

## **CALIFORNIA COASTAL COMMISSION**

South Coast District Office  
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Long Beach, CA 90802  
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# **W14b**

### **LCP AMENDMENT NO. LCP-5-NPB-20-0070-3**

#### **(SHORT-TERM LODGING)**

#### **City of Newport Beach**

**October 13, 2021**

### **EXHIBITS**

#### **Table of Contents**

Exhibit 1 – City of Newport Beach Resolution No. 2020-91

Exhibit 2 – City of Newport Beach Resolution No. 2020-26

Exhibit 3 – Certified IP language Section 21.48.115

**RESOLUTION NO. 2020-91****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, AUTHORIZING SUBMITTAL OF LOCAL COASTAL PROGRAM AMENDMENT NO. LC2020-007 TO THE CALIFORNIA COASTAL COMMISSION, AN AMENDMENT TO TITLE 21 (LOCAL COASTAL PROGRAM IMPLEMENTATION PLAN) OF THE NEWPORT BEACH MUNICIPAL CODE RELATED TO SHORT-TERM LODGING (PA2020-048)**

**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**, the City is a popular beach resort community that serves a large number of tourists during the summer months. To accommodate this large influx, the City has in excess of 4,000 hotel/motel rooms and 1,500 short-term lodging units;

**WHEREAS**, this influx of tourists' burdens City streets and services with heavy volume of vehicle traffic and heavy demand on parking, sewage, and refuse facilities, paramedics and police services;

**WHEREAS**, a survey conducted by the City of permitted short-term lodging within 52 communities that are located in Orange County and coastal regions of Los Angeles and San Diego counties has shown that the City has the third highest concentration of short-term lodging units, exceeding 177 short-term lodging units per 10,000 residents;

**WHEREAS**, the Police and Fire Departments frequently respond to complaints of noise disturbances, disorderly conduct and other illegal activity at short-term lodging units;

**WHEREAS**, a large number of short-term lodging units are located in residential areas where dwelling units are occupied by the property owner or long term tenants and these permanent residents are adversely impacted by the noise, traffic, refuse and demand for parking resulting from occupancy of short term lodging units;

**WHEREAS**, the presence of such visitors within the City's residential neighborhoods can sometimes disrupt the quietude and residential character of the neighborhoods and adversely affect the community;

**WHEREAS**, approximately 3.4 percent of the City's housing stock is utilized for short-term lodging units;

**WHEREAS**, the City has an interest in preserving its housing stock and the quality and character of its existing residential neighborhoods;

**WHEREAS**, the City has more short term lodging units than any other southern California city of a similar size, and limiting the number of short term lodging units will reduce the demand for City services, preserve the housing stock and quality and character of the City's neighborhoods;

**WHEREAS**, occupants of short term lodging units are generally not residents of the City and the City has limited ability to enforce provisions of the Newport Beach Municipal Code and the Penal Code related to disorderly conduct when violated by occupants of short term lodging units;

**WHEREAS**, requiring a three (3) night minimum stay has been shown to reduce the number of disturbances at short term lodging units, thereby reducing the demand on Police and Fire Department personnel;

**WHEREAS**, establishing a maximum cap of 1,550 permits accommodates a minor expansion of the City's short-term lodging capacity, while guarding against future impacts that unregulated expansion would create;

**WHEREAS**, the City Council has reviewed and considered evidence and documentation attesting to the need to limit the number of short term lodging permits and further regulate and control short term lodging units in residential zones to ensure that short term lodging units are regulated in a way to maintain harmony with surrounding uses;

**WHEREAS**, a telephonic public hearing was held by the Planning Commission on July 23, 2020, in the Council Chambers located at 100 Civic Center Drive, Newport Beach, California, due to the Declaration of a State Emergency and Proclamation of Local Emergency related to COVID-19. A notice of time, place, and purpose of the public hearing was given in accordance with Government Code Section 54950 et seq. ("Ralph M. Brown Act") and Chapter 21.62 (Public Hearings) of the Newport Beach Municipal Code ("NBMC"). Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this public hearing.

**WHEREAS**, Local Coastal Program Amendment No. LC2020-007, as drafted at the time, included more restrictive proposed standards, including prohibiting the issuance of any new short-term lodging permits and establishing a minimum six (6) night stay for non owner-occupied units.

**WHEREAS**, at the hearing, the Planning Commission adopted Resolution No. PC2020-027 by a majority vote (4 ayes, 2 nays), thereby recommending the City Council deny Local Coastal Program Amendment No. LC2020-007;

**WHEREAS**, a telephonic study session was held by the City Council on September 8, 2020, in the Council Chambers located at 100 Civic Center Drive, Newport Beach, California, due to the Declaration of a State Emergency and Proclamation of Local Emergency related to COVID-19 to discuss short-term lodging in the City;

**WHEREAS**, a telephonic public hearing was held by the City Council on October 13, 2020, in the Council Chambers located at 100 Civic Center Drive, Newport Beach, California, due to the Declaration of a State Emergency and Proclamation of Local Emergency related to COVID-19. A notice of time, place and purpose of the public hearings was given in accordance with the Ralph M. Brown Act, and Chapter 21.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to, and considered by, the City Council at these public hearings; and

**WHEREAS**, pursuant to Section 13515 of the California Code of Regulations Title 14, Division 5.5, Chapter 8, Subchapter 2, Article 5 ("Public Participation"), drafts of LCP Amendment No. LC2020-007 were made available and a Notice of Availability was distributed at least six (6) weeks prior to the City Council public hearing.

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

**Section 1:** The City Council authorizes staff to submit Local Coast Amendment No. LC2020-007, as set forth below, to the California Coastal Commission.

**Section 2:** The row entitled "Short-Term Lodging" set forth in Table 21.18-1 (Allowed Uses) in Section 21.18.020(C) (Residential Coastal Zoning Districts Land Uses) of Chapter 21.18 (Residential Coastal Zoning Districts (R-A, R-1, R-BI, R-2, and RM)) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC is amended to read as follows:

Land Use	R-A	R-1 R-1- 6,000	R-BI R-2 R-2- 6,000	RM RM- 6,000	Specific Use Regulations
<b>Residential Uses</b>					
Short-Term Lodging	—	—	A	A	Chapter 5.95 and Section 21.48.115

**Section 3:** Section 21.48.115 (Short-term Lodging) of Chapter 21.48 (Standards for Specific Land Uses) of Title 21 (Local Coastal Program Implementation Plan) of the NBMC is repealed and replaced with the following:

### **21.48.115 Short-Term Lodging.**

A. Purpose. This section provides standards for the operation of short-term lodging units to prevent over-burdening City services and adverse impacts on residential neighborhoods and on coastal access and resources.

B. Zoning Districts and Planned Communities. No short-term lodging unit shall be permitted on any parcel in the R-1 (Single-Unit Residential) Coastal Zoning District or any parcel designated for single-unit dwelling land use as part of a planned community development plan, unless the short-term lodging unit was legally established on or before June 1, 2004.

C. Permits. No owner of a short term lodging unit shall advertise for rent or rent a lodging unit located within a residential district for a short term without a valid short term lodging permit for that unit issued pursuant Chapter 5.95. As set forth in Section 5.95.042, of Chapter 5.95, the maximum number of short term lodging permits shall be limited to fifteen hundred and fifty (1,550) permits at any time. If there are more than fifteen hundred and fifty (1,550) valid permits that have been issued as of the effective date of this section, an owner shall be permitted to renew, reinstate, or transfer a valid permit in accordance with the provisions of Chapter 5.95; however, no new permit shall be issued to anyone on the waiting list, as described in Section 5.95.043 (D), until the total number of permits does not exceed the fifteen hundred and fifty (1,550).

D. Operational Standards. The owner, or any other person(s) or entity(ies) that hold(s) legal and/or equitable title to the lodging unit, shall comply with all federal, state, and local laws, rules, regulations and conditions of approval including, but not limited to, all short term lodging permit conditions set forth in Chapter 5.95. In addition, the owner, or any other person(s) or entity(ies) that hold(s) legal and/or equitable title to the lodging unit, shall:

1. By written agreement, limit overnight occupancy of the short-term lodging unit to the maximum permitted by the Building Code and Fire Code.

2. Use best efforts to ensure that the transient user, occupants and/or guests of the short term lodging unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of this Code or any state or federal law pertaining to noise, disorderly conduct, the consumption of alcohol, or the use of illegal drugs.

3. Upon notification that any transient user, occupant and/or guest of his or her short term lodging unit has created unreasonable noise or disturbances, engaged in disorderly conduct or committed violations of this Code or any state or federal law pertaining to noise, disorderly conduct, the consumption of alcohol or the use of illegal drugs, promptly use best efforts to prevent a recurrence of such conduct by any transient user, occupant or guest.

4. Use best efforts to ensure compliance with applicable health and sanitation regulations relating to waste disposal.

5. Post a copy of any applicable permits and conditions in a conspicuous place within the unit.

6. Not rent, let, advertise for rent, or enter into an agreement for the rental of any lodging unit, for less than three (3) consecutive nights.

7. The City Manager shall have the authority to impose additional standard conditions, applicable to all short-term lodging units, as necessary to achieve the objectives of this section.

**Section 4:** LCP Amendment No. LC2020-007, shall be carried out in full conformance with the California Coastal Act of 1976 as set forth in the California Public Resources Code Section 30000 et seq. LCP Amendment No. LC2020-007 shall not become effective until approval by the Coastal Commission and adoption, including any modifications suggested by the Coastal Commission, by resolution(s) and/or ordinance(s) of the City Council.

**Section 5:** The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.



**Section 6:** If any section, subsection, sentence, clause or phrase of this resolution 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 resolution. The City Council hereby declares that it would have passed this resolution, 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 7:** The City Council finds the adoption of this resolution is not a project subject to the California Environmental Quality Act ("CEQA") in accordance with Section 21065 of the California Public Resources Code and Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the California Code of Regulations Title 14, Division 6, Chapter 3 ("CEQA Guidelines"). The proposed action is also exempt pursuant to CEQA Guidelines Section 15061(b)(3), the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The LCP Amendment itself provides additional regulations on short-term lodging; but, since the use is already permitted, it does not authorize development that would directly result in physical change to the environment.

**Section 8:** This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

**ADOPTED** this 13<sup>th</sup> day of October, 2020

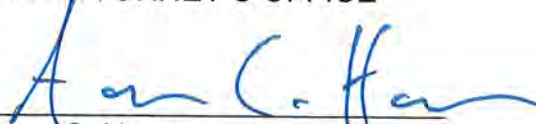
  
Will O'Neill  
Mayor

**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; the foregoing resolution, being Resolution No. 2020-91, was duly introduced before and adopted by the City Council of said City at a regular meeting of said Council held on the 13<sup>th</sup> day of October, 2020; and the same was so passed and adopted by the following vote, to wit:

AYES: Council Member Joy Brenner, Council Member Diane Dixon, Council Member Duffy Duffield, Council Member Jeff Herdman

NAYS: Mayor Will O'Neill, Mayor Pro Tem Brad Avery, Council Member Kevin Muldoon

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of said City this 14<sup>th</sup> day of October, 2020.



Leilani I. Brown  
City Clerk  
Newport Beach, California





**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY  
OF NEWPORT BEACH, CALIFORNIA, AMENDING  
PORTIONS OF CHAPTER 5.95 OF THE NEWPORT  
BEACH MUNICIPAL CODE RELATING TO SHORT TERM  
LODGING**

**WHEREAS**, Section 200 of the 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 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 a popular beach resort community that serves a large number of tourists during the summer months;

**WHEREAS**, this influx of tourists' burdens City streets and services with heavy volume of vehicle traffic and heavy demand on parking, sewage, and refuse facilities, paramedics and police services;

**WHEREAS**, the Police and Fire Departments frequently respond to complaints of noise disturbances, disorderly conduct and other illegal activity at short term lodging units;

**WHEREAS**, a large number of short term lodging units are located in residential areas where dwelling units are occupied by the property owner or long term tenants and these permanent residents are adversely impacted by the noise, traffic, refuse and demand for parking resulting from occupancy of short term lodging units;

**WHEREAS**, the presence of such visitors within the City's residential neighborhoods can sometimes disrupt the quietude and residential character of the neighborhoods and adversely affect the community;

**WHEREAS**, the City has an interest in preserving its housing stock and the quality and character of its existing residential neighborhoods;

**WHEREAS**, occupants of short term lodging units are generally not residents of the City and the City has limited ability to enforce provisions of the Newport Beach Municipal Code and the Penal Code related to disorderly conduct when violated by occupants of short term lodging units;

**WHEREAS**, requiring a three (3) night minimum stay has been shown to reduce the number of disturbances at short term lodging units, thereby reducing the demand on Police and Fire Department personnel;

**WHEREAS**, the City has more short term lodging units than any other southern California city of a similar size, and limiting the number of short term lodging units will reduce the demand for City services, preserve the housing stock and quality and character of the City's neighborhoods; and

**WHEREAS**, the City Council has reviewed and considered evidence and documentation attesting to the need to limit the number of short term lodging permits and further regulate and control short term lodging units in residential zones to ensure that short term lodging units are regulated in a way to maintain harmony with surrounding uses.

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

**Section 1:** The table of contents for Chapter 5.95. of Title 5 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 Residential 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.

5.95.060 Violations, Penalties and Enforcement.

5.95.065 Suspensions and Revocations.

5.95.070 Permits and Fees Not Exclusive.

5.95.080 License and Permit Closure.

**Section 2:** Section 5.95.005, Subsection (L), of Chapter 5.95. of Title 5 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 as well as to prevent and address the impacts on residential neighborhoods posed by short term lodgings.

**Section 3:** Section 5.95.025, of Chapter 5.95. of Title 5 of the Newport Beach Municipal Code is hereby amended to read as follows:

**5.95.025 Agency.**

An owner may retain an agent to comply with the requirements of this chapter, including, without limitation, the filing of an application for an annual permit, the renewal of a permit, the reinstatement of a permit or the transfer of a permit; the management of the short term lodging unit or units; and the compliance with the short term lodging permit conditions. The permit shall be issued only to the owner of the short term lodging unit or units. The owner of the short term lodging unit or units is responsible for compliance with the provisions of this chapter and the failure of an agent to comply with this chapter shall be deemed non-compliance by the owner.

**Section 4:** Section 5.95.030, of Chapter 5.95. of Title 5 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. Acknowledgement 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) calendar 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) calendar 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) calendar 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) calendar 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).

G. For purposes of calculating the maximum number of permits under Section 5.95.042, a short term lodging permit shall be deemed valid until the applicable permit has been deemed abandoned.

**Section 5:** Section 5.95.035, of Chapter 5.95. of Title 5 of the Newport Beach Municipal Code is hereby 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; or the short term lodging permit for the same unit and issued to the same owner has been revoked.

**Section 6:** Section 5.95.040, of Chapter 5.95. of Title 5 of the Newport Beach Municipal Code is hereby amended to read as follows:

**5.95.040 Filing Fee.**

An application for a new annual permit, the renewal of an existing permit, the reinstatement of a permit, or the transfer of a permit shall be accompanied by a fee established by resolution of the City Council; provided, however, the fee shall be no greater than necessary to defer the cost incurred by the City in administering the provisions of this chapter and for providing the answering service.



**Section 7:** Section 5.95.042 of Chapter 5.95. of Title 5 of the Newport Beach Municipal Code is hereby added to read as follows:

**5.95.042 Maximum Number of Permits.**

A. The maximum number of short term lodging permits shall be limited to fifteen hundred and fifty (1,550) permits at any time. If there are more than fifteen hundred and fifty (1,550) valid permits that have been issued as of the effective date of this section, 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 anyone on the waiting list, as described in Subsection (D), until the total number of permits does not exceed the fifteen hundred and fifty (1,550). For purposes of calculating the maximum number of permits available, a permit shall be deemed valid and unavailable until it is abandoned in accordance with Section 5.95.030, (B) through (F), and/or Section 5.95.043 (B).

B. 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 Section 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 (D).

C. An owner seeking to transfer a valid short term lodging permit, that files an application within the timeframes 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 (D).

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. 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 8:** Section 5.95.043, of Chapter 5.95. of Title 5 of the Newport Beach Municipal Code is hereby added to read as follows:

**5.95.043 Transfer of Permit.**

A. A short term lodging permit that is valid and has not been abandoned in accordance with Section 5.95.030 (B) through (F), may be transferred to any of the following:

1. If the owner transfers the ownership of the lodging unit to an inter vivos trust, family trust, or other similar type of trust estate, a valid short term lodging permit may be transferred to the inter vivos trust, family trust, or other similar type of trust estate, if an application to transfer a valid permit, in accordance with Section 5.95.030, is filed within three hundred and sixty-five (365) days of the date title is transferred to the inter vivos trust, family trust, or other similar type of trust estate.

2. If the owner transfers the ownership of the lodging unit to a corporation, limited liability company, partnership, limited partnership, or similar business entity, a valid short term lodging permit may be transferred to the business entity, if an application to transfer a valid permit, in accordance with Section 5.95.030, is filed within three hundred and sixty-five (365) days of the date title is transferred to the business entity.

3. If the owner transfers the ownership of the lodging unit to an immediate family member, which shall include a spouse, domestic partner, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle), a valid short term lodging permit may be transferred to the immediate family member, if an application to transfer a valid permit, in accordance with Section 5.95.030, is filed within three hundred and sixty-five (365) days of the date title is transferred to the immediate family member.

4. If the owner sells the lodging unit to a bona fide purchaser for value, a valid short term lodging permit may be transferred to the purchaser, if an application to transfer a valid permit, is filed in accordance with Section 5.95.030, within sixty (60) days of the date title is transferred to the purchaser.



5. If the owner is deceased, the short term lodging permit for the short term lodging unit may be transferred to the heir(s) once the estate is closed and the assets distributed, if an application to transfer a valid permit, is filed in accordance with Section 5.95.030, within ninety (90) days of the date the heir(s) becomes the owner of the short term lodging unit.

B. The deadlines set forth in Subsection (A) are established for purposes of setting deadlines for the transfer of a valid permit that has not been deemed abandoned in accordance with Section 5.95.030 (B) through (F). The deadlines set forth in Section A shall not extend the deadlines set forth in or in accordance with Section 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 this section.

**Section 9:** Section 5.95.045, Subsection (A), (2), of Chapter 5.95. of Title 5 of the Newport Beach Municipal Code is hereby amended to read as follows:

2. The owner shall not rent a lodging unit to a transient user that is under the age of twenty-five (25).

**Section 10:** Section 5.95.045, Subsection (A), of Chapter 5.95. of Title 5 of the Newport Beach Municipal Code is hereby amended to add conditions numbers twenty-one (21) through twenty-three (23), which shall read as follows:

21. Neither an owner or 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 three (3) 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 were used by the transient user or the transient user's guest while staying at or visiting the short term lodging, within seven calendar 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.

23. The owner shall ensure that any transient user or transient user's guest complies with all state and local laws that regulate parking while the transient user or transient user's guest is staying at or visiting the short term lodging unit. For purposes of this condition, a transient user or transient user's guest shall be presumed to be staying at or visiting a short term lodging unit if a parking citation is issued to the transient user or the transient user's guest within one hundred (100) feet of the property line of the short term lodging unit during the time the transient user is renting the short term lodging unit.

**Section 11:** Section 5.95.047, of Chapter 5.95. of Title 5 of the Newport Beach Municipal Code is hereby amended to read as follows:

**5.95.047 Violations of Permit Conditions by Transient User, Occupant or Guest.**

A. In addition to other provisions of this Code, it shall be unlawful for any transient user, occupant or guest of a short term lodging unit to:

1. Exceed the overnight occupancy limit designated for the short term lodging unit.

2. Use street parking prior to utilizing all available on-site parking space(s) for the lodging unit.

3. Place trash for collection in violation of this Code's rules and regulations concerning:

a. The timing, storage or placement of trash containers; or

b. Recycling requirements.

4. Amplify or reproduce sound between the hours of 10:00 p.m. and 10:00 a.m.:

a. Outside of the lodging unit; or

b. That is audible from the property line for the lodging unit.

5. Use the short term lodging for any nonresidential purpose, including, but not limited to, large commercial or noncommercial gatherings, commercial filming and/or nonowner wedding receptions.

6. Rent a lodging unit to any person for a short term.

B. In addition to other provisions of this Code, it shall be unlawful for any lessee to rent a lodging unit to any transient user for a short term.

**Section 12:** The recitals provided in this ordinance are true and correct and are incorporated into the substantive portion of this ordinance.

**Section 13:** 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 14:** 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 15:** 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 16:** 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. Section 9, the portion of Section 10, which adds Subsections 22 and 23 to Section 5.95.045, Chapter 5.95. of Title 5, and Section 11, of this ordinance, shall become effective thirty (30) calendar days after its adoption. Sections 1 through 8 and the portion of Section 10, which adds Subsection 21, to Section 5.95.045, Chapter 5.95. of Title 5, of this ordinance, shall become final and effective upon the effective date of approval by the California Coastal Commission of LC2020-007 and adoption, including any modifications suggested by the California Coastal Commission, by resolution(s) and/or ordinance(s) of the City Council.



This ordinance was introduced at a regular meeting of the City Council of the City of Newport Beach held on the 13th day of October, 2020, and adopted on the 27th day of October, 2020, by the following vote, to-wit:

AYES: Mayor Pro Tem Avery, Council Member Brenner, Council Member Dixon,  
Council Member Herdman

NAYS: Mayor O'Neill, Council Member Duffield, Council Member Muldoon

ABSENT: \_\_\_\_\_

  
\_\_\_\_\_  
WILL O'NEILL, 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.

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Exhibit 2

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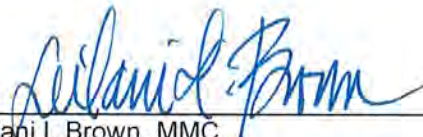
I, Leilani I. Brown, City Clerk of the City of Newport Beach, California, do hereby certify that the whole number of members of the City Council is seven; that the foregoing ordinance, being Ordinance No. 2020-26 was duly introduced on the 13<sup>th</sup> day of October, 2020, at a regular meeting, and adopted by the City Council at a regular meeting duly held on the 27<sup>th</sup> day of October, 2020, and that the same was so passed and adopted by the following vote, to wit:

AYES: Mayor Pro Tem Brad Avery, Council Member Joy Brenner, Council Member Diane Dixon, Council Member Jeff Herdman

NAYS: Mayor Will O'Neill, Council Member Duffy Duffield, Council Member Kevin Muldoon

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of said City this 28<sup>th</sup> day of October, 2020.



  
\_\_\_\_\_  
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. 2020-26 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: October 17, 2020  
Adopted Ordinance: October 31, 2020

In witness whereof, I have hereunto subscribed my name this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

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

**CERTIFIED LCP LANGUAGE****21.48.115 Short-Term Lodging.**

- A. **Purpose.** This section provides standards for the operation of short-term lodging units to prevent over-burdening City services and adverse impacts on residential neighborhoods and on coastal access and resources.
- B. **Zoning Districts and Planned Communities.** No short-term lodging unit shall be permitted on any parcel in the R-1 (Single-Unit Residential) Coastal Zoning District or any parcel designated for single-unit dwelling land use as part of a planned community development plan, unless the short-term lodging unit was legally established on or before June 1, 2004.
- C. **Operational Standards.** The owner, or any other person(s) or entity(ies) that hold(s) legal and/or equitable title to the lodging unit, shall:
  - 1. By written or oral agreement, limit overnight occupancy of the short-term lodging unit to a specific number of occupants, with the number of occupants not to exceed the permitted Building Code and Fire Code occupancy limits.
  - 2. Use best efforts to ensure that the occupants and/or guests of the short-term lodging unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of this code or any State law pertaining to noise, disorderly conduct, the consumption of alcohol, or the use of illegal drugs.
  - 3. Upon notification that occupants and/or guests of his or her short-term lodging unit have created unreasonable noise or disturbances, engaged in disorderly conduct or committed violations of this code or State law pertaining to noise, disorderly conduct, the consumption of alcohol or the use of illegal drugs, promptly use best efforts to prevent a recurrence of such conduct by those occupants or guests.
  - 4. Use best efforts to ensure compliance with applicable health and sanitation regulations relating to waste disposal.
  - 5. Post a copy of any applicable permits and conditions in a conspicuous place within the unit.
  - 6. The City Manager shall have the authority to impose additional standard conditions, applicable to all short-term lodging units, as necessary to achieve the objectives of this section.