RESOLUTION NO. 2020-85

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, MODIFYING THE SCHEDULE OF RENTS, FINES, AND FEES AND ADOPTING SHORT TERM LODGING PERMIT INITIAL FEE AND RENEWAL FEE

WHEREAS, on July 14, 2020, Ordinance No. 2020-15 amended Chapter 5.95 of the Newport Beach Municipal Code ("NBMC") relating to short term lodging, which resulted in additional staff oversight;

WHEREAS, NBMC Section 3.36.010 (Findings) provides that services and programs that primarily benefit a person requesting the service are traditionally funded in whole, or in part, from fees charged to the person who initiates the service;

WHEREAS, Exhibit A of NBMC Section 3.36.030 (Cost Recovery Percentages) contains cost recovery percentages for specific services, and provides that the City Council may modify the fee resolution upon a determination that there has been an increase or decrease in one or more cost factors relevant to the calculation of the actual cost of providing the service;

WHEREAS, on May 28, 2019, the City retained MGT of America Consulting, LLC ("MGT") under a Professional Services Agreement to prepare the cost allocation plan and cost-of-services studies for the City ("Agreement");

WHEREAS, pursuant to its Agreement, MGT has conducted cost-of-services studies for the City; and

WHEREAS, pursuant to its Agreement, MGT has determined an updated cost incurred by the City for short term lodging permits (initial and renewal) due to the additional staff oversight required.

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

Section 1: The City Council hereby revises the Schedule of Rents, Fines, and Fees ("SRFF"), in part, as set forth in Exhibit 1, attached hereto and incorporated herein by reference. Except where prohibited by law, all fees of five dollars (\$5.00) or more shall be rounded down to the nearest dollar and fees less than five dollars (\$5.00) shall be rounded down to the nearest quarter dollar. Except as explicitly revised by Exhibit 1, all other provisions of the SRFF shall continue in full force and effect.

Section 2: As set forth in Resolution 2020-29, the first CPI adjustment to fees and charges adopted by this resolution, as set forth in Exhibit 1, shall commence on July 1, 2021.

Section 3: Any portion of any prior resolution that is in conflict with this resolution is hereby repealed and of no further force or effect.

Section 4: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 5: 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 6: The City Council finds the adoption of this resolution 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 7: 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 22nd day of September, 2020.

Will O'Neill

Mayor

ATTEST

Leilani I. Brown

City Clerk

APPROVED AS TO FORM:

CITY ATTORNEY'S OFFICE

Aaron C. Harp City Attorney

Attachment: Exhibit 1 – Revision to the Schedule of Rents, Fines, and Fees – Short Term

Lodging Permits (Initial and Renewal)

Exhibit 1 - Revision to the Schedule of Rents, Fines, and Fees - Short Term Lodging Permits (Initial and Renewal)

		Current Charges	narges		Proposed Charges	harges							
		Rounded down	down	Fee @ Policy Level	y Level	Adjustment From Previous Year	n Previous Year			Full Cost/Market Value	et Value		
SERVICE NAME	DESCRIPTION	Total or Base Fee (if applicable)	incremental - (if applicable)	Total or Base Fee	Incremental - Total or Bas (if applicable) Fee	ė	Incremental	REFERENCE	TYPE	Total or Base Incremental - Fee (if applicable)	otal or Base Incremental - CPI Fee (if applicable)	Notes	Implementation Date
FINANCE													
Revenue													
Short Term Lodging Permits - Initial	Permit	\$ 104.00		\$ 169.00		\$ 65.00		M.C. 5.95.040 COS-Fee \$ 169.39	COS-Fee	169.39	Yes		9/22/2020
Short Term Lodging Permits - Renewal	Permit	N/A		\$ 96.00				M.C. 5.95.040 COS-Fee \$ 96.41	COS-Fee	96.41	Ye	Yes New Fee 2020	9/22/2020

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STATE OF CALIFORNIA }
COUNTY OF ORANGE } ss.
CITY OF NEWPORT BEACH }

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. 2020-85, was duly introduced before and adopted by the City Council of said City at a regular meeting of said Council held on the 22nd day of September, 2020; and the same was so passed and adopted by the following vote, to wit:

AYES: Mayor Will O'Neill, Mayor Pro Tem Brad Avery, Council Member Joy Brenner, Council

Member Diane Dixon, Council Member Duffy Duffield, Council Member Jeff Herdman

NAYS: Council Member Kevin Muldoon

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of said City this 23rd day of September, 2020.

Leilani I. Brown City Clerk Newport Beach, California