Attachment C

Coastal Commission Approval Letter and Suggested Modification

May 28, 2025

City of Newport Beach City Council Newport Beach Civic Center 100 Civic Center Drive Newport Beach, CA 92660

Re: City of Newport Beach Local Coastal Program (LCP) Amendment Request No. LCP-5-NPB-24-0004-1, Parts A, B, and C

Dear Councilpersons:

You are hereby notified that, at its May 7, 2025 meeting in Half Moon Bay, the Coastal Commission <u>approved with suggested modifications</u> Parts A, B, and C of Implementation Plan (IP) Amendment Request No. LCP-5-NPB-24-0004-1.

Part A of the subject request was submitted for Commission certification by City Council Resolution No. 2023-83 on February 8, 2024 and pertains to short-term rentals. Part B of the subject request was submitted for Commission certification by City Council Resolution No. 2023-71 on February 8, 2024 and pertains to the Newport Beach Country Club. Part C of the subject request was submitted for Commission certification by City Council Resolution No. 2023-76 and consisted of a general IP clean-up.

Pursuant to the Commission's action on May 7, 2025, certification of Parts A, B, and C of the subject amendment request are subject to the attached suggested modifications (Attachment 1). Therefore, all three parts of IP Amendment No. LCP-5-NPB-24-0004-1 will not be effective for implementation in the City's coastal zone until:

- 1) The City Council adopts the Commission's suggested modifications,
- The City Council forwards the adopted suggested modifications to the Commission by resolution, and
- 3) The Executive Director certifies that the City has complied with the Commission's May 7, 2025 action.

The Coastal Act requires that the City's adoption of the suggested modifications be completed within six months of the Commission's action (i.e. by November 3, 2025). Thank you for your cooperation and we look forward to working with you and your staff in the future. Please contact Chloe Seifert at chloe.seifert@coastal.ca.gov with questions regarding the modifications required for effective certification of Parts A, B, and C of IP Amendment No. LCP-5-NPB-24-0004-1.

Sincerely,

Chloe Seifert Coastal Program Analyst

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Attachment 1—Suggested Modifications

The City's proposed new text is shown in <u>underlined text</u>.

The City's proposed deleted text is shown in single strike-through.

The Commission's proposed new text is shown in **bold underline**.

The Commission's proposed deleted text is shown in **bold strike-through**.

A. PART A (STRS IN MIXED-USE ZONES)

Suggested Modification 1: Preserve the overall 1,550-permit cap on STRs throughout the coastal zone.

21.48.115 Short= Term Lodging.

- ...<u>C. Permits within Mixed-Use Water Zoning District (MU-W2) and Mixed-Use Cannery Village and 15th Street Zoning District (MU-CV/15th St.).</u>
 - ...3. As set forth in Section 5.95.042 of Chapter 5.95, the maximum number of short term lodging permits shall be limited to a total of seventy-five (75) permits within the Mixed-Use Water (MU-W2) and Mixed-Use Cannery Village and 15th Street (MUCV/ 15th St.) districts at any time. No new permit shall be issued to any person on the waiting list, as described in Section 5.95.042(F), until the total number of 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.
- ...D. Permits in the Coastal Zone. At no point shall the total number of short-term lodging permits in the City's coastal zone exceed one-thousand five-hundred and fifty (1,550).

Suggested Modification 2: Re-alphabetize the three subsections ("Operational Standards", "Additional Requirements for Newport Island…", and "Additional Requirements for the Mixed-Use…" following the new Subsection D of IP Section 21.48.115 to reflect the corrected alphabetical order.

Suggested Modification 3: Specify unclear language and protect public parking used for coastal access.

21.48.115 Short-Term Lodging.

... <u>FG.</u> Additional Requirements for the Mixed-Use Water Zoning District (MU-W2) and Mixed-Use Cannery Village and 15th Street Zoning District (MU-CV/15th St.)...

1. Prior to issuance of a short term lodging permit, a management plan shall be submitted for review and approval by the Community Development Director. The management plan shall include the following:

...e. Parking management plan ensuring all available on-site parking remain free of obstructions and available for use by the short term lodging user. For short term lodging units that are non-conforming due to number of parking spaces provided, there shall be sufficient data to indicate that parking demand will be less than the required satisfied by the provided number of spaces or that other parking is alternate modes of transportation are available (e.g., City parking lot located nearby, on-street parking available, bicycles and e-bikes, bus and trolley routes, rideshare services, private offsite parking lots, greater than normal walk in trade, alternative transportation, etc.) such that use or operation of the short term lodging permit will not rely on the City's stock of public on-street and off-street parking or reduce availability of parking in nearby residential neighborhoods.

B. PART B (1602 E. COAST HWY.)

Suggested Modification 4: Protect public views from an LUP-designated coastal view road.

Section 21.26.055, Planned Community Coastal Zoning District Development Standards.

- ...S. Newport Beach Country Club (PC-47).
 - ...3. Residential.
 - ...b. Attached Residential (Condominiums)

...iii. Height: forty-six (46) feet (to be located atop of the 2-story hotel buildings in a manner that does not obstruct blue-water coastal views from LUP-designated coastal view roads.

C. PART C (IP CLEAN-UP)

Suggested Modification 5: Reject the City's proposed new exemption criteria.

21.52.035.C. Coastal Act Exemptions.

Developments not located within the Coastal Commission's permit jurisdiction determined to be exempt from the coastal development permit requirements pursuant to California Public Resources Code Section 30610. The following

types of projects shall be so exempted unless they involve a risk of adverse environmental effects:

...<u>8. Tentative Parcel Maps for Condominium Purposes. Tentative parcel maps involving the subdivision of airspace within two-unit or multi-unit dwellings for condominium purposes.</u>

Suggested Modification 6: Retain certified IP language as previously amended.

Table 21.18-4, Development Standards for Multi-Unit Residential Zoning Districts.

...(7) Density bonuses may be granted for the development of housing that is affordable to lower-, low-, and moderate-income households and senior citizens in compliance with Government Cal. Gov. Code Sections 65915 through 65917. Any housing development approved pursuant to Government Cal. Gov. Code Section 65915 shall be consistent, to the maximum extent feasible, and in a manner most protective of coastal resources, with all otherwise applicable Local Coastal Program policies and development standards in compliance with Chapter 21.32 (Density Bonus).

Table 21.22-3, Development Standards for Vertical and Horizontal Mixed-Use Zoning Districts.

...(6) Density bonuses may be granted for the development of housing that is affordable to lower-, low-, and moderate-income households and senior citizens in compliance with Government Cal. Gov. Code Sections 65915 through 65917. Any housing development approved pursuant to Government Cal. Gov. Code Section 65915 shall be consistent, to the maximum extent feasible, and in a manner most protective of coastal resources, with all otherwise applicable Local Coastal Program policies and development standards in compliance with Chapter 21.32 (Density Bonus).

Table 21.22-4, Development Standards for Waterfront Mixed-Use Zoning Districts.

...(7) Density bonuses may be granted for the development of housing that is affordable to lower-, low-, and moderate-income households and senior citizens in compliance with Government Cal. Gov. Code Sections 65915 through 65917. Any housing development approved pursuant to Government Cal. Gov. Code Section 65915 shall be consistent, to the maximum extent feasible, and in a manner most protective of coastal resources, with all otherwise applicable Local Coastal Program policies and development standards in compliance with Chapter 21.32 (Density Bonus).

21.48.200 Accessory Dwelling Units.

A. Purpose. The purpose of this section is to establish the procedures for the creation of accessory dwelling units and junior accessory dwelling units, as defined in Part 7 (Definitions) of this title and in California Government Cal. Gov. Code Sections 65852.2 and 65852.22 66310 through 66342, or any successor statute, in areas designated for residential use, including as part of a planned community development plan or specific plan, and to provide development standards to ensure the orderly development of these units in appropriate areas of the City.

...B. Effects of Conforming. ...

- ...4. Required to correct a legally established nonconforming zoning conditions, building code violations, or unpermitted structures that do not present a threat to public health and safety and are not affected by the construction of the accessory dwelling unit or junior accessory dwelling unit. This does not prevent the City from enforcing compliance with applicable building standards in accordance with California Cal. Health and & Safety. Code Section 17980.12.
- ...JK. Historic Resources. Accessory dwelling units and/or junior accessory dwelling units proposed on residential or mixed-use properties that are determined to be historic shall be approved ministerially, in conformance with California Government Cal. Gov. Code Sections 65852.2 and 65852.22 66310 through 66342. However, any accessory dwelling unit or junior accessory dwelling unit that is listed on the California Register of Historic Resources shall meet all Secretary of the Interior standards, as applicable.
- 21.70.020 Definitions of Specialized Terms and Phrases.

"Density bonus" means, as defined by Government Cal. Gov. Code Section 65915 et seq., an increase over the maximum density otherwise allowed by the applicable zoning district that is granted to the owner/developer of a housing project who agrees to construct a prescribed percentage of dwelling units that are affordable to very low- and low-income households. See "Very low-income household" and "Low-income household." a density increase over the maximum allowable density under the applicable coastal zoning district and Coastal Land Use Plan as of the date of application.