

**IMPLEMENTATION PROCEDURES FOR THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT**

A. Intent.

The intent of this policy statement is to protect the environment of the City of Newport Beach, to comply with the California Environmental Quality Act ("CEQA"), and to implement the basic principles, objectives, and criteria contained in the Guidelines adopted by the Secretary for Resources pursuant to the provisions of CEQA, as amended.

These implementation procedures are intended to satisfy the requirements of Section 15022 of the CEQA Guidelines, or any successor guideline, and are designed to be used in conjunction with the CEQA statutes and Guidelines. In the event that any provision of this policy is found to be inconsistent with CEQA, the Guidelines or case law, this policy shall be revised to comply with applicable law.

B. Definitions.

As used in this policy statement, the following definitions shall apply:

1. *California Environmental Quality Act (CEQA)* means Public Resources Code, Sections 21000 *et seq.*, or any successor statutes.
2. *CEQA Guidelines* means the "Guidelines for Implementation of the California Environmental Quality Act", prepared by the Secretary for Resources.
3. *Community Development Director* means the Community Development Director for the City of Newport Beach or his/her designee.
4. *Decision Making-Body* means the officer or body that has the authority to review and approve a project or application under Titles 20 and/or 21 of the Newport Beach Municipal Code, including, but not limited to, the Community Development Director, Zoning Administrator, Hearing Officer, Planning Commission, or City Council.
5. All definitions contained in CEQA and the Guidelines shall also apply to this policy statement.

C. General Policies.

The following general policies shall apply:

1. The City, in implementing the requirements of CEQA, shall, wherever possible, integrate these procedures into the existing planning and review procedures of the City.
2. In reviewing and assessing the significance of environmental impacts, the City shall be guided by the applicable General Plan and Local Coastal Program policies and standards.

D. Environmental Determinations.

1. Activities Not Subject to CEQA.

This policy statement shall apply only to activities that are subject to CEQA. Activities that are not "Projects" as defined in Guidelines Section 15378, or any successor guideline, and activities that are "Ministerial" as defined in Guidelines Section 15369, or any successor guideline, are not subject to CEQA or this policy statement.

Examples of City activities that are not normally subject to CEQA include but are not limited to, the following:

- Business licenses
- Parking permits
- Sign permits
- Demolition permits
- Grading permits
- Building permits
- Final subdivision maps
- Certificates of use and occupancy
- Coastal Commission Approvals in Concept

Exceptions. There may be instances where unusual circumstances cause one of these activities to be considered a discretionary action subject to CEQA. Examples include, but are not limited to, the following:

- a. Any building permit or grading permit application or other action which is normally considered ministerial but due to special circumstances is determined to have the potential to cause a significant effect on the environment. Examples may include the following:

Work in an area of unusual erosion potential or ground instability

Work affecting scenic or sensitive biological resources

An activity that may generate substantial public health impacts, such as noise, odors, or toxic materials

- b. Any building or grading permit in a sensitive area for which no prior CEQA review has occurred and no discretionary permit (e.g., use permit, site plan review) is required.

Determination. The Community Development Director shall make a recommendation regarding the applicability of CEQA to the Decision-Making Body. The Decision-Making Body charged with reviewing a project or application under Titles 20 and/or 21 of the Newport Beach Municipal Code shall have the final authority to determine whether an activity is subject to CEQA.

Action by the Decision-Making Body. No findings or discussion of CEQA compliance shall be required for activities that the Decision-Making Body has determined not to be subject to CEQA.

2. Projects that are Exempt from CEQA.

CEQA and the Guidelines provide that the following types of projects are exempt from the requirement to prepare an Initial Study unless there are special circumstances that could result in significant environmental effects.

- a. Statutory Exemptions. Activities that qualify for a statutory exemption as provided under Sections 15260 *et seq.* of the Guidelines or any successor guidelines, do not require further environmental review.
- b. Categorical Exemptions. The various classes of categorical exemptions are contained in Sections 15300 *et seq.* of the Guidelines, or any successor guidelines. The discussion of exceptions contained in Section 15300.2, or any successor guideline, shall apply particularly to projects and activities that would affect the shoreline, bluffs, wetlands, public views and other sensitive environmental resources. The Decision-Making Body shall have the authority to interpret the applicability of Categorical Exemptions to particular projects, including City-sponsored activities (e.g., Zoning Code amendments, assessment districts, construction and maintenance of utilities) and privately-initiated applications.

- c. “General Rule” Exemptions. During the preliminary review of an application, each discretionary project that is not covered under a statutory or categorical exemption shall be evaluated to determine whether it qualifies for an exemption under the general rule contained in Section 15061(b)(3) of the Guidelines, or any successor guideline, which states, “Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.” The Guidelines further encourage agencies to adopt a list of project types that would qualify for the general rule exemption. Project types which qualify for this exemption include, but are not limited to:
- i. Minor changes to the Municipal Code which do not authorize physical development.
 - ii. Minor changes to public infrastructure such as installing trees; replacing or upgrading streetlights, traffic signals, etc.; and other public improvements of a minor nature.
 - iii. Administrative City actions such as budget amendments, professional services agreements, *etc.* which do not involve projects which affect the physical environment.

Determination. The Community Development Director shall make a recommendation regarding the applicability of CEQA to the Decision-Making Body. The Decision-Making Body charged with reviewing a project or application under Titles 20 and 21 of the Newport Beach Municipal Code shall have the authority to determine the applicability of exemptions for all public and privately-initiated projects.

Notice of Exemption. After approval of a project that was found to be exempt, the Community Development Director may prepare and file a Notice of Exemption as provided under Section 15062 of the Guidelines, or any successor guideline.

3. Initial Studies.

If a project is subject to CEQA and is not exempt under one of the provisions listed under Section D.2, the Community Development Director shall conduct an Initial Study according to the requirements contained in Section 15063 of the Guidelines, or any successor guideline. Where it is determined that consultant assistance is required to complete the Initial Study, the procedural requirements contained in Section E shall apply.

Applicant's Responsibilities. The applicant shall submit all information determined by the Community Development Director to be necessary for the preparation of the Initial Study. In addition, when consultant assistance is required the applicant shall be responsible for all costs as provided under Sections E and F.

Determining Significant Effects. In determining whether a project may have a significant effect the City will generally follow the guidance contained in Section 15064 and Appendix G of the Guidelines, or any successor guideline or appendix. In addition, the following shall be considered in determining whether a project may have a significant impact, in view of the particular character and beauty of Newport Beach:

- a. A substantial change in the character of an area by a difference in use, size or configuration is created.
- b. Substantial grading, excavating or other alteration to the natural topography.
- c. Substantial alteration of the shoreline or waters of the bay or ocean either directly or indirectly.

Determination. The Community Development Director shall make a recommendation regarding the applicability of CEQA to the Decision-Making Body. On the basis of the information and analysis contained in the Initial Study, the Decision-Making Body shall determine whether a Negative Declaration or EIR should be prepared, as provided by Section 15063(b) of the Guidelines, or any successor guideline.

4. Negative Declarations.

As provided in Section 15070 of the Guidelines, or any successor guideline, the Community Development Director shall prepare a proposed Negative Declaration for a project subject to CEQA when either:

- a. The Initial Study shows that there is no substantial evidence that the project may have a significant effect on the environment; or
- b. The Initial Study identifies potentially significant effects, but:
 - i. Revisions in the project made by or agreed to by the applicant before the proposed Negative Declaration is released for public review would avoid the effects or mitigate the effects to a point where clearly no significant effects would occur, and

- ii. There is no substantial evidence before the agency that the project as revised may have a significant effect on the environment.

Notice and Posting of a Proposed Negative Declaration. The Community Development Director shall provide notice of a Negative Declaration as required by Section 15072 of the Guidelines, or any successor guideline.

Action by the Decision-Making Body. Prior to approval of any project for which a Negative Declaration was prepared, the Decision-Making Body shall adopt the Negative Declaration prepared by the Community Development Director. Additionally, prior to approval of any project for which a Negative Declaration was prepared, appropriate findings shall be prepared by the Community Development Director for consideration by the Decision-Making Body. The Decision-Making Body shall approve or modify, or disprove the findings prepared by the Community Development Director. The Decision-Making Body may also take no action or not adopt the Negative Declaration.

Notice of Determination. Within 5 working days following the Decision-Making Body's approval of a project for which a Negative Declaration was prepared, the Community Development Director shall prepare and file a Notice of Determination as provided under Section 15075 of the Guidelines, or any successor guideline.

5. Environmental Impact Reports.

If the Initial Study shows that there is substantial evidence that any aspect of the project, either individually or cumulatively, may cause a significant effect on the environment, regardless of whether the overall effect of the project is adverse or beneficial, the Community Director shall either prepare a Draft EIR or use a previously certified EIR which adequately analyzes the project.

Applicant's Responsibilities. The applicant shall submit all information determined by the Community Development Director to be necessary for the preparation of the EIR. In addition, when consultant assistance is required the applicant shall be responsible for all costs as provided under Sections E and F, below.

Consultant Assistance. If consultant assistance is required in the preparation of a Draft EIR, the procedures contained in Section E, below, shall be followed.

Notice of Preparation. The Community Development Director shall prepare and distribute a Notice of Preparation as provided by Section 15082 of the Guidelines, or any successor guideline.

Screencheck Draft EIR. If a consultant is retained to assist the City in preparing a Draft EIR, the Community Development Director may require the consultant to submit one or more screencheck drafts for review prior to finalizing the Draft EIR for publication.

Notice of Completion of a Draft EIR. The Community Development Director shall prepare and distribute a Notice of Completion as provided by Section 15085 of the Guidelines, or any successor guideline.

Final EIR. After completion of the Draft EIR public review period the Community Development Director shall prepare a Final EIR as provided by Section 15089 of the Guidelines, or any successor guideline.

Action by the Decision-Making Body. Prior to approval of any project for which an EIR was prepared, the Final EIR shall be certified as provided by Guidelines Section 15090 and appropriate findings as required by Sections 15091, 15092 and 15093, or any successor guidelines, shall be prepared by the Community Development Director for consideration by the Decision-Making Body. The Decision-Making Body shall modify, certify, or disprove any EIR prepared by the Community Development Director. Additionally, prior to approval of any project for which an EIR was prepared, the Decision-Making Body shall approve or modify the findings prepared by the Community Development Director. The Decision-Making Body may certify an EIR and deny the underlying the project.

Notice of Determination. Within five working days following the Decision-Making Body's approval of a project for which an EIR was prepared, the Community Development Director shall prepare and file a Notice of Determination as provided under Section 15075 of the Guidelines, or any successor guideline.

E. Consultant Assistance.

When the Community Development Director determines that consultant assistance is required for the preparation of an Initial Study, Negative Declaration or EIR, the following procedures shall be followed:

1. Consultant List. The Community Development Director shall maintain a list of consultants having a sufficient variety of expertise to assist in the preparation of Initial Studies, Negative Declarations, or EIRs when required.

2. Consultant Selection. When outside assistance is required, a consultant shall be selected by the Community Development Director from the City's consultant list based on the nature of the project and the expertise of the consultant. If it is determined by the Community Development Director or requested by the applicant that proposals should be solicited from more than one consultant, the Community Development Director shall prepare and distribute a Request for Qualifications (RFQ) or Request for Proposals (RFP). Following receipt of proposals or statements of qualifications, the Community Development Director shall evaluate the submittals and select the best-qualified consultant to assist in the preparation of the EIR. The applicant may submit recommendations regarding the selection of a consultant, but the final decision regarding consultant selection shall be made by the Community Development Director.
3. Scope of Work and Budget. After a consultant has been selected a detailed scope of work and budget shall be prepared by the consultant and the Community Development Director.
4. Contract Approval and Administration. The proposed scope of work and budget shall be submitted to the applicant for approval. If the proposal is acceptable, the applicant shall submit a deposit to cover the consultant costs plus reasonable City administrative expenses. The consultant shall not be authorized to commence work until such deposit is received from the applicant. The amount of the deposit will normally be the total project budget; however, for large projects the deposit may be made in two or more payments subject to approval by the Community Development Director. After receipt of the applicant's deposit the Community Development Director shall prepare and execute a contract for consultant services in a form meeting the approval of the City Attorney, and shall administer the contract through project completion. At the conclusion of the project any unused deposit shall be returned to the applicant.

F. Fees.

The preparation of an Initial Study, Negative Declaration, or EIR shall be subject to the following fees:

1. For Initial Studies and Negative Declarations prepared by the Community Development Director without consultant assistance, a reasonable fee shall be collected as established by resolution of the City Council as part of the Community Development Department Fee Schedule.

2. For Initial Studies, Negative Declarations, and EIRs prepared with consultant assistance, there will be a City fee as required by the municipal code.
3. No future applications shall be accepted from any applicant, and no permits or entitlements shall be approved or issued until all prior indebtedness to the City incurred under this section by such applicants has been paid in full.
4. The amount of the fee shall become an obligation of the applicant to the City whether or not the permit or entitlement is issued, or whether or not the applicant exercises the right to obtain the permit or entitlement. Such fees accrue and become payable when the City gives notice to the applicant of the amount of such fees. This liability shall be enforceable in any court of competent jurisdiction. In the event suit is filed by the City, in addition to the amount of the fee, applicant shall pay the City's reasonable attorney's fees.

G. Authority of the Community Development Director.

The Community Development Director shall have authority for the interpretation of CEQA, the Guidelines, and this policy statement as they may affect any particular activity or project, including private development projects and City public works projects. In addition, the Community Development Director shall have authority for the following actions:

1. Make a recommendation as to whether activities are subject to CEQA.
2. Making recommendations regarding the applicability of Categorical, Statutory and "General Rule" Exemptions for consideration by the Decision-Making Body.
3. Preparing Initial Studies for projects that are not exempt from CEQA.
4. Preparing, posting, and distributing Notices of Preparation, Exemption, Completion, and Determination; Negative Declarations, and Environmental Impact Reports for City-sponsored projects and projects for which the City has approval authority as Lead Agency.
5. Preparing responses to comments on Negative Declarations and EIRs, and preparing draft findings, resolutions, and mitigation monitoring programs for consideration by the Decision-Making Body.

6. Making recommendations to the Decision-Making Body regarding the requirements of CEQA or the adequacy of environmental documents.
7. Developing administrative procedures for implementation of CEQA and these policies.
8. Reviewing and commenting on Negative Declarations, Notices of Preparation, Draft EIRs, or other environmental documents prepared by other lead agencies.

Adopted K-3 - 5-8-1972 ("Environmental Action Reports to the City Council")

Adopted K-3 - 3-26-1973 ("Implementation of the California Environmental Quality Act")

Amended K-3 - 7-23-1973

Amended K-3 - 9-10-1973

Amended K-3 - 5-13-1974

Amended K-3 - 6-10-1974

Amended K-3 - 10-15-1974

Amended K-3 - 5-27-1975

Amended K-3 - 5-10-1976

Amended K-3 - 5-23-1977

Amended K-3 - 8-8-1977

Amended K-3 - 5-22-1978

Amended K-3 - 6-25-1979

Amended K-3 - 6-9-1980

Amended K-3 - 1-26-1987

Amended K-3 - 10-26-1987

Amended K-3 - 11-27-1989

Amended K-3 - 1-24-1994

Amended K-3 - 3-22-1999

Amended K-3 - 4-13-2004

Amended K-3 - 9-27-2011

Amended K-3 - 5-12-2015

Amended K-3 - 8-8-2017