Long-Term Solutions to Short-Term Rentals"*) on behalf of the Newport Beach Short Term Rental Alliance. Comments included the response to the Grand Jury report on short-term rentals; noted the City's long history with vacation rentals; explained that the alliance aims to work with the City on best practices, including streamlining the Transient Occupancy Tax (TOT) collection and auditing provisions; and addressed the waitlist issue.

Moved by Mayor Pro Tem Klein, seconded by Councilmember Grant, and unanimously carried by those members present (Councilmember Barto absent), to approve the Consent Calendar including amendments to Agenda Item 1; staff requested continuance of Agenda Item 3; amendment to Agenda Item 6, Exhibit B; and with noted recusals on Agenda Items 5 and 15.

XI. READING OF MINUTES AND ORDINANCES

1. **Minutes for the July 8, 2025 Special City Council Meeting and July 8, 2025 Regular City Council Meeting**
Waive reading of subject minutes, approve as written, and order filed.
2. **Reading of Ordinances**
Waive reading in full of all ordinances under consideration and direct the City Clerk to read by title only.

XII. ORDINANCES FOR ADOPTION

3. **Ordinance No. 2025-11: Amending Section 9.04.470 (Local Agency Very High Fire Hazard Severity Zone) To Adopt the 2025 Moderate, High, and Very High Fire Hazard Severity Zones, As Designated by the California Department of Forestry and Fire Protection and Pursuant to California Government Code Section 51178**
 - a) Continue to the August 26, 2025, City Council meeting.

XII. ORDINANCES FOR INTRODUCTION

4. **Ordinance No. 2025-12: Revision to Municipal Code Chapter 14.10 Cross-Connection Control Program**
 - a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
 - b) Waive full reading, direct the City Clerk to read by title only, and introduce Ordinance No. 2025-12: *An Ordinance of the City Council of the City of Newport Beach, California, Replacing in its Entirety Chapter 14.10 (Cross Connection Control Program) of the Newport Beach Municipal Code to Comply with State Law*; and pass to a second reading on August 26, 2025; and
 - c) Receive and file, City of Newport Beach Cross Connection Control Management Plan.
5. **Ordinance No. 2025-13: Amending Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code to Update Commercial Parking Requirements (PA2021-104)**
 - a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
 - b) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-13, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Local Coastal Program Amendment to Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code Related to Commercial Parking (PA2021-104)*; and pass to second reading on August 26, 2025.

Councilmember Blom recused himself from Agenda Item 5 citing a real property conflict of interest.

XIV. RESOLUTIONS FOR ADOPTION

6. **Resolution No. 2025-45: To Adopt Revisions to the City of Newport Beach Key and Management Compensation Plan**
 - a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
 - b) Adopt Resolution No. 2025-45: *A Resolution of the City Council of the City of Newport Beach, California, Adopting the 2025 Key & Management Compensation Plan, which shall be effective*

- from July 12, 2025 through June 30, 2028 and Amending the Salary Schedule for Key & Management Employees, the City Manager, the City Attorney, and the City Clerk;*
- c) Approve Budget Amendment No. 26-012, appropriating \$1,341,837 increased expenditures in various City division salary and benefit accounts from unappropriated General Fund balances; and
 - d) Approve and adopt the revisions to the Citywide salary schedule for those employees who tie to the Key and Management group for cost-of-living and/or salary adjustments.
- 7. Resolution No. 2025-46: Adopting a Memorandum of Understanding with the Newport Beach Fire Management Association (NBFMA) and Associated Salary Schedules**
- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
 - b) Adopt Resolution 2025-46, A Resolution of the City Council of the City of Newport Beach, California, Adopting a Memorandum of Understanding between the City of Newport Beach and the Newport Beach Fire Management Association and Amending the Salary Schedule for the Association Unit Members, Fire Chief, and Assistant Fire Chief;
 - c) Approve Budget Amendment No. 26-011, appropriating \$230,058 in increased expenditures in various City division salary and benefits accounts from unappropriated General Fund balance; and
 - d) Approve and Adopt the revisions to the Citywide salary schedule for those Key and Management safety employees who tie to the Newport Beach Fire Management Association for cost-of-living and/or salary adjustments.
- 8. Resolution No. 2025-47: Adopting a Memorandum of Understanding with the City of Newport Beach and the Newport Beach Lifeguard Management Association (NBLMA) and Associated Salary Schedule**
- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
 - b) Adopt Resolution No. 2025-47, *A Resolution of the City Council of the City of Newport Beach, California, Adopting a Memorandum of Understanding between the City of Newport Beach and the Newport Beach Lifeguard Management Association and Amending the Salary Schedule for the Association Unit Members and Assistant Chief, Lifeguard Operations;*
 - c) Approve Budget Amendment No. 26-010 appropriating \$233,595 increased expenditures in various City division salary and benefit accounts from unappropriated General Fund balances; and
 - d) Approve and adopt the revisions to the Citywide salary schedule for those Key and Management safety employees who tie to the Newport Beach Lifeguard Management Association for cost-of-living and/or salary adjustments.
- 9. Resolution No. 2025-48: Resolution of Intention to Amend the City's Contract with CalPERS to Eliminate Section 20516(a) Cost Sharing for Citywide Miscellaneous Tier I Employees**
- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
 - b) Adopt Resolution No. 2025-48, *A Resolution of Intention to Approve an Amendment to Contract Between the Board of Administration of the California Public Employees' Retirement System and the City Council of Newport Beach.*
- 10. Resolution No. 2025-49: A Procedure to Challenge Property Related Fees, Charges and Assessments in Accordance with Assembly Bill 2257**
- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and

- b) Adopt Resolution No. 2025-49; *A Resolution of the City Council of the City of Newport Beach, California, Adopting a Procedure to Challenge Property Related Fees, Charges and Assessments in Accordance with Assembly Bill No. 2257.*

11. Resolution No. 2025-50: Approving Side Letters of Agreement with the Newport Beach Fire Association Related to Move Up Pay and the Holiday Benefit Conversion Ratio

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Adopt Resolution No. 2025-50, *A Resolution of the City Council of the City of Newport Beach, California, Approving Side Letters of Agreement with the Newport Beach Firefighters Association Related to Move Up Pay and the Holiday Benefit Conversion Ratio.*

XV. CONTRACTS AND AGREEMENTS

12. Tentative Agreement with the Part Time Employees Association of Newport Beach (PTEANB)

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Receive and consider the Tentative Agreement between the City of Newport Beach and the Part Time Employees Association.

13. Approval of Additional Construction Contingency with Jilk Heavy Construction, Inc., and Amendment No. Six to the Professional Services Agreement with Burns & McDonnell Inc. for the San Diego Trash Interceptor Project (Contract No. 7127-3)

- a) Find the requirement for environmental review under the California Environmental Quality Act (CEQA) is satisfied by the September 25, 2018 Council adoption of Resolution No. 2018-67, *A Resolution of the City Council of the City of Newport Beach, California, Adopting Mitigated Negative Declaration No. ND2018-002 (SCH No. 2018081013) for the Newport Bay Water Wheel Project (PA2018-153), pursuant to the California Environmental Quality Act, State CEQA Guidelines and City Council Policy K-3;*
- b) Approve Budget Amendment No. 26-009 appropriating \$307,645 of increased expenditures in Account No. 16001-980000-17X12 (Newport Bay Trash Wheel) from the Environmental Liability Fund unappropriated fund balance;
- c) Increase the construction contingency by \$270,163 for the Jilk Heavy Construction, Inc. Contract No. 7127-5 for a total contingency of \$668,163 (approximately 17% of the contract award) for the San Diego Creek Trash Interceptor project; and
- d) Approve Amendment No. Six to the Professional Services Agreement with Burns & McDonnell Inc. (Attachment B) for construction services to increase the Agreement amount by \$25,482 for a total not-to-exceed amount of \$913,692 and authorize the Mayor and City Clerk to execute the Amendment.

14. Fiscal Year 2024-2025 Restroom Rehabilitation Phase 2 -Notice of Completion for Contract No. 8905-3 (24F02)

- a) Accept the completed work and authorize the City Clerk to file a Notice of Completion for the project.

15. Concrete Replacement Program Fiscal Year 2024-25 - Notice of Completion for Contract No. 9715-1 (25R06)

- a) Accept the completed work and authorize the City Clerk to file a Notice of Completion for the project.

Councilmember Weber recused herself from Agenda Item 15 citing a real property conflict of interest.

16. Amendment No. One to Agreement for Lease of Submerged Public Trust Lands with San Pedro Bait Co. for Seasonal Operation of a Live Bait Barge in Newport Harbor

- a) Determine this action 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 Section 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;
- b) Authorize the City Manager and City Clerk to execute Amendment No. One to Agreement for Lease of Submerged Public Trust Lands with San Pedro Bait Co., for seasonal operation of a live bait barge in Newport Harbor and use of City -managed submerged public trust lands, in a form substantially similar to the agreement attached to the staff report; and
- c) Approve a waiver of City Council Policy F-7 - Income and Other Property based on the findings contained in this staff report and the Agreement, that conducting an open bid process or changing the tenant would result in excessive vacancy, and the use of the property provides an essential or unique marine related service to the community and is of a public benefit, and might not otherwise be provided were an open bid be required.

17. Amendment to Maintenance Services Agreement with SECSOL, Inc., dba Security Solutions for Fire and Access Monitoring and Maintenance Services

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Approve Amendment No. One to the Maintenance Services Agreement with SECSOL, Inc., dba Security Solutions, for fire and access monitoring services, to increase the contract amount by \$100,000, and authorize the Mayor and City Clerk to execute the Agreement.

XVI. MISCELLANEOUS

18. FY 2024-25 Annual District Discretionary Grant Report and the Grants and Donations Report for the Quarter Ending June 30, 2025

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Receive and file.

19. Response to Grand Jury Report: “Long-Term Solutions to Short-Term Rentals”

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA guidelines because this action will not result in a direct or indirect physical change to the environment; and
- b) Approve the City’s response to the 2024-2025 Orange County Grand Jury Report, “Long-Term Solutions to Short-Term Rentals” and authorize the Mayor to submit the response to the Presiding Judge of the Superior Court of California, County of Orange County pursuant to Penal Code Section 933.05(a) and (b).

20. Homeless Outreach Services Update

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060 (c)(2) and 15060(c) (3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Receive and file the homeless outreach services update and data reports for the period from July 1, 2024 through June 30, 2025.

21. Planning Commission Agenda for the July 17, 2025 Meeting

- a) Receive and file.

XVII. ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

XVIII. PUBLIC COMMENTS ON NON-AGENDA ITEMS

Interim City Clerk Perry read the notice regarding public comments on non-agenda items.

Miles Patricola spoke on national issues; issues related to the residents who donated to President Trump's campaign; and requested the City Council inform said donors of the negative public policy efforts by the current administration, creating political and economic turmoil.

The following individuals, representing the Newport Terrace community, spoke on the devastating goat herding issues in that community: Doug McClain, Terry Blake, Sarah Zimmerman, and Leslie Bailey.

The consensus of the speakers was that the goat vendor continues to trespass and harass residents even with police intervention. Dale Wilcox, who was hired for goat grazing services in early May, has refused to leave the property, despite termination notices. Speakers requested the City Council's assistance in removing the trespasser from the property.

City Attorney Harp acknowledged the issues associated with the goat vendor and stated that the City has several criminal cases pending against the individual and is working on a comprehensive approach to address the situation.

Mayor Stapleton noted that with the support of the Police Department and the City Attorney, the City would continue to help find a resolution to bring peace to the community.

XIX. PUBLIC HEARINGS

22. Resolution No. 2025-51: Community Development Block Grant - 2025-29 Consolidated Plan, 2025-26 Annual Action Plan, and Citizen Participation Plan Amendment

- a) Conduct a public hearing to receive comments on the Draft 2025-29 Consolidated Plan, Draft 2025-26 Action Plan, and Draft Citizen Participation Plan Amendment;
- b) Find the approval of the 2025-29 Consolidated Plan, 2025- 26 Action Plan, and Citizen Participation Plan Amendment exempt from the National Environmental Policy Act NEPA pursuant to 24 CFR Part 58, Section 58.34;
- c) Find the approval of the 2025-29 Consolidated Plan, 2025- 26 Action Plan, and Citizen Participation Plan Amendment are 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 it has no potential for resulting in physical change to the environment, directly or indirectly;
- d) Adopt Resolution No. 2025- 51, *A Resolution of the City Council of the City of Newport Beach, California, Approving the 2025-2029 Consolidated Plan, 2025- 2026 Annual Action Plan, and Citizen Participation Plan for the Federal Community Development Block Grant Program*;
- e) Authorize the City Manager to:
 1. Submit the 2025-29 Consolidated Plan, 2025-29 Action Plan, and Citizen Participation Plan Amendment to U.S. Department of Housing and Urban Development (HUD);
 2. Execute the 2025-26 Community Development Block Grant (CDBG) Program Grant Agreement and all related documents on behalf of the City;
 3. Execute the sub-recipient agreements with the nonprofit organizations receiving allocations of CDBG funds in the Action Plan; and

4. Authorize the community development director, or their designee, to be the official representative of the City of Newport Beach, and to submit required environmental documentation for CDBG projects; and
- f) Authorize the City Manager and City Clerk to execute a five -year Professional Services Agreement with Michael Baker International, Inc. for CDBG program administration and affordable housing monitoring.

Mayor Stapleton opened the public hearing at 4:55 p.m.

PUBLIC COMMENTS

Mr. Mosher spoke on the following concerns related to the Community Development Block Grants:

Noted that the staff report was cryptic; the staff report shows allocations funds that were received from the federal government, but it is unclear exactly how much money we have to spend and if we do not spend, what are the City's options. Mr. Mosher further noted that it is unclear whether we have \$402,000 or \$315,000 to spend; reviewed historical loan and payoff funding for the improvements in Balboa Village that appears to have gone away; noted an administrative fee from MicroBaker International and questioned how they were chosen; noted that under "Capital Projects" there is an amount that seems to exceed the limit and questioned whether it was a typographical error; additionally under "Capital Projects" there is an application from Trellis who works in senior home maintenance and it appears that would have been a good project to fund; and noted the Consolidated Action Plan is provided in the staff report by a link and is incomplete due to the inclusion of appendices one of which explains the public survey process.

Councilmember Grant requested clarification about a discrepancy in the header that noted a limit in the administration budget. Lauren Wooding Whitlinger, Real Property Administrator, explained that program income would cover the amount that exceeded the administration budget.

Mayor Stapleton closed the public hearing at 4:59 p.m.

Motion by Councilmember Weber, seconded by Councilmember Blom, to a) Conduct a public hearing to receive comments on the Draft 2025-29 Consolidated Plan, Draft 2025-26 Action Plan, and Draft Citizen Participation Plan Amendment; and b) Find the approval of the 2025-29 Consolidated Plan, 2025- 26 Action Plan, and Citizen Participation Plan Amendment exempt from the National Environmental Policy Act NEPA pursuant to 24 CFR Part 58, Section 58.34; c) Find the approval of the 2025-29 Consolidated Plan, 2025- 26 Action Plan, and Citizen Participation Plan Amendment are 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 it has no potential for resulting in physical change to the environment, directly or indirectly; d) Adopt Resolution No. 2025- 51, *A Resolution of the City Council of the City of Newport Beach, California, Approving the 2025-2029 Consolidated Plan, 2025- 2026 Annual Action Plan, and Citizen Participation Plan for the Federal Community Development Block Grant Program*; e) Authorize the City Manager to: 1.) Submit the 2025-29 Consolidated Plan, 2025-29 Action Plan, and Citizen Participation Plan Amendment to U.S. Department of Housing and Urban Development (HUD); 2) Execute the 2025-26 Community Development Block Grant (CDBG) Program Grant Agreement and all related documents on behalf of the City; 3) Execute the sub-recipient agreements with the nonprofit organizations receiving allocations of CDBG funds in the Action Plan; and 4) Authorize the community development director, or their designee, to be the official representative of the City of Newport Beach, and to submit required environmental documentation for CDBG projects; and f) Authorize the City Manager and City Clerk to execute a five -year Professional Services Agreement with Michael Baker International, Inc. for CDBG program administration and affordable housing monitoring.

ACTION

The motion carried unanimously by those members present (Councilmember Barto absent).

23. Ordinance No. 2025-14: Amending Title 21 of the Newport Beach Municipal Code Related to Comprehensive Municipal Code Amendments (PA2022-0219)

- a) Conduct a public hearing;
- b) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- c) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-14, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Local Coastal Program Amendment to Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code as Modified by the California Coastal Commission Related to Comprehensive Municipal Code Amendments (PA2022-0219)*, and pass to second reading on August 26, 2025 and b) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-14, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Local Coastal Program Amendment to Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code as Modified by the California Coastal Commission Related to Comprehensive Municipal Code Amendments (PA2022-0219)*, and pass to second reading on August 26, 2025.

Mayor Stapleton opened the public hearing at 5:00 p.m.

Hearing no requests by the public to speak, Mayor Stapleton closed the public hearing at 5:00 p.m.

Motion by Councilmember Blom, seconded by Mayor Stapleton, to a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and b) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-14, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Local Coastal Program Amendment to Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code as Modified by the California Coastal Commission Related to Comprehensive Municipal Code Amendments (PA2022-0219)*, and pass to second reading on August 26, 2025 and b) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-14, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Local Coastal Program Amendment to Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code as Modified by the California Coastal Commission Related to Comprehensive Municipal Code Amendments (PA2022-0219)*, and pass to second reading on August 26, 2025.

ACTION

The motion carried unanimously by those members present (Councilmember Barto absent).

24. Ordinances Nos. 2025-15 and 2025-16: Newport Beach Municipal Code Amendments Related to Short Term Lodging (PA2023-0116)

- a) Conduct a public hearing;
- b) Find this project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15060(c)(2) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, which states that an activity is not subject to CEQA if “[t]he activity will not result in a direct or reasonably foreseeable indirect physical change in the environment”;
- c) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-15, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Code Amendment to Chapter 5.95 (Short Term Lodging Permit) of the Newport Beach Municipal Code*

to Ensure Consistency with the Local Coastal Program Amendment Related to Short Term Lodging (PA2023- 0116), and pass to second reading on August 26, 2025; and

- d) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-16, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Local Coastal Plan Amendment Amending Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code as Modified by the California Coastal Commission Related to Short Term Lodging (PA2023-0116)*, and pass to second reading on August 26, 2025.

Councilmember Blom noted his need to recuse himself from the dais citing a conflict of interest due to real property interests.

Mayor Stapleton opened the public hearing at 5:01 p.m.

PUBLIC COMMENTS

Adam Leverenz expressed concern that a short-term lodging permit would require twenty or more units; having this requirement restricts any person or small business from obtaining a permit, which appears to be catering to big business. Mr. Leverenz asked whether the City Council would consider five or seven units as an alternative.

Jim Mosher reviewed the approval process of the proposed ordinance including the recent Coastal Commission review; noted the allowance of short term lodgings in mixed use areas; did not understand the restriction of 20 units; reviewed the Coastal Zone cap for short term lodgings (1,550) and the entire City cap (also 1,550); and requested the City Council review the proposed numbers to ensure the City is not shorting itself.

An unidentified speaker noted he is an investment property owner whose unit is between 22nd and 23rd Streets; spoke against the 20-unit short-term lodging permit requirement, stating it was unfair to small investors who work hard to maintain their properties; and felt the policy discriminated against individual owners in favor of corporate interests.

Mayor Stapleton closed the public hearing at 5:09 p.m.

Motion by Councilmember Weber, seconded by Mayor Stapleton, to a) Find this project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15060(c)(2) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, which states that an activity is not subject to CEQA if “[t]he activity will not result in a direct or reasonably foreseeable indirect physical change in the environment”; b) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-15, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Code Amendment to Chapter 5.95 (Short Term Lodging Permit) of the Newport Beach Municipal Code to Ensure Consistency with the Local Coastal Program Amendment Related to Short Term Lodging (PA2023- 0116)*, and pass to second reading on August 26, 2025; and c) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-16, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Local Coastal Plan Amendment Amending Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code as Modified by the California Coastal Commission Related to Short Term Lodging (PA2023-0116)*, and pass to second reading on August 26, 2025.

ACTION

The motion carried by the following vote (5-0-1-1)

AYES:	Grant, Kleiman, Weber, Weigand, Stapleton
NOES:	None
ABSENT:	Barto
RECUSED:	Blom

25. Ordinance No. 2025-17: Third Amendment to Development Agreement No. DA2012-003 for the Uptown Newport Planned Community located at 4251 Jamboree Road (PA2025-0010)

- a) Conduct a public hearing;
- b) Find that all significant environmental concerns for the Project have been addressed in the previously certified Environmental Impact Report No. ER2012-001 (SCH No. 2010051094), First Addendum No. ER2012-001, and Second Addendum No. ER2020-001; and
- c) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-17, *An Ordinance of the City Council of the City of Newport Beach, California, Approving the Third Amendment to Development Agreement No. DA2012-003 for the Property at 4321 Jamboree Road Located Within Uptown Newport Planned Community (PA2025-0010)*, and pass to second reading on August 26, 2025.

Mayor Stapleton and Mayor Pro Tem Kleiman noted the need to recuse themselves citing real property conflict of interests. Councilmember Blom conducted the public hearing on their behalf.

Councilmember Blom opened the public hearing at 5:11 p.m. and hearing no requests by the public to speak, closed the public hearing at 5:11 p.m.

Motion by Councilmember Blom, seconded by Councilmember Weber, to a) Find that all significant environmental concerns for the Project have been addressed in the previously certified Environmental Impact Report No. ER2012-001 (SCH No. 2010051094), First Addendum No. ER2012-001, and Second Addendum No. ER2020-001; and b) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-17, *An Ordinance of the City Council of the City of Newport Beach, California, Approving the Third Amendment to Development Agreement No. DA2012-003 for the Property at 4321 Jamboree Road Located Within Uptown Newport Planned Community (PA2025-0010)*, and pass to second reading on August 26, 2025.

ACTION

The motion carried by the following vote (4-0-1-2):

AYES: Blom, Grant, Weber, Weigand,
NOES: None
ABSENT: Barto
RECUSED: Kleiman and Stapleton

26. Ordinance No. 2025-18: Amending Title 21 of the Newport Beach Municipal Code Related to the Tennis and Pickleball Club at Newport Beach Located at 1602 East Coast Highway (PA2021-260)

- a) Conduct a public hearing;
- b) Find that all significant environmental concerns for the proposed project have been adequately addressed in the Addendum to Mitigated Negative Declaration No. 2010-008 (SCH 2010091052), previously approved by City Council Resolution 2023-69; and
- c) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-18, *An Ordinance of the City Council of the City of Newport Beach, California, Amending Title 21 (Local Coastal Implementation Plan) of the Newport Beach Municipal Code as Modified by the California Coastal Commission Related to the Tennis and Pickleball Club at Newport Beach Located at 1602 East Coast Highway (PA2021-260)*, and pass to second reading on August 26, 2025.

Mayor Pro Tem Kleiman citing a real property conflict of interest, recused herself.

Mayor Stapleton opened the public hearing at 5:12 p.m. and hearing no requests to speak, closed the public hearing at 5:12 p.m.

Motion by Councilmember Blom, seconded by Councilmember Weber, to a) Find that all significant environmental concerns for the proposed project have been adequately addressed in the Addendum to Mitigated Negative Declaration No. 2010-008 (SCH 2010091052), previously approved by City Council Resolution 2023-69; and b) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-18, *An Ordinance of the City Council of the City of Newport Beach, California, Amending Title 21 (Local Coastal Implementation Plan) of the Newport Beach Municipal Code as Modified by the California Coastal Commission Related to the Tennis and Pickleball Club at Newport Beach Located at 1602 East Coast Highway (PA2021-260)*, and pass to second reading on August 26, 2025.

ACTION

The motion carried by the following vote (5-0-1-1):

AYES:	Blom, Grant, Weber, Weigand, Stapleton
NOES:	None
ABSENT:	Barto
RECUSED:	Kleiman

XX. CURRENT BUSINESS

27. City Manager Employment Agreement

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- b) Adopt Resolution No. 2025-52, *A Resolution of the City Council of the City of Newport Beach, California, Appointing Seimone Jurjis as City Manager Effective December 27, 2025*;
- c) Approve and authorize the Mayor to execute an Employment Agreement between the City of Newport Beach and Seimone Jurjis, subject to the terms and conditions approved by the City Council; and
- d) Approve Budget Amendment No. 26-013 appropriating \$40,104 from unappropriated General Fund balance to various salary and benefit accounts to implement the terms of the Agreement for FY 2025-2026.

City Attorney Aaron Harp presented the staff report and provided the following summary of the City Manager employment agreement:

- Term to begin December 27, 2025 (at the end of current City Manager's term)
- Annual Base Salary: \$363,071.
- Adjustments to Base Salary - Cost of Living: Same as Key & Management which includes 4% in 2026 and 3% in 2027.
- Performance Bonus: Beginning in calendar year 2026, an annual lump sum bonus of 2.5% of base salary, as adjusted, payable on the next normal payday that includes December 27. Deferred Compensation: Beginning in calendar year 2026, an annual City contribution to his 401(a) defined contribution plan of \$51,000, which increases by \$5,000 per calendar year thereafter.
- Annual Physical Exam: Reimbursement for an annual physical exam up to \$2,500.
- Phone Allowance: A phone allowance that is equal to the phone allowance provided to Management Employees.
- Auto Allowance: An auto allowance of \$750 per month.
- Attorney's Fees: Reimbursement for attorney's fees of up to \$5,000 to review the Agreement.
- CalPERS Contribution: An initial CalPERS contribution of 8% (tied to the same formula or percentage contribution as is applied to the Tier I non-safety members of the Key & Management Group covered under the Compensation Plan and for the same duration).

- Administrative Leave: Beginning in calendar year 2026, 120 hours of administrative leave per year.
- Flex Leave Cap: 450 hours.
- Severance Benefit: A severance of up to 12 months of the adjusted base salary and 6 months medical.

Councilmember Weigand requested City Attorney Harp speak to the concerns relayed by the public concerning the process used by the City Council in the hiring of a City Manager.

City Attorney Harp spoke that the City's Charter provides a process, the City has followed that process; and that confidentiality related to personnel matters is required.

PUBLIC COMMENTS

Jim Mosher noted that residents may have different opinions from the City Attorney; noted that there was no announcement of an appointment at the last City Council meeting; voiced his objection to the process especially because there is no urgency about this matter; noted the City Council has five months before needing to appoint a City Manager; explained that hiring processes should be followed per the City Charter; noted that the Charter requires the screening of applicants but to his knowledge there was no application process; reviewed the two previous City Manager appointments that had included a nationwide search; and stated what he thought were ethical lapses with the proposed City Manager appointee.

Adam Leverenz acknowledged his positive interactions with Mr. Jurjis but echoed concerns about the process and the financial implications, noting that in 2026, the City would be paying close to one million dollars for two City Managers; noted the concerns in the community pertaining to the recruitment process; and expressed concern related to business interests being prioritized over constituents.

Councilmember Blom, noted the need for the right people to be in charge of the City; recognized the amazing efforts of City Manager Grace Leung; stated that Mr. Mosher's comments on Mr. Jurjis are incorrect; explained that these are never easy decisions; emphasized there were more state housing mandates for the City that will require leadership as the City progresses forward; noted the need for a strong negotiator; rejected conspiracy theories; and stated that promoting from within was the best solution.

Mayor Stapleton expressed gratitude to City Manager Leung for her service and congratulated Assistant City Manager Jurjis on his appointment.

Motion by Councilmember Blom, seconded by Mayor Stapleton, to a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; b) Adopt Resolution No. 2025-52, *A Resolution of the City Council of the City of Newport Beach, California, Appointing Seimone Jurjis as City Manager Effective December 27, 2025*; c) Approve and authorize the Mayor to execute an Employment Agreement between the City of Newport Beach and Seimone Jurjis, subject to the terms and conditions approved by the City Council; and d) Approve Budget Amendment No. 26-013 appropriating \$40,104 from unappropriated General Fund balance to various salary and benefit accounts to implement the terms of the Agreement for FY 2025-2026.

ACTION

The motion carried 6-0-1 (Councilmember Barto absent).

XXI. MOTION FOR RECONSIDERATION – None

CITY COUNCIL ANNOUNCEMENTS (CONT.)

Mayor Stapleton updated his announcements to highlight the upcoming Figure-8 Demolition Derby at the Orange County Fair on July 30. The Mayor will be joined by Fire Chief Boyles, Councilmembers Weigand, Blom, and Weber, for the purpose of raising money for Children's Hospital of Orange County (CHOC).

XXII. PUBLIC COMMENTS ON CLOSED SESSION

Jim Mosher spoke on Item A, 2 items of litigation and questioned whether there could be a brief sentence on the agenda to assist the public in understanding the context of the existing litigation.

XXIII. CLOSED SESSION

City Attorney Harp read the titles to the Closed Session items.

RECESS

Mayor Stapleton recessed the meeting to Closed Session at 5:29 p.m.

**A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code § 54956.9(d)(1)): 2 matters**

1. *Newport Coast Community Association v. City of Newport Beach*
Orange County Superior Court Case No. 30-2024-0137558-CU-BC-CJC
2. *Rachel Roberts et al. v. City of Newport Beach*
United States District Court Case No. 8:24-cv-00149-FWS-JDE

**B. CONFERENCE WITH LABOR NEGOTIATORS
(Government Code § 54957.6): 1 matter**

Agency Designated Representatives: Grace K. Leung, City Manager, and Jonathan Holtzman, Esq., Negotiators.

Employee Organizations: Newport Beach City Employees Association.

RECONVENE

Mayor Stapleton reconvened the meeting at 5:52 p.m.

XXIV. CLOSED SESSION REPORT

City Attorney Harp noted there was no reportable action from Closed Session.

XXV. ADJOURNMENT – Adjourned at 5:52 p.m.