



**CITY OF NEWPORT BEACH**

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Will O'Neill

May 4, 2021

The Honorable Tasha Boerner Horvath  
State Capitol Building, Room 4130  
Sacramento, CA 95814

**RE: AB 964 (Horvath) Rental units: hosting platforms: coastal resources  
Support**

Dear Assembly Member Horvath,

The City of Newport Beach writes to express a **Support** position on your AB 964, which maintains local control by clarifying that any ordinances or regulations enacted by a local agency related to short-term rentals is not considered development subject to the California Coastal Act. The bill would also clarify that compliance with the Coastal Act is not required when enacting or enforcing an ordinance that regulates or licenses short-term rentals through a hosting platform.

Although the City has a long history of allowing short-term lodging and agree that it provides an important form of coastal access; the proliferation of these uses has resulted in increased problems (e.g., noise, disorderly conduct, traffic congestion and parking impacts, excessive trash, etc.) that is negatively impacting residents, reducing long-term housing stock, and unduly burdening City services.

The City has more short-term lodging units than any other southern California city of a similar size and the ability to quickly reevaluate City's regulations based on rapidly changing conditions in the community is necessary to mitigate against increased demand for City services, preserve the housing stock, as well as the quality and character of the City's neighborhoods.

As of the date this letter, the City has 1,454 active permits, which include 1,398 on coastal zone properties (96 percent) and 56 on non-coastal zone properties (4 percent). This number of permits far exceeds similar communities. In addition, Newport Beach hosts a variety of styles of visitor accommodations, including hotels, motels, short term lodging units, and campground and RV sites. Short term lodging accounts for a significant amount (28 percent) of the visitor accommodations within the City.

The City has no desire to prohibit short-term rentals or unreasonably limit their operation; however, there is a need to include maximum caps on permits, minimum parking standards, daytime and overnight occupancy limits, and management controls to responsibly regulate these commercial activities in and ensure greater compatibility with the existing character of the residential communities. Requiring California Coastal Commission approval deteriorates the City's police power and ability to quickly address problems arising in the community by enacting these reasonable restrictions. Coastal Commission review also adds significant time to the process of establishing and amending regulations and often times results in regulations applied to other coastal cities that may not be responsive to the unique issues affecting other coastal cities.

For these reasons, the City of Newport Beach supports AB 964 (Horvath).

Sincerely,



Brad Avery  
Mayor

cc. Senator David Min  
Assemblywoman Cottie Petrie-Norris  
Newport Beach City Council  
Grace Leung, City Manager  
Seimone Jurjis, Community Development Director  
California Strategies, LLC  
League of California Cities (Via email: [cityletters@cacities.org](mailto:cityletters@cacities.org))