CITY OF COSTA MESA

REGULAR CITY COUNCIL AND HOUSING AUTHORITY*

Agenda

Tuesday, August 4, 2026	**6:00 PM**	**City Council Chambers** **77 Fair Drive**

***Note: All agency memberships are reflected in the title "Council Member"**

Announcement:

Pursuant to Government Code Section 54953 Mayor Stephens will be attending the meeting remotely via Zoom Webinar from Kirimu Camp located in the Serengeti National Park in Tanzania.

The City Council meetings are presented in a hybrid format, both in-person at City Hall and virtually via Zoom Webinar.

Closed Captioning is available via the Zoom option in English and Spanish.

Los subtítulos están disponibles a través de la opción Zoom en inglés y español.

TRANSLATION SERVICES AVAILABLE / SERVICIOS DE TRADUCCIÓN DISPONIBLE
Please contact the City Clerk at (714) 754-5225 to request language interpreting services for City meetings. Notification at least 48 hours prior to the meeting will enable the City to make arrangements.

Favor de comunicarse con la Secretaria Municipal al (714) 754-5225 para solicitar servicios de interpretación de idioma para las juntas de la Ciudad. Se pide notificación por lo mínimo 48 horas de anticipación, esto permite que la Ciudad haga los arreglos necesarios.

Members of the public can view the City Council meetings live on COSTA MESA TV (SPECTRUM CHANNEL 3 AND AT&T U-VERSE CHANNEL 99) or http://costamesa.granicus.com/player/camera/2?publish_id=10&redirect=true and online at youtube.com/costamesatv.

Members of the public are welcome to speak during the meeting when the Mayor opens the floor for public comment. There is no need to register in advance or complete a comment card. When it's time to comment, line up at one of the two podiums in the room and wait for your turn. Each speaker will have up to 3 minutes (or as directed) to address the City Council.

All attendees must remain seated while in the chamber until instructed by the Presiding Officer to approach and line up for public comment. To ensure safety and maintain order during the proceedings, standing or congregating in the aisles or foyer is strictly prohibited.

To maintain a respectful and orderly atmosphere during the meeting, attendees shall refrain from using horns or amplified speakers. Signs and props may be brought into the Chamber, provided they do not exceed 11 inches by 18 inches in size and do not hinder the visibility of other attendees. The possession of poles, sticks, or stakes is strictly prohibited.

Further information regarding the City's regulations on addressing the City Council and expected conduct during meetings are available at the following links.

Title 2: Administration
§ 2-61: Conduct while addressing the council.
https://ecode360.com/42609578

Title 2: Administration
§ 2-64: Disorderliness by members of the audience.
https://ecode360.com/42609598

The public may participate via the Zoom option.

Zoom Webinar:
Please click the link below to join the webinar:
https://us06web.zoom.us/j/87601417510?pwd=hXz39vxxRAaS9NUbxdYk1tNUxs7Lyc.1
Or sign into Zoom.com and “Join a Meeting”
Enter Webinar ID: 876 0141 7510/ Password: 869573
• If Zoom is not already installed on your computer, click “Download & Run Zoom” on the launch page and press “Run” when prompted by your browser. If Zoom has previously been installed on your computer, please allow a few moments for the application to launch automatically.
• Select “Join Audio via Computer.”
• The virtual conference room will open. If you receive a message reading, “Please wait for the host to start this meeting,” simply remain in the room until the meeting begins.
• During the Public Comment Period, use the “raise hand” feature located in the participants’ window and wait for city staff to announce your name and unmute your line when it is your turn to speak. Comments are limited to 3 minutes, or as otherwise directed.

Participate via telephone:
Call: 1 669 900 6833 876 0141 7510/ Password: 869573
During the Public Comment Period, press *9 to "raise your hand" and to be added to the queue to speak and wait for city staff to announce your name/phone number and press *6 to unmute your line when it is your turn to speak. Comments are limited to 3 minutes, or as otherwise directed.

Note, if you have installed a zoom update, please restart your computer before participating in the meeting.

Additionally, members of the public who wish to make a written comment on a specific agenda item, may submit a written comment via email to the City Clerk at cityclerk@costamesaca.gov. Any written communications, photos, or other materials for copying and distribution to the City Council that are 10 pages or less, can be e-mailed to cityclerk@costamesaca.gov, submitted to the City Clerk's Office on a flash drive, or mailed to the City Clerk's Office. Note that records submitted by the public will not be redacted in any way and will be posted online as submitted, including any personal contact information. Comments received by 12:00 p.m. on the day of the meeting will be provided to the City Council, made available to the public, and will be part of the meeting record.

All pictures, PowerPoints, and videos submitted for display at a public meeting must be previously reviewed by staff to verify appropriateness for general audiences. No links to YouTube videos or other streaming services will be accepted, a direct video file will need to be emailed to staff prior to each meeting in order to minimize complications and to play the video without delay. The video must be one of the following formats, .mp4, .mov or .wmv. Only one file may be included per speaker for public comments, for both videos and pictures. Please e-mail to the City Clerk at cityclerk@costamesaca.gov NO LATER THAN 12:00 Noon on the date of the meeting. If you do not receive confirmation from the city prior to the meeting, please call the City Clerks office at 714-754-5225.

Items submitted for the overhead screen should be 1 page and provided to the City Clerk no later than 15 minutes prior to the start of the meeting.

Please know that it is important for the City to allow public participation at this meeting. If you are unable to participate in the meeting via the processes set forth above, please contact the City Clerk at (714) 754-5225 or cityclerk@costamesaca.gov and staff will attempt to accommodate you. While the City does not expect there to be any changes to the above process for participating in this meeting, if there is a change, the City will post the information as soon as possible to the City's website.

Note regarding agenda-related documents provided to a majority of the City Council after distribution of the City Council agenda packet (GC §54957.5): Any related documents provided to a majority of the City Council after distribution of the City Council Agenda Packets will be made available for public inspection. Such documents will be posted on the city's website and will be available at the City Clerk's office, 77 Fair Drive, Costa Mesa, CA 92626.

All cell phones and other electronic devices are to be turned off or set to vibrate. Members of the audience are requested to step outside the Council Chambers to conduct a phone conversation.

Free Wi-Fi is available in the Council Chambers during the meetings. The network username available is: CM_Council. The password is: cmcouncil1953.

As a LEED Gold Certified City, Costa Mesa is fully committed to environmental sustainability. A minimum number of hard copies of the agenda will be available in the Council Chambers. For your convenience, a binder of the entire agenda packet will be at the table in the foyer of the Council Chambers for viewing. Agendas and reports can be viewed on the City website at https://costamesa.legistar.com/Calendar.aspx. Las agendas y los informes se pueden ver en español en el sitio web de la Ciudad en https://www.costamesaca.gov/trending/current-agendas/spanish-city-council-agendas.

In compliance with the Americans with Disabilities Act, Assistive Listening headphones are available and can be checked out from the City Clerk. If you need special assistance to participate in this meeting, please contact the City Clerk at (714) 754-5225. Notification at least 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.102.35.104 ADA Title II].

En conformidad con la Ley de Estadounidenses con Discapacidades (ADA), aparatos de asistencia están disponibles y podrán ser prestados notificando a la Secretaria Municipal. Si necesita asistencia especial para participar en esta junta, comuníquese con la oficina de la Secretaria Municipal al (714) 754-5225. Se pide dar notificación a la Ciudad por lo mínimo 48 horas de anticipación para garantizar accesibilidad razonable a la junta. [28 CFR 35.102.35.104 ADA Title II].

REGULAR MEETING OF THE CITY COUNCIL AND HOUSING AUTHORITY

AUGUST 4, 2026 – 6:00 P.M.

JOHN STEPHENS
Mayor

MANUEL CHAVEZ
Mayor Pro Tem - District 4

ANDREA MARR
Council Member - District 3

ARLIS REYNOLDS
Council Member - District 5

LOREN GAMEROS
Council Member - District 2

JEFF PETTIS
Council Member - District 6

MIKE BULEY
Council Member - District 1

KIMBERLY HALL BARLOW
City Attorney

CECILIA GALLARDO-DALY
City Manager

CALL TO ORDER

NATIONAL ANTHEM AND PLEDGE OF ALLEGIANCE

MOMENT OF SOLEMN EXPRESSION

[Per Council Policy 000-12, these presentations are made by community volunteers stating their own views. The City Council disclaims any intent to endorse or sponsor the views of any speaker.]

ROLL CALL

CITY ATTORNEY CLOSED SESSION REPORT

PRESENTATIONS: NONE.

PUBLIC COMMENTS – MATTERS NOT LISTED ON THE AGENDA
Comments on Presentations and Consent Calendar items may also be heard at this time. Comments are limited to 3 minutes, or as otherwise directed.

COUNCIL MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS
Each council member is limited to 3 minutes. Additional comments will be heard at the end of the meeting.

1. Council Member Reynolds
2. Council Member Pettis
3. Council Member Buley
4. Council Member Gameros
5. Council Member Marr
6. Mayor Pro Tem Chavez
7. Mayor Stephens

REPORT – CITY MANAGER

REPORT – CITY ATTORNEY

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine and will be acted upon in one motion. There will be no separate discussion of these items unless members of the City Council, staff, or the public request specific items to be discussed and/or removed from the Consent Calendar for discussion.

1. **PROCEDURAL WAIVER: WAIVE THE FULL READING OF ALL ORDINANCES AND RESOLUTIONS** **26-365**

RECOMMENDATION:

City Council and Housing Authority approve the reading by title only and waive further reading of Ordinances and Resolutions.

2. **READING FOLDER** **26-366**

RECOMMENDATION:

City Council receive and file Claims received by the City Clerk and authorize staff to reject any and all Claims: Tusapa Lee Laolagi, Ivin Mood, Davis Salary.

3. ADOPTION OF WARRANT RESOLUTION **26-329**

RECOMMENDATION:

City Council approve Warrant Resolution No. 2758.

Attachments: 1. Summary Check Registration 6-11-2026
2. Summary Check Registration 6-17-2026
3. Summary Check Registration 6-26-26
4. Summary Check Registration 7-1-26
5. Summary Check Registration 7-10-26

4. MINUTES **26-346**

RECOMMENDATION:

City Council approve the minutes of the Study Session meeting of June 9, 2026.

Attachments: 06-09-2026 Draft Minutes

5. DESIGNATION OF VOTING DELEGATE FOR THE 2026 LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE **26-336**

RECOMMENDATION:

Staff recommends the City Council designate Mayor Pro Tem Manuel Chavez as Costa Mesa's voting delegate for the 2026 League of California Cities Annual Conference.

6. BIENNIAL REVIEW OF CITY'S CONFLICT OF INTEREST CODE **26-337**

RECOMMENDATION:

Staff recommends the City Council approve Resolution No. 2026-xx, revising the list of designated positions in the City's Conflict of Interest Code.

Attachments: 1. 2026 Conflict of Interest List
2. Resolution No. 2026- XX

7. RESPONSE TO ORANGE COUNTY GRAND JURY REPORT-STATE HOUSING MANDATE **26-334**

RECOMMENDATION:

Staff recommends the City Council review and approve the responses to the May 27, 2026, Orange County (OC) Grand Jury Report titled, “California Housing Mandates” and authorize staff to submit the response to the presiding judge.

Attachments: 1. Response Letter to OC Grand Jury Report
2. OC Grand Jury Report-California Housing Mandates

8. APPROVAL OF AGREEMENTS FOR AMERICAN FAMILY HOUSING AVON RIVER APARTMENTS PROJECT LOCATED AT 1400 BRISTOL STREET **26-350**

RECOMMENDATION:

Staff recommends the City Council:

1. Authorize the City Manager, or their designee, to execute all applicable agreements necessary to advance the Avon River Apartments Project, contingent upon completion of HUD requirements for receipt of Home Investment Partnership Program (HOME) funds.
2. Authorize the City Manager, or their designee, to execute a Memorandum of Agreement (MOA) with the County of Orange regarding Regional Housing Needs Allocation (RHNA) Progress Credits.

Attachments: Agenda Report
1. First Amendment to Grant and Loan Agreement with Attachments
2. Amended and Restated Promissory Note City Loan
3. Amended and Restated Subordination Agreement
4. DRAFT MOA with Costa Mesa and County

AT THIS TIME COUNCIL WILL ADDRESS ANY ITEMS PULLED FROM THE CONSENT CALENDAR

----------END OF CONSENT CALENDAR----------

PUBLIC HEARINGS:

(Pursuant to Resolution No. 05-55, Public Hearings begin at 7:00 p.m.)

1. **INTRODUCE AND GIVE FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA CALIFORNIA AMENDING TITLE 13 (PLANNING, ZONING, AND DEVELOPMENT), OF THE COSTA MESA MUNICIPAL CODE UPDATING LAND USE CLASSIFICATIONS FOR VARIOUS NON-RESIDENTIAL USES INCLUDING BUT NOT LIMITED TO, PERSONAL SERVICES, ARTISAN STUDIO, ACTIVE ENTERTAINMENT USES, EVENT CENTERS AND ASSEMBLY USES, FITNESS USES, AND OTHER NON-RESIDENTIAL USES AND STANDARDS- PCTY-26-0001** **26-327**

RECOMMENDATION:

Staff recommends the City Council:

1. Find that the proposed Zoning Code Amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15061(b)(3) and 15305; and
2. Introduce for first reading, by title only, an Ordinance approving amendments to Title 13 (Planning, Zoning and Development) of the Costa Mesa Municipal Code to update land use classifications for various non-residential uses including but not limited to, personal services, artisan studio, active entertainment uses, event centers and assembly uses, fitness uses, and other non-residential uses and standards.

Attachments: Agenda Report
1. City Council Draft Ordinance
2. Exhibits A-G, Strikeout
3. Exhibits A-G, Clean
4. Planning Commission Resolution PC-2026-19
5. June 22, 2026 Planning Commission Report
6. June 22, 2026 Planning Commission Minutes
7. July 13, 2026 Planning Commission Report
8. July 13, 2026 Planning Commission Draft Minutes
9. Planning Commission Public Comments

2. **CONTINUATION REQUEST OF THE CONSOLIDATED MASTER FEE SCHEDULE** **26-367**

RECOMMENDATION:

Staff recommends the City Council open the public hearing and continue the item to the September 15, 2026, meeting, pursuant to department's request.

OLD BUSINESS: NONE.

NEW BUSINESS:

1. **PARKS AND COMMUNITY SERVICES COMMISSION ANNUAL REPORT** **26-362**

RECOMMENDATION:

Staff recommends the City Council receive and file the Parks and Community Services Commission annual report, Attachment 1.

Attachments: 1. Parks & Community Services Commission Presentation to City Council
2. Costa Mesa Municipal Code 12-71

2. AWARD OF THE ON CALL SIDEWALK REPAIR PROJECT, CITY PROJECT NO. 25-20 26-347

RECOMMENDATION:

Staff recommends the City Council:

1. Make a finding of California Environmental Quality Act (CEQA) categorical exemption pursuant to CEQA Guidelines section 15301.

2. Adopt plans, specifications, and working details for the On Call Sidewalk Repair Project, City Project No. 25-20.

3. Reject the apparent low bid submitted by Access General Contracting, Inc., 357 North Sheridan Street, Suite 100, Corona, California 92878, as non-responsive.

4. Award a Public Works Agreement (PWA) for construction to S&H Civilworks, 6612 Columbus Avenue, Riverside, California 92504 in the amount of $237,600, and authorize an additional ten percent (10%) contingency in the amount of $23,760 as needed for any unforeseen costs related to this project.

5. Authorize the City Manager and City Clerk to execute the PWA and future amendments to the agreement within Council authorized limits.

ENVIRONMENTAL DETERMINATION:

The proposed action is exempt from the California Environmental Quality Act (CEQA). The action involves an organizational or administrative activity of government that will not result in direct or indirect physical change in the environment. In addition, the proposed action is exempt under section 15301 relating to the operation, repair, maintenance, permitting, and/or minor alteration of existing public facilities.

Attachments: 1. Bid Rejection Notice
2. Bid Summary
3. PWA

3. SIGNAL MODERNIZATION FOR SYSTEMIC SAFETY IMPROVEMENTS, FEDERAL PROJECT NO. HSIPL-5312(107), CITY PROJECT NO. 26-01 26-348

RECOMMENDATION:

Staff recommends the City Council:

1. Adopt plans, specifications, and working details for the Signal Modernization for Systemic Safety Improvements, Federal Project No. HSIPL-5312(107), City Project No. 26-01, and find the project categorically exempt from the California Environmental Quality Act (CEQA).

2. Award a Public Works Agreement (PWA) for construction to Econolite Systems Inc. 1250 N Tustin Avenue, Anaheim CA 92807, in the amount of $2,709,902.68, and authorize a ten percent (10%) contingency in the amount of $270,990.27 for unforeseen costs related to the project.

3. Authorize the City Manager or designee to negotiate and approve future PWA amendment(s) to increase the total not-to-exceed compensation by up to $712,000.00 to utilize the full federal Highway Safety Improvement Program (HSIP) grant allocation.

4. Award a Professional Services Agreement (PSA) for construction management and inspection support services to C2PM, 22601 Summerfield, Suite 2, Mission Viejo, CA 92692, in the amount of $406,084.83, and authorize a ten percent (10%) contingency in the amount of $40,608.48.

5. Authorize an appropriation of $204,000 from the Measure M2 Fairshare (Fund 416) fund balance.

6. Authorize the City Manager and the City Clerk to execute the PWA and the PSA and any future amendments to the agreements within Council authorized limits.

ENVIRONMENTAL DETERMINATION:

The proposed project is exempt from the California Environmental Quality Act (CEQA). The project involves an organizational or administrative activity of government that will not result in direct or indirect physical change in the environment. The proposed project is categorically exempt under Section 15301 relating to the operation, repair, maintenance, permitting, and/or minor alteration of existing public facilities. A Notice of Exemption was prepared by City staff, was submitted electronically to the California Governor's Office of Land Use and Climate Innovation on July 21, 2025, and was physically filed and posted at the Orange County Clerk-Recorder Department on July 22, 2025.

The proposed project is categorically excluded from the National Environmental

Policy Act (NEPA). Per the Code of Federal Regulations 23 CFR 771.117(c)(8), the installation of traffic signals and equipment where no substantial land acquisition or traffic disruption will occur are considered actions that meet the criteria for categorical exclusions from NEPA and are deemed to not have any significant environmental impacts. A Preliminary Environmental Study classifying the project as categorically excluded was submitted to the California Department of Transportation (Caltrans) on July 18, 2025. On October 23, 2025, Caltrans provided concurrence with the NEPA determination of Categorical Exclusion.

Attachments: 1. Bid Abstract
2. PWA
3. PSA and C2PM Proposal

4. AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT FOR THE CONSTRUCTION MANAGEMENT AND INSPECTION SUPPORT SERVICES FOR THE ADAMS AVENUE BICYCLE FACILITY PROJECT (FROM HARBOR BOULEVARD TO FAIRVIEW ROAD), FEDERAL PROJECT NO. STPL-5312(108), CITY PROJECT NO. 25-11 **26-351**

RECOMMENDATION:

Staff recommends the City Council:

1. Approve an amendment to the Professional Services Agreement (PSA) to increase the compensation amount by $64,132.15 for a new not-to-exceed (NTE) compensation amount of $305,506.15 with Z&K Consultants, Inc., 17130 Van Buren Blvd. #122, Riverside, CA 92504, for construction management and inspection support services for the Adams Avenue Bicycle Facility Project.

2. Authorize the City Attorney to prepare the Amendment and the City Manager and the City Clerk to execute the Amendment and any future amendments to the agreements within Council authorized limits.

ADDITIONAL COUNCIL/BOARD MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS

ADJOURNMENT

77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-365 **Meeting Date:** 8/4/2026

TITLE:

PROCEDURAL WAIVER: WAIVE THE FULL READING OF ALL ORDINANCES AND RESOLUTIONS

RECOMMENDATION:

City Council and Housing Authority approve the reading by title only and waive further reading of Ordinances and Resolutions.

77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-366 **Meeting Date:** 8/4/2026

TITLE:

READING FOLDER

DEPARTMENT: City Manager's Office/City Clerk's Division

RECOMMENDATION:

City Council receive and file Claims received by the City Clerk and authorize staff to reject any and all Claims: Tusapa Lee Laolagi, Ivin Mood, Davis Salary.

77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-329 **Meeting Date:** 8/4/2026

TITLE:

ADOPTION OF WARRANT RESOLUTION

DEPARTMENT: **FINANCE DEPARTMENT**

PRESENTED BY: **MARK KHOU, BUDGET & PURCHASING MANAGER**

CONTACT INFORMATION: **MARK KHOU, BUDGET & PURCHASING MANAGER AT (714) 754-5241**

RECOMMENDATION:

City Council approve Warrant Resolution No. 2758.

BACKGROUND:

In accordance with Section 37202 of the California Government Code, the Director of Finance or their designated representative hereby certify to the accuracy of the following demands and to the availability of funds for payment thereof.

FISCAL REVIEW:

Funding Payroll Register No. 26-12 On Cycle for $4,143,633.59 and No. 26-13 On Cycle for $4,043,574.91, and City operating expenses for $9,800,647.30.

Payment Ref	Cancel Date	Status	Remit To	Remit ID	Payment Date	Payment Amt
0258280	6/10/2026	V	Bertha Pinon	0000031790	03/27/26	(64.00)

Line Description: 06/10/26 V&R- Vendor did not receive payment

TOTAL **($64.00)**

375,340.35
1,013,654.77
0.00
(64.00)

$ 1,388,931.12

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259442	06/12/26	O	Southern California Edison Company *Line Description:* Overflow	0000004088	0.00

TOTAL 0.00

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259432	06/12/26	P	All City Management Services Inc	0000009480	18,644.73
		Line Description:	Schl Crsng Svc 4/26-5/9/26		
0259433	06/12/26	P	BCS Consultants	0000029856	26,250.00
		Line Description:	041094 25-05 S1 Labor Cabling		
0259434	06/12/26	P	Charter Communications	0000011202	21,685.74
		Line Description:	237925901-PD Public WiFi 237927601-BCC Network Svs 237939201-DRC Network Svs 237938801-NHCC Network Svs 237940101-NHCC Public WiFi 240159901-DRC Internet Svs 244133301-BCC Internet Svs 237940001-CH Hub Network Svs 237926201-City Hall Video Svs 237926701-City Hall Video Svs 237927001-Fire Sta #6 Network 237927101-Parks Admin Network 237930101-City Hall Video Svs 237939101-Fire Sta #1 Network 237939301-Fire Sta #2 Network 237939401-Fire Sta #3 Network 237940301-Library Public WiFi 237940501-Fire Sta #4 Network 237926401-City Hall Public WiF 237926601-Senior Center Intern 237926801-City Hall Network/Vi 237927201-Senior Center Networ 237927301-West Side Substation 237927401-Corp Yard Network Sv 237929301-PD Video Svs 237926501-PD Video Svs 237927801-City Hall Internet S 256807001-PD-Warehouse Network 256806901-City Connect-PD Ware		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	253883901-Lions Park Caf? Inte 252590301-PD Warehouse Interne 243645501-Code Enforcement Int 237940401-Fire Sta #4 Internet 237939901-Code Enforcement Net 237939601-Bridge Shelter Netwo 237939501-SCP Substation Netwo 237939001-Parks @ Corp Yard Pu 237938901-Bridge Shelter Video 237938701-Bridge Shelter Publi 237938601-CH Basement Internet			
0259435	06/12/26	P	Interwest Consulting Group Inc	0000021505		46,550.00
		Line Description:	Shalimar Pk Proj-Feb 2026 Shalimar Pk Proj-Apr 2026 Ketchum/Lion Pk Proj-May 2026 Ketchum/Lion Pk Proj-Apr 2026 Shalimar Pk Proj-May 2026 Ketchum/Lion Pk Proj-Jan 2026 Ketchum/Lion Pk Proj-Feb 2026 Shalimar Pk Proj-Mar 2026 Ketchum/Lion Pk Proj-Mar 2026			
0259436	06/12/26	P	LINA	0000015623		38,664.70
		Line Description:	NYL Admin Fee May 26 LTD June 26 Retiree Life June 26 Voluntary Life June 26 Active Life/AD&D June 26			
0259437	06/12/26	P	Landscape Structures Inc	0000024524		22,222.94
		Line Description:	Playground Equipment and Parts			
0259438	06/12/26	P	Mobile Home Improvement	0000015213		25,364.00
		Line Description:	Rehab Grant-1164 Bismark Way			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259439	06/12/26	P	National Auto Fleet Group	0000021631		306,930.70
		Line Description:	Approved Replace Vehicle Unit			
0259440	06/12/26	P	Orange County Treasurer Tax Collector	0000003489		27,730.34
		Line Description:				
0259441	06/12/26	P	Southern California Edison Company	0000004088		196,458.08
		Line Description:	Sr Ctr 4/30-5/31/26 1624 Gisler 5/4-6/2/26 1035 Park Crest 5/5-6/3/26 3129 Harbor 5/4-6/2/26 Davis Field 4/30-5/31/26 Parks Maint May 26 885 Junipero 5/5-6/3/26 NHCC 4/30-5/31/26 Sunflower/Plaza May 26 Loan8670 Sunflower/Plaza May26 Tennis Ctr 5/5-6/3/26 1895 Irvine 5/4-6/2/26 Joann St Bike Trail May 26 3460 Smalley 5/4-6/2/26 Signals May 26 2750 Fairview 5/5-6/3/26 360 W Wilson 4/30-5/31/26 702 1/2 Victroria 5/1-6/1/26 702 Victoria 5/1-6/1/26 DRC 5/1-6/1/26 970 Arlington 5/5-6/3/26 980 Arlington 5/5-6/3/26 900 Arlington 5/5-6/3/26 Fac & Equip May 26 Street Lights May 26 Loan8690 St Lights May 26 Baker/Royal Palm May 26 19th/Npt May 26			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Npt/Baker May 26 SD Fwy On/Off May 26			
0259443	06/12/26	P	Tyler Technologies Inc	0000027279		15,696.58
		Line Description:	SaaS Reneweal 5/1/26-5/30/27			
0259444	06/12/26	P	WSP USA Environment & Infrastructure Inc	0000029873		39,129.43
		Line Description:	NPDES Inspection			
0259445	06/12/26	P	4Leaf Inc	0000029711		783.15
		Line Description:	Plan Review-Apr 2026			
0259446	06/12/26	P	AFH Casa Paloma LP	0000031565		266.00
		Line Description:	Rental Assistance-A Christina			
0259447	06/12/26	P	AFH NCRC Beach Blvd LP	0000031697		97.00
		Line Description:	Rental Assistance-J Taylor			
0259448	06/12/26	P	AFH NCRC Beach Blvd LP	0000031697		353.00
		Line Description:	Rental Assistance-D Fisher			
0259449	06/12/26	P	ARC	0000022726		558.85
		Line Description:	Employee Recognition Booklets			
0259450	06/12/26	P	AT & T	0000001107		128.40
		Line Description:	Internet- Skate Park Camera			
0259451	06/12/26	P	AT & T Mobility	0000001107		112.26
		Line Description:	Dispatch Cells 4/12-5/11/26			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259452	06/12/26	P	AY Nursery	0000001142	12,216.70
		Line Description:	Purchase of Trees and Supplies Purchase of Trees and Supplies		
0259453	06/12/26	P	Abound Food Care	0000029712	3,694.83
		Line Description:	Edible Food Consulting May 26		
0259454	06/12/26	P	Advantage Color Graphics	0000025397	4,323.62
		Line Description:	Postcard Mailer EDDM		
0259455	06/12/26	P	Alans Lawnmower & Garden Center Inc	0000019220	699.84
		Line Description:	Chainsaw, Blades		
0259456	06/12/26	P	All American Asphalt	0000000971	1,694.37
		Line Description:	Asphalt Asphalt Asphalt Asphalt Asphalt for filing potholes & Asphalt for filing potholes & Asphalt for filing potholes & Asphalt for filing potholes &		
0259457	06/12/26	P	Anomaly Squared	0000030491	986.33
		Line Description:	CALL CENTER SERVICES 5/1-5/31/		
0259458	06/12/26	P	Ardurra Group, Inc.	0000030147	5,748.50
		Line Description:	Fairview Rd Rehab-Apr 2026		
0259459	06/12/26	P	BC Traffic Specialist	0000022225	12,199.56

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Arrow Board Trailer - Replace			
0259460	06/12/26	P	Beau Hossler	0000029714		140.00
		Line Description:	Basketball Referee 6/8/26			
0259461	06/12/26	P	Bee Busters Inc	0000007572		1,210.00
		Line Description:	Bee and Colony Abatement Bee and Colony Abatement Price Agreement Bee and Colony Abatement Bee and Bee Abatement Bee and Colony Abatement Bee and Colony Abatement Bee and Colony Abatement Bee and Colony Abatement			
0259462	06/12/26	P	Bertha Pinon	0000031790		64.00
		Line Description:	Refund Citation CM050032494 Refund Citation CM050032494			
0259463	06/12/26	P	Black Forest LTD	0000030003		880.48
		Line Description:	SERVICE PINS Shipping & Handling			
0259464	06/12/26	P	Bound Tree Medical LLC	0000011695		3,098.59
		Line Description:	EMS Supplies EMS Supplies			
0259465	06/12/26	P	CALED	0000029224		1,140.44
		Line Description:	Citys Membership			
0259466	06/12/26	P	Canon Financial Services Inc	0000023241		3,192.06

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Central services Printer Maint			
0259467	06/12/26	P	Canon Financial Services Inc	0000023241		872.56
		Line Description:	CS Printer Main April			
0259468	06/12/26	P	Central Orange County Emergency	0000001629		95.00
		Line Description:	Veterinary Services - May 26			
0259469	06/12/26	P	CentralSquare Technologies LLC	0000028721		12,285.00
		Line Description:	TEST ENVIRONMENT ADDITION PUBL			
0259470	06/12/26	P	Cintas Corporation #640	0000023262		696.16
		Line Description:	CMBS Cleaning Supplies KITCHEN CLEANING SUPPLIES			
0259471	06/12/26	P	CityGreen Consulting, LLC	0000030471		6,367.50
		Line Description:	Consulting May 2026			
0259472	06/12/26	P	ClearPath Inc	0000031911		2,495.00
		Line Description:	REHAB Grant 1973 Npt Blvd #20			
0259473	06/12/26	P	Continental Interpreting Services Inc	0000024355		700.00
		Line Description:	Interpreting Svc-5/12/26			
0259474	06/12/26	P	Costa Mesa Lock & Key	0000001817		253.17
		Line Description:	Locksmith Svc			
0259475	06/12/26	P	County of Orange	0000007209		462.50
		Line Description:	Radio Repair			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259476	06/12/26	P	County of Orange	0000003486	3,279.00
		Line Description:	AFIS Fees May 26		
0259477	06/12/26	P	Ecolab Pest Elimination	0000024420	2,343.37
		Line Description:	Pest Controls Svc May-Jul 2026 Pest Control Svc-May 2026		
0259478	06/12/26	P	Fast 5 Costa Mesa 6 LLC	0000024446	36.00
		Line Description:	City Car Wash-May 2026		
0259479	06/12/26	P	Fed Ex	0000002190	15.07
		Line Description:	Ground Delivery		
0259480	06/12/26	P	Fieldman Rolapp & Associates Inc	0000024519	3,000.00
		Line Description:	2025 CDAR		
0259481	06/12/26	P	Flex Technology Group LLC	0000031768	2,578.35
		Line Description:	Copier Lease 5/2-6/1/26		
0259482	06/12/26	P	Forensic Nurse Specialists Inc	0000014039	1,700.00
		Line Description:	Victim Physical for May 26		
0259483	06/12/26	P	Fun Photos	0000030108	320.00
		Line Description:	Photoboth-mothers day		
0259484	06/12/26	P	Galls LLC	0000002297	1,867.03
		Line Description:	Uniform-Terajima Safety Vest-Soto		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
		Line Description:	Uniform-Mauser Uniform-Lee Uniform-Code Enf Uniforms		
0259485	06/12/26	P	Geographic Technologies Group, LLC	0000031829	7,000.00
		Line Description:	Apr 26 Svs GIS Master Plan		
0259486	06/12/26	P	Glenn Lukos & Associates Inc	0000011626	14,345.00
		Line Description:	VERNAL POOL MONITERING AND WAT		
0259487	06/12/26	P	Grainger	0000002393	1,073.50
		Line Description:	Hardware		
0259488	06/12/26	P	Graybar Electric Company Inc	0000002397	247.06
		Line Description:	Telecomm Parts		
0259489	06/12/26	P	Heroes Landing Apartments	0000031854	709.00
		Line Description:	Rental Assistance-J Wolfe		
0259490	06/12/26	P	Irvine Ranch Water District	0000005112	1,433.74
		Line Description:	106 Del Mar 5/6-6/4/26 2603 Elden 5/6-6/4/26 261 Monte Vista 5/6-6/4/26 258 Brentwood 5/6-6/4/26 308 University 5/6-6/4/26 170 Del Mar 5/6-6/4/26 220 23rd 5/6-6/4/26		
0259491	06/12/26	P	Irwin Rosenfeld	0000031827	650.00
		Line Description:	Rental Assistance-B Bushnell		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259492	06/12/26	P	James Snordan	0000029974	210.00
		Line Description:	Basketball Referee 6/8/26 Basketball Referee-6/3/26		
0259493	06/12/26	P	Johnson Controls Fire Protection LP	0000026089	605.23
		Line Description:	Back Flow Preventor-FS #3		
0259494	06/12/26	P	Keyser Marston Associates Inc	0000002824	4,186.25
		Line Description:	Affordable Housing Proj 4/30/2		
0259495	06/12/26	P	Long Beach BMW	0000015745	339.64
		Line Description:	Shop supply		
0259496	06/12/26	P	Loomis	0000019082	477.05
		Line Description:	ARMORED CAR SERVICES		
0259497	06/12/26	P	Lyons Security Service Inc	0000027168	850.50
		Line Description:	Council Security-May		
0259498	06/12/26	P	Marx Brothers Fire Extinguisher Company	0000003073	2,342.50
		Line Description:	WSS-Extinguisher Services BCC-Extinguisher Services FS6-Extinguisher Services PD-Extinguisher Services Comms-Extinguisher Services FS5-Extinguisher Services NHCC-Extinguisher Services Fire Extinguisher Services DRC-Extinguisher Services City Hall Extinguisher Svcs FS1-Extingguisher Service		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	FS3- Extinguisher Services Senior Ctr Extinguisher Srvs			
0259499	06/12/26	P	Michael Estrada	0000031761		70.00
		Line Description:	Basketball Referee-6/3/26			
0259500	06/12/26	P	Napa Auto & Truck Parts	0000012968		10,478.06
		Line Description:	Parts May 26			
0259501	06/12/26	P	National Data & Surveying Services	0000021249		115.00
		Line Description:	Volume & Speed Traffic Counts			
0259502	06/12/26	P	Nutrien AG Solutions Inc	0000026392		13,316.49
		Line Description:	FY25-26 Purchase of Chemicals Purchase of chemicals FY 25-26 Chemical Purchase FY25-26			
0259503	06/12/26	P	Oracle America Inc	0000003419		2,910.34
		Line Description:	Software Update License & Sup			
0259504	06/12/26	P	Ortco Inc	0000005523		4,650.00
		Line Description:	Installation of slide playgrou			
0259505	06/12/26	P	Pacific Plumbing of Southern California	0000030657		825.95
		Line Description:	Bridger Shelter Service Call			
0259506	06/12/26	P	Penn Corporate Relocation Services	0000031188		14,180.85
		Line Description:	Westside Substations Evidence			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259507	06/12/26	P	Quinn Company	0000023844	9,200.97
		Line Description:	127-PM 2 Service 116-PM 5 Service 128-PM 2 Service Repair Unit 361 116-Transfer Switch Test Stock- Coupling 145-PM 5 Service		
0259508	06/12/26	P	RPW Services Inc	0000012440	7,470.00
		Line Description:	Citywide Weed Control Rodent Control @ Comm Garden Rodent Control @ City Park Citywide Weed Control		
0259509	06/12/26	P	Resource Building Materials	0000024350	829.14
		Line Description:	Road base Sand-Graffiti Removal		
0259510	06/12/26	P	SCA of CA, LLC	0000029971	1,612.00
		Line Description:	Bi-weekly pressure wash		
0259511	06/12/26	P	Santa Ana College	0000003752	1,472.00
		Line Description:	Pre Academy#269 10/13-10/31/25 Basic Acad 269 11/3/25-5/4/26		
0259512	06/12/26	P	SiteOne Landscape Supply LLC	0000024133	1,724.92
		Line Description:	Straw Wattles and Stakes Febco Rubber Kit and Marking Straw Wattles and stakes Agriculture Supplies		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259513	06/12/26	P	Southland Industries	0000031685	13,002.00
		Line Description:	FS1- Unit Replacement		
0259514	06/12/26	P	Spectrum Gas Products	0000012653	95.70
		Line Description:	Price Agreement		
0259515	06/12/26	P	State of California Dept of Justice	0000001534	392.00
		Line Description:	Livescan/Fingerprinting Servic		
0259516	06/12/26	P	Teleflex LLC	0000027253	3,582.69
		Line Description:	EZIO 45MM NEEDLE SET + STABILI EZIO 25MM NEEDLE SET + STABILI		
0259517	06/12/26	P	The Code Group Inc	0000025073	2,876.22
		Line Description:	Consult Plan Check Svc Apr 26		
0259518	06/12/26	P	The Counseling Team International	0000026352	2,346.25
		Line Description:	International Pre-employ psych Counseling Services- April 26		
0259519	06/12/26	P	Verified First LLC	0000027240	30.00
		Line Description:	Pre-Employment Credit Checks		
0259520	06/12/26	P	Verizon Wireless	0000008717	5,943.89
		Line Description:	WIRELESS PHONE 4/18-5/17/26 Price Agreement		
0259521	06/12/26	P	Washington Santa Ana Housing Partners LP	0000031652	356.00
		Line Description:	Rental Assistance-R Miller		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259522	06/12/26	P	Waxie Sanitary Supply	0000004480		1,113.44
		Line Description:	Credit For Warehouse Floor Stock			
0259523	06/12/26	P	Western DC Systems, Inc.	0000029864		1,095.00
		Line Description:	Inverter Maintenance Services			
0259524	06/12/26	P	Zechariah Rickard	0000031882		500.00
		Line Description:	Rental Assistance-P Sourse			
0259525	06/12/26	P	Zumar Industries Inc	0000004622		715.46
		Line Description:	24"x50yds EG sheeting			
					TOTAL	**$1,013,654.77**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
022257	06/12/26	P	CDW Government Inc	0000005402	9,794.58
		Line Description:	DROPBOX RENEWAL Replacement printer Training Axiom BENDnFlex Patch Cables		
022258	06/12/26	P	Daniel Inloes	0000023442	191.62
		Line Description:	2026 ICSC Conf		
022259	06/12/26	P	Eloisa Peralta	0000026154	500.00
		Line Description:	Clothing Allowance 25-26		
022260	06/12/26	P	Ivis Torres	0000030381	250.00
		Line Description:	Achievement Award Jun 2026		
022261	06/12/26	P	Jack R. Sweeney	0000030173	4,317.60
		Line Description:	3190 Airport Lp Rent June 26		
022262	06/12/26	P	Jones Mayer	0000014653	117,789.58
		Line Description:	#142173-OKeefe #142175-Oshiro #142186-Vargas #142189-Warren #142193-Cronan #142162-Dev Svs #142163-Farrell #142164-Finance #142167-Housing #142185-Banegas #142177-Percival #142178-Phillips #142194-Waterman #142196-Porteous #142165-Fire Dept		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	#142182-Risk Mgnt #142166-Harvey #142192-Ruiz #142190-Hunt #142172-Mood #142171-May #142169-IT #142168-HR #142183-Salehpour #142195-2026 Ballot Measure #142148-113 Clearbrook Ln #142188-2130 Federal Ave #142187-RDG Gourp #142157-City Clerk #142170-Jahanbin 2 #142174-Ohio House #142179-Police Dep #142155-Animal Care #142184-440 RCVESHP #142149-1963 Wallace #142150-2280 Newport #142154-599 W Wilson #142159-City Manager #142161-City Council #142181-Public Works #142156-City Attorney #142191-218 Palmer St #142153-544 Bernard St #142158-City Clerk PRR #142180-PRA Assistance #142176-Park & Comm Svc #142197-Fire Station #2 #142151-374 Woodland Ave #142152-400 Fair/1179 NP #142160-Code Enforcement			
022263	06/12/26	P	Lawrence Coward	0000030713		343.39

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Outreach Supplies 2026 ICSC Conf Employee Service Award Prkng			
022264	06/12/26	P	Travel Costa Mesa	0000024750		242,153.58
		Line Description:	BIA May 2026			
					TOTAL	**$375,340.35**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259535	06/19/26	O	Shaw HR Consulting Inc *Line Description:* Overflow	0000021706	0.00

TOTAL 0.00

1,639,816.86
3,422.77
272,516.80
0.00
0.00

$ 1,915,756.43

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
022273	06/19/26	O	US Bank *Line Description:* Overflow	0000002228	0.00
022274	06/19/26	O	US Bank *Line Description:* Overflow	0000002228	0.00
022275	06/19/26	O	US Bank *Line Description:* Overflow	0000002228	0.00
022276	06/19/26	O	US Bank *Line Description:* Overflow	0000002228	0.00
				TOTAL	**0.00**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259526	06/19/26	P	Data Ticket Inc	0000010929	18,220.45
		Line Description:	Prkng Citation-Apr 2026 Prkng Citation-Mar 2026		
0259527	06/19/26	P	Elegant Construction Inc.	0000031633	257,069.05
		Line Description:	PW Agreement City Project No. Retention Proj #25-07/#700139		
0259528	06/19/26	P	Endemic Environmental Services Inc	0000021277	32,560.00
		Line Description:	Coastal Sage Restrn 4/13-4/30		
0259529	06/19/26	P	Excel Paving Company	0000005040	1,001,436.01
		Line Description:	Adam Bike Fac #25-11/#450014 Retention #25-11/#450014 Adams Bike Fac #25-11/#450014 Retention #25-11/#450014		
0259530	06/19/26	P	Families Forward Inc	0000024105	42,383.39
		Line Description:	No Fault Eviction-Nov 2025 No Fault Eviction-Dec 25 NO Fault Evictn-Feb 2026 No Fault Evictn-Mar 2026 No Fault Evictio-Jan 26		
0259531	06/19/26	P	Irv Seaver Motorcycles	0000010272	24,567.95
		Line Description:	Repairs-Unit 635		
0259532	06/19/26	P	National Public Safety Group, LLC	0000031831	19,476.91
		Line Description:	NPSG Contract #2026-1200 1of3		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259533	06/19/26	P	Pinnacle Petroleum, Inc	0000029315	54,855.16
		Line Description:	PD Unleaded Fuel Tank #7 CY Unleaded Fuel Tank 3/4		
0259534	06/19/26	P	Shaw HR Consulting Inc	0000021706	17,022.50
		Line Description:	Reasonable Accommodations Reasonable accommodations Reasonable Accommodations Reasonable Accommodations Reasonable Accommodations Reasonable Accommodations Reasonable Accommodation Reasonable Accommodation Reasonable Accommodation Reasonable Accommodations Reasonable Accommodations Reasonable Accommodations Reasonable Accommodation Reasonable Accommodations Reasonable Accommodations Reasonable Accommodations Reasonable Accommodation Reasonable Accommodations Reasonable Accommodations Reasonable Accommodations Reasonable Accommodations		
0259536	06/19/26	P	Ware Disposal Inc	0000000255	19,647.45
		Line Description:	June 2026 Bulky Item Collectio James St Refuse - June 26 June 2026 City Facilities		
0259537	06/19/26	P	ARC	0000022726	963.05
		Line Description:	Zero Tolerance Poster Park Dept Banners		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	ICSC Banner			
0259538	06/19/26	P	AVNI Enterprises Inc	0000030676		1,010.43
		Line Description:	Seat Sensor EGR GAsket/Temp Sensor			
0259539	06/19/26	P	Active Network	0000023845		2,520.00
		Line Description:	ACTIVENET SERVICE PACKAGE			
0259540	06/19/26	P	All American Asphalt	0000000971		883.78
		Line Description:	Asphalt for filing potholes & Asphalt for filing potholes & Asphalt for filing potholes & Tack for use with asphalt			
0259541	06/19/26	P	Amtech Elevator Services	0000013616		1,728.00
		Line Description:	CH Elevator Maint-Jun 26			
0259542	06/19/26	P	Architerra Design Group	0000030581		5,931.20
		Line Description:	Ketchum Libolt Pk Proj-Jan 26 Ketchum Libolt Pk-Mar 26 Ketchum Libolt Pk-May 26 Ketchum Libolt Pk-Feb 26			
0259543	06/19/26	P	Autonation Honda Costa Mesa	0000031801		776.71
		Line Description:	Sales Tax-Unit #737			
0259544	06/19/26	P	Axon Enterprise Inc	0000027317		4,934.87
		Line Description:	MVS License			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259545	06/19/26	P	Beau Hossler	0000029714	105.00
		Line Description:	Basketball Referee-6/10/26		
0259546	06/19/26	P	Berla Corp	0000031041	12,750.00
		Line Description:	iVe Renew Plan 12/9/26-12/9/29		
0259547	06/19/26	P	Cintas First Aid and Safety	0000031629	557.48
		Line Description:	FIRST AID KIT REFILLS FOR PD		
0259548	06/19/26	P	Community Works Design Group, LLC	0000030548	2,835.00
		Line Description:	Shalimar Pk Exp-Feb 2026 Shalimar Pk Exp-Mar 2026		
0259549	06/19/26	P	Continental Interpreting Services Inc	0000024355	700.00
		Line Description:	2 Span Interpreters-CCM		
0259550	06/19/26	P	Costa Mesa Auto Glass	0000010001	2,536.70
		Line Description:	Glass Replacement-Unit #737 Glass Replacement-Unit #758 Glass Replacement-#739		
0259551	06/19/26	P	Costa Mesa Lock & Key	0000001817	3,035.74
		Line Description:	Duplicate Keys-WSS Duplicate Keys Install New Lock @ 3rd Fl Electrified Lock @ CMBS		
0259552	06/19/26	P	Crash Data Group Inc	0000025364	1,500.00
		Line Description:	Bosch CDR Software Lic		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259553	06/19/26	P	Daniels Tire Service	0000001922		70.00
		Line Description:	Retread Work			
0259554	06/19/26	P	Demetrius Mayhand	0000030111		105.00
		Line Description:	Basketball Referee-6/10/26			
0259555	06/19/26	P	EPD Solutions	0000024516		132.50
		Line Description:	2045 Harbor Padel Peer Review			
0259556	06/19/26	P	Entenmann Rovin Company	0000002130		1,369.45
		Line Description:	Retirement Flat Badge Badges Retirement Badges			
0259557	06/19/26	P	Fed Ex	0000002190		116.32
		Line Description:	Ground Delivery			
0259558	06/19/26	P	Ferguson Enterprises Inc #1350	0000007785		9.87
		Line Description:	Plumbing Supplies			
0259559	06/19/26	P	FleetPride Heavy Duty Parts & Service	0000030911		869.53
		Line Description:	Stock			
0259560	06/19/26	P	Flex Technology Group LLC	0000031768		412.31
		Line Description:	Copier Maint 5/5-6/4/26 Copier Maint 5/20-6/19/26 Copier Maint 4/20-5/19/26			
0259561	06/19/26	P	Galls LLC	0000002297		141.14
		Line Description:	Uniforms			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
		Line Description:	Uniform: Katie Angel		
0259562	06/19/26	P	General Data Company	0000023334	300.00
		Line Description:	Printer Repair/Maint		
0259563	06/19/26	P	Grafix Systems	0000031016	4,510.86
		Line Description:	Graphics-#765 Graphics-#758 Graphics-#784/538 Graphics-#717 Graphics-#507		
0259564	06/19/26	P	Grainger	0000002393	4,294.28
		Line Description:	Hardware Hardware Water Refill Station Telecomm Supplies		
0259565	06/19/26	P	Hirsch Pipe & Supply Company Inc	0000026475	250.81
		Line Description:	Plumbing Supplies		
0259566	06/19/26	P	Johnson Controls Fire Protection LP	0000026089	883.88
		Line Description:	DRC Fire Alarm Sr Cntr Fire Alarm Svc		
0259567	06/19/26	P	Jurassic Parties	0000029272	1,240.00
		Line Description:	Off Site Jurassic Parties 6/25 Off Site Jurassic Parties-6/26 Off Site Jurassic Parties 6/18		
0259568	06/19/26	P	Kimball Midwest	0000006819	294.42

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Shop Supplies			
0259569	06/19/26	P	LEAF PRIOR BILLED BY FLOWATER	0000029719		106.68
		Line Description:	Water Filtration System			
0259570	06/19/26	P	Landscape Structures Inc	0000024524		4,426.63
		Line Description:	Lions Park Superscoop Shiffer Park Driver Panel			
0259571	06/19/26	P	Langlois Fancy Frozen Foods	0000030651		264.98
		Line Description:	Jail Food Services May 26			
0259572	06/19/26	P	Lyons Security Service Inc	0000027168		12,883.50
		Line Description:	May 26 CMSC Security Services			
0259573	06/19/26	P	Melissa Otero	0000031914		30.00
		Line Description:	Citation CM030022570 Refund			
0259574	06/19/26	P	MetLife Legal Plans Inc	0000014707		5,559.00
		Line Description:	Metlife Legal Premium Jun 26			
0259575	06/19/26	P	Michael Estrada	0000031761		140.00
		Line Description:	Baketball Referee 6/15/26			
0259576	06/19/26	P	National Data & Surveying Services	0000021249		115.00
		Line Description:	Volume & Speed Traffic Counts			
0259577	06/19/26	P	Occu Med	0000003388		3,384.53
		Line Description:	Pre-employement Physicals			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259578	06/19/26	P	Omari Smith	0000029906		140.00
		Line Description:	Basketball Referee 6/15/26			
0259579	06/19/26	P	Orange Coast Plumbing Inc	0000009431		12,765.00
		Line Description:	Service Call-Del Mesa Pk Service Call-TeWinkle Pk			
0259580	06/19/26	P	Orange County Chiefs of Police &	0000003427		500.00
		Line Description:	Dues for 7/1/26-6/30/2027			
0259581	06/19/26	P	Pivot Solutions LLC	0000030415		5,301.89
		Line Description:	Paint & Body Repair-#784			
0259582	06/19/26	P	Primo Brands	0000031368		65.94
		Line Description:	WATER DELIVERY 5/1-5/31/26			
0259583	06/19/26	P	RPW Services Inc	0000012440		190.00
		Line Description:	Rodent control @comm garden			
0259584	06/19/26	P	Resource Building Materials	0000024350		467.10
		Line Description:	Sand for Sand blasting graffit Price Agreement			
0259585	06/19/26	P	S Gordin Structural Design &	0000014546		915.00
		Line Description:	Structural engineering svcs			
0259586	06/19/26	P	Southern California Edison Company	0000004088		5,228.42
		Line Description:	3191 Red Hill 5/12-6/10/26			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	980 Arlington A 5/12-6/10/26 1071 Arlingron 5/12-6/10/26 152 Baker 5/12-6/10/26 Shalimar Park 5/11-6/9/26 3175 Airway 5/12-6/10/26 1587 Sunflower 5/11-6/9/26 1990 Placentia 5/7-6/7/26 1050 Arlington A 5/12-6/10/26 3190 Red Hill 5/12-6/10/26 2590 Placentia B 5/8-6/8/26 1350 S Coast 5/11-6/9/26 567 W 18th 5/6-6/4/26 745 W 19th 5/6-6/4/26 980 Arlington C 5/12-6/10/26 Arlington Ped X 5/12-6/10/26 350 Bristol 5/12-6/10/26			
0259587	06/19/26	P	Southland Industries	0000031685		917.71
		Line Description:	PDL- Service Call			
0259588	06/19/26	P	State of California Dept of Justice	0000001534		1,522.00
		Line Description:	Livescan/Fingerprinting Servic			
0259589	06/19/26	P	Sunset Detectives	0000026756		5,400.00
		Line Description:	Pre-employment background			
0259590	06/19/26	P	Talimar Systems Inc	0000025939		12,456.25
		Line Description:	New Workstations-50% Deposit			
0259591	06/19/26	P	Tuff Shed Inc	0000005302		5,194.64
		Line Description:	PREMIER CLASSIC RANCH SHED FOR			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259592	06/19/26	P	USI Inc	0000005890	691.56
		Line Description:	LAMINATING MATERIALS		
0259593	06/19/26	P	Uline	0000010970	736.29
		Line Description:	Supplies for Property		
0259594	06/19/26	P	United Industries	0000010867	710.50
		Line Description:	Warehouse Floor Stock		
0259595	06/19/26	P	United Site Services of California Inc	0000015552	145.04
		Line Description:	ANNUAL PRICE AGREEMENT Portable Toilet Svcs		
0259596	06/19/26	P	West Coast Mobile Home Improvement	0000031014	13,057.00
		Line Description:			
0259597	06/19/26	P	Wintech Solutions Inc	0000012563	1,495.00
		Line Description:	IT OFFICE FROST BAND		

TOTAL $1,639,816.86

End of Report

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259598	06/19/26	P	Pamela Lilly	0000025324		750.00
		Line Description:	Payroll Deduction 26-13			
0259599	06/19/26	P	State of California	0000001546		200.00
		Line Description:	Payroll Deduction 26-13			
0259600	06/19/26	P	State of California	0000001546		2,472.77
		Line Description:	Payroll Deduction 26-13			
					TOTAL	**$3,422.77**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
022265	06/19/26	P	CDW Government Inc	0000005402	8,883.05
		Line Description:	HPE NIMBLE		
022266	06/19/26	P	Costa Mesa Employees Association	0000006284	4,488.01
		Line Description:	Payroll Deduction 26-13		
022267	06/19/26	P	Costa Mesa Executive Club	0000006286	330.00
		Line Description:	Payroll Deduction 26-13		
022268	06/19/26	P	Costa Mesa Firefighters Association	0000001812	8,655.50
		Line Description:	Payroll Deduction 26-13		
022269	06/19/26	P	Costa Mesa Police Association	0000001819	7,620.00
		Line Description:	Payroll Deduction 26-13		
022270	06/19/26	P	Costa Mesa Police Management Assn	0000005082	315.00
		Line Description:	Payroll Deduction 26-13		
022271	06/19/26	P	Priceless Pet Rescue	0000026000	40,000.00
		Line Description:	Shelter&Adoption Svc June 26		
022272	06/19/26	P	US Bank	0000002228	202,225.24
		Line Description:	CESA Conf EOC Supplies CESA Conf Exp CESA Conf Lodging CI Chiefs Conf Reg Homeland Security Conf CESA Conf Promotional Items EMPG FY24-PET Shelter Supplies		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt

Line Description:

Lodging
Conf Meal
PST #1 Online
911 Conf Airfare
Parking Exp Reimb
911 Conf Registration
APCO Trng Registration
Coffee Supplies
Tabelcloth Laundered
iCloud Monthly Payment
Ntl Correctional Officers Appr
K-9 Diego/Aran Supplies
Spray Paint
Drone Op Remote Control
Fraud Purchase
OC Marathon Supplies
Traffic Detail Frame
Animal Kennel Supplies
Laundry Items & Detergent
Business Mtng
Dog Water Bowl Parts
Landing Gear Jost
Magnet Retainer Assembly
Slot Cutter
Dr Hinge Adj Took Kit
A/C Netwk Cntrl Switch-CH/PD
Public Works Week Refreshment
Credit Return
Conference Travel
MMASC Membership
Digital Level for Building Ins
Refund for Departure Flight
Return Flight for Carrie Tai
Online Subscription
Chapter only membership
5 registrations for legislativ
OC APA Housing Session
subscription for chargpt

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Flight to ICSC for planning			
			Planning Commission meeting			
			DigiRoller			
			Monthly Mtng Supplies			
			CNG Fuel			
			Parking Lot Stiper Hose			
			Staff Shirts			
			Business Mtng			
			CEAOC Luncheon			
			Officee Supplies			
			Office Supplies			
			Refund Binder Tabs			
			CSMFO OC Chapter Mtng			
			CA Payroll Conf Registration			
			FiPAC Mtng Dinner			
			Budget Team Working Dinner			
			Monthly Charge for Council			
			Charge Error-Payment to City			
			Registration for Impact 2026			
			CCMS Membership for City Clerk			
			MesaWater Payment			
			Fire Incident-Elsemore St			
			iCloud Storage			
			CERT Academy/Mnthly Mtng			
			Parking for Buss Meeting			
			Bsuiness Meeting w/Mayor,MPT			
			PPE Mask Filters			
			CERT Certificate/Nametags			
			Hotel Credit for ICSC			
			Transportation, Business mtg			
			Registration for Urban Culture			
			File Sharing			
			Finger Printing			
			Office Supplies			
			Drill			
			ICSC Reservation Broc Coward			
			ICSC Reser Lodging Dan Inloes			
			Monthly Subs for Data Storage			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	ICSC Reser- Lodging for Carrie			
			ICSC Reserv-Lodg Martina Caron			
			ICSC Reserv-Lodging Alma Reyes			
			Office Supplies for City Manag			
			Council Dinner			
			Buley SCAG conf hotel			
			Coffee Supplies			
			ICSC Refreshments			
			Council Meeting dinner			
			Central Services supplies			
			Skate Park Groundbreaking			
			ICSC Promo/Public Svcs App wee			
			Refreshments for Pub service A			
			Month Subs fee x6, Yr Sub x1			
			Command Staff Mtng			
			RTF Drill Supplies			
			CPR Renewal			
			Water			
			Cabinet-Fire Admin			
			Dept Conf Call Line			
			CMFR Tablecloths Cleaning			
			Storage Bins/ShelviNG Units			
			Fuel			
			USB Device			
			Mtng Refreshment			
			ICSC lunch, breakfast			
			City Council Budget Study Sess			
			Credit- Zip ties, Reserve fdes			
			Parking			
			Lodging-Leadership Class			
			Sandy Fire Strike Team			
			Pod Storage Unit			
			Avaya 2420 Phones			
			On-Line Queuing System-May 26			
			On-Line Mtng Platform5/17-6/16			
			Office Supplies			
			BHBH Client TO TA Home good			
			Credit-Refund Icloud Mike B			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt

Line Description: Rideshare, birth cert, reconn
icloud storage- Mike B, Jimmy
Credit-Professional Developmen
Printer
Full License
Business Meeting
Name Plates
iCloud Monthly Subscription
Meet & Greet Supplies
Memo/ Meet & Greet
Mtng Supplies
Office Supplies
Annual Subscription
Cursor Prepaid Plan
Cursor Pro Max Plan
Employee Recognition EventFood
SoCal Gang Conf Tuition
Police Interview Panel Lunch
Physical Agility Interview Pan
Homicide Lodging
SoCal Gang Tuition
Canine Prog Lodging
Legal Ethics Tuition
DUI Checkpoint Tuition
Identity Theft Tuition
Robbery Invest Tuition
Pitchess Motion Tuition
Internal Affairs Tuition
Adv Schl Resourse Officer
Traffic Collision Tuition
Public Records Act Tuition
Apple&Google Warrants Tuition
Food for Poet Event/Cups
Office Supplies for NHCC
Office Equipment for NHCC
Cleaning supplies for NHCC
MLB Summer Camp/Summer Camp
First Aid Kits refills for NHC

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Access event staff lunch			
			Promotional Items Day Camp			
			Participating clothing for day			
			Home Depot- Small tools			
			CM Lock and Key- Small tools			
			Office Supplies-Bulleting Boar			
			Pizza Lunch for May Veterans			
			CAPE Conf Lodging			
			SoCal Gang Conf Tuition			
			Subscription services			
			Event Supplies- Art Cral			
			Cubicle Furniture walls			
			Subcription service for Survey			
			Legal Notice Advertisement			
			Snack and refreshments			
			Audible - Prof Dev Book			
			Supplies for Art Exhibition			
			Food for Mothers day			
			Replacement sewing machine			
			Equipment supplies for Fields			
			Uniform Equipment for Adult sp			
			Fraud			
			Booth Materials for ICSC			
			CMTV Awards Registration Sub			
			Office Supplies			
			Ergonomic Equipment			
			Supplies for Special Events			
			Facility Maintenance Supplies			
			Subscriptions- Amazon, Spotify			
			Supplies for May Craft			
			Supplies for Mothers Day Lunch			
			Excursions-Summer Camp			
			Small Tools and Equipment			
			Stationary and Office Supplies			
			Teen Camp Excursion			
			Hedge Trimmer, shovels, storag			
			Rec equip for day camp			
			Office suppfor Mobile Rec			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Office Supplies for day Camp			
			Rec equip mobile rec program			
			Bottled water for youth sports			
			Participant Clothing for Youth			
			Promotion items for Youth spor			
			Recreation Equipment for Mobil			
			Range Supplies			
			SoCal Conf Registration			
			K9 Management Subscription			
			Radian Raptor Handle/Tech Kit			
			Frams			
			Photo			
			Vacuum			
			Napkins			
			Step Ladder			
			Shadow Box Photos			
			Employee Appreciation			
			Vacuum Protection Plan			
			Employee Appreciation Cards			
			Volunteer Luncheon			
			Police Radio Charger			
			Digital Storage-Evidence			
			Suncreen			
			RTIC Comm Books			
			Citizens Academy			
			Training Class Parking Fee			
			Bug Fan Events			
			Ride 2 School Cert			
			Love Costa Mesa Event			
			Rec equip for ROCKS			
			Office supp for ROCKS			
			Safety Items for ROCKS			
			Arts and Crafts Sup for ROCKS			
			Access Prom Purchase			
			Credit for Amazon Purchase			
					TOTAL	**$272,516.80**

End of Report

Payment Ref	Cancel Date	Status	Remit To	Remit ID	Payment Date	Payment Amt
0259550	6/24/2026	V	Costa Mesa Auto Glass	0000010001	06/19/26	(2,536.70)
		Line Description:	Incorrect amount paid.			
					TOTAL	**($2,536.70)**

39,002.40
2,589,387.98
0.00
(2,536.70)
$ 2,625,853.68

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259751	06/26/26	O	Turnout Maintenance Company LLC *Line Description:* Overflow	0000020182	0.00
				TOTAL	**0.00**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259601	06/26/26	P	All City Management Services Inc	0000009480	18,598.42
		Line Description:	Schl Crng Svc 5/10-5/23/26		
0259602	06/26/26	P	AssetWorks Inc	0000020210	31,373.85
		Line Description:	ANNUAL SOFTWARE MAINTENANCE		
0259603	06/26/26	P	Bound Tree Medical LLC	0000011695	37,993.89
		Line Description:	EMS Supplies EMS Supplies EMS Supplies EMS Supplies EMS Supplies EMS Supplies EMS Supplies EMS Supplies Annual Price Agreement		
0259604	06/26/26	P	Community Catalyst	0000030590	19,800.00
		Line Description:	Consulting Svc-Apr 2026		
0259605	06/26/26	P	DKS Associates	0000024769	23,128.75
		Line Description:	Fairview/Belfast TS 3/31/26		
0259606	06/26/26	P	Dudek	0000011416	115,089.90
		Line Description:	Climate Action 4/25-5/22/26 Housing Rezoning 3/28-4/24/26 Climate Action 3/28-4/24/26 Climate Action 2/21-3/27/26		
0259607	06/26/26	P	Endemic Environmental Services Inc	0000021277	35,388.93
		Line Description:	Habitat Assessment Coastal Sage Restrn 5/15-5/31		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	FVP Maint/Rehab 5/16-5/31/26			
0259608	06/26/26	P	Executive Facilities Services Inc	0000029510		53,830.77
		Line Description:	Janitorial Services - Parks Janitorial Services - Fairview Janitorial Services - PD Janitorial Services - BCC Janitorial Services - DRC Janitorial Services - NHCC Janitorial Services - Senior C Janitorial Services - Bridge S Janitorial Services - City Hal Janitorial Services - Corp Yar Janitorial Services - PD Commu Janitorial Services - PD Wareh Janitorial Services - Police S Janitorial Services - FS1-6			
0259609	06/26/26	P	Hardy & Harper Inc	0000015311		736,340.96
		Line Description:	Retention #25-10/#300181 Fairview Rd Impvmnt #25-10			
0259610	06/26/26	P	MV Cheng & Associates Inc	0000026583		17,297.50
		Line Description:	Contractor for Finance Dept			
0259611	06/26/26	P	McMurray & Stern Inc	0000012514		24,760.97
		Line Description:	Delivery & Installation of Dut			
0259612	06/26/26	P	Newport Mesa Unified School District	0000003339		204,303.84
		Line Description:	Joint Use Agreement Oct-Dec 25 Joint Use Agreement Jul-Sep 25 Joint Use Agreement Apr-Jun 26 Joint Use Agreement Jan-Mar 26			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259613	06/26/26	P	Newport Mesa Unified School District	0000003339	20,421.50
		Line Description:	Developer Fee-May 2026		
0259614	06/26/26	P	OCY Management LLC	0000031370	23,250.38
		Line Description:	Transportation Svcs May 26 MedicTransport Services May 26		
0259615	06/26/26	P	Onward Engineering	0000003212	15,852.49
		Line Description:	Professional Services Agreemen Fairview Road AT Improvements		
0259616	06/26/26	P	Orange County Transportation Authority	0000003456	69,691.46
		Line Description:	Local Agency Match for the Red		
0259617	06/26/26	P	Place Works Inc	0000023119	49,285.80
		Line Description:	Consulting svcs for Fairview		
0259618	06/26/26	P	Placer Labs Inc	0000029675	24,806.00
		Line Description:	Subscription Software 6/2/26-5		
0259619	06/26/26	P	Polar Sales Inc	0000031650	21,249.10
		Line Description:	Polaris Ranger Crew 1000 - Def		
0259620	06/26/26	P	SCA of CA, LLC	0000029971	122,315.87
		Line Description:	Street Sweeping		
0259621	06/26/26	P	Sharpline Solutions Inc	0000025805	48,982.07
		Line Description:	Heavy Hitter Bollards for main		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259622	06/26/26	P	Southland Industries	0000031685	27,124.00
		Line Description:	Economizer Filter Replacement Installation of mini split sys		
0259623	06/26/26	P	Tumble-N-Kids Inc	0000030098	15,406.95
		Line Description:	Instructor Payment-Spring 2026		
0259624	06/26/26	P	West Coast Arborists Inc	0000004498	85,977.00
		Line Description:	Tree Maint 5/15-5/31/26 Tree Maint 5/1-15/26 Tree maint 5/16-5/31/26		
0259625	06/26/26	P	Winner Chevrolet Inc	0000031648	63,594.33
		Line Description:	534-Replacement		
0259626	06/26/26	P	Wittman Enterprises LLC	0000026639	15,065.00
		Line Description:	May 2026		
0259627	06/26/26	P	Yunex LLC	0000029573	91,597.73
		Line Description:	Traffic Signal Maint-Mar 26 Traffic Signal Maint- Apr 26 Traffic Signal Response-Mar 26 Traffic Signal Response-Apr 26		
0259628	06/26/26	P	Z&K Consultants, Inc	0000029416	99,212.10
		Line Description:	Construc Mgmt for Adams Bycicl Constr Mgmt for Adams Bicycle		
0259629	06/26/26	P	4Leaf Inc	0000029711	4,669.81

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Fire Plan Review-May 2026 Plan Review-May 2026			
0259630	06/26/26	P	ARC	0000022726		2,730.38
		Line Description:	Doc Scanning Bin 8 Doc Scanning Bin 5 Skate Park Banner			
0259631	06/26/26	P	Advantage Event Solutions LLC	0000030172		13,230.00
		Line Description:	Sound & Audio Svc-7/3/26			
0259632	06/26/26	P	Allstar Fire Equipment Inc	0000000986		749.36
		Line Description:	SHIPPING SALES TAX (7.75%) ROPE CLAMP LADDERLINE			
0259633	06/26/26	P	American Leisure Products, Inc.	0000028900		1,398.61
		Line Description:	Outfitting BC Vehicle			
0259634	06/26/26	P	Angel Auto Spa LLC	0000027465		2,046.37
		Line Description:	Car Wash-May 2026			
0259635	06/26/26	P	Ardurra Group, Inc.	0000030147		7,030.25
		Line Description:	Fairview Rd Rehab-May 2026			
0259636	06/26/26	P	Athletic Field Specialists	0000023215		10,350.00
		Line Description:	Turf Application			
0259637	06/26/26	P	B & H Photo Video Inc	0000006056		94.72

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	CMTV Replacement cards			
0259638	06/26/26	P	BC Traffic Specialist	0000022225		101.76
		Line Description:	Traffic Control Equipment			
0259639	06/26/26	P	Backhaus Dance	0000030728		2,500.00
		Line Description:	Art Grant Program Award			
0259640	06/26/26	P	Barco Products LLC	0000001193		14,089.47
		Line Description:	Picnic Tabless&Trash Receptacl			
0259641	06/26/26	P	Barnum Stage Rental LLC	0000030762		3,500.00
		Line Description:	STAGE RENTAL			
0259642	06/26/26	P	Bee Busters Inc	0000007572		770.00
		Line Description:	Bee Colony Abatement Bee Colony Abatement Bee Colony Abatement Bee Colony Abatement Bee Colony Abatement Bee Colony Abatement			
0259643	06/26/26	P	Beginners Edge Sports Training LLC	0000027270		3,510.00
		Line Description:	Instructor Payment-Spring 2026			
0259644	06/26/26	P	Brendan Ford	0000031457		300.00
		Line Description:	Art Comm Mtng Apr-Jun 2026			
0259645	06/26/26	P	Brian Hillard Karate	0000030959		1,185.60
		Line Description:	Instructor Payment-Spring 2026			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259646	06/26/26	P	Bucknam Infrastructure Group Inc	0000021371	13,969.45
		Line Description:	Costa Mesa PMP 2026		
0259647	06/26/26	P	Bureau Veritas North America Inc	0000016616	777.85
		Line Description:	Fire Plan Review-		
0259648	06/26/26	P	CDCE Inc	0000019481	4,017.54
		Line Description:	SHIPPING SALES TAX (7.75%) PREMIUM KEYBOARD FOR CF-33 MK1		
0259649	06/26/26	P	CSG Consultants Inc	0000001887	4,602.12
		Line Description:	Fire Plan Check-May 2026 Bldng Plan Review-May 2026		
0259650	06/26/26	P	Central Orange County Emergency	0000001629	150.00
		Line Description:	Veterinary Services-6/10/26		
0259651	06/26/26	P	Chandler Asset Management	0000022081	4,685.14
		Line Description:	Investment Svc-May 2026		
0259652	06/26/26	P	CityGreen Consulting, LLC	0000030471	2,290.00
		Line Description:	City Green Consulting-Jun 2026		
0259653	06/26/26	P	Citygate Associates	0000012070	2,268.25
		Line Description:	Conduct Standarfds Assmnt		
0259654	06/26/26	P	Continental Interpreting Services Inc	0000024355	1,400.00

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Spanish Interpreter Interpreter Svc-6/16/26			
0259655	06/26/26	P	Costa Mesa Auto Glass	0000010001		1,536.70
		Line Description:	Glass Replacement-Unit #737 Glass Replacement-Unit #737 Glass Replacement-Unit #758 Glass Replacement-Unit #758 Glass Replacement-#739 Glass Replacement-#739 Overpayment Invoice #3747			
0259656	06/26/26	P	Costa Mesa Lock & Key	0000001817		155.00
		Line Description:	Service Call			
0259657	06/26/26	P	County of Orange	0000003486		4,408.32
		Line Description:	AFIS bill for June 26 Router Replacement for May 26 Reurring Fee for OCATS for May			
0259658	06/26/26	P	County of Orange	0000007209		324.00
		Line Description:	PD Radio Repair 2/1-2/28/26			
0259659	06/26/26	P	Cristian Garcia Arcos	0000030747		300.00
		Line Description:	Park/Comm Svc Mtng Apr-Jun2026			
0259660	06/26/26	P	Daniels Tire Service	0000001922		7,935.76
		Line Description:	Warehouse Stock Warehouse Stock Warehouse Stock			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259661	06/26/26	P	Dell Computer Corp	0000001962	1,890.00
		Line Description:	Subscription		
0259662	06/26/26	P	Dr Drip Roof Repair	0000031618	11,554.94
		Line Description:	Roof Repair @ DD Library		
0259663	06/26/26	P	ECKERSALL LLC	0000025412	1,667.50
		Line Description:	Senior GIS Analyst 1/1-5/15/26		
0259664	06/26/26	P	EPD Solutions	0000024516	5,048.75
		Line Description:	396 E 21st St-5/24/26		
0259665	06/26/26	P	Eagle Print Dynamics	0000026736	420.12
		Line Description:	City Clerk Uniform		
0259666	06/26/26	P	Econolite Control Products Inc	0000002080	9,816.16
		Line Description:	Traffic Signals		
0259667	06/26/26	P	Elizabeth Dorn Parker	0000029192	300.00
		Line Description:	Park/Comm Svc Mtng Apr-Jun2026		
0259668	06/26/26	P	Elizabeth Nelsen	0000031916	1,850.00
		Line Description:	Property DamageStlmnt-10/31/25		
0259669	06/26/26	P	Elysian Arts & Events, LLC	0000030538	2,308.15
		Line Description:	Instructor Payment-Spring 2026		
0259670	06/26/26	P	Entenmann Rovin Company	0000002130	162.67
		Line Description:	Name Bars		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259671	06/26/26	P	Everett Dorey LLP	0000026882		5,367.78
		Line Description:	Ohio House-May 2026 Legal Svc-Dec 2025			
0259672	06/26/26	P	FJ Construction & Dev LLC	0000031787		7,487.22
		Line Description:	Refund Permit BBSF-25-0078			
0259673	06/26/26	P	Ferguson Enterprises Inc #1350	0000007785		11.38
		Line Description:	Plumbing Supplies			
0259674	06/26/26	P	FireStats LLC	0000026188		5,000.00
		Line Description:	Firestats Data Analysis-Jun 26 Firestats Data Analysis-Nov 25 Firestats Data Analysis-Mar 26 Firestats Data Analysis-Feb 26			
0259675	06/26/26	P	First Carbon Solutions	0000024876		3,850.40
		Line Description:	Nest Event Center Proj			
0259676	06/26/26	P	First Choice Service	0000023961		1,170.68
		Line Description:	Coffee & Water Svc-5/21/26 Coffee & Water Svc-5/7/26 Coffee & Water Svc-5/2/26			
0259677	06/26/26	P	Fisher Derderian	0000030055		300.00
		Line Description:	Art Comm Mtng Apr-Jun 2026			
0259678	06/26/26	P	Ford Fleet Care	0000026262		10,300.55
		Line Description:	Repair-May 2026			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Parts-Apr 2026 Parts-May 2026 Repair-Apr 2026			
0259679	06/26/26	P	Galls LLC	0000002297		1,009.22
		Line Description:	Dev Svs Uniform Uniform: Sheila Larsen Uniform: Biran Hara Uniform: Yesenia Palacios Uniform: Ray Mayroquin Uniform-Dev Svc Uniform-Dev Svc Uniform-Dev Svc Uniform-Dev Svc Uniform-Dev Svc Uniform- Dev Svc			
0259680	06/26/26	P	Geographic Technologies Group, LLC	0000031829		6,500.00
		Line Description:	May 26 Svs GIS Master Plan			
0259681	06/26/26	P	Golden Ticket Ent	0000026334		4,500.00
		Line Description:	Music Entertainment-7/3/26			
0259682	06/26/26	P	Grainger	0000002393		4,870.39
		Line Description:	Hardware Hardware Hardware Hardware Price Agreement Warehouse Stock Price Agreement - Streets Warehouse Stock Warehouse Stock			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259683	06/26/26	P	Group Delta Consultants, Inc	0000031128	8,548.00
		Line Description:	Soil Sampling & Testing		
0259684	06/26/26	P	Haaker Equipment Company	0000002433	12,869.24
		Line Description:	Hydraulic PVG Valve-#403		
0259685	06/26/26	P	Hanks Electrical Supplies	0000002445	1,137.95
		Line Description:	Electrical Supplies		
0259686	06/26/26	P	Harbor Pointe Air Conditioning & Control	0000030908	2,297.81
		Line Description:	Weekend Svc Calls CMBS Service Call		
0259687	06/26/26	P	Hoag Executive Health	0000030617	8,185.00
		Line Description:	Wellness Exam-May 2026		
0259688	06/26/26	P	Hollywood Honeywagon &	0000029304	2,200.00
		Line Description:	VIP Trailer-7/3/26		
0259689	06/26/26	P	Image Concepts	0000026883	994.42
		Line Description:	Embroidered Shirts/Jackets/Hat		
0259690	06/26/26	P	Interwest Consulting Group Inc	0000021505	256.97
		Line Description:	Plan Review-May 2026		
0259691	06/26/26	P	JC Motors	0000020143	1,897.48
		Line Description:	Warehouse Stock		
0259692	06/26/26	P	Jacob Husen	0000031455	300.00

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Park/Comm Svc Mtng Apr-Jun2026			
0259693	06/26/26	P	James Snordan	0000029974		140.00
		Line Description:	Basketball Referee 6/22/26			
0259694	06/26/26	P	Jason Komala	0000031456		300.00
		Line Description:	Park/Comm Svc Mtng Apr-Jun2026			
0259695	06/26/26	P	Joe Mar Polygraph	0000030910		500.00
		Line Description:	Polygraph Test			
0259696	06/26/26	P	Jump N Bounce LLC	0000029296		1,541.00
		Line Description:	Inflatables Rental-7/3/26			
0259697	06/26/26	P	Kelly Brown	0000029489		300.00
		Line Description:	Park/Comm Svc Mtng Apr-Jun2026			
0259698	06/26/26	P	Keyser Marston Associates Inc	0000002824		1,803.75
		Line Description:	Subsidy Layer Rvw May 26			
0259699	06/26/26	P	LN Curtis & Sons	0000002983		3,012.92
		Line Description:	2.5NHFx2-1.5NHM Fated Wye Valv Cutter 24", 30" and 36"			
0259700	06/26/26	P	Land IQ, LLC	0000031448		1,073.25
		Line Description:	4/1-5/31/26 FVP Mesa			
0259701	06/26/26	P	Landscape Structures Inc	0000024524		5,763.19
		Line Description:	Gisler Park Slide & Ladder			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259702	06/26/26	P	Liebert Cassidy Whitmore	0000002960		697.50
		Line Description:	LEGAL SERVICES for Apr 26			
0259703	06/26/26	P	Linscott Law & Greenspan Engineers Inc	0000010877		13,144.00
		Line Description:	On-Call Traffic Support Svcs On-Call Traffic Support Servs On-Call Traffic Support Svcs On-Call Traffic Support Servic			
0259704	06/26/26	P	Long Beach BMW	0000015745		797.05
		Line Description:	Shop Supply 622- Rear Tire			
0259705	06/26/26	P	Los Angeles Times	0000003000		2,879.69
		Line Description:	Sidewalk Project #25-20 ad Legal notices			
0259706	06/26/26	P	MAG-TROL	0000029306		1,987.99
		Line Description:	HVAC Parts and Supplies			
0259707	06/26/26	P	MK Electric Inc	0000029674		3,500.00
		Line Description:	Jack Hammett Electrical Repair Jack Hammett Electrical Repair			
0259708	06/26/26	P	Melad & Associates	0000005068		9,336.30
		Line Description:	Consulting plan check BPCR-23			
0259709	06/26/26	P	Michael Baker International Inc	0000024229		4,260.00
		Line Description:	Task3 final doc, task 4 proj			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259710	06/26/26	P	Michael Estrada	0000031761		140.00
		Line Description:	Basketball Referee 6/22/26			
0259711	06/26/26	P	Mike Buley	0000031917		445.59
		Line Description:	SCAG Conf			
0259712	06/26/26	P	Mike Raahauges Shooting Enterprises	0000006853		1,125.00
		Line Description:	Range Fees- May 26			
0259713	06/26/26	P	Mouse Graphics	0000001170		1,510.30
		Line Description:	Vinyl Wrap for Utility Box #47			
0259714	06/26/26	P	National Community Development Assoc	0000031915		1,545.00
		Line Description:				
0259715	06/26/26	P	National Data & Surveying Services	0000021249		2,510.00
		Line Description:	Volume & speed Traffic Counts Volume& Speed Traffic Counts Volume & Speed Traffic Counts			
0259716	06/26/26	P	OC Uniforms & Tailoring Inc.	0000031514		317.34
		Line Description:	Uniforms			
0259717	06/26/26	P	Orange County Mosquito & Vector Control	0000021750		693.70
		Line Description:	Insp+Treat of Pest May 26			
0259718	06/26/26	P	PEAC Solutions	0000031369		4,020.16
		Line Description:	COPIER LEASE 6/2-7/1/26			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259719	06/26/26	P	Pacific Advanced Civil Engineering Inc	0000014386		3,198.00
		Line Description:	Annual CIP Programming			
0259720	06/26/26	P	Pacific Medical Waste	0000029793		199.90
		Line Description:	Price Agreement			
0259721	06/26/26	P	Pacific Plumbing of Southern California	0000030657		5,350.50
		Line Description:	Excavation, Plumbing, Repair a Lions Park Cafe-Plumbing Fairview Park-Service call			
0259722	06/26/26	P	Pacific Symphony	0000030109		2,500.00
		Line Description:	Art Grant Program Award			
0259723	06/26/26	P	Pivot Solutions LLC	0000030415		12,471.89
		Line Description:	708-Paint and Body Repair 787- Paint and Body Repair			
0259724	06/26/26	P	Post Alarm Systems Inc	0000026907		82.44
		Line Description:	CMBS Alarm Monitoring			
0259725	06/26/26	P	Power Products Unlimited Inc	0000021904		4,881.69
		Line Description:	Replacement Batteries for Radi			
0259726	06/26/26	P	Priority Landscape Services LLC	0000026592		6,904.00
		Line Description:	Fairview Park Landscape Maint Citywide young tree care			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259727	06/26/26	P	Prudential Overall Supply	0000025480	317.12
		Line Description:	Towel Svc-May 2026		
0259728	06/26/26	P	Quadient Inc	0000028798	5,103.19
		Line Description:	POSTAGE Meter ink Maint for Mail Folding Machine		
0259729	06/26/26	P	Rafael Rodriguez	0000031018	105.00
		Line Description:	Basketball Referee 6/17/26		
0259730	06/26/26	P	Resource Building Materials	0000024350	362.04
		Line Description:	Road Base		
0259731	06/26/26	P	Santa Ana College	0000003752	8,400.00
		Line Description:	CLASS REGISTRATION FOR WELLNES		
0259732	06/26/26	P	Scott Fazekas & Associates Inc	0000003961	3,343.50
		Line Description:	May 26 Plan Check Svs Consult		
0259733	06/26/26	P	Segerstrom Center for the Arts	0000005321	3,482.12
		Line Description:	Graphic Design servcs		
0259734	06/26/26	P	Shaw HR Consulting Inc	0000021706	2,295.00
		Line Description:	Reasonable Accommodations Reasonable Accommodations Reasonable Accommodations Reasonable Accommodation		
0259735	06/26/26	P	Shayanne Wright	0000030053	300.00
		Line Description:	Park/Comm Svc Mtng Apr-Jun2026		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259736	06/26/26	P	Sims Orange Welding Supply Inc	0000004030		215.59
		Line Description:	Shop-Welding Supplies Shop-Welding Supplies			
0259737	06/26/26	P	SiteOne Landscape Supply LLC	0000024133		9,455.07
		Line Description:	TWAC Renovations Materials			
0259738	06/26/26	P	Southern California Shredding Inc	0000025605		205.00
		Line Description:	On-Site Shredding Services Shredding Services			
0259739	06/26/26	P	T Tactical Solutions Inc	0000026642		2,753.01
		Line Description:	Trauma Kits & Emergency Bag Eq			
0259740	06/26/26	P	T-Mobile USA	0000021384		136.44
		Line Description:	Dual eSims 4/21-5/20/26			
0259741	06/26/26	P	Tablet Command, Inc	0000030989		4,287.00
		Line Description:	TABLET COMMAND SOFTWARE			
0259742	06/26/26	P	Tait Environmental Management Inc	0000009502		2,130.00
		Line Description:	Underground Diesel Fuel Tank C			
0259743	06/26/26	P	Terrell Thorogood	0000030424		105.00
		Line Description:	Basketball Referee 6/17/26			
0259744	06/26/26	P	The Code Group Inc	0000025073		9,654.33
		Line Description:	Professional Services Agreemen			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Bldg Inspect Svs 4/26-5/30/26 Plan check			
0259745	06/26/26	P	The Home Depot	0000002560		11,002.42
		Line Description:	Plumbing Supp-Bldg Maint Maint Equip-Street Maint Misc Tools/Supplies (Comm) Auto Part/ Supp-Fleet Equip Supplies-Graffiti Abatement Tools- Fire Response/Control Maint Equip-Storm Drain Maint General Supp-Graffiti Abatemen Hardware supplies-Park Mainten Electrical Supp-Bldg Maint Supplies-Warehouse Hardware Supp-Bldg Maint Storm Drain Maintenance General Supp-Bldg Maint Tools-Street Maint			
0259746	06/26/26	P	The Solis Group	0000030649		6,432.00
		Line Description:	Fire Stattion #4 Training Towe			
0259747	06/26/26	P	Townsend Public Affairs Inc	0000021510		6,825.00
		Line Description:	Legislative Consulting June			
0259748	06/26/26	P	Trellis	0000025584		5,000.00
		Line Description:	Art Grant Program Award			
0259749	06/26/26	P	Triton Technology Solutions Inc	0000021687		5,000.00
		Line Description:	Qtr Pymt-Council tech maint			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259750	06/26/26	P	Turnout Maintenance Company LLC	0000020182		5,752.75
		Line Description:	Job #20061328 Job 20061569 Job #20061893 Job #20061892 Annual Price Agreement Job #20061600 Job #20061467 Job #20061460 Job#20061465 Job#20061891 JOb#20061599 Job#20061531 Job#20061568 Job #20061611 Job#20061603 PO#20061614 PO#20061575 Job #20061576 Annual Price Agreement Annual Price Agreement-ST #2 Annual Price Agreement #6 Ortega, Maldonado, Cadet ST#6, Maldonado, Cadet Scavo Annual Price Agreement-Finkels			
0259752	06/26/26	P	Uline	0000010970		3,025.96
		Line Description:	Supplies for Property Supplies/Equipment for Prop			
0259753	06/26/26	P	United Industries	0000010867		334.89
		Line Description:	Warehouse Floor Stock			
0259754	06/26/26	P	Verizon Wireless	0000008717		1,642.39

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	WIRELESS PHONE 04/18-05/17/26			
0259755	06/26/26	P	WLC Architects Inc	0000023955		4,150.00
		Line Description:	FS#2 Reconstruction Arch & Eng			
0259756	06/26/26	P	Wallop Water USA LLC	0000030376		2,133.45
		Line Description:	LABOR SALES TAX (7.75%) TRAILER BAR FREIGHT			
0259757	06/26/26	P	Walters Wholesale Electric Co	0000011706		12,626.81
		Line Description:	Donald Dungan Library Wattstop			
0259758	06/26/26	P	Waterline Technologies Inc	0000014520		1,545.45
		Line Description:	Price Agreement DRC- Pool Treatment DRC-Pool Treatment			
0259759	06/26/26	P	Waxie Sanitary Supply	0000004480		9,254.43
		Line Description:	For Warehouse Floor Stock			
0259760	06/26/26	P	West Coast Fence Co	0000021495		2,885.00
		Line Description:	Gate Repair Gate Repair Chain-Link Fence Repair			
0259761	06/26/26	P	Wex Bank	0000014258		2,042.69
		Line Description:	Fuel 5/7-6/6/26			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259762	06/26/26	P	Zoll Medical Corporation	0000021290		2,334.61
		Line Description:	AFlowtube, Accuvent, Lifeband			
0259763	06/26/26	P	Zumar Industries Inc	0000004622		2,929.77
		Line Description:	Price Agreement			
					TOTAL	**$2,589,387.98**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022277	06/26/26	P	Brandon Medeck	0000029125		631.00
		Line Description:	Tuition Reimb			
022278	06/26/26	P	CDW Government Inc	0000005402		3,745.91
		Line Description:	Logitech Headset, Belkin USB Axiom BendnFlex Patch Cable ELECTRONIC EQUIPMENT COMPUTER EQUIPMENT Dell USB-C			
022279	06/26/26	P	Courtni Dearden	0000031364		328.89
		Line Description:	Crime Scene Tech/Investigation			
022280	06/26/26	P	Jones Mayer	0000014653		18,353.35
		Line Description:	#142689-Percival #142690-Phillips #142699-Waterman #142701-Porteous #142702-Frenchak #142683-Alexander #142691-Salehpour #142688-Ohio House #142692-Veramancini #142693-DAlessio 1983 #142682-440 Fair/1179 NP #142698-Cronan #142696-Warren #142694-Vargas #142686-OKeefe #142685-Harvey #142700-Mood #142697-Ruiz #142684-Farrell Harrison #142687-Ohio House Abatement #142695-RDK Group Holdings		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
022281	06/26/26	P	Maurilio Torres	0000025958	807.20
		Line Description:	Tuition Reimb Spg 2026		
022282	06/26/26	P	Alisa Ochoa	0000029944	300.00
		Line Description:	Art Comm Mtng Apr-Jun 2026		
022283	06/26/26	P	Allison Mann	0000001338	300.00
		Line Description:	Art Comm Mtng Apr-Jun 2026		
022284	06/26/26	P	Angely Vallarta	0000029193	800.00
		Line Description:	Planning Comm Mtng-May 2026 Planning Comm Mtng-Jun 2026		
022285	06/26/26	P	Brandice Leger	0000030845	300.00
		Line Description:	Park/Comm Svc Mtng Apr-Jun2026		
022286	06/26/26	P	Charlene M Ashendorf	0000017428	300.00
		Line Description:	Art Comm Mtng Apr-Jun 2026		
022287	06/26/26	P	David Martinez	0000014476	800.00
		Line Description:	Planning Comm Mtng-May 2026 Planning Comm Mtng-Jun 2026		
022288	06/26/26	P	Deborah Wondercheck	0000029941	300.00
		Line Description:	Art Comm Mtng Apr-Jun 2026		
022289	06/26/26	P	Erica Lucia	0000029943	300.00
		Line Description:	Art Comm Mtng Apr-Jun 2026		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
022290	06/26/26	P	Jeffrey Harlan	0000020142	800.00
		Line Description:	Planning Comm Mtng-May 2026 Planning Comm Mtng-Jun 2026		
022291	06/26/26	P	Jonathan Zich	0000026312	800.00
		Line Description:	Planning Comm Mtng-May 2026 Planning Comm Mtng-Jun 2026		
022292	06/26/26	P	Jose Rojas	0000029411	800.00
		Line Description:	Planning Comm Mtng-May 2026 Planning Comm Mtng-Jun 2026		
022293	06/26/26	P	Karen Klepack	0000030322	800.00
		Line Description:	Planning Comm Mtng-May 2026 Planning Comm Mtng-Jun 2026		
022294	06/26/26	P	Robert L Dickson Jr	0000003671	800.00
		Line Description:	Planning Comm Mtng-May 2026 Planning Comm Mtng-Jun 2026		
022295	06/26/26	P	SHI International Corp	0000016007	2,397.22
		Line Description:	Yubico Yubikey		
022296	06/26/26	P	Steve Savage	0000010532	5,338.83
		Line Description:	Adv Disability Jun 2026		
				TOTAL	**$39,002.40**

End of Report

Payment Ref	Cancel Date	Status	Remit To	Remit ID	Payment Date	Payment Amt
0256655	6/30/2026	V	Monument Row	0000030907	11/28/25	(3,732.50)

Line Description: 06/30/26- Void & Reissue- Vendor did not receive payment

TOTAL **($3,732.50)**

57,151.81	
892,276.71	
4,123.44	
241,323.51	
19,668.65	
400,702.83	
0.00	
(3,732.50)	
$ 1,611,514.45	

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259910	07/03/26	O	Southern California Edison Company *Line Description:* Overflow	0000004088	0.00
				TOTAL	**0.00**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259764	06/30/26	P	Antonio Macias	0000021817		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259765	06/30/26	P	Barbara Tintle	0000016912		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259766	06/30/26	P	Bonnie Kubota	0000005792		714.00
		Line Description:	Qtrly Retiree Medical Payment			
0259767	06/30/26	P	Bradley Whiteaker	0000000341		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259768	06/30/26	P	Burton Santee	0000003920		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259769	06/30/26	P	Chano Camarillo	0000001558		491.78
		Line Description:	Qtrly Retiree Medical Payment			
0259770	06/30/26	P	Chris Holmes	0000002557		957.87
		Line Description:	Qtrly Retiree Medical Payment			
0259771	06/30/26	P	Chris Reed	0000003777		921.77
		Line Description:	Qtrly Retiree Medical Payment			
0259772	06/30/26	P	Dan Mudra	0000006272		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259773	06/30/26	P	David Alkema	0000000970		864.00

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Qtrly Retiree Medical Payment			
0259774	06/30/26	P	Deanna Reed	0000002777		714.00
		Line Description:	Qtrly Retiree Medical Payment			
0259775	06/30/26	P	Dennis Barton	0000001209		301.50
		Line Description:	Qtrly Retiree Medical Payment			
0259776	06/30/26	P	Diane J Moore	0000003221		364.05
		Line Description:	Qtrly Retiree Medical Payment			
0259777	06/30/26	P	Don Boynton	0000015805		440.32
		Line Description:	Qtrly Retiree Medical Payment			
0259778	06/30/26	P	Donna Fagot	0000013934		413.04
		Line Description:	Qtrly Retiree Medical Payment			
0259779	06/30/26	P	Edwin Everett	0000005981		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259780	06/30/26	P	Eric Engle	0000002128		584.49
		Line Description:	Qtrly Retiree Medical Payment			
0259781	06/30/26	P	Fidel Gamboa	0000007696		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259782	06/30/26	P	Frank Rudisill	0000003871		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259783	06/30/26	P	Frederick Merrill	0000005365		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259784	06/30/26	P	Fredric Wagner	0000004444		976.50
		Line Description:	Qtrly Retiree Medical Payment			
0259785	06/30/26	P	Gary Golson	0000002370		639.00
		Line Description:	Qtrly Retiree Medical Payment			
0259786	06/30/26	P	Harold Arnold	0000001076		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259787	06/30/26	P	Harold Newbern	0000013391		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259788	06/30/26	P	Henry Santo	0000003921		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259789	06/30/26	P	James Boucher	0000021818		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259790	06/30/26	P	James Solliday	0000015717		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259791	06/30/26	P	John E Fitzpatrick	0000002234		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259792	06/30/26	P	John Pherrin	0000006031		789.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259793	06/30/26	P	Karin Robinson	0000008079		714.00
		Line Description:	Qtrly Retiree Medical Payment			
0259794	06/30/26	P	Karl J Verhoef	0000004410		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259795	06/30/26	P	Keith M Jones	0000002776		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259796	06/30/26	P	Kenneth Soltis	0000007968		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259797	06/30/26	P	Kevin Gleason	0000006350		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259798	06/30/26	P	Larry M Hicks	0000002525		957.87
		Line Description:	Qtrly Retiree Medical Payment			
0259799	06/30/26	P	Lawrence Stice	0000015806		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259800	06/30/26	P	Lou Steiner	0000005965		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259801	06/30/26	P	Marilyn Ellis-Hollobaugh	0000002108		639.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259802	06/30/26	P	Merton Switzer	0000004204		316.87
		Line Description:	Qtrly Retiree Medical Payment			
0259803	06/30/26	P	Michael Basso	0000021265		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259804	06/30/26	P	Michael Moran	0000018227		792.93
		Line Description:	Qtrly Retiree Medical Payment			
0259805	06/30/26	P	Michael Swanson	0000006237		976.50
		Line Description:	Qtrly Retiree Medical Payment			
0259806	06/30/26	P	Michael Treanor	0000006788		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259807	06/30/26	P	Michael V Ginther	0000002339		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259808	06/30/26	P	Michael W Carver	0000001599		774.06
		Line Description:	Qtrly Retiree Medical Payment			
0259809	06/30/26	P	Neil Leveratt	0000002948		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259810	06/30/26	P	Pamela S Greene	0000005256		569.12
		Line Description:	Qtrly Retiree Medical Payment			
0259811	06/30/26	P	Patricia Novack	0000012034		939.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259812	06/30/26	P	Peter Merritt	0000005114		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259813	06/30/26	P	Peter Tenace	0000007198		364.05
		Line Description:	Qtrly Retiree Medical Payment			
0259814	06/30/26	P	Robert B Phillips	0000005388		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259815	06/30/26	P	Robert Ciszek	0000001670		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259816	06/30/26	P	Robert Fate	0000002183		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259817	06/30/26	P	Ronald A Smith	0000004053		957.87
		Line Description:	Qtrly Retiree Medical Payment			
0259818	06/30/26	P	Rulon Hatch	0000006012		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
0259819	06/30/26	P	Sam Nguyen	0000021573		548.84
		Line Description:	Qtrly Retiree Medical Payment			
0259820	06/30/26	P	Scott Broussard	0000001420		913.95
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259821	06/30/26	P	Sheila Maurice	0000003091	364.05
		Line Description:	Qtrly Retiree Medical Payment		
0259822	06/30/26	P	Stanley Borek	0000001347	463.95
		Line Description:	Qtrly Retiree Medical Payment		
0259823	06/30/26	P	Steven Spielberger	0000004127	714.00
		Line Description:	Qtrly Retiree Medical Payment		
0259824	06/30/26	P	Teresa Peterson Goerke	0000016963	584.49
		Line Description:	Qtrly Retiree Medical Payment		
0259825	06/30/26	P	Thomas Banks	0000021751	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
0259826	06/30/26	P	Thomas MacDuff	0000006064	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
0259827	06/30/26	P	Thomas Neth	0000007978	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
0259828	06/30/26	P	Thomas Stewart	0000006560	584.49
		Line Description:	Qtrly Retiree Medical Payment		
0259829	06/30/26	P	Ursula Basich	0000022488	763.95
		Line Description:	Qtrly Retiree Medical Payment		
0259830	06/30/26	P	Ve Tran	0000004296	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259831	06/30/26	P	Virginia Anderson	0000008307		301.50
		Line Description:	Qtrly Retiree Medical Payment			
0259832	06/30/26	P	William Todd	0000004269		264.00
		Line Description:	Qtrly Retiree Medical Payment			
					TOTAL	**$57,151.81**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259833	07/03/26	P	Affant Communication	0000013540	23,639.40
		Line Description:	Firewall Maint Renewal		
0259834	07/03/26	P	Arthur J Gallagher Risk Management Svc	0000022226	204,637.00
		Line Description:	Excess Wkrs Comp Ins Prem		
0259835	07/03/26	P	Bracken's Kitchen Inc	0000029468	27,975.94
		Line Description:	CMBS Meals 6/1-6/14/26 CMBS Meals 5/8-5/31 CMBS Meals 5/18-5/31		
0259836	07/03/26	P	BrightView Landscape Services Inc	0000026055	210,195.97
		Line Description:	Irrigation Repair-May 2026 Maint Svc-May 2026		
0259837	07/03/26	P	Denovo Ventures, LLC	0000011506	50,400.00
		Line Description:	ERP Phase II		
0259838	07/03/26	P	SCA of CA, LLC	0000029971	122,315.87
		Line Description:	Street Sweeping of Residential Streetsweeping of Arterial st		
0259839	07/03/26	P	Statewide Traffic Safety & Signs	0000004432	15,597.65
		Line Description:	RENTAL OF TRAFFIC CONTROL EQUI		
0259840	07/03/26	P	Theodore Robins Ford	0000004245	85,732.66
		Line Description:	2025 POLICE RESPONDER F150-SGT		
0259841	07/03/26	P	AT & T	0000001107	167.14

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	911 Cama Trunk 6/14-7/13/26			
0259842	07/03/26	P	AT & T	0000001107		139.10
		Line Description:	Internet-Fleet Svs			
0259843	07/03/26	P	AT & T	0000001107		5,358.73
		Line Description:	TeWinkle Park Cool Line for PD PD Emergency Line DID Trunk Line Outgoing Trunk Line Estancia Park Wakeham Park Smallwood Park DRC Alarm 2310 Placentia Irrigation Fire Sta#1 Fire Alarm System Lions Park Senior Center Elevator IT Computer Room 800 Mhz Radio Link OC Crime Lab Local Usage Balearic Center Fax Sr Ctr Fire Alarm			
0259844	07/03/26	P	AT&T Mobility LLC	0000030878		1,181.46
		Line Description:	CMFR Connect 4/27-5/26/26			
0259845	07/03/26	P	All American Asphalt	0000000971		177.35
		Line Description:	Asphalt			
0259846	07/03/26	P	BCS Consultants	0000029856		3,318.57

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
		Line Description:	Solar Panel Replacement		
0259847	07/03/26	P	Blue Cross	0000005329	5,137.31
		Line Description:	Refund Ambulance Fee Refund Ambulance Fee		
0259848	07/03/26	P	Blue Shield of California	0000028683	3,131.73
		Line Description:	Refund Ambulance Fee Refund Ambulance Fee Refund Ambulance Fee		
0259849	07/03/26	P	Bound Tree Medical LLC	0000011695	13,121.67
		Line Description:	EMS Supplies EMS Supplies		
0259850	07/03/26	P	Briseida Salgado	0000021835	500.00
		Line Description:	Refund Rec Dep 2009695.002		
0259851	07/03/26	P	Bureau Veritas North America Inc	0000016616	7,634.25
		Line Description:	Bldng Plann Check		
0259852	07/03/26	P	CA Retired Teachers Association	0000001933	500.00
		Line Description:	Refund Rec Dep 2009593.002		
0259853	07/03/26	P	CALBO	0000001483	185.00
		Line Description:	Webinar Reg Webinar Reg-8/7/25		
0259854	07/03/26	P	CIGNA Healthcare	0000028713	1,462.15
		Line Description:	Refund Ambulance Fee		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259855	07/03/26	P	CMHS Boys Valleyball	0000023959	500.00
		Line Description:	Refund Rec Dep 2009596.002		
0259856	07/03/26	P	CPS HR Consulting	0000001791	3,270.40
		Line Description:	Test Rental Services		
0259857	07/03/26	P	California Efficiency and Demand	0000031922	750.00
		Line Description:	Refund Rec Dep 2009683.002		
0259858	07/03/26	P	Chris Dinaso	0000031927	43.50
		Line Description:	Refund Citation #CM020030370		
0259859	07/03/26	P	Christmas Tree House	0000024302	600.00
		Line Description:	Refund Permit RAGR-25-3581 Refund Clean Up Deposit 22 &21		
0259860	07/03/26	P	Cigna	0000028713	113.55
		Line Description:	Refund Ambulance Fee		
0259861	07/03/26	P	Claudette Ruzicka	0000031918	10.00
		Line Description:	Refund Rec Dep 2009599.002		
0259862	07/03/26	P	Clear Channel Outdoor	0000015060	285.35
		Line Description:	PAPER PRODUCTION SALES TAX (7.75%)		
0259863	07/03/26	P	Clifton Larson Allen LLP	0000031521	4,200.00
		Line Description:	Audit for FY 2024-25		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259864	07/03/26	P	Costa Mesa High School Baseball Boosters	0000010452		500.00
		Line Description:	Refund Rec Dep 2009682.002			
0259865	07/03/26	P	Crystal Vu	0000031920		100.00
		Line Description:	Refund Rec Dep 2009679.002			
0259866	07/03/26	P	Cynthia Laguna	0000031925		100.00
		Line Description:	Refund Rec Dep 2009688.002			
0259867	07/03/26	P	Daniel Gutierrez	0000029812		500.00
		Line Description:	Refund Permit EENC-25-0929			
0259868	07/03/26	P	Daughters of the American Revolution	0000030757		500.00
		Line Description:	Refund Rec Dep 2009594.002			
0259869	07/03/26	P	Demetrius Mayhand	0000030111		87.50
		Line Description:	Basketball Referee 6/24/26			
0259870	07/03/26	P	Douglas Stephen Bogie	0000031930		43.50
		Line Description:	Refund Citation #CM060035400			
0259871	07/03/26	P	EPD Solutions	0000024516		6,240.00
		Line Description:	2045 Harbor Padel Review-5/24			
0259872	07/03/26	P	Eduardo Iniestra	0000029307		800.00
		Line Description:	DJ Svc-7/3/26			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259873	07/03/26	P	Entenmann Rovin Company	0000002130	221.17
		Line Description:	Retirement Badge		
0259874	07/03/26	P	Entrust Janitorial LLC	0000030309	1,025.00
		Line Description:	Janitorial Svcs @ 3190 Airport		
0259875	07/03/26	P	Family PLastering Lathing Specialist Inc	0000001335	500.00
		Line Description:	Refund Permit EENC-26-0274		
0259876	07/03/26	P	Fed Ex	0000002190	31.12
		Line Description:	Ground Delivery		
0259877	07/03/26	P	GT General	0000030841	500.00
		Line Description:	Refund Permit EENC-25-0803		
0259878	07/03/26	P	Galls LLC	0000002297	2,768.96
		Line Description:	Uniform-Dev Svc Uniform-Kiler Uniform-Valdenor Uniform-Rogers Safety Vest-Brown Uniform-Molina Uniform-Haney		
0259879	07/03/26	P	Ha To	0000031245	23.00
		Line Description:	Refund Rec Dep 2009686.002		
0259880	07/03/26	P	Hanks Electrical Supplies	0000002445	2,946.37
		Line Description:	Light Fixture		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259881	07/03/26	P	Harbor Pointe Air Conditioning & Control	0000030908	4,429.37
		Line Description:	Service Call-FS #6		
0259882	07/03/26	P	IAM Pacific Wellness Inc.	0000029833	900.00
		Line Description:	PREVENTATIVE MAINTENANCE PREVENTATIVE MAINTENANCE PREVENTATIVE MAINTENANCE PREVENTATIVE MAINTENANCE		
0259883	07/03/26	P	Jessica Nicole Cervantes Lopez	0000031934	100.00
		Line Description:	Refund Rec Dep 2009697.002		
0259884	07/03/26	P	John Christian Canet Costumbrado	0000031921	250.00
		Line Description:	Refund Rec Dep 2009681.002		
0259885	07/03/26	P	John E Pizzini	0000030593	25.00
		Line Description:	Refund Citation #CM030019156		
0259886	07/03/26	P	Juan D Albor	0000031932	75.00
		Line Description:	Refund Citation #CM020021829		
0259887	07/03/26	P	Julio Gonzalez	0000031919	250.00
		Line Description:	Refund Rec Dep 2009678.002		
0259888	07/03/26	P	Kimberly Macy	0000031933	600.00
		Line Description:	Refund Rec Dep 2009694.002		
0259889	07/03/26	P	LA Care Health Plan	0000030463	1,051.16
		Line Description:	Refund Ambulance Fee		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259890	07/03/26	P	Liz Colenbrander	0000030066		15.00
		Line Description:	Refund Rec Dep 2009687.002			
0259891	07/03/26	P	Los Angeles Times	0000003000		3,679.88
		Line Description:	BIA 2026 Daily Pilot Legal Publications May 26			
0259892	07/03/26	P	Lucy Hernandez	0000031845		12.50
		Line Description:	Refund Rec Dep 2009597.002			
0259893	07/03/26	P	Madonna Diveley	0000029981		10.00
		Line Description:	Refund Rec Dep 2009600.002			
0259894	07/03/26	P	Matt White Custom Homes	0000023904		3,500.00
		Line Description:	Refund Permit EENC-25-0672			
0259895	07/03/26	P	Michael Estrada	0000031761		113.75
		Line Description:	Basketball Referee 6/24/26			
0259896	07/03/26	P	Michelle Cline	0000031929		100.00
		Line Description:	Refund Rec Dep 2009698.002			
0259897	07/03/26	P	Michelle Min	0000031924		150.00
		Line Description:	Refund Rec Dep 2009685.002			
0259898	07/03/26	P	Mohamed Hassanien	0000031926		43.50
		Line Description:	Refund Citation #CM070039478			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259899	07/03/26	P	Monica Cervantes	0000014963	250.00
		Line Description:	Refund Rec Dep 2009696.002		
0259900	07/03/26	P	Monument Row	0000030907	3,732.50
		Line Description:	FS #2 Imprv Proj-Oct 2025 FS #2 Imprv Proj-Oct 2025		
0259901	07/03/26	P	Mouse Graphics	0000001170	5,206.48
		Line Description:	Display Booth Wraps		
0259902	07/03/26	P	National Charity League	0000007077	500.00
		Line Description:	Refund Rec Dep 2009586.002		
0259903	07/03/26	P	Reece Plumbing LAC	0000002711	273.61
		Line Description:	Hardware		
0259904	07/03/26	P	Reliable Rooter & Plumbing Inc	0000019827	35.00
		Line Description:	Refund Invoice HDL-32649		
0259905	07/03/26	P	Rochelle Costelloe	0000025500	360.00
		Line Description:	Refund Rec Dep 2009700.002		
0259906	07/03/26	P	Sachin Gandhi	0000031923	46.00
		Line Description:	Refund Rec Dep 2009684.002		
0259907	07/03/26	P	Scan Health Plan	0000023172	502.56
		Line Description:	Refund Ambulance Fee		
0259908	07/03/26	P	Shala Hawkins	0000031928	250.00

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Refund Rec Dep 2009699.002			
0259909	07/03/26	P	Southern California Edison Company	0000004088		7,281.59
		Line Description:	410 Merrimac B 5/13-6/11/26 410 Merrimac A 5/13-6/11/26 735 Baker 5/22-6/22/26 2293 Canyon 5/8-6/8/26 721 James C 5/8-6/8/26 2917-3171 RedHill 5/12-6/18/26 1560 Adams 5/14-6/14/26 1040 Paularino 5/19-6/17/26 2783 Bristol 5/19-6/17/26 2948 Bristol 5/18-6/16/26 2944 Bristol 5/18-6/16/26 1256 Adams 5/13-6/11/26 FS#1 5/22-6/22/26 717&721 James 5/8-6/8/26 2301 Harbor 5/27-6/24/26 199 Broadway 5/18-6/16/26 401 Broadway 5/18-6/16/26 BCC 5/8-6/8/26 Vet Hall 5/8-6/8/26 Medians May 26 2704 Harbor 5/22-6/22/26 Prez Park 5/14-6/14/26 555 1/2 Paularino 5/26-6/23/26 744 James 5/8-6/8/26 740 James 5/8-6/8/26 734 James 5/8-6/8/26 711 W 18th 5/8-6/8/26 707 W 18th 5/8-6/8/26 2612 Harbor 5/18-6/16/26 1071 Bristol 5/20-6/18/26 867 Prospect 5/26-6/23/26 360 Ogle 5/13-6/11/26 3120 Manistee 5/26-6/23/26 745 W 18th 5/8-6/8/26		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259911	07/03/26	P	Southern California Gas Company	0000004092		5,236.49
		Line Description:	3175 Airway 5/11-6/11/26 717 James 5/21-6/22/26 721 James 5/21-6/22/26 DRC 5/21-6/22/26 Sr Ctr 5/21-6/22/26 BCC 5/27-6/25/26 Pool 5/21-6/22/26 FS#2 5/26-6/24/56 FS#5 5/22-6/23/26 5677 W 18th 5/21-6/22/26 FS#3 5/21-6/22/26 FS#1 5/27-6/25/26 FS#4 5/22-6/23/26 PD 5/22-6/23/26 2300 Placentia 5/22-6/23/26 2310 Placentia 5/22-6/23/26 Historical 5/21-6/22/26 Comm 5/22-6/23/26			
0259912	07/03/26	P	Steffan C Brown	0000031931		5.00
		Line Description:	Refund Citation #CM020030104			
0259913	07/03/26	P	The Jeanne Carlin Trust	0000031961		10,100.00
		Line Description:	Property Damage Stlmnt12/30/25			
0259914	07/03/26	P	Trang Nguyen	0000028723		30.00
		Line Description:	Refund Rec Dep 2009598.002			
0259915	07/03/26	P	US Postal Service	0000004376		10,000.00
		Line Description:	Prepaid Item-Postafe Meter			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259916	07/03/26	P	Ultimate Builders Inc	0000031215	180.09
		Line Description:	Refund Permit BPLM-26-0046		
0259917	07/03/26	P	UniFirst Holdings Inc	0000030616	348.07
		Line Description:	CMBS Kitchen Mats CMBS Kitchen Mats CMBS Kitchen Mats CMBS Kitchen Mats		
0259918	07/03/26	P	United Rentals (North America), Inc	0000010121	923.97
		Line Description:	Maint Tools & PPE Concrete Mixer rental & Concre Concrete Mixer rental & Concre		
0259919	07/03/26	P	United Site Services of California Inc	0000015552	109.33
		Line Description:	Portable Toilet 5/20-6/16/26 Portable Toilet 5/20-6/16/26		
0259920	07/03/26	P	Verizon Wireless	0000008717	5,582.25
		Line Description:	WIRELESS PHONE 5/18-6/17/26 WIRELESS PHONE 1/18-2/17/26 WIRELESS PHONE 01/18-2/17/26 WIRELESS PHONE 5/18-6/17/26 FIRE IPADS 5/18-6/17/26 WIRELESS PHONE 05/18-6/17/26		
0259921	07/03/26	P	Ware Disposal Inc	0000000255	1,096.45
		Line Description:	CMBS Refuse-May		
0259922	07/03/26	P	Yunex LLC	0000029573	11,772.44
		Line Description:	Fairview and Sunflower-Signal Plac/Estan Loop/Stub		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Harbor & Gisler Loop Install			
0259923	07/03/26	P	Zoll Medical Corporation	0000021290		3,981.35
		Line Description:	AUTOPULSE AND DEFIBRILLATORS			
					TOTAL	**$892,276.71**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259924	07/03/26	P	Pamela Lilly	0000025324	750.00
		Line Description:	Payroll Deduction 26-14		
0259925	07/03/26	P	State of California	0000001546	200.00
		Line Description:	Payroll Deduction 26-14		
0259926	07/03/26	P	State of California	0000001546	346.18
		Line Description:	Payroll Deduction 26-14		
0259927	07/03/26	P	State of California	0000001546	660.16
		Line Description:	Payroll Deduction 26-14		
0259928	07/03/26	P	State of California	0000001546	2,167.10
		Line Description:	Payroll Deduction 26-14		
				TOTAL	**$4,123.44**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022297	06/30/26	P	Aaron Thomas	0000005479		957.87
		Line Description:	Qtrly Retiree Medical Payment			
022298	06/30/26	P	Albert Spencer	0000004120		1,389.00
		Line Description:	Qtrly Retiree Medical Payment			
022299	06/30/26	P	Allan L Roeder	0000003720		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022300	06/30/26	P	Allen D Huggins	0000002589		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022301	06/30/26	P	Andres Sepulveda	0000003988		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022302	06/30/26	P	Andrew Chalkley	0000025404		714.00
		Line Description:	Qtrly Retiree Medical Payment			
022303	06/30/26	P	Ann Shultz	0000006607		964.05
		Line Description:	Qtrly Retiree Medical Payment			
022304	06/30/26	P	Anna Dolewski	0000010944		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022305	06/30/26	P	Anna Rodriguez	0000026586		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022306	06/30/26	P	Arthur V Beames Jr	0000017738		120.65

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Qtrly Retiree Medical Payment			
022307	06/30/26	P	Baltazar Mejia	0000023439		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022308	06/30/26	P	Betty Garcia	0000024432		451.84
		Line Description:	Qtrly Retiree Medical Payment			
022309	06/30/26	P	Bobby Y Masuzumi	0000003081		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022310	06/30/26	P	Brad Edwards	0000022130		754.77
		Line Description:	Qtrly Retiree Medical Payment			
022311	06/30/26	P	Brent McKinley	0000007051		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022312	06/30/26	P	Brian W Roberts	0000006274		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022313	06/30/26	P	Bruce Hartley	0000011119		543.24
		Line Description:	Qtrly Retiree Medical Payment			
022314	06/30/26	P	Bruce McGregor	0000011206		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022315	06/30/26	P	Bruce R Ballinger	0000001167		639.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022316	06/30/26	P	Bruce Radomski	0000003742		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022317	06/30/26	P	Bruce W Covey	0000013041		964.05
		Line Description:	Qtrly Retiree Medical Payment			
022318	06/30/26	P	Bryan Glass	0000002342		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022319	06/30/26	P	Cameron Phillips	0000005875		864.00
		Line Description:	Qtrly Retiree Medical Payment			
022320	06/30/26	P	Carl McConnell	0000013933		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022321	06/30/26	P	Charles A Bassett	0000011742		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022322	06/30/26	P	Charles F Carr	0000006236		826.50
		Line Description:	Qtrly Retiree Medical Paymen			
022323	06/30/26	P	Charles J Oliver Jr	0000009684		514.05
		Line Description:	Qtrly Retiree Medical Paymen			
022324	06/30/26	P	Charlotte Bluell	0000008644		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022325	06/30/26	P	Cherie M Pittington	0000003641		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022326	06/30/26	P	Cheryl R Helwig	0000006915		613.95
		Line Description:	Qtrly Retiree Medical Paymen			
022327	06/30/26	P	Chris Goldsworthy	0000029067		488.37
		Line Description:	Qtrly Retiree Medical Paymen			
022328	06/30/26	P	Christina Powell OBrien	0000016961		564.00
		Line Description:	Qtrly Retiree Medical Paymen			
022329	06/30/26	P	Christine Tsao	0000012670		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022330	06/30/26	P	Christopher B Bates	0000001213		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022331	06/30/26	P	Christopher G Walk	0000004450		1,071.00
		Line Description:	Qtrly Retiree Medical Paymen			
022332	06/30/26	P	Christopher J Boyd	0000001363		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022333	06/30/26	P	Christopher K Brimhall	0000001402		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022334	06/30/26	P	Christopher Kudelka	0000005822		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022335	06/30/26	P	Clay G Epperson	0000002141		584.49
		Line Description:	Qtrly Retiree Medical Paymen			
022336	06/30/26	P	Clint Dieball	0000004717		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022337	06/30/26	P	Corrie Viera	0000019128		957.87
		Line Description:	Qtrly Retiree Medical Paymen			
022338	06/30/26	P	Curt D Yoder	0000004601		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022339	06/30/26	P	D Dennis Johnson	0000011317		814.05
		Line Description:	Qtrly Retiree Medical Paymen			
022340	06/30/26	P	Dale H Ashley	0000010564		864.00
		Line Description:	Qtrly Retiree Medical Paymen			
022341	06/30/26	P	Dale R Birney	0000001277		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022342	06/30/26	P	Dana Potts	0000008186		814.05
		Line Description:	Qtrly Retiree Medical Paymen			
022343	06/30/26	P	Dane Bora	0000001344		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022344	06/30/26	P	Danny Hogue	0000006802		789.00
		Line Description:	Qtrly Retiree Medical Paymen			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022345	06/30/26	P	Darlene Bell	0000005602		264.00
		Line Description:	Qtrly Retiree Medical Paymen			
022346	06/30/26	P	Darrel Raney	0000005800		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022347	06/30/26	P	David A Dye	0000002065		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022348	06/30/26	P	David C Goerke	0000009386		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022349	06/30/26	P	David Hollister	0000021620		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022350	06/30/26	P	David K Makiyama	0000003041		731.08
		Line Description:	Qtrly Retiree Medical Paymen			
022351	06/30/26	P	David Maurer	0000007564		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022352	06/30/26	P	David S Andersen	0000001040		864.00
		Line Description:	Qtrly Retiree Medical Paymen			
022353	06/30/26	P	David Sorge	0000004068		814.05
		Line Description:	Qtrly Retiree Medical Paymen			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022354	06/30/26	P	David Tait	0000022487		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022355	06/30/26	P	Dawna Myers	0000003273		913.95
		Line Description:	Qtrly Retiree Medical Paymen			
022356	06/30/26	P	Deborah Zimmerman	0000023438		814.05
		Line Description:	Qtrly Retiree Medical Paymen			
022357	06/30/26	P	Debra Yasui	0000007276		864.00
		Line Description:	Qtrly Retiree Medical Paymen			
022358	06/30/26	P	Dee Dee H Nelson	0000006575		313.95
		Line Description:	Qtrly Retiree Medical Paymen			
022359	06/30/26	P	Dennis B Sanders	0000003910		343.63
		Line Description:	Qtrly Retiree Medical Paymen			
022360	06/30/26	P	Diane Butler	0000008078		489.00
		Line Description:	Qtrly Retiree Medical Paymen			
022361	06/30/26	P	Diane M Jarrett	0000007645		714.00
		Line Description:	Qtrly Retiree Medical Paymen			
022362	06/30/26	P	Don Holford	0000006025		669.10
		Line Description:	Qtrly Retiree Medical Paymen			
022363	06/30/26	P	Donald B Brown	0000004900		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022364	06/30/26	P	Doneen J Westenhaver	0000009746		717.18
		Line Description:	Qtrly Retiree Medical Paymen			
022365	06/30/26	P	Donna J Theriault	0000005411		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022366	06/30/26	P	Doug Johnson	0000005743		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022367	06/30/26	P	Doug Lovell	0000018477		692.04
		Line Description:	Qtrly Retiree Medical Paymen			
022368	06/30/26	P	Doug Prochnow	0000012127		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022369	06/30/26	P	Douglas Wilson	0000006759		539.16
		Line Description:	Qtrly Retiree Medical Paymen			
022370	06/30/26	P	Edward Petros	0000003615		913.95
		Line Description:	Qtrly Retiree Medical Paymen			
022371	06/30/26	P	Ellen M Fenwick	0000023268		1,014.00
		Line Description:	Qtrly Retiree Medical Paymen			
022372	06/30/26	P	Eric Johnson	0000002765		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022373	06/30/26	P	Ernesto A Munoz	0000003261		814.05
		Line Description:	Qtrly Retiree Medical Payment			
022374	06/30/26	P	Frank Barraza	0000026939		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022375	06/30/26	P	Frank Fantino	0000005635		976.50
		Line Description:	Qtrly Retiree Medical Payment			
022376	06/30/26	P	Fred McDowell	0000009142		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022377	06/30/26	P	Frederick T Seguin	0000003981		584.49
		Line Description:	Qtrly Retiree Medical Payment			
022378	06/30/26	P	Gaetano Russo	0000019793		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022379	06/30/26	P	Gary Mc Erlain	0000017407		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022380	06/30/26	P	Gary Wong	0000012009		813.48
		Line Description:	Qtrly Retiree Medical Payment			
022381	06/30/26	P	Gene Barbee	0000001188		976.50
		Line Description:	Qtrly Retiree Medical Payment			
022382	06/30/26	P	Georgia A Ethier	0000002154		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022383	06/30/26	P	Gerald S Vasquez	0000006833		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022384	06/30/26	P	Gerald W Stucky	0000004172		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022385	06/30/26	P	Gerard J Stukkie	0000004174		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022386	06/30/26	P	Gina Clark	0000021699		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022387	06/30/26	P	Gregg A Steward	0000004159		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022388	06/30/26	P	Gregory Beutz	0000001261		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022389	06/30/26	P	Gregory Knackert	0000017588		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022390	06/30/26	P	Gregory LaFave	0000014549		514.05
		Line Description:	Qtrly Retiree Medical Payment			
022391	06/30/26	P	Gregory P Scott	0000003963		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022392	06/30/26	P	H Michael Griffin	0000006936		380.32
		Line Description:	Qtrly Retiree Medical Payment			
022393	06/30/26	P	Harlan Pauley	0000003569		826.50
		Line Description:	Qtrly Retiree Medical Payment			
022394	06/30/26	P	Helen Nenadal	0000022319		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022395	06/30/26	P	Helene Rosenbaum	0000003861		264.00
		Line Description:	Qtrly Retiree Medical Payment			
022396	06/30/26	P	Herbert C Ohde Jr	0000003399		584.49
		Line Description:	Qtrly Retiree Medical Payment			
022397	06/30/26	P	Holly L Carver	0000001597		792.93
		Line Description:	Qtrly Retiree Medical Payment			
022398	06/30/26	P	Jack D Schuitt	0000003952		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022399	06/30/26	P	Jack Koch	0000002859		639.00
		Line Description:	Qtrly Retiree Medical Payment			
022400	06/30/26	P	Jack L Archer	0000001062		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022401	06/30/26	P	Jaime Serrato	0000005953		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022402	06/30/26	P	James C Wysong	0000004594		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022403	06/30/26	P	James D Watson	0000004476		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022404	06/30/26	P	James E Higgins Jr	0000007687		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022405	06/30/26	P	James M Ellis	0000002107		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022406	06/30/26	P	James M Gottenbos	0000002385		413.04
		Line Description:	Qtrly Retiree Medical Payment			
022407	06/30/26	P	James Morrison	0000010566		584.49
		Line Description:	Qtrly Retiree Medical Payment			
022408	06/30/26	P	James N Dibble	0000005626		939.00
		Line Description:	Qtrly Retiree Medical Payment			
022409	06/30/26	P	James Parnell	0000003558		639.00
		Line Description:	Qtrly Retiree Medical Payment			
022410	06/30/26	P	James R Wilke Jr	0000004555		489.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022411	06/30/26	P	James T Warnack	0000004465		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022412	06/30/26	P	Jana L Cacho	0000010556		564.48
		Line Description:	Qtrly Retiree Medical Payment			
022413	06/30/26	P	Jane Duenweg	0000021556		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022414	06/30/26	P	Jeanette Chervony	0000018986		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022415	06/30/26	P	Jeanette Zangger	0000006655		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022416	06/30/26	P	Jeff B Janzen	0000002735		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022417	06/30/26	P	Jeffery E Skee	0000005410		939.00
		Line Description:	Qtrly Retiree Medical Payment			
022418	06/30/26	P	Jeffrey Horn	0000009003		664.05
		Line Description:	Qtrly Retiree Medical Payment			
022419	06/30/26	P	Jeffrey J McCann	0000003101		964.05
		Line Description:	Qtrly Retiree Medical Payment			
022420	06/30/26	P	Jeffrey T Peters	0000003608		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022421	06/30/26	P	Jerauld D Holloway	0000002556		639.00
		Line Description:	Qtrly Retiree Medical Payment			
022422	06/30/26	P	Jerry Souza	0000004109		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022423	06/30/26	P	John Bull	0000003233		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022424	06/30/26	P	John F Downey	0000009004		957.87
		Line Description:	Qtrly Retiree Medical Payment			
022425	06/30/26	P	John Glasgow	0000008875		2,704.00
		Line Description:	Qtrly Retiree Medical Payment			
022426	06/30/26	P	John L Skinner	0000004038		639.00
		Line Description:	Qtrly Retiree Medical Payment			
022427	06/30/26	P	John S Michalec	0000019250		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022428	06/30/26	P	Jon B Whitcomb	0000005651		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022429	06/30/26	P	Jon Doezie	0000009385		814.05
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022430	06/30/26	P	Jose Tovar	0000004283		639.00
		Line Description:	Qtrly Retiree Medical Payment			
022431	06/30/26	P	Juan Santos	0000013436		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022432	06/30/26	P	Judith G Covey	0000009690		676.50
		Line Description:	Qtrly Retiree Medical Payment			
022433	06/30/26	P	Judy Vickers	0000007219		488.37
		Line Description:	Qtrly Retiree Medical Payment			
022434	06/30/26	P	Karen L Adams	0000000899		414.00
		Line Description:	Qtrly Retiree Medical Payment			
022435	06/30/26	P	Karen S Goettsch	0000013935		964.05
		Line Description:	Qtrly Retiree Medical Payment			
022436	06/30/26	P	Kathleen Ulrich	0000025407		564.00
		Line Description:	Qtrly Retiree Medical Payment			
022437	06/30/26	P	Kayoko Hayman	0000005785		789.00
		Line Description:	Qtrly Retiree Medical Payment			
022438	06/30/26	P	Keith Davis	0000008187		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022439	06/30/26	P	Kelly Vucinic	0000010967		584.49
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
022440	06/30/26	P	Kevin Condon	0000007561	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022441	06/30/26	P	Kevin Diamond	0000001989	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022442	06/30/26	P	Kevin T Meng	0000003133	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022443	06/30/26	P	Lance Nakamoto	0000003280	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022444	06/30/26	P	Larry Arruda	0000001080	957.87
		Line Description:	Qtrly Retiree Medical Payment		
022445	06/30/26	P	Larry Bell	0000007802	363.75
		Line Description:	Qtrly Retiree Medical Payment		
022446	06/30/26	P	Larry Dreiman	0000018972	714.00
		Line Description:	Qtrly Retiree Medical Payment		
022447	06/30/26	P	Laura Ginther	0000023134	714.00
		Line Description:	Qtrly Retiree Medical Payment		
022448	06/30/26	P	Lawrence N Hennen	0000002506	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022449	06/30/26	P	Lawrence P Torres	0000004278		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022450	06/30/26	P	Leonard Goodsir	0000002378		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022451	06/30/26	P	Lily Martinez	0000003071		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022452	06/30/26	P	Linda A Matthews	0000003089		451.50
		Line Description:	Qtrly Retiree Medical Payment			
022453	06/30/26	P	Linda F Divino	0000009007		488.61
		Line Description:	Qtrly Retiree Medical Payment			
022454	06/30/26	P	Loren P Wyrick	0000004593		957.87
		Line Description:	Qtrly Retiree Medical Payment			
022455	06/30/26	P	Madeline A Miller	0000003179		814.05
		Line Description:	Qtrly Retiree Medical Payment			
022456	06/30/26	P	Maher Nawar	0000004714		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022457	06/30/26	P	Mamo D Arruda	0000001081		414.00
		Line Description:	Qtrly Retiree Medical Payment			
022458	06/30/26	P	Marc Yuhasz	0000004609		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022459	06/30/26	P	Marguerite De La Torre	0000004997		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022460	06/30/26	P	Marie Thompson	0000000038		380.32
		Line Description:	Qtrly Retiree Medical Payment			
022461	06/30/26	P	Marilyn Golden	0000017028		514.05
		Line Description:	Qtrly Retiree Medical Payment			
022462	06/30/26	P	Marilyn Guimond	0000015161		572.79
		Line Description:	Qtrly Retiree Medical Payment			
022463	06/30/26	P	Marilyn K Sutton	0000004201		714.00
		Line Description:	Qtrly Retiree Medical Payment			
022464	06/30/26	P	Martin P Carver	0000001598		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022465	06/30/26	P	Marty Huguenin	0000002591		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022466	06/30/26	P	Mary R Delaney	0000015807		514.05
		Line Description:	Qtrly Retiree Medical Payment			
022467	06/30/26	P	Matthew J Collett	0000001720		939.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022468	06/30/26	P	Matthew Selinske	0000006063		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022469	06/30/26	P	Mel Lee	0000010320		814.05
		Line Description:	Qtrly Retiree Medical Payment			
022470	06/30/26	P	Meloni Smith McMinimy	0000006847		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022471	06/30/26	P	Michael A Cacho	0000001471		564.48
		Line Description:	Qtrly Retiree Medical Payment			
022472	06/30/26	P	Michael A Cohen	0000006586		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022473	06/30/26	P	Michael A Guevara	0000005099		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022474	06/30/26	P	Michael D Manson	0000005311		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022475	06/30/26	P	Michael R Balsis	0000009424		514.05
		Line Description:	Qtrly Retiree Medical Payment			
022476	06/30/26	P	Michael S Fantozzi	0000004715		1,873.02
		Line Description:	Qtrly Retiree Medical Payment			
022477	06/30/26	P	Michael S Hastert	0000006107		957.87
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022478	06/30/26	P	Michael T Dyer	0000002067		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022479	06/30/26	P	Mitchell B Johnson	0000002770		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022480	06/30/26	P	Monique Beckner	0000008066		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022481	06/30/26	P	Morris House	0000002578		864.00
		Line Description:	Qtrly Retiree Medical Payment			
022482	06/30/26	P	Muriel Ullman	0000001244		463.95
		Line Description:	Qtrly Retiree Medical Payment			
022483	06/30/26	P	Nancy M Croft	0000016184		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022484	06/30/26	P	Norman K Schurb	0000003957		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022485	06/30/26	P	Olivia Ramirez	0000003750		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022486	06/30/26	P	Patricia J Steele	0000014443		613.95
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
022487	06/30/26	P	Patrick Wessel	0000009042	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022488	06/30/26	P	Patty R Brown	0000001423	639.00
		Line Description:	Qtrly Retiree Medical Payment		
022489	06/30/26	P	Paul Beckman	0000005998	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022490	06/30/26	P	Paul Dondero	0000002023	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022491	06/30/26	P	Paul Moody	0000008766	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022492	06/30/26	P	Paul V Starn	0000010841	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022493	06/30/26	P	Perry L Valantine	0000004384	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022494	06/30/26	P	Pete Melgoza Jr	0000005936	1,690.00
		Line Description:	Qtrly Retiree Medical Payment		
022495	06/30/26	P	Peter Czenze	0000013313	1,014.00
		Line Description:	Qtrly Retiree Medical Payment		
022496	06/30/26	P	Peter Naghavi	0000007860	813.48
		Line Description:	Qtrly Retiree Medical Payment		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022497	06/30/26	P	Phil Dickens	0000005801		826.50
		Line Description:	Qtrly Retiree Medical Payment			
022498	06/30/26	P	Philip Hartman	0000002474		584.49
		Line Description:	Qtrly Retiree Medical Payment			
022499	06/30/26	P	Philip T Worsman	0000004585		901.50
		Line Description:	Qtrly Retiree Medical Payment			
022500	06/30/26	P	Phillip R Schmuck	0000003947		596.90
		Line Description:	Qtrly Retiree Medical Payment			
022501	06/30/26	P	Phyllis Schiel	0000023427		717.18
		Line Description:	Qtrly Retiree Medical Payment			
022502	06/30/26	P	Randall J Croll	0000013426		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022503	06/30/26	P	Raul Perez	0000012128		765.40
		Line Description:	Qtrly Retiree Medical Payment			
022504	06/30/26	P	Raymond T Pawloski	0000003572		813.48
		Line Description:	Qtrly Retiree Medical Payment			
022505	06/30/26	P	Rene Carrera	0000029400		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022506	06/30/26	P	Renee K Farden	0000016962		714.00
		Line Description:	Qtrly Retiree Medical Payment			
022507	06/30/26	P	Richard Allum	0000000987		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022508	06/30/26	P	Richard Boucher	0000014716		584.49
		Line Description:	Qtrly Retiree Medical Payment			
022509	06/30/26	P	Richard J Johnson	0000005620		976.50
		Line Description:	Qtrly Retiree Medical Payment			
022510	06/30/26	P	Richard Simons	0000022287		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022511	06/30/26	P	Robert Bork	0000001350		964.05
		Line Description:	Qtrly Retiree Medical Payment			
022512	06/30/26	P	Robert J Durham	0000006151		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022513	06/30/26	P	Robert J Pesce	0000003604		957.87
		Line Description:	Qtrly Retiree Medical Payment			
022514	06/30/26	P	Robert Pignone	0000003634		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022515	06/30/26	P	Robert Sharpnack	0000004004		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022516	06/30/26	P	Robert Van Sickle	0000004394		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022517	06/30/26	P	Robert W Reynolds	0000003801		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022518	06/30/26	P	Robert W Stinman	0000018058		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022519	06/30/26	P	Robindale Shepherd	0000009851		957.87
		Line Description:	Qtrly Retiree Medical Payment			
022520	06/30/26	P	Ronald Cloe	0000001693		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022521	06/30/26	P	Ronald J Chamberlin	0000014890		514.05
		Line Description:	Qtrly Retiree Medical Payment			
022522	06/30/26	P	Ronald P Stone	0000004167		763.95
		Line Description:	Qtrly Retiree Medical Payment			
022523	06/30/26	P	Ronald Penley	0000024437		543.24
		Line Description:	Qtrly Retiree Medical Payment			
022524	06/30/26	P	Rosemary Dodson	0000012364		664.05
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022525	06/30/26	P	Rosemary Vidales	0000004418		397.15
		Line Description:	Qtrly Retiree Medical Payment			
022526	06/30/26	P	Ross E McKelvey	0000009897		939.00
		Line Description:	Qtrly Retiree Medical Payment			
022527	06/30/26	P	Russell C Parker	0000007435		957.87
		Line Description:	Qtrly Retiree Medical Payment			
022528	06/30/26	P	Russell J Yankie	0000015036		584.49
		Line Description:	Qtrly Retiree Medical Payment			
022529	06/30/26	P	Sandi Lishka	0000015808		763.95
		Line Description:	Qtrly Retiree Medical Payment			
022530	06/30/26	P	Sandra B Benson	0000006459		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022531	06/30/26	P	Scott A May	0000003092		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022532	06/30/26	P	Shawn Brosamer	0000001416		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022533	06/30/26	P	Shawn Leffingwell	0000006331		964.05
		Line Description:	Qtrly Retiree Medical Payment			
022534	06/30/26	P	Stephanie Moore	0000008356		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022535	06/30/26	P	Stephen G Calles	0000009071		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022536	06/30/26	P	Stephen R Tiedeman	0000004258		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022537	06/30/26	P	Stephen Ridgway	0000003815		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022538	06/30/26	P	Steven Feather	0000002187		813.48
		Line Description:	Qtrly Retiree Medical Payment			
022539	06/30/26	P	Steven Labbitt	0000002887		939.00
		Line Description:	Qtrly Retiree Medical Payment			
022540	06/30/26	P	Stewart C Godshall	0000002355		814.05
		Line Description:	Qtrly Retiree Medical Payment			
022541	06/30/26	P	Sue Hupp	0000001879		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022542	06/30/26	P	Susan Baldwin	0000010199		364.05
		Line Description:	Qtrly Retiree Medical Payment			
022543	06/30/26	P	Susan L Larimore	0000002911		514.05
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022544	06/30/26	P	Thanh P Bui	0000005710		957.87
		Line Description:	Qtrly Retiree Medical Payment			
022545	06/30/26	P	Thomas C Wood	0000004757		613.95
		Line Description:	Qtrly Retiree Medical Payment			
022546	06/30/26	P	Thomas J Lazar	0000002925		939.00
		Line Description:	Qtrly Retiree Medical Payment			
022547	06/30/26	P	Thomas R Caldwell	0000012035		976.50
		Line Description:	Qtrly Retiree Medical Payment			
022548	06/30/26	P	Timothy Schennum	0000003943		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022549	06/30/26	P	Timothy Starn	0000005549		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022550	06/30/26	P	Timothy Sweet	0000015387		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022551	06/30/26	P	Tom A Curtis	0000001898		584.49
		Line Description:	Qtrly Retiree Medical Payment			
022552	06/30/26	P	Tom G Winter	0000005460		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022553	06/30/26	P	Trudy E Nuzum	0000003379		601.50
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022554	06/30/26	P	Vernon D Hupp	0000002604		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022555	06/30/26	P	Victor Hernandez	0000015946		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022556	06/30/26	P	Walter M Dill	0000007117		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022557	06/30/26	P	Walter S Silver Jr	0000004026		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022558	06/30/26	P	Wanda Ayers	0000011741		363.75
		Line Description:	Qtrly Retiree Medical Payment			
022559	06/30/26	P	Wayne Martin	0000005885		939.00
		Line Description:	Qtrly Retiree Medical Payment			
022560	06/30/26	P	Wendell L Maberry	0000003031		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022561	06/30/26	P	Willa Bouwens Killeen	0000014940		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022562	06/30/26	P	William A Folsom	0000021819		957.87
		Line Description:	Qtrly Retiree Medical Payment			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022563	06/30/26	P	William B Ellwood	0000006789		639.00
		Line Description:	Qtrly Retiree Medical Payment			
022564	06/30/26	P	William F McLean	0000013455		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022565	06/30/26	P	William H Bechtel	0000001224		939.00
		Line Description:	Qtrly Retiree Medical Payment			
022566	06/30/26	P	William H Kershaw	0000002821		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022567	06/30/26	P	William J Morris	0000003236		664.05
		Line Description:	Qtrly Retiree Medical Payment			
022568	06/30/26	P	William L Adams	0000009869		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022569	06/30/26	P	William M Moss	0000003241		976.68
		Line Description:	Qtrly Retiree Medical Payment			
022570	06/30/26	P	William P Redmond	0000003775		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			
022571	06/30/26	P	William Verderber	0000005625		909.79
		Line Description:	Qtrly Retiree Medical Payment			
022572	06/30/26	P	Zachary Hoferitza	0000002548		1,014.00
		Line Description:	Qtrly Retiree Medical Payment			

End of Report

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
					TOTAL	$241,323.51

End of Report

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022573	06/30/26	P	Alan F Kent	0000006393		2,174.79
		Line Description:	1% Supplemental Pay July 26			
022574	06/30/26	P	Beckee Cost	0000016309		946.08
		Line Description:	1% Supplemental Pay July 26			
022575	06/30/26	P	Chris Morris	0000007439		2,500.00
		Line Description:	Monthly LTD Payment-July 26			
022576	06/30/26	P	Danny Hogue	0000006802		1,137.03
		Line Description:	1% Supplemental Pay July 26			
022577	06/30/26	P	Darlene Bell	0000005602		580.54
		Line Description:	1% Supplemental Pay July 26			
022578	06/30/26	P	David A Dye	0000002065		260.90
		Line Description:	1% Supplemental Pay July 2			
022579	06/30/26	P	Edward Dryzmala	0000006686		1,377.28
		Line Description:	1% Supplemental Pay July 26			
022580	06/30/26	P	Gale Tuso	0000017460		233.08
		Line Description:	1% Supplemental Pay July 26			
022581	06/30/26	P	Harlan Pauley	0000003569		232.12
		Line Description:	1% Supplemental Pay July 26			
022582	06/30/26	P	James M Miller	0000007440		2,500.00

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Monthly LTD Payment July 26			
022583	06/30/26	P	Kathleen Zuorski	0000025225		504.52
		Line Description:	1% Supplemental Pay July 26			
022584	06/30/26	P	Linda Boylan	0000023340		57.98
		Line Description:	1% Supplemental Pay July 26			
022585	06/30/26	P	Matthew J Collett	0000001720		856.58
		Line Description:	1% Supplemental Pay July 26			
022586	06/30/26	P	Paul A Cappuccilli	0000007705		1,214.50
		Line Description:	1% Supplemental Pay July 26			
022587	06/30/26	P	Phil Dickens	0000005801		511.76
		Line Description:	1% Supplemental Pay July 26			
022588	06/30/26	P	Richard J Johnson	0000005620		1,255.66
		Line Description:	1% Supplemental Pay July 26			
022589	06/30/26	P	Thomas J Lazar	0000002925		1,703.25
		Line Description:	1% Supplemental Pay July 26			
022590	06/30/26	P	William H Bechtel	0000001224		1,622.58
		Line Description:	1% Supplemental Pay July 26			
					TOTAL	**$19,668.65**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
022591	07/03/26	P	Costa Mesa Employees Association	0000006284	4,488.01
		Line Description:	Payroll Deduction 26-14		
022592	07/03/26	P	Costa Mesa Executive Club	0000006286	330.00
		Line Description:	Payroll Deduction 26-14		
022593	07/03/26	P	Costa Mesa Firefighters Association	0000001812	8,423.50
		Line Description:	Payroll Deduction 26-14		
022594	07/03/26	P	Costa Mesa Police Association	0000001819	7,500.00
		Line Description:	Payroll Deduction 26-14		
022595	07/03/26	P	Costa Mesa Police Management Assn	0000005082	315.00
		Line Description:	Payroll Deduction 26-14		
022596	07/03/26	P	Mercy House	0000003138	379,646.32
		Line Description:	CMBS Operations May 26 CMBS Operations- May 26 CMBS Operations Apr 26		
				TOTAL	**$400,702.83**

End of Report

Payment Ref	Cancel Date	Status	Remit To	Remit ID	Payment Date	Payment Amt
0258849	7/9/2026	V	Vital Link Orange County	0000014396	05/01/26	(850.00)

Line Description: Payable name incorrect. void & re-issue.

TOTAL **($850.00)**

30,353.83
33,002.00
2,196,085.79
(850.00)
0.00

$ 2,258,591.62

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259949	07/10/26	O	Southern California Edison Company *Line Description:* Overflow	0000004088	0.00
				TOTAL	**0.00**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259929	07/03/26	P	Orange County Fair & Event Center	0000003432		26,702.00
		Line Description:	Jul 3rd Event Venue			
0259930	07/03/26	P	Deborah Wondercheck	0000029941		6,300.00
		Line Description:	Music Entertainment-Jul 3rd			
					TOTAL	**$33,002.00**

End of Report

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259931	07/10/26	P	BCS Consultants	0000029856	36,750.00
		Line Description:	Labor for Cabling-June 2026		
0259932	07/10/26	P	Dell Computer Corp	0000001962	85,881.87
		Line Description:	COMPUTER EQUIPMENT ELECTRONIC EQUIPMENT		
0259933	07/10/26	P	Denovo Ventures, LLC	0000011506	88,182.00
		Line Description:	ERP Phase 2		
0259934	07/10/26	P	Elegant Construction Inc.	0000031633	562,338.25
		Line Description:	Ketchum Libolt Pk Proj #25-07 Retention Proj #25-07/#700139		
0259935	07/10/26	P	Endemic Environmental Services Inc	0000021277	64,054.15
		Line Description:	Coastal Sage Implmnt 6/1-6/15 FVP Wetland Maint 6/1-6/15/26 FVP Wetland Maint 5/1-5/15/26 Coastal Sage Implmnt 5/1-5/15		
0259936	07/10/26	P	Eyep Solutions Inc	0000031465	20,249.10
		Line Description:	Purchase of Traffic Signal Cam Traffic Signal Cameras & Mount		
0259937	07/10/26	P	FALCK MOBILE HEALTH CORP.	0000019807	206,000.00
		Line Description:	Ambulance Svc 6/16-6/30/26 Ambulance Svc 6/1-6/15/26		
0259938	07/10/26	P	Fleming Environmental Inc	0000017663	195,906.15
		Line Description:	Retention Proj #25-12 Storage Tank@FS#2 Proj #25-12		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259939	07/10/26	P	Insight Public Sector Inc	0000029706	64,500.00
		Line Description:	Flock Enhanced License FLOCK GROUP FALCON X15, EXTEND		
0259940	07/10/26	P	LN Curtis & Sons	0000002983	17,266.08
		Line Description:	SHIPPING SALES TAX (7.75%) VARIOUS PPE AND TURNOUTS FOR U ID Plus Custom		
0259941	07/10/26	P	Long Beach BMW	0000015745	41,109.60
		Line Description:	631-Replacements 2026 BMW moto		
0259942	07/10/26	P	Lyons Security Service Inc	0000027168	23,601.38
		Line Description:	24 hr Security of Lions Park SECURITY SVCS FOR CITY COU Jun		
0259943	07/10/26	P	Merrimac Energy Group	0000021566	21,338.30
		Line Description:	FS 3- Fuel Tank Rental FS#6 Diesel Fuel Tank #15 CY Diesel Fuel Tank #2 FS#2 Diesel Fuel Tank 11 FS#1 diesel fuel tank #10 FS#5 Diesel Fuel tank #14		
0259944	07/10/26	P	Micon Construction	0000012405	103,168.10
		Line Description:	Shalimar Park Improvements Retentions Payable proj #25-06		
0259945	07/10/26	P	Orange County Treasurer Tax Collector	0000003489	24,645.75
		Line Description:	Prkng Citation-May 2026		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259946	07/10/26	P	Performance Truck Repair Inc	0000030587		27,105.09
		Line Description:	Maintenance Services Agreement			
0259947	07/10/26	P	Pinnacle Petroleum, Inc	0000029315		25,559.65
		Line Description:	PD Unleaded fule tank #7			
0259948	07/10/26	P	Southern California Edison Company	0000004088		196,884.82
		Line Description:	3460 Smalley 6/3-7/1/26			
			JOann St Bike Trail Jun 26			
			360 W Wlson 6/1-6/29/26			
			702 1/2 Victoria 6/2-6/30/26			
			702 Victoria 6/2-6/30/26			
			DRC 6/2-6/30/26			
			SD Fwy On/Off Jun 26			
			Npt/Baker Jun 26			
			19th/Npt Jun 26			
			Baker/Royal Palm Jun 26			
			Loan8690 St Light Jun 26			
			Street Lights Jun 26			
			Fac & Equip Jun 26			
			Volcom Sk8 Park 6/4-7//5/26			
			3351 Sakioka 5/28-6/25/26			
			3349 Sakioka 5/28-6/25/26			
			980 Arlington 6/4-7/5/26			
			970 Arlington 6/4-7/5/26			
			2750 Fairview 6/4-7/5/26			
			1895 Irvine 6/3-7/1/26			
			Tennis Ctr 6/4-7/5/26			
			Loan8670 Sunflower/Plaza Jun26			
			Sunflower/Plaza Jun 26			
			NHCC 6/1-6/29/26			
			885 Junipero 6/4-7/5/26			
			Sr Ctr 6/1-6/29/26			
			2375 Fairview 5/12-6/16/26			
			1624 Gisler 6/3-7/1/26			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	348 E 17th 5/28-6/25/26 1035 Park Crest 6/4-7/5/26 3129 Harbor 6/3-7/1/26 Davis Field 6/1-6/29/26 Parks Maint Jun 26 1952 Newport 5/29-6/28/26			
0259950	07/10/26	P	Theodore Robins Ford	0000004245		73,191.02
		Line Description:	2026 F-150 Police Responder			
0259951	07/10/26	P	Tuff Shed Inc	0000005302		18,146.27
		Line Description:	Premier Lean-to for SWAT SWAT Premier Lean-to for Premier Lean-to for SWAT			
0259952	07/10/26	P	WSP USA Environment & Infrastructure Inc	0000029873		22,949.00
		Line Description:	NPDES inspec & Program support			
0259953	07/10/26	P	Westminster Adoption Group & Service Inc	0000031912		35,200.00
		Line Description:	Shelter&Aoption Jun 26			
0259954	07/10/26	P	Wittman Enterprises LLC	0000026639		16,376.00
		Line Description:	June 2026			
0259955	07/10/26	P	ARC	0000022726		4,218.52
		Line Description:	800 Baker St 3rd Sub Plans Digital Printing Services - FD Digital Printing Services - PD			
0259956	07/10/26	P	AT & T	0000001107		128.40
		Line Description:	Internet-Skate Park Camera			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259957	07/10/26	P	AT & T	0000001107	982.22
		Line Description:	PRI Circuit Inbound Trunk Fire Emergency Line Jack Hamett Sports Complex WSS Alarm DRC Fire Alarm Lions Park Baseball Field NHCC Fire Alarm Red Phone Fire Sta#6 Red Phone Fire Sta#4 Red Phone Fire Sta#2 Red Phone Fire Sta#1 Red Phone Fire Sta#5 Red Phone Fire Sta#3		
0259958	07/10/26	P	AT & T Mobility	0000001107	97.20
		Line Description:	Dispatch Cells 5/12-6/11/26		
0259959	07/10/26	P	AVNI Enterprises Inc	0000030676	1,442.81
		Line Description:	Stock-Thermal Relief Valve Stoc-TRV Repair Kit		
0259960	07/10/26	P	Abound Food Care	0000029712	3,694.83
		Line Description:	Food Recovery Svc-Jun 2026		
0259961	07/10/26	P	Active Network	0000023845	3,132.29
		Line Description:	SALES TAX (7.75%) Verifone Device Payment		
0259962	07/10/26	P	Alans Lawnmower & Garden Center Inc	0000019220	553.21
		Line Description:	Outstanding Balance-Inv #12218 Equipment Repair		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259963	07/10/26	P	Allstar Fire Equipment Inc	0000000986	10,317.19
		Line Description:	CYLINDERS SALES TAX (7.75%)		
0259964	07/10/26	P	Angel Auto Spa LLC	0000027465	1,627.71
		Line Description:	City Car Wash-May 2026		
0259965	07/10/26	P	Ashley Riopka	0000029736	2,080.08
		Line Description:	2026 Summer SMART Camp		
0259966	07/10/26	P	Beau Hossler	0000029714	140.00
		Line Description:	Basketball Referee-6/29/26		
0259967	07/10/26	P	Beginners Edge Sports Training LLC	0000027270	487.50
		Line Description:	Instructor Payment-Spring 2026		
0259968	07/10/26	P	Bound Tree Medical LLC	0000011695	8,026.87
		Line Description:	EMS Supplies		
0259969	07/10/26	P	Brian Hillard Karate	0000030959	1,682.20
		Line Description:	Instructor Payment-Spring 2026		
0259970	07/10/26	P	Cami Sue Marseilles	0000029338	924.48
		Line Description:	2026 Summer SMART Camp		
0259971	07/10/26	P	Christian Stueve	0000031966	294.07
		Line Description:	Replace ACH PR Ck #0463970		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0259972	07/10/26	P	Cintas First Aid and Safety	0000031629		272.38
		Line Description:	FIRST AID KIT REFILLS FOR CMO FIRST AID KIT REFILLS FOR CMO			
0259973	07/10/26	P	Commercial Electric Systems Inc	0000023150		748.86
		Line Description:	Tri Reflectors & Chain Lube			
0259974	07/10/26	P	Connell Chevrolet	0000001763		216.59
		Line Description:	Oil Change-Unit #501			
0259975	07/10/26	P	Continental Interpreting Services Inc	0000024355		350.00
		Line Description:	Interpreting Svc 5/18/26			
0259976	07/10/26	P	Costa Mesa Auto Glass	0000010001		961.79
		Line Description:	Windshield Replacement-#739			
0259977	07/10/26	P	Costa Mesa Lock & Key	0000001817		149.77
		Line Description:	Combination Locks			
0259978	07/10/26	P	County of Orange	0000007209		2,723.44
		Line Description:	PD Radio Repair 4/1-4/30/26			
0259979	07/10/26	P	Cron & Associates Transcription Inc	0000016871		216.00
		Line Description:	Transcribing Svc-Jun 2026			
0259980	07/10/26	P	Cynthia Kaska	0000025646		924.48
		Line Description:	2026 Summer SMART Camp			
0259981	07/10/26	P	Dorothee Morse	0000030233		2,670.72

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	2026 Summer SMART Camp			
0259982	07/10/26	P	Ecolab Pest Elimination	0000024420		150.00
		Line Description:	Pest Control Services			
0259983	07/10/26	P	Emergency Medical Services Authority	0000002120		37.00
		Line Description:	EMT Cert Fees-May 2026			
0259984	07/10/26	P	Entenmann Rovin Company	0000002130		242.07
		Line Description:	Retirement Badge			
0259985	07/10/26	P	Evalcorp	0000030475		7,500.00
		Line Description:	Evaluation Svc			
0259986	07/10/26	P	Fast 5 Costa Mesa 6 LLC	0000024446		864.00
		Line Description:	CMPD Car Wash-May			
0259987	07/10/26	P	Ferguson Enterprises Inc #1350	0000007785		238.14
		Line Description:	Plumbing Supplies			
0259988	07/10/26	P	Flashbay Inc	0000000572		3,622.65
		Line Description:	Flash Drives-Patrol/Detectives			
0259989	07/10/26	P	Flex Technology Group LLC	0000031768		46.58
		Line Description:	Copier Maint 4/5-5/4/26 Copier Maint 5/5-6/4/26			
0259990	07/10/26	P	Ford Motor Company	0000026262		780.65
		Line Description:	758-Keys			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
		Line Description:	758- Rhino Liner		
0259991	07/10/26	P	Fuel Pros Inc	0000026476	250.00
		Line Description:	Montly DO Inspection-CY		
0259992	07/10/26	P	Fully Promoted	0000029208	9,979.80
		Line Description:	SALES TAX (7.75%) IndependenceDay2026 Promo Item		
0259993	07/10/26	P	Galls LLC	0000002297	1,638.61
		Line Description:	Credit Uniform-Brown Uniform-Senadeera Uniform-Bissell Uniform-Rios Uniform-Corona Credit Uniform-Rios		
0259994	07/10/26	P	Garrett Stryker	0000022842	1,848.96
		Line Description:	2026 Summer SMART Camp		
0259995	07/10/26	P	Geographic Technologies Group, LLC	0000031829	11,500.00
		Line Description:	GIS Mater Plan-Jun 2026		
0259996	07/10/26	P	Grainger	0000002393	4,982.75
		Line Description:	Fleet Supplies Ladder Guard-PD		
0259997	07/10/26	P	Graybar Electric Company Inc	0000002397	1,122.74
		Line Description:	Parts for Telecomm Parts for Telecomm		

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0259998	07/10/26	P	HCI Environmental & Engineering Service	0000030943	5,220.00
		Line Description:	Qtrly Lead Cleaning Svcs-Jun26		
0259999	07/10/26	P	Harbor All Glass & Mirror Inc	0000002453	997.65
		Line Description:	Glass Replacement-PD		
0260000	07/10/26	P	ICMA	0000002623	2,400.00
		Line Description:	Mbrshp-Cecilia Day Mbrshp-Alma Reyes		
0260001	07/10/26	P	Idemia Identity & Security USA LLC	0000026790	3,249.11
		Line Description:	LiveScan Upgrade Service		
0260002	07/10/26	P	Irvine Ranch Water District	0000005112	2,209.54
		Line Description:	2603 Elden 6/4-7/6/26 261 Monte Vista 6/4-7/6/26 258 Brentwood 6/4-7/6/26 308 University 6/4-7/6/26 106 Del Mar 6/4-7/6/26 220 23rd 6/4-7/6/26 170 Del Mar 6/4-7/6/26		
0260003	07/10/26	P	Jacqueline Ames	0000030853	2,670.72
		Line Description:	2026 Summer SMART Camp		
0260004	07/10/26	P	Janeva Garibay	0000031965	2,465.28
		Line Description:	2026 Summer SMART Camp		
0260005	07/10/26	P	Johnson Controls Fire Protection LP	0000026089	6,130.29
		Line Description:	Fire Alarm Svc-PD Fire Alarm Svc-Telecomm		

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Fire Alarm-City Hall Fire Alarm-DRC			
0260006	07/10/26	P	Jonathan Valdez	0000031435		2,580.84
		Line Description:	2026 Summer SMART Camp			
0260007	07/10/26	P	Kimball Midwest	0000006819		827.15
		Line Description:	Shop Supplies			
0260008	07/10/26	P	Kimley Horn & Associates Inc	0000005251		4,730.00
		Line Description:	Traffic Impact Fee-5/31/26			
0260009	07/10/26	P	Kirby L Piazza	0000022847		2,105.76
		Line Description:	2026 Summer SMART Camp			
0260010	07/10/26	P	Langlois Fancy Frozen Foods	0000030651		148.49
		Line Description:	Jail Food Services Jun 26			
0260011	07/10/26	P	Lauren Anderson	0000023814		1,848.96
		Line Description:	2026 Summer SMART Camp			
0260012	07/10/26	P	Lehr Auto	0000014732		5,078.61
		Line Description:	694- Vehicle Uplifting			
0260013	07/10/26	P	Lowri Taylor	0000030228		1,848.96
		Line Description:	2026 Summer SMART Camp			
0260014	07/10/26	P	MK Electric Inc	0000029674		10,050.00
		Line Description:	Moon Park Electrical Repairs			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0260015	07/10/26	P	Marx Brothers Fire Extinguisher Company	0000003073		765.50
		Line Description:	PD Warehouse- Extinguisher Bridge Shelter Extinguisher Fire Extinguisher Services Fire Extinguisher Services Tennis Extinguisher Services FS1- Extinguisher Svcs Fire Extinguisher Services			
0260016	07/10/26	P	Michael E Raneses	0000027496		1,425.00
		Line Description:	Professional Services Agreemen			
0260017	07/10/26	P	Michael Estrada	0000031761		140.00
		Line Description:	Basketball Referee-6/29/26			
0260018	07/10/26	P	Nathan Evans	0000031438		1,848.96
		Line Description:	2026 Summer SMART Camp			
0260019	07/10/26	P	Oracle America Inc	0000003419		1,345.65
		Line Description:	Software Update License			
0260020	07/10/26	P	Orange County Chiefs of Police &	0000003427		250.00
		Line Description:	Dues-2nd in command membrs			
0260021	07/10/26	P	Pacific Plumbing of Southern California	0000030657		213.00
		Line Description:	NHCC Service Call			
0260022	07/10/26	P	Paul J Garcia	0000031436		2,773.44
		Line Description:	2026 Summer SMART Camp			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0260023	07/10/26	P	Priority Landscape Services LLC	0000026592		3,968.00
		Line Description:	Fairview PK Lndscpe Main Jun26			
0260024	07/10/26	P	Pyro Spectaculars Inc	0000029672		12,500.00
		Line Description:	INDEPENDANCE DAY FIREWORK SHOW			
0260025	07/10/26	P	Quadient Inc	0000028798		8,100.00
		Line Description:	Credit Line June 2026			
0260026	07/10/26	P	Quinn Company	0000023844		2,550.00
		Line Description:	128-PM 5 Service			
0260027	07/10/26	P	Reece Plumbing LAC	0000002711		738.63
		Line Description:	Plumbing Supplies			
0260028	07/10/26	P	Renewell Fleet Services LLC	0000031060		3,724.06
		Line Description:	Stock-Seat Suspension, Toe RH			
0260029	07/10/26	P	Salvador Jimenez	0000031962		1,848.96
		Line Description:	2026 Summer SMART Camp			
0260030	07/10/26	P	Santa Monica UCLA Medical Center	0000027179		1,029.00
		Line Description:	Victim Physical case#25-016718			
0260031	07/10/26	P	Santa Rosa Junior College	0000002319		68.50
		Line Description:	POST Training			

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0260032	07/10/26	P	Sean Comer	0000029737	3,132.96
		Line Description:	2026 Summer SMART Camp		
0260033	07/10/26	P	Share Our Selves	0000004001	500.00
		Line Description:	Refund Rec Dep 2009585.002		
0260034	07/10/26	P	Sims Orange Welding Supply Inc	0000004030	1,578.74
		Line Description:	Shop Tools Shop-Welding Supplies		
0260035	07/10/26	P	Southern California Gas Company	0000004092	237.02
		Line Description:	FS#6 5/29-6/29/26		
0260036	07/10/26	P	Spectrum Gas Products	0000012653	339.94
		Line Description:	Medical LG/SM Cyl Rent, Medical LG Cyl Rent Medical LG CYl Rent Medical LG CYL rent Medical LG Cyl Rent		
0260037	07/10/26	P	Staples Advantage	0000024532	193.06
		Line Description:	Office Supplies- Finance		
0260038	07/10/26	P	Superior Fence & Rail of Riverside & OC	0000031797	7,590.75
		Line Description:	PD Fence-Airway		
0260039	07/10/26	P	Timothy R McFadden	0000022857	2,747.76
		Line Description:	2026 Summer SMART Camp		
0260040	07/10/26	P	Total Corporate Solutions	0000021393	918.00

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Deposit for IT Basement Office			
0260041	07/10/26	P	Triton Technology Solutions Inc	0000021687		1,772.49
		Line Description:	Cablecast Project			
0260042	07/10/26	P	Tustin Awards	0000013465		1,221.35
		Line Description:	MADD for award receipts			
0260043	07/10/26	P	Verizon Wireless	0000008717		3,551.33
		Line Description:	WIRELESS PHONE WIRELESS PHONE			
0260044	07/10/26	P	Vital Link	0000014396		850.00
		Line Description:	Refund Rec Dep 2009431.002 Refund Rec Dep 2009431.002			
0260045	07/10/26	P	Vortex Industries Inc	0000004437		2,587.00
		Line Description:	FS6- Service Call FS6- Service call			
0260046	07/10/26	P	Waterline Technologies Inc	0000014520		1,387.48
		Line Description:	DRC- Pool Treatment			
0260047	07/10/26	P	Waxie Sanitary Supply	0000004480		4,146.91
		Line Description:	For Warehouse Floor Stock			
0260048	07/10/26	P	Westates Marking Devices	0000004505		85.80
		Line Description:	Self-Inking Stamps			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
0260049	07/10/26	P	Willdan Engineering	0000031832		1,125.00

Line Description: Consulting for Ballot measures

TOTAL $2,196,085.79

End of Report

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022597	07/10/26	P	Antoinette Altomonte	0000030539		69.61
		Line Description:	Dispatch Training			
022598	07/10/26	P	Beau General Osborne	0000031363		29.29
		Line Description:	Homeless Liaison Officer			
022599	07/10/26	P	Bradley Nabong	0000030034		24.00
		Line Description:	Active Shooter Response			
022600	07/10/26	P	Brian Durbin	0000031712		16.00
		Line Description:	Adv Roadside Impaired Driveing			
022601	07/10/26	P	Bryan McMahon	0000027367		1,500.00
		Line Description:	Peronnel Mgnt-Fire&EMS			
022602	07/10/26	P	Carlos Diaz	0000013277		202.00
		Line Description:	Auto Fundamentals			
022603	07/10/26	P	Celia Quijivix	0000025298		690.00
		Line Description:	Law Enforcement Research			
022604	07/10/26	P	Christine Van	0000026991		129.64
		Line Description:	Dispatch Training			
022605	07/10/26	P	Dustin Fay	0000027733		80.00
		Line Description:	ICI Narcotics Investigation			
022606	07/10/26	P	Enterprise Rent A Car	0000002131		12,094.37

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
		Line Description:	Undercover Car Rental Undercover Car Rental Undercover Car Rental Undercover Car Rental Undercover Car Rental Undercover Car Rental Undercover Car Rental Undercover Car Rental Undercover Car Rental			
022607	07/10/26	P	Esmeralda Cardenas	0000031879		66.25
		Line Description:	Laws of Arrest PC832			
022608	07/10/26	P	Gabrielle Wang	0000031617		36.25
		Line Description:	CalPERS Mileage Exp			
022609	07/10/26	P	Guyon Foxwell	0000029370		24.00
		Line Description:	Internal Affairs			
022610	07/10/26	P	Hoon Jo	0000029756		2,449.27
		Line Description:	ESRI Useer Conf 2026			
022611	07/10/26	P	Jacob Schulze	0000026462		135.70
		Line Description:	Traffic Collision Investigatn			
022612	07/10/26	P	Jaime Chavez	0000029615		24.00
		Line Description:	Adv School Resource Officer			
022613	07/10/26	P	Jarrod Carter	0000020622		212.58
		Line Description:	Fire Dispatch Academy Court Subpoena Mileage Exp			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022614	07/10/26	P	Jason Bush	0000030130		29.29
		Line Description:	Homeless Liaison Officer			
022615	07/10/26	P	Jason Santos	0000026332		135.70
		Line Description:	Traffic Collision Investigatio			
022616	07/10/26	P	Jennifer Ruffalo	0000021381		215.00
		Line Description:	911 Trng			
022617	07/10/26	P	Kathleen Angel	0000029920		771.58
		Line Description:	CALED Conf			
022618	07/10/26	P	Kelly Dalton	0000024593		425.00
		Line Description:	Project Management Prof Cert			
022619	07/10/26	P	Luke Mauser	0000031212		29.29
		Line Description:	Homeless Liason Officer			
022620	07/10/26	P	Luke Senger	0000030525		1,242.00
		Line Description:	Fire Plans Examiner			
022621	07/10/26	P	Marcella Holt	0000026739		258.95
		Line Description:	911 Trng			
022622	07/10/26	P	Martina Caron	0000031806		132.40
		Line Description:	2026 ICSC Conf			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022623	07/10/26	P	Matthew Chavez	0000026212		500.00
		Line Description:	Fresno Fire Symposium			
022624	07/10/26	P	Matthew Gonzales	0000026766		16.00
		Line Description:	Diversionary Device			
022625	07/10/26	P	Matthew Montoya	0000030815		24.00
		Line Description:	Advanced School Resource Offic			
022626	07/10/26	P	Matthew Pallo	0000002424		29.29
		Line Description:	Homeless Liason Officer			
022627	07/10/26	P	Monica Vargas	0000031808		325.00
		Line Description:	College Tuition Reimb Spr 2026			
022628	07/10/26	P	Monique Pham	0000026754		132.38
		Line Description:	CAPE Seminar			
022629	07/10/26	P	Natalie Rodriguez	0000031878		66.25
		Line Description:	PC8321 Laws of Arrest			
022630	07/10/26	P	Philip Garrett	0000029814		24.00
		Line Description:	Advanced School Resource Offic			
022631	07/10/26	P	Ryan Kennedy	0000027508		250.00
		Line Description:	Paramedic License Renewal			
022632	07/10/26	P	Shaveen Senadeera	0000031337		29.29
		Line Description:	Homeless Liasion Officer Trng			

Payment Ref	Date	Status	Remit To	Remit ID		Payment Amt
022633	07/10/26	P	Software House International	0000016007		7,935.45
		Line Description:	Meraki Hardware Meraki 100 GbE QSFP			
					TOTAL	**$30,353.83**

End of Report

File #: 26-346 **Meeting Date:** 8/4/2026

TITLE:

MINUTES

DEPARTMENT: City Manager's Office/City Clerk's Division

RECOMMENDATION:

City Council approve the minutes of the Study Session meeting of June 9, 2026.

REGULAR STUDY SESSION MEETING OF THE CITY COUNCIL
JUNE 9, 2026 – MINUTES

CALL TO ORDER –The Study Session meeting was called to order by Mayor Stephens at 5:04 p.m.

ROLL CALL

Present: Council Member Buley, Council Member Gameros, Council Member Pettis, Council Member Marr, Council Member Reynolds, Mayor Pro Tem Chavez, and Mayor Stephens.

Absent: None.

STUDY SESSION ITEM:

1. PROVIDE DIRECTION TO STAFF TO EXPLORE TWO CITY BALLOT INITIATIVES PERTAINING TO BUSINESS LICENSE REFORM AND TRANSIENT OCCUPANCY TAX

Presentation by Dr. Richard Bernard, FM3 Research, Mr. Stewart, Wildan, Ms. Jakher, Assistant to the City Manager, Ms. Reyes, Assistant City Manager, Ms. Acosta-Reyes, Finance Manager, Mr. Khou, Budget and Purchasing Manager.

Public Comments:

Ralph Taboada, Costa Mesa, clarified the Finance and Pension Advisory Committee (FiPAC) recommendation was to increase a maximum of 3% Transient Occupancy Tax (TOT) and/or TOT and Business Improvement Area (BIA), and thanked Paulette Lombardi-Fries, with Travel Costa Mesa, for her work supporting the City.

Paulette Lombari-Fries, informed the City Council that a Tourism Economic Impact Study would be conducted.

Steve Yannarell, General Manager of The Westin Costa Mesa, and Travel Costa Mesa Chair, spoke on local competition, the impacts of small increases including a reduction in occupancy, and spoke on renovating and reinvesting in the hotel.

ACTION:
City Council provided the following direction on the placement of the measure(s) on November 3, 2026, ballot:

- Place both potential measures on the July 21st agenda for consideration.
- Do additional polling.

- An analysis of the budgetary needs that would be addressed by the potential ballot measures including the Facility Needs Assessment, Pavement Management Plan, Parks Assessment and the Information Technology Strategic Plan.
- Review of potential revenues from Short Term Rentals.
- For the TOT address the comparison to the City of Irvine's hotel room rates and amenities, and short-term rentals within the city.
- Return with a revised Business License Reform structure:
    - Using a single rate of $0.50 per $1,000 in gross receipts for businesses that generate more than $500,000 in gross receipts.
    - Maintaining the current business license rate for businesses that generate $500,000 or less in gross receipts.
    - A maximum rate that a business would pay is $15,000.

ADJOURNMENT – Mayor Stephens adjourned the Study Session at 7:17 p.m.

DRAFT

Minutes adopted on this 4th day of August, 2026.

_____
John Stephens, Mayor

ATTEST:

_____
Brenda Green, City Clerk

DRAFT

77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-336 **Meeting Date:** 8/4/2026

TITLE:

DESIGNATION OF VOTING DELEGATE FOR THE 2026 LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE

DEPARTMENT: **CITY MANAGER'S OFFICE/CITY CLERK DIVISION**

PRESENTED BY: **BRENDA GREEN, CITY CLERK**

CONTACT INFORMATION: **BRENDA GREEN, CITY CLERK, (714) 754-5221**

RECOMMENDATION:

Staff recommends the City Council designate Mayor Pro Tem Manuel Chavez as Costa Mesa's voting delegate for the 2026 League of California Cities Annual Conference.

BACKGROUND:

The League of California Cities 2026 Annual Conference & Expo is scheduled for September 23-25, 2026, in Anaheim, CA. An important part of the Annual Conference is the Annual Business Meeting that will be held on Friday, September 25, 2026. In order to vote at this meeting, the City Council must designate a voting delegate and up to two alternate voting delegates.

ANALYSIS:

Designating a voting delegate will allow the City to participate in the Annual Business Meeting. It is at this meeting that the League membership considers and takes action on resolutions that establish League policy throughout the coming year. Information on what resolutions will be reviewed is not available at this time.

Consistent with League Bylaws, a city's voting delegate and up to two alternates must be designated by the City Council. A voting delegate can be either an elected or appointed official. Following City Council action, the City Clerk must submit the City's delegates through the online submission portal. The voting delegates and alternates must be registered to attend the conference. The voting delegates must be present at the Business Meeting and in possession of the voting card in order to cast a vote. Transferring a voting card to a non-designated individual is not allowed. Currently, Mayor Pro Tem Manuel Chavez is registered to attend the conference.

ALTERNATIVES:

City Council may choose not to appoint a delegate and alternates; therefore, the City will not have a vote at the Annual Business Meeting.

FISCAL REVIEW:

There is no fiscal impact associated with the request to designate the voting delegate and alternates.

LEGAL REVIEW:

The City Attorney's Office has reviewed this report and has approved it as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item is administrative in nature.

CONCLUSION:

Staff recommends the City Council designate Mayor Pro Tem Manuel Chavez as Costa Mesa's voting delegate for the 2026 League of California Cities Annual Conference.

77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-337 **Meeting Date:** 8/4/2026

TITLE:

BIENNIAL REVIEW OF CITY'S CONFLICT OF INTEREST CODE

DEPARTMENT: **CITY MANAGER'S OFFICE/CITY CLERK DIVISION**

PRESENTED BY: **BRENDA GREEN, CITY CLERK**

CONTACT INFORMATION: **BRENDA GREEN, CITY CLERK, (714) 754-5221**

RECOMMENDATION:

Staff recommends the City Council approve Resolution No. 2026-xx, revising the list of designated positions in the City's Conflict of Interest Code.

BACKGROUND:

The Political Reform Act, in Government Code section 87303, requires the City to adopt a Conflict of Interest Code that is reviewed biennially. The City's Conflict of Interest Code was last amended on September 3, 2024, by Resolution No. 24-40.

ANALYSIS:

Government Code Section 87200 designates the officials required to file statements of economic interest. The Costa Mesa officials include City Councilmembers, City Manager, City Attorney, Planning Commissioners, and Finance Director. Additionally, the City's Conflict of Interest Code must designate the positions within the City that involve the making or participation in the making of decisions that may have a material effect on any financial interest. This year, the "designated positions" have been updated to reflect positions that have been added, deleted, or undergone a title change. Resolution 2026-xx adopts the City's Conflict of Interest Code and repeals the previous code.

ALTERNATIVES:

No alternatives have been considered, as it is mandated by state code that the Conflict of Interest Code be reviewed biennially.

FISCAL REVIEW:

There is no fiscal impact associated with this recommendation.

LEGAL REVIEW:

The City Attorney has reviewed the report and resolution and approved them as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item is administrative in nature.

CONCLUSION:

Staff recommends the City Council approve Resolution No. 2026-xx revising the list of designated positions in the City's Conflict of Interest Code.

APPENDIX A

The term "Designated" refers to employees or officials, set forth by position or job classifications. A designated employee or official, for the purpose of this resolution, and in compliance with the City's Conflict of Interest Code (Costa Mesa Municipal Code Section 2-401, et al.3) shall include a spouse and immediate members of the family. Any person hired or promoted into a job classification included in this resolution shall become a designated employee for the purpose of the City's Conflict of Interest Code without further action of the City Council. **Added positions are highlighted.**

DEPARTMENT/POSITION TITLES	**REPORTING CATEGORY**
City Manager's Office	
~~Administrative Services Director~~	~~All~~
Assistant City Manager	All
Assistant to the City Manager	All
~~Chief of Staff~~	~~All~~
City Clerk	All
Community Outreach Supervisor	All
Deputy City Clerk	All
Deputy City Manager	All
Energy & Sustainability Services Manager	All
Human Resources Administrator	All
Human Resources Analyst	All
Human Resources Manager	All
Management Aide	All
Management Analyst	All
Neighborhood Improvement Manager	All
Principal Human Resources Analyst	All
Public Affairs Manager	All
~~Public Information Officer~~	~~All~~
Real Property Manager	All
Senior Code Enforcement Officer	All
Senior Management Analyst	All
City Attorney's Office	
Assistant City Attorney	All
Deputy City Attorney	All
~~**Development Services**~~ **Community Development Department**	
~~Assistant Development Services Director~~	
Assistant Community Development Director	All
Assistant Planner	All
Associate Planner	All

Building Inspector	All
Building Official	All
Building Technician I & II	All
Chief of Code Enforcement Officer	All
Chief of Inspection	All
Chief Plans Examiner	All
Code Enforcement Officer	All
Combination Building Inspector	All
Community Improvement Manager	All
~~Economic & Development Services Director~~	
Community Development Director	All
Economic Development Administrator	All
Grant Administrator	All
Management Aide	All
Management Analyst	All
Plan Check Engineer	All
Plan Checker	All
Plan Checker (Consultant)	All
Plan Review Consultants	All
Planning ~~and Sustainable Development~~ Manager	All
Principal Planner	All
Senior Code Enforcement Officer	All
Senior Combo Inspector	All
Senior Management Analyst	All
Senior Planner	All
Zoning Administrator	All

Finance Department

~~Accounting Supervisor~~	~~All~~
Assistant Finance Director	All
Budget & Purchasing Manager	All
Budget Analyst	All
Buyer	All
Financial Analyst	All
Finance Manager	All
Finance Officer	All
Management Aide	All
Management Analyst	All
~~Payroll Supervisor~~	~~All~~
~~Purchasing Supervisor~~	~~All~~
~~Revenue Supervisor~~	~~All~~
Senior Budget Analyst	All
Senior Management Analyst	All

Parks and Community Services Department

Recreation Supervisor	All
Fairview Park Administrator	All
Management Aide	All
Management Analyst	All
Parks and Community Services Director	All
Recreation Manager	All
Senior Recreation Supervisor	All
Senior Management Analyst	All

Police Department

Deputy Chief of Police	All
Emergency Services Manager	All
Management Aide	All
Management Analyst	All
Police Captain	All
Police Chief	All
Public Affairs Manager	All
Senior Management Analyst	All
Telecommunications Manager	All

Fire Department

Administrative Captain/PIO	All
Assistant Fire Marshall	All
Battalion Chief	All
Code Enforcement Officer	All
Assistant Fire Chief/Operations	All
Emergency Services Manager	All
Fire Chief	All
Assistant Fire Chief/Fire Marshall	All
Fire Protection Specialist	All
Management Aide	All
Management Analyst	All
Telecommunications Manager	All
Senior Management Analyst	All

Information Technology Department

Cyber Security Analyst	All
I.T. Manager	All
I.T. Project Manager	All
Information Technology Director	All
Management Aide	All
Management Analyst	All
Senior Management Analyst	All
Computer Operations and Networking Supervisor	All
Systems and Programming Supervisor	All

Public Works

Active Transportation Coordinator	All
Assistant City Engineer	All
Assistant Engineer	All
Associate Engineer	All
City Engineer	All
Construction Inspector	All
Director of Public Works	All
Deputy Director of Public Works	All
Maintenance Services Manager	All
Maintenance Superintendent	All
Maintenance Supervisor	All
Management Aide	All
Management Analyst	All
Transportation Services Manager	All
~~Principal Civil Engineer~~	~~All~~
Senior Engineer	All
Senior Management Analyst	All
~~Supervisor~~	~~All~~

Commissions

Parks & Community Services Commission	All
Arts Commission	All

Note: The following positions are not included in the Conflict of Interest Code as they already must file pursuant to Government Code Section 87200:

City Council Members
Planning Commissioners
City Manager
City Attorney
Finance Director

RESOLUTION NO. 2026-xx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, REVISING THE LIST OF DESIGNATED POSITIONS FOR THE CITY'S CONFLICT OF INTEREST CODE

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, pursuant to the California Political Reform Act of 1974 every city is required to adopt a conflict of interest code and Costa Mesa has adopted its conflicts code, which appears in Costa Mesa Municipal Code Title 2, Chapter X; and

WHEREAS, the Conflict of Interest Code contains a list of City officials and employees called "designated employees" whose positions involve the making or participation in the making of decisions that may foreseeably have a material financial effect on an economic interest of the employee; and

WHEREAS, the Conflict of Interest Code is required to be amended from time to time to incorporate new state law requirements and update the list of positions of designated employees;

WHEREAS, the City's Conflict of Interest Code now needs to be amended to update the list of designated positions; and

WHEREAS, the City's Conflict of Interest Code now specifies that all employees designated as filers under the City's Conflict of Interest Code are "designated employees" for purposes of AB 1234 and, as such, are required to participate in mandatory ethics training.

BE IT RESOLVED that the Costa Mesa City Council hereby amends the list of designated positions shown on Appendix "A" with the new, revised Appendix "A" that is attached hereto and incorporated herein.

PASSED AND ADOPTED this 4th day of August, 2026.

_____
John Stephens, Mayor

ATTEST:

_____
Brenda Green, City Clerk

APPROVED AS TO FORM:

_____
Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 2026-xx and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 4th day of August, 2026, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 5th day of August, 2026.

_____
Brenda Green, City Clerk

77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-334 **Meeting Date:** 8/4/2026

TITLE:

RESPONSE TO ORANGE COUNTY GRAND JURY REPORT-STATE HOUSING MANDATE

DEPARTMENT: **COMMUNITY DEVELOPMENT DEPARTMENT**

PRESENTED BY: **MELINDA DACEY, PRINCIPAL PLANNER AND ANNA MCGILL, PLANNING MANAGER**

CONTACT INFORMATION: **MELINDA DACEY, PRINCIPAL PLANNER, (714) 754-5611**

RECOMMENDATION:

Staff recommends the City Council review and approve the responses to the May 27, 2026, Orange County (OC) Grand Jury Report titled, “California Housing Mandates” and authorize staff to submit the response to the presiding judge.

BACKGROUND:

On May 27, 2026, the City of Costa Mesa received a copy of the 2025-2026 OC Grand Jury Report titled “California Housing Mandates” (Attachment 2). The report outlines how Housing Mandates operate in practice within Orange County, and how well-intended legislation has produced unintended consequences for cities, neighborhoods and local governance. The Grand Jury report was released to the public on May 27, 2026. California Penal Code sections 933 and 933.05 require the City Council, as governing body, to submit a response to the Presiding Judge of the Orange County Superior Court within ninety days (by August 25, 2026). Attached is a response to the Report for City Council review and approval (Attachment 1).

The Grand Jury report provides an overview of the feasibility, effectiveness and equity of current state policies, and highlights the growing disconnect between mandated housing goals and the capacity of communities to absorb them responsibly. Additionally, the report underscored the need for housing solutions that respect local conditions, restore meaningful public participation, and align development goals with infrastructure, funding and community priorities.

ANALYSIS:

The OC Grand Jury Report examined how recent statutory reforms shifted authority away from local jurisdictions toward state oversight and enforcement, reshaping the governance framework and altering the practical and legal responsibilities of cities, with respect to housing production and affordability. The report does not question whether cities must comply with state law, as they must, but rather aims to assist Orange County jurisdictions and the public in understanding the framework within which they operate and enhance the possibility of good planning practices. As part of the overall analysis, the report assessed the 6th cycle Regional Housing Needs Assessment (RHNA)

process and determined key themes, including its lack of overall transparency, questionable processes for data input, methodology used to derive the RHNA allocations, overall difficulty in explaining this process, and RHNA outcomes to the broader community and elected officials. Additionally, the report expanded upon the overall difficulties in housing production (particularly affordable housing), due to a range of factors including high construction costs, complex and competitive financing mechanisms and subsidies, and constrained existing conditions (e.g., limited available land, infrastructure constraints, and environmental factors). To this end, the Findings and Recommendations focus on these key themes and urge for greater transparency, participation, and education in the overall RHNA process.

The response letter (Attachment 1) for City Council consideration provides the statutorily required responses to both the Findings and Recommendations, with a summary of additional information, if warranted. Based upon the Grand Jury's analysis, a total of 22 findings and 20 recommendations were made with supporting facts. The response letter includes the City's draft responses to 11 of the 22 findings where City of Costa Mesa is identified in the Grand Jury's report (F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, and F12). Additionally, the report includes targeted recommendations for Southern California Association of Governments (SCAG), Orange County Council of Governments (OCCOG), and the 34 jurisdictions within Orange County. The City of Costa Mesa is identified in the Grand Jury's report for eight recommendations (R7, R8, R9, R11, R12, R14, R15 and R16). Under the relevant Findings and Recommendations, additional detail is provided, including the key City efforts to date, such as overall countywide (e.g., SCAG, OCCOG) participation efforts, Measure K, the City's Housing Element and program efforts and Neighborhoods Where We All Belong (NWWAB). The responses are formatted to meet the requirements and instructions as required by California Penal Code section 933.05, as described in the introduction to the Grand Jury Report.

ALTERNATIVES:

The City Council may decline to approve the proposed responses. However, failure to provide responses by the August 25, 2026, deadline will result in violation of California Penal Code sections 933 and 933.05. Staff does not recommend this option. The City Council could propose modifications to the responses. Staff will incorporate City Council recommendations in the City's response to the Orange County Grand Jury Report.

FISCAL REVIEW:

There is no fiscal impact associated with this action.

LEGAL REVIEW:

The City Attorney's Office has reviewed the draft responses and approves them as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item supports the following City Council Goals:

- Strengthen the public's safety and improve the quality of life.
- Diversify, stabilize and increase housing to reflect community needs.

CONCLUSION:

Staff recommends the City Council review and approve the responses to the May 27, 2026, Orange County Grand Jury Report titled, “California Housing Mandates” and authorize staff to submit the responses to the presiding judge.

August 4, 2026

The Honorable Sheila F. Hanson
Presiding Judge of the Superior Court of California, Orange County
700 West Civic Center Drive
Santa Ana, CA 92701

Subject: City of Costa Mesa Response to the Orange County Grand Jury Report: "California Housing Mandates"

Dear Judge Hanson,

Please find below the City of Costa Mesa's response to the Orange County Grand Jury's Finding and Recommendations published in their May 2026 report titled "California Housing Mandates." This information is being provided on behalf of the City of Costa Mesa in compliance with California Penal Code section 933.05.

The following is a response to the Grand Jury Findings and Recommendations as applicable to the City of Costa Mesa:

Findings:

F1. *In recent years, the California Legislature has enacted an unusually large and burdensome volume of housing-related laws intended to strengthen compliance with State Housing Mandates.*

City Response: The City agrees with this finding. The volume of housing-related laws enacted since 2019 has resulted in significant staff resources required to interpret and implement the laws, including educating the community and local officials. For example, during the 2025 legislative cycle, approximately 60 housing related bills were enacted. In most cases, the laws become effective in a short amount of time once they are signed into law (e.g., immediately, three months, or up to 10 months), which limited the City's and staff ability to adapt and understand the new regulations, attend training, consider interpretations, and develop protocols to efficiently implement the laws.

F2. *Housing Mandates are implemented through a RHNA process that often lacks transparency and relies on complex methodologies that are difficult for local officials and the public to understand or meaningfully challenge.*

City Response: The City agrees with this finding. The Regional Housing Needs Allocation (RHNA) was incredibly complex in its approach, with methodologies that were not transparent, that were difficult for staff to understand and assist in explaining the methodology to the community and local officials. The consultation process between the Southern California Association of Governments (SCAG) and the State Department of Housing and Community Development (HCD) operated in a vacuum during the 6th Housing Element Cycle. With little to no transparency during the consultation process, there was no way to confirm that metropolitan planning organizations/councils of government throughout California were assigned a housing need that was equitable and based on an identical methodology.

The SCAG RHNA Subcommittee recognized this issue, and in June 2019 proposed a clear distinction be made between housing need 1) due to projected regional population growth and 2) due to existing housing needs. Specifically, SCAG recommended HCD utilize the Regional Transportation Plan/Sustainable Communities Strategy, known as "Connect SoCal", growth forecast as a basis for projected housing need. The foundation for this growth forecast is local input and it represents a long-standing, credible approach which is consistent with Government Code section 65584.01.

In addition, the final SCAG RHNA methodology, adopted by the SCAG Regional Council on November 7, 2019, was introduced as a substitute motion at the Regional Council meeting. This alternative methodology was not reviewed or analyzed by jurisdictions, and it was inconsistent with the methodology that was developed through a rigorous year long process. Moreover, the final SCAG RHNA methodology was not the methodology that was reviewed and approved by the SCAG RHNA Subcommittee on October 7, 2019, that was also unanimously approved by the SCAG Community, Economic, and Human Development Policy Committee on October 21, 2019. The alternative methodology that was ultimately adopted, later known as the "Bailey methodology", over-emphasized housing near existing and future transit facilities and employment centers. Finally, this resulting methodology resulted in similar sized jurisdictions, with other similar characteristics, receiving widely differing RHNA allocations. The RHNA methodology process should be transparent, interactive, and rely on feedback from jurisdictions.

F4. *Meaningful participation by Orange County cities in both OCCOG and SCAG meetings is critical to ensuring that local perspectives are represented during the development and implementation of Housing Mandates policies.*

City Response: The City agrees with this finding.

F5. *SCAG's 6th Cycle RHNA assigned Orange County a questionable total of 183,861 housing units for the 2021–2029 planning period, with higher allocations concentrated in cities with major population and employment centers.*

City Response: The City agrees with this finding. As noted in the City's response to finding F2, the 6th Cycle RHNA process lacked transparency. It was difficult to determine the data and inputs used to arrive at RHNA methodologies, subsequent audits found errors in the model and accounting process, and it was difficult to explain this process, and data behind it, to the community and local officials.

F6. *RHNA allocations are unrealistic and not attainable within the current planning cycle due to limited available land, built-out urban conditions, infrastructure constraints, environmental factors, and public health and safety requirements.*

City Response: The City agrees with this finding. The RHNA continues to be a one-size-fits-all process where the methodology does not consider the characteristics or constraints associated with any individual jurisdiction.

F7. *Residents in Orange County consistently express a desire for local planning decisions to reflect community priorities, including but not limited to neighborhood character, safety considerations, the environment and open-space preservation.*

City Response: The City agrees with this finding.

F8. California's regulatory construction costs (i.e., permitting fees) present substantial challenges for private housing developers—particularly those delivering affordable units.

City Response: The City agrees with this finding. Many financial incentivizes, opportunities and sources exist at the County level. Local jurisdictions are already constrained and increasingly more constrained in subsidies, grants and other funding mechanisms they can provide and support. Additionally, private developers, including affordable housing developers, request incentives like reductions to building code requirements, waiving of impact fees and relaxing of other code requirements to help the project from a financial standpoint. However, relaxing of these requirements is not often beneficial from a quality-of-life standpoint, and communities often bear the repercussions of these decisions.

Moreover, housing development is dependent on market conditions. Factors impacting market conditions include, but are not limited to, construction costs, labor costs, availability of materials, permitting fees, availability of funding/financing.

Jurisdictions are unable to predict times of economic uncertainty, such as a recession or varying interest rates, or a large scale regional natural disaster, such as the Palisades/Altadena fires, which can drastically impact development. It is the City's experience that density bonus projects (i.e., constructing a percentage of affordable units with market rate units in a single project) are financially feasible for both rental and ownership projects. However, feasibility depends on sales prices and rents, which are also subject to market factors. If revenues from rents and sales prices support development costs, housing is built due to the demand.

F9. *The cost of constructing a single affordable housing unit in California typically ranges from approximately $500,000 to $800,000 per unit when fully complying with current state regulations. New low-income housing is generally not financially feasible without public subsidy.*

City Response: The City agrees with this finding. As noted in the City response to F8, many financial incentivizes, opportunities and sources exist at the County level. Local jurisdictions are already constrained and increasingly more constrained in the subsidies, grants and other funding mechanisms they can provide and support. Additionally, private developers, including affordable housing developers, request incentives like reductions to building code requirements, waiving of impact fees and relaxing of other code requirements to help the project from a financial standpoint. However, relaxing of these requirements is not often beneficial from a quality-of-life standpoint, and communities often bare the repercussions of these decisions.

F10. *Prior to their dissolution in 2012, redevelopment agencies served as a primary mechanism for cities and counties to finance affordable housing and related infrastructure. The loss of redevelopment has reduced cities' ability to support construction of affordable units.*

City Response: The City agrees with this finding. Medium-sized jurisdictions have populations with diverse demographics and housing needs. However, resources to address these needs continue to be limited, often paired with competitive application processes. As a result of legislation in 2012, all redevelopment agencies in the State were dissolved, which has had a profound effect on the quantity and complexity of affordable housing development in the State. Redevelopment was a tax increment financing tool that allowed cities and counties to retain a higher share of the growth in property taxes in designated areas to invest in those areas. Over 400 cities and counties in the State used this tool. Redevelopment projects were required to allocate 20% of all tax increment for affordable housing in the community. On a Statewide level, over $2 billion generated on an annual basis for affordable housing was lost due to this State law change.

Despite State legislative efforts to replace Redevelopment with Enhanced Infrastructure Financing Districts and Community Revitalization Investment Areas (CRIAs), these financing tools generate a tiny fraction of the local funding that redevelopment did previously, which is the reason why a limited number of Enhanced Infrastructure Financing Districts and only one CRIA have been adopted over the last 15 years. The State has yet to allow a structure to replace this significant permanent source of affordable housing funding.

F11. *Because public subsidy is limited and highly competitive, cities seeking to produce meaningful quantities of low-income housing must rely in part on private development incentives, often resulting in higher overall development densities and unit counts than the RHNA allocation.*

City Response: The City agrees with this finding. The City of Costa Mesa continues to rely on its Inclusionary Housing Ordinance and State Density Bonus Law (SDBL) to achieve lower-income housing included in residential projects. These development projects are not producing affordable housing at the densities necessary for the City to meet its RHNA allocation identified for Housing Element sites. This is due to current market factors favoring lower density townhomes rather than higher density rental projects, which diminishes the required Housing Element surplus of units and presents a no net loss risk. Market factors have a powerful effect on what housing is built and zoning changes by jurisdictions cannot single-handedly counteract a change in the market. The City would be interested to know if the data across Orange County and California shows this trend and if that is likely to continue as RHNA allocations and densities increase.

F12. *The 6th Cycle RHNA methodology included numerous technical inputs published by SCAG and HCD; however, these inputs were highly complex and difficult for cities to interpret or independently verify.*

City Response: The City agrees with this finding. As noted in the City response for F2, the Sixth Cycle RHNA was incredibly complex in its approach. Costa Mesa wrote at least four letters to SCAG over the course of the development of the methodology and noted over the course of three months (September 2019 to November 2019) that five different methodologies were presented and reviewed. Costa Mesa expressed significant concerns about local input not being included in the methodology, and that the process should be transparent and interactive. The process was input focused and did not rely enough on feedback from jurisdictions.

Of note, jurisdictions do not have the opportunity to review the inputs utilized by HCD during the consultation process between HCD and SCAG and, therefore, are not able to provide public comment on the data points until after the release of the regional determination. Additionally, jurisdictions were not provided access to the data points

utilized by HCD in the regional determination and had to extract them from the materials provided. This resulted in a lack of transparency and made it extremely difficult for jurisdictions to analyze and verify the various methodologies in a timely manner to provide meaningful feedback to HCD and SCAG.

Recommendations:

R7. *OCCOG, all Orange County cities and the County of Orange should reassess the current dues structure, by September 30, 2026, to ensure that OCCOG has the resources necessary to effectively represent Orange County jurisdictions in SCAG processes, including RHNA methodology development and appeals. (F3, F15)*

City Response: The City acknowledges that OCCOG should have necessary resources to effectively represent Orange County jurisdictions in the SCAG processes, including RHNA methodology development and appeals. This is not an action item the City of Costa Mesa can independently initiate; however, the City is supportive of the intent of this recommendation. However, the City also emphasizes that jurisdictions continue to face budgetary constraints, which would make it difficult to commit to increased dues to support the recommended resources.

R8. *By December 31, 2026, the Orange County Board of Supervisors should partner with cities to evaluate countywide infrastructure capacity– including water, wastewater, flood control, transportation, and public-safety systems–and develop a coordinated regional plan capable of supporting the level of housing growth required under state law. (F6)*

City Response: The City acknowledges this recommendation. The City prepared a comprehensive programmatic environmental impact report (PEIR) that evaluated citywide infrastructure capacity including water, wastewater, flood control, transportation, and public-safety infrastructure for the citywide rezoning effort, Neighborhoods Where We All Belong, to implement the Sixth Cycle Housing Element. Additionally, the City reached out to the local school districts to evaluate capacity impacts in the three focus areas where the majority of the residential and residential mixed-use is sited. The PEIR is not yet certified and is currently being circulated for public review but determined that there is adequate citywide infrastructure capacity to support the additional residential development, with certain identified infrastructure improvements. In some cases, residential and residential mixed-use projects would replace existing non-residential uses that generate more impacts. The City would cooperate in sharing the PEIR to ensure that the County would have a recent assessment of infrastructure needed to support development.

Additionally, the 6th Housing Element Cycle will conclude in 2029, and the County of Orange may determine it to be more appropriate to initiate this project prior to the 7th Cycle RHNA.

R9. *By September 30, 2026, the Orange County Board of Supervisors should strengthen its engagement with OCCOG and increase staff support to develop a shared, countywide database of potential housing sites and key development-feasibility factors. (F15)*

City Response: The City partially agrees with this recommendation. The City of Costa Mesa staff attend all OCCOG Technical Advisory Committee (TAC) monthly meetings, participate in bi-annual countywide data collection requests, share information with Orange County jurisdictions through OCCOG, attend trainings related to RHNA and state law implementation. The City would support a countywide GIS database of Housing Element sites and would make shapefiles accessible for this purpose. However, this recommendation is focused on the County of Orange for implementation and not Costa Mesa.

R11. *The County of Orange and each city should ensure consistent participation in SCAG and OCCOG committees by September 30, 2026, including the Technical Advisory Committee (TAC), to strengthen regional representation during RHNA-methodology development. (F3, F4, F15)*

City Response: The City agrees with this recommendation and has designated staff representatives, or alternates, for all RHNA-related SCAG and OCCOG committees who actively participate in and attend the meetings.

R12. *The County of Orange and each city should designate a single technical representative, by September 30, 2026, along with an alternate, for all RHNA-related SCAG and OCCOG committees to ensure continuity of participation and eliminate gaps in representation across multiple decision-making bodies. (F4)*

City Response: The City agrees with this recommendation as noted in R11.

R14. *By April 30, 2027, the County of Orange and each city should publish annual monitoring dashboards showing (a) entitlement pipeline conditions, (b) realistic site yield, (c) assembled funding sources for affordable units, and (d) conversion rates from planned capacity to issued permits and completed units, ensuring that County and city-determined capacity assumptions remain aligned with actual production. (F13)*

City Response: This recommendation is already being implemented. Costa Mesa has an Active Development Projects map available on the City's website that shows where projects are being constructed. In addition, the City reports housing

production data on an annual basis to the California Department of Housing and Community Development (HCD) through the annual progress report which includes information for entitlements through to certificate of occupancy, and project funding sources, if known. Identifying project funding sources is a newer reporting requirement established by HCD during the last two annual reporting cycles. HCD publishes this data on dashboards that are already publicly accessible, that can be filtered to a specific County or local jurisdiction. In addition, Costa Mesa publishes the annual progress reports to the City's website. Finally, when an application is submitted for review on a Housing Element site, the City must make findings that there is sufficient capacity remaining during the current housing element cycle, consistent with State law.

R15. *By September 30, 2026, and ongoing, the County Board of Supervisors and all city councils should make a coordinated and sustained effort to educate their constituents about the RHNA process—its requirements, its impact on local planning and community character, and the role residents can play in shaping outcomes. Public education efforts should also include guidance on how community members can effectively engage with the California Legislature and advocate for more realistic, data-driven housing policies. (F1, F7)*

City Response: The City agrees with and is already implementing this recommendation. The City of Costa Mesa's 6th Cycle Regional Housing Needs Allocation (RHNA) represents the largest housing obligation in the City's history; 11,760 units. Meeting this requirement was constrained by a 2016 voter-approved growth control measure (Measure Y), which presented a significant barrier to housing production, and required a citywide vote for zoning and land use changes to remove. In November 2022, voters approved City-initiated Measure K, a critical policy shift that removed this barrier by allowing changes to land use and zoning in specific commercial and industrial areas while requiring robust community visioning.

In 2024-2025, the City launched a unique, people-centered planning initiative called Neighborhoods Where We All Belong (NWWAB). NWWAB is a coordinated outreach and planning effort to rezone all Measure K sites, including the Housing Element sites (which was completed on a faster pathway and approved by the City Council at their March 17, 2026, meeting). Part of the outreach effort included explaining RHNA to the community. As part of this NWWAB planning effort, the City is rezoning over 1,000 parcels (including Housing Element sites) to allow for residential and mixed-use development, studying the environmental impacts of over 22,000 residential units across the City through a Programmatic Environmental Impact Report (PEIR), and zoning ordinance updated to implement a majority of the City's Housing Element programs and comply with state law. More information can be found on the City's NWWAB website: www.costamesaneighborhoods.com.

R16. *By December 31, 2026, all cities should look to enhance their relationships with not-for-profit affordable housing developers to increase the opportunity to develop more affordable housing. (F8, F10, F12)*

City Response: The City agrees with and is already implementing this recommendation. The City's Housing Element identifies program 2B (Affordable Housing Development), which includes pursuing funding opportunities related to affordable housing, pursuing local partnerships with affordable housing organizations and establishing development incentives (i.e., deferment of fees, priority processing, modified development standards, etc.) to encourage affordable housing in the City. As part of a REAP 2.0 grant awarded to the City in early 2026, consultant Interwest is assisting the City in preparing a memo that identifies all the ways in which the City is actively advancing these objectives in line with program 2B. This memo will be available for public review as part of the NWWAB efforts, going to the City Council in fall, 2026. The City is anticipated to have completed this program as part of the NWWAB effort.

The City of Costa Mesa will continue to review and respond to issues of concern related to housing in our community. Thank you for the opportunity to respond and if you should need further information, please do not hesitate to contact Anna McGill, Planning Manager, at 714-754-5609.

Sincerely,

Mayor John Stephens
City of Costa Mesa

C: Costa Mesa City Council
Cecilia Gallardo-Daly, City Manager
Carrie Tai, Community Development Director



California Housing Mandates

The Unintended Reshaping of Orange County Neighborhoods

Orange County Grand Jury 2025-2026

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SUMMARY

California's perceived housing shortage has prompted the California Legislature to impose increasingly bureaucratic prescriptive State Housing Mandates (Housing Mandates) on local governments, with the stated goal of accelerating production across all income levels. Core frameworks such as the Housing Element and the Regional Housing Needs Allocation (RHNA) process require cities and counties to plan for significant increases in housing capacity. Many additional statutes have contributed to a streamlined development approval process and weakened local discretion with severe penalties for noncompliance. These measures are intended to overcome decades of the perceived underbuilding and restrictive zoning within cities, yet their cumulative effect has been to create unnecessary local government costs, confusion, inequity, and growing tension between state directives and local realities. All of these efforts have led to minimal housing being built.

In Orange County, a region defined by diverse cities, established neighborhoods, and distinct infrastructure constraints, as well as environmentally sensitive areas, these Housing Mandates operate as a one-size-fits-all system poorly suited to local conditions. Housing targets are derived from opaque formulas, that fail to account for land costs, land availability, funding limitations, labor shortages, construction costs, infrastructure capacity and accurate population projections. Without corresponding investments in transit, utilities, schools, parks, public safety, and affordable housing subsidies, the Housing Mandates themselves are largely impractical and difficult to achieve. In addition, because of the financial infeasibility of building low-income housing without subsidies, cities must approve developments with higher density to pay for and meet the affordable housing requirements. As a result, local cities face mounting pressure to comply with requirements that often lack economic and logistical feasibility.

The dissolution of local redevelopment agencies in 2012 eliminated a primary mechanism for financing and managing affordable housing at the local level. In response, the State layered new housing requirements through the Housing Mandates onto cities and counties without restoring comparable funding tools or infrastructure support. Although these laws are framed as solutions to homelessness and affordability, they have in fact caused unintended consequences that have not produced incremental housing production. This is primarily due to regulatory complexity, limited subsidies, and heavy reliance on private market forces. Over time, repeated legislative interventions to solve these challenges have only expanded state authority. This leaves local governments with fewer resources and diminished control.

Housing Mandates have significantly eroded local land-use authority, supplanting community-based planning with rigid, top-down rules. Residents experience a loss of

meaningful input; even as local officials remain legally responsible for compliance. Streamlined approvals frequently bypass public hearings and local design standards, shift liability to cities, and prioritize building over neighborhood character. The practical elimination of traditional single-family zoning and the widespread upzoning of existing neighborhoods threaten longstanding community character while limiting local oversight of height, density, parking, and environmental resilience.

The Southern California Association of Governments (SCAG) determines the RHNA housing allocation for most of Southern California. Within this framework, the Orange County Council of Governments (OCCOG) serves as the County's representative to SCAG in the RHNA process. The RHNA methodology and resulting allocations have been widely criticized as unrealistic, inequitable, and insufficiently transparent.[1] OCCOG's level of influence with SCAG is critical to regional planning outcomes. OCCOG needs substantial funding increases to better advocate in Sacramento and within SCAG to support OC jurisdictions.

Given the significant challenges and inequitable housing allocations experienced during the current RHNA 6th Cycle (2021-2029), it is imperative that Orange County begin strategic preparation for the upcoming 7th Cycle (2029-2037) process. Proactive planning will strengthen the County's ability to advocate within SCAG for fair, data-driven, and achievable housing allocations in the next cycle.

This report examines how Housing Mandates operate in practice within Orange County, and how well-intended legislation has produced unintended consequences for cities, neighborhoods, and local governance. It evaluates the feasibility, effectiveness, and equity of current state policies, and highlights the growing disconnect between mandated housing goals and the capacity of communities to absorb them responsibly. The report underscores the need for housing solutions that respect local conditions, restore meaningful public participation, and align development goals with infrastructure, funding, and community priorities.

BACKGROUND

California continues to experience some of the highest housing prices and rents in the nation, while some say housing production has not kept pace with population and employment growth[2]. State policymakers have concluded that fragmented local decision-making, restrictive zoning practices, and lengthy approval processes, have

[1] New-Pathways-to-Encourage-Housing-Production-Evaluating-Californias-Recent-Housing-Legislation-April-2023-Final.pdf

[2] California Housing in 2025 - Advocacy - California Chamber of Commerce

contributed to this imbalance[3]. In response, the California Legislature has pursued a more centralized and enforceable approach to housing policy such as Senate Bill (SB)9, SB10, SB35, SB79, SB131, SB330, and Assembly Bill (AB)1050, AB2011(see Appendix A), shifting significant authority from local jurisdictions to the State. Since 2017, the California Legislature has enacted more than one hundred housing-related bills designed to establish clearer production expectations, reduce procedural delays, and strengthen enforcement mechanisms for jurisdictions that do not comply with state housing requirements.

The Housing Element Law (Government Code 65580-65589.11), originally adopted in 1969, remains the foundation of California's housing policy. The law requires every city and county to prepare a Housing Element as part of its General Plan that identifies how the jurisdiction will meet the housing needs of all income groups.[4] The RHNA process implements these Housing Mandates by assigning each jurisdiction a specified number of housing units—categorized by income level. Compliance is tied to eligibility for state housing and transportation funding, creating substantial financial implications for the County of Orange and its 34 municipalities.

Zoning has long been a cornerstone of local government authority, guiding development, and shaping the physical form of cities.

First introduced in the late nineteenth and early twentieth centuries to address public safety concerns, zoning has since expanded into a sophisticated regulatory system governing land use, building height, setbacks, lot coverage, density, and numerous other development standards. These tools enable local governments to align growth with infrastructure capacity, environmental constraints, and long-term planning objectives, while simultaneously delivering broad public benefits. In addition to protecting public health and safety by distancing residential areas from heavy industrial activities and ensuring reliable emergency access, zoning helps preserve neighborhood character and property values. It also supports community cohesion by balancing residential, commercial, and civic uses, and guides growth in ways that correspond with available public services and facilities. Moreover, zoning plays a vital role in safeguarding environmentally sensitive areas and reducing exposure to wildfire risks, underscoring its enduring importance as a foundational instrument of urban planning.

In recent years, traditional zoning practices have been subject to increasing scrutiny. Critics argue that low-density zoning and land-use restrictions have contributed to housing shortages, affordability challenges, socioeconomic segregation,

[3] In California, statewide housing reforms brush against local resistance | Brookings
[4] New-Pathways-to-Encourage-Housing-Production-Evaluating-Californias-Recent-Housing-Legislation-April-2023-Final.pdf

automobile-dependent development, and exclusionary housing patterns.[5] Housing advocates, civil rights organizations, and some policymakers have cited these concerns as justification for significant state intervention and reform of local land-use authority.[6]

State leaders have relied on these critiques to support a series of Housing Mandates that expand the State's role in local planning decisions. These measures prioritize increased housing production as the central response to the State's affordability challenges. The underlying assumption is that a significant increase in supply will help reduce housing costs. However, historical data reviewed by the 25-26 Orange County Grand Jury (OCGJ) indicate that periods of high housing production in Orange County, including during the 1990s, did not consistently result in improved affordability.[7] This suggests that housing affordability is influenced by multiple factors other than housing supply, including land values, construction costs, wages, and regional economic conditions.

The dissolution of redevelopment agencies in 2012 further altered the local housing landscape. Redevelopment agencies had served as a significant source of financing for affordable housing and community revitalization projects through tax-increment financing and state-authorized planning powers. Their elimination removed a key funding mechanism for cities and counties.[8] In subsequent years, the State imposed additional Housing Mandates without restoring revenue sources, leaving jurisdictions and builders responsible for meeting expanded obligations with reduced financial capacity.

The current generation of State Housing Mandates (6th Cycle) reflects multiple statewide policy objectives. Early legislative proposals referenced a goal of constructing approximately 3.5 million new housing units; later that figure was reduced to approximately 2.5 million units.[9] Despite these goals, statewide production continues to fall short of identified need. To address this, state housing legislation has emphasized increased zoning density, reduced discretionary review, expanded ministerial approval pathways, strengthened density bonus incentives, and increased requirements for jurisdictions to facilitate affordable housing in lieu of government subsidies. Additional measures focus on locating new housing near employment centers and transit corridors to reduce commute times and greenhouse gas emissions.[10]

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[5] National Low Income Housing Coalition - Land Use Restrictions and Affordable Housing
[6] Fixing California's housing shortage requires new policy and new politics - Berkeley Economy & Society Initiative
[7] Court Agrees Anaheim Violated State Law. Decision is a Big Win for Fair Housing in California | California Department of Housing and Community Development
[8] California Post-RDA Affordable Housing Developer Survey: Analysis of Results - San Francisco Fed
[9] New-Pathways-to-Encourage-Housing-Production-Evaluating-Californias-Recent-Housing-Legislation-April-2023-Final.pdf
[10] California State Senate Recent Legislative Actions

Collectively, these policies mark a significant shift in California's approach to land-use governance. While intended to address housing shortages and affordability concerns, they have also raised questions regarding feasibility, infrastructure capacity, public engagement, and the long-term effects on established communities. These issues are particularly relevant in Orange County, where many cities are fully built out, constrained by environmental concerns, geography, and infrastructure limitations, and seeking to balance statutory obligations with community priorities and public expectations. The impact on Orange County and its 34 cities in meeting these Housing Mandates deserves intense scrutiny.

REASON FOR STUDY

The expansion of Housing Mandates has provoked public awareness and challenged local governments. Media coverage has grown, reflecting divergent viewpoints regarding the Housing Mandates' effectiveness, equity, and long-term consequences. Cities across Orange County have responded in a variety of ways, adopting compliance strategies that differ widely in breadth, transparency, and community engagement. Residents have expressed a similarly broad range of perspectives, from support for expanded housing opportunities to concerns regarding neighborhood impacts, infrastructure strain, loss of local control, and limitations on public participation in land-use decision-making.

Housing Mandates have the potential to significantly reshape the character of Orange County Communities.

Beyond requiring increased zoning density and higher residential densities, the Housing Mandates influence demographic patterns, neighborhood character, transportation systems, public services, and environmental concern. Local jurisdictions must absorb these impacts without corresponding state investment in infrastructure, affordable housing subsidies, or restoration of tools previously used to manage growth, such as redevelopment agency financing.

Given these conditions, this report attempts to evaluate both the intended and unintended consequences of Housing Mandates as they are applied within Orange County. It will identify where state requirements may conflict with local capacity and community needs and assess how recent legislative changes have shifted the balance between state authority and local governance. In addition, this report seeks to establish a strategic framework for influencing future housing allocations within SCAG by strengthening the role and effectiveness of OCCOG as we move into the next planning phase.

METHOD OF STUDY

In conducting this study, the OCGJ employed a multi-method approach designed to gather information from a broad range of governmental, professional, construction industry, and community perspectives. The methodology included research, interviews, observational site visits, document review, surveys, and participation in relevant public forums. This comprehensive approach allowed the OCGJ to evaluate how Housing Mandates are interpreted, implemented, and experienced across Orange County jurisdictions.

Research

The OCGJ conducted extensive background research using publicly available sources, including:

- Governmental and agency websites
- Online news and media sources
- Local and Community news outlets

Interviews

The OCGJ conducted interviews with representatives from the following organizations and groups:

- City leadership from multiple Orange County cities
- Sitting and former city officials
- Orange County Council of Governments (OCCOG)
- Orange County Public Works – Development Services
- Orange County Housing & Community Development
- Local housing program administrators
- American Institute of Certified Planners (AICP) – housing specialists
- Private-sector builders and development professionals

Observations and Site Visits

OCGJ members conducted guided site visits and observations of housing and mixed-use developments, including:

Multiple retail and housing developments (market rate, affordable and low income) in:

- Huntington Beach
- Midway City
- Anaheim
- Santa Ana
- Westminster
- Irvine

- San Juan Capistrano

Public Forums and Events

The Members of the OCGJ attended:

- The 2025 Chapman Economic Forecast
- Newport Beach Community Forum
- Foothills Neighborhood Association Town Hall

Government Meetings

The Members of the OCGJ attended:

- Orange County Board of Supervisors
- Orange County Council of Governments (OCCOG)
- Technical Advisory Committee (TAC), a subcommittee of OCCOG
- Monitored City Council meeting within the County

Document Review

- Complaints and correspondence submitted by Orange County residents.
- Community Development Records from applicable jurisdictions

City Survey

The OCGJ developed and distributed written survey questions to Orange County cities to gather information concerning:

- Housing Element compliance strategies
- Local responses to Housing Mandates
- Community engagement processes
- Infrastructure and resource constraints

INVESTIGATION AND ANALYSIS

State Housing Mandates and Local Implementation

The Housings Mandates, through the laws approved by the California Legislature, have pursued a more centralized and enforceable approach to housing policy (Appendix A), shifting significant authority from local jurisdictions to the State. Since 2017, the California Legislature has enacted more than one hundred housing related bills, designed to establish clearer production expectations, reduce procedural delays, and strengthen enforcement mechanisms for jurisdictions that do not comply with state housing requirements.

California's housing statutes are not aspirational guidelines; they carry the force of law and impose affirmative legal obligations on local jurisdictions. Cities are therefore required to plan for, accommodate, and in many cases, approve housing development consistent with Housing Mandates, regardless of local political preferences, historic planning practices or public consensus.

According to California State policy guidance, the Housing Mandates are intended to address decades of housing underproduction that state policymakers identify as contributing to rising housing costs, overcrowding, displacement, reduced economic mobility and a lack of affordable housing.[11] From the State's perspective, reliance on regional and local discretion has not consistently generated housing at levels necessary to improve affordability, particularly for lower and moderate-income households.[12] In response, the California Legislature and HCD have adopted a compliance driven model designed to ensure that every jurisdiction contributes to meeting statewide housing needs.

Orange County cities differ significantly. Th OCGJ's investigation focused on areas where the state's rapidly evolving legislative requirements conflicted with local zoning practices, infrastructure constraints, and past practices. It also examined how recent statutory reforms shifted authority away from local jurisdictions toward state oversight and enforcement, reshaping the governance methodology and altering both the practical and legal responsibilities of cities.

Within this context, this report does not question whether cities must comply with state housing law—they must—but rather this report's objective is to assist Orange County jurisdictions and the public in understanding the framework within which they operate and enhance the possibility of good planning practices and design. During interviews, city officials and builders described to the OCGJ the benefits of citizen engagement, proactive and early coordination on planning, realistic site inventories, and timely engagement with state agencies to avoid punitive actions.

Public communication and civic education is essential. Several Orange County cities reported undertaking efforts to engage residents and explain how the Housing Mandates affect local decision-making authority, including reductions in traditional zoning discretion. Transparent public outreach was identified as an important practice for maintaining community trust and managing expectations in an era of constrained local control.

Through interviews, document review, site observations, and comparative analysis, several key themes emerged and are expanded on below:

[11] Statewide Housing Plan
[12] California Legislative Analyst's Office - California Housing

- Environmental Context and CEQA
- RHNA Process
- RHNA Challenges
- Penalties of Not Having an Approved HCA Housing Element
- Penalties for Not meeting Approved Housing Plan
- Feasibility of Housing Mandate in Orange County
- One Size Does Not Fit All
- California and OC Population Trends
- 6th Cycle Housing Allocations in OC
- City Challenges
- 7th Cycle Concerns

Environmental Context and CEQA

In 1970, California enacted the California Environmental Quality Act (CEQA) with broad legislative support. These are the broad body of environment laws that attempt to protect California's environment[13]. Its core purpose is to ensure that state and local government agencies identify and publicly disclose the environmental impacts of proposed projects before approving them.[14] Importantly, CEQA does not prohibit development; it ensures development is done responsibly, with environmental protections, public notice, and accountability. It has played a key role in shaping California's environmental standards for over five decades. Yet recent housing laws are chipping away at these hard-won environmental protections and may put our environment at risk.

Over time, the California Legislature has adopted amendments intended to streamline housing projects. Several interviewees asserted that recent statutes—including A130 and SB131—have the effect of narrowing CEQA's environmental review for qualifying housing projects by expanding ministerial or exempt pathways[15]. Before CEQA and the Federal Clean Air Act, Southern California experienced severe air pollution, with the region enduring over 200 days each year of unhealthy ozone levels.[16] In the 1970s, this led to frequent smog alerts and restrictions on outdoor activity for vulnerable residents[17]. Longtime residents recall this period as one when smog was so persistent it regularly obscured visibility and affected daily life. Today, air quality in Southern California is dramatically improved, with far fewer unhealthy-air days due to decades of

[13] PPIC Statewide Survey: Californians and the Environment - Public Policy Institute of California
[14] South Coast Air Quality Management District - CEQA
[15] California Lawmakers Approve Major Overhaul of Landmark Environmental Law | KQED
[16] How Los Angeles Began to Put its Smoggy Days Behind | History & Society | PBS SoCal
[17] Los Angeles Historical Air Quality Analysis: AQI, PM, CO, SO2, NO2, O3

CEQA measures that have collectively transformed the air basin and made local conditions significantly cleaner and healthier than during the smog-filled 1970's.[18]



A smoggy aerial view of downtown Los Angeles in January 1975.

Polling in California consistently shows strong public support for environmental protection, though some surveys also indicate support for regulatory changes aimed at increasing housing production and lowering costs.[19]

Recent laws have made it simpler to construct housing by scaling back environmental controls.[20] While this may accelerate development, it also threatens to weaken important environmental protections that California has relied on for decades. And importantly, there is no guarantee that these streamlined projects will provide affordable homes or meaningfully improve the housing crisis.

[18] How Los Angeles Began to Put its Smoggy Days Behind | History & Society | PBS SoCal
[19] PPIC Statewide Survey: Californians and the Environment - Public Policy Institute of California
[20] In California, statewide housing reforms brush against local resistance | Brookings

Regional Housing Needs Assessment Process

RHNA is the State mandated process that determines the number of new housing units across various income levels that each city and county must plan for each 8-year cycle.[21] It requires local governments to zone adequate land to meet projected regional housing needs.[22] RHNA is implemented through the HCD whose mission statement emphasizes safe, affordable homes and sustainable communities.[23]

The RHNA process begins with HCD's review of household growth projections to estimate future housing needs by region. The California Department of Finance shares demographic projections with regional planning bodies known as Councils of Governments (COGs). These projections form the basis for RHNA determinations among California regions, and each COG then develops suballocations for counties and cities within its jurisdiction. Each city is required to update a Housing Element as part of its General Plan, describing objectives, programs, and housing sites consistent with RHNA goals. In recent years, the California Legislature has enacted statutes expanding HCD's authority in reviewing and enforcing RHNA related plans.[24]

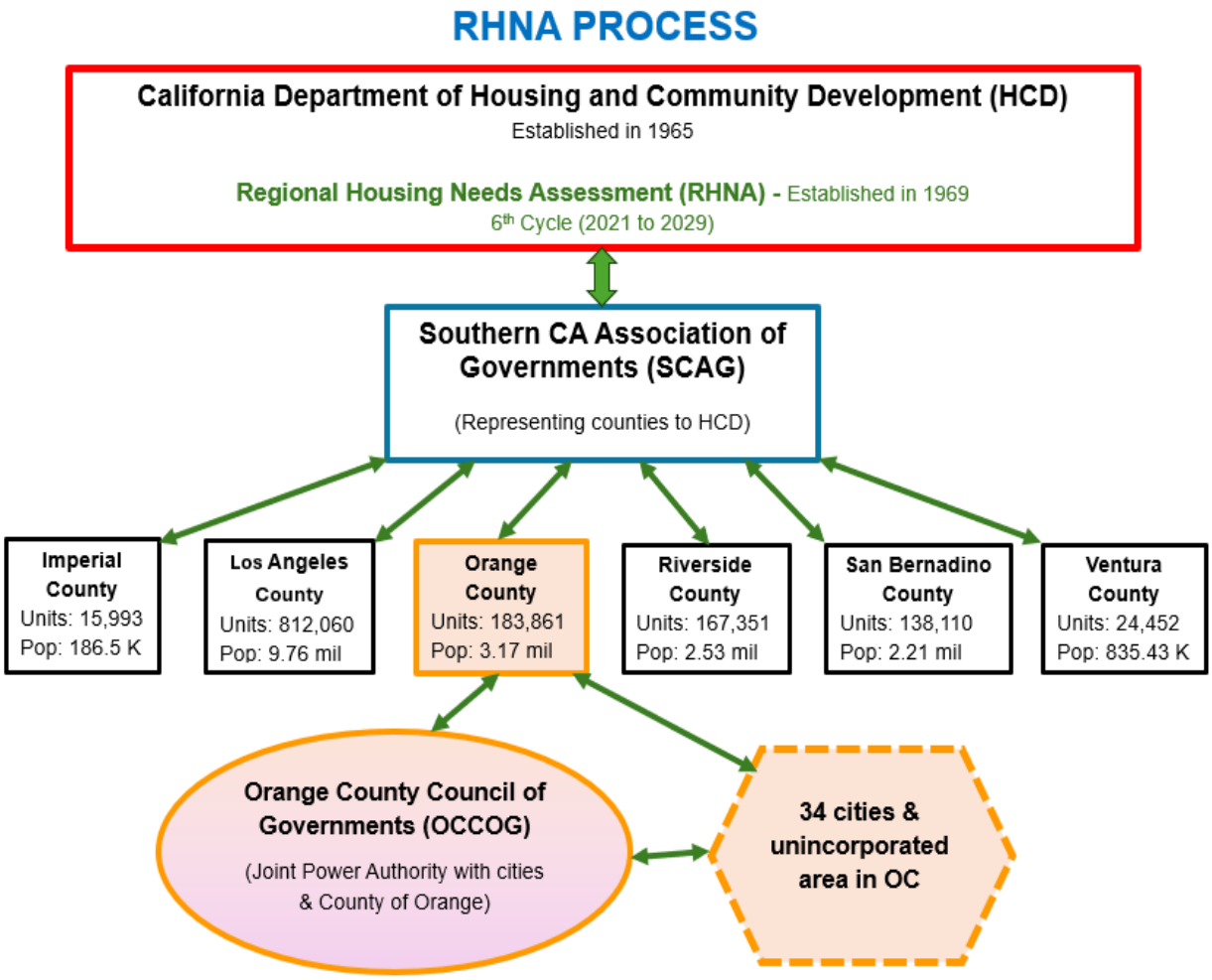
SCAG is the largest COG in the State which includes Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties. SCAG represents 197 jurisdictions across more than 38,000 square miles. SCAG develops RHNA allocations for its member jurisdictions and also engages at the state level on issues relevant to regional planning, including housing legislation.[25]

OCCOG, established as a joint power's agency in 1996, serves as a representative of Orange County to SCAG on RHNA planning (and other issues, i.e., transportation). The organization emphasizes collaboration, transparency, and consistent advocacy to ensure Orange County's interests are effectively represented in regional planning, areas where the OCGJ has identified deficiencies.[26]

OCCOG's charter describes it as a voluntary advisory association of local governments seeking sub regional and regional planning, coordination, and technical assistance on issues of mutual concern. OCCOG has an Executive Director and minimal staff. A member of the Orange County Board of Supervisors serves on the OCCOG Board and is the SCAG representative for the County of Orange.[27]

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[21] California Housing Element Law Explained – Legal Clarity
[22] The California State of Real Estate - Realtor.com Economic Research
[23] Welcome to HCD! | California Department of Housing and Community Development
[24] Enforcement Authority | California Department of Housing and Community Development
[25] About us | Southern California Association of Governments
[26] Orange County Council of Governments
[27] Orange County Council of Governments



SCAG adopted its 6th Cycle housing allocation plan for the period of October 2021 through October 2029. The plan assigns 1,341,827 additional housing units across the SCAG region—which includes most of Southern California—and distributes those units among cities and unincorporated areas, including those in Orange County.[28]

Stakeholders reported that the 6th Cycle methodology resulted in a significant housing unit increase compared with the 5th Cycle allocation to SCAG of 411,953 units; representing approximately a 300% increase. The dramatic increase prompted the municipalities to request reviews and appeals of their assigned housing requirements. In response, HCD cited multiple reasons for the regional increases including unit overcrowding, affordability indicators, the ongoing effects of previously unbuilt housing units during the 2008 recession and the statutory adjustment factors under California Government Code § 65584.01 (statutory formula)[29]

[28] Southern California COG Regional Housing Need Determination
[29] Southern California COG Regional Housing Need Determination

Summarized are the five objectives that the COGs (i.e. SCAG) must further in their allocation methodology (Gov. Code § 65584(d)):[30]

- Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, resulting in allocations for low and very low-income households, and providing for extremely low and acutely low-income allocations within the range prescribed by statute
- Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, encouraging efficient development patterns, and achieving greenhouse gas reduction targets pursuant to Government Code section 65080.
- Improving the intraregional relationship between jobs and housing, including balance between low wage jobs and housing affordable to low wage workers.
- Allocating a lower proportion of housing need to an income category where a jurisdiction already has a disproportionately high share of households in that category relative to the countywide distribution.
- Affirmatively furthering fair housing.

These objectives are intended to support more economically diverse communities by assigning housing to high resource, job rich areas and by encouraging infill development while protecting environmental resources (CEQA).[31] RHNA assigns targets to each jurisdiction by income category. For the 6th Cycle, the four income categories are: Very Low (≤ 50% of county median income), Low (50–80%), Moderate (80–120%), and Above Moderate (≥ 120%)[32]. Through HCD and RHNA, California instructs and enforces compliance with specific housing targets.

Regional Housing Needs Analysis Challenges

The cities' leadership in Orange County offered multiple critiques of RHNA, including: (1) allocation methodology at SCAG does not reflect local housing need, (2) concerns of fairness in allocation across jurisdictions, (3) the appeal process to SCAG by local governments were consistently denied, and (4) assigned housing goals do not consistently translate into actual permitting, especially for lower income households.[33] HCD has stated that RHNA goals should not be interpreted as a production forecast but

[30] California Department of Housing and Community Development |
[31] The 5 Statutory Objectives of the RHNA Methodology
[32] State Housing Law Program | California Department of Housing and Community Development
[33] Best Practices for Allocating & Evaluating RHNA

as a planning objective.[34] Even with this planning objective, Orange County jurisdictions reported significant operational and fiscal challenges associated with implementation.

Jurisdictions described resource constraints that affect their ability to implement the Housing Mandates consistent with legislative intent, including staffing limitations, the need for specialized consultant support, and budget constraints. Several cities characterized RHNA determination and compliance as complex and costly. Some cities reported spending hundreds of thousands of dollars (sometimes reaching close to $1,000,000) to meet the reporting mandate. Taxpayer money spent on planning does not directly result in the construction of housing units.

Interviewees also reported that SCAG's approved methodology is complex and difficult for elected officials to communicate their housing allocation and ultimate Housing Element to their constituents. HCD and SCAG should take steps to improve the RHNA processes, including enhancing communication transparency and simplifying data driven methodologies. Additionally, recognizing the compliance costs to taxpayers cannot be left unaddressed even as the 7th Cycle planning is currently underway.

In October 2021, the California State Joint Legislative Audit Committee approved an emergency audit of HCD's regional determination process, citing limited public visibility of calculation methods and a need for independent review.[35] Further, the audit identified errors in certain data calculations and raised concerns[36]. The California State Auditor subsequently issued findings that criticized aspects of HCD's methodology indicating potential inflation of requirements by a substantial number of housing units.[37] Some of the cited errors included the use of very outdated and inaccurate vacancy factor rates[38]. One report even suggests base information used was from the 1980's[39]. Others reported that HCD relied on population projections that differed from California Department of Finance forecasts, which generally show relatively modest long-term growth, and instead used assumptions that resulted in significantly higher projected housing needs.[40] HCD's response, to the California State Auditor, and on their website, acknowledged there was room for improvement and addressed the allocation criticisms in very general terms but did not mention that the numbers had been or would be corrected.[41]

[34] New-Pathways-to-Encourage-Housing-Production-Evaluating-Californias-Recent-Housing-Legislation-April-2023-Final.pdf
[35] California Auditor Report 2021-125
[36] California Auditor Report 2021-125
[37] More Homes, Hardly Any Population Growth—So Why Is California Still So Expensive?
[38] CA Auditor Bashes State's Mandated Housing Numbers, Says Process Is Flawed, Lacks Oversight
[39] CA Auditor Bashes State's Mandated Housing Numbers, Says Process Is Flawed, Lacks Oversight
[40] Court: 'Regional Housing Need' Determinations Aren't Judicially Reviewable - Davis Vanguard
[41] California State Auditor - Report 2021-125 Recommendation 3 Responses

Separately, in June 2021, OCCOG, on behalf of the Orange County cities, filed a judicial challenge to HCD's regional housing determination, arguing that HCD failed to follow statutory requirements in developing the RHNA allocation.[42] The trial court dismissed the petition in November 2021, and the Second District Court of Appeal affirmed that dismissal in July 2023, holding that neither OCCOG nor its member cities could challenge HCD's methodology.[43] On August 24, 2023, the OCCOG Board authorized counsel to petition the California Supreme Court for review, but the Court denied the petition on October 11, 2023, effectively ending OCCOG's legal challenge.[44] During the 6th Cycle process, SCAG received 48 appeals from cities challenging their housing allocation within their 45-day appeal period. After SCAGs review, they quickly denied 47 of them.[45] This demonstrates limited jurisdictional influence over the allocation and appeal process. This series of rulings confirms that HCD's statutory authority has been upheld by the courts, and that any changes sought by local jurisdictions may be addressed better through the legislative process rather than litigation.

Penalties for Not Having an HCD-Approved Housing Element

A city that fails to obtain certification of its Housing Element from the HCD is considered out of compliance with state Housing Element Law and becomes subject to a range of escalating enforcement actions.[46] HCD's Housing Accountability Unit (HAU) has authority to initiate enforcement, including referral to the California Attorney General for legal action when a jurisdiction does not meet statutory planning requirements.[47] When a city is out of compliance, it can be exposed to severe statutory penalties, such as lawsuits by the Attorney General or outside entities, court-imposed fines ranging from $10,000 to $600,000 per month, and court orders that may mandate project approvals, require rezoning, suspend a city's authority to issue building permits, or even strip the city council of land-use authority until compliance is achieved.[48]

The most concerning and widely known consequence of noncompliance is the Builder's Remedy, which restricts a city's ability to deny qualifying housing projects even when they conflict with the city's General Plan or zoning rules.[49] Under this provision, developers may propose larger, denser projects that bypass local zoning controls if at least 20% of the units are affordable to low-income households or if the project is 100%

[42] OCCOG Press Release HCD
[43] Orange Cnty. Council of Gov'ts. v. Velasquez - vLex United States
[44] Orange County Council of Governments
[45] Orange County Council of Governments
[46] Analysis Finds Davis Not on Track to Meet Housing Requirements without Approval of Two Voter Projects - Davis Vanguard
[4747] Analysis Finds Davis Not on Track to Meet Housing Requirements without Approval of Two Voter Projects - Davis Vanguard
[48] Housing Open Data Tools | California Department of Housing and Community Development
[49] "Builder's Remedy" Reform Bill Approved by Governor Newsom | Allen Matkins

moderate-income.[50] Cities without a compliant Housing Element lose their ability to regulate these projects through their typical zoning constraints unless they can demonstrate specific, adverse health or safety impacts.[51] Additional consequences include loss of access to key state funding sources and being placed on a shorter four-year Housing Element update cycle rather than the standard eight-year schedule.[52]

As of this writing, some Orange County cities—such as Huntington Beach and Seal Beach—have not yet obtained certification of their Housing Elements for the 6th Cycle or have been subject to enforcement actions related to noncompliance, while others, such as Costa Mesa, have only achieved compliance after delays and state intervention.[53]

Penalties for Not Meeting Housing-Plan Construction Goals

While RHNA production targets are planning requirements, not actual construction mandates – cities may face meaningful consequences if they fail to implement the programs and rezoning commitments included in their certified Housing Elements. HCD's HAU monitors compliance with both Housing Element commitments and state housing laws, and violations may prompt enforcement letters, monitoring actions, or legal referrals to the Attorney General.[54] Courts have shown a willingness to override local discretion when a city's failure to implement its Housing Element prevents the jurisdiction from accommodating its assigned RHNA allocation.[55] In some cases, courts may mandate rezoning, invalidate local development restrictions, or require approval of specific projects to ensure that adequate housing capacity is created.[56]

Feasibility of Housing Mandate in Orange County

The feasibility of California's Housing Mandates in Orange County raises significant practical concerns. HCD, during the 6th Cycle, has allocated 183,161 housing units to Orange County to be constructed by 2029 with 30% being considered 'affordable'. However, according to the US Census Bureau, Orange County is only producing an average of 5,000 units a year over the past 5 years.[57] Clearly this is a dilemma for the County. While it is relatively easy for the California Legislature to pass ambitious housing laws, the actual construction of these units is far more challenging. The Housing Mandates may be well-intentioned but translating them into real-world development is complex, due to constraints in land availability and costs, infrastructure

[50] Builder's Remedy Primer
[51] The Builder's Remedy and Housing Elements
[52] Housing Elements | California Department of Housing and Community Development
[53] Appeals Court Orders Huntington Beach to Comply with State Housing Law - Davis Vanguard
[54] Enforcement Process | California Department of Housing and Community Development
[55] Appeals Court Orders Huntington Beach to Comply with State Housing Law - Davis Vanguard
[56] Appeals Court Orders Huntington Beach to Comply with State Housing Law - Davis Vanguard
[57] Index of /programs-surveys/popest/tables

capacity, high construction and labor costs, community acceptance, and capital formation.

Capital formation for housing development in Orange County faces significant challenges. The cost of capital remains high, and the long timeline required to entitle, build, and eventually generate revenue increases financial risk for developers. Interest-rate volatility further complicates financing, affecting both equity investment and construction loan terms. At the same time, affordable housing projects often struggle to qualify for limited government subsidies, leaving many developments financially infeasible. These pressures are intensified in Orange County, which has some of the highest land and construction costs in California, making lower-income housing especially difficult to deliver without substantial public support.[58] [59] [60] [61]

Most parts of Orange County are already built out, leaving limited land available for new development. Substantial portions of the remaining undeveloped areas are further constrained by coastal regulations, floodplains, wildfire-prone zones, steep hillsides, protected open space, and other environmentally sensitive lands. These physical and regulatory barriers significantly reduce the amount of land that can realistically be developed. At the same time, the County faces substantial infrastructure limitations—including constraints on water and sewer systems, road capacity and traffic circulation, parking availability, schools, parks and recreation space, transit corridors, and even utilities such as electricity and natural gas. Taken together, these constraints sharply limit how much additional housing can be accommodated, even when zoning or Housing Mandates call for higher densities.

High construction costs remain a major obstacle to new housing production, driven by escalating prices for essential building materials such as lumber, steel, concrete, and electrical components. Persistent labor shortages across skilled trades further compound these costs, as limited labor supply leads to higher wages and project delays. Appliance costs have also risen significantly, especially for energy-efficient or higher-end models now commonly required by building codes or market expectations. Additionally, the desired level of luxury or finish, such as premium flooring, countertops, fixtures, and community amenities, can substantially increase overall project budgets, making even modest housing developments expensive to deliver.

Reports indicate it cost approximately $500,000 to $800,000 to build a one-bedroom low-income rental unit in Orange County. Low Income units require rental subsidies.

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[58] Turner Center UC Berkeley Development Math
[59] Interest Rates Impact Construction Project Funding
[60] CHP State Housing Needs Report
[61] The High Cost of Producing Multifamily Housing in California: Evidence and Policy Recommendations | RAND

With declining federal, state, and local funding subsidies, it is difficult to build affordable housing. Developer interest therefore is focused on market rate housing production.

In short, Housing Mandates are legally binding, yet remain extraordinarily difficult for many cities to achieve. ~~While~~ While RHNA serves a key role as a planning tool, requiring cities to zone for additional housing and align local policies with statewide objectives, meeting the full scale of assigned housing targets, especially for lower-income households, is often unrealistic without sustained public funding, expanded infrastructure, and ongoing State support. In practice, the Housing Mandates alone do not produce homes. Achieving HCD/SCAG goals in Orange County ultimately depends on market-responsive policies, and complementary funding strategies. It is not simply higher numerical requirements or punitive measures.

In practice, Housing Mandates alone do not build homes.

One Size Does Not Fit All

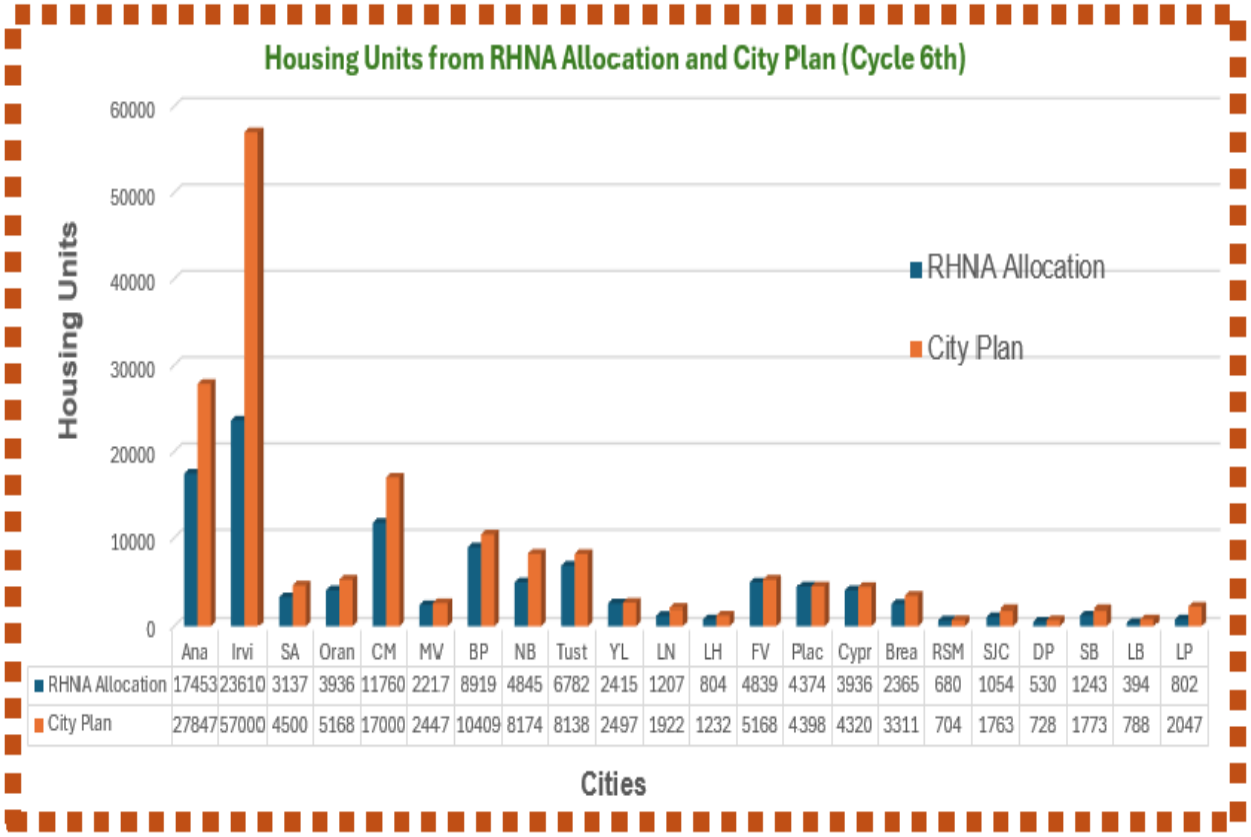
California's statewide Housing Mandates are intended to address a persistent and perceived shortage of housing.[62] However, the OCGJ found that the uniform statutory framework governing the RHNA process can function as a blunt instrument when applied across jurisdictions with widely differing conditions. City leadership consistently noted that a one-size-fits-all approach may not fully account for the unique character, environmental, infrastructural, economic, demographic, and geographic circumstances facing individual communities.

Several stakeholders noted that the RHNA process does not adequately differentiate among jurisdictions with varying levels of infrastructure capacity, longstanding physical or environmental constraints, or distinct development patterns. In particular, it fails to account for older, largely built-out cities—such as Garden Grove, Westminster, La Habra, and Fountain Valley, where available land is minimal and new housing can occur primarily through infill development. In these contexts, construction is typically more complex and costly, further challenging feasibility. As a result, some local governments face disproportionate burdens in accommodating housing allocations that do not fully reflect on-the-ground constraints and local conditions.

The OCGJ notes that perspectives on this issue varied considerably. Interviewees from fast-growing or infrastructure-rich areas were more likely to support uniform standards, arguing that consistent requirements prevent jurisdictions from avoiding their fair share of housing obligations. Others expressed the view that Housing Mandates are necessary to overcome decades of underproduction and local resistance to growth.

[62] California Department of Housing and Community Development | California Department of Housing and Community Development

Ultimately, comments on the adequacy and fairness of California's uniform approach depended heavily on local context and a jurisdiction's capacity to absorb additional housing.



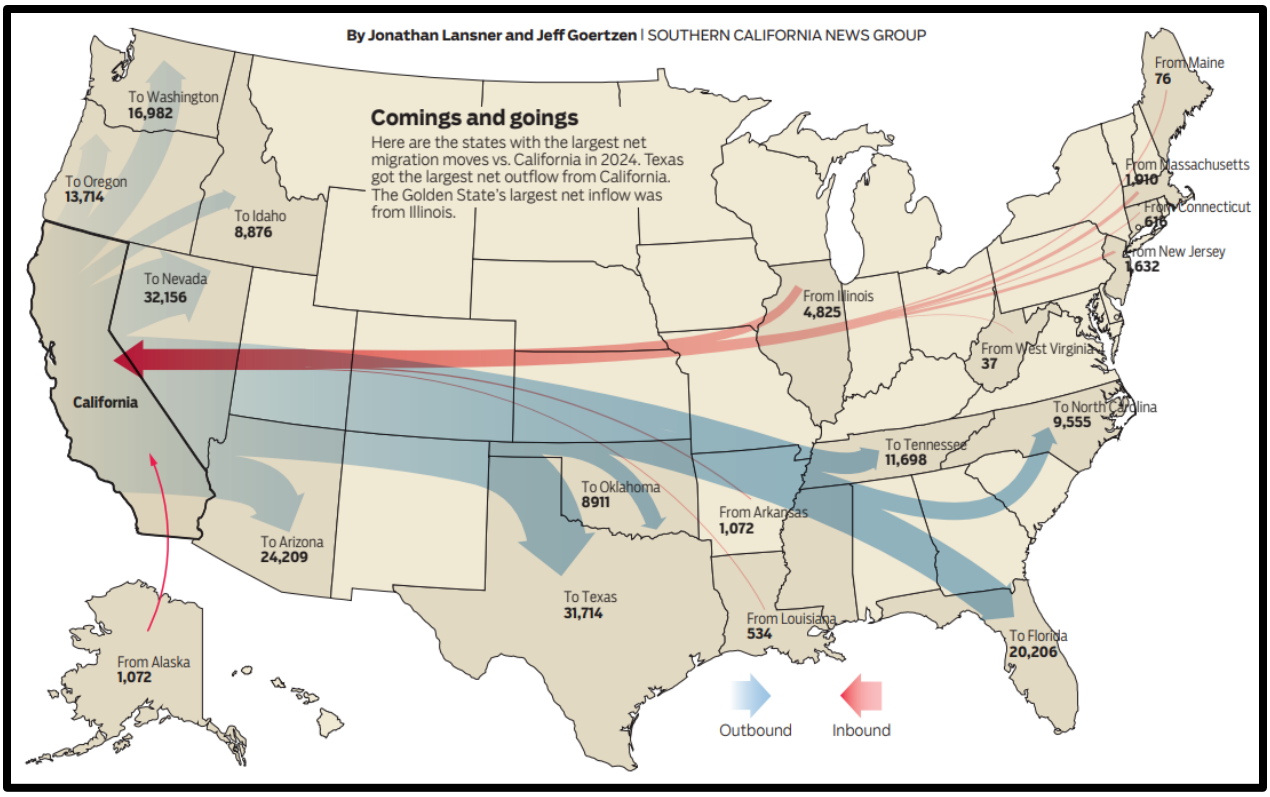
	Ana	Irvi	SA	Oran	CM	MV	BP	NB	Tust	YL	LN	LH	FV	Plac	Cypr	Brea	RSM	SJC	DP	SB	LB	LP
RHNA Allocation	17453	23610	3137	3936	11760	2217	8919	4845	6782	2415	1207	804	4839	4374	3936	2365	680	1054	530	1243	394	802
City Plan	27847	57000	4500	5168	17000	2447	10409	8174	8138	2497	1922	1232	5168	4398	4320	3311	704	1763	728	1773	788	2047

Data source: Cities' responses to the 2526 Grand Jury's survey

California and Orange County Population Trends

Over the past three decades, California has undergone a profound demographic shift. After more than a century of rapid population expansion (growing from under 20 million in 1970 to nearly 40 million by 2020) the State's growth has slowed dramatically, and in recent years has turned negative.[63] According to the Public Policy Institute of California, California lost 322,000 residents between July 2020 and July 2022 due largely to emigration, declining births, and reduced immigration.[64] And although modest growth resumed between 2022 and 2025, the overall trend remains flat and well below historical norms. As previously noted, this validates the California State Auditor's criticism of HCD, and its projections based on population.

[63] CSUF - Center for Demographic Research
[64] California's Population - Public Policy Institute of California



Source Orange County Register [65]

Historically, one of California's fastest-growing regions, Orange County, exhibits similar trajectories – population stagnation and decline. The U.S. Census Bureau has documented recent population decreases, noting that Orange County's long-standing growth pattern began to reverse in the early 2020's due in part, to an aging population, and reduced international migration and increased outmigration.[66] These trends challenge long-held assumptions about continuous growth in Orange County and suggest that future planning should incorporate demographic stabilization rather than expansion.

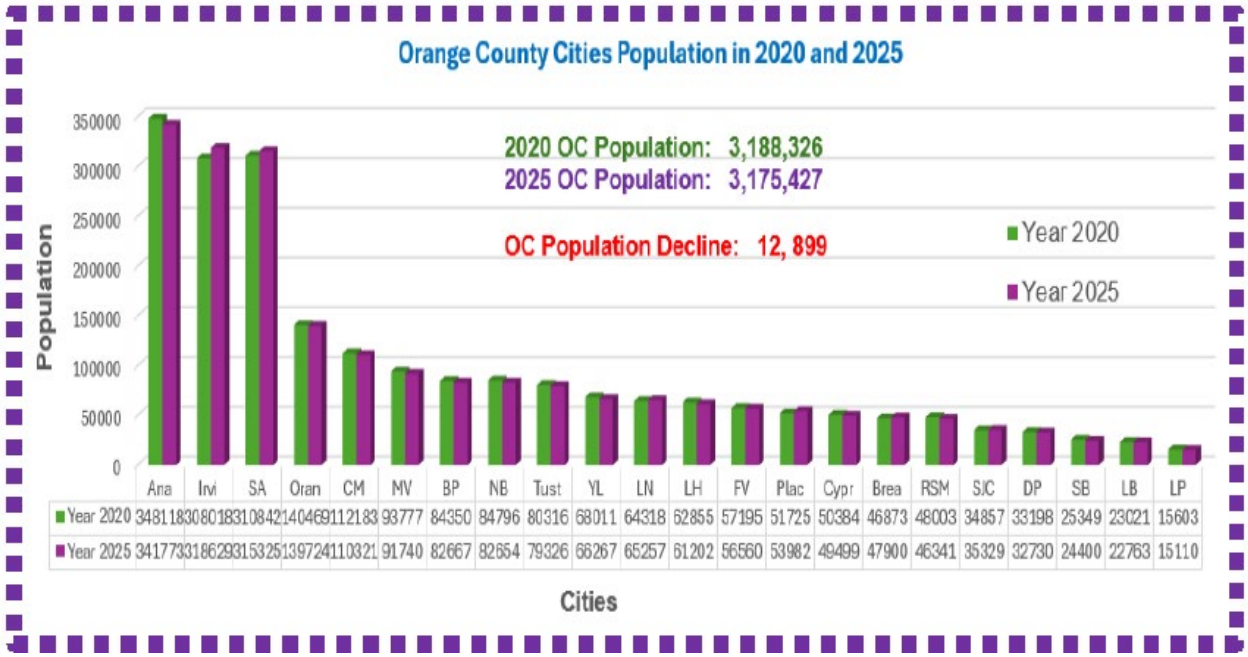
Despite these emerging realities, population projections used during the 6th Cycle (2021–2029) relied on pre-pandemic models that assumed continued growth.[67] HCD's 6th Cycle regional determination began with population forecasts from the Department of Finance and applied upward adjustments for overcrowding, cost burden, and vacancy—factors that significantly inflated the region's housing need calculation. However, by 2020–2025, many of these underlying drivers shifted in the opposite direction as

[65] Infographic: Are people leaving California? Here's what the numbers show us – Orange County Register
[66] Infographic: Are people leaving California? Here's what the numbers show us – Orange County Register

[67] Presentation: Overview of Regional Growth Forecasting, Modeling Task Force May 25, 2022 Meeting

California entered a period of population decline, raising questions about the accuracy of the assumptions embedded in the 6th Cycle projections. SCAG has acknowledged concerns from stakeholders regarding the appropriateness of the population and household growth assumptions used during the 6th Cycle and has initiated discussions with HCD to reform the methodology.[68]

Looking ahead to the 7th Cycle, California's demographic outlook is markedly different from the 6th Cycle. The Department of Finance's newest long-range projections (2024 baseline) show significantly slower statewide and county-level growth through 2070, with some regions, including Orange County, projected to experience prolonged stagnation or decline.[69] These updated projections, combined with post-2020 population losses, underscore the necessity for HCD and SCAG to recalibrate their methodologies so that the next RHNA Cycle reflects a more accurate and data-driven assessment of true housing need. Without incorporating the State's new demographic trajectory, RHNA risks overestimating future household growth and imposing planning obligations disconnected from both California's and Orange County's actual population realities.



Data source: Orange County Progress Report 2025

Notes: This chart includes only cities, who responded to the 2526 Grand Jury's survey.

6th Cycle (2021–2029) Housing Allocations in OC

California's Housing Element Law requires every city and county to plan for its share of regional housing need. For the 6th Cycle (October 2021–October 2029), SCAG

[68] PowerPoint Template for SCAG Presentations
[69] Projections | California Department of Finance

assigned the Orange County subregion a total of 183,861 housing units, allocated across four income categories: Very Low, Low, Moderate, and Above Moderate.[70]

While RHNA establishes the minimum number of units each jurisdiction must plan for, this OCGJ finds that cities seeking to meaningfully expand affordable housing production must adopt local housing targets that exceed their RHNA assignment. This is largely because the cost of constructing deed-restricted affordable units—often approaching $700,000 per unit—is rarely economically feasible without substantial public subsidy, layered financing, and other creative development strategies. As a result, cities increasingly rely on density bonus incentives, allowing developers to build additional market-rate units in exchange for providing affordable units, to help close funding gaps and meet lower-income housing obligations.

The RHNA process begins with the HCD determining the amount of housing needed for each region, including affordability levels, and continues with a regional agency (here, SCAG) dividing that need among counties and cities. SCAG's final 6th Cycle plan assigns Orange County jurisdictions a combined 183,861 total units for 2021–2029.[71]

SCAG's allocation plan further distributes Orange County's total to each city (and to the County's unincorporated area). The largest allocations go to major employment and population centers, with substantial totals assigned to, among others:

City	Units	City	Units
Irvine	23,610	Huntington Beach	13,368
Garden Grove	19,168	Costa Mesa	11,760
Anaheim	17,453	OC Unincorporated	10,340

These totals reflect the regional policy judgment—guided by state objectives—that jurisdictions must plan for additional housing capacity across income categories.

In summary, RHNA 6th Cycle allocations establish minimum planning obligations, but they do not, by themselves, overcome the structural feasibility barriers that constrain low-income housing delivery. This higher target is justified by (1) the anticipated attrition between zoning capacity and constructed projects, and (2) the necessity of leveraging private development to be incentivized to build affordable housing in a market where restricted rents cannot reliably support new construction without layered public assistance.

[70] Regional Housing Needs Assessment | Southern California Association of Governments
[71] Regional Housing Needs Assessment | Southern California Association of Governments

City Challenges

California's increasingly prescriptive Housing Mandates have placed substantial pressure on local governments in Orange County, requiring cities to plan for significantly higher levels of housing capacity. The cumulative effect has been added local government costs, uncertainty in interpreting evolving state requirements, inequities among jurisdictions, and escalating tension between state directives and the longstanding expectation of local control over planning and zoning.

While the State has articulated policy goals and methodology behind its Housing Mandates, the top-down framework often overlooks the essential role of local communities in electing officials to ensure that planning and zoning decisions reflect the values and priorities of the electorate—the very reason most cities incorporated in the first place. This disconnect has contributed to considerable tension, community frustration, and political instability in many Orange County cities, not to mention the constituents' lack of confidence that their elected officials are representing their interests.

To successfully meet the requirement of the Housing Mandates cities must file a Housing Element with HCD every eight years to meet the aggressive targets being mandated. Many local cities lack the internal expertise and staff time to draft such housing submissions and thus must hire costly external consultants to prepare appropriate legal documents. As previously noted, the costs to cities have been between $100,000 and over $1,000,000 for some of the larger cities. With 34 cities in Orange County and the County also required to provide a housing plan, the administrative costs are in the millions of dollars just to comply. With many local cities having budgetary challenges, this administrative burden is just another unfunded liability. These taxpayer dollars are spent to comply with the law and have no commensurate direct beneficial outcome for the community.

In Orange County, the Housing Mandates have substantially narrowed local land use discretion while increasing administrative, legal, and compliance risks for cities. Although framed as a planning requirement, the Housing Mandates have expanded residential density and embedded enforceable state oversight into what were traditionally local planning functions. As a result, compliance and enforcement mechanisms have begun to reshape municipal governance and materially influenced developmental patterns across the county. The result of these impacts in Orange County includes but are not limited to the following:

- Reduced local land-use authority
- Administrative and staffing burdens
- Financial expense
- Infrastructure limitations

- Increased legal exposure
- Political and community conflict
- Unfair RHNA housing allocations across the cities

Each city in Orange County has had a variety of challenges based upon differences in geography, fiscal capacity, land availability, funding availability, development interest and conditions, local policy decisions and community responses. The impact of the Housing Mandates has had dramatic impacts and cannot be ignored.

For example:

Anaheim: As the largest (population) city in Orange County, Anaheim has a strong fiscal base, including significant tourist-based revenue, and has already permitted and constructed a large number of housing units especially in light of their massive OC Vibe residential, retail and entertainment district. This is not to say, however, that they do not have their challenges with developers pushing to increase density within Anaheim Hills and the City's concern of density and building into a designated high-fire risk area. Due to its population of over 300,000, unlike most Orange County cities, Anaheim does have access to state and federal dollars~~,~~ to assist in meeting the affordable housing requirements.

Costa Mesa: Costa Mesa is one of only three Orange County cities still without a compliant Housing Element. Its continued effort to defend local regulations on sober living homes—rules that HCD does not formally recognize—has already cost the city access to certain state low-income housing funding. The situation worsened when one of the City's largest developers withdrew all of his properties from Costa Mesa's Housing Element inventory, slashing projected housing capacity from roughly 17,000 units to the bare minimum of about 11,750 units needed to meet state requirements.[72] This leaves the City with virtually no buffer to achieve compliance.

Fountain Valley: Fountain Valley is largely built out, with approximately 90% of its land already utilized. Limited available land and constrained financing capacity present major hurdles in Fountain Valley ever being able to meet the state requirements.

Huntington Beach: Huntington Beach has adopted a totally different strategy to address the Housing Mandates. They have aggressively pursued litigation in an effort as a "charter city" to preserve local land-use authority. This approach has resulted in substantial legal costs and financial exposure for the City for noncompliance. The City's

[72] Planning Commission Bombshell: Housing Element Update Crisis in Costa Mesa

legal challenges have all been denied including a final appeal to the US Supreme Court.[73] Consequences for non-compliance are pending.

Irvine: Irvine's response to the Housing Mandates differs from other Orange County cities. Being very progressive with available land currently under development, and two major developers active, the master planned community of Irvine has substantial flexibility. They have submitted to the State committing to build 56,000 additional units even though their allocation is approximately 26,000 units, the highest in Orange County. The original vision of Irvine being a residential community with commercial and residential balance runs the risk of being seriously eroded with high density apartments being vigorously constructed. This suggests Irvine might ultimately be more of an urban versus suburban community in the future. Residents are starting to be concerned as to the impact on traffic, parks, and schools. Furthermore, the current City council's recent move to rezone past open space commitments has created voter activism and resistance.

Newport Beach: Newport Beach has faced difficulty implementing the Housing Mandates due the concerns regarding community character, coastal constraints, and local values, contributing to resistance to higher density residential development. While elected officials worked hard at engaging and educating the community on the Housing Mandates, as development projects started to come on-line, major public resistance ensued. A recent ballot initiative was just approved to push back on the City's approved Housing Element.[74]

Mission Viejo: In March 2026, hundreds of Mission Viejo residents rallied in opposition to a proposed expansion of the Vista Del Lago apartment complex off Marguerite Parkway. The developer’s plan called for demolishing 68 existing units and replacing them with 418 new units, resulting in a net increase of 350 units, as well as constructing a new parking structure. The expansion would bring the total number of units on the 33-acre property to 958 units, dramatically increasing density in an area surrounded primarily by single-family homes.

After hours of heated public testimony and debate, the City Council voted 3–2 to advance the project. A majority of councilmembers stated they felt they had no choice but to approve the development due to the Housing Mandates, which require cities to zone and plan for significantly higher housing densities regardless of local neighborhood opposition.[75]

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[73] Attorney General Bonta Celebrates U.S. Supreme Court’s Denial of Huntington Beach’s Challenge to State Housing Laws | State of California - Department of Justice - Office of the Attorney General
[74] Newport Beach may dump state mandate as residents prep to vote on plan for far fewer housing units | LAist
[75] Editorial: Mission Viejo’s needless angst over apartments – Orange County Register

San Juan Capistrano: Due to its historical significance and geographic characteristics, the City has been challenged to meet the Housing Mandates. It is a tale of two communities – residents of great wealth and a large lower socioeconomic population requiring the need for more affordable housing. To date, City leadership appear to have built partnerships with low-income developers to build projects that maintain the community's heritage and meet the needs of the City. As high-end development takes place, a "fee in lieu" is assessed that generates funds for affordable housing. Superb planning and design have led to across-the-board community support for well designed, low-income redevelopment projects completed or underway.

Santa Ana: Santa Ana is already considered by HCDs' RHNA process to be a densely populated, lower socioeconomic community, and it has the lowest housing target in Orange County with only 3,137 units. Like Anaheim due to its population size, it has access to more federal and state housing dollars to meet its low-income housing compliance obligations.

The County of Orange: The County also has a RHNA requirement for its unincorporated areas. The County struggled to obtain certification of its Housing Element in 2025; it required multiple revisions due to the nature of small pockets of unincorporated areas it serves. Its largest development area in South Orange County, Rancho Mission Viejo of over 6,000 acres was entitled by the County before the Housing Mandates became law – few were affordable units. In addition, the largest track of undeveloped land is owned by the Federal Government (Cleveland National Forest) and not available for development.

The impacts of the Housing Mandates have disrupted governance and local control. In some communities it has created fierce resistance. The loss of local control impacts the traditions and norms within many Orange County cities. Community heritage, rightly or wrongly, is being seriously eroded.

The one-size-fits-all Housing Mandates has serious repercussions economically and politically only now coming into focus for the voters of Orange County as the implementation goes forward.

> *Community political activism has increased as housing projects move from approval to construction, but this engagement is often narrowly focused on individual developments rather than broader policy impacts. Cities should take a more proactive role in engaging residents in a comprehensive discussion about how RHNA implementation is affecting neighborhood character, infrastructure, and social cohesion. In addition, local elected officials have a responsibility to clearly communicate how state-directed housing policies, originating in Sacramento, shape local land-use decisions and limit municipal discretion.*

7th Cycle (2029-2037) Concerns

The 7th Cycle of the RHNA planning process has already started, addressing the period from 2029-2037. The OCGJ identified significant concerns related to transparency, data integrity, governance, and Orange County's ability to competitively represent itself within the broader SCAG region. These concerns stem from documented issues in the 6th Cycle, particularly the lack of clarity of the allocation methodology, the complexity of the decision-making structure, and inadequate procedural safeguards to ensure that Orange County's unique conditions are fully acknowledged.

The 6th Cycle methodology relied on numerous questionable inputs—including projected population, transit accessibility, job growth, vacancy adjustments, cost burden, and subjective social equity factors—derived from HCD and SCAG's adopted methodology.[76] These inputs were published but remained difficult for local jurisdictions to interpret due to their subjectivity, complexity and technical nature and the failure of HCD to clearly identify their methodology.[77]

Given these findings, Orange County cities face a recurring risk, because the statewide RHNA determination feeds directly into SCAG allocations, any methodological deficiencies at the state level immediately cascade into subregional planning and ultimately influence the allocations assigned to Orange County jurisdictions.

Experiences from the 6th Cycle highlight several issues that continue to shape Orange County's concerns heading into the 7th Cycle. The previous allocation process was marked by complexity, questionable data, late-stage modifications, and an overall lack of transparency. For example, SCAG's 6th Cycle allocation was adopted in March 2021 and then modified only a few months later[78], fueling confusion about how final numbers were determined. The process felt unfair to many local jurisdictions because the appeals window was extremely compressed, the methodology was difficult to replicate, and the relationship between data inputs—such as overcrowding, cost burden, or future transit accessibility—and final allocations was not easily understood. The appeals process was also futile and was not open to cities concerns.

Governance also played a role. SCAG and OCCOG rely on a large network of committees, working groups, and advisory bodies, which ensures broad participation but diffuses responsibility. With so many entities involved, accountability for data accuracy, timely inputs, and interpretation of the methodology becomes fragmented, making it difficult for any single entity to ensure the process is both rigorous and transparent.

[76] SCAG Final RHNA Methodology, March 5, 2020
[77] Best Practices for Allocating & Evaluating RHNA
[78] Regional Housing Needs Assessment | Southern California Association of Governments

The upcoming 7th Cycle is expected to be even more data-intensive.[79] New state guidance calls for clearer and more prescriptive methodology factors, improved appeals procedures, new income categories, and stronger alignment with greenhouse-gas and transportation planning.[80] Transit definitions are also being standardized statewide, meaning all Orange County Transportation Authority (OCTA) transit routes, frequencies, and hub locations must be fully validated and published early in the process. Without early coordination, the County risks being disadvantaged compared with regions that already have well-organized transit datasets.

Transparency remains a central concern. Orange County jurisdictions need access to all datasets used to calculate their allocations, ranging from growth projections to transit accessibility metrics, and must be able to replicate the calculations that lead to their assigned numbers. The California State Auditor has previously flagged gaps in how HCD documented its factors, reinforcing the need for a system that jurisdictions can audit and verify.

CONCLUSION

"We shape our buildings; thereafter they shape us." (Winston Churchill)

Housing Mandates and the RHNA allocation process are highly consequential for Orange County jurisdictions, particularly because the construction of low-income housing is rarely feasible without substantial subsidy. Interviewees consistently reported that funding streams to support deed-restricted housing remain limited, leaving cities responsible for planning large numbers of units that may never be financially viable without additional state or federal assistance. This gap between planning obligations and realistic development capacity has heightened local concern about the fairness and practicality of the current RHNA framework not to mention wasted tax dollars.

Against this backdrop, a recurring theme in interviews was the need for stronger regional coordination. Per the Joint Powers Agreement, OCCOG members pay dues to support operations, based on a 2009 adopted formula tied partly to each city's share of the county population. However, dues have not been adjusted in many years, leading several stakeholders to question whether current funding levels adequately support OCCOG's ability to coordinate subregional planning, respond to SCAG, and represent Orange County interests on matters as significant as RHNA. SCAG likewise uses population factors in its own dues structure, meaning jurisdictions with growing populations carry greater financial responsibility. Stakeholders noted that the overall

[79] California's Housing Future 2040: The Next Regional Housing Needs Allocation | California Department of Housing and Community Development
[80] California's Housing Future 2040: The Next Regional Housing Needs Allocation | California Department of Housing and Community Development

resource base may still be insufficient for the level of technical engagement required. Many jurisdictions expressed that increased support for OCCOG, both financial and participatory, would improve transparency around RHNA inputs and allow for more robust review of the assumptions that drive housing allocations.

The OCGJ believes that OCCOG is an underutilized regional asset that could play a significantly larger role in promoting equity, transparency, and public understanding of the RHNA process. Interviewees emphasized that consistent, proactive participation by city and county representatives in OCCOG and SCAG meetings is critical, especially early in the methodology-setting phase, when data inputs, assumptions, and distribution formulas are still in development. Without regular engagement, jurisdictions risk losing opportunities to influence decisions that later become binding obligations. Several interviewees suggested that cities consider enhancing their financial contributions so OCCOG can expand its analytical capacity, conduct independent research, and engage more effectively in SCAG's technical and policy committees and at the state level.

As work begins on the 7th Cycle, the need for collaboration is more urgent than ever. Cities cannot afford to be passive observers. Even if cities cannot directly change the final numbers issued by HCD or SCAG, their active involvement is essential to ensuring that Orange County's unique circumstances are understood and represented. Meaningful engagement can also help jurisdictions align their local planning strategies, clarify shared concerns, and coordinate responses to proposed methodological changes before they become final. A more empowered and better-resourced OCCOG would strengthen Orange County's collective voice, improve regional planning outcomes, and ensure local governments are not navigating the California's housing requirements in isolation.

Finally, the OCGJ notes that collaboration must extend beyond government agencies to the residents they serve. As Sacramento lawmakers continue to enact significant housing legislation, much of it with direct consequences for zoning, density, local control and neighborhood character development standards, the public must be informed and involved. Cities, working through OCCOG and SCAG, have an important role in educating residents about new laws, explaining their local impacts, and encouraging constituents to register their views with State Representatives. Improving public awareness not only strengthens transparency and trust but also ensures that community perspectives are included in shaping future housing policy.

> *By working together, jurisdictions, regional agencies, and the public, Orange County can more effectively navigate the challenges of Housing Mandates and advocate for a clearer, more equitable, and more locally responsive RHNA process.*

FINDINGS

In accordance with California Penal Code §933 and §933.05, the 2025-2026 Orange County Grand Jury requires (or, as noted, requests) responses from each agency and city affected by the "Findings" presented in this section. Responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation "California Housing Mandates" the 2025-2026 Orange County Grand Jury has arrived at 22 findings as follows:

F1 In recent years, the California Legislature has enacted an unusually large and burdensome volume of housing-related laws intended to strengthen compliance with State Housing Mandates.

F2 Housing Mandates are implemented through a RHNA process that often lacks transparency and relies on complex methodologies that are difficult for local officials and the public to understand or meaningfully challenge.

F3 OCCOG coordinates RHNA regional planning in partnership with the SCAG for Orange County. OCCOG lacks adequate influence with SCAG.

F4 Meaningful participation by Orange County cities in both OCCOG and SCAG meetings is critical to ensuring that local perspectives are represented during the development and implementation of Housing Mandates policies.

F5 SCAG's 6th Cycle RHNA assigned Orange County a questionable total of 183,861 housing units for the 2021–2029 planning period, with higher allocations concentrated in cities with major population and employment centers.

F6 RHNA allocations are unrealistic and not attainable within the current planning cycle due to limited available land, built-out urban conditions, infrastructure constraints, environmental factors, and public health and safety requirements.

F7 Residents in Orange County consistently express a desire for local planning decisions to reflect community priorities, including but not limited to neighborhood character, safety considerations, the environment and open-space preservation.

F8 California's regulatory construction costs (i.e. permitting fees) present substantial challenges for private housing developers—particularly those delivering affordable units.

F9 The cost of constructing a single affordable housing unit in California typically ranges from approximately $500,000 to $800,000 per unit when fully complying with current state regulations. New low-income housing is generally not financially feasible without public subsidy.

F10 Prior to their dissolution in 2012, redevelopment agencies served as a primary mechanism for cities and counties to finance affordable housing and related infrastructure. The loss of redevelopment has reduced cities' ability to support construction of affordable units.

F11 Because public subsidy is limited and highly competitive, cities seeking to produce meaningful quantities of low-income housing must rely in part on private development incentives, often resulting in higher overall development densities and unit counts than the RHNA allocation.

F12 The 6th Cycle RHNA methodology included numerous technical inputs published by SCAG and HCD; however, these inputs were highly complex and difficult for cities to interpret or independently verify.

F13 The California State Auditor's 2022 review found significant deficiencies in HCD's regional determination process—including inadequate documentation, data-entry errors, and insufficient justification for key assumptions—raising concerns that similar issues may affect the 7th Cycle process.

F14 OCCOG's current resources and organizational structure are insufficient to fully advocate for Orange County jurisdictions during RHNA methodology development, especially when compared with larger or more heavily resourced regional councils of governments that also influence SCAG.

F15 Demands on HCD are anticipated to materially alter methodology for the 7th Cycle, but Orange County jurisdictions have not yet received clear guidance on how these allocations will be translated into SCAG policy or local impacts.

F16 The reliance on transit accessibility as a major RHNA consideration requires high-quality, early-released datasets from OCTA; however, these datasets are not currently consolidated or formally adopted for use in the 7th Cycle methodology.

F17 The large number of committees, subcommittees, and advisory groups involved in SCAG and OCCOG's RHNA processes promotes broad participation but diffuses accountability, making it difficult to determine who is responsible for specific analytic inputs or process decisions.

F18 The City of Huntington Beach has been unsuccessful in its attempts to contest Housing Mandates. To date, Huntington Beach lacks an approved General Plan Housing Element related to RHNA Allocation.

F19 The City of Irvine has been progressive in submitting a housing plan that calls for twice the number of units mandated (56,000). However, this threatens the historical nature of a master plan community with substantial infrastructure challenges.

F20 Cities and other stakeholders encounter difficulty explaining RHNA outcomes to elected officials and the public due to a lack of clear, consolidated documentation describing how allocation decisions are derived from the underlying data.

F21 The absence of a clearly articulated and easily understandable description of the RHNA allocation algorithm contributes to perceptions that discretionary or political considerations may influence outcomes, even when allocations are made in compliance with state housing laws.

F22 Improved transparency and communication regarding RHNA methodology would enhance public confidence in the process and reduce misunderstandings among member jurisdictions.

RECOMMENDATIONS

In accordance with California Penal Code §933 and §933.05, the 2025-2026 Orange County Grand Jury requires (or, as noted, requests) responses from each agency and city affected by the “Recommendations” presented in this section. Responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation described herein, the 2025-2026 Orange County Grand Jury makes the following 20 recommendations:

R1 OCCOG should expand its technical-assistance and training programs, by September 30, 2026, to ensure that all Orange County jurisdictions understand RHNA methodology, statutory obligations, and the implications of noncompliance. (F1, F2, F3, F4)

R2 OCCOG should coordinate a countywide review of sites identified in local Housing Elements, by December 31, 2026, to evaluate whether each site meets state requirements for realistic capacity and development feasibility, supported by a standardized, version-controlled change log. (F3, F4)

R3 OCCOG should develop and publish a comprehensive RHNA Inputs Catalog, by April 30, 2027, prior to drafting the 7th Cycle methodology, documenting all datasets used, their sources, methodological assumptions, and a version-controlled record of changes. (F3, F4)

R4 OCCOG should create a public-facing RHNA Accountability Dashboard, by April 30, 2027, displaying deadlines, responsible agencies, dataset readiness, and upcoming SCAG decision points, to ensure transparency and timely action by jurisdictions. (F16)

R5 OCCOG should request that SCAG and HCD, by December 31, 2026, provide written guidance explaining how HCD's recommendations will be applied in shaping the 7th Cycle RHNA methodology so that jurisdictions can prepare proactively. (F16)

R6 OCCOG should convene a 7th Cycle Technical Working Group, by December 31, 2026, composed of planners, data analysts, and transit experts to pre-evaluate methodology scenarios and deliver unified, countywide recommendations to SCAG. (F3, F6, F15)

R7 OCCOG, all Orange County cities and the County of Orange should reassess the current dues structure, by September 30, 2026, to ensure that OCCOG has the resources necessary to effectively represent Orange County jurisdictions in SCAG processes, including RHNA methodology development and appeals. (F3, F15)

R8 By December 31, 2026, the Orange County Board of Supervisors should partner with cities to evaluate countywide infrastructure capacity—including water, wastewater, flood control, transportation, and public-safety systems—and develop a coordinated regional plan capable of supporting the level of housing growth required under state law. (F6)

R9 By September 30, 2026, the Orange County Board of Supervisors should strengthen its engagement with OCCOG and increase staff support to develop a shared, countywide database of potential housing sites and key development-feasibility factors. (F15)

R10 By June 30, 2027, the Orange County Board of Supervisors should evaluate whether the County should pursue its own independent Metropolitan Planning Organization (MPO) designation for purposes of regional housing planning. (F5, F6, F7, F15)

R11 The County of Orange and each city should ensure consistent participation in SCAG and OCCOG committees by September 30, 2026, including the Technical Advisory Committee (TAC), to strengthen regional representation during RHNA-methodology development. (F3, F4, F15)

R12 The County of Orange and each city should designate a single technical representative, by September 30, 2026, along with an alternate, for all RHNA-related SCAG and OCCOG committees to ensure continuity of participation and eliminate gaps in representation across multiple decision-making bodies. (F4)

R13 OCTA should provide an official, data-frozen countywide transit dataset (GTFS + GIS), by September 30, 2026, to meet OCCOG's analytical needs for 7th Cycle RHNA planning. (F17)

R14 By April 30, 2027, the County of Orange and each city should publish annual monitoring dashboards showing (a) entitlement pipeline conditions, (b) realistic site yield, (c) assembled funding sources for affordable units, and (d) conversion rates from planned capacity to issued permits and completed units, ensuring that County and city-determined capacity assumptions remain aligned with actual production. (F13)

R15 By September 30, 2026, and ongoing, the County Board of Supervisors and all city councils should make a coordinated and sustained effort to educate their constituents about the RHNA process—its requirements, its impact on local planning and community character, and the role residents can play in shaping outcomes. Public education efforts should also include guidance on how community members can effectively engage with the California Legislature and advocate for more realistic, data-driven housing policies. (F1, F7)

R16 By December 31, 2026, all cities should look to enhance their relationships with not-for-profit affordable housing developers to increase the opportunity to develop more affordable housing. (F8, F10, F12)

R17 By September 1, 2026, the City of Huntington Beach should evaluate submitting an appropriate Housing Element to reduce potential exposure to HCD penalties. (F18)

R18 By September 1, 2026, the City of Irvine should ascertain the level of community support for its housing element submission and its impact on the character of its master plan. (F19)

R19 By September 1, 2026, SCAG should conduct a formal review of its RHNA allocation methodology and clearly document, in understandable language, the inputs, assumptions, weighting, and decision points used in the allocation algorithm. This documentation should be publicly released and designed to improve transparency, reduce perceptions of political influence, and enhance public understanding of how allocations are determined. (F21)

R20 By September 1, 2026, SCAG should revise its RHNA appeals process to improve procedural transparency and responsiveness by clearly defining appeal criteria, documenting staff analyses and recommendations, providing written explanations for appeal decisions, and ensuring jurisdictions have meaningful opportunities to present and respond to staff findings. (F22)

RESPONSES CODE

The following excerpts from California Penal Code provide the requirements for public agencies to respond to the Findings and Recommendations of this Grand Jury's report:

Penal Code §933

(c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section 914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.

***Penal Code §933.05**.*

(a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:

(1) The respondent agrees with the finding.

(2) The respondent disagrees wholly or partially with the finding; in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.

(b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:

(1) The recommendation has been implemented, with a summary regarding the implemented action.

(2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.

(3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of

the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.

(4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.

(c) However, if a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the board of supervisors shall respond if requested by the grand jury, but the response of the board of supervisors shall address only those budgetary or personnel matters over which it has some decision-making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

RESPONSES

The Orange County Grand Jury requires (or, as noted, requests) the following responses:

OCCOG	90 Day Response Required
Findings	F3, F4, F5, F12, F13, F14, F15, F17
Recommendations	R1, R2, R3, R4, R5, R6, R7, R9, R11, R13
County of Orange, Board of Supervisors	90 Day Response Required
Findings	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations	R7, R8, R9, R10, R11, R12, R14, R15, R16
OCTA	90 Day Response Required
Findings	F16
Recommendations	R13
SCAG	90 Day Response Required
Findings	F3, F4, F5, F12, F13, F14, F15, F17, F20, F21, F22
Recommendations	R5, R11, R19, R20
City of Aliso Viejo	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Anaheim	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Brea	90 Day Response Required

Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Buena Park	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Costa Mesa	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Cypress	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Dana Point	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Fountain Valley	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Fullerton	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Garden Grove	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Huntington Beach	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12, F18
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16, R17
City of Irvine	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12, F19
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16, R18
City of La Habra	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of La Palma	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16

City of Laguna Beach	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Laguna Hills	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Laguna Niguel	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Laguna Woods	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Lake Forest	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Los Alamitos	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Mission Viejo	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Newport Beach	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Orange	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Placentia	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Rancho Santa Margarita	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16

City of San Clemente	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of San Juan Capistrano	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Santa Ana	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Seal Beach	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Stanton	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Tustin	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Villa Park	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Westminster	90 Day Response Requested
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16
City of Yorba Linda	90 Day Response Required
Findings:	F1, F2, F4, F5, F6, F7, F8, F9, F10, F11, F12
Recommendations:	R7, R8, R9, R11, R12, R14, R15, R16

GLOSSARY AND ACRONYMS

ADU	Accessory Dwelling Unit (ADU) is a secondary, independent housing unit located on the same lot as a primary residence. ADUs are sometimes called granny flats, in-law units, casitas, or backyard homes.
Builder's Remedy	Builder's Remedy is a provision in California's Housing Accountability Act (HAA) that limits a city or county's ability to deny certain housing projects when the jurisdiction does not have a State-compliant Housing Element.
Charter City	Charter City is a city governed by its own locally adopted charter rather than solely by California general law. Under the California Constitution, charter cities have greater authority over municipal affairs, including land use and zoning. However, this authority may be limited when the State determines that a matter, such as housing, is of statewide concern and subject to state law.
COG	Council of Governments (COG) is a regional planning body made up of elected officials from cities and counties within a defined geographic area.
Deed-Restricted	Deed-Restricted refers to a property that is subject to legally recorded limitations or conditions placed on its use, occupancy, or resale. In the housing context, deed restrictions are commonly used to ensure long-term affordability by limiting resale prices, rental rates, or eligible occupants based on income thresholds for a specified period, often several decades or longer.
Deed-in-Lieu	Deed-in-Lieu (of foreclosure) is a voluntary transaction in which a property owner transfers ownership of a property to a lender to satisfy a mortgage debt and avoid foreclosure. While commonly used in the private lending context, the term may appear in discussions of property disposition, distressed assets, or redevelopment-related transactions.
Density Bonus Incentives	Density Bonus Incentives are benefitting that California law (primarily Government Code § 65915) provides to housing developers in exchange for including affordable housing units within a residential or mixed-use project. These incentives make it easier and financially feasible to build affordable housing by allowing developers flexibility beyond local zoning limits.
Equity Component	Equity Component is the requirement that housing need to be allocated in a way that promotes socioeconomic equity, reduces

	segregation, and balances disproportionate household income distributions across jurisdictions.
Fee-in-Lieu	Fee-in-Lieu refers to a payment made as an alternative to fulfilling a low income housing requirements.
Federal Clean Air Act	Federal Clean Air Act (CAA) is the primary U.S. federal law that regulates air pollution to protect public health and the environment. It authorizes the federal government, principally the U.S. Environmental Protection Agency (EPA), to set and enforce standards that limit harmful air pollutants from industrial facilities, power plants, and motor vehicles.
GIS	Geographic Information System (GIS) is a type of software and data system used to map, analyze, and visualize geographic information. Examples: ArcGIS, QGIS which integrates layers of spatial information such as: Parcels, Zoning maps, Transit lines (often imported from GTFS), Flood zones, Environmental constraints, Income and demographic data, RHNA site inventories.
Grand Jury	Grand Jury (GJ) is a legal body empowered to conduct official proceedings to investigate potential criminal conduct and determine whether criminal charges should be brought.
Green State	Green State generally refers to a government or jurisdiction, often a U.S. state, that prioritizes environmental protection, sustainability policies, and climate-focused governance. The term is descriptive, not legal.
GTFS	General Transit Feed Specification (GTFS) is a standardized, machine-readable data format used to describe public transit systems, including Bus routes, Rail lines, Station and stop locations, Service schedules.
General Plan	In California, a city General Plan is a comprehensive, long-term policy document that serves as the legal and policy foundation for all local land-use and development decisions within a city. Adopted by the city council pursuant to California Government Code § 65300 et seq., the General Plan expresses the community's vision for physical development and conservation over time and guides zoning, public investment, and regulatory actions.
HAU	Housing Accountability Unit (HAU) is a specialized enforcement and oversight unit within the California Department of Housing and Community Development created to ensure local governments comply with state housing and homelessness laws and to hold

	jurisdictions accountable for meeting their Husing Element commitments.
HCD	Housing and Community Development (HCD) is California state agency responsible for housing policy, building standards, and the administration of affordable housing and community development programs. It operates under the California Business, Consumer Services and Housing Agency (BCSH).
Housing Element Law (65580-65589.11)	Housing Element Law is California's foundational land-use law requiring every city and county to plan for the housing needs of all economic segments of the community. It is part of each jurisdiction's General Plan and must be regularly updated on a state-mandated cycle.
Joint Powers Authority	A Joint Powers Authority (JPA) is a legal structure used in California (and some other states) that allows two or more public agencies to jointly exercise their powers through a separate, shared entity.
Layered Financing	Layered Financing (sometimes called capital stacking) is a funding approach in which a project—most commonly a real estate or affordable housing development—is financed through multiple sources of capital, each with different requirements, risk levels, repayment terms, and priorities.
Ministerial approval	Ministerial approvals are a type of land-use or development approval in which a government agency must issue the permit automatically once an application meets all the objective, pre-established standards. Because the approval is non-discretionary, officials do not exercise judgment or interpretation, hold public hearings, or evaluate subjective criteria such as neighborhood character or compatibility.
MPO	Metropolitan Planning Organization (MPO) is a regional transportation-planning agency required by federal law in every urbanized area with 50,000 or more people.
OCGJ	Orange County Grand Jury (OCGJ) refers 2025-2026 Orange County Grand Jury.
OCTA	Orange County Transportation Authority (OCTA) is the county transportation planning commission, responsible for funding and implementing transit and capital projects for a balanced and sustainable transportation system.
RHNA	Regional Housing Needs Allocations (RHNA) works with the California Department of Housing & Community Development (HCD) to allocate each jurisdiction's share of required housing across income levels.

RTP	Regional Transportation Plans (RTP) are utilized to coordinate regional transportation, land-use planning, and climate-related planning (e.g., reducing vehicle miles traveled). Data, forecasts, and long-range planning. They provide demographic forecasts, economic analyses, and collaborative regional policies.
State Housing Mandates	State Housing Mandates (Housing Mandates) are legal requirements specifically the Housing Element Law in California, obligating local governments (cities/counites) to adopt plans facilitating the construction of housing across all income levels. These mandates require compliance with Regional Housing Needs Allocation (RNHA) targets forcing localities to zone for rather than necessarily build.
SCS	In California, a Sustainable Communities Strategy (SCS) is a regional land-use, housing, and transportation planning framework prepared by a Metropolitan Planning Organization as part of its Regional Transportation Plan. Required by Senate Bill 375 (2008), the SCS is designed to integrate transportation investments, housing patterns, and land-use policies in a way that reduces greenhouse gas emissions from passenger vehicles while supporting economic development and public health.
Vacancy Factor Rates	Vacancy Factor Rates refer to the percentage of housing units within a defined geographic area that are assumed to be vacant at any given time. In state housing planning, vacancy rates are used as an analytical adjustment to account for normal turnover in the housing market and to ensure availability for new households. Assumed vacancy rates directly affect housing need calculations and can influence required housing production targets.
5th Cycle, 6th Cycle, 7th Cycle	The 5th, 6th, and 7th Cycles refer to sequential eight-year planning periods of the Regional Housing Needs Allocation (RHNA) process mandated by California housing law. • The 5th Cycle generally covered the period from 2013 to 2021 (with timing varying by region). • The 6th Cycle generally covers the period from 2021 to 2029 and includes significantly higher housing allocations statewide. • The 7th Cycle will be the next allocation period following the 6th Cycle and is expected to further shape long-term housing planning requirements for cities and counties. Each cycle establishes projected housing needs that jurisdictions must plan for through their Housing Elements.

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APPENDIX

APPENDIX A: Major Housing Laws & What They Tried to Do[81]

Surplus Land Act (1968; strengthened by AB 1486 in 2019)
Problem addressed: Local agencies often disposed of valuable public land without prioritizing affordable housing.
Solution: The Surplus Land Act requires local agencies to offer surplus sites to affordable housing developers first; AB 1486 (2019) expanded who must comply, added reporting, and created enforceable penalties. HCD now issues binding guidelines and may impose fines.
Role: A siting tool that converts public land near jobs/transit into affordable housing at scale (HCD reports thousands of units proposed/approved under SLA).

Housing Element Law & RHNA (1969; RHNA made mandatory by 1980 AB 2853; repeatedly strengthened)
Problem addressed: Cities historically under-planned for growth or zoned exclusionary, constraining supply across income levels.
Solution: Every city/county must adopt an 8-year Housing Element showing adequate, zoned sites to meet its RHNA allocation by income tier; HCD issues regional need determinations and certifies elements. Enforcement has tightened (HCD's Housing Accountability Unit; fines; referrals to the AG).
Role: The spine of California housing policy—other laws (HAA, SB 35, SB 330, AFFH) enforce or operationalize these plans.

Density Bonus Law (1979; expanded often, incl. AB 1287 in 2023)
Problem addressed: Mixed-income projects often do not pencil without zoning flexibility.
Solution: Grants extra units, incentives/waivers, and reduced parking in exchange for deed-restricted affordable homes; AB 1287 (2023) added a "stackable" bonus on top of the 50% base, enabling up to ~100% bonus with additional very-low/moderate units.
Role: A ubiquitous feasibility lever to deliver affordability in market-rate projects.

Housing Accountability Act (HAA) (1982; strengthened 2017–2019)
Problem addressed: Cities used subjective discretion (e.g., "neighborhood character") to deny otherwise compliant housing.
Solution: Limits denial, density reduction, or infeasible conditions for projects meeting objective standards, unless the city makes specific, evidence-based health/safety findings. 2017–2019 updates raised the burden of proof, added fees/attorney's fees, and clarified "objective standards."
Role: A litigation-backed guardrail ensuring code-compliant housing moves forward—the State's classic "anti-NIMBY" tool.

Redevelopment Agencies (RDAs): Termination and Loss of Local Affordable Housing Funds (2011–2012)
Problem addressed (pre-2012): RDAs used tax-increment financing with a 20% housing set-aside to fund affordable housing; the State later sought budget relief.
Solution: The Legislature passed ABx1 26 (2011); the California Supreme Court affirmed dissolution

[81] Housing Statutes were summarized Microsoft Co-Pilot May 2025 version

effective Feb 1, 2012, shifting property-tax increment, and creating successor agencies to wind down obligations.
Role: Ended a major local funding stream, increasing reliance on density bonus, public land, tax credits, and state programs.

SB 375 (2008) & SB 743 (2013; statewide VMT implementation 2020)
Problem addressed: Sprawl drove VMT and GHGs; CEQA's **Level of Service (LOS)** metric discouraged infill.
Solution: SB 375 requires Sustainable Communities Strategies (SCS) aligning land use and transportation to cut GHGs; SB 743 replaced LOS with VMT in CEQA, favoring infill and multimodal access, with statewide implementation by 2020.
Role: Climate + housing siting framework; housing near jobs/transit faces fewer CEQA hurdles than sprawl.

ADUs (2016–2025 waves): Legalizing "Gentle Density"
Problem addressed: Single-family-only rules and local barriers (parking, minimums) impeded backyard cottages/garage conversions near jobs.
Solution: Successive bills created 60-day ministerial approval, broad parking relief, and standardized rules; HCD's 2025 ADU Handbook consolidates guidance and updates.
Role: A distributed, lower-cost production engine—large, scalable homeowner-led supply statewide.

HCD Law §16884.01 (2017): Establishes Housing Element Compliance Consequences and State Enforcement Authority
Problem addressed: For decades, many cities and counties failed to adopt or maintain HCD-compliant Housing Elements, resulting in chronic under-production of housing, exclusionary zoning practices, and resistance to RHNA obligations. Prior housing law lacked clear, enforceable consequences for noncompliance, allowing jurisdictions to delay, obstruct, or ignore housing planning requirements with minimal risk. This undermined statewide housing policy, fair housing objectives, and public accountability.
Solution: HCD Law §16884.01 clarifies and operationalizes the legal consequences of Housing Element non-compliance, explicitly linking failure to adopt or implement a compliant Housing Element to loss of local land-use discretion and enhanced state oversight. The law affirms HCD's authority to make formal findings of noncompliance and triggers statutory remedies under related housing laws, including limits on down-zoning, exposure to the Housing Accountability Act, and eligibility for "builder's remedy" projects when required conditions are met. It strengthens the enforceability of Housing Element Law by making compliance legally consequential rather than aspirational.
Role: A state enforcement backbone for California's housing planning system, §16884.01 functions as a compliance-triggering provision that gives real effect to RHNA and Housing Element Law. It shifts housing policy from a negotiation-based model to a rule-of-law framework, ensuring that local governments that refuse to plan for housing face predictable, uniform consequences while compliant jurisdictions retain local control. The statute is central to California's modern "Yes In My Backyard" enforcement regime.

SB 35 (2017): Streamlined Ministerial Approval
Problem addressed: Lengthy discretionary review and CEQA litigation stalled production, especially where jurisdictions lagged RHNA.
Solution: Creates a ministerial (CEQA-exempt) pathway in cities not meeting RHNA progress for qualifying infill projects that meet objective standards, affordability, and labor provisions; HCD issued binding guidelines.

Role: A fast lane that translates zoning into approvals within 90–180 days; HCD publishes which jurisdictions are subject.

AB 686 (2018): Affirmatively Furthering Fair Housing (AFFH)

Problem addressed: Persistent segregation and unequal access to opportunity despite fair-housing statutes.

Solution: Requires all public agencies to affirmatively further fair housing and adds new Housing Element duties (analysis of segregation, access to opportunity, displacement risk, equitable siting).

Role: Embeds civil-rights obligations into RHNA/Housing Elements, pushing lower-income housing into high-opportunity areas.

SB 330 (2019; extended by SB 8 to 2030): Housing Crisis Act

Problem addressed: Moving goalposts (new subjective standards), downzoning, unlimited hearings, and loss of protected units increased entitlement risk.

Solution: Freezes new subjective design rules, caps hearings, creates preliminary application vesting, and requires replacement/relocation when protected units are impacted.

Role: Stabilizes entitlements, preserves capacity, and protects renters.

SB 9 (2021): Duplexes & Urban Lot Splits

Problem addressed: Large single-family parcels constrained capacity; owners lacked simple legal paths to add units.

Solution: Requires ministerial approval of up to two units on most single-family lots and allows urban lot splits (with guardrails). Implementation and litigation have been mixed, but SB 9 continues to operate statewide.

Role: Incremental densification in high-opportunity areas (uptake has been modest vs. ADUs).

SB 10 (2021): Local Rezoning for "Missing Middle" Housing

Problem addressed: CEQA-exposed rezonings and voter-approved limits made modest upzoning slow and risky.

Solution: Voluntary tool letting cities zone up to 10 units/parcel on transit-rich or urban infill sites with the rezoning action itself exempt from CEQA; may override local initiative restrictions with a 2/3 council vote.

Role: A local-option upzoning mechanism; note it does not streamline the project approvals that follow.

AB 2011 (2022): Affordable Housing and High Road Jobs Act

Problem addressed: Vast commercially-zoned land sat underused while housing faced discretionary review and CEQA.

Solution: Creates ministerial, CEQA-exempt approvals for qualifying multifamily on commercial corridors via two paths: 100% affordable or mixed-income meeting corridor, site, and labor standards. Effective July 1, 2023.

Role: A production-focused pathway converting retail/office/parking sites into housing statewide.

SB 6 (2022): Middle Class Housing Act (Companion to AB 2011)

Problem addressed: Housing often not allowed on commercial parcels absent a rezoning.

Solution: Allows residential use in many commercial zones (by right as a permitted use) with labor standards; not ministerial/CEQA-exempt on its own (but can combine with other tools). Effective July 1, 2023.

Role: Opens more sites to housing when AB 2011 is not available.

AB 2097 (2022): Eliminating Parking Minimums Near Transit
Problem addressed: Mandatory parking minimums near transit raised costs and reduced housing feasibility.
Solution: Prohibits minimum parking requirements for most projects within ½ mile of a major transit stop (with narrow exceptions); HCD issued a 2025 Technical Advisory for implementation.
Role: Lowers costs and removes a common barrier to infill housing.

SB 423 (2023): Extends & Expands SB 35 Through 2036
Problem addressed: SB 35's 2026 sunset and exclusions (e.g., much of the Coastal Zone) limited reach; many cities still failed RHNA or lacked certified elements.
Solution: Extends SB 35 to 2036, applies streamlining to more jurisdictions and sites (incl. parts of the Coastal Zone), ties eligibility to Housing-Element compliance, and updates affordability/labor standards; allows DGS to administer on State-owned land.
Role: A statewide production accelerator, making the SB 35 fast lane broader and longer-lived.

SB 131 + AB 130 (2025): CEQA & Housing Streamlining (Budget Trailer Bills)
Problem addressed: Infill housing still faced CEQA delays, litigation risk, and inconsistent timelines.
Solution: Establishes new CEQA exemptions for qualifying infill housing (e.g., up to 20 acres, or 5 acres for builder's-remedy sites), streamlined review, and—via the broader package—a temporary freeze on code updates to improve predictability. Effective June 30, 2025.
Role: A modernized CEQA framework that complements HAA/SB 330/SB 35 to speed compliant housing.

Builder's Remedy under HAA (codified/updated 2024–2025)
Problem addressed: Some cities delayed or adopted **non-compliant Housing Elements** to preserve restrictive zoning.
Solution: AB 1893 (2024) and AB 1886 (2024) formalize and clarify the Builder's Remedy: where a jurisdiction lacks a certified element, qualifying projects with required affordability may proceed (with new standards and protections effective Jan 1, 2025).
Role: A blunt enforcement backstop—if a city does not plan properly, it loses discretion to reject compliant affordable projects.

SB 79 (2025): Overrides Local Zoning to Enable Higher-Density Housing Near Transit
Problem addressed: Local zoning caps on height and density near transit stops prevented production of transit-oriented housing even in regions with extensive rail and bus networks.
Solution: Preempts local zoning within ½ mile of qualifying transit stops to legalize multi-story multifamily housing, allowing substantially greater height and density. Creates a statewide TOD framework that can be combined with SB 35, SB 330, the Housing Accountability Act, and the State Density Bonus Law to streamline approvals at lower affordability thresholds.
Role: A land-use preemption tool establishing "as-of-right" higher density near transit so state streamlining laws (e.g., SB 35) can actually deliver buildable transit-oriented projects. It operationalizes California's TOD objectives and supports pro-housing production goals.

AB 507 (2025): Establishes Adaptive Reuse as Use-by-Right With Streamlined Approval
Problem addressed: High commercial vacancy rates and slow, discretionary local approval processes made it difficult to convert underutilized office/retail buildings into housing—despite acute statewide housing shortages.

Solution: Declares adaptive reuse a use-by-right in all zones except non-residential industrial areas and provides ministerial, streamlined approval for eligible projects in existing buildings (generally <50 years old or meeting historic-preservation requirements). Requires income-restricted units (e.g., 8% very low + 5% extremely low, or 15% lower-income for rentals) and allows mixed-use conversions if ≥50% of floor area is residential. Waives parking for portions of buildings without existing on-site parking.
Role: A conversion-focused production tool enabling rapid, CEQA-bypassed adaptive reuse of commercial buildings into housing. Pairs with local incentive programs (e.g., tax-increment-funded Adaptive Reuse Investment Funds starting FY 26-27) to subsidize affordability and unlock large-scale urban reuse.

AB 648 (2025): Exempts Community College Housing from Local Zoning
Problem addressed: Community college districts (CCDs) face severe barriers building student, faculty, and staff housing because local zoning ordinances—unlike UC/CSU—block or delay projects, worsening housing insecurity for the 2M+ community college students, over half of whom experience housing instability.
Solution: Exempts CCD-built student, faculty/staff, and university housing projects on CCD-owned or leased property from local city/county zoning regulations. Requires certain projects with faculty/staff units to include extremely low- and lower-income affordable units. Declares the exemption a matter of statewide concern applying to all cities, including charter cities.
Role: A state-level preemption tool enabling rapid production of student and workforce housing on community college land, eliminating local zoning barriers and aligning CCD authority with UC/CSU to address student homelessness and workforce affordability.

AB 1021 (2025): Expands and Streamlines Workforce Housing on School District Property
Problem addressed: High housing costs prevent school districts from recruiting and retaining teachers and staff; thousands of acres of school-owned land remain underutilized due to zoning barriers, procedural hurdles, and limits on allowable uses.
Solution: Revises and expands the law deeming workforce housing an allowable use on any property owned by a local educational agency (LEA). Requires qualifying projects (≥10 units) to prioritize renting to school employees and the public under a set hierarchy, with a majority of units deed-restricted for lower- or moderate-income households. Applies Housing Accountability Act protections, enables density bonuses, and extends the program to 2036.
Role: A major workforce-housing production tool that cuts red tape, activates school district land for affordable educator housing, and strengthens school staffing stability—particularly in high-need communities where housing costs drive turnover.

AB 253 (2025): Creates a Private Pathway to Speed Up Residential Permit Plan-Checking
Problem addressed: Local building departments often take more than 30 days to complete residential plan checks, creating permitting backlogs that slow housing production, increase project costs, and leave small-scale infill projects stalled.
Solution: Establishes the *California Residential Private Permitting Review Act*, requiring cities/counties to publish residential permit fee schedules and provide applicants with estimated plan-check timelines. If the estimated timeframe exceeds 30 business days (or if no determination is provided within 30 days), applicants may hire a licensed private professional ("private professional provider") to perform the plan check. Applies to 1–10 unit projects ≤40 ft tall and allows private reviewers to certify compliance via affidavit.

Role: A post-entitlement acceleration tool that cuts through municipal bottlenecks by letting homeowners and builders use certified private reviewers, moving small-scale housing through permitting faster while maintaining local agency oversight.

AB 1308 (2025): Imposes an Inspection "Shot Clock" and Allows Private Inspectors

Problem addressed: Unpredictable and months-long delays in final inspections—framing, electrical, plumbing, final occupancy sign-off—prevent newly built or renovated homes from being occupied, increasing holding costs and slowing the delivery of small-scale housing.

Solution: Requires local building departments to conduct inspections for 1–10-unit projects (≤40 ft) within 10 business days after receiving notice of completion. If the estimated inspection window exceeds 30 days—or no inspection occurs within 30 days—applicants may hire a licensed private professional inspector to complete the inspection and submit an affidavit attesting to code compliance. Also requires cities/counties to post residential permit fee schedules.

Role: A post-entitlement enforcement and delivery tool that ensures housing is not delayed at the final inspection stage. Speeds up occupancy, adds accountability to local inspection offices, and allows builders to default to vetted third-party inspectors when jurisdictions are too slow.

AB 712 (2025): Strengthens Enforcement of State Housing Laws Against Noncompliant Cities

Problem addressed: Local agencies routinely delay, obstruct, or illegally deny housing projects despite state housing reform laws; enforcement is weak, costly for applicants, and slow, enabling jurisdictions to continue violating State Mandates without consequence.

Solution: Creates a robust enforcement framework requiring courts to award attorney's fees and costs to prevailing housing applicants and to impose mandatory fines on violating local agencies. Extends statutes of limitation by 60 days when applicants issue a notice of intent to sue, and bars agencies from requiring applicants to indemnify them for litigation arising from the agency's own violations. Defines "housing reform law" broadly to cover laws protecting housing applicants or limiting local discretion.

Role: A statewide compliance tool that finally gives housing applicants meaningful remedies—and gives local governments financial and legal consequences for ignoring state housing law, thereby enabling real enforcement of the State's pro-housing framework.

SB 808 (2025): Fast-Tracks Judicial Review of Housing Permit Denials

Problem addressed: Cities continue denying compliant housing projects, forcing applicants into a slow judicial review process where litigation delays—often lasting years—kill projects, escalate costs, or allow permits to expire.

Solution: Establishes an expedited writ-of-mandate process for housing permit denials. Requires:

- Local agencies to compile and certify the administrative record within 15 days.
- Courts to set hearings within 45 days and issue decisions within 30 days of submission (or 75 days from filing, whichever comes first).
- Priority scheduling for appeals.
  Allows the applicant, Attorney General, or HCD to file the petition; authorizes temporary judicial assignments to meet deadlines.

Role: A litigation-acceleration tool that prevents local agencies from using procedural delay to kill housing projects, ensuring that California housing laws have immediate, enforceable consequences. Complements AB 712 by enforcing housing rights on the judicial side.

SB 786 (2025): Clarifies Housing Element Law and Strengthens Court Remedies Against Noncompliant Cities

Problem addressed: Conflicts between General Plan elements, vague housing-element rules, and slow litigation processes create uncertainty for cities, courts, and developers—leading to delays, stalled rezoning, and litigation bottlenecks that block housing production.

Solution: Establishes clear hierarchy rules: when General Plan elements conflict—including quantified development standards—the most recently adopted, HCD-certified Housing Element controls. Tightens judicial timelines in Housing-Element challenges:

- Limits continuances to 60 days,
- Requires temporary relief whenever continuances occur,
- Requires HCD to conduct substantial-compliance reviews when local jurisdictions miss required Housing-Element deadlines,
- Extends rezoning compliance timelines to 120 days and mandates sanctions if jurisdictions fail to comply.
  Applies general-plan challenge rules to charter cities.

Role: A statewide governance-and-compliance tool ensuring that Housing Elements actually function as the controlling document, reducing litigation gamesmanship, and compelling jurisdictions to implement rezoning and Housing-Element obligations on enforceable timelines. Complements AB 712 and SB 808 as part of the Attorney General's statewide enforcement strategy.

SB 340 (2025): Expands Emergency Shelter Requirements in Housing Elements

Problem addressed: Emergency shelter planning requirements were outdated and limited, failing to reflect modern shelter models (e.g., navigation centers, recuperative care) and the full range of onsite supportive services needed for effective homelessness response.

Solution: Updates the definition of "emergency shelter" to require housing *with supportive services* (not minimal services) and requires Housing Elements to account for all onsite services consistent with written, objective standards. Imposes new obligations on cities/counties in shelter planning and broadens the Emergency Housing and Assistance Program definition.

Role: A homelessness-response modernization tool ensuring jurisdictions plan realistically for service-rich shelter models within their Housing Elements and zoning designations.

AB 610 (2025): Requires Disclosure of New Local Governmental Constraints in Housing Elements

Problem addressed: Cities and counties were adopting new land-use constraints (fees, ordinances, zoning rules) during Housing-Element cycles without disclosure, undermining RHNA compliance and increasing barriers to housing production.

Solution: Requires a governmental constraints disclosure statement in each Housing Element (7th Cycle onward), identifying all new or amended constraints adopted since the last Housing Element. Prohibits adoption of new constraints unless they were disclosed and the jurisdiction has completed all required programs to remove past constraints (except when mandated by state/federal law). Applies to charter cities.

Role: A transparency and anti-backsliding tool ensuring local governments cannot quietly increase barriers to housing once RHNA obligations are set.

AB 670 (2025): Allows Converted Affordable Units to Count Toward RHNA Reporting

Problem addressed: Cities lacked credit in their Annual Progress Reports (APRs) for preserving or converting multifamily buildings into long-term deed-restricted affordable housing, despite this being a major preservation strategy.

Solution: Expands APR reporting starting in 2027 to allow units converted to affordable housing—with 55-year covenants for low, very low, extremely low, or acutely low income households—to count toward a jurisdiction's RHNA-creditable progress, if they meet specified criteria. Includes detailed new reporting requirements for demolitions, replacement units, and affordable conversions.
Role: A preservation-credit tool aligning RHNA reporting with long-term affordable housing conversion strategies, encouraging cities to preserve expiring-affordability stock.

AB 726 (2025): Allows Cities to Count Substantial Rehabilitation of Affordable Units in APRs
Problem addressed: Deeply affordable older units (often 15+ years old) need major rehabilitation but cities receive *zero RHNA/APR credit* for investing in repairs—causing cities to prioritize new construction instead of preserving aging stock.
Solution: Allows jurisdictions to include substantially rehabilitated deed-restricted affordable units (≥15 years old, ≤45% AMI average affordability, ≥$60k local investment per unit) in APRs. These units cannot be counted toward eligibility for streamlining under SB 35. Updates references to the Office of Land Use and Climate Innovation.
Role: A preservation-incentive tool enabling cities to earn APR credit for rehabilitating deeply affordable units, helping maintain long-term housing quality and prevent affordable-stock losses.

AB 1275 (2025): Extends RHNA Timelines and Aligns Housing Needs with Transportation Plans
Problem addressed: Regional Housing Needs Determinations (RHND) were rushed due to tight timelines (2-year lead time), leading to disputes, insufficient data review, and disconnects between transportation planning and housing allocations.
Solution: Extends RHND timeline from 2 to 3 years before a Housing-Element update (with special rules for 2027–2029 cycles), requires earlier consultation between HCD and councils of governments (COGs), and mandates that RHNA methodology be informed by Sustainable Communities Strategy (SCS) patterns in regional transportation plans. Strengthens integration of job-housing balance, mobility patterns, and fair housing objectives.
Role: A regional-planning alignment tool ensuring RHNA allocations better reflect transportation, climate, and job-housing realities, improving the planning accuracy of future housing cycles.

SB 233 (2025): Requires Earlier State–Regional Consultation for RHNA Determinations
Problem addressed: During prior RHNA cycles, HCD provided regional housing need numbers too late (26-month timeline), leaving councils of governments (COGs) and cities with insufficient time to plan, contributing to widespread late Housing-Element adoption.
Solution: Requires HCD to meet and consult with each COG at least 38 months before a Housing-Element revision (one year earlier than prior law), with special rules for the 7th Cycle. Ensures earlier agreement on RHNA assumptions, methodologies, and data inputs.
Role: A regional-planning coordination tool that expands the planning window for local governments, reducing delays, improving RHNA accuracy, and increasing likelihood of timely Housing-Element compliance.

AB 920 (2025): Requires Centralized Online Portals for Housing Permit Applications
Problem addressed: Local permitting processes were opaque, slow, and inconsistent across cities; applicants could not easily track housing development permits, resulting in delays, confusion, and high administrative burdens.
Solution: Requires cities/counties with populations ≥150,000 to create a centralized online application portal for housing development projects, allowing electronic submissions and real-time status tracking.

Jurisdictions may delay implementation until 2030 only if they begin procurement by 2028. Applies to charter cities.
Role: A statewide digital-permit modernization tool that increases transparency, reduces processing delays, and standardizes how applicants navigate housing approvals.

SB 358 (2025): Reduces Traffic Impact Fees for Transit-Oriented Housing
Problem addressed: Traffic impact fees—often 20% of project cost—were applied using outdated auto-trip assumptions, inflating costs for infill and transit-oriented housing that generates fewer vehicle trips.
Solution: Reforms the Mitigation Fee Act to:

- Require at least 50% fee reductions for qualifying transit-oriented housing,
- Update eligibility criteria (parking maximums, proximity to ≥3 amenities, transit-priority locations),
- Require fee-denial findings to be supported by substantial evidence,
- Remove outdated convenience-retail requirements and proportional-fee provisions.

Role: A cost-reduction and TOD-incentive tool that aligns traffic fees with actual impacts, supporting infill and climate-oriented housing production.

AB 752 (2025): Makes Child Daycare Centers in Multifamily Housing a Use-by-Right
Problem addressed: Cities treated daycare centers co-located with multifamily housing as commercial uses—triggering zoning barriers, business license fees, CEQA review, and inconsistent local requirements, reducing childcare capacity near where families live.
Solution: Makes daycare centers co-located with multifamily housing or community amenities a residential use by right; prohibits business license fees; exempts such centers from CEQA; bars stricter standards on them than those applied to the co-located housing or amenity. Maintains all California licensing and safety requirements.
Role: A childcare-access and land-use integration tool that reduces barriers to collocated daycare centers, supporting housing-adjacent amenities and family-serving communities.

SB 415 (2025): Refines Statewide Warehouse & Logistics Development Standards
(Not a housing production bill but affects land-use and zoning environments related to freight-adjacent communities.)
Problem addressed: AB 98 (2024) established statewide warehouse standards but included ambiguous definitions and inconsistent requirements, creating confusion for local governments, developers, and environmental-justice communities in logistics-heavy regions.
Solution: SB 415 clarifies key definitions (“logistics use development,” “sensitive receptor”), narrows exemptions, updates siting and truck-route standards, refines buffer requirements, and ensures 21st-century warehouses meet applicable sustainable-design standards at permit issuance. Also clarifies where warehouse concentration regions apply.
Role: A land-use-governance and environmental-mitigation tool improving clarity and enforceability of statewide logistics-facility regulations—reducing conflicts between freight operations, housing, and community health.

AB 98 (2024–2025): Establishes Statewide Design, Siting & Environmental Standards for Logistics Facilities
Problem addressed: Warehouse and logistics developments—especially in the Inland Empire—were producing severe air-quality, noise, traffic, and public-health impacts on nearby residential areas, schools, and other sensitive receptors, while local regulations were inconsistent or ineffective.

Solution: Creates California's first statewide design, siting, and operational standards for logistics facilities, including:

- Mandatory buffers (500–900 feet) from sensitive receptors,
- Truck-route and loading-bay orientation requirements,
- Anti-idling measures and cold-storage plug-ins,
- Title 24–level building efficiency standards (solar, EV-readiness),
- 2:1 replacement requirement for recently occupied affordable units demolished,
- Applicability to large new facilities and expansions ≥20% of floor area.
  Compliance required for applications submitted after Sept. 30, 2024, with most standards fully effective Jan. 1, 2026.

Role: A statewide environmental-mitigation and freight-land-use tool aimed at protecting communities while aligning logistics growth with sustainability and public-health goals. AB 98 is foundational to later cleanup legislation (SB 415).

AB 1007 (2025): Cuts Responsible-Agency Permit Deadlines in Half

Problem addressed: Even after cities approved housing projects, state and regional "responsible agencies" (e.g., air districts, water boards) could take months to issue secondary permits, causing ballooning timelines and costs. Shot-clocks for these agencies (90 days) were much longer than those for lead agencies.

Solution: Amends the Permit Streamlining Act to require responsible agencies to approve/disapprove residential, mixed-use, supportive, or farmworker housing permits within 45 days of project approval or application completeness—cutting the prior 90-day deadline in half. Applies statewide, including charter cities.

Role: A permitting-acceleration tool ensuring faster post-entitlement approvals and reducing interagency delays that frequently stall housing construction.

AB 1050 (2025): Allows Removal of Private Covenants Blocking Housing on Commercial Properties

Problem addressed: Commercial parcels often have old CC&Rs and reciprocal easement agreements (REAs) that prohibit residential uses or limit density, preventing commercial-to-housing adaptive-reuse projects—even when allowed under State housing laws like AB 2011.

Solution: Expands existing restrictive-covenant-modification law (previously limited to affordable housing) to **all** qualifying housing developments located on commercial sites, allowing developers to:

- Invalidate covenants that restrict residential use, density, unit count, or occupancy,
- Apply the process to REA**s** as well as CC&Rs,
- Record a Restrictive Covenant Modification Document after county counsel review.

Does not authorize projects inconsistent with state housing laws.

Role: A statewide barrier-removal tool enabling adaptive reuse of commercial corridors and shopping centers into housing by preempting private land-use restrictions.

SB 92 (2025): Closes Loopholes in the Density Bonus Law for Mixed-Use Projects

Problem addressed: Developers exploited the Density Bonus Law to exceed commercial FAR and build oversized hotel-heavy or visitor-serving mixed-use projects with minimal housing (e.g., San Diego "Project Vela").

Solution: Reforms Density Bonus Law by:

- Limiting commercial FAR increases under DBL to **≤2.5×** base zoning,
- Prohibiting incentives/waivers for transient lodging (hotels, motels, B&Bs) except residential hotels,

- Requiring ≥2/3 of mixed-use square footage to be residential to qualify,
- Maintaining full affordability thresholds for bonus eligibility.
  Effective Jan. 1, 2026 (with grandfathering for pre-application projects).

Role: A guardrail tool ensuring Density Bonus Law is used to build actual housing—not oversized hotel or commercial space leveraged through affordable-unit "tokenism."

AB 87 (2025): Prevents Density Bonus Incentives for Hotel Components of Mixed-Use Projects
Problem addressed: Developers were using DBL concessions (height, FAR, parking waivers) to benefit hotel components of mixed-use projects, diluting the State's housing incentives and enabling visitor-serving developments that undermined local zoning.
Solution: Clarifies that DBL incentives may not be applied to hotel/motel/visitor-serving portions of a mixed-use project. Makes parallel conforming amendments to align with SB 92 if both bills are enacted. Applies statewide, including charter cities.
Role: A housing-priority tool reinforcing that density bonuses are for residential production—not for hospitality or tourism development.

APPENDIX B: Orange County Housing Mandate Survey Questions

Q1 What is your city's 6th-cycle RHNA allocation, and does your Housing Element plan exceed that number? If so, by how much, and what factors influenced the decision to exceed the allocation?
Q2 If the RHNA mandate were not in place, how would your housing plan differ? Would it still meet the demand for low-income housing?
Q3 What strategies has your city used to inform and engage residents about the state housing mandate? How do you measure the effectiveness of these outreach efforts?
Q4 What are the implications of recent state legislation on R-1 single-family zoning for your city's land-use policies and community character?
Q5 What are the most significant challenges your city faces in meeting RHNA requirements? In what ways has OCCOG supported your efforts to overcome these challenges?
Q6 Do you anticipate achieving your approved Housing Element goals by the end of the 6th cycle in 2030? What factors will most influence your success or shortfall?
Q7 What additional information would you like to provide us regarding this topic?

APPENDIX C: Responsibilities

Responsibilities of OCCOG

Mission Statement:

The Orange County Council of Governments (OCCOG) convenes jurisdictions throughout Orange County to collaboratively address land use, housing, mobility, energy, air quality, and water issues, and to ensure that Orange County is effectively represented in regional and state decision-making. Through sound governance, impartial analysis, and regional coordination, OCCOG delivers value to its member agencies and the residents of Orange County.
Core Responsibilities:

1. Sub-Regional Planning and Coordination
   a. Serves as Orange County's official sub-regional planning organization within the six-county SCAG region.

   b. Leads the preparation of required regional and sub-regional planning documents that allow Orange County jurisdictions to compete for state and federal funding. [occog.com], [occog.com]
2. Regional Representation and Advocacy
   a. Ensures Orange County's interests are represented in regional policy development by coordinating the county's representation on the SCAG Regional Council and committees.
   b. Works to align countywide perspectives on policy issues affecting transportation, housing, sustainability, and infrastructure.
3. Housing, Transportation, and Sustainable Communities Planning
   a. Supports housing and transportation planning coordination, including RHNA-related activities and implementation discussions.
   b. May serve as the lead agency for a sub-regional Sustainable Communities Strategy if Orange County elects to pursue one under SB 375, consistent with SCAG's Regional Transportation Plan.
4. Technical Analysis, Studies, and Data Support
   a. Conducts countywide and sub-regional studies, prepares technical reports, and provides data-driven analysis to support policymaking by member agencies.
   b. Develops best-practice guidance (e.g., Complete Streets, mobility and infrastructure tools) for voluntary adoption by cities and the County.
5. Intergovernmental Collaboration and Consensus-Building
   a. Functions as a forum for cooperation among cities, the County, and special districts on issues of shared concern.
   b. Facilitates coordination on funding strategies, infrastructure planning, and policy alignment without supplanting local land-use authority.[82]

Responsibilities of SCAG

Mission Statement

The Southern California Association of Governments (SCAG) serves as the regional planning agency for Southern California, coordinating among local, regional, state, and federal partners to advance transportation, housing, land-use, and environmental planning that supports sustainable growth, economic vitality, social equity, and improved quality of life for the region's diverse communities.

SCAG's mission is to lead collaborative regional planning by developing and implementing integrated transportation, housing, and sustainability strategies; allocating regional housing needs; ensuring compliance with state and federal planning requirements; and providing data, technical assistance, and policy guidance to its member jurisdictions to address Southern California's long-term growth challenges.[83]

Responsibilities of HCD

Mission Statement (Primary)

The California Department of Housing and Community Development (HCD) works to ensure safe, affordable, and sustainable housing opportunities for Californians by administering housing programs,

[82] Orange County Council of Governments
[83] Home | Southern California Association of Governments

shaping statewide housing policy, and enforcing housing laws to promote equity, environmental quality, and community stability across the state.

HCD's mission is to lead and implement California's housing policy by determining regional housing needs, reviewing and enforcing Housing Element compliance, administering state and federal housing funds, and holding local jurisdictions accountable for fulfilling their obligations under state housing law.[84]

[84] California Department of Housing and Community Development

77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-350 **Meeting Date:** 8/4/2026

TITLE:

APPROVAL OF AGREEMENTS FOR AMERICAN FAMILY HOUSING AVON RIVER APARTMENTS PROJECT LOCATED AT 1400 BRISTOL STREET

DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT / ADVANCED PLANNING AND HOUSING DIVISION

PRESENTED BY: NANCY SA, GRANT ADMINISTRATOR AND ANNA MCGILL, PLANNING MANAGER

CONTACT INFORMATION: NANCY SA, GRANT ADMINISTRATOR (714) 754-5678

RECOMMENDATION:

Staff recommends the City Council:

1. Authorize the City Manager, or their designee, to execute all applicable agreements necessary to advance the Avon River Apartments Project, contingent upon completion of HUD requirements for receipt of Home Investment Partnership Program (HOME) funds.
2. Authorize the City Manager, or their designee, to execute a Memorandum of Agreement (MOA) with the County of Orange regarding Regional Housing Needs Allocation (RHNA) Progress Credits.

Item #: 26-350 **Meeting Date: 8/04/2026**

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DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT / ADVANCED PLANNING AND HOUSING DIVISION

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RECOMMENDATION:

Staff recommends the City Council:

1. Authorize the City Manager, or their designee, to execute all applicable agreements necessary to advance the Avon River Apartments Project, contingent upon completion of HUD requirements for receipt of Home Investment Partnership Program (HOME) funds.

2. Authorize the City Manager, or their designee, to execute a Memorandum of Agreement (MOA) with the County of Orange regarding Regional Housing Needs Allocation (RHNA) Progress Credits.

BACKGROUND:

On June 20, 2023, the City Council approved funding commitments of $2,500,000 in Low- and Moderate-Income Housing Asset Funds (LMIHAF) and $1,500,000 in ARPA funds to American Family Housing (AFH) for the conversion of the Travelodge North Motel under the State's Homekey Round 3 program. The project, now called Avon River Apartments, is a 78-unit affordable housing development that will serve 76 extremely low-income households and include 2 manager units.

- June 20, 2023, Agenda Report and Attachments: https://costamesa.legistar.com/LegislationDetail.aspx?ID=6264203&GUID=E6ABBEB9-279B-41F0-A414-0E1D2CB82D9B

On August 12, 2025, the City issued a Request for Proposals (RFP) for $1.5 million in HOME Investment Partnership Program funds. Two proposals were received; AFH submitted a request for critical gap financing for the Avon River Apartments project. On March 17, 2026, the City Council approved an allocation of $350,000 in HOME funds to AFH, contingent upon completion of the NEPA environmental review and the HOME Subsidy Layering Review.

- March 17, 2026, Agenda Report and Attachments: https://costamesa.legistar.com/LegislationDetail.aspx?ID=7949566&GUID=4649235E-D457-408E-BA5B-A2B28425D4A5

AFH also applied for the County of Orange's 2026 Supportive Housing Notice of Funding Availability (NOFA) and was awarded $4,100,000 for the Avon River Apartments project. As a condition of the County's award, AFH must obtain City approval of a RHNA credit-sharing MOA and a subordination agreement.

Construction of the Avon River Apartments project is approximately 96% complete. AFH estimates completing construction and receiving the Certificate of Occupancy in late summer 2026, with tenant move-ins occurring shortly thereafter. The additional funding mentioned above will allow AFH to complete the project.

ANALYSIS:

One of the goals of the Costa Mesa City Council is to diversify, stabilize, and increase housing to reflect community needs. While the City boasts a comprehensive system of care for those experiencing and at-risk of homelessness, one of the few remaining gaps is the availability of permanent affordable housing coupled with intensive wrap-around services, known as Permanent Supportive Housing (PSH). AFH's project would add 76 units of PSH and 2 Manager Units, for a total of 78 units.

The County's loan amount will not be released until the City approves both the subordination agreement and the RHNA credit-sharing MOA. Although the City is still completing its HUD environmental review and subsidy layering review, staff is presenting these items now to avoid delays that could affect timely completion of the project and allow AFH to continue with construction.

City Grant and Loan Agreement

The City executed a Grant and Loan Agreement with AFH in 2025 for the LMIHAF and ARPA commitments. Staff recommends authorizing the City Manager to execute an amendment to include the additional HOME funding, contingent upon HUD's required environmental and subsidy layering reviews. The City's amended and restated loan document and promissory notes are included as Attachments 1 and 2, respectively.

The County's award also requires a subordination agreement naming the City's loan as subordinate. This means the City's mortgage liens would be subordinate to the County's senior mortgage and, in the event of default, the County's lien would be addressed first. The agreement to subordinate to County loans is included as Attachment 3.

RHNA Credit Share

Under the County's 2026 NOFA, developments receiving County funds must include RHNA credit sharing. For this project, the County requests credit for 23 extremely low-income units.

The City's RHNA allocation for the 2021–2029 Housing Element is 11,760 units. Cities typically must plan for a 15% buffer (1,764 units), resulting in a planning target of at least 13,524 units. Following City Council action on March 17, 2026, to remove 17 sites from the City's Housing Element, the City

made no net loss findings and is identifying additional sites to accommodate its RHNA capacity. The City has already reported the 78 PSH units from Avon River Apartments in its 2025 Housing Element Annual Progress Report. Reducing the City's credit by 23 units prior to the City re-establishing adequate RHNA capacity and obtaining Housing Element certification would further jeopardize the City's ability to maintain substantial compliance with State housing requirements.

To support AFH's ability to secure essential gap financing, the City and County have drafted an MOA specifying that RHNA credit sharing will occur only after the City demonstrates adequate capacity to meet its RHNA allocation and buffer through its Housing Element revision process and is able to obtain Housing Element certification. The draft MOA is included as Attachment 4.

Typically, RHNA Progress Credit is granted in the jurisdiction within which the housing development project is located. However, in this case, the County funding is a critical element of achieving the residential units at all, so sharing RHNA credit with the County enables the units to be created.

ALTERNATIVES:

The City Council may choose not to approve the requested agreements. If the MOA and subordination agreement are not approved, AFH will be unable to draw down County funds, resulting in the Avon River Apartments project lacking the gap financing necessary to complete construction.

FISCAL REVIEW:

There is no fiscal impact to the City's General Fund. The funds from LMIHAF and ARPA committed to the project were previously approved by City Council and the funding sources approved are restricted sources that can only be used for low- and moderate- income affordable housing opportunities.

LEGAL REVIEW:

The City Attorney's office has reviewed this report and approved it as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item supports the following City Council Goal:

- Diversity, Stabilize and Increase Housing to Reflect Community Needs

CONCLUSION:

Staff recommends the City Council:

1. Authorize the City Manager, or their designee, to execute a Memorandum of Agreement (MOA) with the County of Orange regarding Regional Housing Needs Allocation (RHNA) Progress Credits.

2. Authorize the City Manager, or their designee, to execute all applicable agreements necessary to advance the Avon River Apartments Project, contingent upon completion of HUD requirements for receipt of Home Investment Partnership Program (HOME) funds.

FIRST AMENDMENT TO AFFORDABLE HOUSING GRANT AND LOAN AGREEMENT

by and between

CITY OF COSTA MESA,
a California municipal corporation

and

AMERICAN FAMILY HOUSING,
a California nonprofit, public benefit corporation

1400 BRISTOL PROJECT
1400 Bristol Street
Costa Mesa, California

FIRST AMENDMENT TO
AFFORDABLE HOUSING GRANT AND LOAN AGREEMENT

This FIRST AMENDMENT TO AFFORDABLE HOUSING GRANT AND LOAN AGREEMENT ("First Amendment") is made and entered into on _____, 2026, by and between the CITY OF COSTA MESA, a California municipal corporation ("City"), and AMERICAN FAMILY HOUSING, a California nonprofit, public benefit corporation ("Developer").

RECITALS

A. On February 28, 2025, the City and Developer entered into that certain Affordable Housing Grant and Loan Agreement ("Original Agreement").

B. In conjunction with the execution of the Original Agreement, the County of Orange ("County") acquired the buildings and related structures located at 1400 Bristol Street, Costa Mesa California ("Property") and leased the Property to Developer.

C. The Original Agreement provided, among other things, for the City providing a grant and loan to Developer who would rehabilitate, construct and operate seventy-six (76) affordable units ("Affordable Units") for households experiencing homelessness or who are at risk of homelessness (as defined in Part 578.3 of Title 24 of the Code of Federal Regulations), who are impacted by the COVID-19 pandemic, and who earn thirty percent (30%) or less of the Area Median Income (AMI), plus supportive facilities and two unrestricted Manager's Units (collectively, "Project").

D. The City provided financial assistance to Developer in the form of a loan in an amount not to exceed Two Million Five Hundred Thousand Dollars ($2,500,000) from the Housing Authority of the City of Costa Mesa's Low to Moderate Income Housing Asset Fund ("City Loan") and a grant of City ARPA funding in an amount not to exceed One Million Five Hundred Thousand Dollars ($1,500,000) ("ARPA Grant" or "City Grant").

E. Concurrently with the Original Agreement, Developer executed several other documents in favor of the City in connection with the Project, which included, among other things, a Promissory Note, Deed of Trust, and Joint Regulatory Agreement. The Deed of Trust, dated February 28, 2025, and recorded on February 28, 2025, as Instrument No. 2025000068071 in the Official Records of Orange County, California, secured the Original Agreement, the Promissory Note, Joint Regulatory Agreement and other Project related documents.

F. Developer has requested additional financing from the City of the development of the Project. The City has agreed to loan to Developer an additional Three Hundred Fifty Thousand Dollars ($350,000) from the City's HOME Investment Partnership Funds. With these additional funds, the total amount of financial assistance from the City will be Four Million Three Hundred Fifty Thousand Dollars ($4,350,000).

G. The Parties now desire to amend the Original Agreement to provide for the terms associated with the additional loan, including, among other things, HOME regulations, change in the percentage of residual receipts, a new promissory note and deed of trust.

NOW, THEREFORE, the Parties amend the Original Agreement as follows:

1. Section G of the Recitals, is hereby amended in its entirety and replaced with the following:

> "G. Developer has requested assistance from the City and Authority in order to assist Developer to lease, rehabilitate, manage and maintain the Project as long-term affordable housing at an Affordable Rent throughout the Affordability Period, as set forth in more detail in this Agreement and the Regulatory Agreement. The City and Authority desire to assist Developer by providing financial assistance to Developer in the form of a loan of in an amount not to exceed Two Million Five Hundred Thousand Dollars ($2,500,000) from the Authority's LMIHAF fund ("City Loan"), a loan in the amount of Three Hundred Fifty Thousand Dollars ($350,000) from the City's HOME Investment Partnership Funds ("HOME Loan") and a grant of City ARPA funding in an amount not to exceed One Million Five Hundred Thousand Dollars ($1,500,000) ("ARPA Grant" or "City Grant"). The City Loan, HOME Loan and the City Grant are being utilized by Developer to finance the development of the Property, as well as the eligible construction costs associated with completing the Project. The permitted income levels of the tenants of each Qualified Housing Unit and the permissible rents to be charged for tenancy and occupancy of each Qualified Housing Unit are set forth in this Agreement in order to ensure compliance with the HOME Program and the requirements of the HSC and ARPA."

2. Section J of the Recitals, is hereby amended in its entirety and replaced with the following:

> "J. With the City Loan, HOME Loan, and ARPA Grant, the Project will be subject to this Agreement, the Regulatory Agreement, and other associated documents and requirements as set forth in this Agreement."

3. Section 1.2, of the Definitions, is hereby amended in its entirety and replaced with the following:

> "Section 1.2 "Affordability Period" shall mean the duration of the affordable housing requirements and other covenants of and as required by this Agreement and as set forth in the Regulatory Agreement. The Affordability Period shall be the earlier of: (a) fifty-five (55) years from the date the Notice of Affordability Restrictions is issued by City and caused to be recorded in the Official Records against the Property; or (b) if not able to be determined, fifty-seven (57) years after the date of this Agreement. The Affordability Period is comprised of two periods: (a) the HOME Compliance Period, which is also referred to as the "First Affordability Period," and (b) that portion of the Affordability Period which follows the First Affordability Period, which portion is also referred to and defined herein as the "Second Affordability Period," so long as the cumulative number of years for the Affordability Period is fifty-five (55) years."

4. Section 1.5, of the Definitions, is hereby amended in its entirety and replaced with the following:

"1.5 "Agreement" shall mean this Affordable Housing Grant and Loan Agreement and First Amendment between City and Developer, including all Attachments, exhibits and other documents attached hereto."

5. Section 1.15, of the Definitions, is hereby amended in its entirety and replaced with the following:

"1.17 "City Deed of Trust" shall mean a deed of trust securing the City Note and other obligations of Developer hereunder substantially in the form of Attachment No. 7, attached hereto and fully incorporated herein by this reference. The City Deed of Trust shall be a fourth mortgage deed of trust, subordinate only to a loan or loans issued by an approved lender. Developer has been awarded a Twenty-Nine Million Dollars ($29,000,000) Homekey Award ("Homekey"). Developer also obtained certain loans from the County of Orange in the total amount of Ten Million Eight Hundred Eighty-One Thousand Five Hundred and Twenty Dollars ($10,881,520) ("County Loan"), a loan from the City of Newport Beach in the amount of Three Million Two Hundred Sixty-Two Thousand Five Hundred Dollars ($3,262,500), and deferred development fees in the amount of One Million Thirty Thousand Six Hundred and Nine Dollars ($1,030,609). The County Loan shall be known as the "Primary Loan." In the event Developer were to obtain a new loan or funding that is not approved by or otherwise permitted under this Agreement without the prior written consent of the City, the City Note and City Deed of Trust shall not be subordinated and shall be and remain a senior lien and encumbrance against the Property and Project, subordinate only to the Regulatory Agreement."

6. Section 1.42, of the Definitions, is hereby amended in its entirety and replaced with the following:

"Prescribed Rent Levels" shall mean, based upon the most restrictive requirements of all Project funding sources, for the seventy-six (76) Affordable Units, Affordable Rent calculated at no more than thirty percent (30%) of AMI (HCD rents). Further, the City is designating one (1) studio and one (1) one-bedroom unit as floating Low HOME units at Low HOME rents; however, HCD rents are more restrictive and shall apply."

7. Sections 1.58 HOME Deed of Trust, 1.59 HOME Loan, 1.60 HOME Note, 1.61 HOME Compliance and First Affordability and 1.62 Second Affordability Period are added to the Definitions as follows:

"1.58 "HOME Deed of Trust" shall mean a deed of trust securing the HOME Note and other obligations of Developer hereunder substantially in the form of Attachment No. 7A, attached hereto and fully incorporated herein by this reference. The HOME Deed of Trust shall be a fifth mortgage deed of trust, subordinate only to a loan or loans issued by the approved lenders shown in Section 2.9 below. In the event Developer were to obtain a new loan or funding that is not approved by or otherwise permitted under this Agreement without the prior written consent of the City, the HOME Note and HOME Deed of Trust shall not be subordinated and shall be and remain a senior lien and encumbrance against the Property and Project, subordinate only to the Regulatory Agreement.

1.59 "HOME Loan" shall mean and consist of the financial assistance of Three Hundred and Fifty Thousand Dollars ($350,000) sourced solely from the City's HOME funds, as more particularly provided in Section 2.2. The HOME Loan is evidenced by the HOME Note and is secured by the HOME Deed of Trust.

1.60 "HOME Note" shall mean the promissory note, substantially in the form of Attachment No. 6A attached hereto and fully incorporated herein by this reference, which evidences the HOME Loan consisting of HOME funds."

1.61 "HOME Compliance Period" and "First Affordability Period" means the period of time commencing upon the date the first unit is rented to a Qualified Household and ending on the twentieth (20th) anniversary of the issuance of the final certificate of occupancy for the Project by the City. As defined herein, the Second Affordability Period commences at the end of the HOME Compliance Period and ends on the fifty-fifth (55th) anniversary of the recordation in the Official Records of the Notice of Affordability Restrictions. The end of the HOME Compliance Period in no manner affects the fifty-five (55) year Affordability Period under this Agreement and the Regulatory Agreement.

1.62 "Second Affordability Period" shall mean the period commencing at the end of First Affordability Period and ending on the date that is the fifty-fifth (55th) anniversary of the date the recordation in the Official Records of the Notice of Affordability Restrictions, subject to and so long as the cumulative number of years that comprise the Affordability Period is fifty-five (55) years under this Agreement, the Regulatory Agreement, and other Project Documents."

8. Article 2, Financing, Section 2.2, City Loan, is hereby amended in its entirety and replaced with the following:

"2.2 City Loan and HOME Loan. The City hereby agrees to loan to Developer and Developer hereby agrees to borrow from the City the sum of up to Two Million Five Hundred Thousand Dollars ($2,500,000) ("City Loan") of LMIHAF, and Three Hundred Fifty Thousand Dollars ($350,000) of HOME funds, subject to the terms and conditions set forth in this Agreement, and subject further to the terms and conditions set forth within the Project Documents, including the City Note, City Loan, Deed of Trust, the HOME Note, HOME Loan, HOME Deed of Trust, and Regulatory Agreement.

Combined, the ARPA Grant, City Loan and HOME Loan ("City Funds") represent a total contribution by the City of Four Million Three Hundred Fifty Thousand Dollars ($4,350,000).

2.2.1 *City Note, City Deed of Trust, HOME Note and HOME Deed of Trust*. The City Loan and HOME Loan shall be evidenced by the City Note and HOME Note, respectively, and secured by the City Deed of Trust and HOME Deed of Trust, which shall be recorded against the Property in the Official Records of the County in a position junior and subordinate to the lenders set forth in Section 2.9.

2.2.2 *Terms of City Note and HOME Note*. The City Note and HOME Note shall be for a term commencing upon the date of initial disbursement of funds at

Closing and continuing for a period of fifty-five (55) years after the date of recordation of the Release of Construction Covenants ("Maturity Date"). The City Note and HOME Note shall bear simple interest at the rate of three percent (3%) per annum from the date of disbursement of the City Funds. Commencing the calendar year immediately after the recordation of the Release of Construction Covenants and annually on or before June 1 of each succeeding year, Developer shall make annual payments to City allocable from City's share of Residual Receipts, until the Maturity Date. On the Maturity Date of the City Note and HOME Note, all principal and interest shall be due in full by Developer to City (without regard to Residual Receipts calculation).

a. The City Note and HOME Note shall be repaid through an annual Residual Receipts calculation based on operation of the Project. The City Note and HOME Note shall be payable from the City's Proportionate Share of fifty percent (50%) of Residual Receipts, which is anticipated to be collectively nine and eighty-eight thousandths percent (9.088%), for the Project until the City Note and HOME Notes have been paid in full, but all amounts due, including the full principal amount principal and any and all accrued interest, shall be due and payable in full on the Maturity Date.

Developer shall make annual payments on the City Loan and HOME Loan payable from the City's Proportionate Share of fifty percent (50%) of Residual Receipts, which is anticipated to be collectively nine and eighty-eight thousandths percent (9.088%), received from operation of the Project until the City Loan and the HOME Loan matures and full payment, principal and any accrued and unpaid interest, is due on the City Loan and HOME Loan as set forth in the their respective Notes. In the event that the City's Proportionate Share of fifty percent (50%) of Residual Receipts, is insufficient to provide for payment of the entire annual interest payment due under the City Note and the HOME Note, then such unpaid interest (referred to as the "past-due interest amount") shall begin to accrue interest from the date on which such interest payment was due at the interest rate applicable to outstanding principal under the City Note and the HOME Note. The next annual payment shall be increased by the amount of the past-due interest amount plus interest accrued thereon. All past-due interest amounts shall continue to accrue interest until all such amounts and accrued interest thereon have been paid to City.

b. The City Note and the HOME Note shall be accelerated and due in full in the event Developer refinances to take cash out or transfers the Project or any part thereof (but excluding residential leases to tenants and Permitted Transfers), without prior written approval of the City, and the City Note and HOME Note shall be paid in full from Refinancing Net Proceeds, if any, immediately upon any refinancing of the Project (or any part thereof) or as applicable from Transfer Net Proceeds (excluding Permitted Transfers), if any, immediately upon any transfer in whole or in part of the Project (excluding residential leases to tenants). The terms of the City Loan and HOME Loan are more particularly described in the City Note and HOME Note, respectively.

c. Notwithstanding any provision to the contrary, the determination of Residual Receipts, in accordance with the documents evidencing the

County Loan and the Ground Lease, shall be deemed to comply with and satisfy the requirements to determine Residual Receipts under this Agreement.

2.2.3 *Security for City Loan and HOME Loan*. The City Loan shall be secured by the City Deed of Trust, Attachment No. 7, which Deed of Trust has been recorded in the Official Records of Orange County, California on February 28, 2025, as Instrument No. 2025-000068071. The HOME Loan shall be secured by the HOME Deed of Trust, Attachment No. 7A, which shall be recorded against the Leasehold Interest in the Property in the Official Records of the County in fifth lien position.

2.2.4 *Request for Notice of Default*. The City hereby requests that a copy of any notice of default and that a copy of any notice of sale hereunder be mailed to it at the address set forth in Section 10.2 of this Agreement. City shall record a Request for Notice of Default in the Official Records of Orange County, California, in a form similar to the Request for Notice of Default attached hereto as Attachment No. 8.

2.2.4. *Consent Required for Assignment and Assumption*. Except for Permitted Transfers and other Transfers permitted pursuant to Article 8 below, the City Note and HOME Note shall not be assignable or assumable by any successor or assignee of Developer without the prior written consent of City, which consent may be withheld in the sole and absolute discretion of the City Manager."

9. Article 2, Financing, Section 2.4, Permissible Use of City Loan and ARPA Grant; Eligible Expenses, is hereby amended in its entirety and replaced with the following:

"2.4 Permissible Use of City Loan, HOME Loan and ARPA Grant; Eligible Expenses. Pursuant to all of the terms and conditions of this Agreement, Developer shall be permitted to use the City Loan, HOME Loan and ARPA Grant proceeds only for the Eligible Expenses that are actually and reasonably incurred by Developer and approved by the City (such approval not to be unreasonably withheld or delayed), and for no other purpose, consistent with the ARPA requirements and HOME regulations, terms, conditions, and eligible uses. The proceeds of the City Loan, HOME Loan and ARPA Grant shall not be used for Project reserve accounts, monitoring, or servicing and origination fees, or for expenditures incurred more than one year after the issuance of the Release of Construction Covenants."

10. Article 2, Financing, Section 2.9, Additional Financing, is hereby amended in its entirety and replaced with the following:

2.9 Additional Financing.

2.9.1 *Sources of Financing*. Developer and City anticipate the following funding sources to be obtained by Developer and utilized in addition to the City Loan, HOME Loan and ARPA Grant for the Rehabilitation and operation of the Project. The final sources and amounts of funding for the Project as well as the final cost estimates with respect to the Rehabilitation and operation of the Project shall be set forth in the Final Budget.

a. Homekey award in the amount of Twenty-Nine Million Dollars ($29,000,000).

b. Developer will enter into loans with the County of Orange in an approximate combined original principal amount of Ten Million Eight Hundred Eighty-One Thousand Five Hundred and Twenty Dollars ($10,881,520).

c. Developer will enter into a loan with the City of Newport Beach in the amount of Three Million Two Hundred Sixty-Two Thousand Five Hundred Dollars ($3,262,500).

d. Developer will be obtaining a CalOptima Health grant in the amount of Nine Hundred Eighty-One Thousand Six Hundred and Sixty Dollars ($981,660).

e. Developer will be receiving One Million Thirty Thousand Six Hundred and Nine Dollars ($1,030,609) in deferred developer fees.

11. Article 7, ARPA Language is hereby amended in its entirety and replaced with the following:

"ARTICLE 7. ARPA LANGUAGE AND HOME REGULATIONS"

"7.1 ARPA Requirements. Developer, in the performance of this Agreement and as a sub-recipients of ARPA funds, as well as all of its contractors, consultants and subcontractors, must comply with the following:

a. Developer, and any and all of its contractors, consultants and subcontractors, must ensure that they do not deny benefits, services or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity) in accordance with Title VI of the Civil Rights Act of 1964, Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23. Developer will be required to submit data showing compliance with the above.

b. The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards found at 2 CFR Part 200 Appendix II.

c. The Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251et seq.) and all applicable standards, orders, or regulations.

d. The Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) regulations regarding restrictions on lobbying and required certificates.

e. Section 2 CFR 200.323 regarding Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (EPA guidelines at 40 CFR Part 247.

f. Section 200.322 of 2 CFR 200.322, Domestic preferences for procurements.

7.2 HOME Program. Because the City HOME Loan to Developer will be provided with HOME Program funds, Developer shall carry out the rehabilitation of the Housing Units and the operation of the Project in conformity with all requirements of the HOME Program to the extent applicable to the Project. In the event Developer desires to change the affordable housing or maintenance requirements for the Property from the specific requirements set forth in this Agreement in order to comply with a subsequently enacted amendment to the HOME Program, Developer shall notify the City in writing of such proposed change and the amendment related thereto at least thirty (30) days prior to implementing such change. In the event the City disapproves of such change and Developer's interpretation of the amendment related thereto, the City shall notify Developer of its disapproval in writing and the parties shall seek clarification from the appropriate HUD Field Office. Only if HUD concurs with Developer's interpretation of the HOME Program shall Developer be permitted to implement the proposed change.

7.3 Federal Funding. Due to the source of funding for the HOME Loan from HOME Program funds and the ARPA Grant from the Coronavirus State and Local Fiscal Recovery American Rescue Plan Act Funding, 31 CFR Part 35 funds, which funds are a federal revenue source, Developer shall comply with all applicable federal law and including, without limitation, the following "Federal Program Limitations":

7.3.1 *Property Standards*. Developer agrees to ensure that rehabilitation of the Project will comply with all applicable requirements of the HOME Program regulations, including 24 CFR §92.251, including, but not limited to, the following requirements:

a. The Project and all Housing Units and common areas at the Property shall meet all applicable State and local codes, ordinances, and zoning requirements, including all applicable requirements set forth in the Costa Mesa Municipal Code and all applicable State and local residential and building codes. The Project and all Housing Units and common areas at the Property must meet all such applicable requirements upon Project completion.

b. The Project and all Housing Units and common areas at the Property shall also meet the requirements described in paragraphs (i) through (iv) as follows:

(i) The Project and all Housing Units and common areas at the Property shall meet the accessibility requirements of 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. Covered multifamily dwellings, as defined at 24 CFR 100.201,

must also meet any applicable design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619).

(ii) Where relevant, the Project must be constructed to mitigate the impact of potential disasters (e.g., earthquakes, hurricanes, flooding, and wildfires), in accordance with State and local codes, ordinances, or other State and local requirements, or such other requirements as HUD may establish.

(iii) The material subcontracts and the Rehabilitation Plans must describe the construction work to be undertaken in adequate detail so that City can conduct inspections in accordance with the HOME Regulations. Developer shall also provide written cost estimates for construction for City's review; City shall determine whether such cost estimates are reasonable.

(iv) Developer shall permit and facilitate progress and final inspections of the Rehabilitation by City to ensure that work is done in accordance with the applicable codes, the contract(s), subcontracts, Scope of Rehabilitation and approved construction plans.

c. City has established property standards for rental housing ("City Property Standards"), which standards include all inspectable items and inspectable areas specified by HUD based on the HUD physical inspection procedures (Uniform Physical Condition Standards (UPCS)) prescribed by HUD pursuant to 24 CFR 5.705. Developer shall ensure that the Project, including all Housing Units and common areas at the Property, shall comply with City's Property Standards throughout the Affordability Period. In accordance with City's Property Standards, Developer shall maintain the Project, including all Housing Units and common areas at the Property: (i) as decent, safe, and sanitary housing in good repair, (ii) free of all health and safety defects and all life-threatening deficiencies, and (iii) in compliance with the lead-based paint regulations and requirements in 24 CFR Part 35.

d. In accordance with the HOME Regulations, City shall undertake ongoing inspections of the Project in accordance with §92.504(d). City has developed written inspection procedures and procedures for ensuring that timely corrective and remedial actions are taken by Developer to address identified deficiencies.

7.3.2 *Handicapped Accessibility*. Developer shall comply with, as and to the extent applicable, (a) Section 504 of the Rehabilitation Act of 1973, and implementing regulations at 24 CFR Part 8 Subpart C governing accessibility of projects assisted with federal funds; and (b) the Americans with Disabilities Act of 1990, and implementing regulations at 28 CFR Part 35–36 in order to provide handicapped accessibility to the extent readily achievable; and (c) the Uniform Federal Accessibility Standards (UFAS) pursuant to the Architectural Barriers Act of 1968, 42 U.S.C. 4151-4157, as amended.

7.3.3 *Use of Debarred, Suspended, or Ineligible Participants*. Developer shall comply with the provisions of 24 CFR Part 24 relating to the employment, engagement of

services, awarding of contracts, or funding of any contractor or subcontractor during any period of debarment, suspension, or placement in ineligibility status. Developer, each subcontractor, and any other contractors or subcontractors or agents of Developer (subject to compliance with 24 CFR Part 135) shall have provided to City the certification in appendix B of 24 CFR Part 24 that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation from this Project, and City shall be responsible for determining whether each contractor has been debarred.

7.3.4 *Maintenance of Drug-Free Workplace*. Developer shall certify that Developer will provide a drug-free workplace in accordance with 2 CFR Part 2429.

7.3.5 *Lead-Based Paint*. City, as a recipient of federal funds, has modified and conformed all of its federally funded housing programs to the Lead-Based Paint (LBP) Poisoning Prevention Act, Title X of the 1992 Housing and Community Development Act, 42 U.S.C. §4800, et seq., specifically §§4821 4846, and the implementing regulations thereto. In this regard, Developer shall comply with all applicable federal requirements relating to lead-based paint. On December 28, 2021, Partner Engineering and Science, Inc. submitted to Developer a *Limited Asbestos & Lead-Based Paint Survey Report* identifying the presence of LBP at the Property, as well as steps that must be taken to mitigate potential hazards.

7.3.6 *Affirmative Marketing*. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status, or disability. Developer shall adopt and implement affirmative marketing procedures and requirements at the Property in accordance with Section 92.351 of the HOME Regulations.

7.3.7 *Nondiscrimination, Equal Opportunity and Fair Housing*. Developer shall carry out the Project and perform its obligations under this Agreement in compliance with all of the federal laws and regulations regarding nondiscrimination equal opportunity and fair housing described in 24 CFR 92.350 and 24 CFR 5.105.

7.3.8 *Energy Conservation Standards*. As applicable to the Project, Developer shall cause the Property to meet the cost-effective energy conservation and effectiveness standards in 24 CFR 965 and 24 CFR 990.185.

7.3.9 *Displacement and Relocation*. Developer acknowledges and agrees that, pursuant to Federal Program Limitations and consistent with the other goals and objectives of that part and pursuant to a Relocation Plan, City must ensure that it has taken all reasonable steps to minimize the displacement of persons as a result of the Rehabilitation work. Furthermore, to the extent feasible, and subject to the tenant screening criteria set forth in the Management Plan, residential tenants must be provided a reasonable opportunity to lease and occupy a suitable, decent, safe, sanitary and affordable Housing Unit at the Property or comparable outside property upon completion of the Construction

work. Developer shall cause all Relocation of tenants and occupants of the Property to be conducted in accordance with the Relocation Laws and all Federal Program Limitations, including 24 CFR 92.353. Developer further agrees to cooperate with City in meeting the requirements of the Federal Program Limitations and shall take all actions and measures reasonably required by the Director (or his or her duly authorized representative) in connection therewith.

7.3.10 *Requests for Disbursements of Funds*. Developer may not request disbursements of HOME Loan funds hereunder until the funds are needed for payment of eligible costs of the Project. The amount of each request shall be limited to the amount needed for the acquisition of the Property and the Rehabilitation as set forth in the Final Budget and to be paid in installments as set forth in Section 2.5.

7.3.11 *Eligible Costs*. Developer shall only use HOME Program funds to pay costs defined as "eligible costs" under Federal Program Limitations.

7.3.12 *Records and Reports*. Developer shall maintain and from time to time submit to City such records, reports and information as the Director may reasonably require in order to permit City to meet the recordkeeping and reporting requirements required of them under 24 CFR 92.508. Without limiting the following, Developer shall maintain records and submit annual reports as required by this Agreement and Exhibit C to the Regulatory Agreement.

7.3.13 *Conflict of Interest*. Developer shall comply with and be bound by the conflict of interest provisions set forth at 24 CFR 92.356(f). No owner, developer, or sponsor of a project assisted with HOME funds (or officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor) whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer, or sponsor) may occupy a HOME-assisted affordable housing unit in a project during the required period of affordability specified in § 92.252(e) or § 92.254(a)(4). This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.

7.3.14 *Conflicts between and among Federal Program Limitations and State or Local Law*. If and to the extent applicable for any source of federal revenue expended to implement the Project and in the event of any conflict or inconsistency between applicable Federal Program Limitations and/or and State or local law, then the more stringent requirement(s) shall control.

7.3.15 *Layering Review*. Developer acknowledges that a layering review will be performed in accordance with Federal Program Limitations. In connection with such review Developer acknowledges and agrees it shall be required to represent and certify to

City that no government assistance other than the City Loan, the additional financing included in Section 2.9.1, the welfare exemption under California Revenue and Taxation Code Section 214(g), and the HAP Contract assistance has been obtained or is contemplated to be obtained for the acquisition, Rehabilitation and operation of the Property. If such layering review is conducted, Developer agrees to notify City in the event that it applies for or proposes to use governmental funds, other than as listed in the previous sentence, for the Property or the Project.

7.4. Section 3 Compliance. Developer agrees to comply with and to cause each and all of its contractors and subcontractors and any and all or agents of Developer or any Affiliate of Developer to comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. §1701u, and the implementing regulations at 24 CFR Part 75, in connection with the construction of the Project to the extent applicable. Developer shall submit to City each subcontract with appropriate provisions providing for the Rehabilitation of the Project in conformance with the terms of this Agreement, including the Section 3 Clause.

7.4.1 *Section 3 Checklist*. City has prepared a Section 3 "checklist" and other forms related to Section 3 compliance, attached hereto as Attachment No. 14 and fully incorporated by this reference; and as provided by City to Developer, and its contractor(s) or subcontractor(s), if any, and as applicable, such forms shall be utilized in all contracts and subcontracts to which Section 3 applies. Developer hereby acknowledges and agrees to take all responsibility for compliance with all Section 3 Clause federal requirements as to Developer, and each and all of its contractors and subcontractors, and other agents. Developer shall provide or cause to be provided to each and all of its contractors and subcontractors and other agents the checklist for compliance with the Section 3 Clause federal requirements provided by City, to obtain from Developer and each and all of its contractors and subcontractors, and other agents all applicable items, documents, and other evidence of compliance with the items, actions, and other provisions within the checklist, and to submit all such completed Section 3 Clause documentation and proof of compliance to the Director. To the extent applicable, Developer shall comply and/or cause compliance with all Section 3 Clause requirements for the Project. For example, when and if Developer or its contractor(s) hire(s) full time employees, rather than volunteer labor or materials, Section 3 is applicable and all disclosure and reporting requirements apply.

7.5. Violence Against Women Act (VAWA). Developer agrees to comply with the core statutory protections of VAWA that prohibit denial or termination of assistance or eviction solely because an applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking became applicable upon enactment of VAWA 2013 on March 7, 2013. Compliance with the VAWA regulatory requirements under § 24 CFR 92.359 and § 24 CFR part 5, subpart L, are required for any rental housing project for which the date of the HOME funding commitment is on or after *December 16, 2016*. For HOME-assisted rental housing, the requirements shall apply to the owner of the housing for the duration of the affordability period.

7.5.1. Violence Against Women Act (VAWA) Bifurcation of lease requirements: For the purposes of this part, the following requirements shall apply in place of the requirements at § 24 CFR 5.2009(b). If a family living in a HOME-assisted rental unit separates under § 24 CFR 5.2009(a), the remaining tenant(s) may remain in the HOME-assisted unit.

7.5.2. Violence Against Women Act (VAWA) Emergency Transfer plan: The Developer must develop and implement an emergency transfer plan and must make the determination of whether a tenant qualifies under the plan. The plan must meet the requirements in § 24 CFR 5.2005(e), as supplemented by this section.

7.6 Fees: Project owners are prohibited from charging fees that are not customarily charged in rental housing such as laundry room access fees, and other fees. However, rental project owners may charge reasonable application fees to prospective tenants may charge parking fees to tenants only if such fees are customary for rental housing projects in the neighborhood; and may charge fees for services such as bus transportation or meals, as long as such services are voluntary."

12. Attachments 4 and 5 hereby amended in their entirety and replaced with the new Attachments 4 and 5 attached hereto and incorporated herein by reference.

13. New Attachments 6A, 7A and 14, attached hereto and incorporated herein by reference, are hereby added to the Original Agreement.

Signatures on following page.

IN WITNESS WHEREOF, City and Developer have executed this First Amendment to Affordable Housing Grant and Loan Agreement as of the date set forth above.

"CITY"
CITY OF COSTA MESA,
a California municipal corporation

By: _____ Date: _____
City Manager

ATTEST:

By:_____ Date: _____
City Clerk

APPROVED AS TO FORM:

By:_____ Date: _____
City Attorney

"DEVELOPER"

AMERICAN FAMILY HOUSING,
a California nonprofit, public benefit corporation

By: _____ Date:_____
Name: Myles Anthony Peinemann II
Title: Chief Executive Officer

ATTACHMENT NO. 4
PROJECT BUDGET

1400 Bristol
Construction Development Budget

DEVELOPMENT BUDGET

CATEGORY	TOTAL COST	$ PER UNIT	$ PER BDRM	$ PER SF BLDG	% OF TOTAL
LAND COSTS / ACQUISITION					
Land Cost or Value	24,000,000	307,692	300,000	491.36	
Total Land Cost	**24,000,000**	307,692	300,000	491.36	
REHABILITATION					
Site Work	986,987	12,654	12,337	20.21	
Structures	14,305,237	183,400	178,815	292.88	
General Requirements	1,184,384	15,184	14,805	24.25	
Contractor Overhead	789,590	10,123	9,870	16.17	
Contractor Profit	789,590	10,123	9,870	16.17	
Prevailing Wages	1,973,974	25,307	24,675	40.41	
Total Rehabilitation Costs	**20,029,762**	256,792	250,372	410.08	
RELOCATION EXPENSES	26,903	345	336	0.55	
ARCHITECTURAL FEES					
Design	842,856	10,806	10,536	17.26	
Total Architectural Costs	**842,856**	10,806	10,536	17.26	
PERMANENT FINANCING					
Credit Enhancement/Application Fee	16,960	217	212	0.35	
Title & Recording	80,850	1,037	1,011	1.66	
Taxes	157,480	2,019	1,969	3.22	
Insurance	899,346	11,530	11,242	18.41	
Total Permanent Financing Costs	**1,154,636**	14,803	14,433	23.64	
LEGAL & CONSULTING FEES					
Financial Consulting	10,000	128	125	0.20	
Entitlement Services	5,072	65	63	0.10	
Owner Legal	76,990	987	962	1.58	
Total Legal & Consulting	**92,062**	1,180	1,151	1.88	
RESERVES					
3-Month Operating Reserve	397,465	5,096	4,968	8.14	
Transition Reserve	50,000	641	625	1.02	
Total Reserve Costs	**447,465**	5,737	5,593	9.16	
CONTINGENCY					
Hard + Soft Cost Contingency (remaining)	110,000	1,410	1,375	2.25	
OTHER PROJECT COSTS					
Environmental Audit	64,625	829	808	1.32	
Local Development Impact Fees	390,000	5,000	4,875	7.98	
Permit Processing Fees	471,796	6,049	5,897	9.66	
Furnishings (PSH)	155,000	1,987	1,938	3.17	
CASp & Construction Mgmt	182,000	2,333	2,275	3.73	
Site Cleanup / Security	149,701	1,919	1,871	3.06	
Soils / Inspector / Low Voltage	416,327	5,338	5,204	8.52	
Total Other Project Costs	**1,829,449**	23,454	22,868	37.45	
DEVELOPER COSTS					
Developer Overhead/Profit	1,550,000	19,872	19,375	31.73	
Processing Agent	10,000	128	125	0.20	
Total Developer Costs	**1,560,000**	20,000	19,500	31.94	
TOTAL PROJECT COST	50,093,133	642,220	626,164		

ATTACHMENT NO. 5
DEVELOPER'S PRO FORMA

SOURCES & USES OF FUNDS

CONSTRUCTION SOURCES	TOTAL	TERM (MO)	INT RATE	PER UNIT	PER BDRM	% OF TOTAL
State HCD Homekey Program	28,261,300			362,324	353,266	*56.418%*
OCHCD: MHSA/15G	4,421,520	660	3.0%	56,686	55,269	*8.827%*
OCHCD: 15G	6,460,000	660	3.0%	82,821	80,750	*12.896%*
HHAP	687,034	660	3.0%	8,808	8,588	*1.372%*
City of Costa Mesa	2,850,000	660	3.0%	36,538	35,625	*5.689%*
City of Costa Mesa Grant	1,500,000			19,231	18,750	*2.994%*
City of Newport Beach	3,262,500	660	3.0%	41,827	40,781	*6.513%*
CalOptima	981,660			12,585	12,271	*1.960%*
Deferred Developer Fee	1,221,654			15,662	15,271	*2.439%*
Reserves Deferred Until Completion	447,465			5,737	5,593	*0.893%*
Total Construction Sources	**50,093,133**			**642,220**	**626,164**	**100.0%**

PERMANENT SOURCES	TOTAL	TERM (MO)	INT RATE	PER UNIT	PER BDRM	% OF TOTAL
Amortized Loan (County 15G)	1,314,539	180	3.0%	16,853	16,432	*2.624%*
OCHCD: MHSA	4,421,520	660	3.0%	56,686	55,269	*8.827%*
OCHCD: 15G Remaining	5,145,461	660	3.0%	65,967	64,318	*10.272%*
City of Costa Mesa	2,850,000	660	3.0%	36,538	35,625	*5.689%*
City of Costa Mesa Grant	1,500,000			19,231	18,750	*2.994%*
City of Newport Beach	3,262,500	660	3.0%	41,827	40,781	*6.513%*
CalOptima Health	981,660	660	3.0%	12,585	12,271	*1.960%*
State HCD Homekey Program	28,261,300			362,324	353,266	*56.418%*
County of Orange HHAP	687,034		3.0%	8,808	8,588	*1.372%*
Deferred Developer Fee	1,030,609			13,213	12,883	*2.057%*
Insurance Proceeds	400,000			5,128	5,000	*0.799%*
Commercial Income During Construction	238,510			3,058	2,981	*0.476%*
Total Permanent Sources	**50,093,133**			**642,220**	**626,164**	**100.0%**

Total Project Cost	**50,093,133**
(Gap) / Surplus	**-**

DEVELOPMENT BUDGET

CATEGORY	TOTAL COST	$ PER UNIT	$ PER BDRM	$ PER SF BLDG	% OF TOTAL
LAND COSTS / ACQUISITION					
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Total Land Cost	**24,000,000**	307,692	300,000	491.36	
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Total Architectural Costs	**842,856**	10,806	10,536	17.26	
PERMANENT FINANCING					
Credit Enhancement/Application Fee	16,960	217	212	0.35	
Title & Recording	80,850	1,037	1,011	1.66	
Taxes	157,480	2,019	1,969	3.22	
Insurance	899,346	11,530	11,242	18.41	
Total Permanent Financing Costs	**1,154,636**	14,803	14,433	23.64	
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Total Developer Costs	**1,560,000**	20,000	19,500	31.94	
TOTAL PROJECT COST	**50,093,133**	642,220	626,164		

RENT SCHEDULE

UNIT TYPE	% AMI	MONTHLY GROSS RENT	UTILITY ALLOW.	MONTHLY NET RENT	# UNITS (NON-PBV)	# PBV/VASH	TOTAL MONTHLY RENT	TOTAL ANNUAL RENT	ANNUAL RENTAL ASSIST.	# BDRMS
Studio	30%	888	-	888	28	8	24,864	298,368	237,120	36
One-Bedroom	30%	952	-	952	-	40	-	-	1,212,000	40
Manager's (2-BR)	N/A	-	-	-	2	-	-	-	-	4
TOTALS					**30**	**48**	**24,864**	**298,368**	**1,449,120**	**80**

PBV/VASH PAYMENT STANDARDS

Studio	2,470
One-Bedroom	2,525

TCAC 2025 APPLICABLE RENTS

% AMI	Studio	1-BR	2-BR	3-BR	4-BR
30.0%	888	952	1,142	1,320	1,472
40.0%	1,185	1,269	1,523	1,760	1,963
50.0%	1,481	1,586	1,903	2,200	2,453
60.0%	1,777	1,904	2,284	2,640	2,944
80.0%	2,370	2,539	3,046	3,520	3,926

OPERATING PRO FORMA — 55-YEAR PROJECTION

Year 1: Monthly Detail | Years 2–55: Annual

	ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13
INCOME														
Residential Income	2.5%	**298,368**	305,827	313,473	321,310	329,342	337,576	346,015	354,666	363,532	372,621	381,936	391,485	401,272
PBV/VASH Income	2.5%	**1,449,120**	1,485,348	1,522,482	1,560,544	1,599,557	1,639,546	1,680,535	1,722,548	1,765,612	1,809,752	1,854,996	1,901,371	1,948,905
Commercial Income	2.5%	**208,200**	213,405	218,740	224,209	229,814	235,559	241,448	247,484	253,671	260,013	266,514	273,176	280,006
Laundry & Miscellaneous	2.5%	**11,232**	11,513	11,801	12,096	12,398	12,708	13,026	13,351	13,685	14,027	14,378	14,737	15,106
Gross Income		**1,966,920**	**2,016,093**	**2,066,495**	**2,118,158**	**2,171,112**	**2,225,389**	**2,281,024**	**2,338,050**	**2,396,501**	**2,456,414**	**2,517,824**	**2,580,769**	**2,645,289**
Less: Vacancy	10.0%	**(196,692)**	(201,609)	(206,650)	(211,816)	(217,111)	(222,539)	(228,102)	(233,805)	(239,650)	(245,641)	(251,782)	(258,077)	(264,529)
Effective Gross Income		**1,770,228**	**1,814,484**	**1,859,846**	**1,906,342**	**1,954,000**	**2,002,850**	**2,052,922**	**2,104,245**	**2,156,851**	**2,210,772**	**2,266,042**	**2,322,693**	**2,380,760**
OPERATING EXPENSES														
1. MANAGEMENT														
Contract Management Fee	3.5%	**(65,520)**	(67,813)	(70,187)	(72,643)	(75,186)	(77,817)	(80,541)	(83,360)	(86,277)	(89,297)	(92,422)	(95,657)	(99,005)
Total Management	3.5%	**(65,520)**	(67,813)	(70,187)	(72,643)	(75,186)	(77,817)	(80,541)	(83,360)	(86,277)	(89,297)	(92,422)	(95,657)	(99,005)
2. ADMINISTRATION														
Marketing	3.5%	**(5,000)**	(5,175)	(5,356)	(5,544)	(5,738)	(5,938)	(6,146)	(6,361)	(6,584)	(6,814)	(7,053)	(7,300)	(7,555)
Audit	3.5%	**(6,000)**	(6,210)	(6,427)	(6,652)	(6,885)	(7,126)	(7,376)	(7,634)	(7,901)	(8,177)	(8,464)	(8,760)	(9,066)
Legal	3.5%	**(6,000)**	(6,210)	(6,427)	(6,652)	(6,885)	(7,126)	(7,376)	(7,634)	(7,901)	(8,177)	(8,464)	(8,760)	(9,066)
Office Expenses	3.5%	**(20,000)**	(20,700)	(21,425)	(22,174)	(22,950)	(23,754)	(24,585)	(25,446)	(26,336)	(27,258)	(28,212)	(29,199)	(30,221)
Total Administration	3.5%	**(37,000)**	(38,295)	(39,635)	(41,023)	(42,458)	(43,944)	(45,482)	(47,074)	(48,722)	(50,427)	(52,192)	(54,019)	(55,910)
3. SALARIES & BENEFITS														
On-Site Manager/Asst. Manager	3.5%	**(119,934)**	(124,132)	(128,476)	(132,973)	(137,627)	(142,444)	(147,430)	(152,590)	(157,930)	(163,458)	(169,179)	(175,100)	(181,229)
Maintenance Personnel	3.5%	**(58,000)**	(60,030)	(62,131)	(64,306)	(66,556)	(68,886)	(71,297)	(73,792)	(76,375)	(79,048)	(81,815)	(84,678)	(87,642)
Payroll Taxes, Ins & Wkr. Comp.	3.5%	**(60,750)**	(62,876)	(65,077)	(67,355)	(69,712)	(72,152)	(74,677)	(77,291)	(79,996)	(82,796)	(85,694)	(88,693)	(91,797)
Total Salaries & Benefits	3.5%	**(238,684)**	(247,038)	(255,684)	(264,633)	(273,895)	(283,482)	(293,404)	(303,673)	(314,301)	(325,302)	(336,687)	(348,471)	(360,668)
4. MAINTENANCE														
Supplies	3.5%	**(20,000)**	(20,700)	(21,425)	(22,174)	(22,950)	(23,754)	(24,585)	(25,446)	(26,336)	(27,258)	(28,212)	(29,199)	(30,221)
Repairs Contract	3.5%	**(62,475)**	(64,662)	(66,925)	(69,267)	(71,691)	(74,201)	(76,798)	(79,486)	(82,268)	(85,147)	(88,127)	(91,212)	(94,404)
Pest Control	3.5%	**(31,238)**	(32,331)	(33,463)	(34,634)	(35,846)	(37,101)	(38,399)	(39,743)	(41,134)	(42,574)	(44,064)	(45,607)	(47,203)
Grounds Contract	3.5%	**(31,238)**	(32,331)	(33,463)	(34,634)	(35,846)	(37,101)	(38,399)	(39,743)	(41,134)	(42,574)	(44,064)	(45,607)	(47,203)
Total Maintenance	3.5%	**(144,951)**	(150,024)	(155,275)	(160,710)	(166,335)	(172,156)	(178,182)	(184,418)	(190,873)	(197,553)	(204,468)	(211,624)	(219,031)
5. UTILITIES														
Trash Removal	3.5%	**(10,800)**	(11,178)	(11,569)	(11,974)	(12,393)	(12,827)	(13,276)	(13,741)	(14,222)	(14,719)	(15,234)	(15,768)	(16,320)
Electricity	3.5%	**(86,190)**	(89,207)	(92,329)	(95,560)	(98,905)	(102,367)	(105,950)	(109,658)	(113,496)	(117,468)	(121,580)	(125,835)	(130,239)
Water/Sewer	3.5%	**(67,300)**	(69,656)	(72,093)	(74,617)	(77,228)	(79,931)	(82,729)	(85,624)	(88,621)	(91,723)	(94,933)	(98,256)	(101,695)
Gas	3.5%	**(50,000)**	(51,750)	(53,561)	(55,436)	(57,376)	(59,384)	(61,463)	(63,614)	(65,840)	(68,145)	(70,530)	(72,998)	(75,553)
Total Utilities	3.5%	**(214,290)**	(221,790)	(229,553)	(237,587)	(245,903)	(254,509)	(263,417)	(272,637)	(282,179)	(292,055)	(302,277)	(312,857)	(323,807)
6. INSURANCE														
Property & Liability Insurance	3.5%	**(60,400)**	(62,514)	(64,702)	(66,967)	(69,310)	(71,736)	(74,247)	(76,846)	(79,535)	(82,319)	(85,200)	(88,182)	(91,269)
Total Insurance	3.5%	**(60,400)**	(62,514)	(64,702)	(66,967)	(69,310)	(71,736)	(74,247)	(76,846)	(79,535)	(82,319)	(85,200)	(88,182)	(91,269)
7. OTHER														
Loan Monitoring	3.5%	**(5,511)**	(5,704)	(5,904)	(6,110)	(6,324)	(6,545)	(6,774)	(7,012)	(7,257)	(7,511)	(7,774)	(8,046)	(8,327)
Security	3.5%	**(119,000)**	(123,165)	(127,476)	(131,937)	(136,555)	(141,335)	(146,281)	(151,401)	(156,700)	(162,185)	(167,861)	(173,736)	(179,817)
Total Other	3.5%	**(124,511)**	(128,869)	(133,379)	(138,048)	(142,879)	(147,880)	(153,056)	(158,413)	(163,957)	(169,696)	(175,635)	(181,782)	(188,145)
Real Estate Taxes & Assessments	3.5%	**(34,863)**	(36,083)	(37,346)	(38,653)	(40,006)	(41,406)	(42,856)	(44,355)	(45,908)	(47,515)	(49,178)	(50,899)	(52,680)
Support Services	3.5%	**(324,250)**	(335,599)	(347,345)	(359,502)	(372,084)	(385,107)	(398,586)	(412,537)	(426,975)	(441,919)	(457,387)	(473,395)	(489,964)
TOTAL OPERATING EXPENSES		**(885,356)**	**(916,343)**	**(948,415)**	**(981,610)**	**(1,015,966)**	**(1,051,525)**	**(1,088,329)**	**(1,126,420)**	**(1,165,845)**	**(1,206,649)**	**(1,248,882)**	**(1,292,593)**	**(1,337,834)**
TOTAL EXPENSES INCL. TAXES & SERVICES		**(1,244,469)**	**(1,288,025)**	**(1,333,106)**	**(1,379,765)**	**(1,428,057)**	**(1,478,039)**	**(1,529,770)**	**(1,583,312)**	**(1,638,728)**	**(1,696,084)**	**(1,755,446)**	**(1,816,887)**	**(1,880,478)**
Replacement Reserve	3.5%	**(39,000)**	(40,365)	(41,778)	(43,240)	(44,753)	(46,320)	(47,941)	(49,619)	(51,356)	(53,153)	(55,013)	(56,939)	(58,932)
TOTAL EXPENSES & RESERVES		**(1,283,469)**												
NET OPERATING INCOME		**486,759**	**486,093**	**484,962**	**483,337**	**481,190**	**478,492**	**475,211**	**471,314**	**466,767**	**461,536**	**455,582**	**448,867**	**441,350**

YEAR 14	YEAR 15	YEAR 16	YEAR 17	YEAR 18	YEAR 19	YEAR 20	YEAR 21	YEAR 22	YEAR 23	YEAR 24	YEAR 25	YEAR 26	YEAR 27	YEAR 28	YEAR 29	YEAR 30	YEAR 31
411,304	421,586	432,126	442,929	454,002	465,352	476,986	488,911	501,133	513,662	526,503	539,666	553,158	566,987	581,161	595,690	610,582	625,847
1,997,626	2,047,569	2,098,758	2,151,227	2,205,007	2,260,133	2,316,636	2,374,552	2,433,916	2,494,764	2,557,133	2,621,061	2,686,587	2,753,752	2,822,596	2,893,161	2,965,490	3,039,627
287,006	294,181	301,536	309,074	316,801	324,721	332,839	341,160	349,689	358,431	367,392	376,577	385,991	395,641	405,532	415,670	426,062	436,714
15,483	15,871	16,267	16,674	17,091	17,518	17,956	18,405	18,865	19,337	19,820	20,316	20,824	21,344	21,878	22,425	22,985	23,560
2,711,421	**2,779,206**	**2,848,687**	**2,919,904**	**2,992,901**	**3,067,724**	**3,144,417**	**3,223,027**	**3,303,603**	**3,386,193**	**3,470,848**	**3,557,619**	**3,646,560**	**3,737,724**	**3,831,167**	**3,926,946**	**4,025,120**	**4,125,748**
(271,142)	(277,921)	(284,869)	(291,990)	(299,290)	(306,772)	(314,442)	(322,303)	(330,360)	(338,619)	(347,085)	(355,762)	(364,656)	(373,772)	(383,117)	(392,695)	(402,512)	(412,575)
2,440,279	**2,501,286**	**2,563,818**	**2,627,913**	**2,693,611**	**2,760,952**	**2,829,975**	**2,900,725**	**2,973,243**	**3,047,574**	**3,123,763**	**3,201,857**	**3,281,904**	**3,363,951**	**3,448,050**	**3,534,251**	**3,622,608**	**3,713,173**
(102,470)	(106,057)	(109,769)	(113,611)	(117,587)	(121,703)	(125,962)	(130,371)	(134,934)	(139,657)	(144,545)	(149,604)	(154,840)	(160,259)	(165,868)	(171,674)	(177,682)	(183,901)
(102,470)	(106,057)	(109,769)	(113,611)	(117,587)	(121,703)	(125,962)	(130,371)	(134,934)	(139,657)	(144,545)	(149,604)	(154,840)	(160,259)	(165,868)	(171,674)	(177,682)	(183,901)
(7,820)	(8,093)	(8,377)	(8,670)	(8,973)	(9,287)	(9,613)	(9,949)	(10,297)	(10,658)	(11,031)	(11,417)	(11,816)	(12,230)	(12,658)	(13,101)	(13,559)	(14,034)
(9,384)	(9,712)	(10,052)	(10,404)	(10,768)	(11,145)	(11,535)	(11,939)	(12,357)	(12,789)	(13,237)	(13,700)	(14,179)	(14,676)	(15,189)	(15,721)	(16,271)	(16,841)
(9,384)	(9,712)	(10,052)	(10,404)	(10,768)	(11,145)	(11,535)	(11,939)	(12,357)	(12,789)	(13,237)	(13,700)	(14,179)	(14,676)	(15,189)	(15,721)	(16,271)	(16,841)
(31,279)	(32,374)	(33,507)	(34,680)	(35,894)	(37,150)	(38,450)	(39,796)	(41,189)	(42,630)	(44,122)	(45,667)	(47,265)	(48,919)	(50,631)	(52,403)	(54,236)	(56,136)
(57,866)	(59,892)	(61,988)	(64,157)	(66,403)	(68,727)	(71,133)	(73,622)	(76,199)	(78,866)	(81,626)	(84,483)	(87,440)	(90,500)	(93,668)	(96,946)	(100,339)	(103,851)
(187,572)	(194,137)	(200,931)	(207,964)	(215,243)	(222,776)	(230,573)	(238,643)	(246,996)	(255,641)	(264,588)	(273,849)	(283,433)	(293,354)	(303,621)	(314,248)	(325,246)	(336,630)
(90,709)	(93,884)	(97,170)	(100,571)	(104,091)	(107,734)	(111,505)	(115,408)	(119,447)	(123,628)	(127,955)	(132,433)	(137,068)	(141,866)	(146,831)	(151,970)	(157,289)	(162,794)
(95,010)	(98,336)	(101,777)	(105,340)	(109,027)	(112,842)	(116,792)	(120,880)	(125,110)	(129,489)	(134,021)	(138,712)	(143,567)	(148,592)	(153,793)	(159,175)	(164,747)	(170,513)
(373,291)	(386,356)	(399,879)	(413,875)	(428,360)	(443,353)	(458,870)	(474,931)	(491,553)	(508,758)	(526,564)	(544,994)	(564,069)	(583,811)	(604,245)	(625,393)	(647,282)	(669,937)
(31,279)	(32,374)	(33,507)	(34,680)	(35,894)	(37,150)	(38,450)	(39,796)	(41,189)	(42,630)	(44,122)	(45,667)	(47,265)	(48,919)	(50,631)	(52,403)	(54,236)	(56,136)
(97,708)	(101,128)	(104,667)	(108,331)	(112,122)	(116,047)	(120,108)	(124,312)	(128,663)	(133,166)	(137,827)	(142,651)	(147,644)	(152,811)	(158,160)	(163,695)	(169,425)	(175,354)
(48,855)	(50,565)	(52,335)	(54,166)	(56,062)	(58,024)	(60,055)	(62,157)	(64,333)	(66,584)	(68,915)	(71,327)	(73,823)	(76,407)	(79,081)	(81,849)	(84,714)	(87,679)
(48,855)	(50,565)	(52,335)	(54,166)	(56,062)	(58,024)	(60,055)	(62,157)	(64,333)	(66,584)	(68,915)	(71,327)	(73,823)	(76,407)	(79,081)	(81,849)	(84,714)	(87,679)
(226,697)	(234,631)	(242,843)	(251,343)	(260,140)	(269,245)	(278,668)	(288,422)	(298,517)	(308,965)	(319,779)	(330,971)	(342,555)	(354,544)	(366,953)	(379,797)	(393,089)	(406,848)
(16,891)	(17,482)	(18,094)	(18,727)	(19,382)	(20,061)	(20,763)	(21,490)	(22,242)	(23,020)	(23,826)	(24,660)	(25,523)	(26,416)	(27,341)	(28,298)	(29,288)	(30,313)
(134,797)	(139,515)	(144,398)	(149,452)	(154,683)	(160,097)	(165,700)	(171,500)	(177,502)	(183,715)	(190,145)	(196,800)	(203,688)	(210,817)	(218,196)	(225,833)	(233,737)	(241,918)
(105,254)	(108,938)	(112,751)	(116,697)	(120,782)	(125,009)	(129,384)	(133,913)	(138,600)	(143,451)	(148,472)	(153,668)	(159,046)	(164,613)	(170,374)	(176,338)	(182,509)	(188,897)
(78,198)	(80,935)	(83,767)	(86,699)	(89,734)	(92,874)	(96,125)	(99,489)	(102,972)	(106,576)	(110,306)	(114,166)	(118,162)	(122,298)	(126,578)	(131,009)	(135,594)	(140,340)
(335,140)	(346,870)	(359,011)	(371,576)	(384,581)	(398,041)	(411,973)	(426,392)	(441,316)	(456,762)	(472,748)	(489,294)	(506,420)	(524,144)	(542,490)	(561,477)	(581,128)	(601,468)
(94,463)	(97,769)	(101,191)	(104,733)	(108,398)	(112,192)	(116,119)	(120,183)	(124,390)	(128,743)	(133,249)	(137,913)	(142,740)	(147,736)	(152,907)	(158,258)	(163,797)	(169,530)
(94,463)	(97,769)	(101,191)	(104,733)	(108,398)	(112,192)	(116,119)	(120,183)	(124,390)	(128,743)	(133,249)	(137,913)	(142,740)	(147,736)	(152,907)	(158,258)	(163,797)	(169,530)
(8,619)	(8,921)	(9,233)	(9,556)	(9,890)	(10,237)	(10,595)	(10,966)	(11,350)	(11,747)	(12,158)	(12,583)	(13,024)	(13,480)	(13,951)	(14,440)	(14,945)	(15,468)
(186,111)	(192,625)	(199,367)	(206,344)	(213,566)	(221,041)	(228,778)	(236,785)	(245,072)	(253,650)	(262,528)	(271,716)	(281,226)	(291,069)	(301,256)	(311,800)	(322,713)	(334,008)
(194,730)	(201,545)	(208,599)	(215,900)	(223,457)	(231,276)	(239,373)	(247,751)	(256,422)	(265,397)	(274,686)	(284,300)	(294,250)	(304,549)	(315,208)	(326,240)	(337,659)	(349,477)
(54,524)	(56,433)	(58,408)	(60,452)	(62,568)	(64,758)	(67,024)	(69,370)	(71,798)	(74,311)	(76,912)	(79,604)	(82,390)	(85,273)	(88,258)	(91,347)	(94,544)	(97,853)
(507,113)	(524,862)	(543,232)	(562,245)	(581,924)	(602,291)	(623,371)	(645,189)	(667,771)	(691,143)	(715,333)	(740,369)	(766,282)	(793,102)	(820,861)	(849,591)	(879,326)	(910,103)
(1,384,658)	**(1,433,121)**	**(1,483,280)**	**(1,535,195)**	**(1,588,927)**	**(1,644,539)**	**(1,702,096)**	**(1,761,672)**	**(1,823,330)**	**(1,887,147)**	**(1,953,197)**	**(2,021,559)**	**(2,092,313)**	**(2,165,544)**	**(2,241,338)**	**(2,319,785)**	**(2,400,977)**	**(2,485,012)**
(1,946,295)	**(2,014,415)**	**(2,084,920)**	**(2,157,892)**	**(2,233,418)**	**(2,311,588)**	**(2,392,493)**	**(2,476,231)**	**(2,562,899)**	**(2,652,600)**	**(2,745,441)**	**(2,841,532)**	**(2,940,985)**	**(3,043,920)**	**(3,150,457)**	**(3,260,723)**	**(3,374,848)**	**(3,492,968)**
(60,994)	(63,129)	(65,339)	(67,625)	(69,992)	(72,442)	(74,978)	(77,602)	(80,318)	(83,129)	(86,038)	(89,050)	(92,167)	(95,392)	(98,731)	(102,187)	(105,763)	(109,465)
432,990	**423,742**	**413,560**	**402,396**	**390,201**	**376,922**	**362,504**	**346,892**	**330,026**	**311,845**	**292,284**	**271,276**	**248,752**	**224,639**	**198,862**	**171,342**	**141,996**	**110,740**

YEAR 32	YEAR 33	YEAR 34	YEAR 35	YEAR 36	YEAR 37	YEAR 38	YEAR 39	YEAR 40	YEAR 41	YEAR 42	YEAR 43	YEAR 44	YEAR 45	YEAR 46	YEAR 47	YEAR 48	YEAR 49
641,493	657,531	673,969	690,818	708,088	725,791	743,935	762,534	781,597	801,137	821,166	841,695	862,737	884,305	906,413	929,073	952,300	976,108
3,115,618	3,193,508	3,273,346	3,355,180	3,439,059	3,525,036	3,613,161	3,703,491	3,796,078	3,890,980	3,988,254	4,087,961	4,190,160	4,294,914	4,402,286	4,512,344	4,625,152	4,740,781
447,631	458,822	470,293	482,050	494,101	506,454	519,115	532,093	545,395	559,030	573,006	587,331	602,014	617,065	632,491	648,304	664,511	681,124
24,149	24,753	25,371	26,006	26,656	27,322	28,005	28,705	29,423	30,159	30,913	31,685	32,478	33,289	34,122	34,975	35,849	36,745
4,228,891	**4,334,614**	**4,442,979**	**4,554,053**	**4,667,905**	**4,784,602**	**4,904,217**	**5,026,823**	**5,152,493**	**5,281,306**	**5,413,338**	**5,548,672**	**5,687,389**	**5,829,573**	**5,975,313**	**6,124,696**	**6,277,813**	**6,434,758**
(422,889)	(433,461)	(444,298)	(455,405)	(466,790)	(478,460)	(490,422)	(502,682)	(515,249)	(528,131)	(541,334)	(554,867)	(568,739)	(582,957)	(597,531)	(612,470)	(627,781)	(643,476)
3,806,002	**3,901,152**	**3,998,681**	**4,098,648**	**4,201,114**	**4,306,142**	**4,413,796**	**4,524,141**	**4,637,244**	**4,753,175**	**4,872,005**	**4,993,805**	**5,118,650**	**5,246,616**	**5,377,781**	**5,512,226**	**5,650,032**	**5,791,282**
(190,338)	(196,999)	(203,894)	(211,031)	(218,417)	(226,061)	(233,974)	(242,163)	(250,638)	(259,411)	(268,490)	(277,887)	(287,613)	(297,680)	(308,099)	(318,882)	(330,043)	(341,594)
(190,338)	(196,999)	(203,894)	(211,031)	(218,417)	(226,061)	(233,974)	(242,163)	(250,638)	(259,411)	(268,490)	(277,887)	(287,613)	(297,680)	(308,099)	(318,882)	(330,043)	(341,594)
(14,525)	(15,034)	(15,560)	(16,104)	(16,668)	(17,251)	(17,855)	(18,480)	(19,127)	(19,796)	(20,489)	(21,206)	(21,949)	(22,717)	(23,512)	(24,335)	(25,186)	(26,068)
(17,430)	(18,040)	(18,672)	(19,325)	(20,002)	(20,702)	(21,426)	(22,176)	(22,952)	(23,756)	(24,587)	(25,448)	(26,338)	(27,260)	(28,214)	(29,202)	(30,224)	(31,282)
(17,430)	(18,040)	(18,672)	(19,325)	(20,002)	(20,702)	(21,426)	(22,176)	(22,952)	(23,756)	(24,587)	(25,448)	(26,338)	(27,260)	(28,214)	(29,202)	(30,224)	(31,282)
(58,101)	(60,134)	(62,239)	(64,417)	(66,672)	(69,005)	(71,421)	(73,920)	(76,507)	(79,185)	(81,957)	(84,825)	(87,794)	(90,867)	(94,047)	(97,339)	(100,746)	(104,272)
(107,486)	(111,248)	(115,142)	(119,172)	(123,343)	(127,660)	(132,128)	(136,752)	(141,539)	(146,493)	(151,620)	(156,927)	(162,419)	(168,104)	(173,987)	(180,077)	(186,380)	(192,903)
(348,412)	(360,606)	(373,228)	(386,291)	(399,811)	(413,804)	(428,287)	(443,277)	(458,792)	(474,850)	(491,470)	(508,671)	(526,475)	(544,901)	(563,973)	(583,712)	(604,142)	(625,287)
(168,492)	(174,389)	(180,493)	(186,810)	(193,348)	(200,115)	(207,119)	(214,369)	(221,872)	(229,637)	(237,674)	(245,993)	(254,603)	(263,514)	(272,737)	(282,283)	(292,162)	(302,388)
(176,481)	(182,657)	(189,050)	(195,667)	(202,516)	(209,604)	(216,940)	(224,533)	(232,391)	(240,525)	(248,943)	(257,656)	(266,674)	(276,008)	(285,668)	(295,667)	(306,015)	(316,726)
(693,385)	(717,653)	(742,771)	(768,768)	(795,675)	(823,523)	(852,347)	(882,179)	(913,055)	(945,012)	(978,087)	(1,012,320)	(1,047,752)	(1,084,423)	(1,122,378)	(1,161,661)	(1,202,319)	(1,244,400)
(58,101)	(60,134)	(62,239)	(64,417)	(66,672)	(69,005)	(71,421)	(73,920)	(76,507)	(79,185)	(81,957)	(84,825)	(87,794)	(90,867)	(94,047)	(97,339)	(100,746)	(104,272)
(181,492)	(187,844)	(194,419)	(201,223)	(208,266)	(215,555)	(223,100)	(230,908)	(238,990)	(247,355)	(256,012)	(264,973)	(274,247)	(283,845)	(293,780)	(304,062)	(314,704)	(325,719)
(90,747)	(93,924)	(97,211)	(100,613)	(104,135)	(107,779)	(111,552)	(115,456)	(119,497)	(123,679)	(128,008)	(132,488)	(137,125)	(141,925)	(146,892)	(152,034)	(157,355)	(162,862)
(90,747)	(93,924)	(97,211)	(100,613)	(104,135)	(107,779)	(111,552)	(115,456)	(119,497)	(123,679)	(128,008)	(132,488)	(137,125)	(141,925)	(146,892)	(152,034)	(157,355)	(162,862)
(421,087)	(435,825)	(451,079)	(466,867)	(483,207)	(500,120)	(517,624)	(535,741)	(554,491)	(573,899)	(593,985)	(614,775)	(636,292)	(658,562)	(681,612)	(705,468)	(730,159)	(755,715)
(31,374)	(32,472)	(33,609)	(34,785)	(36,003)	(37,263)	(38,567)	(39,917)	(41,314)	(42,760)	(44,257)	(45,806)	(47,409)	(49,068)	(50,785)	(52,563)	(54,403)	(56,307)
(250,385)	(259,148)	(268,218)	(277,606)	(287,322)	(297,378)	(307,787)	(318,559)	(329,709)	(341,249)	(353,192)	(365,554)	(378,348)	(391,591)	(405,296)	(419,482)	(434,164)	(449,359)
(195,509)	(202,351)	(209,434)	(216,764)	(224,351)	(232,203)	(240,330)	(248,742)	(257,448)	(266,458)	(275,784)	(285,437)	(295,427)	(305,767)	(316,469)	(327,545)	(339,009)	(350,875)
(145,252)	(150,335)	(155,597)	(161,043)	(166,680)	(172,513)	(178,551)	(184,801)	(191,269)	(197,963)	(204,892)	(212,063)	(219,485)	(227,167)	(235,118)	(243,347)	(251,864)	(260,679)
(522,519)	(644,307)	(666,858)	(690,198)	(714,355)	(739,358)	(765,235)	(792,018)	(819,739)	(848,430)	(878,125)	(908,859)	(940,669)	(973,593)	(1,007,668)	(1,042,937)	(1,079,440)	(1,117,220)
(175,464)	(181,605)	(187,961)	(194,540)	(201,349)	(208,396)	(215,690)	(223,239)	(231,052)	(239,139)	(247,509)	(256,172)	(265,138)	(274,418)	(284,022)	(293,963)	(304,252)	(314,901)
(175,464)	(181,605)	(187,961)	(194,540)	(201,349)	(208,396)	(215,690)	(223,239)	(231,052)	(239,139)	(247,509)	(256,172)	(265,138)	(274,418)	(284,022)	(293,963)	(304,252)	(314,901)
(16,010)	(16,570)	(17,150)	(17,750)	(18,371)	(19,014)	(19,680)	(20,369)	(21,082)	(21,819)	(22,583)	(23,374)	(24,192)	(25,038)	(25,915)	(26,822)	(27,760)	(28,732)
(345,699)	(357,798)	(370,321)	(383,282)	(396,697)	(410,582)	(424,952)	(439,825)	(455,219)	(471,152)	(487,642)	(504,710)	(522,375)	(540,658)	(559,581)	(579,166)	(599,437)	(620,417)
(361,708)	(374,368)	(387,471)	(401,033)	(415,069)	(429,596)	(444,632)	(460,194)	(476,301)	(492,971)	(510,225)	(528,083)	(546,566)	(565,696)	(585,495)	(605,988)	(627,197)	(649,149)
(101,278)	(104,823)	(108,492)	(112,289)	(116,219)	(120,287)	(124,497)	(128,854)	(133,364)	(138,032)	(142,863)	(147,863)	(153,038)	(158,395)	(163,938)	(169,676)	(175,615)	(181,761)
(941,956)	(974,925)	(1,009,047)	(1,044,364)	(1,080,917)	(1,118,749)	(1,157,905)	(1,198,432)	(1,240,377)	(1,283,790)	(1,328,723)	(1,375,228)	(1,423,361)	(1,473,179)	(1,524,740)	(1,578,106)	(1,633,339)	(1,690,506)
(2,571,987)	**(2,662,007)**	**(2,755,177)**	**(2,851,608)**	**(2,951,414)**	**(3,054,714)**	**(3,161,629)**	**(3,272,286)**	**(3,386,816)**	**(3,505,354)**	**(3,628,042)**	**(3,755,023)**	**(3,886,449)**	**(4,022,475)**	**(4,163,261)**	**(4,308,976)**	**(4,459,790)**	**(4,615,882)**
(3,615,222)	**(3,741,754)**	**(3,872,716)**	**(4,008,261)**	**(4,148,550)**	**(4,293,743)**	**(4,444,030)**	**(4,599,572)**	**(4,760,557)**	**(4,927,176)**	**(5,099,627)**	**(5,278,114)**	**(5,462,848)**	**(5,654,048)**	**(5,851,939)**	**(6,056,757)**	**(6,268,744)**	**(6,488,150)**
(113,296)	(117,262)	(121,366)	(125,614)	(130,010)	(134,560)	(139,270)	(144,144)	(149,189)	(154,411)	(159,816)	(165,409)	(171,198)	(177,190)	(183,392)	(189,811)	(196,454)	(203,330)
77,484	**42,136**	**4,600**	**(35,226)**	**(77,446)**	**(122,167)**	**(169,505)**	**(219,575)**	**(272,502)**	**(328,412)**	**(387,438)**	**(449,718)**	**(515,397)**	**(584,622)**	**(657,550)**	**(734,342)**	**(815,166)**	**(900,197)**

YEAR 50	YEAR 51	YEAR 52	YEAR 53	YEAR 54	YEAR 55
1,000,510	1,025,523	1,051,161	1,077,440	1,104,376	1,131,986
4,859,300	4,980,783	5,105,303	5,232,935	5,363,759	5,497,852
698,152	715,606	733,496	751,834	770,629	789,895
37,664	38,606	39,571	40,560	41,574	42,613
6,595,627	**6,760,518**	**6,929,531**	**7,102,769**	**7,280,338**	**7,462,347**
(659,563)	(676,052)	(692,953)	(710,277)	(728,034)	(746,235)
5,936,064	**6,084,466**	**6,236,578**	**6,392,492**	**6,552,304**	**6,716,112**
(353,550)	(365,924)	(378,732)	(391,987)	(405,707)	(419,907)
(353,550)	(365,924)	(378,732)	(391,987)	(405,707)	(419,907)
(26,980)	(27,925)	(28,902)	(29,914)	(30,961)	(32,044)
(32,376)	(33,510)	(34,682)	(35,896)	(37,153)	(38,453)
(32,376)	(33,510)	(34,682)	(35,896)	(37,153)	(38,453)
(107,921)	(111,699)	(115,608)	(119,654)	(123,842)	(128,177)
(199,654)	(206,642)	(213,875)	(221,360)	(229,108)	(237,127)
(647,172)	(669,823)	(693,266)	(717,531)	(742,644)	(768,637)
(312,972)	(323,926)	(335,263)	(346,997)	(359,142)	(371,712)
(327,811)	(339,284)	(351,159)	(363,450)	(376,171)	(389,337)
(1,287,954)	(1,333,033)	(1,379,689)	(1,427,978)	(1,477,957)	(1,529,686)
(107,921)	(111,699)	(115,608)	(119,654)	(123,842)	(128,177)
(337,119)	(348,918)	(361,130)	(373,770)	(386,852)	(400,392)
(168,562)	(174,462)	(180,568)	(186,888)	(193,429)	(200,199)
(168,562)	(174,462)	(180,568)	(186,888)	(193,429)	(200,199)
(782,165)	(809,541)	(837,875)	(867,200)	(897,552)	(928,967)
(58,277)	(60,317)	(62,428)	(64,613)	(66,875)	(69,215)
(465,087)	(481,365)	(498,213)	(515,650)	(533,698)	(552,377)
(363,155)	(375,866)	(389,021)	(402,637)	(416,729)	(431,314)
(269,803)	(279,246)	(289,020)	(299,136)	(309,605)	(320,442)
(1,156,323)	(1,196,794)	(1,238,682)	(1,282,036)	(1,326,907)	(1,373,349)
(325,922)	(337,330)	(349,136)	(361,356)	(374,003)	(387,093)
(325,922)	(337,330)	(349,136)	(361,356)	(374,003)	(387,093)
(29,738)	(30,779)	(31,856)	(32,971)	(34,125)	(35,319)
(642,132)	(664,606)	(687,868)	(711,943)	(736,861)	(762,651)
(671,869)	(695,385)	(719,723)	(744,914)	(770,986)	(797,970)
(188,123)	(194,707)	(201,522)	(208,575)	(215,875)	(223,431)
(1,749,674)	(1,810,913)	(1,874,294)	(1,939,695)	(2,007,791)	(2,078,064)
(4,777,438)	**(4,944,649)**	**(5,117,711)**	**(5,296,831)**	**(5,482,220)**	**(5,674,098)**
(6,715,235)	**(6,950,268)**	**(7,193,528)**	**(7,445,301)**	**(7,705,887)**	**(7,975,593)**
(210,447)	(217,812)	(225,436)	(233,326)	(241,492)	(249,944)
(989,617)	**(1,083,614)**	**(1,182,386)**	**(1,286,135)**	**(1,395,074)**	**(1,509,425)**

DEBT SERVICE SCHEDULE

	ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8
Net Operating Income (from Op. Pro Forma)		486,759	486,093	484,962	483,337	481,190	478,492	475,211	471,314
AMORTIZED LOAN (County 15G)									
Annual Debt Service	110,114	**(110,114)**	(110,114)	(110,114)	(110,114)	(110,114)	(110,114)	(110,114)	(110,114)
Debt Coverage Ratio	1.15	**4.42x**	4.41x	4.40x	4.39x	4.37x	4.35x	4.32x	4.28x
Cash Flow After Debt Service		**376,645**	**375,979**	**374,848**	**373,223**	**371,076**	**368,378**	**365,097**	**361,200**
Lender Distributions									
Lender #1: OCHCD									
Starting Balance:	$ 9,566,981	$ 9,566,981	$ 9,463,565	$ 9,360,332	$ 9,257,409	$ 9,154,933	$ 9,053,046	$ 8,951,899	$ 8,851,654
Interest Paid:	3.00%	$ 11,491	$ 11,470	$ 11,436	$ 11,386	$ 11,321	$ 11,238	$ 11,138	$ 11,019
Accrued Interest Balance:		$ 275,519	$ 547,955	$ 817,329	$ 1,083,665	$ 1,346,993	$ 1,607,346	$ 1,864,764	$ 2,119,294
Principal (90% of pmt):		$ 103,416	$ 103,233	$ 102,923	$ 102,476	$ 101,887	$ 101,146	$ 100,245	$ 99,175
Percent of Net Cash Flow:	30.508%	$ 114,907	$ 114,704	$ 114,358	$ 113,863	$ 113,208	$ 112,385	$ 111,384	$ 110,195
Ending Balance:		$ 9,463,565	$ 9,360,332	$ 9,257,409	$ 9,154,933	$ 9,053,046	$ 8,951,899	$ 8,851,654	$ 8,752,479
Lender #2: OC HHAP									
Starting Balance:	$ 687,034.00								
Interest Rate:	0.00%								
Percent of Net Cash Flow:	0%								
Lender #3: City of Costa Mesa									
Starting Balance:	$ 2,850,000.00	$ 2,850,000	$ 2,819,192	$ 2,788,439	$ 2,757,779	$ 2,727,251	$ 2,696,899	$ 2,666,767	$ 2,636,904
Interest Paid:	3.00%	$ 3,423	$ 3,417	$ 3,407	$ 3,392	$ 3,372	$ 3,348	$ 3,318	$ 3,283
Accrued Interest Balance:		$ 82,077	$ 163,236	$ 243,482	$ 322,824	$ 401,269	$ 478,828	$ 555,513	$ 631,337
Principal (90% of pmt):		$ 30,808	$ 30,753	$ 30,661	$ 30,528	$ 30,352	$ 30,131	$ 29,863	$ 29,544
Percent of Net Cash Flow:	9.088%	$ 34,231	$ 34,170	$ 34,067	$ 33,920	$ 33,725	$ 33,479	$ 33,181	$ 32,827
Ending Balance:		$ 2,819,192	$ 2,788,439	$ 2,757,779	$ 2,727,251	$ 2,696,899	$ 2,666,767	$ 2,636,904	$ 2,607,360
Lender #4: City of Newport Beach									
Starting Balance:	$ 3,262,500.00	$ 3,262,500	$ 3,227,233	$ 3,192,029	$ 3,156,931	$ 3,121,985	$ 3,087,239	$ 3,052,747	$ 3,018,562
Interest Paid:	3.00%	$ 3,919	$ 3,912	$ 3,900	$ 3,883	$ 3,861	$ 3,833	$ 3,798	$ 3,758
Accrued Interest Balance:		$ 93,956	$ 186,862	$ 278,723	$ 369,548	$ 459,347	$ 548,132	$ 635,916	$ 722,715
Principal (90% of pmt):		$ 35,267	$ 35,204	$ 35,098	$ 34,946	$ 34,745	$ 34,493	$ 34,185	$ 33,820
Percent of Net Cash Flow:	10.40%	$ 39,185	$ 39,116	$ 38,998	$ 38,829	$ 38,606	$ 38,325	$ 37,984	$ 37,578
Ending Balance:		$ 3,227,233	$ 3,192,029	$ 3,156,931	$ 3,121,985	$ 3,087,239	$ 3,052,747	$ 3,018,562	$ 2,984,741
Cash to Borrower:	50.000%	$ 188,322.50	$ 187,989.64	$ 187,423.86	$ 186,611.46	$ 185,538.14	$ 184,188.97	$ 182,548.33	$ 180,599.91

YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15	YEAR 16	YEAR 17	YEAR 18	YEAR 19	YEAR 20
466,767	461,536	455,582	448,867	441,350	432,990	423,742	413,560	402,396	390,201	376,922	362,504
(110,114)	(110,114)	(110,114)	(110,114)	(110,114)	(110,114)	(110,114)	-	-	-	-	-
4.24x	4.19x	4.14x	4.08x	4.01x	3.93x	3.85x	N/A	N/A	N/A	N/A	N/A
356,653	**351,422**	**345,468**	**338,753**	**331,236**	**322,876**	**313,628**	**413,560**	**402,396**	**390,201**	**376,922**	**362,504**
$ 8,752,479	$ 8,654,552	$ 8,558,062	$ 8,463,206	$ 8,370,194	$ 8,279,246	$ 8,190,594	$ 8,104,480	$ 7,990,929	$ 7,880,442	$ 7,773,304	$ 7,669,812
$ 10,881	$ 10,721	$ 10,540	$ 10,335	$ 10,105	$ 9,850	$ 9,568	$ 12,617	$ 12,276	$ 11,904	$ 11,499	$ 11,059
$ 2,370,988	$ 2,619,903	$ 2,866,106	$ 3,109,667	$ 3,350,668	$ 3,589,195	$ 3,825,344	$ 4,055,862	$ 4,283,314	$ 4,507,823	$ 4,729,523	$ 4,948,558
$ 97,927	$ 96,490	$ 94,856	$ 93,012	$ 90,948	$ 88,653	$ 86,113	$ 113,552	$ 110,487	$ 107,138	$ 103,492	$ 99,533
$ 108,808	$ 107,212	$ 105,395	$ 103,347	$ 101,053	$ 98,503	$ 95,681	$ 126,169	$ 122,763	$ 119,042	$ 114,991	$ 110,593
$ 8,654,552	$ 8,558,062	$ 8,463,206	$ 8,370,194	$ 8,279,246	$ 8,190,594	$ 8,104,480	$ 7,990,929	$ 7,880,442	$ 7,773,304	$ 7,669,812	$ 7,570,278
$ 2,607,360	$ 2,578,188	$ 2,549,443	$ 2,521,186	$ 2,493,478	$ 2,466,384	$ 2,439,975	$ 2,414,322	$ 2,380,495	$ 2,347,581	$ 2,315,664	$ 2,284,834
$ 3,241	$ 3,194	$ 3,140	$ 3,079	$ 3,010	$ 2,934	$ 2,850	$ 3,759	$ 3,657	$ 3,546	$ 3,426	$ 3,295
$ 706,316	$ 780,468	$ 853,812	$ 926,369	$ 998,163	$ 1,069,220	$ 1,139,569	$ 1,208,240	$ 1,275,997	$ 1,342,879	$ 1,408,923	$ 1,474,173
$ 29,172	$ 28,744	$ 28,257	$ 27,708	$ 27,093	$ 26,410	$ 25,653	$ 33,827	$ 32,914	$ 31,916	$ 30,830	$ 29,651
$ 32,414	$ 31,938	$ 31,397	$ 30,787	$ 30,104	$ 29,344	$ 28,503	$ 37,586	$ 36,571	$ 35,463	$ 34,256	$ 32,946
$ 2,578,188	$ 2,549,443	$ 2,521,186	$ 2,493,478	$ 2,466,384	$ 2,439,975	$ 2,414,322	$ 2,380,495	$ 2,347,581	$ 2,315,664	$ 2,284,834	$ 2,255,183
$ 2,984,741	$ 2,951,347	$ 2,918,442	$ 2,886,094	$ 2,854,376	$ 2,823,361	$ 2,793,129	$ 2,763,763	$ 2,725,040	$ 2,687,362	$ 2,650,826	$ 2,615,534
$ 3,711	$ 3,656	$ 3,594	$ 3,524	$ 3,446	$ 3,359	$ 3,263	$ 4,303	$ 4,186	$ 4,060	$ 3,921	$ 3,771
$ 808,546	$ 893,431	$ 977,390	$ 1,060,448	$ 1,142,634	$ 1,223,975	$ 1,304,506	$ 1,383,117	$ 1,460,681	$ 1,537,243	$ 1,612,846	$ 1,687,541
$ 33,395	$ 32,905	$ 32,347	$ 31,719	$ 31,015	$ 30,232	$ 29,366	$ 38,723	$ 37,678	$ 36,536	$ 35,293	$ 33,943
$ 37,105	$ 36,561	$ 35,942	$ 35,243	$ 34,461	$ 33,591	$ 32,629	$ 43,026	$ 41,864	$ 40,595	$ 39,214	$ 37,714
$ 2,951,347	$ 2,918,442	$ 2,886,094	$ 2,854,376	$ 2,823,361	$ 2,793,129	$ 2,763,763	$ 2,725,040	$ 2,687,362	$ 2,650,826	$ 2,615,534	$ 2,581,591
$ 178,326.67	$ 175,710.85	$ 172,733.86	$ 169,376.33	$ 165,618.04	$ 161,437.86	$ 156,813.79	$ 206,779.84	$ 201,198.04	$ 195,100.41	$ 188,460.87	$ 181,252.24

YEAR 21	YEAR 22	YEAR 23	YEAR 24	YEAR 25	YEAR 26	YEAR 27	YEAR 28	YEAR 29	YEAR 30	YEAR 31	YEAR 32
346,892	330,026	311,845	292,284	271,276	248,752	224,639	198,862	171,342	141,996	110,740	77,484
-	-	-	-	-	-	-	-	-	-	-	-
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
346,892	**330,026**	**311,845**	**292,284**	**271,276**	**248,752**	**224,639**	**198,862**	**171,342**	**141,996**	**110,740**	**77,484**
$ 7,570,278	$ 7,475,032	$ 7,384,416	$ 7,298,792	$ 7,218,539	$ 7,144,054	$ 7,075,754	$ 7,014,074	$ 6,959,473	$ 6,912,427	$ 6,873,439	$ 6,843,033
$ 10,583	$ 10,068	$ 9,514	$ 8,917	$ 8,276	$ 7,589	$ 6,853	$ 6,067	$ 5,227	$ 4,332	$ 3,378	$ 2,364
$ 5,165,083	$ 5,379,266	$ 5,591,284	$ 5,801,331	$ 6,009,611	$ 6,216,344	$ 6,421,763	$ 6,626,119	$ 6,829,675	$ 7,032,716	$ 7,235,541	$ 7,438,468
$ 95,247	$ 90,616	$ 85,624	$ 80,253	$ 74,485	$ 68,300	$ 61,680	$ 54,602	$ 47,046	$ 38,988	$ 30,406	$ 21,275
$ 105,830	$ 100,684	$ 95,138	$ 89,170	$ 82,761	$ 75,889	$ 68,533	$ 60,669	$ 52,273	$ 43,320	$ 33,785	$ 23,639
$ 7,475,032	$ 7,384,416	$ 7,298,792	$ 7,218,539	$ 7,144,054	$ 7,075,754	$ 7,014,074	$ 6,959,473	$ 6,912,427	$ 6,873,439	$ 6,843,033	$ 6,821,758
$ 2,255,183	$ 2,226,809	$ 2,199,815	$ 2,174,307	$ 2,150,400	$ 2,128,211	$ 2,107,864	$ 2,089,490	$ 2,073,224	$ 2,059,209	$ 2,047,595	$ 2,038,537
$ 3,153	$ 2,999	$ 2,834	$ 2,656	$ 2,465	$ 2,261	$ 2,042	$ 1,807	$ 1,557	$ 1,291	$ 1,006	$ 704
$ 1,538,676	$ 1,602,481	$ 1,665,641	$ 1,728,214	$ 1,790,261	$ 1,851,846	$ 1,913,041	$ 1,973,918	$ 2,034,558	$ 2,095,043	$ 2,155,465	$ 2,215,917
$ 28,374	$ 26,994	$ 25,507	$ 23,907	$ 22,189	$ 20,347	$ 18,374	$ 16,266	$ 14,015	$ 11,615	$ 9,058	$ 6,338
$ 31,527	$ 29,994	$ 28,341	$ 26,564	$ 24,654	$ 22,607	$ 20,416	$ 18,073	$ 15,572	$ 12,905	$ 10,064	$ 7,042
$ 2,226,809	$ 2,199,815	$ 2,174,307	$ 2,150,400	$ 2,128,211	$ 2,107,864	$ 2,089,490	$ 2,073,224	$ 2,059,209	$ 2,047,595	$ 2,038,537	$ 2,032,199
$ 2,581,591	$ 2,549,110	$ 2,518,209	$ 2,489,010	$ 2,461,642	$ 2,436,242	$ 2,412,950	$ 2,391,916	$ 2,373,296	$ 2,357,253	$ 2,343,957	$ 2,333,588
$ 3,609	$ 3,434	$ 3,244	$ 3,041	$ 2,822	$ 2,588	$ 2,337	$ 2,069	$ 1,783	$ 1,477	$ 1,152	$ 806
$ 1,761,379	$ 1,834,419	$ 1,906,721	$ 1,978,351	$ 2,049,378	$ 2,119,877	$ 2,189,928	$ 2,259,617	$ 2,329,033	$ 2,398,273	$ 2,467,440	$ 2,536,642
$ 32,481	$ 30,902	$ 29,199	$ 27,368	$ 25,401	$ 23,292	$ 21,034	$ 18,620	$ 16,043	$ 13,296	$ 10,369	$ 7,255
$ 36,090	$ 34,335	$ 32,443	$ 30,408	$ 28,223	$ 25,879	$ 23,371	$ 20,689	$ 17,826	$ 14,773	$ 11,521	$ 8,061
$ 2,549,110	$ 2,518,209	$ 2,489,010	$ 2,461,642	$ 2,436,242	$ 2,412,950	$ 2,391,916	$ 2,373,296	$ 2,357,253	$ 2,343,957	$ 2,333,588	$ 2,326,333
$ 173,446.19	$ 165,013.18	$ 155,922.43	$ 146,141.85	$ 135,638.00	$ 124,376.04	$ 112,319.68	$ 99,431.11	$ 85,670.95	$ 70,998.18	$ 55,370.08	$ 38,742.16

YEAR 33	YEAR 34	YEAR 35	YEAR 36	YEAR 37	YEAR 38	YEAR 39	YEAR 40	YEAR 41	YEAR 42	YEAR 43	YEAR 44
42,136	4,600	(35,226)	(77,446)	(122,167)	(169,505)	(219,575)	(272,502)	(328,412)	(387,438)	(449,718)	(515,397)
-	-	-	-	-	-	-	-	-	-	-	-
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
42,136	**4,600**	**(35,226)**	**(77,446)**	**(122,167)**	**(169,505)**	**(219,575)**	**(272,502)**	**(328,412)**	**(387,438)**	**(449,718)**	**(515,397)**
$ 6,821,758	$ 6,810,188	$ 6,808,925	$ 6,818,597	$ 6,839,862	$ 6,873,406	$ 6,919,947	$ 6,980,236	$ 7,055,057	$ 7,145,230	$ 7,251,609	$ 7,375,089
$ 1,285	$ 140	$ (1,075)	$ (2,363)	$ (3,727)	$ (5,171)	$ (6,699)	$ (8,313)	$ (10,019)	$ (11,820)	$ (13,720)	$ (15,724)
$ 7,641,835	$ 7,846,001	$ 8,051,343	$ 8,258,264	$ 8,467,187	$ 8,678,560	$ 8,892,857	$ 9,110,578	$ 9,332,249	$ 9,558,426	$ 9,789,694	$ 10,026,670
$ 11,569	$ 1,263	$ (9,672)	$ (21,264)	$ (33,544)	$ (46,541)	$ (60,289)	$ (74,821)	$ (90,173)	$ (106,380)	$ (123,480)	$ (141,513)
$ 12,855	$ 1,403	$ (10,747)	$ (23,627)	$ (37,271)	$ (51,712)	$ (66,988)	$ (83,135)	$ (100,192)	$ (118,199)	$ (137,200)	$ (157,237)
$ 6,810,188	$ 6,808,925	$ 6,818,597	$ 6,839,862	$ 6,873,406	$ 6,919,947	$ 6,980,236	$ 7,055,057	$ 7,145,230	$ 7,251,609	$ 7,375,089	$ 7,516,603
$ 2,032,199	$ 2,028,752	$ 2,028,376	$ 2,031,258	$ 2,037,592	$ 2,047,585	$ 2,061,450	$ 2,079,410	$ 2,101,699	$ 2,128,561	$ 2,160,252	$ 2,197,036
$ 383	$ 42	$ (320)	$ (704)	$ (1,110)	$ (1,541)	$ (1,996)	$ (2,477)	$ (2,985)	$ (3,521)	$ (4,087)	$ (4,684)
$ 2,276,500	$ 2,337,321	$ 2,398,492	$ 2,460,134	$ 2,522,372	$ 2,585,340	$ 2,649,179	$ 2,714,038	$ 2,780,073	$ 2,847,451	$ 2,916,346	$ 2,986,941
$ 3,447	$ 376	$ (2,881)	$ (6,335)	$ (9,993)	$ (13,865)	$ (17,960)	$ (22,289)	$ (26,862)	$ (31,690)	$ (36,785)	$ (42,157)
$ 3,829	$ 418	$ (3,201)	$ (7,039)	$ (11,103)	$ (15,405)	$ (19,956)	$ (24,766)	$ (29,847)	$ (35,212)	$ (40,872)	$ (46,841)
$ 2,028,752	$ 2,028,376	$ 2,031,258	$ 2,037,592	$ 2,047,585	$ 2,061,450	$ 2,079,410	$ 2,101,699	$ 2,128,561	$ 2,160,252	$ 2,197,036	$ 2,239,193
$ 2,326,333	$ 2,322,388	$ 2,321,957	$ 2,325,255	$ 2,332,507	$ 2,343,946	$ 2,359,817	$ 2,380,377	$ 2,405,892	$ 2,436,643	$ 2,472,920	$ 2,515,028
$ 438	$ 48	$ (366)	$ (806)	$ (1,271)	$ (1,763)	$ (2,284)	$ (2,835)	$ (3,417)	$ (4,031)	$ (4,679)	$ (5,362)
$ 2,605,993	$ 2,675,617	$ 2,745,642	$ 2,816,206	$ 2,887,452	$ 2,959,534	$ 3,032,613	$ 3,106,859	$ 3,182,452	$ 3,259,582	$ 3,338,449	$ 3,419,262
$ 3,945	$ 431	$ (3,298)	$ (7,252)	$ (11,439)	$ (15,871)	$ (20,560)	$ (25,515)	$ (30,750)	$ (36,277)	$ (42,109)	$ (48,258)
$ 4,384	$ 479	$ (3,665)	$ (8,057)	$ (12,710)	$ (17,635)	$ (22,844)	$ (28,350)	$ (34,167)	$ (40,308)	$ (46,787)	$ (53,620)
$ 2,322,388	$ 2,321,957	$ 2,325,255	$ 2,332,507	$ 2,343,946	$ 2,359,817	$ 2,380,377	$ 2,405,892	$ 2,436,643	$ 2,472,920	$ 2,515,028	$ 2,563,287
$ 21,068.13	$ 2,299.75	$ (17,613.16)	$ (38,722.86)	$ (61,083.73)	$ (84,752.38)	$ (109,787.69)	$ (136,250.96)	$ (164,205.96)	$ (193,719.05)	$ (224,859.24)	$ (257,698.33)

YEAR 45	YEAR 46	YEAR 47	YEAR 48	YEAR 49	YEAR 50	YEAR 51	YEAR 52	YEAR 53	YEAR 54	YEAR 55
(584,622)	(657,550)	(734,342)	(815,166)	(900,197)	(989,617)	(1,083,614)	(1,182,386)	(1,286,135)	(1,395,074)	(1,509,425)
-	-	-	-	-	-	-	-	-	-	-
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(584,622)	**(657,550)**	**(734,342)**	**(815,166)**	**(900,197)**	**(989,617)**	**(1,083,614)**	**(1,182,386)**	**(1,286,135)**	**(1,395,074)**	**(1,509,425)**
$ 7,516,603	$ 7,677,123	$ 7,857,668	$ 8,059,298	$ 8,283,119	$ 8,530,288	$ 8,802,009	$ 9,099,538	$ 9,424,188	$ 9,777,324	$ 10,160,372
$ (17,836)	$ (20,061)	$ (22,403)	$ (24,869)	$ (27,463)	$ (30,191)	$ (33,059)	$ (36,072)	$ (39,237)	$ (42,561)	$ (46,049)
$ 10,270,004	$ 10,520,378	$ 10,778,511	$ 11,045,159	$ 11,321,116	$ 11,607,216	$ 11,904,335	$ 12,213,393	$ 12,535,356	$ 12,871,237	$ 13,222,098
$ (160,521)	$ (180,545)	$ (201,630)	$ (223,822)	$ (247,169)	$ (271,721)	$ (297,530)	$ (324,650)	$ (353,136)	$ (383,048)	$ (414,445)
$ (178,356)	$ (200,605)	$ (224,033)	$ (248,691)	$ (274,632)	$ (301,912)	$ (330,589)	$ (360,722)	$ (392,374)	$ (425,609)	$ (460,495)
$ 7,677,123	$ 7,857,668	$ 8,059,298	$ 8,283,119	$ 8,530,288	$ 8,802,009	$ 9,099,538	$ 9,424,188	$ 9,777,324	$ 10,160,372	$ 10,574,818
$ 2,239,193	$ 2,287,012	$ 2,340,796	$ 2,400,862	$ 2,467,538	$ 2,541,169	$ 2,622,115	$ 2,710,749	$ 2,807,462	$ 2,912,661	$ 3,026,771
$ (5,313)	$ (5,976)	$ (6,674)	$ (7,408)	$ (8,181)	$ (8,994)	$ (9,848)	$ (10,746)	$ (11,689)	$ (12,679)	$ (13,718)
$ 3,059,430	$ 3,134,017	$ 3,210,914	$ 3,290,349	$ 3,372,556	$ 3,457,785	$ 3,546,297	$ 3,638,365	$ 3,734,278	$ 3,834,337	$ 3,938,858
$ (47,819)	$ (53,784)	$ (60,065)	$ (66,676)	$ (73,631)	$ (80,946)	$ (88,634)	$ (96,713)	$ (105,199)	$ (114,110)	$ (123,463)
$ (53,132)	$ (59,760)	$ (66,739)	$ (74,085)	$ (81,813)	$ (89,939)	$ (98,482)	$ (107,459)	$ (116,888)	$ (126,789)	$ (137,181)
$ 2,287,012	$ 2,340,796	$ 2,400,862	$ 2,467,538	$ 2,541,169	$ 2,622,115	$ 2,710,749	$ 2,807,462	$ 2,912,661	$ 3,026,771	$ 3,150,234
$ 2,563,287	$ 2,618,027	$ 2,679,596	$ 2,748,355	$ 2,824,682	$ 2,908,970	$ 3,001,632	$ 3,103,094	$ 3,213,805	$ 3,334,231	$ 3,464,856
$ (6,082)	$ (6,841)	$ (7,640)	$ (8,481)	$ (9,365)	$ (10,296)	$ (11,274)	$ (12,301)	$ (13,381)	$ (14,514)	$ (15,704)
$ 3,502,243	$ 3,587,624	$ 3,675,652	$ 3,766,583	$ 3,860,689	$ 3,958,254	$ 4,059,577	$ 4,164,971	$ 4,274,766	$ 4,389,306	$ 4,508,956
$ (54,740)	$ (61,569)	$ (68,759)	$ (76,327)	$ (84,289)	$ (92,661)	$ (101,463)	$ (110,711)	$ (120,425)	$ (130,626)	$ (141,333)
$ (60,822)	$ (68,410)	$ (76,399)	$ (84,808)	$ (93,654)	$ (102,957)	$ (112,736)	$ (123,012)	$ (133,806)	$ (145,140)	$ (157,036)
$ 2,618,027	$ 2,679,596	$ 2,748,355	$ 2,824,682	$ 2,908,970	$ 3,001,632	$ 3,103,094	$ 3,213,805	$ 3,334,231	$ 3,464,856	$ 3,606,189
$ (292,311.02)	$ (328,774.99)	$ (367,171.02)	$ (407,583.14)	$ (450,098.71)	$ (494,808.57)	$ (541,807.20)	$ (591,192.78)	$ (643,067.41)	$ (697,537.23)	$ (754,712.56)

CASH FLOW & RESIDUAL RECEIPTS — 55-YEAR PROJECTION

	ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
Cash Flow After Debt Service		376,645	375,979	374,848	373,223	371,076	368,378	365,097
Less: Asset & Partnership Fees	10,000	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Cash Available for Distribution		**366,645**	**365,979**	**364,848**	**363,223**	**361,076**	**358,378**	**355,097**
DEFERRED DEVELOPER FEE REPAYMENT								
Deferred Developer Fee Balance	1,030,609							
Annual Repayment (10-yr straight-line)	10	(103,061)	(103,061)	(103,061)	(103,061)	(103,061)	(103,061)	(103,061)
Remaining Deferred Dev Fee		927,548	824,487	721,426	618,365	515,305	412,244	309,183
Remaining Cash Flow		**263,584**	**262,918**	**261,787**	**260,162**	**258,015**	**255,317**	**252,036**
RESIDUAL RECEIPTS DISTRIBUTION								
Lender #1: OCHCD (MHSA + 15G)								
Beginning Balance	9,566,981	9,566,981	9,773,576	9,986,573	10,206,304	10,433,123	10,667,401	10,909,531
Interest Accrued (3% simple)	3.0%	287,009	293,207	299,597	306,189	312,994	320,022	327,286
Payment (30.51% of net CF)	30.51%	(80,414)	(80,211)	(79,866)	(79,370)	(78,715)	(77,892)	(76,891)
Ending Balance		**9,773,576**	**9,986,573**	**10,206,304**	**10,433,123**	**10,667,401**	**10,909,531**	**11,159,926**
Lender #2: HHAP								
Balance (0% interest, no payments)	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034
Lender #3: City of Costa Mesa								
Beginning Balance	2,850,000	2,850,000	2,911,545	2,974,996	3,040,454	3,108,023	3,177,815	3,249,945
Interest Accrued (3% simple)	3.0%	85,500	87,346	89,250	91,214	93,241	95,334	97,498
Payment (9.09% of net CF)	9.09%	(23,955)	(23,895)	(23,792)	(23,644)	(23,449)	(23,204)	(22,906)
Ending Balance		**2,911,545**	**2,974,996**	**3,040,454**	**3,108,023**	**3,177,815**	**3,249,945**	**3,324,538**
Lender #4: City of Newport Beach								
Beginning Balance	3,262,500	3,262,500	3,332,952	3,405,588	3,480,520	3,557,869	3,637,762	3,720,332
Interest Accrued (3% simple)	3.0%	97,875	99,989	102,168	104,416	106,736	109,133	111,610
Payment (10.40% of net CF)	10.40%	(27,423)	(27,353)	(27,236)	(27,067)	(26,843)	(26,562)	(26,221)
Ending Balance		**3,332,952**	**3,405,588**	**3,480,520**	**3,557,869**	**3,637,762**	**3,720,332**	**3,805,721**
BORROWER DISTRIBUTION								
Annual Cash to Borrower (50%)	50.0%	**131,792**	**131,459**	**130,893**	**130,081**	**129,008**	**127,659**	**126,018**
Cumulative Cash to Borrower		131,792	263,251	394,145	524,226	653,233	780,892	906,910

YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15	YEAR 16	YEAR 17	YEAR 18
361,200	356,653	351,422	345,468	338,753	331,236	322,876	313,628	413,560	402,396	390,201
(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
351,200	**346,653**	**341,422**	**335,468**	**328,753**	**321,236**	**312,876**	**303,628**	**403,560**	**392,396**	**380,201**
(103,061)	(103,061)	(103,061)	-	-	-	-	-	-	-	-
206,122	103,061	-	-	-	-	-	-	-	-	-
248,139	**243,592**	**238,361**	**335,468**	**328,753**	**321,236**	**312,876**	**303,628**	**403,560**	**392,396**	**380,201**
11,159,926	11,419,022	11,687,277	11,965,177	12,221,788	12,488,146	12,764,787	13,052,279	13,351,217	13,628,635	13,917,782
334,798	342,571	350,618	358,955	366,654	374,644	382,944	391,568	400,537	408,859	417,533
(75,702)	(74,315)	(72,719)	(102,344)	(100,296)	(98,003)	(95,452)	(92,631)	(123,118)	(119,712)	(115,992)
11,419,022	**11,687,277**	**11,965,177**	**12,221,788**	**12,488,146**	**12,764,787**	**13,052,279**	**13,351,217**	**13,628,635**	**13,917,782**	**14,219,324**
687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034
3,324,538	3,401,722	3,481,636	3,564,422	3,640,866	3,720,214	3,802,625	3,888,269	3,977,322	4,059,965	4,146,102
99,736	102,052	104,449	106,933	109,226	111,606	114,079	116,648	119,320	121,799	124,383
(22,552)	(22,138)	(21,663)	(30,488)	(29,878)	(29,195)	(28,435)	(27,595)	(36,677)	(35,662)	(34,554)
3,401,722	**3,481,636**	**3,564,422**	**3,640,866**	**3,720,214**	**3,802,625**	**3,888,269**	**3,977,322**	**4,059,965**	**4,146,102**	**4,235,931**
3,805,721	3,894,077	3,985,556	4,080,325	4,167,833	4,258,666	4,353,005	4,451,045	4,552,987	4,647,592	4,746,196
114,172	116,822	119,567	122,410	125,035	127,760	130,590	133,531	136,590	139,428	142,386
(25,816)	(25,343)	(24,798)	(34,901)	(34,203)	(33,421)	(32,551)	(31,589)	(41,985)	(40,824)	(39,555)
3,894,077	**3,985,556**	**4,080,325**	**4,167,833**	**4,258,666**	**4,353,005**	**4,451,045**	**4,552,987**	**4,647,592**	**4,746,196**	**4,849,027**
124,069	**121,796**	**119,180**	**167,734**	**164,376**	**160,618**	**156,438**	**151,814**	**201,780**	**196,198**	**190,100**
1,030,979	1,152,775	1,271,956	1,439,690	1,604,066	1,764,684	1,921,122	2,072,936	2,274,716	2,470,914	2,661,014

YEAR 19	YEAR 20	YEAR 21	YEAR 22	YEAR 23	YEAR 24	YEAR 25	YEAR 26	YEAR 27	YEAR 28	YEAR 29
376,922	362,504	346,892	330,026	311,845	292,284	271,276	248,752	224,639	198,862	171,342
(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
366,922	**352,504**	**336,892**	**320,026**	**301,845**	**282,284**	**261,276**	**238,752**	**214,639**	**188,862**	**161,342**
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
366,922	**352,504**	**336,892**	**320,026**	**301,845**	**282,284**	**261,276**	**238,752**	**214,639**	**188,862**	**161,342**
14,219,324	14,533,964	14,862,441	15,205,535	15,564,067	15,938,903	16,330,951	16,741,169	17,170,566	17,620,201	18,091,189
426,580	436,019	445,873	456,166	466,922	478,167	489,929	502,235	515,117	528,606	542,736
(111,940)	(107,542)	(102,779)	(97,634)	(92,087)	(86,119)	(79,710)	(72,838)	(65,482)	(57,618)	(49,222)
14,533,964	**14,862,441**	**15,205,535**	**15,564,067**	**15,938,903**	**16,330,951**	**16,741,169**	**17,170,566**	**17,620,201**	**18,091,189**	**18,584,702**
687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034
4,235,931	4,329,662	4,427,515	4,529,723	4,636,530	4,748,193	4,864,984	4,987,188	5,115,105	5,249,051	5,389,358
127,078	129,890	132,825	135,892	139,096	142,446	145,950	149,616	153,453	157,472	161,681
(33,347)	(32,037)	(30,618)	(29,085)	(27,433)	(25,655)	(23,746)	(21,699)	(19,507)	(17,164)	(14,663)
4,329,662	**4,427,515**	**4,529,723**	**4,636,530**	**4,748,193**	**4,864,984**	**4,987,188**	**5,115,105**	**5,249,051**	**5,389,358**	**5,536,376**
4,849,027	4,956,324	5,068,340	5,185,341	5,307,606	5,435,432	5,569,126	5,709,018	5,855,449	6,008,782	6,169,397
145,471	148,690	152,050	155,560	159,228	163,063	167,074	171,271	175,663	180,263	185,082
(38,174)	(36,674)	(35,049)	(33,295)	(31,403)	(29,368)	(27,182)	(24,839)	(22,330)	(19,649)	(16,786)
4,956,324	**5,068,340**	**5,185,341**	**5,307,606**	**5,435,432**	**5,569,126**	**5,709,018**	**5,855,449**	**6,008,782**	**6,169,397**	**6,337,693**
183,461	**176,252**	**168,446**	**160,013**	**150,922**	**141,142**	**130,638**	**119,376**	**107,320**	**94,431**	**80,671**
2,844,475	3,020,727	3,189,173	3,349,186	3,500,109	3,641,251	3,771,889	3,891,265	3,998,584	4,093,016	4,173,687

YEAR 30	YEAR 31	YEAR 32	YEAR 33	YEAR 34	YEAR 35	YEAR 36	YEAR 37	YEAR 38	YEAR 39	YEAR 40
141,996	110,740	77,484	42,136	4,600	(35,226)	(77,446)	(122,167)	(169,505)	(219,575)	(272,502)
(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
131,996	**100,740**	**67,484**	**32,136**	**(5,400)**	**(45,226)**	**(87,446)**	**(132,167)**	**(179,505)**	**(229,575)**	**(282,502)**
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
131,996	**100,740**	**67,484**	**32,136**	**(5,400)**	**(45,226)**	**(87,446)**	**(132,167)**	**(179,505)**	**(229,575)**	**(282,502)**
18,584,702	19,101,974	19,644,300	20,213,040	20,809,628	21,433,916	22,076,934	22,739,242	23,421,419	24,124,062	24,847,784
557,541	573,059	589,329	606,391	624,289	643,017	662,308	682,177	702,643	723,722	745,434
(40,269)	(30,734)	(20,588)	(9,804)	-	-	-	-	-	-	-
19,101,974	**19,644,300**	**20,213,040**	**20,809,628**	**21,433,916**	**22,076,934**	**22,739,242**	**23,421,419**	**24,124,062**	**24,847,784**	**25,593,217**
687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034
5,536,376	5,690,471	5,852,029	6,021,457	6,199,180	6,385,156	6,576,710	6,774,012	6,977,232	7,186,549	7,402,145
166,091	170,714	175,561	180,644	185,975	191,555	197,301	203,220	209,317	215,596	222,064
(11,996)	(9,156)	(6,133)	(2,921)	-	-	-	-	-	-	-
5,690,471	**5,852,029**	**6,021,457**	**6,199,180**	**6,385,156**	**6,576,710**	**6,774,012**	**6,977,232**	**7,186,549**	**7,402,145**	**7,624,210**
6,337,693	6,514,092	6,699,034	6,892,984	7,096,430	7,309,323	7,528,602	7,754,461	7,987,094	8,226,707	8,473,508
190,131	195,423	200,971	206,790	212,893	219,280	225,858	232,634	239,613	246,801	254,205
(13,733)	(10,481)	(7,021)	(3,343)	-	-	-	-	-	-	-
6,514,092	**6,699,034**	**6,892,984**	**7,096,430**	**7,309,323**	**7,528,602**	**7,754,461**	**7,987,094**	**8,226,707**	**8,473,508**	**8,727,714**
65,998	**50,370**	**33,742**	**16,068**	-	-	-	-	-	-	-
4,239,685	4,290,055	4,323,797	4,339,865	4,339,865	4,339,865	4,339,865	4,339,865	4,339,865	4,339,865	4,339,865

YEAR 41	YEAR 42	YEAR 43	YEAR 44	YEAR 45	YEAR 46	YEAR 47	YEAR 48	YEAR 49	YEAR 50	YEAR 51
(328,412)	(387,438)	(449,718)	(515,397)	(584,622)	(657,550)	(734,342)	(815,166)	(900,197)	(989,617)	(1,083,614)
(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
(338,412)	**(397,438)**	**(459,718)**	**(525,397)**	**(594,622)**	**(667,550)**	**(744,342)**	**(825,166)**	**(910,197)**	**(999,617)**	**(1,093,614)**
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
(338,412)	**(397,438)**	**(459,718)**	**(525,397)**	**(594,622)**	**(667,550)**	**(744,342)**	**(825,166)**	**(910,197)**	**(999,617)**	**(1,093,614)**
25,593,217	26,361,014	27,151,844	27,966,399	28,805,391	29,669,553	30,559,640	31,476,429	32,420,722	33,393,343	34,395,144
767,797	790,830	814,555	838,992	864,162	890,087	916,789	944,293	972,622	1,001,800	1,031,854
-	-	-	-	-	-	-	-	-	-	-
26,361,014	**27,151,844**	**27,966,399**	**28,805,391**	**29,669,553**	**30,559,640**	**31,476,429**	**32,420,722**	**33,393,343**	**34,395,144**	**35,426,998**
687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034	687,034
7,624,210	7,852,936	8,088,524	8,331,180	8,581,115	8,838,549	9,103,705	9,376,816	9,658,121	9,947,864	10,246,300
228,726	235,588	242,656	249,935	257,433	265,156	273,111	281,304	289,744	298,436	307,389
-	-	-	-	-	-	-	-	-	-	-
7,852,936	**8,088,524**	**8,331,180**	**8,581,115**	**8,838,549**	**9,103,705**	**9,376,816**	**9,658,121**	**9,947,864**	**10,246,300**	**10,553,689**
8,727,714	8,989,545	9,259,231	9,537,008	9,823,119	10,117,812	10,421,347	10,733,987	11,056,007	11,387,687	11,729,317
261,831	269,686	277,777	286,110	294,694	303,534	312,640	322,020	331,680	341,631	351,880
-	-	-	-	-	-	-	-	-	-	-
8,989,545	**9,259,231**	**9,537,008**	**9,823,119**	**10,117,812**	**10,421,347**	**10,733,987**	**11,056,007**	**11,387,687**	**11,729,317**	**12,081,197**
-	-	-	-	-	-	-	-	-	-	-
4,339,865	4,339,865	4,339,865	4,339,865	4,339,865	4,339,865	4,339,865	4,339,865	4,339,865	4,339,865	4,339,865

YEAR 52	YEAR 53	YEAR 54	YEAR 55
(1,182,386)	(1,286,135)	(1,395,074)	(1,509,425)
(10,000)	(10,000)	(10,000)	(10,000)
(1,192,386)	**(1,296,135)**	**(1,405,074)**	**(1,519,425)**
-	-	-	-
-	-	-	-
(1,192,386)	**(1,296,135)**	**(1,405,074)**	**(1,519,425)**
35,426,998	36,489,808	37,584,502	38,712,037
1,062,810	1,094,694	1,127,535	1,161,361
-	-	-	-
36,489,808	**37,584,502**	**38,712,037**	**39,873,398**
687,034	687,034	687,034	687,034
10,553,689	10,870,300	11,196,409	11,532,301
316,611	326,109	335,892	345,969
-	-	-	-
10,870,300	**11,196,409**	**11,532,301**	**11,878,270**
12,081,197	12,443,633	12,816,942	13,201,450
362,436	373,309	384,508	396,044
-	-	-	-
12,443,633	**12,816,942**	**13,201,450**	**13,597,494**
-	-	-	-
4,339,865	4,339,865	4,339,865	4,339,865

ATTACHMENT 6A
HOME NOTE

PROMISSORY NOTE SECURED BY

GROUND LEASEHOLD DEED OF TRUST

$350,000.00 Costa Mesa, California July ____ 2026

FOR VALUE RECEIVED, **AMERICAN FAMILY HOUSING, a California non-profit, public benefit corporation)** ("Developer"), promises to pay to the **CITY OF COSTA MESA**, a California municipal corporation ("City"), at its offices at City Hall, 77 Fair Drive, Costa Mesa, California 92626, or at such other place as City may from time to time designate in writing, (a) the principal sum of Three Hundred Fifty Thousand Dollars ($350,000.00) (or so much of the proceeds as have been disbursed by City to Developer) from the HOME Partnership Investment Funds pursuant to the Agreement (defined below) but in no event to exceed Three Hundred Fifty Thousand Dollars ($350,000.00) ("Note Amount"); and (b) all costs and expenses payable hereunder.

RECITALS

A. This Promissory Note Secured by Ground Leasehold Deed of Trust ("Note") is made pursuant to that certain First Amendment to Affordable Housing Grant and Loan, dated concurrently herewith, which amends that Affordable Housing Grant and Loan dated February 28, 2025, by and between Developer and City (collectively, the "Agreement") in relation to the property located at 1400 Bristol Street, Costa Mesa, California, Assessor's Parcel Number 439-312-12.

B. Developer has, concurrently with this Note, executed an Amended and Restated Promissory Note Secured by Ground Leasehold Deed of Trust in favor of the City in connection with a LMIFAF loan given by the City ("City Note").

C. Capitalized terms used in this Note shall have the meaning set forth in the Agreement, unless expressly otherwise defined herein.

NOW, THEREFORE, for good valuable consideration, receipt of which is hereby acknowledged, Developer agrees as follows:

1. Agreement. The principal sums hereunder have been and are being loaned by City to Developer in accordance with and pursuant to the Agreement, which is a public record on file in the office of the City Clerk. The proceeds of the HOME Loan shall be disbursed only to pay for the items and in accordance with the disbursement procedures, and the terms and conditions set forth in the Agreement. The Agreement is incorporated herein and made a part hereof to the same extent and with the same force and effect as if fully set forth herein. In the event of any inconsistencies between the terms of this Note and the terms of the Agreement or any other document related to the Note Amount, the terms of this Note shall prevail.

(a) A default by Developer under any of the provisions of the Agreement, the HOME Deed of Trust of even date herewith, or any of the other Project Documents shall, after the

expiration of the applicable cure period(s) under the respective agreement, be a default hereunder, and a default hereunder after applicable cure periods shall be a default under the Project Documents.

2. Interest. Interest at the rate of three percent (3%) shall accrue on the Note Amount, except as set forth in Section 10 hereof as to the Default Rate, which Default Rate shall begin to accrue upon an Event of Default by Developer as set forth herein and in the Agreement.

3. Term; Payment Obligations. This Note shall be for a term that commences on the date of initial disbursement of funds at Closing and continues for a period of fifty-five (55) years after the recordation of the Notice of Affordability Restrictions (as defined in the Agreement) ("Maturity Date").

(a) This Note shall be repaid through an annual Residual Receipts calculation based on operation of the Project, except (i) in the Event of Default by Developer, or (ii) on the Maturity Date, in which case, (i) or (ii), the outstanding balance of this Note is due in full immediately without regard to Residual Receipts.

(b) Commencing on or before June 1 after the calendar year in which the date of recordation of the Notice of Affordability Restrictions occurs and on the 90th day of each succeeding calendar year, Developer shall make cause to be prepared and submitted to the City its Annual Financial Statement, including the Residual Receipts Report evidencing Developer's calculation of Residual Receipts.

(c) Commencing upon June 1 after the calendar year in which the date of recordation of the Notice of Affordability Restrictions occurs, Developer shall make annual payments on this Note and the City Note sourced from the City's Proportionate Share of fifty percent (50%) of Residual Receipts, which is anticipated to be collectively nine and eighty-eight thousandths percent (9.088%), and which amount shall be allocated and remitted to City. Each annual payment by Developer to City of the City's Proportionate Share of Residual Receipts shall be credited by City to pay down the outstanding balance of this Note and the City Note.

(i) The annual payments by Developer to the City of the City's Proportionate Share of Residual Receipts shall continue until full repayment of this Note.

(ii) In all events upon the earlier to occur of (A) the Maturity Date or (B) the Event of Default by Developer and acceleration of this Note, if it were to occur, the outstanding balance, if any, shall be due immediately and paid in full by Developer to City without regard to Residual Receipts.

(d) Notwithstanding the allocation of Residual Receipts, the full Note Amount may be accelerated as set forth in Section 10 below.

4. Calculation of Residual Receipts in Connection with Note Repayment.

(a) **Residual Receipts Report; Allocation and Remittance of Residual Receipts**. Developer agrees to calculate, allocate and remit Residual Receipts in accordance with the Agreement and provide to City the Annual Financial Statement and Residual Receipts Report evidencing the same.

(i) After the calendar year in which the date of recordation of the Notice of Affordability Restrictions occurs and annually on or before June 1 of each succeeding calendar Year until the Maturity Date, Developer shall make annual payments to City of the City's Proportionate Share of fifty percent (50%) of Residual Receipts, which is anticipated to be collectively nine and eighty-eight thousandths percent (9.088%), (which includes this Note and the City Note), if any and when due, as set forth below and in the Agreement.

(ii) On the first to occur of (A) HOME Loan Maturity Date, or (B) acceleration of this Note due to Developer's Event of Default, the outstanding principal amount (plus accrued interest, if any) shall be due in full by Developer to City, all without regard to Residual Receipts calculation.

(iii) In addition, subject to the terms of the Agreement, this Note shall be paid from Refinancing Net Proceeds or from the Transfer Net Proceeds in the applicable percentages stated in the Agreement.

(iv) Notwithstanding the foregoing, the full Note Amount may be accelerated as set forth in Section 10 below.

5. Consent Required for Assignment and Assumption. Except for Transfers permitted pursuant to Article 8 of the Agreement, this Note shall not be assignable or assumable by any successor or assignee of Developer without the prior written consent of City, which consent may be withheld in the sole and absolute discretion of the City Manager (or if the City Manager elects in his or her discretion to present such request to the City Council.)

6. Form of Payments. All amounts due hereunder are payable in immediately available funds and lawful monies of the United States of America.

7. Application of Payments. All payments shall be applied (a) first, to costs and fees owing hereunder, (b) second, to the payment of accrued interest, (c) third, to the payment of principal, and (d) fourth, and if applicable, the accrual and payment of Default Rate of interest in the event of Default as defined and described in Section 10 below.

8. Prepayment. At any time, Developer may prepay in whole or in part the outstanding principal balance under this Note, together with all accrued interest, if any, and unpaid fees, costs and expenses, if any, payable hereunder, without penalty or premium. In the event of prepayment by Developer, the Regulatory Agreement, in particular the covenants with respect to affordable housing for Extremely Low-Income Households during the Affordability Period as set

forth in the Agreement and the Regulatory Agreement, shall remain intact, and shall be unaffected by the prepayment of this Note by Developer.

9. Security. This Note and all amounts payable hereunder are secured by the HOME Deed of Trust of even date herewith executed by Developer in favor of City, which HOME Deed of Trust shall only be subordinate to: (a) the Regulatory Agreement of record as the senior encumbrance, and (b) those certain deeds of trust executed by Developer, as borrower, in favor Primary Lenders, and (c) such other encumbrances approved by the City in writing in its sole discretion. The terms of the HOME Deed of Trust are incorporated herein and made a part hereof to the same extent and with the same force and effect as if fully set forth herein. A default under any of the provisions of the HOME Deed of Trust shall be a default hereunder, and a default hereunder shall be a default under the HOME Deed of Trust.

(a) **Subordinate Note**. The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by a promissory note for the Primary Loans executed by Developer, as set forth in the Agreement.

10. Acceleration and Other Remedies. If elected by City pursuant to the following sentence, the entire balance due under this Note shall be paid to City upon the earlier of an Event of Default, including without limitation: (i) the uncured default of Developer under this Note, the Agreement, Regulatory Agreement, HOME Deed of Trust, or other of the Project Documents, in each case, after delivery of notice and expiration of the applicable cure period provided in the respective agreement or instrument; or (ii) the sale, lease or other transfer or conveyance (other than the permitted rentals and other transfers and/or conveyances expressly permitted under the Agreement) of all or any part of the Project, or any interest therein (individually or collectively a "Transfer"), without the prior written consent of City in accordance with the Agreement, in each case, after delivery of notice and expiration of the applicable cure period provided in the applicable Project Document.

(a) Upon the occurrence and during the continuance of an Event of Default, the Note Amount, and all outstanding amounts due under this Note (and the Agreement, the HOME Deed of Trust and other Project Documents) shall accrue interest at the default rate of ten percent (10%) per annum, based on a calendar year (360 days) and charged on the basis of the actual number of days elapsed ("Default Rate").

(b) In addition, upon and during the continuance of an Event of Default, City may, at City's option, declare the outstanding principal amount of this Note, together with the then accrued and unpaid interest, if any, all sums secured by the HOME Deed of Trust, and other charges, if any, due under applicable Project Documents; such sums shall be due and payable immediately upon such declaration, and Default Rate shall immediately become and be due and payable without demand or notice, all as further set forth in the HOME Deed of Trust. All costs of collection, including, but not limited to, reasonable attorneys' fees, consulting fees, and all expenses incurred in connection with protection of, or realization on, the security for this Note, may be added to the principal hereunder, and shall accrue interest at the Default Rate as provided herein.

(c) City shall at all times have the right to proceed against any portion of the security for this Note in such order and in such manner as City may consider appropriate, without waiving any rights with respect to any of the security. Any delay or omission on the part of City in exercising any right hereunder, under the Agreement, the Project Documents or under the HOME Deed of Trust shall not operate as a waiver of such right, or of any other right. No single or partial exercise of any right or remedy hereunder or under the Agreement, the Project Documents, the HOME Deed of Trust or any other document or agreement shall preclude other or further exercises thereof, or the exercise of any other right or remedy. The acceptance of payment of any sum payable hereunder, or part thereof, after the due date of such payment shall not be a waiver of City's right to either require prompt payment when due of all other sums payable hereunder or to declare an Event of Default for failure to make prompt or complete payment.

11. Waivers. Except to the extent notice is required under any of the Project Documents, Developer and all endorsers, guarantors and sureties hereof jointly and severally waive presentment, demand, notice of protest and nonpayment, notice of default or delinquency, notice of acceleration, notice of costs, expenses or leases or interest thereon, notice of dishonor, diligence in collection or in proceeding against any of the rights or interests in or to any and all property securing this Note, and the benefit of any exemption under any homestead exemption laws, if applicable. Developer expressly agrees that this Note or any payment hereunder may be extended from time to time at City's sole discretion and that City may accept security in consideration for any such extension or release any security for this Note at its sole discretion all without in any way affecting the liability of Developer. No extension of time for payment of this Note made by agreement by City with any person now or hereafter liable for the payment of this Note shall operate to release, discharge, modify, change or affect the original liability of Developer under this Note, either in whole or in part. The obligations of Developer under this Note shall be absolute and Developer waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reasons whatsoever. No previous waiver and no failure or delay by City in acting with respect to the terms of this Note or the HOME Deed of Trust shall constitute a waiver of any breach, default, or failure or condition under this Note, the Deed of Trust or the obligations secured thereby. A waiver of any term of this Note, the HOME Deed of Trust or any of the obligations secured thereby must be made in writing and shall be limited to the express written terms of such waiver.

12. Consents. Developer and all endorsers, guarantors and sureties consent to: (a) any renewal, extension or modification (whether one or more, and subject to the terms and provisions of the Agreement relating to modification, extension, and/or amendment) of the terms of the Agreement as such terms relate to this Note or the terms or time of payment under this Note, (b) the release or surrender or exchange or substitution of all or any part of the security, whether real or personal, or direct or indirect, for the payment hereof to the extent requested or approved by Developer, (c) the granting of any other indulgences to Developer, and (d) the taking or releasing of other or additional parties primarily or contingently liable hereunder. Except as otherwise set forth above, any such renewal, extension, modification, release, surrender, exchange or substitution may be made without notice to Developer or to any endorser, guarantor or surety hereof, and without affecting the liability of said parties hereunder.

13. Successors and Assigns. Whenever "City" is referred to in this Note, such reference shall be deemed to include City and its successors and assigns, including, without limitation, any subsequent assignee or holder of this Note. All covenants, provisions and agreements by or on behalf of Developer, and on behalf of any makers, endorsers, guarantors and sureties hereof which are contained herein shall inure to the benefit of City and its successors and assigns. City may, at its option, assign its right to receive payment under this Note without necessity of obtaining the consent of Developer. Whenever "Developer" is referred to in this Note, such reference shall be deemed to include American Family Housing, a California nonprofit, public benefit corporation, and its approved successors and assigns, including, without limitation, any approved subsequent assignee or obligor of this Note, if such approval is given in accordance with the Agreement. In no event shall Developer assign or transfer any portion of this Note without the prior express written consent of City, except as permitted in the Agreement.

14. Usury. It is the intention of Developer and City to conform strictly to the Interest Law, as defined below, applicable to this loan transaction. Accordingly, it is agreed that notwithstanding any provision to the contrary in this Note, or in any of the documents securing payment hereof or otherwise relating hereto, the aggregate of all interest and any other charges or consideration constituting interest under the applicable Interest Law that is taken, reserved, contracted for, charged or received under this Note, or under any of the other aforesaid agreements or otherwise in connection with this loan transaction, shall under no circumstances exceed the maximum amount of interest allowed by the Interest Law applicable to this loan transaction. If any excess of interest in such respect is provided for in this Note, or in any of the documents securing payment hereof or otherwise relating hereto, then, in such event:

(a) the provisions of this paragraph shall govern and control;

(b) neither Developer nor Developer's heirs, legal representatives, successors or assigns shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum amount of interest allowed by the Interest Law applicable to this loan transaction;

(c) any excess shall be deemed canceled automatically and, if theretofore paid, shall be credited on this Note by City or, if this Note shall have been paid in full, refunded to Developer; and

(d) the effective rate of interest shall be automatically subject to reduction to the Maximum Legal Rate of Interest (as defined below), allowed under such Interest Law, as now or hereafter construed by courts of appropriate jurisdiction. To the extent permitted by the Interest Law applicable to this loan transaction, all sums paid or agreed to be paid to City for the use, forbearance or detention of the indebtedness evidenced hereby shall be amortized, prorated, allocated and spread throughout the full term of this Note. For purposes of this Note, "Interest Law" shall mean any present or future law of the State of California, the United States of America, or any other jurisdiction which has application to the interest and other charges under this Note. The "Maximum Legal Rate of Interest" shall mean the maximum rate of interest that City may from time to time charge Developer, and under which Developer would have no claim or defense of usury under the Interest Law.

15. Costs of Enforcement. Developer agrees to pay upon demand all reasonable costs and expenses, including attorneys' fees, expert witness fees, and costs of suit (including appeals), incurred by City to enforce the terms hereof. In addition to the foregoing award of attorneys' fees, City shall be entitled to its reasonable attorneys' fees incurred in any post-judgment proceedings to enforce any judgment in connection with this Note. This provision is separate and several and shall survive the merger of this provision into any judgment.

16. Miscellaneous. Time is of the essence hereof. If this Note is now, or hereafter shall be, signed by more than one party or person, it shall be the joint and several obligations of such parties or persons (including, without limitation, all makers, endorsers, guarantors and sureties), and shall be binding upon such parties and upon their respective successors and assigns. This Note shall be governed by and construed under the laws of the State of California. Developer irrevocably and unconditionally submits to the jurisdiction of the Superior Court of the State of California for the County of Orange or the United States District Court of the Central District of California, as City hereof may deem appropriate, in connection with any legal action or proceeding arising out of or relating to this Note. Developer also waives any objection regarding personal or in rem jurisdiction or venue to the extent such action is filed in the above-referenced courts. In the event of a conflict between the provisions of this Note and the Agreement, this Note shall control.

17. Non-Recourse Obligation. In the Event of Default under the terms of this Note, the sole recourse of City therefor shall be Developer's interest in the Property and the Project and Developer and Affiliates shall not be personally liable for the payment of any obligations under this Agreement; provided, however, that the foregoing shall not in any way affect any rights City may have hereunder, or any right of City to recover or collect funds, damages or costs (including without limitation reasonable attorneys' fees and costs) incurred by City as a result of fraud, intentional misrepresentation or bad faith waste, and/or any costs and expenses incurred by City in connection therewith (including without limitation reasonable attorneys' fees and costs).

IN WITNESS WHEREOF**,** Developer has caused this Promissory Note Secured by Ground Leasehold Deed of Trust executed on the date first set forth above.

DEVELOPER:

AMERICAN FAMILY HOUSING,

a California nonprofit, public benefit corporation

By: _____

Myles Anthony Peinemann II

Chief Executive Officer

ATTACHMENT NO. 7A
HOME DEED OF TRUST

Recording Requested By and

When Recorded Mail To:

City of Costa Mesa

77 Fair Drive

Costa Mesa, California 92626

Attention: City Clerk

APN: 439-312-12

(Space above for Recorder's use.)

This document is exempt from payment of recording *fees per Government Code §§ 6103 and 27383.*

GROUND LEASEHOLD
DEED OF TRUST AND ASSIGNMENT OF RENTS
HOME FUNDS

This **GROUND LEASEHOLD DEED OF TRUST AND ASSIGNMENT OF RENTS, HOME FUNDS** ("Deed of Trust") is dated as of _____, 2026 and duly executed **AMERICAN FAMILY HOUSING**, a California nonprofit, public benefit corporation ("Trustor`"), as trustor, whose address is 15161 Jackson Street, Midway City, California 92655, in favor of **COMMONWEALTH LAND TITLE INSURANCE COMPANY** ("Trustee"), as trustee, for the benefit of the **CITY OF COSTA MESA**, a California municipal corporation ("Beneficiary"), as beneficiary, whose address is 77 Fair Drive, Costa Mesa, California 92626. Each capitalized term used herein and not otherwise defined herein shall have the meaning given such term in that certain Affordable Housing Grant and Loan Agreement ("Agreement"), which is an unrecorded contract as defined in Section 2.1(b), below. Any capitalized terms not defined therein shall have the respective meanings set forth therefor in the Agreement. A copy of the Agreement is on file with the Beneficiary as a public record.

ARTICLE I

GRANT OF SECURITY

1.1 Grant of Security. FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt and adequacy of which are hereby acknowledged, Trustor hereby irrevocably grants, transfers and assigns to Trustee,

IN TRUST, WITH POWER OF SALE, AND RIGHT OF ENTRY AND POSSESSION, for the benefit and security of Beneficiary, all rights, titles, interests, estates, powers and privileges that Trustor now has or may hereafter acquire in or to the following property and interests therein (collectively, the "Property"):

(a) That certain real property located at 1400 Bristol Street, Costa Mesa California, Assessor's Parcel Number 439-312-12 ("Land" or "Property"), as more particularly described in the Legal Description attached hereto as Exhibit A, and incorporated herein by reference;

(b) All buildings and other improvements now or hereafter located on the Land, including, but not limited to, the Fixtures (as defined below) and any and all other equipment, machinery, appliances and other articles attached to such buildings and other improvements (collectively, the "Improvements");

(c) All fixtures (collectively, the "Fixtures") now or hereafter located on, attached to, installed in or used in connection with the Land and the Improvements, including all awnings, boilers, furnaces, pipes, plumbing, elevators, cleaning, call and sprinkler systems, fire extinguishing machinery and equipment, water tanks, heating, ventilating, air conditioning and air cooling machinery and equipment, gas and electric machinery and equipment, and other equipment, machinery and appliances and other fixtures of every kind and nature;

(d) All rights, rights-of-way, easements, licenses, profits, privileges, tenements, hereditaments and appurtenances now owned or hereafter acquired by Trustor and used in connection with the Land and the Improvements or as a means of access to either or both;

(e) All of Trustor's right, title and interest now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Land, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Land and Improvements;

(f) All oil, gas and other mineral rights in or relating to the Land, and all royalty, leasehold and other rights of Trustor in or relating thereto;

(g) All water, water rights and riparian rights (including, without limitation, shares of stock evidencing the same) in or relating to the Land;

(h) All leases and subleases relating to all or any part of the Land and the Improvements or any interest therein, now or hereafter existing or entered into, including all deposits, advance rentals and other payments of a similar nature but not including the Rents, as defined and separately assigned in Article 4;

(i) All options to purchase or lease all or any part of the Land or Improvements or any interest therein (and any greater estate in the Land or Improvements now owned or hereafter acquired pursuant thereto); and

(j) All other estates, easements, licenses, interests, rights, titles, claims or demands, both in law and in equity, which Trustor now has or may hereafter acquire in the Land and the Improvements, including, without limitation, (1) any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of all or any part of the Property, including any award resulting from a change of grade of streets and any award for severance damages, and (2) any and all proceeds of any insurance covering the Property.

ARTICLE II

SECURED OBLIGATIONS

2.1 Secured Obligations. This Deed of Trust, and the lien created hereby, is made for the purpose of securing the following obligations (collectively, the "Secured Obligations"):

(a) the payment and performance by Trustor of all indebtedness and other obligations evidenced by that certain Promissory Note Secured by Ground Leasehold Deed of Trust ("Note") dated of even date herewith, made by Trustor to the order of Beneficiary, in the original principal amount of Three Hundred Fifty Thousand Dollars ($350,000.00) together with interest on such indebtedness and costs of enforcement according to the terms of the Note;

(b) the payment and performance of all indebtedness and each and every promise, agreement, covenant, and obligation of Trustor to Beneficiary contained in (i) that certain unrecorded Affordable Housing Grant and Loan Agreement dated February 28, 2025, between Beneficiary and Trustor, as amended by that First Amendment to Affordable Housing Grant and Loan Agreement dated concurrently herewith (collectively "Agreement"), (ii) that certain Joint Regulatory Agreement dated February 28, 2025, by and between the City of Newport Beach, Beneficiary and Trustor and recorded against the Property on February 28, 2025, as instrument no. 2025000068064, in the Official Records of Orange County as a senior, non-subordinate encumbrance, (iii) this Deed of Trust, and (v) the other "Project Documents" (as defined in the Agreement), whether or not the total amount thereof may exceed the face amount of the Note, shall be secured hereby to the same extent as though said Agreement, Regulatory Agreement, Note, and other Project Documents were fully incorporated in this Deed of Trust;

(c) the payment and performance of all indebtedness and other obligations of Beneficiary, or its successors or assigns, when such indebtedness and obligations are contained in a document which recites that the obligations thereunder are secured by this Deed of Trust;

(d) the payment by Trustor of all amounts advanced by or on behalf of Beneficiary or Trustee to improve, protect or preserve the Property or the security of this Deed of Trust, with interest thereon as provided herein; and

(e) the payment and performance of all amendments, modifications, extensions, renewals and replacements of or for any of the foregoing (including, without limitation, (i) amendments or modifications of the required principal payment dates or interest payment dates, or both, as the case may be, accelerating or deferring such interest payment dates in whole or in part, or (ii) amendments, modifications, extensions or renewals at a different rate of interest),

whether or not any such amendment, modification, extension, renewal or replacement is evidenced by a new or additional promissory note or other document.

ARTICLE III

COVENANTS

3.1 Payment of Secured Obligations. Trustor shall pay and perform the Secured Obligations when due.

3.2 Maintenance, Repair, Alterations. Trustor shall maintain and preserve the Property in good condition and repair, reasonable wear and tear excepted; Trustor, except upon the prior written consent of Beneficiary, and except as expressly contemplated and authorized under the Agreement, shall not remove, demolish or materially alter any of the Improvements, other than to make repairs in the ordinary course of business of a non-structural nature which serve to preserve or increase the value of the Property; Trustor shall complete promptly and in a good and workmanlike manner any Improvement which may be now or hereafter constructed on the Land, shall promptly restore in like manner any Improvement which may be damaged or destroyed thereon from any cause whatsoever, and shall pay when due all claims for labor performed and materials furnished therefor; Trustor shall comply with all laws, ordinances, rules, regulations, orders, covenants, conditions, restrictions and "Permitted Encumbrances" (as hereinafter defined) now or hereafter affecting the Property, or any part thereof, or the conduct or operation of Trustor's business; Trustor shall not commit, suffer or permit any act to be done in, upon or to all or any part of the Property in violation of any such laws, ordinances, rules, regulations, orders, covenants, conditions or Permitted Encumbrances now or hereafter affecting the Property; Trustor shall not commit or permit any waste or deterioration of the Property, and shall keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair; Trustor shall not take any commercially unreasonable action, which if taken would increase in any way the risk of fire or other hazard occurring to or affecting the Property or which otherwise would impair the security of Beneficiary in the Property; Trustor shall comply with the provisions of all leases, if any, constituting a portion of the Property; Trustor shall not abandon the Property or any portion thereof or leave the Property unprotected, unguarded, vacant or deserted; Trustor shall not initiate, join in or consent to any change in any zoning ordinance, general plan, specific plan, private restrictive covenant or other public or private restriction limiting the uses which may be made of the Property by Trustor or by the owner thereof without the prior written consent of Beneficiary; Trustor shall secure and maintain in full force and effect all permits necessary for the use, occupancy and operation of the Property; except as otherwise prohibited or restricted by the Project Documents, or any of them, Trustor shall do any and all other acts which may be reasonably necessary to protect or preserve the value of the Property and the rights of Trustee and Beneficiary with respect thereto.

3.3 Insurance. Trustor shall at all times maintain in full force and effect, at Trustor's sole cost and expense, policies of insurance in form, substance, amounts and with companies as required by the Agreement. In the event of any damage or destruction to the Property, all insurance proceeds shall be applied in accordance with the terms and provisions of the Agreement or, in the absence thereof, as required by law.

3.4 Condemnation and Other Awards. Upon learning of the condemnation or other taking for public or quasi-public use of, or of the institution or the threatened institution of any proceeding for the condemnation or other taking for public or quasi-public use of, all or any part of the Property, Trustor shall promptly notify Beneficiary and Trustee of such fact. Subject to the requirements under Primary Loan documents, Trustor shall take all actions reasonably required by Beneficiary or Trustee in connection therewith to defend (using counsel reasonably acceptable to Beneficiary) and protect the interests of Trustor, Beneficiary and/or Trustee in the Property. At Beneficiary's option, Beneficiary or Trustor may be the nominal party in such proceeding but in any event Beneficiary shall be entitled, without regard to the adequacy of its security, to participate in and to control its own defense and any settlement affecting the Beneficiary's interest in the Property and to be represented therein by counsel of its choice. Subject to the requirements under the Primary Loan documents, Trustor hereby assigns to Beneficiary, as security for the Secured Obligations, all compensation, awards, damages and other amounts payable to Trustor in connection with any condemnation or other taking of all or any part of the Property for public or semi-public use (including, but not limited to, the proceeds of any settlement, regardless of whether or not condemnation or other taking proceedings are instituted in connection therewith). Upon receipt, subject to the requirements under Primary Loan documents, Trustor shall immediately deliver all such compensation, awards, damages and other amounts to Beneficiary. All such proceeds shall first be applied to reimburse Beneficiary and Trustee for all costs and expenses, including reasonable attorneys' fees, incurred in connection with the collection of such award or settlement. The balance of such award or settlement shall be applied as required by law. Application or release of such proceeds as provided herein shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3.5 Taxes and Impositions. Trustor shall be responsible to and shall pay, prior to delinquency, all of the following (collectively, the "Impositions"): (i) all general and special real property taxes and assessments imposed on the Property; and (ii) all other taxes and assessments and charges of every kind that are assessed upon the Property and that create or may create a lien upon the Property (or upon any personal property or fixtures used in connection with the Property), including non-governmental levies and assessments pursuant to applicable covenants, conditions or restrictions. If permitted by law, Trustor may pay any Imposition in installments (together with any accrued interest).

(a) Right to Contest. Trustor shall not be required to pay any Imposition so long as (a) the validity of such Imposition is being actively contested in good faith and by appropriate proceedings, and (b) either (i) Trustor has demonstrated to Beneficiary's reasonable satisfaction that leaving such Imposition unpaid pending the outcome of such proceedings could not result in conveyance of any parcel in satisfaction of such Imposition or otherwise impair Beneficiary's interests under the Project Documents, or (ii) Trustor has furnished Beneficiary with a bond or other security satisfactory to Beneficiary in an amount not less than 120% of the applicable claim (including interest and penalties).

(b) Evidence of Payment. Upon demand by the Beneficiary from time to time, Trustor shall deliver to the Beneficiary within thirty (30) days following the due date of any Imposition, evidence of payment of said Imposition reasonably satisfactory to the Beneficiary,

unless Trustor is contesting the imposition in conformity with Section 3.5(a). In addition, upon demand by Beneficiary from time to time, Trustor shall furnish to Beneficiary a tax reporting service for the Property of a type and duration, and with a company, reasonably satisfactory to Beneficiary.

3.6 Utilities. Except to the extent paid directly by tenants, Trustor shall promptly pay all gas, electricity, water, sewer and other utility charges which are incurred for the benefit of the Property or which may become a lien against the Property and all other assessments and other charges of a similar nature, public or private, relating to the Property or any portion thereof, regardless of whether or not any such charge is or may become a lien thereon.

3.7 Liens. Trustor shall not cause, incur, suffer or permit to exist or become effective any lien, encumbrance or charge upon all or any part of the Property or any interest therein (except for permitted liens, encumbrances and charges as shown on Beneficiary's title insurance policy). Trustor shall pay and promptly discharge, at Trustor's sole cost and expense, all liens, encumbrances and charges upon all or any part of the Property or any interest therein. If Trustor shall fail to remove and discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Beneficiary, Beneficiary may, but shall not be obligated to, discharge the same, without notice to or demand on Trustor, and without inquiring into the validity of such lien, encumbrance or charge or the existence of any defense or offset thereto, either by paying the amount claimed to be due, or by procuring the discharge of such lien, encumbrance or charge by depositing in a court a bond or the amount claimed or otherwise giving security for such claim, or in any other manner permitted or required by law. The Trustor shall, within twenty (20) days after demand therefor by Beneficiary (together with sufficient evidence substantiating such expenditures by Beneficiary), pay to Beneficiary an amount equal to all costs and expenses incurred by Beneficiary in connection with the exercise by Beneficiary of the foregoing right to discharge any such lien, encumbrance or charge, together with interest thereon from the date of such expenditure until paid at the "Default Rate" of ten percent (10%) per annum (as defined and further described in the Note.)

3.8 Sale or Lease of Property. Except for any Commercial Lease and as otherwise permitted under the Agreement, Trustor shall not sell, lease or otherwise transfer all or any part of the Property or any interest therein without the prior written consent of Beneficiary.

3.9 Inspections. Beneficiary, Trustee and their respective agents, representatives and employees, are each authorized, upon notice reasonable under the circumstances (which may be written or oral) and subject to the rights of tenants of the Property, to enter at any time upon any part of the Property during normal business hours for the purpose of inspecting the same and for the purpose of performing any of the rights and obligations under the law that Beneficiary and/or Trustee are authorized to perform hereunder or under the terms of any of the Project Documents. Such entry by the Beneficiary shall be upon 72-hours' prior notice, and shall be undertaken at Beneficiary's expense, with Beneficiary holding harmless the Trustor from any claims or injuries which occur in connection with the exercise of the Beneficiary's rights pursuant to this Section 3.9. The rights of Beneficiary to enter and inspect pursuant to this Section 3.9 are in addition to and do not limit City's rights to conduct building inspections.

3.10 Defense of Actions. Trustor, at no cost or expense to Beneficiary or Trustee, shall appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust, any of the other Project Documents, all or any part of the Property or any interest therein, any additional or other security for the obligations secured hereby, or the interests, rights, powers or duties of Beneficiary or Trustee hereunder, provided that Trustee or Beneficiary shall have first tendered the defense to Trustor. If Beneficiary or Trustee elects to become a party to such action or proceeding, or is made a party thereto, Trustor shall indemnify, defend and hold Trustee and Beneficiary harmless from all liability, damage, cost and expense incurred by Trustee and Beneficiary, or either of them, by reason of such action or proceeding (including, without limitation, reasonable attorneys' fees and expenses), whether or not such action or proceeding is prosecuted to judgment or decision.

3.11 Protection of Security. If Trustor fails to make any payment or to do any act as and in the manner provided in this Deed of Trust or any of the other Project Documents, Beneficiary and/or Trustee, each in its own discretion, without obligation so to do, without further notice or demand, and without releasing Trustor from any obligation, may make or do the same in such manner and to such extent as either may reasonably deem necessary to protect the security of this Deed of Trust. In connection therewith (without limiting their general powers), Beneficiary and Trustee shall each have and are hereby given the right, but not the obligation and subject to the terms and conditions set forth herein: (i) to enter upon and take possession of the Property; (ii) to make additions, alterations, repairs and improvements to the Property which in the judgment of either may be necessary or proper to keep the Property in good condition and repair; (iii) to appear and participate in any action or proceeding affecting or which may affect the security hereof or the rights or powers of Beneficiary or Trustee; (iv) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of either may affect or appears to affect the security of this Deed of Trust or may be, or to appear to be, prior or superior hereto; and (v) in exercising such powers, to pay all necessary or appropriate costs and expenses and employ necessary or desirable consultants.

3.12 Beneficiary's Powers. Without affecting the liability of Trustor or any other person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Deed of Trust upon any portion of the Property not then or theretofore released as security for the full amount of all Secured Obligations, Beneficiary may, from time to time and without notice (i) release any person so liable, (ii) extend the maturity or alter any of the terms of any such obligation (provided, however, that the consent of Trustor shall be required with respect to the extension or alteration of any unpaid obligation of Trustor to Beneficiary), (iii) waive any provision contained herein or grant other indulgences, (iv) release or reconvey, or cause to be released or reconveyed at any time at Beneficiary's option any parcel, a portion or all of the Property, (v) take or release any other or additional security for any obligation herein mentioned, or (vi) make compositions or other arrangements with debtors in relation thereto. By accepting payment or performance of any obligation secured by this Deed of Trust after the payment or performance thereof is due or after the filing of a notice of default and election to sell, Beneficiary shall not have thereby waived its right to require prompt payment and performance, when due, of all other obligations secured hereby, or to declare a default for failure so to pay or perform, or to proceed with the sale under any notice of default and election to sell theretofore given by

Beneficiary, or with respect to any unpaid balance of the indebtedness secured hereby. The acceptance by Beneficiary of any sum in an amount less than the sum then due shall not constitute a waiver of the obligation of Trustor to pay the entire sum then due.

3.13 Costs, Fees and Expenses. Upon the occurrence of an Event of Default and following any applicable notice and cure period, Trustor shall pay, on demand, all costs, fees, expenses, advances, charges, losses and liabilities paid or incurred by Beneficiary and/or Trustee under or in connection with this Deed of Trust, the enforcement of this Deed of Trust, the collection of the Secured Obligations, and/or the exercise of any right, power, privilege or remedy given Beneficiary and/or Trustee under this Deed of Trust, including, (a) foreclosure fees, trustee's fees and expenses, receiver's fees and expenses and trustee's sale guaranty premiums, (b) costs and expenses paid or incurred by Beneficiary and/or Trustee and/or any receiver appointed under this Deed of Trust in connection with the operation, maintenance, management, protection, preservation, collection, sale or other liquidation of the Property, (c) advances made by Beneficiary and/or Trustee to complete or partially construct all or any part of any improvements which may have been commenced on the Land or otherwise to protect the security of this Deed of Trust, (d) costs of evidence of title, costs of surveys and costs of appraisals, and (e) the fees, costs and expenses of attorneys, accountants and other consultants; together with interest thereon from the date of expenditure until so paid at the Default Rate.

ARTICLE IV

ASSIGNMENT OF RENTS, ISSUES AND PROFITS

4.1 Assignment of Rents, Issues and Profits. While this Deed of Trust is outstanding, Trustor hereby absolutely and irrevocably assigns and transfers to Beneficiary all of its right, title and interest in and to all rents, issues, profits, royalties, income and other proceeds and similar benefits derived from the Property (collectively, the "Rents"), and hereby gives to and confers upon Beneficiary the right, power and authority to collect such Rents. Until the reconveyance of this Deed of Trust, Trustor irrevocably appoints Beneficiary its true and lawful attorney-in-fact, at the option of Beneficiary, at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in its name or in the name of Trustor, for all Rents, and to apply the same to the obligations secured hereby; provided, however, that Trustor shall have a license to collect Rents (but not more than one month in advance unless the written approval of Beneficiary has first been obtained), and to retain and enjoy the same, so long as an Event of Default shall not have occurred hereunder and be continuing. The assignment of the Rents in this Article 4 is intended to be an absolute assignment from Trustor to Beneficiary and not merely the passing of a security interest.

4.2 Collection Upon Default. Upon the occurrence and during the continuance of an Event of Default hereunder following any applicable notice and cure period, Trustor's license to collect the Rents shall automatically terminate and Beneficiary may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the obligations hereby secured, enter upon and take possession of the Property, or any part thereof, and, with or without taking possession of the Property or any part thereof, in its own name sue for or otherwise collect such Rents (including those past due and unpaid, and all

prepaid Rents and all other monies which may have been or may hereafter be deposited with Trustor by any lessee or tenant of Trustor to secure the payment of any Rent or for any services thereafter to be rendered by Trustor or any other obligation of any tenant to Trustor arising under any lease, and Trustor agrees that, upon the occurrence of any Event of Default hereunder, Trustor shall promptly deliver all Rents and other monies to Beneficiary), and Beneficiary may apply the same, less costs and expenses of operation and collection, including, without limitation, attorneys' fees, whether or not suit is brought or prosecuted to judgment, upon any indebtedness or obligation of Trustor secured hereby, and in such order as Beneficiary may determine notwithstanding that said indebtedness or the performance of said obligation may not then be due. The collection of Rents, or the entering upon and taking possession of the Property, or the application of Rents as provided above, shall not cure or waive any default or notice of default hereunder or invalidate any act performed in response to such default or pursuant to such notice of default or be deemed or construed to make Beneficiary a mortgagee-in-possession of all or any part of the Property.

ARTICLE V

REMEDIES UPON DEFAULT

5.1 Events of Default. The term "Event of Default" is defined in the Agreement and includes without limitation the occurrence of any of the following events or conditions hereunder:

5.1.1 Trustor shall fail to pay any amount owing under the Note when due, and such failure is not cured within ten (10) days after Beneficiary gives Trustor notice of such failure;

5.1.2 Trustor shall fail to observe or perform any other obligation contained in this Deed of Trust, and such failure is not cured within thirty (30) days after Beneficiary gives Trustor notice of such failure; provided that, if cure cannot reasonably be effected within such 30-day period, such failure shall not be an Event of Default so long as Borrower promptly (in any event, within thirty (30) days after receipt of such notice) commences cure, and thereafter diligently prosecutes such cure to completion;

5.1.3 The occurrence of an "Event of Default" under the Agreement, the Regulatory Agreement, the Note, or other Project Documents;

5.1.4 A default under any other document or agreement secured hereby, subject to any applicable cure period; or

5.1.5 City exercises City's right to cure a default by Developer under the Primary Loan or other financing senior to the City Loan and Developer does not reimburse City for the cost to cure such default within ten (10) days following written demand for payment from City.

5.2 Acceleration Upon Default; Additional Remedies. Upon the occurrence and during the continuance of an Event of Default, Beneficiary may, at its option, terminate its obligations under the Project Documents and declare all Secured Obligations to be immediately due and payable without any presentment, demand, protest or further notice of any kind; and whether or not Beneficiary exercises said option, Beneficiary may:

5.2.1 Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of its security, enter upon and take possession of the Property, or any part thereof, in its own name or in the name of Trustee, and do any acts which it deems necessary or desirable to complete the construction of the Improvements on the Land, to preserve the value, marketability or rentability of the Property, or part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Property, sue for or otherwise collect the Rents, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including attorneys' fees, upon any Secured Obligations, all in such order as Beneficiary may determine. The entering upon and taking possession of the Property, the collection of such Rents and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession by Trustee, Beneficiary or a receiver of all or any portion of the Property or the collection, receipt and application of any of the Rents, the Trustee or Beneficiary shall be entitled to exercise every right provided for in any of the Project Documents or by law upon occurrence of any Event of Default, including the right to exercise the power of sale;

5.2.2 Commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants contained herein;

5.2.3 Deliver to Trustee a written declaration of default and demand for sale, and a written notice of default and election to cause Trustor's interest in the Property to be sold, which notice Trustee or Beneficiary shall cause to be duly filed for record in the official records of the County in which the Property are located;

5.2.4 Exercise any and/or all of the rights and remedies available to a secured party under the California Uniform Commercial Code in such order and in such manner as Beneficiary, in its sole discretion, may determine (including, without limitation, requiring Trustor to assemble the collateral and make the collateral available to Beneficiary at a reasonably convenient location); provided, however, that the expenses of retaking, holding, preparing for sale or the like as provided thereunder shall include reasonable attorneys' fees and other expenses of Beneficiary and Trustee and shall be additionally secured by this Deed of Trust; and/or

5.2.5 Exercise all other rights and remedies provided herein, in any Project Document or other document or agreement now or hereafter securing all or any portion of the obligations secured hereby, or provided by law or in equity.

5.3 Foreclosure By Power of Sale.

5.3.1 Should Beneficiary elect to foreclose by exercise of the power of sale herein contained, Beneficiary shall notify Trustee and shall deposit with Trustee this Deed of Trust and the Note and such receipts and evidence of expenditures made and secured hereby as Trustee may require.

5.3.2 Upon receipt of notice from Beneficiary, Trustee shall cause to be recorded, published and delivered to Trustor such notice of default and election to sell as is then required by law. Trustee shall, without demand on Trustor, after lapse of such time as may then be required by law and after recordation of such notice of default and after notice of sale having been given as required by law, sell the Property at the time and place of sale fixed by it in said notice of sale, either as a whole, or in separate lots or parcels or items and in such order as Beneficiary may direct Trustee so to do, at public auction to the highest bidder for cash in lawful money of the United States of America payable at the time of sale. Trustee shall deliver to such purchaser or purchasers thereof its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matter or fact shall be conclusive proof of the truthfulness thereof. Any person, including, without limitation, Trustor, Trustee or Beneficiary, may purchase at such sale.

5.3.3 After deducting all fees, costs and expenses incurred by Beneficiary or Trustee in connection with such sale, including costs of evidence of title, Beneficiary shall apply the proceeds of sale in the following priority, to payment of (i) first, all amounts expended under the terms hereof, not then repaid, with accrued interest at the Default Rate; (ii) second, all other Secured Obligations; and (iii) the remainder, if any, to the person or persons legally entitled thereto.

5.3.4 Subject to applicable law, Trustee may postpone the sale of all or any portion of the Property by public announcement at the time and place of sale, and from time to time thereafter may postpone such sale by public announcement or subsequently noticed sale, and without further notice make such sale at the time fixed by the last postponement, or may, in its discretion, give a new notice of sale.

5.3.5 A sale of less than the whole of the Property or any defective or irregular sale made hereunder shall not exhaust the power of sale provided for herein; and subsequent sales may be made hereunder until all obligations secured hereby have been satisfied, or the entire Property sold, without defect or irregularity.

5.4 Appointment of Receiver. Upon the occurrence of an Event of Default under this Deed of Trust, Beneficiary, as a matter of right and without notice to Trustor or anyone claiming under Trustor, and without regard to the then value of the Property or the interest of Trustor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Property, and Trustor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Beneficiary in case of entry as provided herein and shall continue as such and exercise all such powers until the date of confirmation of sale of the Property unless such receivership is sooner terminated.

5.5 Application of Funds After Default. Except as otherwise herein provided, upon the occurrence of an Event of Default hereunder, Beneficiary may, at any time without notice, apply any or all sums or amounts received and held by Beneficiary to pay insurance premiums, Impositions, or either of them, or as rents or income of the Property, or as insurance or condemnation proceeds, and all other sums or amounts received by Beneficiary from or on account

of Trustor or the Property, or otherwise, upon any Secured Obligation, in such manner and order as Beneficiary may elect, notwithstanding that such Secured Obligation may not yet be due. The receipt, use or application of any such sum or amount shall not be construed to affect the maturity of any indebtedness secured by this Deed of Trust, or any of the rights or powers of Beneficiary or Trustee under the terms of the Project Documents, or any of the obligations of Trustor or any guarantor under the Project Documents; or to cure or waive any default or notice of default under any of the Project Documents; or to invalidate any act of Trustee or Beneficiary.

5.6 Remedies Not Exclusive. Trustee and Beneficiary, and each of them, shall be entitled to enforce payment and performance of any indebtedness or obligation secured hereby and to exercise all rights and powers under this Deed of Trust or under any Project Document or other agreement or any law now or hereafter in force, notwithstanding some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by guaranty, mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Deed of Trust nor its enforcement whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Trustee's or Beneficiary's right to realize upon or enforce any other security now or hereafter held by Trustee or Beneficiary, it being agreed that Trustee and Beneficiary, and each of them, shall be entitled to enforce this Deed of Trust and any other security for the obligations hereby secured now or hereafter held by Beneficiary or Trustee in such order and manner as they may in their absolute discretion determine. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein, or granted to Beneficiary under any other agreement, or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or granted to Beneficiary under any other agreement, or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Project Documents to the Trustee or Beneficiary or to which either of them may be otherwise entitled may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by the Trustee or Beneficiary, and either of them may pursue inconsistent remedies. Trustor may be joined in any action brought by Beneficiary to foreclose under or otherwise enforce this Deed of Trust.

5.7 Request for Notice of Default. Trustor hereby requests that a copy of any notice of default and that a copy of any notice of sale hereunder be mailed to it at the address set forth in the first paragraph of this Deed of Trust.

ARTICLE VI

MISCELLANEOUS

6.1 Amendments. This instrument cannot be waived, modified, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, modification, discharge or termination is sought.

6.2 Waivers. Trustor waives, to the extent permitted by law, (i) the benefit of all laws now existing or that may hereafter be enacted providing for any appraisement before sale of any portion of the Property, and, whether now existing or hereafter arising or created, (ii) all rights of

valuation, appraisement, stay of execution, notice of election to mature or declare due the whole of the secured indebtedness and marshaling in the event of foreclosure of the liens hereby created, and (iii) all rights and remedies which Trustor may have or be able to assert by reason of the laws of the State of California pertaining to the rights and remedies of sureties: provided, however, nothing contained herein shall be deemed to be a waiver of Trustor's rights under Section 2924, 2924b and 2924c of the California Civil Code, or under Sections 580a or 726 of the California Code of Civil Procedure.

6.3 Statements by Trustor. Trustor shall, within twenty (20) days after notice thereof from Beneficiary, deliver to Beneficiary a written statement setting forth the amounts Trustor understands to be unpaid and secured by this Deed of Trust and stating whether any offset or defense exists against such amounts.

6.4 Statements by Beneficiary. For any statement or accounting requested by Trustor or any other entitled person pursuant to Section 2943 or Section 2954 of the California Civil Code or pursuant to any other provision of applicable law, or for any other document or instrument furnished to Trustor by Beneficiary, Beneficiary may charge the maximum amount permitted by law at the time of the request therefor, or if there be no such maximum, then in accordance with Beneficiary's customary charges therefor or the actual cost to Beneficiary therefor, whichever is greater.

6.5 Reconveyance by Trustee. Upon written request of Beneficiary stating that all obligations under the Note have been paid and fully performed, and upon surrender by Beneficiary of this Deed of Trust and the Note to Trustee for cancellation and retention and upon payment by Trustor of Trustee's fees and the costs and expenses of executing and recording any requested reconveyance, Trustee shall reconvey to the person or persons legally entitled thereto, without warranty, any portion of the Property then held hereunder. The recitals in any such reconveyance of any matter or fact shall be conclusive proof of the truthfulness thereof. The grantee in any such reconveyance may be described as "the person or persons legally entitled thereto."

6.6 Notices. All notices, demands, approvals and other communications provided for herein shall be in writing and shall be personally delivered, delivered by reputable overnight courier service or mailed by United States mail, as certified or registered material, return receipt requested, postage prepaid, to the appropriate party at the address set forth in the first paragraph of this Deed of Trust. Addresses for notice may be changed from time to time by written notice to all other parties. All communications shall be effective when actually received: provided, however, that non-receipt of any communication as the result of a change of address of which the pending party was not notified or as the result of a refusal to accept delivery shall be deemed receipt of such communication.

6.7 Acceptance by Trustee. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

6.8 Headings. Article and Section headings are included in this Deed of Trust for convenience of reference only and shall not be used in construing this Deed of Trust.

6.9 Severability. Every provision of this Deed of Trust is intended to be severable. In the event any provision hereof is declared to be illegal, invalid or unenforceable for any reason whatsoever by a court of competent jurisdiction, such illegality, invalidity or unenforceability shall not affect the legality, validity or enforceability of the remaining provisions hereof, which provisions shall remain binding and enforceable.

6.10 Subrogation. To the extent that proceeds of the Note are used, either directly or indirectly, to pay any outstanding lien, charge or prior encumbrance against the Property, Beneficiary shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether such liens, charges or encumbrances are released.

6.11 Governing Law. This Deed of Trust shall be governed by, and construed in accordance with, the laws of the State of California.

6.12 Statute of Limitations. The right to plead, use or assert any statute of limitations as a plea, defense or bar of any kind, or for any purpose, to any obligation secured hereby, or to any complaint or other pleading or proceeding filed, instituted or maintained for the purpose of enforcing this Deed of Trust or any rights hereunder, is hereby waived by Trustor to the full extent permitted by law.

6.13 Interpretation. In this Deed of Trust the singular shall include the plural and the masculine shall include the feminine and neuter and vice versa, if the context so requires; and the word "person" shall include corporation, partnership or other form of association. Any reference in this Deed of Trust to any document, instrument or agreement creating or evidencing an obligation secured hereby shall include such document, instrument or agreement both as originally executed and as it may from time to time be modified.

6.14 Trust Irrevocable. The trust created hereby is irrevocable by Trustor. All amounts payable by Trustor pursuant to this Deed of Trust shall be paid without notice (except where notice is expressly required), demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction. Trustor hereby waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any amount secured hereby and payable by Trustor to Beneficiary or Trustee.

6.15 Further Assurances. Trustor agrees to do or cause to be done such further acts and things and to execute and deliver or to cause to be executed and delivered such additional assignments, agreements, powers and instruments, as Beneficiary or Trustee may reasonably require to correct any defect, error or omission in this Deed of Trust or the execution or acknowledgment of this Deed of Trust, to subject to the lien of this Deed of Trust any of Trustor's property covered or intended to be covered hereby, to perfect and maintain such lien, to keep valid and effective the charges and lien hereof, to carry into effect the purposes of this Deed of Trust or to better assure and confirm to Beneficiary or Trustee their respective rights, powers and remedies hereunder.

6.16 Trustee's Powers. At any time, and from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the note secured hereby for endorsement, and without affecting the personal liability of any person for payment of the indebtedness or the performance of any other obligation secured hereby or the effect of this Deed of Trust upon the remainder of the Property, Trustee may (i) reconvey all or any part of the Property, (ii) consent in writing to the making of any map or plat thereof, (iii) join in granting any easement thereon, or (iv) join in any extension agreement, agreement subordinating the lien or charge hereof, or other agreement or instrument relating hereto or to all or any part of the Property.

6.17 Substitution of Trustee. Beneficiary may, from time to time, by written instrument executed and acknowledged by Beneficiary and recorded in the county or counties where the Property are located, or by any other procedure permitted by applicable law, substitute a successor or successors for the Trustee named herein or acting hereunder.

6.18 Successors and Assigns. This Deed of Trust applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns.

6.19 Non-Recourse Obligation. In the Event of Default under the terms of the Agreement, the Note, this Deed of Trust, or any of the other Project Documents, the sole recourse of City for any such Default shall be Developer's interest in the Property and the Project and Developer and its Affiliates shall not be personally liable for the payment of any obligations under this Agreement; provided, however, that the foregoing shall not in any way affect any rights City may have hereunder, or any right of City to recover or collect funds, damages or costs (including without limitation reasonable attorneys' fees and costs) incurred by City as a result of fraud, intentional misrepresentation or bad faith waste, and/or any costs and expenses incurred by City in connection therewith (including without limitation reasonable attorneys' fees and costs).

IN WITNESS WHEREOF, Trustor has duly executed this Deed of Trust and Assignment of Rents as of the date set forth below.

AMERICAN FAMILY HOUSING,

a California nonprofit, public benefit corporation

By: _____

Myles Anthony Peinemann II

Chief Executive Officer

EXHIBIT "A"

LEGAL DESCRIPTION

That real property located in the State of California, County of Orange, City of Costa Mesa, and described as follows:

PARCEL 2, IN THE CITY OF COSTA MESA, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 24 PAGE 23 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO MESA CONSOLIDATED WATER DISTRICT BY DEED RECORDED DECEMBER 31, 1986 AS INSTRUMENT NO. 86-656909, OFFICIAL RECORDS.

ALSO EXCEPTING ALL OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OF THE UPPER 500 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AS RESERVED IN DEED FROM THE IRVINE COMPANY, A CORPORATION, RECORDED MARCH 5, 1968 IN BOOK 8535 PAGE 62 OF OFFICIAL RECORDS.

APN: 439-312-12

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

) ss.

COUNTY OF ORANGE)

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

LEGAL DESCRIPTION

ATTACHMENT NO. 14
SECTION 3 CHECKLIST

U.S. Department of Housing and Urban Development
Community Planning and Development

Special Attention of:

CPD Division Directors
All HOME Coordinators
All HOME Participating Jurisdictions
All Housing Trust Fund Coordinators
All Housing Trust Fund Grantees

Notice: CPD-21-07

Issued: July 15, 2021

Expires: **This NOTICE is effective until it is amended, superseded, or rescinded**
Cross Reference: 24 CFR Part 75

Subject: Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992, final rule requirements for HOME and HTF projects

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I. PURPOSE

This notice provides guidance to HOME Investment Partnerships Program (HOME) participating jurisdictions (PJs) and Housing Trust Fund (HTF) grantees, collectively referred to as grantees, on the requirements for Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992 (Section 3) that apply to HOME and HTF-assisted rehabilitation or construction projects. This notice outlines the key changes made by the notice, "Enhancing and Streamlining the Implementation of Section 3 Requirements for Creating Economic Opportunities for Low- and Very Low-Income Persons and Eligible Businesses," published in the Federal Register on September 29, 2020 (the "final rule") and provides guidance for tracking and reporting compliance with the new requirements.

II. BACKGROUND

Section 3 contributes to the establishment of stronger, more sustainable communities by ensuring that employment and other economic opportunities generated by Federal financial assistance for housing and community development programs are, to the greatest extent feasible, directed toward low- and very low-income persons, particularly those who receive government assistance for housing. Section 3 applies to training or employment arising in connection with HUD-funded housing rehabilitation, housing construction, or other public construction projects, and any contracting opportunities arising in connection with both public housing and other Section 3 projects. These opportunities are, to the greatest extent feasible, required to be given to low- and very low-income persons and business concerns that provide economic opportunities to low- or very low-income persons.

On September 29, 2020, HUD published the final rule entitled "Enhancing and Streamlining the Implementation of Section 3 Requirements for Creating Economic Opportunities for Low- and Very Low-Income Persons and Eligible Businesses," (85 FR 61524) and a companion notice, titled "Section 3 Benchmarks for Creating Economic Opportunities for Low- and Very Low-Income Persons and Eligible Businesses," (85 FR 60907) that outlines the numeric goals for compliance (the "benchmark notice") in the Federal Register. Prior to the publication of the final rule and benchmark notice, HUD had been operating under the Section 3 interim rule (24 CFR Part 135) which was published in 1994.

The final rule which can be found at 24 CFR part 75 became effective on November 30, 2020. The final rule simplifies the Section 3 regulations and establishes that Section 3 requirements apply to housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance when the total amount of assistance to the project exceeds a project threshold of $200,000, or $100,000 when the assistance is from HUD's Lead Hazard Control and Heathy Homes programs, as authorized under Sections 501 or 502 of the Housing and Urban Development Act of 1970 (12 USC 4801 et. seq). The final rule also improves alignment with current business practices by requiring the reporting of labor hours rather than new hires. Additionally, the final rule streamlines the reporting process and establishes HUD program office oversight to reduce administrative burden and make the rule more effective.

III. APPLICABILITY

The final rule established an applicability threshold of $200,000 for housing rehabilitation, housing construction, and other public construction projects assisted with certain HUD funds. Therefore, Section 3 requirements apply to a housing construction or rehabilitation project that receives over $200,000 in total housing and community development financial assistance from HUD programs. Applicable housing and community development programs include but are not limited to Community Development Block Grant (CDBG), Community Development Block Grant – Disaster Recovery (CDBG-DR), HOME, HTF, Emergency Solutions Grants (ESG), Housing Opportunities for Persons with AIDS (HOPWA), Section 202 Direct Loan Program for Housing for the Elderly or Handicapped, Section 811 Supportive Housing for Persons with Disabilities, , and other HUD Notice of Funding Opportunity (NOFO) grants. While Section 3 applies to public construction projects such as CDBG-funded projects, the requirements do not apply to HOME or HTF projects that do not include housing rehabilitation or new construction (e.g. funds used for direct homebuyer assistance or tenant-based rental assistance).

In accordance with 24 CFR 75.3, the Section 3 requirements apply based on the amount of HUD housing and community development funding provided by a single program or from a combination of one or more different applicable HUD programs exceeding the $200,000 threshold. For example, if a project is funded with $101,000 of HOME funds and $100,000 of HTF funds, then it exceeds the applicability threshold of $200,000 and the grantee must impose the Section 3 requirements.

Section 3 requirements apply to the entire project, not just the HUD-financed portion. If a HOME or HTF project receives more than $200,000 of HUD funding for housing rehabilitation or construction, then Section 3 requirements are triggered and apply to all hiring efforts made during construction, including efforts that are financed by other, non-HUD sources of funds. All contractors and subcontractors must be made aware of the need to comply with Section 3 requirements.

IV. TIMELINE FOR IMPLEMENTATION

A. EFFECTIVE DATE

The final rule became effective on November 30, 2020. As of November 30, 2020, the requirements of the interim rule, 24 CFR part 135, were no longer in effect. Projects with HOME and HTF commitments made before November 30, 2020, must continue to comply with the requirements of the interim rule.

B. COMPLIANCE DATE

The regulations are applicable to Section 3 projects for which assistance or funds are committed on or after July 1, 2021. Grantees must implement the updated Section 3 requirements by July 1, 2021, including the reporting requirements at 24 CFR 75.25. HOME and HTF grantees must report Section 3 data in HUD's Integrated Disbursement and

Information System (IDIS). While the effective date of the final rule was November 30, 2020, HUD expected grantees to transition to the updated 24 CFR part 75 requirements and revise their policies and procedures and systems to comply with the requirements of the final rule and to make the necessary changes in IDIS by July 1, 2021. Due to this, HUD will not enforce compliance with the final rule's reporting requirements until July 1, 2021. This means that grantees are not required to report Section 3 data for any project to which HOME and HTF funds were committed or any project that was completed after November 30, 2020 and before July 1, 2021. Grantees must, however, keep all files associated with Section 3 projects with commitments made after November 30, 2020, but before July 1, 2021, or completed between November 30, 2020, and July 1, 2021, to demonstrate that projects comply with the requirements of the final rule.

Grantees will be unable to input Section 3 data into IDIS for projects with commitments prior to July 1, 2021.

Commitment Date	Before 11/30/2020	On or After 11/30/2020 but before 7/1/2021	On or After 7/1/2021
Applicable Regulations	24 CFR Part 135	24 CFR Part 75	24 CFR Part 75
Reporting Requirement	Reporting requirements apply and grantee must retain documentation demonstrating compliance in project file with interim rule	No reporting requirements but grantees must retain documentation demonstrating compliance with final rule in project file	Report compliance data in IDIS at project completion

V. TRACKING LABOR HOURS

The final rule introduces several new concepts and definitions to align the rule more closely with the statutory priorities for hiring and contracting and with grantee current practices. The most significant change is the switch from tracking and reporting new hires and contracts to tracking and reporting labor hours. "Labor hours" means the number of paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance in accordance with 24 CFR 75.5. The final rule's focus on labor hours seeks to measure total actual employment and the proportion of the total employment performed by low- and very low-income workers. In addition, the change to tracking labor hours emphasizes continued and long-term employment. The focus on labor hours creates an incentive for employers to invest in and retain their workers.

Under the final rule at 24 CFR 75.25, grantees are required to report the total labor hours for three categories of workers on the project: all workers, Section 3 workers, and Targeted Section 3 workers. The definitions established in 24 CFR 75.5 for "Section 3 worker," "Targeted Section 3 worker," and "Section 3 business concern" were created to simplify grantee reporting

and better align with statutory priorities. These categories of workers are also used to establish benchmarks which will serve as safe harbors for compliance as discussed in Section VI of this notice.

Grantees must include language applying Section 3 requirements in *any* agreement or contract for a Section 3 project and must require contractors and subcontractors to meet the requirements of the final rule, *regardless* of whether Section 3 language is included in their agreements or contracts.

A. SECTION 3 WORKER

The new definition of Section 3 worker implements the statutory requirement that grantees ensure that job and contracting opportunities arising in connection with a HOME or HTF-assisted construction project are provided to Section 3 workers or Section 3 business concerns, to the greatest extent feasible. In accordance with the final rule, a Section 3 worker is a worker who currently fits or, when hired within the past five years, fits at least one of the following categories:

1. Is a low or very low-income person that met HUD income limits for the previous or annualized calendar year. Low- and very-low-household income limits may be obtained from: http://www.huduser.org/portal/datasets/il.html
2. Is employed by a Section 3 business concern (defined in Section C), or
3. Is a YouthBuild participant. YouthBuild is a community-based pre-apprenticeship program administered by the U.S. Department of Labor that provides job training and educational opportunities for at-risk youth ages 16-24 who have previously dropped out of high school.

Grantees may count Section 3 workers' labor hours for five years from when their status as a Section 3 worker is established pursuant to 24 CFR 75.31. For purposes of reporting the labor hours for Section 3 workers, an employer may choose whether the workers are defined as Section 3 workers for a five-year period at the time of the workers' hire, or when the workers are first certified as meeting the Section 3 worker definition. The five-year period for a worker cannot begin before November 30, 2020, the effective date of the final rule.

Pursuant to 24 CFR 75.31, for a worker to qualify as a Section 3 worker, an employer must maintain one of the following records from the time the worker is certified as meeting the Section 3 worker definition for the five-year period or from the time of hire (if hired within the last five years):

1. A worker's self-certification that their income is below HUD's income limit from the prior calendar year.
2. A worker's self-certification of participation in a means-tested program such as public housing or Section 8- assisted housing.
3. Certification from a PHA, or an owner or property manager of project-based Section 8-assisted housing, or an administrator of tenant-based Section 8- assisted housing that the worker is a participant in one of their programs.

4. An employer's certification that a worker's income from that employer is below HUD's income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis.
5. An employer's certification that the worker is employed by a Section 3 business concern.

Special Case: Professional Services

Professional service jobs are defined in 24 CFR 75.5 of the final rule as "non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial consulting, accounting services, environmental assessment, architectural services, and civil engineering services." These jobs are excluded from the reporting requirement for Section 3 and Targeted Section 3 workers because it is very difficult for grantees and contractors to recruit and hire eligible persons for these roles due to the higher wages/salaries earned for these types of jobs. Therefore, the labor hours worked for professional services jobs are NOT to be included in the total labor hours worked on the project and were not considered in the development of benchmarks. However, if employees in professional services roles meet the definition of a Section 3 worker or Targeted Section 3 worker, their labor hours can be reported in the applicable Section3 worker or Targeted Section 3 worker labor hour category. By structuring the requirements in this way, the final rule incentivizes grantees and contractors to hire Section 3 or Targeted Section 3 workers for professional services jobs without creating undue burden if qualified Section 3 workers are not available to fill these roles.

B. TARGETED SECTION 3 WORKER

The Section 3 statute requires certain recipients to prioritize their efforts to direct employment and economic opportunities to specific groups of low- and very low-income individuals. The new definition of Targeted Section 3 worker was created to reflect both statutory and policy priorities that HUD wishes to specifically track. A Targeted Section 3 worker for HOME and HTF is a worker who meets the definition of a Section 3 worker plus one of the following:

1. A worker employed by a Section 3 business concern (defined below), or
2. A worker who currently fits or, when hired, fit at least one of the following categories, as documented within the past five years:
    a. Living within the service area or the neighborhood of the project (defined below)
    b. A YouthBuild participant.

In 24 CFR 75.5, the final rule defines the service area or the neighborhood of the project as "an area within one mile of the Section 3 project or, if fewer than 5,000 people live within one mile of a Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census."

For a worker to qualify as a Targeted Section 3 worker, there must be evidence that the worker meets at least one of the categories in the definition. Therefore, in addition to the documentation certifying that the worker meets the definitions of a Section 3 worker, one of the following sources of documentation must be maintained:

1. An employer's confirmation that a worker's residence is within one mile of the work site or, if fewer than 5,000 people live within one mile of a work site, within a circle centered on the work site that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census;
2. An employer's certification that the worker is employed by a Section 3 business concern; or
3. A worker's self-certification that the worker is a YouthBuild participant.

If a HOME- or HTF-assisted Section 3 project is combined with public housing financial assistance, for purposes of the HOME or HTF reporting, the grantee has the option under 24 CFR 75.29 (Multiple Funding Sources) of following the public housing definition of Targeted Section 3 worker at 24 CFR 75.11 to simplify project reporting.

A Targeted Section 3 worker for public housing financial assistance means a Section 3 worker who is:

1. A worker employed by a Section 3 business concern, or
2. A worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:
    a. A resident of public housing or Section 8-assisted housing
    b. A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance
    c. A YouthBuild participant

For a worker to qualify as a Targeted Section 3 worker under the public housing financial assistance definition, there must be evidence that the worker meets at least one of the categories in the definition. Therefore, in addition to the documentation certifying that the worker meets the definitions of a Section 3 worker, one of the following sources of documentation must be maintained

1. An employer's certification that the worker is employed by a Section 3 business concern; or
2. A worker's self-certification of participation in public housing or Section 8-assisted housing programs;
3. A certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;
4. A worker's self-certification that the worker is a YouthBuild participant.

C. SECTION 3 BUSINESS CONCERN

The statute creates a contracting priority for businesses that provide economic opportunities for low- and very low-income workers. To implement this priority, the final rule includes labor hours worked by Section 3 business concern employees to count towards benchmarks for Section 3 workers and Targeted Section 3 workers. HUD also created a new Section 3 business concern definition that incorporates the change to labor hours and increases the threshold of work performed by a business by low- and very low-income workers given the final rule's inclusion of all Section 3 business concern employees' labor hours in the definition of both Section 3 workers and Targeted Section 3 workers. Grantees must certify that they are making efforts to prioritize contracting with Section 3 business concerns and are responsible for verifying that businesses meet the definition of a Section 3 business concern.

A Section 3 business concern is now defined in 24 CFR 75.5 as a business that meets at least one of the following criteria, documented within the last six-month period:

1. At least 51% owned and controlled by low or very low-income persons,
2. Over 75% of the labor hours performed for the business over the previous 3-month period are performed by Section 3 workers, or
3. It is at least 51% owned and controlled by current residents of public housing or Section 8-assisted housing.

VI. DOCUMENTING COMPLIANCE

The final rule at 24 CFR 75.23 requires HUD set Section 3 benchmarks by publishing a notice, subject to public comment, in the Federal Register. These benchmarks provide grantees a safe harbor by defining the percentage of labor hours worked by Section 3 workers and Targeted Section 3 workers on a project to be in compliance. If a grantee certifies to the prioritization of effort in 24 CFR 75.19 and meets or exceeds the Section 3 benchmarks, then the grantee will be considered to have complied with the requirements in the final rule (i.e, met the safe harbor), in the absence of evidence to the contrary. If a grantee does not meet requirements of 24 CFR 75.23's Section 3 safe harbor, HUD will require additional qualitative reporting to demonstrate compliance with the rule.

A. BENCHMARKS

The final rule requires grantees to track and report the labor hours worked on Section 3 projects. HUD published the benchmark notice in the Federal Register to establish initial numeric goals, or benchmarks, to measure grantee compliance with the final rule. Publishing the numeric benchmarks in a separate notice from the final rule provides HUD with the flexibility to update the goals as needed. HUD plans to review and update the benchmarks at least once every three years through notice in the Federal Register.

The final rule at 24 CFR 75.25(a) requires grantees to report the following hours (including total hours worked by all contractors and subcontractors) for Section 3 projects:

1. The total number of labor hours worked by all workers;

2. The total number of labor hours worked by Section 3 workers; and
3. The total number of labor hours worked by Targeted Section 3 workers.

If time and attendance reporting is not required, grantees may report to HUD using a good faith assessment. Grantees can report their own labor hours or that of a contractor, or subcontractor based on the employer's good faith assessment of the labor hours of an employee informed by the employer's existing salary or time and attendance-based payroll systems.

The benchmark notice establishes the current benchmarks that are applicable for a HOME or HTF Section 3 project where the total amount of HUD assistance to the project exceeds a threshold of $200,000, which are:

1. Benchmark 1: Twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project must be done by Section 3 workers

   Section 3 Labor Hours/Total Labor Hours = 25%

   AND

2. Benchmark 2: Five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project must be done by Targeted Section 3 workers

   Targeted Section 3 Labor Hours/Total Labor Hours = 5%

Example

Springfield commits $300,000 of HOME funds to ABC Developers to rehabilitate a multifamily rental building. By committing an amount above the $200,000 threshold, the Section 3 requirements apply to this project. In accordance with 24 CFR 92.504(c)(3)(vi) and 24 CFR 92.508(a)(7)(xi), Springfield's HOME written agreement with ABC Developers requires that ABC Developers must report to Springfield at project completion (1) the total *Labor hours*, (2) the total *Section 3 Labor hours*, and (3) the total *Targeted Section 3 Labor hours* on the project.

ABC Developers is responsible for collecting labor hour data from all contractors and subcontractors it hires to complete the project. Upon project completion, ABC Developers reports to Springfield that a total of 5,000 labor hours were worked on the project. Of that total, 1,300 were worked by employees who self-certified as Section 3 workers. Additionally, 300 of those 1,300 hours were performed by workers who lived within a one-mile radius of the work site. Springfield has met the project-level Section 3 Benchmarks and reports the following data in IDIS at completion:

Total Labor Hours	5,000	
Section 3 Labor Hours	1,300	26%
Targeted Section 3 Labor Hours	300	6%

B. REPORTING

HUD will no longer require Section 3 compliance data to be reported annually in the Section 3 Performance Evaluation and Reporting System (SPEARS) for HOME and HTF projects. The previous reporting modules in SPEARS will be decommissioned in 2021. While the final rule requires annual reporting on Section 3 compliance, to simplify compliance with the reporting requirements of the final rule, grantees will report project level data in IDIS. The Section 3 reporting data fields will be available on the IDIS activity accomplishment screens and in the Consolidated Annual Performance and Evaluation Report (CAPER) beginning July 1, 2021. Grantees will be required to enter Section 3 applicability and data before a HOME or HTF rehabilitation or new construction project can be marked as complete in IDIS. The data reported at the activity level in IDIS will populate into the CAPER and a Section 3 Microstrategy report (available through IDIS), eliminating the need for a separate annual Section 3 reporting system. When grantees submit their CAPER, they will fulfill the final rule's requirement for annual reporting. The Section 3 Microstrategy report can also be used to track compliance at the project level.

When an activity is set-up in IDIS, grantees must indicate whether it is subject to Section 3. If a grantee indicates that the activity is subject to Section 3 during set-up, IDIS will generate Section 3 reporting fields on the activity completion screens. The Section 3 reporting fields will only populate in IDIS if the grantee indicates that the activity has a Written Agreement

Execution Date (previously called Initial Funding Date) of July 1, 2021, or later. The Section 3 reporting fields include total labor hours worked, Section 3 labor hours worked, and Targeted Section 3 labor hours worked. When grantees enter labor hour data, IDIS will calculate the percentage of Section 3 labor hours worked and the percentage of Targeted Section 3 labor hours worked out of all labor hours worked. IDIS will also indicate whether the established benchmarks (25% Section 3 worker hours, 5% Targeted Section 3 worker hours) were met.

If both benchmarks are met, no further reporting is required on that activity, as HUD will consider the activity to be in full compliance with Section 3. If either of the Section 3 benchmarks *is not met*, IDIS will require further reporting on the qualitative efforts that were made to try and reach the benchmarks (see Section C).

Examples

		Calculated Percentage	Safe Harbor Benchmark Met
Total Labor Hours	100		
Section 3 Worker Hours	25	25%	Yes
Targeted Section 3 Worker Hours	5	5%	Yes

		Calculated Percentage	Safe Harbor Benchmark Met
Total Labor Hours	100		
Section 3 Worker Hours	20	20%	No
Targeted Section 3 Worker Hours	1	1%	No

C. QUALITATIVE EFFORTS

If a grantee does not meet the benchmarks but can provide evidence that it has made qualitative efforts to provide low- and very low-income persons with employment and training opportunities, then the grantee will be considered compliant with Section 3, absent evidence to the contrary (i.e., evidence or findings obtained from a Section 3 compliance review).

The final rule at 24 CFR 75.25 provides a list of qualitative efforts that demonstrate what HUD considers to be efforts to comply with the Section 3 benchmarks. If benchmarks were not met for a project, IDIS will display a checklist of the qualitative efforts from 24 CFR 75.25 on the activity completion screen. A grantee must select at least one option from the list that best describes their efforts or describe their efforts in a box labelled "other" to proceed to the next activity completion screen. Grantees must also maintain records in their project files to document the efforts they report in IDIS.

The checklist displayed in IDIS for qualitative efforts includes the following options:

- Outreach efforts to generate job applicants who are Public Housing Targeted Workers.
- Outreach efforts to generate job applicants who are Other Funding Targeted Workers.
- Direct, on-the job training (including apprenticeships).
- Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.
- Technical training such as arranging for, contracting for, or paying tuition for, off-site training.
- Outreach efforts to identify and secure bids from Section 3 business concerns.
- Technical assistance to help Section 3 business concerns understand and bid on contracts.
- Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.
- Provided or connected residents with assistance in seeking employment, including drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.
- Held one or more job fairs.
- Provided or connected residents with supportive services that can provide direct services or referrals.
- Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.
- Assisted residents with finding childcare.
- Assisted residents to apply for/or attend community college or a four-year educational institution.
- Assisted residents to apply for or attend vocational/technical training.
- Assisted residents to obtain financial literacy training and/or coaching.
- Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.
- Provided or connected residents with training on computer use or online technologies.
- Other. Specify:

IDIS provides and empty text box next to "Other" to give grantees the option of entering a description about efforts taken that are not included in the list of qualitative efforts provided. Examples of qualitative efforts not included in the checklist displayed in IDIS are:

- Providing technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching, etc.);
- Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses; or,
- Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.

VII. HUD MONITORING

The final rule establishes that the HUD program offices providing the financial assistance will perform Section 3 oversight. As part of this new oversight responsibility, Community Planning and Development (CPD) representatives in HUD field offices will monitor Section 3 compliance as part of the existing CPD onsite or remote monitoring process using exhibits in the CPD Monitoring Handbook. HUD may make findings and impose appropriate remedies and sanctions in accordance with the program's regulations.

To prepare for potential monitoring, grantees must keep records demonstrating compliance with Section 3 requirements on a project-level basis. Grantees are required to establish and maintain documentation to demonstrate that workers on Section 3 projects meet the definition of a Section 3 worker or Targeted Section 3 worker, at the time of hire or the first reporting period. This includes requiring written reports from developers or contractors summarizing the totals for Labor hours and Section 3 worker Labor hours and documentation from employees or employers certifying that they met the Section 3 worker definitions (see Section V). Any information that is entered into IDIS must have written documentation demonstrating accuracy of the data. Additionally, grantees must retain documentation that ensures that workers meet the definition of a Section 3 worker or Targeted Section 3 worker, at the time of hire or the first reporting period. Documentation must be maintained for five years following project completion.

AMENDED AND RESTATED PROMISSORY NOTE SECURED BY GROUND LEASEHOLD DEED OF TRUST CITY NOTE

$2,500,000.00 Costa Mesa, California ____ 2026

FOR VALUE RECEIVED, **AMERICAN FAMILY HOUSING, a California non-profit, public benefit corporation)** ("Developer"), promises to pay to the **CITY OF COSTA MESA**, a California municipal corporation ("City"), at its offices at City Hall, 77 Fair Drive, Costa Mesa, California 92626, or at such other place as City may from time to time designate in writing, (a) the principal sum of Two Million Five Hundred Thousand Dollars ($2,500,000.00) (or so much of the proceeds as have been disbursed by City to Developer) from the LMIFAF funds pursuant to the Agreement (defined below) but in no event to exceed Two Million Five Hundred Thousand Dollars ($2,500,000.00) ("Note Amount"); and (b) all costs and expenses payable hereunder.

RECITALS

A. This Amended and Restated Promissory Note Secured by Ground Leasehold Deed of Trust ("Note") is made pursuant to that certain Affordable Housing Grant and Loan Agreement by and between Developer and City, dated February 28, 2025 ("Original Agreement") as amended by that First Amendment to Affordable Housing Grant and Loan Agreement ("Amendment") dated concurrently herewith (collectively, the "Agreement"), in relation to the property located at 2274 Newport Boulevard, Costa Mesa California, Assessor's Parcel Number 439-312-12. This Note amends and restates in its entirety, that certain promissory note in the principal sum of Two Million Five Hundred Thousand Dollars ($2,500,000) dated as of February 28, 2025, executed by Developer in favor of the City ("Original Note"). As of the execution of this Note the Developer acknowledges that the Original Note has been marked "cancelled" by the City and returned to the Developer. The Original Note is terminated and is of no further force or effect.

B. Developer has, concurrently with this Note, executed a Promissory Note Secured by Ground Leasehold Deed of Trust in favor of the City in connection with a HOME loan given by the City ("HOME Note").

C. Capitalized terms used in this Note shall have the meaning set forth in the Agreement, unless expressly otherwise defined herein.

NOW, THEREFORE, for good valuable consideration, receipt of which is hereby acknowledged, Developer agrees as follows:

1. Agreement. The principal sums hereunder have been and are being loaned by City to Developer in accordance with and pursuant to the Agreement, which is a public record on file in the office of the City Clerk. The proceeds of the City Loan shall be disbursed only to pay for the items and in accordance with the disbursement procedures, and the terms and conditions set forth in the Agreement. The Agreement is incorporated herein and made a part hereof to the same extent and with the same force and effect as if fully set forth herein. In the event of any inconsistencies between the terms of this Note and the terms of the Agreement or any other document related to the Note Amount, the terms of this Note shall prevail.

(a) A default by Developer under any of the provisions of the Agreement, the City Deed of Trust dated February 28, 2025, or any of the other Project Documents shall, after the expiration of the applicable cure period(s) under the respective agreement, be a default hereunder, and a default hereunder after applicable cure periods shall be a default under the Project Documents.

2. Interest. Interest at the rate of three percent (3%) shall accrue on the Note Amount, except as set forth in Section 10 hereof as to the Default Rate, which Default Rate shall begin to accrue upon an Event of Default by Developer as set forth herein and in the Agreement.

3. Term; Payment Obligations. This Note shall be for a term that commences on the date of initial disbursement of funds at Closing and continues for a period of fifty-five (55) years after the recordation of the Notice of Affordability Restrictions (as defined in the Agreement) ("Maturity Date").

(a) This Note shall be repaid through an annual Residual Receipts calculation based on operation of the Project, except (i) in the Event of Default by Developer, or (ii) on the Maturity Date, in which case, (i) or (ii), the outstanding balance of this Note is due in full immediately without regard to Residual Receipts.

(b) Commencing on or before June 1 after the calendar year in which the date of recordation of the Notice of Affordability Restrictions occurs and on the 90th day of each succeeding calendar year, Developer shall make cause to be prepared and submitted to the City its Annual Financial Statement, including the Residual Receipts Report evidencing Developer's calculation of Residual Receipts.

(c) Commencing upon June 1 after the calendar year in which the date of recordation of the Notice of Affordability Restrictions occurs, Developer shall make annual payments on this Note and the HOME Note sourced from the City's Proportionate Share of fifty percent (50%) of Residual Receipts, which is anticipated to be collectively nine and eighty-eight thousandths percent (9.088%), and which amount shall be allocated and remitted to City. Each annual payment by Developer to City of the City's Proportionate Share of Residual Receipts shall be credited by City to pay down the outstanding balance of this Note and the HOME Note.

(i) The annual payments by Developer to the City of the City's Proportionate Share of Residual Receipts shall continue until full repayment of this Note.

(ii) In all events upon the earlier to occur of (A) the Maturity Date or (B) the Event of Default by Developer and acceleration of this Note, if it were to occur, the outstanding balance, if any, shall be due immediately and paid in full by Developer to City without regard to Residual Receipts.

(d) Notwithstanding the allocation of Residual Receipts, the full Note Amount may be accelerated as set forth in Section 10 below.

4. Calculation of Residual Receipts in Connection with Note Repayment.

(a) **Residual Receipts Report; Allocation and Remittance of Residual Receipts**. Developer agrees to calculate, allocate and remit Residual Receipts in accordance with the Agreement and provide to City the Annual Financial Statement and Residual Receipts Report evidencing the same.

(i) After the calendar year in which the date of recordation of the Notice of Affordability Restrictions occurs and annually on or before June 1 of each succeeding calendar Year until the Maturity Date, Developer shall make annual payments to City of the City's Proportionate Share of fifty percent (50%) of Residual Receipts, which is anticipated to be nine and eighty-eight thousandths percent (9.088%), (which includes this Note and the HOME Note), if any and when due, as set forth below and in the Agreement.

(ii) On the first to occur of (A) City Loan Maturity Date, or (B) acceleration of this Note due to Developer's Event of Default, the outstanding principal amount (plus accrued interest, if any) shall be due in full by Developer to City, all without regard to Residual Receipts calculation.

(iii) In addition, subject to the terms of the Agreement, this Note shall be paid from Refinancing Net Proceeds or from the Transfer Net Proceeds in the applicable percentages stated in the Agreement.

(iv) Notwithstanding the foregoing, the full Note Amount may be accelerated as set forth in Section 10 below.

5. Consent Required for Assignment and Assumption. Except for Transfers permitted pursuant to Article 8 of the Agreement, this Note shall not be assignable or assumable by any successor or assignee of Developer without the prior written consent of City, which consent may be withheld in the sole and absolute discretion of the City Manager (or if the City Manager elects in his or her discretion to present such request to the City Council.)

6. Form of Payments. All amounts due hereunder are payable in immediately available funds and lawful monies of the United States of America.

7. Application of Payments. All payments shall be applied (a) first, to costs and fees owing hereunder, (b) second, to the payment of accrued interest, (c) third, to the payment of principal, and (d) fourth, and if applicable, the accrual and payment of Default Rate of interest in the event of Default as defined and described in Section 10 below.

8. Prepayment. At any time, Developer may prepay in whole or in part the outstanding principal balance under this Note, together with all accrued interest, if any, and unpaid fees, costs and expenses, if any, payable hereunder, without penalty or premium. In the event of prepayment by Developer, the Regulatory Agreement, in particular the covenants with respect to affordable housing for Extremely Low-Income Households during the Affordability Period as set forth in the Agreement and the Regulatory Agreement, shall remain intact, and shall be unaffected by the prepayment of this Note by Developer.

9. Security. This Note and all amounts payable hereunder are secured by the City Deed of Trust of even date herewith executed by Developer in favor of City, which City Deed of Trust shall only be subordinate to: (a) the Regulatory Agreement of record as the senior encumbrance, and (b) those certain deeds of trust executed by Developer, as borrower, in favor Primary Lenders, and (c) such other encumbrances approved by the City in writing in its sole discretion. The terms of the City Deed of Trust are incorporated herein and made a part hereof to the same extent and with the same force and effect as if fully set forth herein. A default under any of the provisions of the City Deed of Trust shall be a default hereunder, and a default hereunder shall be a default under the City Deed of Trust.

(a) **Subordinate Note**. The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by a promissory note for the Primary Loans executed by Developer, as set forth in the Agreement.

10. Acceleration and Other Remedies. If elected by City pursuant to the following sentence, the entire balance due under this Note shall be paid to City upon the earlier of an Event of Default, including without limitation: (i) the uncured default of Developer under this Note, the Agreement, Regulatory Agreement, City Deed of Trust, or other of the Project Documents, in each case, after delivery of notice and expiration of the applicable cure period provided in the respective agreement or instrument; or (ii) the sale, lease or other transfer or conveyance (other than the permitted rentals and other transfers and/or conveyances expressly permitted under the Agreement) of all or any part of the Project, or any interest therein (individually or collectively a "Transfer"), without the prior written consent of City in accordance with the Agreement, in each case, after delivery of notice and expiration of the applicable cure period provided in the applicable Project Document.

(a) Upon the occurrence and during the continuance of an Event of Default, the Note Amount, and all outstanding amounts due under this Note (and the Agreement, the City Deed of Trust and other Project Documents) shall accrue interest at the default rate of ten percent (10%) per annum, based on a calendar year (360 days) and charged on the basis of the actual number of days elapsed ("Default Rate").

(b) In addition, upon and during the continuance of an Event of Default, City may, at City's option, declare the outstanding principal amount of this Note, together with the then accrued and unpaid interest, if any, all sums secured by the City Deed of Trust, and other charges, if any, due under applicable Project Documents; such sums shall be due and payable immediately upon such declaration, and Default Rate shall immediately become and be due and payable without demand or notice, all as further set forth in the City Deed of Trust. All costs of collection, including, but not limited to, reasonable attorneys' fees, consulting fees, and all expenses incurred in connection with protection of, or realization on, the security for this Note, may be added to the principal hereunder, and shall accrue interest at the Default Rate as provided herein.

(c) City shall at all times have the right to proceed against any portion of the security for this Note in such order and in such manner as City may consider appropriate, without waiving any rights with respect to any of the security. Any delay or omission on the part of City in exercising any right hereunder, under the Agreement, the Project Documents or under the City Deed of Trust shall not operate as a waiver of such right, or of any other right. No single or partial

exercise of any right or remedy hereunder or under the Agreement, the Project Documents, the City Deed of Trust or any other document or agreement shall preclude other or further exercises thereof, or the exercise of any other right or remedy. The acceptance of payment of any sum payable hereunder, or part thereof, after the due date of such payment shall not be a waiver of City's right to either require prompt payment when due of all other sums payable hereunder or to declare an Event of Default for failure to make prompt or complete payment.

11. Waivers. Except to the extent notice is required under any of the Project Documents, Developer and all endorsers, guarantors and sureties hereof jointly and severally waive presentment, demand, notice of protest and nonpayment, notice of default or delinquency, notice of acceleration, notice of costs, expenses or leases or interest thereon, notice of dishonor, diligence in collection or in proceeding against any of the rights or interests in or to any and all property securing this Note, and the benefit of any exemption under any homestead exemption laws, if applicable. Developer expressly agrees that this Note or any payment hereunder may be extended from time to time at City's sole discretion and that City may accept security in consideration for any such extension or release any security for this Note at its sole discretion all without in any way affecting the liability of Developer. No extension of time for payment of this Note made by agreement by City with any person now or hereafter liable for the payment of this Note shall operate to release, discharge, modify, change or affect the original liability of Developer under this Note, either in whole or in part. The obligations of Developer under this Note shall be absolute and Developer waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reasons whatsoever. No previous waiver and no failure or delay by City in acting with respect to the terms of this Note or the City Deed of Trust shall constitute a waiver of any breach, default, or failure or condition under this Note, the Deed of Trust or the obligations secured thereby. A waiver of any term of this Note, the City Deed of Trust or any of the obligations secured thereby must be made in writing and shall be limited to the express written terms of such waiver.

12. Consents. Developer and all endorsers, guarantors and sureties consent to: (a) any renewal, extension or modification (whether one or more, and subject to the terms and provisions of the Agreement relating to modification, extension, and/or amendment) of the terms of the Agreement as such terms relate to this Note or the terms or time of payment under this Note, (b) the release or surrender or exchange or substitution of all or any part of the security, whether real or personal, or direct or indirect, for the payment hereof to the extent requested or approved by Developer, (c) the granting of any other indulgences to Developer, and (d) the taking or releasing of other or additional parties primarily or contingently liable hereunder. Except as otherwise set forth above, any such renewal, extension, modification, release, surrender, exchange or substitution may be made without notice to Developer or to any endorser, guarantor or surety hereof, and without affecting the liability of said parties hereunder.

13. Successors and Assigns. Whenever "City" is referred to in this Note, such reference shall be deemed to include City and its successors and assigns, including, without limitation, any subsequent assignee or holder of this Note. All covenants, provisions and agreements by or on behalf of Developer, and on behalf of any makers, endorsers, guarantors and sureties hereof which are contained herein shall inure to the benefit of City and its successors and assigns. City may, at its option, assign its right to receive payment under this Note without necessity of obtaining the consent of Developer. Whenever "Developer" is referred to in this Note,

such reference shall be deemed to include American Family Housing, a California nonprofit, public benefit corporation, and its approved successors and assigns, including, without limitation, any approved subsequent assignee or obligor of this Note, if such approval is given in accordance with the Agreement. In no event shall Developer assign or transfer any portion of this Note without the prior express written consent of City, except as permitted in the Agreement.

14. Usury. It is the intention of Developer and City to conform strictly to the Interest Law, as defined below, applicable to this loan transaction. Accordingly, it is agreed that notwithstanding any provision to the contrary in this Note, or in any of the documents securing payment hereof or otherwise relating hereto, the aggregate of all interest and any other charges or consideration constituting interest under the applicable Interest Law that is taken, reserved, contracted for, charged or received under this Note, or under any of the other aforesaid agreements or otherwise in connection with this loan transaction, shall under no circumstances exceed the maximum amount of interest allowed by the Interest Law applicable to this loan transaction. If any excess of interest in such respect is provided for in this Note, or in any of the documents securing payment hereof or otherwise relating hereto, then, in such event:

(a) the provisions of this paragraph shall govern and control;

(b) neither Developer nor Developer's heirs, legal representatives, successors or assigns shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum amount of interest allowed by the Interest Law applicable to this loan transaction;

(c) any excess shall be deemed canceled automatically and, if theretofore paid, shall be credited on this Note by City or, if this Note shall have been paid in full, refunded to Developer; and

(d) the effective rate of interest shall be automatically subject to reduction to the Maximum Legal Rate of Interest (as defined below), allowed under such Interest Law, as now or hereafter construed by courts of appropriate jurisdiction. To the extent permitted by the Interest Law applicable to this loan transaction, all sums paid or agreed to be paid to City for the use, forbearance or detention of the indebtedness evidenced hereby shall be amortized, prorated, allocated and spread throughout the full term of this Note. For purposes of this Note, "Interest Law" shall mean any present or future law of the State of California, the United States of America, or any other jurisdiction which has application to the interest and other charges under this Note. The "Maximum Legal Rate of Interest" shall mean the maximum rate of interest that City may from time to time charge Developer, and under which Developer would have no claim or defense of usury under the Interest Law.

15. Costs of Enforcement. Developer agrees to pay upon demand all reasonable costs and expenses, including attorneys' fees, expert witness fees, and costs of suit (including appeals), incurred by City to enforce the terms hereof. In addition to the foregoing award of attorneys' fees, City shall be entitled to its reasonable attorneys' fees incurred in any post-judgment proceedings to enforce any judgment in connection with this Note. This provision is separate and several and shall survive the merger of this provision into any judgment.

16. Miscellaneous. Time is of the essence hereof. If this Note is now, or hereafter shall be, signed by more than one party or person, it shall be the joint and several obligations of such parties or persons (including, without limitation, all makers, endorsers, guarantors and sureties), and shall be binding upon such parties and upon their respective successors and assigns. This Note shall be governed by and construed under the laws of the State of California. Developer irrevocably and unconditionally submits to the jurisdiction of the Superior Court of the State of California for the County of Orange or the United States District Court of the Central District of California, as City hereof may deem appropriate, in connection with any legal action or proceeding arising out of or relating to this Note. Developer also waives any objection regarding personal or in rem jurisdiction or venue to the extent such action is filed in the above-referenced courts. In the event of a conflict between the provisions of this Note and the Agreement, this Note shall control.

17. Non-Recourse Obligation. In the Event of Default under the terms of this Note, the sole recourse of City therefor shall be Developer's interest in the Property and the Project and Developer and Affiliates shall not be personally liable for the payment of any obligations under this Agreement; provided, however, that the foregoing shall not in any way affect any rights City may have hereunder, or any right of City to recover or collect funds, damages or costs (including without limitation reasonable attorneys' fees and costs) incurred by City as a result of fraud, intentional misrepresentation or bad faith waste, and/or any costs and expenses incurred by City in connection therewith (including without limitation reasonable attorneys' fees and costs).

IN WITNESS WHEREOF**,** Developer has caused this Promissory Note Secured by Ground Leasehold Deed of Trust executed on the date first set forth above.

DEVELOPER:

AMERICAN FAMILY HOUSING,
a California nonprofit, public benefit corporation

By: _____
Myles Anthony Peinemann II
Chief Executive Officer

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

County of Orange
OC Community Resources/
OC Housing & Community Development
1501 E. St. Andrew Place, 1st Floor
Santa Ana, CA 92705
Attn: Director

AMENDED AND RESTATED
SUBORDINATION AGREEMENT

THIS AMENDED AND RESTATED SUBORDINATION AGREEMENT (this "**Agreement**") is entered as of July XX, 2026 by and among (i) COUNTY OF ORANGE, a political subdivision of the State of California, (the "**County**") (ii) CITY OF COSTA MESA, California a municipal corporation (the "**Subordinate Lender**"), and (iii) American Family Housing, a California nonprofit public benefit corporation (the "**Borrower**").

RECITALS

A. The County previously made loans from both its Mental Health Services Act fund ("**MHSA Loan**") and County Fund 15G Reserves ("**15G Reserves Loan**" and with the MHSA Loan, the "**Original Loans**") to the Borrower in the combined original principal amount of $6,781,520. The Original Loans were secured by a senior leasehold mortgage liens and recorded in the Official Records of the County of Orange, State of California (the "Official Records") on February 28, 2025, as Instrument No. 2025000068065 (the "**MHSA Deed of Trust**") and as Instrument No. 2025000068066, (the "**15G Reserves Deed of Trust**" and with the MHSA Deed of Trust, the "**Original Deeds of Trust**") on the Borrower's leasehold interest in that certain multifamily housing project known as 1400 Bristol (the "**Project**"), located in the City of Costa Mesa, CA and as more fully described in **Exhibit "A"** attached hereto (the "**Property**"). The Borrower's obligation to repay the Senior Mortgage Loans is evidenced by certain promissory notes in favor of the County dated of as of February 1, 2025 (the "**Original Notes**").

B. Subsequent to awarding the Original Loans and recording the Original Deeds of Trust, the County made an additional 15G Reserves Loan to Borrower in the maximum principal amount of $2,785,456 (the "**Supplemental 15G Reserves Loan**") and an additional 15G Reserves amortized loan to Borrower in the maximum principal amount of $1,314,544 (the "**Supplemental 15G Reserves Amortized Loan**", and with the Supplemental 15G Reserves Loan and the Original Loans, individually, the "**Senior Mortgage Loan**;" and collectively, the "**Senior Mortgage Loans**"). The Supplemental 15G Reserves Loan will evidenced by that certain amended and restated Promissory Note Secured by a Deed of Trust (15G Reserves) dated as of July 1, 2026 (the "**Amended and Restated 15G Reserves Note**"), executed by Borrower to the order of County in the face principal amount of $ 5,145,456 and will be secured by amending the 15G Reserves Deed of Trust ("**Amended and Restated 15G Reserves Deed of Trust**"). The Supplemental 15G

Reserves Amortized Loan will be evidenced by that certain Promissory Note (15G Reserves Amortized) dated as of July XX, 2026, executed by Borrower to the order of the County in the face principal amount of $1,314,544. and will be secured by a leasehold deed of trust (the "**Supplemental 15G Reserves Amortized Note**", secured by the "**15G Reserves Amortized Deed of Trust**.") The 15G Reserves Amortized Deed of Trust, Amended and Restated 15G Reserves Deed of Trust, individually, the "**Senior Mortgage**;" collectively, the "**Senior Mortgages.**"

C. As a result of additional County funding awards, changes in the residual receipt distribution will need to be amended, including amending the MHSA Note (the "**Amended and Restated MHSA Note**" together with the Amended and Restated 15G Reserves Note and Supplemental 15G Reserves Amortized Note the "**Senior Mortgage Notes**").

D. The Borrower and the Subordinate Lender has entered into an agreement pursuant to which the Subordinate Lender has agreed to loan funds to Borrower in the total amount of $2,850,000 (the "**Subordinate Loans**") which Subordinate Loans are secured by, among other things, mortgage liens against the Borrower's leasehold interest in the Property. The Subordinate Lender shall also provide Borrower financial assistance in the form of a grant not to exceed the sum of $1,500,000. Combined, the Subordinate Lender shall provide a total contribution of $4,350,000 to the Borrower for the Project. A deed of trust dated February 28, 2025, executed by Borrower for the benefit of Subordinate Lender was recorded in the Official Records on February 28, 2025, as Instrument No. 2025000068071 ("First Subordinate Deed of Trust"). A second deed of trust in the amount of $350,000 will be recorded concurrently with this Agreement. Borrower will be executing a second deed of trust in the amount of $350,000 ("Second Subordinate Deed of Trust"), which Second Deed of Trust will be recorded concurrently with this Agreement. Collectively the First Subordinate Deed of Trust and the Second Subordinate Deed of Trust are the Subordination Loans.

E. The County had previously agreed to permit the First Subordinate Deed of Trust to remain as a subordinate mortgage lien against the Property subject to all of the conditions contained in that certain Subordination Agreement dated as of February 1, 2025 and recorded in the Official Records on February 28, 2025, as Instrument No. 2025000068073 (the "Original Subordination Agreement").

F. The County has agreed to permit the Subordinate Loans to remain as a subordinate mortgage liens against the Property subject to all of the conditions contained in this Agreement, which amends and restates the Original Subordination Agreement.

G. The Subordinate Lender has agreed to subordinate its mortgage liens to the lien of the Senior Mortgages as further stated in this Agreement.

NOW, THEREFORE, in consideration of for foregoing Recitals, which are incorporated herein by this reference and made a part of this Agreement, the County, the Subordinate Lender and the Borrower agree that the Original Subordination Agreement is amended and restated, in its entirety, as follows:

DEFINITIONS

In addition to the terms defined in the Recitals to this Agreement, for purposes of this Agreement the following terms have the respective meanings set forth below:

"Affiliate" means, when used with respect to a Person, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which controls such Person (the term "control" for these purposes shall mean the ability, whether by the ownership of shares or other equity interests, by contract or otherwise, to elect a majority of the directors of a corporation, to make management decisions on behalf of, or independently to select the managing partner of, a partnership, or otherwise to have the power independently to remove and then select a majority of those individuals exercising managerial authority over an entity, and control shall be conclusively presumed in the case of the ownership of 50% or more of the equity interests).

"Borrower" means American Family Housing, a California nonprofit, public benefit corporation, and any other Person (other than the County) who acquires Borrower's interest in the Property or Project after the date of this Agreement.

"Business Day" means any day other than Saturday, Sunday or a day on which the County is not open for business.

"County" means the County of Orange, a political subdivision of the State of California.

"Default Notice" means: (a) a copy of the written notice from the County to the Borrower stating that a Senior Mortgage Loan Default has occurred under the Senior Mortgage Loans; or (b) a copy of the written notice from the Subordinate Lender to the Borrower stating that a Subordinate Loan Default has occurred under the Subordinate Loan or that a Regulatory Agreement Default has occurred under the Subordinate Regulatory Agreement. Each Default Notice shall specify the default upon which such Default Notice is based.

"Person" means an individual, estate, trust, partnership, corporation, limited liability company, limited liability partnership, governmental department or agency or any other entity which has the legal capacity to own property.

"Regulatory Agreement Default" means a default by the Borrower in performing or observing any of the terms, covenants or conditions in the Subordinate Regulatory Agreement to be performed or observed by it, which continues beyond any applicable period provided in the Subordinate Regulatory Agreement for curing the default

"Senior Mortgage Loan Default" means the occurrence of either a default by the Borrower in performing or observing any of the terms, covenants or conditions in the Senior Mortgage Loans Documents to be performed or observed by it, which continues beyond any applicable period provided in the Senior Mortgage Loan Documents for curing the default, or an "Event of Default" as that term is defined in the Senior Mortgage Loan Documents.

"Senior Mortgage Loan Documents" means the Senior Mortgage Notes, the 15G Reserves Amortized Deed of Trust, Amended and Restated 15G Reserves Deed of Trust and, the MHSA Deed of Trust recorded deeds of trust in favor of the County, and all other documents evidencing, securing or otherwise executed and delivered in connection with the Senior Mortgage Loans.

"Subordinate Lender" means the City of Costa Mesa, a municipal corporation and any other Person who becomes the legal holder of the Subordinate Notes after the date of this Agreement.

"Subordinate Loan Default" means a default by the Borrower in performing or observing any of the terms, covenants or conditions in the Subordinate Loan Documents to be performed or observed by it, which continues beyond any applicable period provided in the Subordinate Loan Documents for curing the default.

"Subordinate Loan Documents" means the two Subordinate Notes, the two Subordinate Mortgages, and all other documents evidencing, securing or otherwise executed and delivered in connection with the Subordinate Loans.

"Subordinate Mortgages" means the mortgages or deeds of trust encumbering the Property as security for the Subordinate Loans, which have been or will be recorded in the applicable land records in connection with this Project.

"Subordinate Notes" means the promissory notes issued by the Borrower to the Subordinate Lender, or order, to evidence the Subordinate Loan.

"Subordinate Regulatory Agreement" means the Joint Regulatory Agreement And Declaration Of Covenants and Restrictions recorded on February 28, 2025, as Instrument No. 2025000068064, by the Subordinate Lender, and the City of Newport Beach, in connection with the financing of the Project.

SECTION 1 --COUNTY CONSENT TO MORTGAGE LIENS

1. Permission to Place Mortgage Lien Against Property.

The County has agreed and hereby consents to, notwithstanding the prohibition against inferior liens on the Property contained in the Senior Mortgage Loan Documents and subject to the provisions of this Agreement, the Subordinate Mortgages and other recordable Subordinate Loans Documents against the Property (which are subordinate in all respects to the lien of the Senior Mortgages) which secure the Borrower's obligation to repay the Subordinate Notes and all other obligations, indebtedness and liabilities of the Borrower to the Subordinate Lender under and in connection with the Subordinate Loans. Such consent is subject to the condition that each of the representations and warranties made by the Borrower and the Subordinate Lender in Section 3 are true and correct as of the date of this Agreement. If any of the representations and warranties made by the Borrower and the Subordinate Lender in Section 2 are not true and correct as of the date of this Agreement, the provisions of the Senior Mortgage Loan Documents applicable to unpermitted liens on the Property shall apply.

SECTION 2 - BORROWER AND LENDER REPRESENTATIONS AND WARRANTIES

2. Borrower's and Subordinate Lender's Representations and Warranties.

2.1. The Borrower and the Subordinate Lender each makes the following representations and warranties to the County:

2.1.1. **Relationship of Borrower to Subordinate Lender and Borrower.** The Subordinate Lender is not an Affiliate of the Borrower and is not in possession of any facts that would lead it to believe that the Subordinate Lender is an Affiliate of the Borrower.

SECTION 3 - BORROWER'S REPRESENTATIONS AND WARRANTIES

3. Borrower's Representations and Warranties.

3.1. The Borrower makes the following representations and warranties to the County and City:

3.1.1. **Subordinate Loan Documents.** The executed Subordinate Loan Documents are substantially in the same forms as those submitted to, and approved by, County prior to the date of this Agreement. Borrower shall deliver to County an executed copy of each of the Subordinate Loan Documents, certified to be true, correct and complete.

3.1.2. **Senior Loan Documents**. The executed Senior Loan Documents are substantially in the same forms as, when applicable, those submitted to Subordinate Lender prior to the date of this Agreement. Upon execution and delivery of the Senior Loan Documents, Borrower shall deliver to Subordinate Lender an executed copy of each of the Senior Loan Documents, certified to be true, correct and complete.

SECTION 4 - SUBORDINATION

4. Terms.

4.1. **Subordinate Lender Agreement to Subordinate.** The County and the Subordinate Lender agree that: (i) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and in the manner provided in this Agreement to the prior payment in full of the indebtedness evidenced by the Senior Mortgage Loan Documents; (ii) the Subordinate Mortgages and the other Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Mortgages and the other Senior Mortgage Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the Senior Mortgages and the other Senior Mortgage Loan Documents (including but not limited to, all sums advanced for the purposes of (1) protecting or further securing the lien of the Senior Mortgages, curing defaults by the Borrower under the Senior Mortgage Loan Documents or for any other purpose expressly permitted by the Senior Mortgages, or (2) constructing, renovating, repairing, furnishing, fixturing or equipping the Property; and (iii) the Subordinate Mortgages and all Subordinate Lender liens or mortgages which may now or hereafter be placed on the Property shall be subordinate to all County liens or mortgages which may now or hereafter be placed on the Property.

4.2. **Subordinate Lender Subordination of Subrogation Rights.** The Subordinate Lender agrees that if, by reason of its payment of real estate taxes or other monetary obligations of the Borrower, or by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, it acquires by right of subrogation or otherwise a lien on the Property which (but for this subsection) would be senior to the lien of the Senior Mortgages, then, in that event, such lien

shall be subject and subordinate to the lien of the Senior Mortgages.

4.3. **Payments Before Senior Mortgage Loan Default.** Until the Subordinate Lender receives a Default Notice of a Senior Mortgage Loan Default from the County, the Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents.

4.4. **Payments After Senior Mortgage Loan Default.** The Borrower agrees that, after it receives notice (or otherwise acquires knowledge) of a Senior Mortgage Loan Default, it will not make any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney's fees, or any other sums secured by the Subordinate Mortgage) without the County's prior written consent. The Subordinate Lender agrees that, after it receives a Default Notice from the County with written instructions directing the Subordinate Lender not to accept payments from the Borrower on account of the Subordinate Loan, it will not accept any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney's fees, or any other sums secured by the Subordinate Mortgage) without the County's prior written consent. If the Subordinate Lender receives written notice from the County that the Senior Mortgage Loan Default which gave rise to the Subordinate Lender's obligation not to accept payments has been cured, waived, or otherwise suspended by the County, the restrictions on payment to the Subordinate Lender in this Section 4 shall terminate, and the County shall have no right to any subsequent payments made to the Subordinate Lender by the Borrower prior to the Subordinate Lender's receipt of a new Default Notice from the County in accordance with the provisions of this Section 4.4.

4.5. **Remitting Subordinate Loan Payments to County.** If, after the Subordinate Lender receives a Default Notice from the County in accordance with subsection 4.4 above, the Subordinate Lender receives any payments under the Subordinate Loan Documents, the Subordinate Lender agrees that such payment or other distribution will be received and held in trust for the County and unless the County otherwise notifies the Subordinate Lender in writing, will be promptly remitted, in kind to the County, properly endorsed to the County, to be applied to the principal of, interest on and other amounts due under the Senior Mortgage Loan Documents in accordance with the provisions of the Senior Mortgage Loan Documents. By executing this Agreement, the Borrower specifically authorizes the Subordinate Lender to endorse and remit any such payments to the County, and specifically waives any and all rights to have such payments returned to the Borrower or credited against the Subordinate Loan. Borrower and County acknowledge and agree that payments received by the Subordinate Lender, and remitted to the County under this Section 4, shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to the County waive any Subordinate Loan Default which may arise from the inability of the Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan.

4.6. **Subordinate Lender Agreement Not to Commence Bankruptcy Proceeding.** The Subordinate Lender agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing any bankruptcy reorganization, arrangement, insolvency or liquidation proceedings with respect to the Borrower, without the County's prior written consent.

SECTION 5 – DEFAULT OF SUBORDINATE LOAN DOCUMENTS

5. Terms.

5.1. **Notice of Default and Cure Rights.** The Subordinate Lender shall deliver to the County a Default Notice within five (5) Business Days in each case where the Subordinate Lender has given a Default Notice to the Borrower. Failure of the Subordinate Lender to send a Default Notice to the County shall not prevent the exercise of the Subordinate Lender's rights and remedies under the Subordinate Loan Documents, subject to the provisions of this Agreement. The County shall have the right, but not the obligation, to cure any Subordinate Loan Default or Regulatory Agreement Default (as applicable) within sixty (60) days following the date of such notice; provided, however that the Subordinate Lender shall be entitled, during such sixty (60) day period, to continue to pursue its rights and remedies under the Subordinate Loan Documents. All amounts paid by the County in accordance with the Senior Mortgage Loan Documents to cure a Subordinate Loan Default or Regulatory Agreement Default (as applicable) shall be deemed to have been advanced by the County pursuant to, and shall be secured by the lien of, the Senior Mortgages.

5.2. **Subordinate Lender's Exercise of Remedies After Notice to County.** If a Subordinate Loan Default or Regulatory Agreement Default occurs and is continuing, the Subordinate Lender agrees that, without the County's prior written consent, it will not commence foreclosure proceedings with respect to the Property under the Subordinate Loan Documents or exercise any other rights or remedies it may have under the Subordinate Loan Documents, including, but not limited to accelerating the Subordinate Loan, collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder unless and until it has given the County at least sixty (60) days' prior written notice; during such sixty (60) day period, however, the Subordinate Lender shall be entitled to exercise and enforce all other rights and remedies available to the Subordinate Lender under the Subordinate Loan Documents and/or under applicable laws.

5.3. **Cross Default.** The Borrower and the Subordinate Lender agree that any of a Subordinate Loan Default or Regulatory Agreement Default shall constitute a Senior Mortgage Loan Default under the Senior Mortgage Loan Documents and the County shall have the right to exercise all rights or remedies under the Senior Mortgage Loan Documents in the same manner as in the case of any other Senior Mortgage Loan Default. If the Subordinate Lender notifies the County in writing that any Subordinate Loan Default or Regulatory Agreement Default of which the County has received a Default Notice has been cured or waived, as determined by the Subordinate Lender in its sole discretion, then provided that County has not conducted a sale of the Property pursuant to its rights under the Senior Mortgage Loan Documents, any Senior Mortgage Loan Default under the Senior Mortgage Loan Documents arising solely from such Subordinate Loan Default or Regulatory Agreement Default shall be deemed cured, and the Senior Mortgage Loans shall be reinstated, provided, however, that the County shall not be required to return or otherwise credit for the benefit of the Borrower any default rate interest or other default related charges or payments received by the County during such Senior Mortgage Loan Default.

SECTION 6 – DEFAULT UNDER SENIOR MORTGAGE LOAN DOCUMENTS

6. Terms.

6.1. **Notice of Default and Cure Rights.** The County shall deliver to the Subordinate Lender a Default Notice within five (5) Business Days in each case where the County has given a Default Notice to the Borrower. Failure of the County to send a Default Notice to the Subordinate Lender shall not prevent the exercise of the County's rights and remedies under the Senior Loan Documents, subject to the provisions of this Agreement. The Subordinate Lender shall have the right, but not the obligation, to cure any such Senior Mortgage Loan Default within sixty (60) days following the date of such notice; provided, however, that the County shall be entitled during such sixty (60) day period to continue to pursue its remedies under the Senior Mortgage Loan Documents. Subordinate Lender may have up to ninety (90) days from the date of the Default Notice to cure a non-monetary default if during such ninety (90) day period Subordinate Lender keeps current all payments required by the Senior Mortgage Loan Documents. In the event that such a non-monetary default creates an unacceptable level of risk relative to the Property, or County's secured position relative to the Property, as determined by County in its sole discretion, then County may exercise during such ninety (90) day period all available rights and remedies to protect and preserve the Property and the rents, revenues and other proceeds from the Property. All amounts paid by the Subordinate Lender to the County to cure a Senior Mortgage Loan Default shall be deemed to have been advanced by the Subordinate Lender pursuant to, and shall be secured by the lien of, the Subordinate Mortgage.

6.2. **Cross Default.** The Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Senior Mortgage Loan Default shall not constitute a default under the Subordinate Loan Documents if no other default occurred under the Subordinate Loan Documents until either (i) the County has accelerated the maturity of the Senior Mortgage Loan, or (ii) the County has taken affirmative action to exercise its rights under the Senior Mortgages to collect rent, to appoint (or seek the appointment of) a receiver or to foreclose on (or to exercise a power of sale contained in) the Senior Mortgages. At any time after a Senior Mortgage Loan Default is determined to constitute a default under the Subordinate Loan Documents, the Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Loan Documents, subject to the restrictions and limitations of this Agreement. If at any time the Borrower cures any Senior Mortgage Loan Default to the satisfaction of the County, as evidenced by written notice from the County to the Subordinate Lender, any default under the Subordinate Loan Documents arising from such Senior Mortgage Loan Default shall be deemed cured and the Subordinate Loan shall be retroactively reinstated as if such Senior Mortgage Loan Default had never occurred.

SECTION 7 -- MISCELLANEOUS

7. Terms.

7.1. The Borrower, the County and the Subordinate Lender each agree that, in the event of any conflict or inconsistency between the terms of the Senior Mortgage Loan Documents, the Subordinate Loan Documents, and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: (a) the relative priority of the security interests of the County and the Subordinate Lender in the Property; (b) the timing of the exercise of remedies by the County and the Subordinate Lender under the Senior Mortgages and the Subordinate Mortgage, respectively; and (c) solely as between the County and the Subordinate Lender, the notice

requirements, cure rights, and the other rights and obligations which the County and the Subordinate Lender have agreed to as expressly provided in this Agreement. Borrower acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to: extend Borrower's time to cure any Senior Mortgage Loan Default or Subordinate Loan Default, as the case may be; give the Borrower the right to notice of any Senior Mortgage Loan Default or Subordinate Loan Default, as the case may be other than that, if any, provided, respectively under the Senior Mortgage Loan Documents, the Subordinate Loan Documents; or create any other right or benefit for Borrower as against County or Subordinate Lender.

7.2. **Rights and Obligations of the Subordinate Lender Under the Subordinate Loan Documents and of the County under the Senior Mortgage Loan Documents.** Subject to each of the other terms of this Agreement, all of the following provisions shall supersede any provisions of the Subordinate Loan Documents covering the same subject matter:

7.2.1. **Protection of Security Interest.** The Subordinate Lender shall not, without the prior written consent of the County in each instance, take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Subordinate Loan Documents, except that the Subordinate Lender shall have the right to advance funds to cure Senior Mortgage Loan Defaults pursuant to Section 6.1 above and advance funds pursuant to the Subordinate Mortgage for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Property and curing other defaults by the Borrower under the Subordinate Loan Documents.

7.2.2. **Condemnation or Casualty.** In the event of: a taking or threatened taking by condemnation or other exercise of eminent domain of all or a portion of the Property (collectively, a "**Taking**"); or the occurrence of a fire or other casualty resulting in damage to all or a portion of the Property (collectively, a "**Casualty**"), at any time or times when the Senior Mortgages remains a lien on the Property the following provisions shall apply:

7.2.2.1. The Subordinate Lender hereby agrees that its rights (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Taking and/or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Taking or a Casualty shall be and remain subordinate in all respects to the County's rights under the Senior Mortgage Loan Documents with respect thereto, and the Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Taking or a Casualty made by the County; provided, however, this subsection and/or anything contained in this Agreement shall not limit the rights of the Subordinate Lender to file any pleadings, documents, claims or notices with the appropriate court with jurisdiction over the proposed Taking and/or Casualty; and

7.2.2.2. All proceeds received or to be received on account of a Taking or a Casualty, or both, shall be applied (either to payment of the costs and expenses of repair and restoration or to payment of the Senior Mortgage Loans) in the manner determined by the County in its sole discretion; provided, however, that if the County elects to apply such proceeds to payment of the principal of, interest on and other amounts payable under the Senior Mortgage Loans, any proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Senior Mortgage Loans shall be paid to, and may be applied by, the Subordinate

Lender in accordance with the applicable provisions of the Subordinate Loan Documents, provided however, the County agrees to consult with the Subordinate Lender in determining the application of Casualty proceeds, provided further however that in the event of any disagreement between the County and the Subordinate Lender over the application of Casualty proceeds, the decision of the County, in its sole discretion, shall prevail.

7.2.3. **No Modification of Subordinate Loan Documents.** The Borrower and the Subordinate Lender each agrees that, until the principal of, interest on and all other amounts payable under the Senior Mortgage Loan Documents have been paid in full, it will not, without the prior written consent of the County in each instance, increase the amount of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the terms of the Subordinate Loan in a manner that creates an adverse effect upon the County under the Senior Mortgage Loan Documents. Any unauthorized amendment of the Subordinate Loan Documents or assignment of the Subordinate Lender's interest in the Subordinate Loan without the County's consent shall be void ab initio and of no effect whatsoever.

7.3. **Modification or Refinancing of Senior Mortgage Loans.**

Subject to the final sentence hereof, the Subordinate Lender consents to any agreement or arrangement in which the County waives, postpones, extends, reduces or modifies any provisions of the Senior Mortgage Loan Documents, including any provision requiring the payment of money. Subordinate Lender further agrees that its agreement to subordinate hereunder shall extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Mortgage Loans (including reasonable and necessary costs associated with the closing and/or the refinancing); and that all the terms and covenants of this Agreement shall inure to the benefit of any holder of any such refinanced debt; and that all references to the Senior Mortgage Loans, the Senior Mortgage Notes, the Senior Mortgages, the Senior Mortgage Loan Documents and County shall mean, respectively, the refinance loan, the refinance note, the mortgage securing the refinance note, all documents evidencing securing or otherwise pertaining to the refinance note and the holder of the refinance note. Notwithstanding anything to the contrary in this Section 7, the County shall not, without the prior written consent of the Subordinate Lender in each instance, which will not be unreasonably withheld, take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Senior Mortgage Loan Documents, increasing the required payments due under the Senior Mortgage Loans, decreasing the term of the Senior Mortgage Loans, or increasing the interest rate on the Senior Mortgage Loans (other than on account of regular fluctuations in the variable interest rate on the Senior Mortgage Loans or in connection with charging default rate of interest following a Senior Mortgage Loan Default), except that the Senior Lender shall have the right to advance funds to cure Subordinate Loan Defaults pursuant to Section 5.1, above, and advance funds pursuant to the Senior Mortgage Loan Documents for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Property, curing other defaults by Borrower under the Senior Mortgage Loan Documents, or protecting the Senior Lender’s security interest in the Property.

7.4. **Default by the Subordinate Lender or County.**

If the Subordinate Lender or County defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by it under this Agreement, the other, non-defaulting lender shall have the right to all available legal and equitable relief.

7.5. **Notices.**

Each notice, request, demand, consent, approval or other communication (hereinafter in this Section referred to collectively as notices and referred to singly as a "notice") which the County or the Subordinate Lender is required or permitted to give to the other party pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other similar national overnight courier) designating next Business Day delivery (any notice so delivered shall be deemed to have been received on the next Business Day following receipt by the courier); or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any notice so sent shall be deemed to have been received two (2) days after mailing in the United States), addressed to the respective parties as follows:

COUNTY:

County of Orange
OC Community Resources/
OC Housing & Community Development
1501 E. St. Andrew Place, 1st Floor,
Santa Ana, CA 92705
Attn: Director

SUBORDINATE LENDER:

City of Costa Mesa
77 Fair Drive
Costa Mesa, California 92626
Attention: City Manager

BORROWER:

American Family Housing
15161 Jackson Street
Midway City, CA 92655
Attn: Chief Executive Officer

Either party may, by notice given pursuant to this Section, change the person or persons and/or

address or addresses, or designate an additional person or persons or an additional address or addresses for its notices, but notice of a change of address shall only be effective upon receipt.

7.6. **General.**

7.6.1. **Assignment/Successors.** This Agreement shall be binding upon the Borrower, the County and the Subordinate Lender and shall inure to the benefit of the respective legal successors and assigns of the County and the Subordinate Lender.

7.6.2. **No Partnership or Joint Venture.** The County's permission for the placement of the Subordinate Loan Documents does not constitute the County as a joint venturer or partner of the Subordinate Lender. Neither party hereto shall hold itself out as a partner, agent or Affiliate of the other party hereto.

7.6.3. **County's and Subordinate Lender's Consent.** Wherever the County's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the County in its sole and absolute discretion, unless otherwise expressly provided in this Agreement. Wherever the Subordinate Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Subordinate Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement.

7.6.4. **Further Assurances.** The Subordinate Lender, the County and the Borrower each agree, at the Borrower's expense, to execute and deliver all additional instruments and/or documents reasonably required by any other party to this Agreement in order to (i) evidence that the Subordinate Mortgages are subordinate to the lien, covenants and conditions of the Senior Mortgages or (ii) further evidence the intent of this Agreement.

7.6.5. **Amendment.** This Agreement shall not be amended except by written instrument signed by all parties hereto.

7.6.6. **Governing Law.** This Agreement shall be governed by the laws of the State of California.

7.6.7. **Severable Provisions.** If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

7.6.8. **Term.** The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (i) the payment of all of the principal of, interest on and other amounts payable under the Senior Mortgage Loan Documents; (ii) the payment of all of the principal of, interest on and other amounts payable under the Subordinate Loan Documents, other than by reason of payments which the Subordinate Lender is obligated to remit to the County pursuant to Section 4 hereof; (iii) the acquisition by the County of title to the Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Senior Mortgages; or (iv) the acquisition by the Subordinate Lender of title to

the Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, one of the Subordinate Mortgage, but only if such acquisition of title does not violate any of the terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

-Signature Pages Follow-

COUNTY:

COUNTY OF ORANGE, a political subdivision of the state of California

By:_____
Julia Bidwell, Director
OC Community Resources,
OC Housing and Community Development

APPROVED AS TO FORM
COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By_____
Deputy

BORROWER:

AMERICAN FAMILY HOUSING,
a California nonprofit public benefit corporation

By: _____
Myles Anthony Peinemann II
Chief Executive Officer

SUBORDINATE LENDER:

CITY
CITY OF COSTA MESA,
a California municipal corporation

By: _____

City Manager

ATTEST:

By:_____

City Clerk

APPROVED AS TO FORM:

By:_____

City Attorney

EXHIBIT A
LEGAL DESCRIPTION

Real Property in the City of Costa Mesa, County of Orange, State of California, described as follows:

PARCEL 2, IN THE CITY OF COSTA MESA, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 24 PAGE 23 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO MESA CONSOLIDATED WATER DISTRICT BY DEED RECORDED DECEMBER 31, 1986 AS INSTRUMENT NO. 86-656909, OFFICIAL RECORDS.

ALSO EXCEPTING ALL OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OF THE UPPER 500 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AS RESERVED IN DEED FROM THE IRVINE COMPANY, A CORPORATION, RECORDED MARCH 5, 1968 IN BOOK 8535 PAGE 62 OF OFFICIAL RECORDS.

APN: 439-312-12

MEMORANDUM OF AGREEMENT BETWEEN THE COUNTY OF ORANGE AND THE CITY OF COSTA MESA REGARDING RECEIVING REGIONAL HOUSING NEEDS ASSESSMENT ALLOCATIONS PROGRESS CREDITS

This Memorandum of Agreement **("MOA")** between the COUNTY OF ORANGE, a political subdivision of the State of California **("County")** and the CITY OF COSTA MESA, a municipal corporation **("City"),** is dated, for the convenience of the parties, as the first date upon which it is executed by both the County and the City, as shown by the signatures of their authorized representatives below, and the various obligations established hereby shall take effect as provided herein.

RECITALS

A. The Orange County Board of Supervisors **("Board")** approved a loan under the 2026 Supportive Housing Notice of Funding Availability (the **"2026 NOFA")** in the amount of $4,100,000 on May 19, 2026, toward the completion of 78 units within a housing project (the **"Project")** on that certain real property located at 1400 Bristol Street, within the City of Costa Mesa, County of Orange, State of California.

B. The Board, acting as the Board of Commissioners to the Orange County Housing Authority, also approved the use of 48 Project-Based Housing Choice Vouchers, to further assist in the success of this Project.

C. The County desires to rely on housing proposed as part of the Project to meet certain affordable housing obligations imposed on the County by state law. Pursuant to Article 10.6 (the **"Housing Element Law")** (Government Code sections 65580 - 65589.8) of Chapter 3 of the Planning and Zoning Law, the Southern California Association of Governments **("SCAG")** periodically adopts and assigns a Regional Housing Needs Assessment **("RHNA")** allocation for each county and city in the County of Orange, including Orange County and the City of Costa Mesa. The current RHNA is designated as the sixth required revision by Government Code Section 65588, and is identified by SCAG as the 2021-2029 housing element planning period **("2021-2029 Planning Period").** The 2026 NOFA requires RHNA sharing for developments funded with County local revenue and regional revenue.

D. The City's RHNA allocation for the 2021-2029 Housing Element planning period is 11,760 units. Cities typically must plan for a 15% buffer (1,764 units) above the RHNA, resulting in the City's need to plan for approximately 13,524 units in various income categories.

E. The City's adopted Housing Element is currently being reviewed by the California Department of Housing and Community Development (**"HCD"**) for substantial compliance with State Housing Element law. Based on 15% above the RHNA units needed, the City estimates that it is currently under capacity by at least 1,200 units; however is actively working on securing additional projects and sites to achieve the RHNA allocation and buffer.

F. The City submitted the 2025 Housing Element Annual Progress Report to the HCD, reporting 78 units in the Very-Low Income Category for the Project at 1400 Bristol Street. American Family Housing, developer of the Project, has indicated that the County is requesting 23 of the 78 units in the very low-income category to be credited to the County as a funding incentive. Reduction of the City's RHNA reporting by 23 units further jeopardizes the City's Housing Element's finding of substantial compliance.

G. At such time that the City has adequate capacity to meet its RHNA allocation and associated buffer, the City will share credit between the City and the County for affordable units permitted by the City using 2026 NOFA funds. This MOA is intended by the County and the City to serve as agreement to establish the RHNA credits to be claimed by the City and the County for this Project.

H. Approval and successful implementation of the MOA will support the County's and City's progress toward meeting their respective 2021-2029 RHNA allocations for the 2021-2029 Planning Period and complying with the various obligations set forth in their certified housing elements. The Parties agree that, notwithstanding any prior communications regarding this matter, this MOA is the final agreement concerning this matter and is binding on the Parties.

I. If the share of credit between the City and the County does not get effectuated in the 2021-2029 Planning Period, the Parties agree to discuss the transfer of the County's RHNA allocation obligation to the City for the 2029-2037 Planning Period, as allowed under Government Code Section 65584.07 or any successor statute **("Section 65584.07")**. The transfer would apply to the 23 affordable units permitted by the City using the County's 2026 NOFA funds.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements contained herein, the Parties hereto mutually agree as follows:

1. Housing Site. The "Housing Site" is incorporated by reference, and is identified as 1400 Bristol Street, in the City of Costa Mesa. The City will issue residential building permits for construction of affordable housing on the Housing Site during the 2021-2029 Planning Period. Issuance of building permits is subject to compliance with City and Building Code regulations. Occupancy Permits will also be issued for affordable housing on the Housing Site during the 2021-2029 Planning Period. The Housing Site remains in the City's jurisdiction, within the corporate boundaries of the City of Costa Mesa.

2. RHNA Allocation Credit.

   a. Extremely Low-Income Unit Credit For the 2021-2029 RHNA Planning Period, the County shall receive RHNA allocation credits for 23 units from the City's 78 unit development, contingent upon County approval of 2026 NOFA funds for the Project. For purposes of this paragraph, "extremely low-income units" shall mean units where the household income for eligibility to live in the unit does not exceed 30% of the local area median income (AMI) as established by state and federal law. The City shall receive RHNA allocation credits for 55 units.

b. Once the City achieves adequate RHNA capacity to meet its RHNA allocation and buffer, the City will coordinate with the County in the following manner: 1) the City will reduce the RHNA unit reporting for 1400 Bristol by 23 units in the extremely low-income category either by 2) amending the 2025 APR; or b) documenting reduction of 23 units for 1400 Bristol on the next APR; and inform the County that it may report the above-mentioned units towards the County's RHNA.

c. The Parties agree that the land and financial commitments described in the Recitals to assist in the success of the Project is full and adequate consideration for the County to receive RHNA allocation credits for 23 extremely low-income units contemplated in this Section 2.

3. Cooperation. The City and County shall take all steps reasonably necessary to comply with and to implement this MOA.

4. Indemnification. City shall, to the extent permitted by law, indemnify, defend, and hold harmless the County and it officers, agents, and employees, from and against any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage, or expense (including, without limitation, attorneys' fees), resulting from, arising out of, or based upon the negligence or wrongful act or omission of City or its City Council, boards and commissions, officers, agents, volunteers, or employees, in approving this MOA.

County shall, to the extent permitted by law, indemnify, defend, and hold harmless the City and its officers, agents, and employees, from and against any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage, or expense (including, without limitation, attorney's fees), resulting from, arising out of, or based upon the negligence or wrongful act or omission of County or its Board of Supervisors, committees and commissions, officers, agents, volunteers, employees, in approving this MOA.

5. Time. Time is of the essence in this MOA.

6. Management. Except as otherwise provided in this MOA, the approval of both the City and County shall be required for decisions regarding management of the Project during the term of the Project's affordability.

7. Successors and Assigns. This MOA shall be binding upon and shall inure to the benefit of the County and City and their respective heirs, personal representatives, successors and assigns. Neither Party shall have the right to assign this MOA or any interest or right under this MOA without the prior written consent of the other Party.

8. No Attorneys' Fees. In any action between the Parties to interpret, enforce, award, modify or rescind any of the terms or provisions of this MOA, or any action otherwise commenced or taken in connection with this MOA, both Parties shall be responsible for their own respective litigation costs and attorneys' fees, except as provided in Section 5, above, regarding indemnity.

9. Jurisdiction and Venue. This MOA shall be construed under the laws of the State of California in effect at the time of the signing of this MOA. The Parties consent to the jurisdiction of the California courts with venue in County of Orange.

10. Titles and Captions. Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of this MOA or of any of its terms. References are to section numbers in this MOA, unless expressly stated otherwise.

11. Interpretation. As used in this MOA, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." This MOA shall be interpreted as though prepared jointly by both Parties.

12. No Waiver. A waiver by either Party of a breach of any of the covenants, conditions or agreements under this MOA to be performed by the other Party shall not be construed as a waiver of any other such breach or succeeding breach or of the same or other covenants, agreements, restrictions or conditions of this MOA.

13. Modifications. Any alteration, change or modification of or to this MOA, to become effective, shall be made in writing and in each instance signed on behalf of each Party.

14. Severability. If any term, provision, condition or covenant of this MOA or its application to any Party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this MOA, and the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

15. Cooperation. Each Party agrees to cooperate with the other in the execution of this MOA and, in that regard, to sign any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this MOA including, but not limited to, releases or additional agreements.

16. Counterparts. This MOA may be signed in multiple counterparts which, when signed by all Parties, shall constitute a binding agreement.

17. Notices. Any notice requirement set forth herein shall be in writing and delivered to the appropriate party at the address listed in this subparagraph. Addresses for notice may be changed from time to time by written notice to the other party. All communications shall be effective when actually received; provided, however, that nonreceipt of any communication as the result of a change in address of which the sending party was not notified or as the result of a refusal to accept delivery shall be deemed receipt of such communication.

To County: County of Orange
Attn: OC Public Works, Development Services
601 N. Ross Street
Santa Ana, CA 92701

To City: City of Costa Mesa
Attn: City Manager, Cecilia Gallardo-Daly
77 Fair Drive
Costa Mesa, CA 92626

IN WITNESS WHEREOF, the Parties hereto have caused this **MOA** to be executed by authority of their respective governing bodies on the dates set forth opposite their signatures.

COUNTY:
COUNTY OF ORANGE,
a political subdivision of the State
of California

By: _____
Dated: _____
Name: _____
Title: _____

APPROVED AS TO FORM:
OFFICE OF COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By:
_____

CITY:
CITY OF COSTA MESA , a municipal corporation

By:_____
Cecilia Gallardo-Daly, City Manager

ATTEST:

By:_____
Brenda Green, City Clerk

APPROVED AS TO FORM:

By:_____
Kimberly Hall Barlow, City Attorney

77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-327 **Meeting Date:** 8/4/2026

TITLE:

INTRODUCE AND GIVE FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA CALIFORNIA AMENDING TITLE 13 (PLANNING, ZONING, AND DEVELOPMENT), OF THE COSTA MESA MUNICIPAL CODE UPDATING LAND USE CLASSIFICATIONS FOR VARIOUS NON-RESIDENTIAL USES INCLUDING BUT NOT LIMITED TO, PERSONAL SERVICES, ARTISAN STUDIO, ACTIVE ENTERTAINMENT USES, EVENT CENTERS AND ASSEMBLY USES, FITNESS USES, AND OTHER NON-RESIDENTIAL USES AND STANDARDS- PCTY-26-0001

DEPARTMENT: ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT-PLANNING DIVISION

PRESENTED BY: AMBER GREGG, CONTRACT PLANNER, AND MARTINA CARON, PLANNING MANAGER

CONTACT INFORMATION: AMBER GREGG, AMBER.GREGG@COSTAMESACA.GOV

RECOMMENDATION:

Staff recommends the City Council:

1. Find that the proposed Zoning Code Amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15061(b)(3) and 15305; and
2. Introduce for first reading, by title only, an Ordinance approving amendments to Title 13 (Planning, Zoning and Development) of the Costa Mesa Municipal Code to update land use classifications for various non-residential uses including but not limited to, personal services, artisan studio, active entertainment uses, event centers and assembly uses, fitness uses, and other non-residential uses and standards.

Item #: 26-327 **Meeting Date: 8/4/26**

TITLE: INTRODUCE AND GIVE FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA CALIFORNIA AMENDING TITLE 13 (PLANNING, ZONING, AND DEVELOPMENT), OF THE COSTA MESA MUNICIPAL CODE UPDATING LAND USE CLASSIFICATIONS FOR VARIOUS NON-RESIDENTIAL USES INCLUDING BUT NOT LIMITED TO, PERSONAL SERVICES, ARTISAN STUDIO, ACTIVE ENTERTAINMENT USES, EVENT CENTERS AND ASSEMBLY USES, FITNESS USES, AND OTHER NON-RESIDENTIAL USES AND STANDARDS– PCTY-26-0001

DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING DIVISION

PRESENTED BY: AMBER GREGG, CONTRACT PROJECT MANAGER, AND MARTINA CARON, PLANNING MANAGER

CONTACT INFORMATION: AMBER GREGG, AMBER.GREGG@COSTAMESACA.GOV

RECOMMENDATION:

Staff recommends the City Council:

1. Find that the proposed Zoning Code Amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15061(b)(3) and 15305; and

2. Introduce for first reading, by title only, an Ordinance approving amendments to Title 13 (Planning, Zoning and Development) of the Costa Mesa Municipal Code to update land use classifications for various non-residential uses including but not limited to, personal services, artisan studio, active entertainment uses, event centers and assembly uses, fitness uses, and other non-residential uses and standards.

BACKGROUND:

The Costa Mesa Zoning Code serves as the City's primary regulatory framework governing land use and development. While the Code has been periodically amended, many of the City's commercial land use classifications have remained largely unchanged since adoption of the Citywide Land Use Matrix in 1997.

Over the past several decades, commercial business models, consumer preferences, and tenant demands have evolved significantly. Emerging uses such as wellness-oriented services, specialized fitness facilities, active entertainment venues, artisan production spaces, food halls, ghost kitchens, commercial kitchens, and e-sports-related businesses have become increasingly common but are not clearly addressed within the City's existing regulatory framework.

As a result, applicants frequently require use determinations or discretionary approvals for uses that are not specifically identified in the Zoning Code. This can increase processing time, create uncertainty for property owners and tenants, and limit opportunities for reinvestment in existing commercial properties. To address these issues, staff initiated a comprehensive review of commercial land use classifications and related development standards.

On April 13, 2026, the Planning Commission conducted a public study session to review potential amendments to the Zoning Code related to personal services, fitness uses, active entertainment venues, artisan production spaces, food halls, ghost kitchens, commercial kitchens, and e-sports-related businesses, and regulations pertaining to commercial height limits and floor area ratio..

On June 22, 2026, the Planning Commission conducted a public hearing on the proposed Zoning Code amendments and expressed support for the overall direction of the amendments and recognized the proposal as a strong foundation for modernizing the City's regulations. After receiving public comments and conducting discussion, the Commission requested additional analysis and refinement regarding the parking requirements and applicable size or operational thresholds for small fitness studios and requested additional review of the proposed exclusions from floor area ratio calculations, particularly the treatment of storage areas, equipment rooms, and other non-occupied spaces. The Commission therefore reopened and continued the public hearing to the July 13, 2026, Planning Commission meeting.

On July 13, 2026, the Planning Commission held a continued public hearing and reviewed the revision to the small fitness modifications and proposed modifications to the definition of Gross Floor Area. After receiving public comments and conducting discussion, the Planning Commission requested that the small fitness studio category be revised to up to 5,000 square feet. After discussion, the definition was revised and the Commission recommended (6-0) that the City Council adopt the ordinance, with a series of clarifying revisions and editorial changes.

Links to the April 13, 2026, June 22, 2026, and July 13, 2026, Planning Commission Agenda Reports are provided below.

April 13, 2026, Agenda Report:
https://costamesa.legistar.com/LegislationDetail.aspx?ID=7976488&GUID=694B0C33-AB5F-4F28-8F1C-4E67CB6704A9&Options=&Search=

June 22, 2026, Agenda Report:
https://costamesa.legistar.com/LegislationDetail.aspx?ID=8074127&GUID=C2A16155-8437-4BD9-BE88-51D5394B7C4C&Options=&Search=

July 13, 2026, Agenda Report
https://costamesa.legistar.com/LegislationDetail.aspx?ID=8131437&GUID=00F74BC6-2C2D-40D5-B7F2-398AEE96F1AA&Options=&Search=

ANALYSIS:

The proposed amendments represent a targeted effort to modernize the City's commercial land use framework and address recurring implementation issues identified by staff, property owners, business operators, and applicants. The amendments establish clearer land use classifications, improve

consistency in code administration, provide flexibility for commercial reinvestment, and better accommodate evolving business models while maintaining compatibility with surrounding development.

See a summary of the proposed amendments in Table 1 with detailed descriptions following the table.

Table 1. Summary of Proposed Zoning Code Updates

PROPOSED UPDATES TO LAND USE MATRIX			
TOPIC	**DESCRIPTION**	**CURRENT PROCESS**	**PROPOSED PROCESS**
1. Personal Services	Establishes a broader Personal Services category for one-on-one customer-serving grooming, wellness, and similar uses that are currently regulated separately or not clearly identified. Adds regulations for group setting instruction. New definition and special land use regulations proposed.	CUP* if not expressly called out	Permitted by right
2. Artisan Studio	Consolidates small-scale creative production, artist spaces, and related accessory retail uses into one category. Provides a clearer framework for hybrid businesses that produce and sell goods on-site. New definition and special land use regulations proposed.	CUP if not expressly called out	Permitted by right
3. Active Entertainment	New category for indoor, participant-based entertainment uses of 15,000 square feet or less, where customers actively engage in recreation or gaming activities. Uses would be allowed by right in Commercial zones and require MCUP in MG and MP Industrial zones. Examples include escape rooms, virtual reality venues, and similar uses. Parking requirements and definition added. Uses larger than 15,000 square feet would fall under Amusement Centers and would require a CUP. New definition and special land use regulations proposed.	CUP if not expressly called out	Permitted by right; MCUP* Industrial Zones; and CUP >15,000 sf
4. Event Center and Assembly Uses	Consolidates banquet halls, assembly halls, reception venues, conference facilities, and spectator-oriented e-sports arenas into a single classification of event center. This update distinguishes assembly uses from active entertainment and applies consistent operating standards. New definition and special land use regulations proposed.	CUP	CUP Clarifies Standard
5. Fitness Uses	Establishes two categories for smaller and mid-sized fitness uses, 1) Small Fitness Studio for uses less than 5,000 square feet in size, and 2) Fitness Studio for uses from 5,000 square feet to 15,000 square feet. These categories would distinguish smaller facilities from larger fitness clubs that operate at a greater scale and intensity and are regulated under existing “Physical Fitness Facility” uses. Parking requirements, new definition, and special land use regulations proposed.	CUP if not expressly called out	Permitted by right
6.a. Food Halls	Defines food halls as a specifically identified restaurant-related use to clarify how multi-vendor dining spaces are classified and reviewed. Food Halls are regulated under existing standards.	Limited Definition	Clarifies Standard

6.b. Ghost Kitchen	Defines and adds ghost kitchens to the Food And Beverage Section of the Zoning Code as a specifically identified restaurant-related use to clarify how multi-vendor dining spaces are classified and reviewed. Parking requirements, new definition and special land use regulations proposed.	CUP if not expressly called out	Ghost Kitchen Permitted or MCUP*
7. Electric Vehicle Charging	Establishes electric vehicle charging stations as a permitted use, consistent with State law. New definition and development standards proposed.	Silent	Permitted by right
8. Sprots Clubs	Clarifies that indoor sports clubs, such as basketball, pickleball, volleyball, and soccer training facilities, are regulated under the existing "Physical Fitness Facility" uses. These uses require a Conditional Use Permit consistent with the existing framework for larger fitness and recreation facilities. New definition proposed.	CUP	Clarifies Standard
9. Commercial Kitchens	Establishes land use classification for commercial kitchens, including catering kitchens, shared kitchens, and similar food preparation facilities without traditional on-site dining. Provides a clearer framework for evaluating newer food service business models. Parking requirements and a new definition proposed.	CUP if not expressly called out	Permitted by right in Industrial Zones
10. Height Deviation	Allows limited height deviations for commercial development through Minor Conditional Use Permit review to accommodate architectural features and functional rooftop elements. The amendment is intended to provide flexibility for building modernization while maintaining compatibility with surrounding development. Revised development standards proposed.	Variance	Up to 12 ft or 40% increase with MCUP
11. Floor Area Ratio	Clarifies how "Gross Floor Area" is measured for non-residential FAR implementation by identifying which building areas are included and excluded from the calculation. The amendment is intended to improve consistency and better align FAR with occupiable area and site intensity. Revised definitions proposed.	Limited Definition	Clarifies Standard
CUP means Conditional Use Permit; MCUP means Minor Conditional Use Permit			

1. Personal Services

The Zoning Code currently regulates many personal service businesses individually, including barber shops and massage establishments, while other common uses such as beauty salons and nail salons are not expressly identified. This often requires staff interpretation and creates uncertainty for applicants.

The proposed amendment establishes a comprehensive Personal Services category encompassing customer-oriented grooming, wellness, and personal care services. Examples include barber shops, beauty salons, nail salons, day spas, wellness centers, and massage establishments. Uses providing group instruction or group-oriented services would be subject to additional operational standards contained in the Zoning Code's "Special Land Use Regulations". This amendment simplifies administration, improves consistency, and allows common service-oriented businesses to be permitted by right in appropriate commercial zones.

2. Artisan Studio

The existing Zoning Code does not adequately address modern artisan and maker-based businesses that combine creative production, fabrication, and accessory retail sales within the same space. The proposed amendment establishes an Artisan Studio classification that consolidates artist studios, photography studios, recording studios, custom woodworking shops, and similar small-scale production uses into a single category. The amendment recognizes the growing trend of businesses that both create and sell products on-site.

The new classification supports adaptive reuse of commercial space, encourages creative industries, and provides a clearer regulatory framework for hybrid business models.

3. Active Entertainment

Entertainment uses are currently regulated through a series of individual use categories that do not adequately reflect newer interactive recreation businesses. The proposed amendment establishes a new Active Entertainment classification for indoor participant-based recreational uses that are 15,000 square feet or less. Examples include escape rooms, virtual reality gaming facilities, sports simulators, interactive arcades, and e-sports gaming lounges.

Smaller facilities would be permitted by right in commercial zones. Facilities exceeding 15,000 square feet would be classified as Amusement Centers and require a Conditional Use Permit due to their potential for increased traffic, parking demand, and operational impacts. This amendment provides a clear framework for emerging recreation uses while maintaining appropriate review of larger regional-serving facilities.

4. Event Centers and Assembly Uses

Several assembly-related uses are currently regulated separately despite having similar operational characteristics. The proposed amendment consolidates banquet facilities, reception venues, assembly halls, conference facilities, and spectator-oriented e-sports venues into a single Event Center classification. The amendment maintains the Conditional Use Permit requirement while establishing consistent operational standards and review criteria. The revised framework improves regulatory clarity and ensures similar assembly uses are evaluated consistently.

5. Fitness Uses

The fitness industry has evolved significantly, with many businesses now operating as specialized instructional studios rather than traditional health and fitness clubs. The proposed amendment establishes a new Small Fitness Studio category would apply to facilities of up to 5,000 square feet that are generally designed for one-on-one instruction, personal training, or small classes. An intermediary Fitness Studio category would apply to facilities that are 5,000 square feet or larger but do not exceed 15,000 square feet. These new categories are intended to accommodate small- to mid-sized class-based fitness businesses, such as yoga, Pilates, barre, cycling, martial arts, dance-based fitness, circuit training, and similar uses, without classifying them as large fitness centers or health

clubs. The amendment distinguishes these uses from larger Physical Fitness Facilities and allows them to be permitted by right in commercial zones while maintaining appropriate operational standards.

6. Food Halls and Ghost Kitchens

The City's Zoning Code currently does not specifically identify Food Halls or Ghost Kitchens despite their increasing popularity throughout Southern California.

Food Halls - The amendment establishes a definition for Food Halls as multi-vendor dining destinations where several independent food operators share common seating and customer areas. Food Halls would continue to operate under existing restaurant regulations and parking standards. The amendment primarily provides clarity regarding classification and review procedures.

Ghost Kitchens - The amendment establishes a definition and operational standards for Ghost Kitchens, which are food preparation facilities designed primarily for delivery, mobile ordering, and customer pickup rather than on-site dining. Because these facilities may generate significant delivery and pickup traffic, Ghost Kitchens would require a Minor Conditional Use Permit in the C1 District while remaining permitted by right in C2 and Industrial districts.

The amendment ensures these uses are reviewed in a manner consistent with their operational characteristics and potential impacts.

7. Electric Vehicle Charging Stations

State law requires local agencies to provide streamlined permitting for electric vehicle charging infrastructure. However, EV charging stations are not clearly identified within the City's Zoning Code. The proposed amendment expressly identifies EV charging stations as permitted uses and clarifies that they may be established as primary or accessory uses subject to ministerial review. The amendment ensures consistency with State law and supports continued expansion of electric vehicle infrastructure throughout the City.

8. Sports Clubs

Indoor sports facilities have become increasingly common but are not clearly distinguished from other fitness-related uses within the Zoning Code. The proposed amendment clarifies that Sports Clubs, including indoor basketball facilities, pickleball centers, soccer training facilities, volleyball facilities, and similar uses, are regulated under the existing Physical Fitness Facility classification. These uses would continue to require a Conditional Use Permit due to their larger size, operational intensity, and parking demand. The amendment improves clarity without substantially changing existing entitlement requirements.

9. Commercial Kitchens

Commercial kitchens are becoming increasingly important for catering businesses, food entrepreneurs, and shared food production operations but are not clearly classified within the existing

Zoning Code. The proposed amendment establishes a Commercial Kitchen land use classification that includes catering kitchens, commissary kitchens, and shared-use kitchen facilities that do not provide traditional on-site dining. Commercial Kitchens would be permitted by right in Industrial districts and regulated separately from traditional restaurants and ghost kitchens. This amendment supports food-related entrepreneurship while ensuring these uses are located in appropriate areas.

10. Height Deviations

Many commercial properties face challenges when attempting to modernize buildings due to rigid height limitations that may restrict architectural improvements, screening features, rooftop equipment, and other functional building elements. The proposed amendment establishes a Minor Conditional Use Permit process that would allow height deviations of up to 12 feet or 40 percent above the permitted height limit, whichever is less.

Applications would be required to demonstrate compatibility with surrounding development, enhancement of architectural design, and avoidance of adverse impacts to neighboring properties. The amendment provides flexibility for building modernization while maintaining City oversight and compatibility protections.

11. Floor Area Ratio (FAR) Clarification

The General Plan regulates nonresidential development intensity through Floor Area Ratio (FAR). However, the current definition of Gross Floor Area provides limited guidance regarding which building areas are included in FAR calculations. The Planning Commission recommended the following revised definition:

> **Gross Floor Area.** The total horizontal area of all floors within the exterior walls of a structure. The following areas do not contribute to the building's occupancy or intensity of use and shall be excluded from the gross floor area calculation: garages or carports used for parking, elevator and stair shafts, mechanical shafts, pipe chases, equipment and mechanical rooms, electrical rooms, and other accessory storage, utility or service spaces, that are devoted exclusively to development operations and maintenance.

The proposed amendment establishes a clearer definition of Gross Floor Area by excluding garages or carports used for parking, elevator and stair shafts, mechanical shafts, pipe chases, equipment and mechanical rooms, electrical rooms, and other accessory storage, utility or service spaces, that are devoted exclusively to development operations and maintenance as these areas do not contribute to intensity or trip generation.

Parking Standards

As part of the amendments, newly established land use classifications are aligned with existing parking standards. The amendments do not create new parking ratios but instead apply existing City parking standards to the newly defined uses based on their operational characteristics. Additionally, staff proposes removing minimum parking space requirements embedded within certain parking calculations to create greater consistency across all business sizes.

Economic Development Benefits

Collectively, the proposed amendments support the City's economic development objectives by:

- Reducing entitlement uncertainty;
- Improving predictability during tenant leasing and project review;
- Facilitating adaptive reuse of existing commercial buildings;
- Supporting emerging industries and business models;
- Encouraging reinvestment in aging commercial centers;
- Activating vacant commercial spaces;
- Improving permit processing efficiency; and
- Aligning the Zoning Code with contemporary market conditions and consumer trends.

The amendments modernize the City's regulatory framework while maintaining the City's longstanding goals related to compatibility, public safety, and orderly development.

ALTERNATIVES:

City Council alternatives include the following:

1. Introduce for first reading, by title only, an Ordinance approving amendments as recommended by the Planning Commission.
2. Introduce for first reading, by title only, an Ordinance approving amendments with modifications identified by the City Council.
3. Deny the proposed amendments and direct staff to return with alternative amendments for consideration.

FISCAL REVIEW:

The proposed amendments are administrative in nature and are not anticipated to have a direct fiscal impact on the City. By improving regulatory clarity and facilitating commercial reinvestment, the amendments may support future economic activity and private investment within the City.

LEGAL REVIEW:

The City Attorney's Office has reviewed the proposed Ordinance and approved it as to form.

PUBLIC NOTICE:

Pursuant to Title 13, Section 13-29(d), of the Costa Mesa Municipal Code, three types of public notification have been completed no less than 10 days prior to the date of the public hearing:

1. On-site posting. A public notice was posted at City Hall and on the City's website on July 24, 2026.

2. Newspaper publication. A public notice was published in the Daily Pilot newspaper on July 24, 2026.

As of the date of this report, no written public comment has been received. See Attachment 9 for the Planning Commission public comments.

Any public comments received for the August 4, 2026, City Council meeting, may be viewed at this link: CITY OF COSTA MESA - Calendar (legistar.com)

CITY COUNCIL GOALS AND PRIORITIES:

The proposed amendments support the City Council's goals of maintaining a strong local economy, promoting business investment, improving government efficiency, encouraging reinvestment in commercial corridors, and ensuring that the City's regulatory framework remains responsive to evolving community and market needs.

CONCLUSION:

The proposed Zoning Code amendments represent a focused effort to modernize Costa Mesa's commercial land use regulations and address recurring implementation issues identified through project review and stakeholder feedback. The amendments establish clear classifications for emerging commercial uses, improve consistency in code administration, provide targeted flexibility for building modernization, and clarify implementation of key development standards. The amendments support economic development, adaptive reuse, and reinvestment in commercial properties while maintaining the City's long-standing planning objectives and development standards.

ORDINANCE NO. 2026-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AMENDING TITLE 13 OF THE COSTA MESA MUNICIPAL CODE (PLANNING, ZONING, AND DEVELOPMENT) TO UPDATE SPECIFIC NON RESIDENTIAL LAND USE CLASSIFICATIONS FOR VARIOUS NON-RESIDENTIAL USES INCLUDING BUT NOT LIMITED TO, PERSONAL SERVICES, ARTISAN STUDIO, ACTIVE ENTERTAINMENT USES, EVENT CENTERS AND ASSEMBLY USES, FITNESS USES, AND OTHER NON-RESIDENTIAL USES AND STANDARDS– PCTY-26-0001

THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA DOES HEREBY FIND AND DECLARE AS FOLLOWS:

WHEREAS, the City of Costa Mesa Municipal Code, Title 13 Planning Zoning and Development Code was last significantly updated in 1997, and since that time has been periodically amended;

WHEREAS, Title 13 Planning, Zoning, and Development Code serves as the primary regulatory framework governing land use and development throughout the City, and a clear and modern Zoning Code supports economic development by providing certainty for property owners, tenants, and investors while ensuring that new development remains consistent with the City's General Plan and community objectives;

WHEREAS, new business types, including wellness-oriented services, specialized fitness facilities, active entertainment venues, artisan production spaces, food halls, ghost kitchens, commercial kitchens, and e-sports-related uses are increasingly common but are not clearly addressed within the City's existing regulatory framework;

WHEREAS, this Ordinance would amend the following Chapters in Title 13 of the Costa Mesa Municipal Code to implement amendments to the Zoning Code to facilitate clarity and regulation requirements:

a. Chapter I, Article 2, Definitions;
b. Chapter IV, Citywide Land Use Matrix;
c. Chapter V Development Standards, Article 3, Commercial Development Standards;
d. Chapter V Development Standards, Article 4, Establishments Where Food

or Beverages are Served;

e. Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts;

f. Chapter VI, Off-Street Parking Standards, Article 3, Development Standards; and

g. Chapter IX, Article 24, Group Instruction/Setting & Small Fitness Studio.

WHEREAS, a Study Session was held by the Planning Commission on April 13, 2026, with all persons having the opportunity to speak for and against the amendments;

WHEREAS, a duly noticed public hearing was held by the Planning Commission on June 22, 2026 with all persons having the opportunity to speak for and against the amendments;

WHEREAS, after holding the public hearing, the Planning Commission conducted a discussion, re-opened the public hearing, and continued the item to the regularly scheduled Planning Commission meeting of July 13, 2026;

WHEREAS, a public hearing was held by the Planning Commission on July 13, 2026, with all persons having the opportunity to speak for and against the amendments, and the Planning Commission recommended the City Council approve the proposed amendments;

WHEREAS, the proposed amendments have been reviewed for compliance with the California Environmental Quality Act (CEQA). The proposed amendments are exempt pursuant to CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption, because it can be seen with certainty that there is no possibility that adoption of the ordinance may have a significant effect on the environment. The amendments primarily involve updates to land use classifications, definitions, and administrative development standards. Additionally, portions of the amendment may be categorically exempt pursuant to CEQA Guidelines Section 15305 (Minor Alterations in Land Use Limitations);

WHEREAS, a duly noticed public hearing was held by the City Council on _____ , 2026 with all persons having the opportunity to speak for and against the amendments; and

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The City Council, in its independent judgement, hereby adopts the Zoning Code amendments incorporated herein as Exhibits A through G:

- Exhibit A: Chapter 1, Article 2, Definitions;
- Exhibit B: Chapter IV, Citywide Land Use Matrix;
- Exhibit C: Chapter V, Development Standards, Article 3, Commercial Development Standards;
- Exhibit D: Chapter V Development Standards, Article 4, Establishments Where Food or Beverages are Served;
- Exhibit E: Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts
- Exhibit F: Chapter VI, Off-Street Parking Standards, Article 3, Development Standards; and
- Exhibit G: Chapter IX, Special Land Use Regulations;

Section 2. Inconsistencies. Any provision of the Costa Mesa Municipal Code or appendices thereto inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to that extent necessary to affect the provisions of this Ordinance.

Section 3. Severability. If any chapter, article, section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance, or the application thereof to any person, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this Ordinance or its application to other persons. The City Council hereby declares that it would have adopted this Ordinance and each chapter, article, section, subsection, subdivision, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, phrases, or portions of the application thereof to any person, be declared invalid or unconstitutional. No portion of this Ordinance shall supersede any local, State, or Federal law, regulation, or codes dealing with life safety factors.

Section 4. Effective Date. This Ordinance shall take effect thirty (30) days after its final passage.

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Section 5. Certification. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted in the manner required by law.

PASSED AND ADOPTED this ___day of _____, 2026.

_____
John Stephens, Mayor

ATTEST: APPROVED AS TO FORM:

_____ _____
Brenda Green, City Clerk Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing Ordinance No. 2026-xx was duly introduced for first reading at a regular meeting of the City Council held on the ___day of _____ 2026, and that thereafter, said Ordinance was duly passed and adopted at a regular meeting of the City Council held on the ___ day of _____, 2026, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this ___ day of _____, 2026.

_____
Brenda Green, City Clerk

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EXHIBIT A

Chapter I, Article 2
Definitions

§ 13-5. Purpose.

The intent of this article is to define certain words and phrases which are used in this Zoning Code. Additional definitions may also be given in conjunction with the special regulations contained in Chapter IX, Special Land Use Regulations, and Chapter XII, Special Fee Assessments.

(Ord. No. 97-11, § 2, 5-5-97)

§ 13-6. Definitions.

Abutting. Sharing a common boundary, of at least one point contiguous to, having district boundaries or lot lines in common (i.e., not separated by an alley, public or private right-of-way, or street).

Accessory building. A building or part of a building which is subordinate to, and the use of which is incidental to that of the main building or use on the same lot.

Accessory dwelling unit (ADU). See Chapter V, Article 2, section 13-35.

Accessory use. A use incidental and subordinate to and devoted exclusively to the main use of the land or building thereon that does not change the character of the structure or use.

Accessory use, residential. A use that is a part of, and clearly incidental and secondary to, a residence; located on the same lot as a residence; and that does not change the character of the residential use such as:

(a) Accessory dwelling unit (ADU)

(b) Home occupations

(c) Personal property sales (i.e., garage or yard sales).

Active Entertainment. A commercial use that provides interactive, participant-based amusement, recreation, or game-oriented activities for individual or group participation and is limited to a maximum of 15,000 square feet. Active Entertainment does not include spectator-oriented uses, live performance theaters, adult entertainment businesses, physical fitness facilities, or event centers.

Adjacent. Same as abutting, but also includes properties which are separated by a public right-of-way, not exceeding 120 feet in width.

Adult business. See Chapter IX, Special Land Use Regulations, Article 1, Adult Businesses, for specific definitions and terms.

Alcoholism or drug abuse recovery or treatment facility. Adult alcoholism or drug abuse recovery or treatment facilities that are licensed pursuant to section 11834.01 of the California Health and Safety Code. Alcoholism or drug abuse recovery or treatment facilities are a subset of residential care facilities.

Alteration (structure). Any construction, addition or physical change in the internal arrangement of rooms or the supporting members of a structure, or change in the appearance of any structure, except paint.

Ambient noise level. The all-encompassing noise level associated with a given environment, being a composite of sounds from all sources, excluding the alleged offensive noise, at the location and approximate time at which a comparison with the alleged offensive noise is to be made.

Amusement Center. A commercial use that provides interactive, participant-based amusement, recreation, or game-oriented activities for individual or group participation and is larger than 15,000 gross square feet. Amusement Center does not include spectator-oriented uses, live performance theaters, adult entertainment businesses, physical fitness facilities, or event centers.

Antenna. Any structure, including, but not limited to, a monopole, tower, parabolic and/or disk shaped device in single or multiple combinations of either solid or mesh construction, intended for the purpose of receiving or transmitting communication to or from another antenna, device or orbiting satellite, as well as supporting equipment necessary to install or mount the antenna.

Antenna, amateur radio. An antenna array and its associated support structure, such as a mast or tower, that is used for the purpose of transmitting and receiving radio signals in conjunction with an amateur radio station licensed by the Federal Communications Commission.

Antenna, communication. All types of receiving and transmitting antennas, except satellite dish antennas and amateur radio antennas. Communication antenna includes, but is not limited to, cable television antennas, cellular radiotelephone cell antennas, FM digital communication antennas, microwave telephone communication antennas, and shortwave communication and other similar antennas.

Antenna height. The distance from the property's grade to the highest point of the antenna and its associated support structure when fully extended.

Antenna, satellite dish. An antenna intended for the purpose of receiving or transmitting communication to or from an orbiting satellite.

Antenna, whip. An antenna and its support structure consisting of a single, slender, rod- like element which is supported only at or near its base.

Apartment. A rental or lease dwelling having kitchen facilities in a structure designed or used to house at least one family, as the term "family" is defined in this Zoning Code.

Artisan Studio. A workspace for the creation, display, and retail sale of artwork and hand crafted goods, including custom woodworking and furniture making, where products are primarily created by the artist or artisan on-site; excluding automotive repair and food related production. Examples include, but are not limited to, artist studios and workshops, photography studios and commercial photography, recording studios, music studios, galleries, and showrooms.

Assembly use. A use conducted in a structure or outdoor venue for the purpose of gathering of persons for a civic, education, political, religious, or social function, or

for the consumption or receipt of food and/or beverages. ~~Assembly use includes, but is not limited to, churches and other places of religious assembly, mortuaries, primary and secondary schools, trade and vocational schools, colleges, amusement centers, billiards parlors, bowling centers, establishments where food or beverages are served, motion picture theaters, physical fitness facilities, skating rinks, and dance, martial arts, and music studios.~~ Assembly use does not include sexually oriented businesses.

Association (homeowners'). The organization of persons who own a lot, parcel, area, airspace, or right of exclusive occupancy in a common interest development and who have interests in the control of common areas of such project.

Attached (structure). Any structure that has a wall or roof in common with another structure.

Attic. Any non-habitable area immediately below the roof and wholly or partly within the roof framing.

Awning. A roof-like cover that projects from the wall of a building for the purpose of shielding the sun or providing an architectural accent.

Basement. A space wholly or partially underground and having more than 1/2 of its height, measuring from floor to ceiling, below the average grade. If the finished floor level directly above the basement is more than four feet above grade at any point, the basement shall be considered a story.

Boardinghouse. A dwelling unit, other than a hotel, wherein rooms are rented under two or more separate written or oral rental agreements, leases or subleases or combination thereof, whether or not the owner, agent or rental manager resides within the dwelling unit. Boardinghouse, small means two or fewer rooms being rented to a maximum of three occupants per dwelling unit. Boardinghouse, large means three to six rooms being rented to a maximum of six occupants per dwelling unit. Boardinghouses renting two or fewer rooms and having more than three occupants, or renting more than six rooms and/ or having more than six occupants, per dwelling unit are prohibited.

Building. Any structure having roof and walls and requiring permanent location on the ground, built and maintained for the support, shelter or enclosure of persons, animals, chattels or property of any kind.

Building height. The distance from the finished grade (as defined in this section) to the highest point on the roof, including roof-top mechanical equipment and screening.

Building, main. The building or buildings within which the principal use permitted on the lot is conducted.

Carport. A permanent, roofed structure, not completely enclosed which is used for vehicle parking.

Central administrative office. An establishment primarily engaged in management and general administrative functions performed centrally for other establishments of the same company.

Churches and other places of religious assembly. A type of assembly use which has the principal purpose of religious worship and for which the primary space is a

sanctuary. Religious activities and services held in the sanctuary are conducted at scheduled times. The use may also include accessory facilities in the same or separate building that includes classrooms, assembly rooms, restrooms, kitchen, and a library. Other uses such as, but not limited to, day care facilities, nursery schools, schools, retail sales, and services to businesses, are not considered a primary function of churches and other places of religious assembly.

Cigar bar. See Smoking lounge.

City. City of Costa Mesa.

Commercial Kitchen. A food preparation facility used by one or more food operators for the preparation, cooking, processing, packaging, and storage of food or beverages for off-site consumption, distribution, catering, wholesale, or other commercial purposes, with no on-site dining, retail sales, customer pick-up, or delivery service to the general public. A commercial kitchen may include catering kitchens, commissary kitchens, shared-use kitchens, and food production facilities, but does not include a restaurant, ghost kitchen, food hall, or other food service establishment where food orders are accepted from customers and fulfilled directly from the premises.

Common area. Those portions of a project area which are designed, intended or used in common and not under the exclusive control or possession of owners or occupants of individual units in planned development projects or common interest developments.

Common interest development. A development as defined in State Civil Code section 1350, containing two or more common interest units, as defined in Civil Code section 783; a community apartment project, as defined in State Business and Professional Code section 11004, containing two or more rights of exclusive occupancy; and a stock cooperative, as defined in Business and Professional Code section 11003.2, containing two or more rights of exclusive occupancy.

Community Development Department. Refers to the Community Development Department of the City of Costa Mesa on or after July 1, 2026, and the Economic and Development Services Department and/or Development Services Department of the City of Costa Mesa prior to July 1, 2026.

Community Development Director. The director of the Community Development Department of the City of Costa Mesa, or his or her designee.

Conditional use permit. A discretionary approval usually granted by the planning commission which allows a use or activity not allowed as a matter of right, based on specified findings.

Convenience stores, mini-markets. A retail store, generally less than 10,000 square feet in area, that sells a variety of convenience foods, beverages and non-food items. Fresh dairy products, produce and/or meat may be offered on a limited basis.

County. County of Orange.

Covered parking space. A garage, carport or parking space which is completely covered by a roof.

Density bonus. A minimum increase of 25% over the allowable residential dwelling unit density as specified by the zoning classification.

Development. The division of land into two or more lots; the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any structure; any mining, excavation, landfill, or land disturbance; and any use or extension of the use of land.

Development review. The processing of a development plan when authority for approval is vested in the planning division.

Development services department. See Community Development Department. ~~means the Development Services Department of the City of Costa Mesa.~~

Development services director. See Community Development Director. ~~The director of development services of the City of Costa Mesa, or his or her designee~~.

Disabled shall have the same meaning as handicapped.

Dormer. A vertical window in a projection built out from a sloping roof.

Driveway, common. A paved area for vehicle circulation and parking purposes which features joint use between two or more parties.

Driveway, individual. The paved area strictly leading to the garage/carport of a residence. This paved area serves vehicle parking purposes and does not extend beyond the garage/carport unless a curvilinear design is necessary for the turning radius.

Dwelling, single-family. "Dwelling, single-family" or "single-family dwelling" is a building of permanent character placed in a permanent location which is designed or used for residential occupancy by one family. A single mobile home on a foundation system on a single lot is a single-family dwelling. (See Manufactured housing).

Dwelling, multi-family. "Dwelling, multi-family" or "multi-family dwelling" is a building or buildings of permanent character placed on one lot which is designed or used for residential occupancy by two or more families.

Dwelling unit. One or more rooms in any building designed for occupancy by one family, and containing one kitchen unit, including manufactured housing. (See Manufactured housing).

Easement. A grant of one or more property rights by the owner for use by the public, a corporation or another person or entity.

Efficiency unit. A dwelling unit for occupancy by no more than two persons conforming to California's Health and Safety Code § 17958.1 with a minimum floor area of 150 square feet that provides bathroom facilities and a partial kitchen equipped with a sink, cooking appliance, and refrigerator.

Electronic cigarette. An electronic and/or battery-operated device used to provide an inhalable dose of nicotine by delivering a vaporized solution. The term includes any such device manufactured, distributed, marketed, or sold as an electronic cigarette, an electronic cigar, an electronic cigarillo, an electronic pipe, an electronic hookah, or any other product name or descriptor. The term does not include any medical inhaler prescribed by a licensed doctor.

Electronic game machine. Any electronic or mechanical device which upon insertion of a coin, slug, or token in any slot or receptacle attached to the device

or connected therewith, operates, or which may be operated for use as a game, contest, or amusement through the exercise of skill or chance.

Electric vehicle charging station. As defined by Government Code Section 65850.7.

Electric vehicle supply equipment. The hardware, including connectors, fixtures, devices, and other components required to charge an electric vehicle.

Emergency shelters. A facility that provides immediate and short-term housing for homeless persons that is limited to occupancy of six months or less. Supplemental services may include counseling and access to social programs. No individual or household may be denied to emergency shelter because of an inability to pay.

Employee housing. Shall have the same meaning as "employee housing" described in California Health and Safety Code Section 17021.5, and as set forth in California Health and Safety Code Section 17008 for farmworkers.

Entertainment (live). Any act, play, revue, pantomime scene, dance act, musical performance, or any combination thereof, performed by one or more persons whether or not they are compensated for the performance.

E-Sports or Electronic Sports. Means a participant-based organized competitive playing of video games using digital gaming platforms.

E-Sports Arena. A facility designed and operated primarily for organized E-sports competitions, tournaments, exhibitions, broadcasts, live-streaming events, or similar events where spectator viewing and attendance are the principal activities.

Establishment where food or beverages are served. Any commercial use that sells prepared food and/or beverages for consumption on site or off site, either solely or in conjunction with an ancillary or complementary use. Excluded from this definition are grocery stores, convenience stores, movie theaters, and other such uses, as determined by the development services director, where the sale of food or beverages is clearly incidental to the primary use. All establishments selling alcoholic beverages for consumption on-site are included within this definition

Event Center. A facility designed for assembly use and to accommodate organized events, competitions, ceremonies, meetings, entertainment, spectator viewing, or similar group activities. Event Centers are also referred to as Banquet Facilities, Assembly Halls, and Arenas.

Fair housing laws. The Federal Fair Housing Act, the Americans with Disabilities Act, and the California Fair Employment and Housing Act, as each statute may be amended from time to time, and each statute's implementing regulations.

Family. One or more persons occupying one dwelling unit and living together as a single housekeeping unit.

Family day care home, large. A home which provides family day care to seven to 14 children as defined in section 1596.78 of the State Health and Safety Code.

Family day care home, small. A home which provides family day care to eight or fewer children as defined in section 1596.78 of the State Health and Safety Code.

*Fitness studios. M*eans an indoor commercial use of more than 5,000 square feet but less than 15,000 square feet that provides instructor-led instruction, training, or structured physical activity, either in a group setting or one-on-one, including, but

not limited to: dance, martial arts, yoga, Pilates, high-intensity interval training (HIIT), circuit training, and similar small-group fitness activities. These uses are characterized by scheduled classes or training sessions and are limited in scale and intensity. This use does not include large health clubs, commercial gyms, indoor sports training facilities, or uses greater than 15,000 square feet of gross floor area.

Floor area ratio. The gross floor area of a building or project divided by the project lot area upon which it is located.

Food Hall. A single, integrated food and beverage establishment, or restaurant, containing three or more independently operated food or beverage vendors or counters within a shared building or tenant space, with common customer seating, shared circulation, and shared amenities. A food hall may include accessory alcohol service, entertainment, retail, or event programming when allowed by applicable permits, but does not include ghost kitchen or commercial kitchen.

Garage. An accessory or attached enclosed building with doors, designed and/or used for vehicle parking.

Garage sale. An event for the purpose of selling or trading personal property. Garage sale includes yard sale.

General plan. The City of Costa Mesa General Plan as adopted or amended from time to time by the city council.

Ghost Kitchen. A food preparation facility used by one or more food operators for the preparation of meals or beverages for off-site consumption through delivery, mobile ordering, or customer pick-up, with no dine-in restaurant service. A ghost kitchen may include multiple virtual restaurant brands, shared order fulfillment areas, delivery driver staging, and limited pick-up lobby areas, but does not include a catering kitchen, commercial kitchen, or food hall.

Grade. The lowest point of the finished surface elevation of either the ground, paving or sidewalk within the area between the building and the property line, or when the property line is more than five feet from the building, between the building and a line five feet from the building.

Grade, finished. The surface of the ground at a stated location as it exists after completion of precise grading.

Grade, natural. The unaltered natural surface of the ground at a stated location.

Gross acreage. The total area within the lot lines of a lot of land before public streets, easements or other areas to be dedicated or reserved for public use are deducted from such lot, and not including adjacent lands already dedicated for such purposes.

~~*Gross floor area.* The area of all floors within the walls of a structure except elevator and other vertical shafts (including stairwells) and elevator equipment areas.~~

Gross floor area. The total horizontal area of all floors within the exterior walls of a structure. The following areas do not contribute to the building's occupancy or intensity of use and shall be excluded from the gross floor area calculation: garages or carports used for parking, elevator and stair shafts, mechanical shafts, pipe chases, equipment and mechanical rooms, electrical rooms, and other accessory

storage, utility or service spaces, that are devoted exclusively to development operations and maintenance.

Gross leasable area. The total floor area designed for tenant occupancy and exclusive use, including both owned and leased areas.

Group home. A facility that is being used as a supportive living environment for persons who are considered handicapped under state or federal law. A group home operated by a single operator or service provider (whether licensed or unlicensed) constitutes a single facility, whether the facility occupies one or more dwelling units. Group homes shall not include the following: (1) residential care facilities; (2) any group home that operates as a single housekeeping unit; (3) any group home without an operator.

Guestroom. A room occupied or intended, arranged, or designed for occupancy by one or more guests.

Handicapped. As more specifically defined under the fair housing laws, a person who has a physical or mental impairment that limits one or more major life activities, a person who is regarded as having that type of impairment, or a person who has a record of that type of impairment, not including current, illegal use of a controlled substance.

Hazardous materials. Any material of quantity, concentration, physical or chemical characteristics, that poses a significant present or potential hazard to human health and safety or to the environment if released into the work place or environment; or any material requiring a Material Safety Data Sheet according to Title 8, section 339 of the State Code of Regulation.

Health Club. See Physical Fitness Facility.

Height. See Building height and Antenna height.

Home occupation. Any business or commercial use conducted within a dwelling unit.

Hookah lounge. See Smoking lounge.

Hotel. Any building or combination of buildings generally three or more stories in height containing six or more guest rooms offering transient lodging accommodations to the general public and providing incidental guest services such as food and beverage service, recreation facilities, retail services and banquet, reception and meeting rooms. Typically, room access is provided through a main or central lobby.

Household includes all the people occupying a dwelling unit, and includes people who live in different units governed by the same operator.

Integral facilities. Any combination of two or more group homes which may or may not be located on the same or contiguous parcels of land, that are under the control and management of the same owner, operator, management company or licensee or any affiliate of any of them, and are integrated components of one operation shall be referred to as integral facilities and shall be considered one facility for purposes of applying federal, state and local laws to its operation. Examples of such integral facilities include, but are not limited to, the provision of housing in one facility and recovery programming, treatment, meals, or any other

service or services to program participants in another facility or facilities or by assigning staff or a consultant or consultants to provide services to the same program participants in more than one licensed or unlicensed facility.

Integral uses. Any two or more residential care programs commonly administered by the same owner, operator, management company or licensee, or any affiliate of any of them, in a manner in which participants in two or more care programs participate simultaneously in any care or recovery activity or activities so commonly administered. Any such integral use shall be considered one use for purposes of applying federal, state and local laws to its operation.

Intersection. The general area where two or more roadways join or cross.

Kitchen. Any room, all or part of which is designed and/or used for storage, refrigeration, cooking and preparation of food.

Landscaping. Plant materials such as lawn, groundcover, trees and shrubs.

Loft. An intermediate floor placed within a room, where the clear height above and below the loft is not less than seven feet, and where the aggregate area of the loft does not exceed 1/3 of the area of the room in which it is located.

Lot.

(a) A parcel of real property when shown as a delineated parcel of land with a number or designation on a subdivision map or parcel map recorded in the office of the county recorder, and created in conformance with the Subdivision Map Act and applicable local ordinances.

(b) A parcel of real property when shown on a record of survey map or deed filed in the office of the county recorder, when such map or deed was filed as the result of and was made a condition of a lot division approved under the authority of prior ordinances.

Lot area. The total land area of a project after all required dedications or reservations for public improvements, including, but not limited to, streets, parks, schools, and flood control channels. This phrase does not apply in the planned development zones where the phrase "site area," as defined in Chapter V, Development Standards, is used.

Lot, corner. A lot abutting on and at the intersection of two or more streets which intersect at an angle that is equal to or less than 135 degrees.

Lot, depth. The average of the horizontal distance between the front and the rear lot lines.

Lot, development. The master lot or project site upon which a development will be constructed.

Lot, individual dwelling unit. An individual building site or lot within a development intended for construction of a single attached or detached dwelling unit.

Lot, interior. A lot abutting only one street, or a lot abutting two streets which intersect at an angle greater than 135 degrees.

Lot, width. The horizontal distance between the side lot lines measured at right angles to the lot depth at the front building setback line.

Low barrier navigation center. Shall have the same meaning as “low barrier navigation center” as set forth in Government Code Section 65660.

Major modification. A discretionary entitlement, usually granted by the zoning administrator, which permits limited deviation from the strict application of the development standards contained in this Zoning Code, based on specified findings.

Manufactured housing. Detached housing that is built to the National Manufactured Housing Construction and Safety Standards Act of 1974, including structures known as manufactured homes and mobile homes. For the purpose of this Zoning Code, a factory- built single-family structure that is manufactured under the authority of 42 U.S.C. section 5401, the National Manufactured Home Construction and Safety Standards Act, transportable in one or more sections, built on a permanent chassis and used as a place of human habitation, shall be considered a single-family home and shall be reviewed under the same standards as a sitebuilt structure.

Marijuana. Has the same definition as that set forth in California Health and Safety Code section 11018.

Marijuana cultivation and/or medical marijuana cultivation. The planting, growing, harvesting, drying or processing of marijuana plants or any part thereof for any purpose, including medical marijuana, and shall include both indoor and outdoor cultivation.

Master plan. The overall development plan for a parcel or parcels which is depicted in both a written and graphic format.

Master plan of highways. The graphic representation of the city's ultimate circulation system contained in the general plan. It illustrates the alignment of the major, primary, secondary and collector highways.

Median. A paved or planted area separating a parking area, street, or highway, into two or more lanes or directions of travel.

Medical marijuana. Marijuana used for medical purposes in accordance with California Health and Safety Code section 11362.5.

Medical marijuana dispensary. A facility or location where medical marijuana is cultivated or by any other means made available to and/or distributed by or to three or more of the following: a primary caregiver, a qualified patient, or a person with an identification card in strict accordance with State Health and Safety Code sections 11362.5 et seq., and 11362.7 et seq., which shall include, but not be limited to, any facility or location engaging in the retail sale, dispensation, or distribution of marijuana for medical purposes that does not have an active role in the cultivation of the marijuana product that it sells, dispenses, or distributes, or when its cultivation of the marijuana product is off-site from the facility or location for retail sale, dispensation, or distribution.

Minor conditional use permit. A discretionary approval granted by the zoning administrator which allows a use or activity not allowed as a matter of right, based on specified findings.

Minor modification. A discretionary entitlement granted by the planning division, which permits limited deviation from the strict application of the development

standards contained in this Zoning Code, based on specified findings.

Mixed use development. The development of lot(s) or structure(s) with two or more different land uses such as, but not limited to a combination of residential, office, manufacturing, retail, public, or entertainment in a single or physically integrated group of structures.

Mobile home. See Manufactured housing.

Mobile home park. Any area or tract of land where two or more mobile home lots are rented or leased, held out for lease or rent, or were formerly held out for rent or lease and later converted to a subdivision, cooperative, condominium, or other form of resident ownership, to accommodate manufactured homes or mobile homes. A mobile home park also means a mobile home development constructed according to the requirements of Part 2.1 (commencing with section 18200) of Division 13 of the State Health and Safety Code, and intended for use and sale as a mobile home condominium or cooperative park, or as a mobile home planned unit development.

Motel. Any building or combination of buildings of one to three stories in height having six or more guest rooms with parking located convenient to the guest rooms and providing temporary lodging for automobile tourists and transient visitors. Typically, guest rooms have direct access to available parking without passing through a common lobby area. Motels also include auto courts, tourist courts, motor lodges, motor inns and motor hotels.

Municipal Code. City of Costa Mesa Municipal Code.

Open space. An area that is intended to provide light and air, and is designed for either environmental, scenic or recreational purposes. Open space may include, but is not limited to, lawns, decorative planting, walkways, active and passive recreational areas, playgrounds, fountains, swimming pools, wooded areas; first floor decks; unenclosed patios with solid or lattice roofs; water courses; and surfaces covered by not more than five feet in depth by projections which are at least eight feet above grade.

Open space shall not include the following: driveways; parking lots; other surfaces designed or intended for vehicular travel; and upper floor decks, balconies or areas under projections which are less than eight feet above grade.

Open space, common. An area of land reserved primarily for the leisure and recreational use of all residents of a planned development or common interest development and owned in common by them, generally through a homeowners' association.

Open space, private. An area of land located adjacent to an individual dwelling unit, owned or leased and maintained by its residents, and reserved exclusively for their use.

Operator means a company, business or individual, including an in-house manager, who provides residential services, i.e., the placement of individuals in a residence, setting of house rules, and/or governing behavior of the residents as residents. Operator does not include a property owner or property manager that exclusively handles real estate contracting, property management and leasing of the property and that does not otherwise meet the definition of operator.

Organizational documents. The declaration of restrictions, articles of incorporation, bylaws, and any contracts for the maintenance, management or operation of all or any part of a project.

Parcel. Same as Lot.

Parkway. The area of a public street that lies between the curb and the adjacent property line or physical boundary definition, which is used for landscaping and/or passive recreational purposes.

Paved area. Ground surface covered with cobblestone, clay-fired bricks, concrete precast paver units, poured concrete with or without decorative surface materials, or asphaltic or rubber mixture which may include sand, stone, or gravel as an ingredient to create a hard surface. A graded natural surface or one covered with rolled stone or overlaid with loose gravel is not considered paved area.

Peak hour. The hour during the AM peak period (typically 7:00 a.m.—9:00 a.m.) or the PM peak period (typically 3:00 p.m.—6:00 p.m.) in which the greatest number of vehicle trips are generated by a given land use or are traveling on a given roadway.

Permitted use. Any use allowed in a land use zoning district without requiring a discretionary approval, and subject to the provisions applicable to that district.

Personal Services. A commercial use that provides personal care, grooming, wellness, aesthetic, or convenience services directly to individuals. This category does not include group fitness uses, medical offices, or other uses involving medical diagnosis or clinical treatment.

Personal Services, Group. A commercial use that provides personal care, grooming, wellness, aesthetic, or convenience services directly to individuals that include group instruction or group setting. This category does not include group fitness uses, medical offices, or other uses involving medical diagnosis or clinical treatment.

Physical Fitness Facility. Means a facility, building, or portion thereof designed and operated for physical fitness, athletic training, sports instruction, exercise, recreation, or wellness activities conducted individually or in groups, with a gross floor area of 15,000 square feet or greater. Such facilities may include exercise equipment, fitness classes, courts, fields, training areas, locker rooms, spectator seating accessory to the primary use, and related support amenities. Also see Health Club.

Planned development. A land area which is developed as an integrated unit under single ownership or control and having planned development zoning designation.

Planning application. A broad term for any development project or land use which requires the discretionary review and approval of either the planning division, zoning administrator, planning commission, or city council. Planning applications include major modifications, conditional use permits, development reviews, variances, etc.

Planning division. The planning division of the ~~development services~~ Community Development D~~d~~epartment of the City of Costa Mesa.

Project. See Development.

Property line. A line of record bounding a lot which divides one lot from another lot or from a public or private street or any other public space.

Property line, front. For interior lots, the narrowest property line of a lot abutting a public or private street. If two or more equal property lines are narrowest, the front shall be that property line across which the development takes its primary access (if the primary access is determined to be equal, there shall be two front property lines). However, for non-residentially zoned property, any property line abutting a public street designated as a secondary, primary or major street on the master plan of highways shall be deemed a front property line. A non-residentially zoned property shall have more than one front property line when it abuts more than one street designated as secondary, primary, or major on the master plan of highways.

For R-1 zoned property located on corner lots, the front property line may be the property line towards which the front of the dwelling unit is oriented.

Property line, rear. The property line opposite the front property line. A corner lot with more than one front property line shall have more than one rear property line. Irregularly shaped lots may also have more than one rear property line.

Property line, side. Any property line which is not a front or rear property line.

Property line, ultimate. The boundary of a lot after the dedication of land for use as public right(s)-of-way, whether dedicated in fee or by easement. A setback is measured from the ultimate property line.

Public area. Establishments where food or beverages are served. That portion of an establishment reserved for the exclusive use of the public for the receipt or consumption of food and/or beverages. For the purpose of this Zoning Code, public area shall not include restrooms, kitchens, hallways or other areas restricted to employees only.

Public hearing. A public proceeding conducted for the purpose of acquiring information or evidence which may be considered in evaluating a proposed action, and which affords to any affected person or persons the opportunity to present their views, opinions, and information on such proposed applications. "Mandatory hearings" are those required to be held by law, and "discretionary hearings" are those which may be held within the sole discretion of the hearing body.

Public right-of-way. A strip of land acquired by reservation, dedication, prescription or condemnation and intended to be occupied by a road, trail, water line, sanitary sewer and/or other public uses.

Recyclable materials. Reusable materials, including, but not limited to, metals, glass, plastic and paper which are intended for reuse, remanufacture or reconstruction. Recyclable materials do not include refuse, hazardous materials or hazardous waste.

Recycling. The process by which waste products are reduced to raw materials and transformed into new products.

Recycling and collection facility. A building or enclosed space used for the collection and processing of recyclable materials for preparation for shipment, or to an end user's specifications, by such means as baling, briquetting, compacting, flattening,

grinding, crushing, mechanical sorting, shredding, cleaning or remanufacturing.

Referral facility. A residential care facility or a group home where one or more person's residency in the facility is pursuant to a court order or directive from an agency in the criminal justice system.

Residential care facility. A residential facility licensed by the state where care, services, or treatment is provided to persons living in a supportive community residential setting. Residential care facilities include, but may not be limited to, the following: intermediate care facilities for the developmentally disabled (Health & Safety Code §§ 1267.8,1267.9); community care facilities (Health & Safety Code § 1500 et seq.); residential care facilities for the elderly (Health & Safety Code § 1569 et seq.); residential care facilities for the chronically ill (22 C.C.R. § 87801(a)(5); Health & Safety Code § 1568.02); alcoholism and drug abuse facilities (Health & Safety Code §§ 11834.02—11834.30); pediatric day health and respite care facilities (Health & Safety Code § 1760 et seq.); residential health care facilities, including congregate living health facilities (Health & Safety Code §§ 1265—1271.1, 1250(i), 1250(e), (h)); family care home, foster home, group home for the mentally disordered or otherwise handicapped persons or dependent and neglected children (Wel. & Inst. Code §§ 5115—5120).

Residential, multi-family. Apartments, common interest developments, townhouses and similar multiple-family residential developments, including detached single-family homes where there is more than one primary dwelling unit on a lot.

Residential, single-family. Detached single-family home where there is no more than one primary dwelling unit on a lot.

Room, bedroom. A fully-enclosed room designed or intended to be used for sleeping purposes within a residence that typically includes a closet and is separated from the other living spaces with a door.

Room, home office. A room designed and intended to be used for a household office or small business related activity within a residence. Within a single-family detached residence, this room is strictly not intended for sleeping purposes, and lacks direct access to a bathroom. The home office may also be referred to as a studio, den, study or library.

Senior congregate care facility. A structure(s) providing residence for 13 or more senior citizens with kitchen, dining, recreational, etc. facilities with separate bedrooms and/or living quarters.

Setback. The required distance that a building, structure, parking or other designated item must be located from a property line or lot line. A setback is measured from the ultimate property line.

Single housekeeping unit. The occupants of a dwelling unit have established ties and familiarity with each other, including joint use of and responsibility for common areas, which includes interaction with each other, shared meals, household activities, and expenses and responsibilities; where residency is mutually agreed by all residents, is not transitory in nature and the residential activities of the household are conducted on a not-for-profit basis.

Single room occupancy unit. A dwelling unit that serves as the primary residence of its occupant(s) and is offered on a monthly rental basis or longer. Single room

occupancy units may contain kitchen and/or sanitary facilities. If the units do not contain kitchen and/or bathroom facilities, shared kitchen and/or bathroom facilities must be provided within the building.

Single room occupancy residential hotel. A residential hotel, allowed in certain commercial zones, that contains units designed for long-term occupancy by a single person, although double occupancy may be permitted.

Slope. The degree of deviation of a surface from the horizontal plane, usually expressed in percent or degrees.

Small Fitness Studio. An indoor commercial use of up to 5,000 square feet that provides instructor-led instruction, training, or structured physical activity, either in a group setting or one-on-one, including, but not limited to: dance, martial arts, yoga, Pilates, high-intensity interval training (HIIT), circuit training, and similar small-group fitness activities. These uses are characterized by scheduled classes or training sessions and are limited in scale and intensity.

Small lot subdivision. A residential development containing a maximum of 15 detached or townhome style units with no common walls where each unit is independently constructed on an individual parcel and the land is subdivided into fee simple parcels containing each unit. Each individual lot is provided with either a direct access to public street/alley or an easement access through a recorded subdivision map.

Smoking lounge. Any facility or location whose business operation, whether as a primary use or an ancillary use, is characterized by the sale, offering, and/or preparation of smoking of tobacco, cigars, hookah, electronic cigarettes, or similar products, including but not limited to establishments known variously as hookah parlors, vaping lounges, or cigar bars.

Smoking/vaping retailer. A smoke shop, electronic cigarette retailer, vapor cigarette retailer, or any other retail business that sells tobacco, electronic cigarettes, and related products primarily for off-site consumption. Smoking/vaping retailers shall not include food or beverage service, outdoor seating, or an indoor seating area greater than 100 square feet in area.

Sober living home. A group home for persons who are recovering from a drug and/or alcohol addiction and who are considered handicapped under state or federal law. Sober living homes shall not include the following: (1) residential care facilities; (2) any sober living home that operates as a single housekeeping unit; (3) any sober living home without an operator.

Specialty store. A retail store less than 3,000 square feet in area with hours of operation between 6:00 a.m. and 11:00 p.m. A specialty store offers a combination of foods and beverages for off-site use or consumption and provides for alcoholic beverage sales that are incidental to the primary use. No more than 10% of the total merchandise area of the retail floor may be devoted to display or sale of alcoholic beverages and only non- refrigerated alcoholic beverages may be offered. A specialty store must comply with the operational standards of section 13-200.72.

Specific plan. A plan consisting of text, maps, and other documents and exhibits regulating development within a defined area of the city, consistent with the general plan and the provisions of State Government Code section 65450 et seq.

State. State of California.

Story. For purposes related to zoning regulations, a story is that portion of a building included between the surface of any floor and the surface of the floor next above it. If there is no floor above it, then the space between such floor and the ceiling next above it shall constitute a story. An attic shall not be considered a story. A basement or cellar shall not be considered a story, if the finished floor level directly above the basement or cellar is less than four feet above finish grade at all locations. Any uncovered deck or activity area above the first story shall be considered a story.

Streamlined development review. The streamlined processing of a development plan when authority for approval is vested in the planning division.

Street. A public or private thoroughfare that provides primary access to adjacent land and local traffic movements. Streets do not include driveways which only provide access to parking areas.

Structure. Anything, including a building, located on the ground in a permanent location or attached to something having a permanent location on the ground.

Supportive housing. Housing with no limit on length of stay, that is occupied by the target population, as defined in Section 50675.14 of the California Health and Safety Code, and that is linked to on site or off site services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

Tandem parking. An arrangement of parking spaces one behind the other in a row of maximum two cars including one in the garage space. Tandem garage parking is defined as the placement of standard parking spaces one behind the other within the enclosed area of a garage.

Townhouse. A single-family attached dwelling unit located on an individual dwelling unit lot, and is part of a row of units that contains three or more dwelling units.

Transitional housing. A development with buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. *Trip (vehicle).* A one-way vehicular journey either to or from a site, or totally within the site i.e. internal trip. Each trip has two trip ends, one at the beginning and the other at the destination.

Trip rate (vehicular). The anticipated number of vehicle trips to be generated by a specific land use type or land use classification. The trip rate is expressed as a given number of vehicle trips for a given unit of development intensity (i.e., trip per unit, trip per 1,000 square feet, etc.).

Uncontrolled environment. A location where there is the exposure (to radiofrequency radiation) of individuals who have no knowledge or control of their exposure. The exposures may occur in living quarters or work places where there are no expectations that the exposure levels may exceed the exposure and induced current levels permitted for the general public.

Underroof. All of the area within the walls of the building that a roof covers. Areas under porches, roof overhangs, garage protrusions, breezeways and other similar architectural design features are not considered as underroof.

Unit. A particular building or structure, or portion thereof, that is designed, intended or used for exclusive occupancy, possession or control of individual owners or occupiers, whether or not they have interests in common areas of the project.

Use. The purpose (type and extent) for which land or a building is arranged, designed, or intended, or for which either land or a structure is occupied or maintained.

Warehouse, mini. A structure or group of structures for the dead storage of customer's goods and wares where individual stalls or lockers are rented out to different tenants for storage and where at least one of the stalls or lockers has less than 500 square feet of floor area.

Warehouse, public. A structure or group of structures for the dead storage of customer's goods and wares where individual stalls or lockers are rented out to different tenants for storage and where all the stalls or lockers have more than 500 square feet of floor area.

Vacancy rate (common lot development conversion). The ratio of vacant apartments being offered for rent or lease in the City of Costa Mesa, shown as a percentage of the total number of apartments in the city.

Vape lounge. See Smoking lounge.

Vape shop. See Smoking/vaping retailer.

Variance. A discretionary entitlement, usually granted by the planning commission, which permits departure from the strict application of the development standards contained in this Zoning Code, based on specified findings.

Yard. Any open space on a lot unoccupied and unobstructed from the ground upward, except an inside court.

Yard, front. The yard between the front line of a building and the front line of the lot upon which the building is located.

Yard, rear. The yard extending from the extreme rear line of the main building to the rear lot line on which the building is situated.

Yard, side. The yard extending from the front yard, or from the front lot line where no front yard is required, to the rear yard or rear lot line, between the side lot line and the nearest wall of the main building or any accessory structure attached thereto.

Zero lot line. The location of a structure on a lot in such a manner that one or more of the structure's sides rest directly on a lot line.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 98-5, § 4, 3-2-98; Ord. No. 00-5, § 1(a), 3-20-00; Ord. No. 01-16, § 1a., 6-18-01; Ord. No. 05-11, § 2a., 7-19-05; Ord. No. 06-18, § 1, 9-5-06; Ord. No. 09-3, §§ 1a., b., 5-19-09; Ord. No. 09-4, § 1a., 5-5-09; Ord. No. 10-13, § 1, 10-19-10; Ord. No. 10-14, § 1, 11-16-10; Ord. No. 11-10, § 1, 9-20-11; Ord. No. 13-1, § 2A., 3-19-13; Ord. No. 13-05, § 1, 12-3-13; Ord. No. 14-

04, § 2A., 4-1-14; Ord. No. 14-13, § 1, 10-21-14; Ord. No. 15-10, § 2A, 9-15-15; Ord. No. 15-11, § 1, 11-17-15; Ord. No. 16-01, § 1, 1-19-16; Ord. No. 18-03, § 2, 1-16-18; Ord. No. 21-03, § 3, 3-2-21; Ord. No. 21-20, § 1, 12-7-21; Ord. No. 26-03 § 04-07-26)

EXHIBIT B

Chapter IV
Citywide Land Use Matrix

§ 13-30. Purpose.

The purpose of this chapter is to provide a comprehensive list of uses which are permitted, conditionally permitted, or prohibited in the various zoning districts, as represented by Table 13-30, Land Use Matrix. In evaluating a proposed use, the following criteria shall also be considered:

(a) Uses determined as permitted may be subject to a discretionary review when construction is proposed, pursuant to Chapter III, Planning Applications.

(b) Uses proposed in the planned development zones are subject to verification of consistency with the master plan adopted for planned development zones. A proposed use not expressly allowed by the adopted master plan may require additional discretionary review pursuant to Table 13-30, Land Use Matrix.

(c) All listed uses in the matrix are subject to verification of compliance with density and floor area ratio limits, parking requirements and performance standards which may, in certain cases, prevent the establishment of the use.

(d) Any proposed use not listed in the Land Use Matrix shall be reviewed by the development services director to determine its similarity to another listed use. If no substantial similarity exists, the proposed use shall require approval of a conditional use permit prior to establishment of the use.

(e) For the purpose of Table 13-30, Land Use Matrix, the various zoning districts are labeled as follows:

Residential zones: R1, R2-MD, R2-HD, and R3

Commercial zones: AP, CL, C1, C2, C1-S, and TC

Industrial zones: MG and MP

Planned Development Residential zones: PDR-LD, PDR-MD, PDR-HD, and PDR-NCM

Planned Development Commercial zone: PDC Planned Development

Industrial zone: PDI

The Parking zone: P

Institutional and Recreational zones: I & R, I & R-S, and I & R-MLT

(f) For zoning districts located in a specific plan area, please refer to the appropriate specific plan text to determine if any additional regulations related to land uses are applicable.

(g) For the mixed-use overlay district located in an urban plan area, please refer to the appropriate urban plan text for additional regulations related to development standards and allowable land uses as applicable.

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
RESIDENTIAL USES																						
1. Single-family dwellings (single housekeeping units)	P[4]	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	•	•	P	•
2. Multi-family dwellings	•	P	P	P	•	•	•	•	•	P	•	•	P	P	P	P	P	P	•	•	P	•
2.1 Common interest developments, residential	•	P	P	P	•	•	•	•	•	P	•	•	P	P	P	P	P	P	•	•	P	•
2.2 Small lot subdivisions, residential	•	P	P	P	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
3. Mobile home parks	•	C	C	C	•	•	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•
4. Boarding-house, small[7]	•	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	•	•	•	•
5. Boarding-house, large[7]	•	C	C	C	•	•	•	•	•	•	•	•	•	C	C	C	C	C	•	•	•	•
6. Residential care facility, six or fewer persons (State licensed)	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	P	•	P	•
7. Group homes, six or fewer	S	S[6]	S[6]	S[6]	•	•	•	•	•	•	•	•	S[6]	S[6]	S[6]	S[6]	S[6]	S[6]	P	•	P	•
7.1 Sober living homes, six or fewer	S[5]	S[6]	S[6]	S[6]	•	•	•	•	•	•	•	•	S[6]	S[6]	S[6]	S[6]	S[6]	S[6]	P	•	•	•
8. Residential care facility, seven or more	•	C[6]	C[6]	C[6]	•	•	•	•	•	•	•	•	•	C[6]	C[6]	C[6]	C[6]	C[6]	P	•	•	•
9. Group homes, seven or more	•	C[6]	C[6]	C[6]	•	•	•	•	•	•	•	•	•	C[6]	C[6]	C[6]	C[6]	C[6]	P	•	•	•
9.1 Sober living homes, seven or more	•	C[6]	C[6]	C[6]	•	•	•	•	•	•	•	•	•	C[6]	C[6]	C[6]	C[6]	C[6]	P	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
10. Referral facility (Subject to the requirements of section 13-32.2, referral facility).	•	C[2]	C[2]	C[2]	•	•	•	C[2]	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	•	•
11. Single room occupancy residential hotel (subject to City Council Policy 500-5)	•	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Employee housing, six or fewer	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	•	•	P	•
Supportive housing	P[12]	P[11, 12]	P[11, 12]	P[11, 12]	•	•	•	•	•	P[11, 12]	•	•	P[11, 12]	P[11, 12]	P[11, 12]	P[11, 12]	P[11, 12]	P[11, 12]	•	•	P[11, 12]	•
Transitional housing	P[12]	P[12]	P[12]	P[12]	•	•	•	•	•	P[12]	•	•	P[12]	P[12]	P[12]	P[12]	P[12]	P[12]	•	•	P[12]	•
Low barrier navigation center	•	•	•	•	•	•	•	•	•	P[13]	•	•	•	•	•	•	P[13]	P[13]	•	•	P[13]	•
ACCESSORY USES																						
12. Electric Vehicle Charging Station, Accessory Use (subject to the requirements of Chapter IV, 13-30)	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]
13. Animals, keeping of	SEE TITLE 3, ANIMALS AND FOWL																					
14. Antennas: Amateur radio, Satellite dish, Communication	SEE CHAPTER IX, ARTICLE 2, ANTENNAS																					
15. Reserved																						
16. Day care facilities (15 children or more) (see also Nursery	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	P	P	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
schools)																						
17. Family day care—Large (7 to 14 children) (subject to the requirements of section 13-37, large family day care homes)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P	•	P[2]	•
18. Family day care—Small (up to 8 children)	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P[3]	P[3]	P	•	P[3]	•
19. Garage/yard sales—No more than 2 events permitted a year, not to exceed 3 consecutive days	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P[3]	P[3]	•	•	P[3]	•
20. Reserved																						
21. Home occupations (subject to the requirements of chapter IX, article 6, home occupations)	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2]	•	P[2]	•
22. Home occupations that generate traffic and do not involve more than 1 customer/ client at a time or more than 8 customers/clients per day (subject to the requirements of ch. IX, article 6, home occupations)	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	•	MC[2,3]	•
22.1 Non-residential accessory uses in a residential development not otherwise specified in this table	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
21. Home occupations (subject to the requirements of chapter IX, article 6, home occupations)	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2]	•	P[2]	•
22. Home occupations that generate traffic and do not involve more than 1 customer/ client at a time or more than 8 customers/clients per day (subject to the requirements of ch. IX, article 6, home occupations)	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	•	MC[2,3]	•
22.1 Non-residential accessory uses in a residential development not otherwise specified in this table	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
22.2 Accessory dwelling unit (subject to the requirements of ch. V, section 13-35, accessory dwelling units)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	P[2]	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	P[2]	•
22.3 Junior accessory dwelling unit (subject to the requirements of ch. V, section 13-35, accessory dwelling units)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	P[2]	•
22.4 Temporary real estate and construction offices (subject to the requirements of ch. IX, art. 10, temporary trailers)	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
INSTITUTIONAL AND RECREATIONAL USES																						
23. Cemeteries	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	C	•	•	•
24. Churches and other places of religious assembly (Subject to the requirements of article 4.5, development standards for churches and other places of religious assembly)	C[2]	C[2]	C[2]	C[2]	C[2]	C[2]	P[2]	P[2]	C[2]	C[2]	P[2]	P[2]	C[2]	C[2]	C[2]	C[2]	C[2]	C[2]	P[2]	C[2]	C[2]	•
25. Civic and community clubs	C	C	C	C	C	C	P	P	P	P	C	C	C	C	C	C	C	C	C	•	P	•
26. Convalescent hospitals; nursing homes	•	C	C	C	C	C	C	C	•	•	•	•	•	•	•	•	•	•	P	•	•	•
27. Country clubs; golf courses	C	C	C	C	•	•	•	•	•	•	•	•	C	C	C	C	•	•	P	C	•	•
28. Crematories (See also Mortuary services)	•	•	•	•	•	•	•	C	•	•	C	C	•	•	•	•	•	•	C	•	•	•
29. Fairgrounds; outdoor festival (permanent)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	C	•	•	•
30. Hospitals, general	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	P	•	P	•
31. Libraries, privately-operated	C	C	C	C	•	•	C	C	C	C	C	C	C	C	C	C	C	C	P	C	•	•
31a. Marijuana and/or medical marijuana cultivation	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
31b. Cannabis and/or marijuana distributer	•	•	•	•	•	•	•	•	•	•	•	C[9]	•	•	•	•	•	C[9]	•	•	•	
31c. Cannabis and/or marijuana manufacturer or	•	•	•	•	•	•	•	•	•	•	•	C[9]	•	•	•	•	•	C[9]	•	•	•	

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
processor																						
31d. Cannabis and/or marijuana retail sales storefront	•	•	•	•	•	C[9]	C[9]	C[9]	C[9]	C[9]	•	•	•	•	•	•	•	•	•	•	•	
31e. Cannabis and/or marijuana retail sales nonstorefront (deliveries)	•	•	•	•	•	C[9]	C[9]	C[9]	C[9]	C[9]	•	C[9]	•	•	•	•	•	C[9]	•	•	•	•
31f. Cannabis and/or marijuana research and development and/or testing laboratories	•	•	•	•	•	•	•	•	•	•	•	C[9]	•	•	•	•	•	C[9]	•	•	•	
32. Mortuary services without crematories	•	•	•	•	C	C	C	C	C	•	C	C	•	•	•	•	•	•	C	•	•	•
32a. Needle exchange program	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
33. Nursery schools—See also Day care facilities for 15 or more children	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	P	C	•
34. Parks and playgrounds	C	C	C	C	•	•	•	•	•	C	•	•	C	C	C	C	C	C	P	P	P	•
35. Public offices and facilities, such as city halls, courthouses, police/ fire stations, etc.	C	C	C	C	C	C	P	P	P	P	C	C	C	C	C	C	C	C	P	•	•	•
36. Schools: primary, secondary and colleges	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	P	P	•
37. Schools: trade and vocational; group counseling	•	•	•	•	•	MC	P	P	P	P	MC	MC	•	•	•	•	P	MC	P	P	•	•
38. Senior congregate care facility	•	C	C	C	C	C	C	C	C	C	•	•	•	C	C	C	C	•	C	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
39. Swap meets	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	C	C	•	•
39a. Emergency shelters	•	•	•	•	•	•	•	•	•	•	•	C[10]	•	•	•	•	•	P[10]	•	•	•	•
SPECIAL SEASONAL EVENTS																						
40. Reserved																						
41. Christmas tree lots; pumpkin patches; fireworks stands; produce stands (subject to the requirements of title 9, chapter II, regulation of certain businesses)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•	P[2]	P[2]	P[2]	P[2]	•	•
COMMERCIAL AND INDUSTRIAL USES																						
42. Acupressure; massage (subject to the requirements of title 9, chapter ii, article 22, Massage establishments and practitioners)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	P[2]	•	•	•	•	•
42a. Active Entertainment (subject to the requirements of chapter IX, article 5, electronic game machines and Article 26, Active Entertainment)	•	•	•	•	P	P	P	P	P	P	MC	MC	•	P	P	P	P	P	•	•	•	•
43. Adult businesses (See Sexually-oriented businesses)																						
44. Aggregate batch plants; Rock or asphalt crushing; Sand	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
blasting																						
45. Ambulance services	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	MC	•	•	•	•	MC	MC	•	•	•	•
46. Amusement centers (subject to the requirements of chapter IX, article 5, electronic game machines, and Article 26, Active Entertainment/Amusement Center)	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	•	•
47. Animal hospitals; veterinary services (kenneling only when incidental to principal hospital use)	•	•	•	•	•	C	C	P	P	C	C	C	•	•	•	•	P	•	•	•	•	•
48. Animal shelters, pounds, kennels, training schools	•	•	•	•	•	•	•	C	•	•	C	C	•	•	•	•	•	•	C	•	•	•
48a. Antique malls	•	•	•	•	•	•	P	P	P	•	MC	MC	•	•	•	•	P	MC	•	•	•	•
49. ~~Artists, sculptors studios~~ Artisan Studio	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	~~•~~P	P	P	•	•	•	•
50. Auction houses	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
51. Automobile (See Motor vehicle)																						
52. Banks; savings and loans; and other financial institutions	•	•	•	•	P	P	P	P	P	P	•	•	•	P	P	P	P	P	•	•	•	•
53. Bars; nightclubs (See Establishments where food or beverages are served)																						

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
54. Reserved ~~Barber and beauty shops with accessory uses such as permanent make up, facials, and accessory massage~~	~~•~~	~~•~~	~~•~~	~~•~~	~~•~~	~~P~~	~~P~~	~~P~~	~~P~~	~~P~~	~~•~~	~~•~~	~~•~~	~~P~~	~~P~~	~~P~~	~~P~~	~~P~~	~~•~~	~~•~~	~~•~~	~~•~~
55. Billiards parlors	•	•	•	•	•	•	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	•	•	•	•
56. Botanical gardens; Zoos	•	•	•	•	•	•	C	C	C	C	•	•	•	•	•	•	•	•	C	•	•	•
57. Bowling centers	•	•	•	•	•	•	MC	MC	MC	MC	•	•	•	•	•	MC	MC	•	•	•	•	•
58. Breweries; Distilleries	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	•	•	•	•
59. Reserved																						
60. Building supplies; Hardware stores (retail)	•	•	•	•	•	•	P	P	P	•	•	•	•	P	P	P	P	•	•	•	•	•
61. Business services—See Offices																						
62. Car washes	•	•	•	•	•	•	C	C	C	C	C	C	•	C	C	C	C	C	•	•	•	•
63. Carts— Outdoor retail sales in conjunction with an established business	•	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	MC	•	•	•
64. Catering	•	•	•	•	•	MC	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•
65. Coffee roasting	•	•	•	•	•	•	•	•	•	•	MC	MC	•	•	•	•	•	•	•	•	•	•
66. Coffee roasting (in conjunction with establishments where food or beverages are served)	•	•	•	•	•	•	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
67. Commercial art; Graphic design	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
68. Commercial testing laboratories	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
69. Computer and data processing	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
70. Contracting: general contractors; operative builders	•	•	•	•	•	C	C	P	C	•	P	P	•	•	•	•	•	P	•	•	•	•
71. Convenience stores; mini-markets (subject to the requirements of chapter IX, article 16, liquor stores, convenience stores, and mini-markets)	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	•	C[2]	C[2]	C[2]	•	•	•	•	•
72. Department stores (retail)	•	•	•	•	•	•	P	P	P	P	•	•	•	•	•	•	P	•	•	•	•	•
73. Electronic game machines (four or more), incidental to the primary use, (subject to the requirements of chapter IX, article 5, electronic game machines)— Excluding amusement centers listed separately	•	•	•	•	•	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	•	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	•	•	•	•
74. Engineering; architectural; and surveying services— See Offices																						
75. Entertainment, live or public	•	•	•	•	•	SEE TITLE 9, ARTICLE 11, REGULATORY PERMITS FOR PUBLIC ENTERTAINMENT							•	SEE TITLE 9, ARTICLE 11, REGULATORY PERMITS FOR PUBLIC ENTERTAINMENT								•	•
76. Establishments where food or beverages are served	•	•	•	•	•	SEE CHAPTER V, ARTICLE 4, ESTABLISHMENTS WHERE FOOD OR BEVERAGES ARE SERVED							•	SEE CHAPTER V, ARTICLE 4, ESTABLISHMENTS WHERE FOOD OR BEVERAGES ARE SERVED						•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
~~77. Exhibition of products produced on premises or available for wholesale distribution~~	~~•~~	~~•~~	~~•~~	~~•~~	~~•~~	~~P~~	~~P~~	~~P~~	~~P~~	~~P~~	~~P~~	~~P~~	~~•~~	~~•~~	~~•~~	~~•~~	~~P~~	~~P~~	~~•~~	~~•~~	~~•~~	~~•~~
77. Event Center (subject to the requirements of chapter IX, article 25, Event Center)	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	C	C	C	•	•	•	•
78. Flower stands—See also Carts	•	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	MC	•	•	•
~~79. Furniture repair and refinishing with incidental sales~~	~~•~~	~~•~~	~~•~~	~~•~~	~~•~~	~~•~~	~~P~~	~~P~~	~~P~~	~~•~~	~~P~~	~~P~~	~~•~~	~~•~~	~~•~~	~~•~~	~~•~~	~~P~~	~~•~~	~~•~~	~~•~~	~~•~~
79. Electric Vehicle Charging Station, Primary Use (subject to the requirements of Chapter IV, 13-30)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]
80. Grocery stores—See also Supermarkets; excluding convenience stores; and liquor stores listed separately	•	•	•	•	•	•	P	P	P	P	•	•	•	MC	MC	MC	MC	•	•	•	•	•
81. Hazardous waste facilities, off-site (subject to chapter IX article 9, off-site hazardous waste facilities)	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	C[2]	C[2]	•	•	•	•	C[2]	C[2]	C[2]	•	•	•
82. Heliports; Helistops	•	•	•	•	•	•	•	•	C	C	C	C	•	•	•	•	C	C	C	C	•	•
83. Hotels— Excluding motels listed separately	•	•	•	•	•	•	C	C	C	P	•	•	•	C	C	C	P	•	•	•	•	•
84. Landscape services (installation	•	•	•	•	•	MC	MC	P	P	•	P	P	•	•	•	•	•	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
and maintenance)																						
85. ~~Reserved~~ ~~Laundry, cleaning and garment services, including plants~~	~~•~~	~~•~~	~~•~~	~~•~~	~~•~~	~~P~~	~~P~~	~~P~~	~~P~~	~~P~~	~~P~~	~~P~~	~~•~~	~~P~~	~~P~~	~~P~~	~~P~~	~~P~~	~~•~~	~~•~~	~~•~~	~~•~~
86. Leather tanning and finishing	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	C	•	•	•	•
87. Limousine services	•	•	•	•	•	C	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
88. Liquor stores (subject to the requirements of chapter IX, article 16, liquor stores, convenience stores, and mini- markets)	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	•	•	•	C[2]	•	•	•	•	•
89. Lumber and building materials dealers, (wholesale)	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
90. Manufacturing: Light EXCEPT the following which are prohibited: • Manufacture of fertilizer • Manufacture of products involving the use of explosives Manufacture of rubber (including tires), steel	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	P2	•	•	•	•
91. Manufacturing of chemical products, paints, pharmaceuticals, and plastics	•	•	•	•	•	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	C[2]	•	•	•	•
92. Manufacturing of stone, clay, glass and	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	P[2]	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
concrete products EXCEPT the following which are prohibited: • Manufacture of flat glass • Manufacture of cement and structural clay products • Manufacture of concrete, gypsum and plaster products • Manufacture of abrasive and asbestos products • Manufacture of nonclay refractories and crucibles • Processing and preparation of clay, ceramic and refractory minerals																						
93. Manufacturing or processing of foods and beverages EXCEPT the following which are prohibited: • Meat and poultry packing plants • Grain mills • Sugar refining • Fats and oils processing mills • Seafood canneries and packaging (See also Breweries; Distilleries; Coffee roasting)	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	P[2]	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
94. Massage— See also Acupressure (subject to the requirements of title 9, chapter II, article 22, massage establishments and practitioners)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	P[2]	•	•	•	•	•
95. Medical laboratories	•	•	•	•	MC	MC	P	P	P	P	MC	MC	•	•	•	•	MC	MC	•	•	•	•
96. Metal fabrication, welding, foundry, die casting (subject to subsection 13-54(a), performance standards)	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	•	•	•	•	•
97. Motels— (Subject to requirements of chapter IX, article 8, motels) Excluding Hotels listed separately	•	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	•	•	•	•	•	•	•	•	•
98. Motion picture and television studios	•	•	•	•	C	C	C	C	•	•	P	P	•	•	•	•	P	P	•	•	•	•
99. Motion picture theaters and other theaters not within 200 feet of residential zones	•	•	•	•	•	•	P	P	P	P	•	•	•	•	•	•	P	•	•	•	•	•
100. Motion picture theaters and other theaters within 200 feet of residential zones	•	•	•	•	•	•	C	C	C	C	•	•	•	•	•	•	C	•	•	•	•	•
101. Motor oil, used—Collection facility (subject to the requirements of chapter IX, article 9, off-site hazardous waste facilities)	•	•	•	•	•	•	P[2]	P[2]	P[2]	•	P[2]	P[2]	•	•	•	•	P[2]	P[2]	P[2]	P[2]	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
102. Motor vehicle, boat, and motorcycle retail sales, leasing, rentals and service with two or more outdoor display parking spaces	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
103. Motor vehicle, boat, and motorcycle retail sales, leasing, and rentals with one or less outdoor display parking space and no service (subject to verification of parking availability)	•	•	•	•	•	•	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
104. Motor vehicle service stations	•	•	•	•	•	•	C	C	C	•	•	•	•	•	•	•	C	•	•	•	•	•
105. Motor vehicle service stations with concurrent sale of alcoholic beverages (subject to requirements of chapter IX, article 3, concurrent sale of alcoholic beverages and motor vehicle fuel)	•	•	•	•	•	•	C[2]	C[2]	C[2]	•	•	•	•	•	•	•	C[2]	•	•	•	•	•
106. Motor vehicle; boat; and motorcycle repair services (including body and paint work), not within 200 feet of residential zone (subject to subsection 13-54(b))	•	•	•	•	•	•	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•
107. Motor vehicle; boat; and motorcycle repair services (including body and paint work), within 200 feet of residential	•	•	•	•	•	•	C	C	C	•	C	C	•	•	•	•	C	C	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
zone (subject to subsection 13-54(b))																						
108. Nurseries (retail with no bulk fertilizer)	•	•	•	•	•	C	C	P	P	•	C	C	•	•	•	•	•	•	•	•	•	•
109. Offices: central administrative	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
110. Offices: engineering; architectural; and surveying services; management; consulting and public relations	•	•	•	•	P	P	P	P	P	P	P	P	•	MC	MC	MC	P	P	•	•	•	•
111. Offices: general; individual counseling	•	•	•	•	P	P	P	P	P	P	MC	MC	•	MC	MC	MC	P	P	•	•	•	•
112. Reserved																						
113. Offices: medical and dental	•	•	•	•	P	P	P	P	P	P	•	•	•	MC	MC	MC	P	MC	MC	•	•	•
114. Offices: services to businesses such as bookkeeping and data processing	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
115. Off-street parking lots and structures including related maintenance buildings	•	•	•	•	C	C	C	C	C	P	C	C	•	•	•	C	C	C	C	C	•	P
116. Off-street parking lots and structures, incidental uses within	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	MC	•	•	•	MC	MC	MC	MC	MC	•	MC
117. Oil fields; oil wells (see chapter XIV, oil drilling)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
118. Pawn shops	•	•	•	•	•	C	C	C	C	•	•	•	•	•	•	•	•	•	•	•	•	•
119. Photocopying; blueprinting and related services	•	•	•	•	•	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
120. Photofinishing laboratories	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
121. Photofinishing stores	•	•	•	•	•	P	P	P	P	P	•	•	•	•	•	•	P	P	•	•	•	•
122. Personal Service ~~Photography: Commercial~~	•	•	•	•	P	P	P	P	P	P	P ~~MC~~	P ~~MC~~	•	P •	P •	P •	P	• ~~MC~~	•	•	•	•
123. Personal Service with Group Instruction/Setting (see Chapter IX Article 24 Group Instruction/Setting including Studio and Fitness Uses) ~~Photography: portrait studio~~	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2] •	P[2] •	•	P[2] •	P[2] •	P[2] •	P[2]	• ~~MC~~	•	•	•	•
124. Physical fitness facilities	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
125. Printing and publishing	•	•	•	•	•	•	MC	P	MC	MC	P	P	•	•	•	•	P	P	•	•	•	•
126. Reserved ~~Recording studios~~	•	•	•	•	•	•	~~MC~~	~~MC~~	~~MC~~	•	~~MC~~	~~MC~~	•	•	•	•	~~MC~~	~~MC~~	•	•	•	•
127. Recycling and collection facilities for nonhazardous materials	•	•	•	•	•	MC	MC	MC	MC	•	MC	MC	•	•	•	•	MC	MC	MC	MC	•	•
128. Research and development laboratories— Other than cannabis and/or marijuana testing laboratories	•	•	•	•	C	C	C	P	C	C	P	P	•	•	•	•	•	P	•	•	•	
129. Restaurants including Food Halls—See Establishments where food or beverages are served																						

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
130. Retail: general—Excluding antique malls, pawn shops, supermarkets, grocery stores, convenience stores; and liquor stores listed separately	•	•	•	•	•	P	P	P	P	P	•	•	•	P	P	P	P	P	•	•	•	•
131. Retail, incidental sales to the main use (subject to the requirements of section 13-54(a), incidental retail sales)	•	•	•	•	P	P	P	P	P	P	P[2]	P[2]	•	P	P	P	P	P[2]	•	•	•	•
132. Retail: nonstore	•	•	•	•	P	P	P	P	P	P	P	P	•	P	P	P	P	P	•	•	•	•
133. Rifle, pistol, and firing ranges	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	C	•	•	•
134. Sexually-oriented businesses (subject to the requirements of title 9, chapter IV and title 13, chapter IX, sexually-oriented businesses)	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	•	P[2]	•	•	•	•	•
135. Reserved ~~Skating rinks~~	▲	▲	▲	▲	▲	▲	~~C~~	~~C~~	~~C~~	~~C~~	~~C~~	~~C~~	▲	▲	▲	~~C~~	~~C~~	~~C~~	~~C~~	~~C~~	▲	▲
135a. Smoking lounge (subject to chapter IX, article 19, smoking and vaping uses)	•	•	•	•	•	•	•	•	C[2]	•	•	P[2]	•	•	•	•	C[2]	•	•	•	•	•
135b. Smoking/vaping retailer (subject to chapter IX, article 19, smoking and vaping uses)	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
136. Storage of chemicals and allied products (except as incidental use)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
137. Storage of explosives	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
138. Storage of fertilizer	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	•	•	•	•
139. Storage of motor vehicles— Outdoor (not including impound yard)	•	•	•	•	•	•	C	C	C	•	MC	MC	•	•	•	•	C	MC	•	•	•	•
139a. Storage of motor vehicles— Indoor only (not including impound yard)	•	•	•	•	•	•	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•
140. Storage of petroleum and coal products	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
141. Storage of rock, sand, crushed aggregate and gravel	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	•	•	•	•
142. Studios ~~Fitness: dance; martial arts; music,~~ Small and Fitness Studios etc. (See Chapter IX Article 24, Group Instruction/Setting including Studio and Fitness Uses)	•	•	•	•	▲ P[2]	▲ P[2]	P[2]	P[2]	P[2]	P[2] ~~MC~~	P[2] ~~MC~~	P[2] ~~MC~~	•	P[2] ~~MC~~	P[2] ~~MC~~	P[2] ~~MC~~	P[2]	P[2] ~~MC~~	▲ P[2]	•	▲ P[2]	•
143. Supermarkets— See also Grocery stores	•	•	•	•	•	•	P	P	P	P	•	•	•	MC	MC	MC	MC	•	•	•	•	•
143a. Specialty stores	•	•	•	•	•	•	P	P	P	P	•	•	•	•	MC	MC	MC	•	•	•	•	•
144. Tattoo parlors	•	•	•	•	•	•	C	C	C	•	•	•	•	•	•	•	C	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
145. Tire sales and installation not within 200 feet of residential zone	•	•	•	•	•	•	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•
146. Tire sales and installation within 200 feet of residential zone	•	•	•	•	•	•	MC	MC	MC	•	MC	MC	•	•	•	•	MC	MC	•	•	•	•
147. Tow companies with or without impound yard	•	•	•	•	•	•	C	C	C	•	MC	MC	•	•	•	•	•	MC	•	•	•	•
148. Transfer station for refuse, sewage treatment	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	C	C	•	•	•
149. Trucking: local and long distance	•	•	•	•	•	•	•	C	•	•	P	P	•	•	•	•	•	C	•	•	•	•
150. Warehouses, mini (subject to the requirements of chapter IX, article 7, mini- warehouses)	•	•	•	•	•	•	C[2]	C[2]	C[2]	•	MC[2]	MC[2]	•	•	•	•	•	MC[2]	•	•	•	•
151. Warehouses, public	•	•	•	•	•	•	C	C	C	•	P	P	•	•	•	•	•	P	•	•	•	•
152. Warehousing of durable and nondurable goods except livestock and poultry—See also Storage	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
153. Wholesale trade of motor vehicles, boats and motorcycles with outdoor storage of vehicles	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
154. Wholesale trade of motor vehicles, boats and motorcycles without	•	•	•	•	•	MC	MC	P	P	P	P	P	•	P	P	P	P	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
outdoor storage of vehicles																						
155. Wholesale trade of durable, nondurable goods, except livestock, poultry and perishable goods	•	•	•	•	•	MC	MC	P	P	P	P	P	•	P	P	P	P	P	•	•	•	•

Notes:

1	Uses proposed in this zone are subject to verification of consistency with the adopted master plan. Uses not specified in the master plan, could be allowed, subject to the review process indicated in this matrix, if the proposed use is determined to be compatible with the adopted master plan. Residential uses shall not be permitted on any site or parcel of land on which residential uses are expressly prohibited by the general plan.
2	This use is subject to the requirements of the referenced Municipal Code article or section.
3	If residential uses exist, accessory uses shall be permitted.
4	For the purposes of this table, the symbols in the non-shaded areas shall have the following meaning: C—Conditional Use Permit; MC—Minor Conditional Use Permit; P—Permitted; •—Prohibited; and S—Special Use Permit.
5	Six hundred fifty foot separation required between sober living homes, or from state licensed alcohol or drug abuse recovery or treatment facilities. CMMC 13-311(a)(10)(i).
6	Subject to the separation requirement set forth in sections 13-322(a)(3) and 13-323(b).
7	Small boardinghouses shall locate at least 650 feet from any other small boardinghouse. Large boardinghouses shall be located at least 1,000 feet away from any other boardinghouse.
8	Uses prohibited in the base zoning district of a mixed-use overlay zone shall also be prohibited in the overlay zone.
9	Prohibited at the SoCo property, 3303 through 3323 Hyland Ave.
10	Emergency shelters located on sites owned, controlled, and/or operated by the city in the MP and/or the PDI zone are a permitted use, not subject to a master plan requirement and the standards in section 13-200.79(1), (2), (4), (8), (10) and (13) do not apply to such uses.
11	Supportive housing, as defined in Government Code Section 65650, shall be permitted by-right in all zones where multifamily and mixed uses are permitted by-right, provided it is consistent with Government Code Sections 65650 – 65656.
12	Pursuant to Government Code Section 65583(c)(3), transitional and supportive Housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zoning district.
13	Low barrier navigation centers shall be permitted by-right provided they are consistent with the requirements in Government Code Sections 65660-65668.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 98-4, § 2, 2-2-98; Ord. No. 98-5, § 8, 3-2-98; Ord. No. 00-5, § 1(b), 3-20-00; Ord. No. 01-1, § 1, 1-15-01; Ord. No. 01-30, § 1a(Att. A), 1-7-02; Ord. No. 02-4, § 1b(Att. A), 3-18-02; Ord. No. 02-12, § 1c, 6-17-02; Ord. No. 05-2, § 1f.(Att. A), 2-22-05; Ord. No. 05-11, § 2b., 7-19-05; Ord. No. 06-2, § 1a., 2-7-06; Ord. No. 06-9, § 1d., 4-18-06; Ord. No. 06-18, § 1b., 9-5-06; Ord. No. 07-2, § 1d., 2-6-07; Ord. No. 11-10, § 1, 9-20-11; Ord. No. 13-1, § 2B., 3-19-13; Ord. No. 14-04, § 2B., 4-1-14; Ord. No. 14-13, 10-21-14; Ord. No. 15-06, §§ 1—3, 7-7-15; Ord. No. 15-10, § 2B, 9-15-15; Ord. No. 15-11, §§ 3—5, 11-17-15; Ord. No. 16-01, § 4, 1-19-16; Ord. No. 16-09, §§ 4, 5(Exh. A), 10-4-16; Ord. No. 16-13, § 2, 11-15-16; Ord. No. 16-15, § 5, 11-8-16; Ord. No. 18-03, § 3, 1-16-18; Ord.

No. 18-04, § 3, 4-3-18; Ord. No. 19-13, § 3, 9-3-19; Ord. No. 19-15, § 1, 9-17-19; Ord. No. 21-03, § 4, 3-2-21; Ord. No. 21-08, § 1, 6-15-21; Ord. No. 21-20, § 1, 12-7; Ord. No. 26-03, 4-07-26;

EXHIBIT C

Chapter V, Development Standards
Article 3, Commercial Districts

§ 13-44 Development Standards.

Table 13-44 identifies development standards for the various commercial zones. See also Article 9, General Site Improvement Standards of this chapter for additional requirements.

TABLE 13-44
COMMERCIAL PROPERTY DEVELOPMENT STANDARDS

DEVELOPMENT STANDARDS	P	AP	CL	C1	C2	C1-S	TC
Minimum Lot Area for newly created lots	6,000 square feet			12,000 square feet		5 acres	See Master Plan
Minimum Lot Width for newly subdivided lots	120 feet Note: All newly subdivided lots shall have frontage on a dedicated street equal to, or in excess of, the required minimum lot width.			120 feet Note: All newly subdivided lots shall have frontage on a dedicated street equal to, or in excess of, the required minimum lot width.			None
Minimum Lot Width	Interior Lot: 50 feet Corner Lot: 60 feet			60 feet			None
Maximum Floor Area Ratio	Refer to CHAPTER V, ARTICLE 8, FLOOR AREA RATIOS.						
Maximum Building/ Structure Height	2 stories/30 feet[1,2] ~~(except a 5% increase is allowed if necessary to screen existing roof- mounted equipment)~~						None
SETBACKS FOR MAIN BUILDINGS AND ACCESSORY BUILDINGS AND STRUCTURES (Minimum distances given, unless otherwise noted. All setbacks from streets are measured from the ultimate property line shown on the master plan of highways.)							
Front	20 feet						
Side (Interior)	15 feet on one side and 0 feet on the other side. Exception: If the side property line is adjacent to a residential zone, all buildings shall maintain a side setback from the residential property line of 2 times the building height at all locations.						None
Rear (Interior)	0 feet Exception: If the rear property line is adjacent to a residential zone, all buildings shall maintain a rear setback from the residential property line of 2 times the building height at all locations.						None

Side or Rear abutting a public street	20 feet for secondary, primary or major streets per the master plan of highways. 15 feet for all other streets.	20 feet—see also subsections 13-45(f) and (g).
PROJECTIONS (Maximum depth of projections given)		
Roof or Eaves overhang; Awning	2 feet 6 inches into required side setback. 5 feet into required front or rear setback.	None
Open, unenclosed Stairways.	2 feet 6 inches into required setback area.	None
PARKING (See CHAPTER VI)		
LANDSCAPING (See CHAPTER VII)		

1. A 5% increase is allowed if necessary to screen existing roof- mounted equipment

2. A height deviation of up to 12 feet, or 40 percent of the maximum allowable height, whichever is less, may be approved through the minor conditional use permit process. In addition to the findings required by Sections 13-29(e) and 13-29(g)(2), the review authority shall find that the proposed height is (a) compatible with the existing and anticipated development in the vicinity; (b) enhances the architecture and design of the development; and (c) would not be materially detrimental to surrounding properties or uses and would not adversely affect the public health, safety, or welfare.

Add the following to Section 13-45 Additional property development standards for commercial districts.

(h) Noise Regulations. All operations shall conform to Chapter XIII Noise Control of this Title. The operator must limit noise generated from the use to the greatest extent feasible. Any noise complaints generated from this use must be addressed by the owner/operator.

EXHIBIT D

Chapter V, Article 4
Establishments Where Food or Beverages are Served

§ 13-46. Purpose.

The purpose of this article is to regulate and provide development standards for establishments where food or beverages are served. The proximity of residential uses to these types of establishments is a concern of this article. Where the distance criterion of 200 feet from residentially-zoned property is given in this article, it shall be measured from the property line of the site to the property line of the nearest residentially-zoned property. This article also establishes requirements for outdoor dining areas to support long-term economic viability of local establishments, promote vitality in the city's commercial areas, promote progress towards creating walkable communities by facilitating pedestrian-friendly and safe public spaces, and facilitate and incentivize enhanced city dining experiences.
(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 2024-01, 1/16/2024)

§ 13-47. Permitted and conditionally permitted uses.

Establishments where food or beverages are served are subject to the review and approval procedures shown in Table 13-47 (a) and (b). In instances where more than one review procedure is applicable to an establishment, the more stringent procedure shall apply.

TABLE 13-47(a)
PERMITTED AND CONDITIONALLY PERMITTED USES

LOCATION AND OPERATIONAL CHARACTERISTICS	C1-S	C1	C2	CL	TC	PD	MG	MP
Establishments with 300 square feet or less of indoor public area.[3]	P[1,2] or P	P	P	MC	P[1] or P	P[1] or P	P	P
Establishments with more than 300 square feet of indoor public area.[3]	P[1] or P	P	P	MC	P[1] or P	P[1] or P	MC	MC
EXCEPTIONS								
Located within 200 feet of a residential zone. (Subject to the requirements of section 13-49, Development Standards for section 13-49, Development Standards for Establishments Within 200 Feet of Residentially Zoned Property)[3]	P[1] or P	P	P	MC	P[1] or P	P[1] or P	P	P

TABLE 13-47(a)
PERMITTED AND CONDITIONALLY PERMITTED USES

LOCATION AND OPERATIONAL CHARACTERISTICS	C1-S	C1	C2	CL	TC	PD	MG	MP
Sale of alcoholic beverages for on-site consumption after 11:00 p.m. and/or provision of live entertainment or dancing located within 200 feet of a residential zone.[3]	P[1] or C	C	C	C	P[1] or C	P[1] or C	C	C
Sale of alcoholic beverages for on-site consumption after 11:00 p.m. and/or provision of live entertainment or dancing located not within 200 feet of a residential zone.[3]	P[1] or MC	MC	MC	MC	P[1] or MC	P[1] or MC	MC	MC
Drive-through operations. (Subject to the requirements of section 13-50, Development Standards for Drive-Through Operations)[3]	P[1] or MC	MC	MC	MC	P[1] or MC	P[1] or MC	MC	MC
Establishments with less than 300 square feet of indoor public area located in a multi-tenant center where 30% or more of the tenants are similar businesses, i.e., establishments with less than 300 square feet of indoor public area.[3]	P[1] or MC	MC	MC	MC	P[1] or MC	P[1] or MC	MC	MC
Establishments with a micro brewery[3]	P[1] or C	C	C	C	P[1] or C	P[1] or C	C	C
<u>Commercial Kitchens</u>						<u>P</u>	<u>P</u>	<u>P</u>

TABLE 13-47(a)
PERMITTED AND CONDITIONALLY PERMITTED USES

LOCATION AND OPERATIONAL CHARACTERISTICS	C1-S	C1	C2	CL	TC	PD	MG	MP
Ghost Kitchen (Subject to the requirements of section 13-52, Development Standards for Ghost Kitchens)		MC	P			P	P	P

Notes:

[1] Pursuant to an approved master plan which specifies these operational characteristics and/or location of the business.

[2] For the purposes of this table, the symbols shall have the following meaning: P=Permitted; MC=Minor Conditional Use Permit; C=Conditional Use Permit.

[3] Outdoor dining and seating areas may be considered as part of a proposed land use if allowed in the zoning district, and pursuant to the provisions, regulations and standards of this Article.

TABLE 13-47 (b) OUTDOOR DINING AREA PERMITTING PROCESS[1]	
LOCATION OF OUTDOOR AREAS AND OPERATIONAL CHARACTERISTICS	**Approval Process**
Courtyard Area	P[2]
Setback Area - Expansion of up to 50% of indoor public area outdoors.[1]	P[2]
Setback Area - Expansion of more than 50% of indoor public area outdoors.[1]	MC[2]
Parking Area - Expansion of up to 50% of indoor public area outdoors and does not remove more than five parking spaces or 25% of existing, required parking, whichever is less.[1]	P[2]
Parking Area - Expansion of more than 50% of indoor public area outdoors.[1]	MC[2]
Parking Area - removal of more than five parking spaces, or removal of more than 25% of existing, required parking, whichever is less.[1]	MC[2]

Notes:

[1] Temporary Use Permits for outdoor dining areas, including parklets within the public right-of-way, approved through Urgency Ordinance 2020-15 may continue to operate with staff approval; however, shall comply with applicable Building and Fire Code requirements, may not interfere with minimum required site access or circulation, and shall comply with the aesthetic development standards outlined in section 13-48 within six months from the time of ordinance adoption, with an allowed six-month extension of time. Outdoor dining areas approved under a temporary use permit shall also be subject to applicable fees. Any modifications to these outdoor dining areas shall be approved pursuant to this article.

For the purposes of this table, the symbols shall have the following meaning: P=Permitted; MC=Minor Conditional Use Permit.

[2]

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 2024-01, 1/16/2024)

Add the following new Section to Article 4, Establishments where Food or Beverages are Served:

§ 13-52. Operational standards for ghost kitchen operations.

Establishments with ghost kitchen operations shall comply with the following operational standards in addition to the development standards included in this Chapter, unless the standards are modified through the issuance of a minor conditional use permit.

(a) The customer area shall be limited to pick-up lobby only, no dine-in seating is allowed.

(b) Applicant shall provide a delivery/couriers management plan and shall submit it to the Planning Department for review and approval by the Community Development Director or their designee. The Plan shall include but not be limited to:

(1) Queuing. Queuing into drive aisles or public ROW is strictly prohibited. Should queuing be an issue the applicant/operators shall develop a solution that elevates the issue and shall be reviewed and approved by the Community Development Director or their designee.

(2) Loading Zone. Designated Pick-up/loading spaces shall be provided.

(3) Hours of operation.

(4) Operators. The plan shall identify the total number of operators and/or businesses in the facility.

(c) Should parking issues arise the owner and/or operator shall work with the City to resolve the issues which may include but shall not be limited too runners to deliver meals to waiting drivers/customers, parking attendants, and valet services.

(d) Establishments within 200 feet of residentially-zoned property shall also be subject to the development standards contained in section 13-49, Development standards for establishments within 200 feet of residentially-zoned property.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 00-4, § 1, 2-22-00; Ord. No. 2024-01, 1/16/2024)

EXHIBIT E

Chapter VI Off-Street Parking Standards, Article 2
Non-Residential Districts

§ 13-88. Purpose.

The purpose of this article is to establish parking requirements for all nonresidential zones, nonresidential components of the planned development residential zones and to mixed-use developments in all zones.
(Ord. No. 97-11, § 2, 5-5-97)

§ 13-89. Parking required.

The minimum amount of off-street parking as established in Table 13-89 shall be provided at the time:

(a) Any building and/or structure is constructed;

(b) Any building or structure is enlarged or increased in capacity by adding gross floor area, gross leasable area or seats;

(c) A specific use is proposed for a building site; or

(d) An existing use is changed to one which requires additional parking.

At all times, with the exception of the provisions of section 13-98, Declaration of land use restriction, parking shall be provided according to the requirements of Table 13-89.

TABLE 13-89
NON-RESIDENTIAL PARKING STANDARDS

USE	PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)
Retail; offices; central administrative offices; individual counseling; group counseling; artisan studio and retail commercial; small fitness studios; establishments where food or beverages are served with a maximum of 300 square feet of public area[1]	4 spaces per 1,000 square feet ~~with a minimum of 6 spaces~~[2]
Office buildings exceeding 2 stories in height and 100,000 square feet in area	3 spaces per 1,000 square feet
Banks; savings and loans; credit unions	5 spaces per 1,000 square feet with a minimum of 6 spaces
Medical and dental offices; acupressure; massage; personal services (non-group instruction/setting)	6 spaces per 1,000 square feet ~~with a minimum of 6 spaces~~
Furniture and appliance stores with floor area greater than 5,000 square feet	2 spaces per 1,000 square feet with a minimum of 20 spaces
Churches; theaters; mortuaries; auditoriums; services and fraternal clubs and lodges; amphitheaters event center, event venue, banquet facilities, assembly halls, and E-Sports arena, and other similar places of assembly	Within the main auditorium or assembly area: 1 space for each 3 fixed seats or 1 space for every 35 square feet of seating area if there are no fixed seats. 18 lineal inches of bench shall be considered equal to 1 fixed seat.
Racquetball and tennis facilities	3 spaces per court plus parking required for incidental uses such as restaurants which shall be calculated as noted below

TABLE 13-89 NON-RESIDENTIAL PARKING STANDARDS	
USE	**PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)**
Establishments where food or beverages are served with more than 300 square feet of public area[1,4]	10 spaces per 1,000 square feet for the first 3,000 square feet;[2] 12 spaces per 1,000 square feet for each additional 1,000 square feet above the first 3,000 square feet.[2]
Health clubs; fitness studios and physical fitness facilities; ~~spas; figure salons;~~ skating rinks~~; game arcades~~ active entertainment	Parking requirement is 10 spaces per 1,000 square feet (unless otherwise listed in this table). Accessory food or beverage service parking requirements shall be 4 spaces per 1,000 square feet : Total parking requirement shall be the sum of all uses combined, but the provisions of section 13-89.5 may be applied.
Bowling alleys	3 spaces per lane plus parking required for incidental uses such as restaurants which shall be calculated as noted under "Establishments where food or beverages are served"
Trade schools; business colleges; dancing and music academies	10 spaces per 1,000 square feet
Motels	1 space for each rentable unit without cooking facilities. Each rentable unit with cooking facilities shall be governed by residential parking standards
Hotels	1 space for each 2 rentable units plus 10 spaces per 1,000 square feet for the first 3,000 square feet, and 20 spaces per 1,000 square feet for each additional 1,000 square feet above the first 3,000 square feet for restaurant, banquet, meeting room and kitchen spaces
Establishments with live entertainment; i.e., go-go dancers, topless dancers, bikini dancers	1 parking space for each person for the first 100 persons as authorized by capacity signs posted by the fire department; 1 parking space for each 2 persons for every 101 to 300 persons as authorized by capacity signs posted; 1 parking space for each 3 persons for every 301 plus persons as authorized by capacity signs posted by the fire department.
Personal Service Group Instruction/Setting; Studios	Parking requirement is 4 spaces per 1,000 square feet
Commercial Kitchens	3 spaces per 1,000 square feet of gross leasable area
Ghost Kitchens	6 spaces per 1,000 square feet of gross leasable area
Shopping centers with a minimum of 600,000 square feet of contiguous gross leasable area:	
Main structure or group of abutting structures	
Retail	5 spaces per 1,000 square feet of gross leasable area
Establishments where food or beverages ~~or~~ are served occupying 5% or less of the total contiguous gross leasable area	1 space per 1,000 square feet of gross leasable area

TABLE 13-89 NON-RESIDENTIAL PARKING STANDARDS	
USE	**PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)**
Establishments where food or beverages ~~or~~ are served in excess of 5% of the total contiguous gross leasable area	5 spaces per 1,000 square feet of gross leasable area
Office Space occupying 10% or less of the total contiguous gross leasable area	None
Office Space in excess of 10% of the total contiguous gross leasable area	4 spaces per 1,000 square feet of gross leasable area ~~with a minimum of 6 spaces~~
Theaters (cumulative)	
750 seats and less	5 spaces per 1,000 square feet of gross leasable area
More than 750 seats	5 spaces per 1,000 square feet of gross leasable area plus 3 spaces for each additional 100 seats
Uses within freestanding structures	
Establishments where food or beverages are served	10 spaces per 1,000 square feet of gross leasable area

TABLE 13-89 NON-RESIDENTIAL PARKING STANDARDS	
USE	**PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)**
All others	Pursuant to this table
Mixed use developments	When there are mixed uses within a single development which share the same parking facilities, the total requirement for parking should be determined as outlined in "City of Costa Mesa Procedure for Determining Shared Parking Requirements" which are included herein by this reference and which may be amended from time to time by resolution of the city council. A greater reduction in parking than would be allowed under this procedure may be approved by minor conditional use permit where it can be demonstrated that less parking is needed due to the hours of operation or other unusual features of the users involved. For mixed-use developments located in the mixed-use overlay zone, refer to the applicable urban plan for parking rates.
Industrial	3 parking spaces shall be provided per 1,000 square feet of gross floor area for the first 25,000 square feet of building; 2 parking spaces shall be provided per 1,000 square feet of gross floor area between 25,000 and 50,000 square feet of building; and one and one-half parking spaces shall be provided per 1,000 square feet of gross floor area over 50,001 square feet of building.
Garden centers; plant nurseries	4 spaces per 1,000 square feet of gross floor area; and 2 spaces per 1,000 square feet of outdoor display area.
Smoking lounges	17 spaces per 1,000 square feet

Notes:

1 Establishments limited to seating for 12 or fewer persons prior to June 4, 1997, shall remain at that seating limit unless additional parking is provided pursuant to this Zoning Code.

2 The outdoor patio seating area(s) shall not be included in the floor area calculations for purposes of determining the required parking.

3 The final review authority may apply a maximum credit of one parking space due to the provision of bicycle racks. This credit shall only apply to the overall parking supply and not to multiple uses.

~~When the approval of a use permit is required, the final review authority may require additional parking spaces at a ratio not to exceed 30 spaces per 1,000 square feet of floor area of the entire building. Factors that may warrant additional parking include, but are not limited to, the provision of entertainment and/or dancing, or substantial ratio of floor area devoted to bar as compared to restaurant use. The maximum parking rate shall be applicable to uses that have substantially maximized the building's occupancy due to design and provision of concentrated uses.~~

4 When the approval of a use permit is required, the final review authority may require additional parking spaces at a ratio not to exceed 30 spaces per 1,000 square feet of floor area of the entire building. Factors that may warrant additional parking include, but are not limited to, the provision of entertainment and/or dancing, or substantial ratio of floor area devoted to bar as compared to restaurant use. The maximum parking rate shall be applicable to uses that have substantially maximized the building's occupancy due to design and provision of concentrated uses.

5 The square footage of electrical and mechanical equipment and the surrounding three feet for clearance shall be excluded from the calculation of gross floor area for the purpose of determining parking requirements.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 98-5, § 16, 3-2-98; Ord. No. 02-4, § 1j, 3-18-02; Ord. No. 06-9, § 1g., 4-18-06; Ord. No. 12-4, § 1, 5-15-12; Ord. No. 15-10, § 2C, 9-15-15; Ord. No. 21-20, § 1, 12-7-21; Ord. No. 2024-01, 1/16/2024; Ord. 2025-07, 10/21/2025)

§ 13-89.5. Reduction in parking requirements.

Where it can be shown that the required parking for a nonresidential land use will substantially exceed the demand of the actual use, the zoning administrator may, by minor conditional use permit, allow a reduction in the amount of required parking. The zoning administrator may place the following conditions on the approval of the minor conditional use permit:

(a) Allow such excess parking to be provided as landscaping, plazas, courtyards, or similar open space feature.

(b) Require recordation of a land use restriction that restricts the future use of the property to ensure adequate parking availability.

(Ord. No. 99-15, § 2, 11-16-99)

§ 13-90. Parking for uses not specified.

The parking requirements for the uses not specified in Table 13-89 shall be determined by the planning division. The determination shall be based upon the requirements for the most comparable use specified in this chapter or other appropriate sources including but not limited to a parking study.

(Ord. No. 97-11, § 2, 5-5-97)

§ 13-91. General development standards.

General development standards for parking areas applicable to the nonresidential zones are contained in Article 3, Development Standards, of this chapter.

(Ord. No. 97-11, § 2, 5-5-97)

EXHIBIT F

CHAPTER VI, OFF-STREET PARKING STANDARDS
Article 3 Development Standards

Add the following Section to Article 3:

13-100.10 Electric Vehicle Charging Stations

(a) Purpose.

The purpose of this chapter is to comply with Government Code Section 65850.7 and to promote and encourage the use of electric charging stations while promoting public health and safety and preventing specific adverse impacts in the installation and use of such charging stations.

(b)Regulations.

(1) Accessory Use. An electric vehicle charging station (EVCS) for public or private use shall be permitted as an accessory use within any existing legal single-family or multiple-family residential garage or carport, or within any existing legal commercial parking space in a parking lot or in a parking garage, subject to the development standards listed in subsection (c) below.

(2) Primary Use. An electric vehicle charging station (EVCS) as a primary use shall be permitted in non-residential and mixed use zones, pursuant to the Mesa Land Use Matric Chapter IV, Table 13-30 and shall comply with all standards applicable to the underlying zone and the development standards listed in subsection (c) below.

(b) Development Standards:

All EVCS shall:

(1) Be protected as necessary to prevent damage by automobiles;

(2) Be designed to minimize potential damage by vandalism and to be safe for use in inclement weather;

(3) Include complete instructions and appropriate warnings concerning the use of the EVCS, which shall be posted on a sign in a prominent location on or near each station for use by the operator;

(4) Be maintained in good working order. Damaged or broken EV chargers or related infrastructure shall be repaired within 48 hours;

(5) Be located in a manner which will be easily seen by the public for informational and security purposes, when available for public use;

(6) Be located so as not to obstruct required parking areas, drive aisles, pedestrian walkways, accessible paths of travel, emergency access, or required visibility areas; and

(7) Comply with all applicable building, electrical, fire, accessibility, parking, circulation, and zoning requirements.

EXHIBIT G

Chapter IX Special Land Use Regulations

The following new Articles are added to Chapter IX, Special land Use Regulations:

Article 24 – Group Instruction/Setting including Studio and Fitness Uses.

13-200.210 Purpose: The purpose of Article is to establish operational and development standards for uses with group instruction, group setting for Studios and Fitness uses to ensure compatibility with surrounding commercial uses.

13-200.211 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.212 Operational and Development Standards.

(a) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards.

(b) Indoor Operations. All activities shall occur entirely within an enclosed building. Outdoor activities shall require approval of a Minor Conditional Use Permit per Chapter V, Development Standards, Article 3, Commercial Districts, Section 13-44 of this title.

(c) Small Fitness Studios may be up to 5,000 square feet in gross floor area.

(d) Fitness Studios shall be less than 15,000 square feet in gross floor area. Facilities larger than 15,000 square feet of gross floor area are classified as Physical Fitness Facilities.

(e) Noise. Whenever amplified music, instruction, or sound is utilized, all exterior doors and windows shall remain closed.

(f) A minimum of 15 minutes shall be provided between each group instruction or class.

Article 25 – Event Centers.

13-200.215 Purpose and Intent. The purpose of this Article is to establish operational and development standards for Event Centers and similar assembly uses, including banquet facilities, assembly halls, conference facilities, and arenas, in order to ensure compatibility with surrounding uses.

13-200.216 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.217 Operational and Development Standards.

(a) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards.

(b) Occupancy. Occupancy shall not exceed the maximum occupant load approved by the Building Official and Fire Authority, or any occupancy limitation imposed through a planning entitlement.

(c) Noise. Amplified music, outdoor speakers, and public address systems shall comply with the City's Noise Ordinance. Outdoor amplified sound shall cease by 11:00 p.m., unless otherwise authorized through a Conditional Use Permit. A Noise study may be required to evaluate impacts on adjacent properties.

(d) Operation Plan. Operator shall provide a detailed Operations Plan as part of the application package which shall include, at a minimum, the following:

1. Description of Operations. A description of the proposed use, including the types of events to be conducted, maximum occupancy, seating capacity, frequency of events, and anticipated hours of operation.

2. Site Management. Identification of on-site management personnel responsible for facility operations during events, including contact information for an on-site manager or responsible party.

3. Parking and Circulation. A description of parking management practices, valet operations (if applicable), rideshare pick-up and drop-off locations, employee parking locations, loading and unloading activities, and measures to prevent vehicle congestion on adjacent streets.

4. Noise Management. Identification of any amplified sound, entertainment, public address systems, or outdoor activities and measures to ensure compliance with the City's Noise Ordinance.

5. Security and Crowd Management. Procedures for crowd control including procedures for event dismissal and dispersal of attendees, event monitoring, security staffing, and coordination with public safety agencies, as appropriate.

6. Alcohol Service. A description of alcohol management practices, type of Alcohol Beverage Control license, including proof of compliance with all applicable Alcoholic Beverage Control regulations.

7. Loading and Deliveries. A description of delivery schedules, vendor access, equipment loading and unloading activities, and designated service areas.

8. Trash and Maintenance. Procedures for refuse collection, litter control, site maintenance, and post-event cleanup.

9. Modification of Operations. The Director may require modifications to an approved Operations Plan when necessary to address documented operational impacts, ensure compliance with conditions of approval, or maintain compatibility with surrounding properties.

(e) Excluded Uses. Event Centers do not include:

1. Restaurants, bars, or nightclubs where food and beverage service is the primary use, and

    i. Private events do not occur regularly and are accessory and subordinate to the permitted restaurants, bars, or nightclub use; and

    ii. The tenant space does not have space dedicated for private events.

2. Indoor commercial fitness or sports training facilities;

3. Churches or other places of religious assembly regulated under Article 4.5 (Development Standards for Churches and Other Places of Religious Assembly);

4. Civic and Community clubs or other private social clubs regulated elsewhere in this Title;

5. E-sports gaming lounges and participant-oriented electronic gaming facilities regulated as Active Entertainment uses; or

6. Schools or educational institutions.

Article 26 – Active Entertainment and Amusement Center

13.200.220 Purpose and Intent. The purpose of the Article is to establish operational and development standards for Active Entertainment and Amusement Center uses and to ensure compatibility with surrounding properties.

13-200.221 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.222 Operational and Development Standards.

(a) Indoor Operations. Active Entertainment and Amusement Center uses shall be conducted entirely within an enclosed building. Active Entertainment shall be limited to a maximum gross square footage of 15,000 sf. Uses larger than 15,000 gross square feet are classified as Amusement Centers. For uses that propose outdoor uses (uses not underroof) a Minor Conditional Use Permit is required per Chapter V, Development Standards, Article 3, Commercial Districts, Section 13-44 of this title.

(b) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards.

(c) Noise. All activities, including amplified sound, public address systems, gaming equipment, and entertainment devices, shall comply with the City's Noise Ordinance. Sound generated by the use shall not create a nuisance on adjacent properties. Should an issue arise from noise the operator shall work with the City and implement best practice to eliminate the issue.

(d) Occupancy. The use shall not exceed the maximum occupant load established by the Building Official and Fire Authority.

(e) Food and Beverage. Accessory food and beverage service may be permitted, subject to Chapter V, Article 4 (Establishments Where Food or Beverages Are Served).

(f) Queuing and Circulation. The use shall be designed and operated so that customer queues, waiting areas, and patron gatherings do not obstruct pedestrian walkways, building entrances, drive aisles, parking spaces, or required accessible routes.

(g) Excluded Uses. Active Entertainment and Amusement Center uses shall not include spectator-oriented assembly uses, event centers, concert venues, e-sports arenas, or other assembly uses where viewing or attendance is the primary activity. Such uses shall be regulated as Event Centers and Assembly Uses.

Article 27 – Artisan Studio

13.200.225 Purpose and Intent. The purpose of this Article is to establish development and operational standards for Artisan Studio retail uses that also support onsite opportunities for small-scale creative production, fabrication, repair, while ensuring compatibility with surrounding commercial uses and distinguishing Artisan Studio uses from manufacturing and industrial operations.

13-200.226 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.227 Operational and Development Standards.

(a) Indoor Operations. All production, fabrication, assembly, repair, and retail

activities shall occur entirely within an enclosed building. For studios that propose outdoor uses (uses not underroof) a Minor Conditional Use Permit is required per Chapter V, Development Standards, Article 3, Commercial Districts, Section 13-44 of this title.

(b) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards

(c) Customer-Oriented Component. The use shall maintain a customer-facing component, which may include retail sales, display areas, demonstrations, workshops, classes, or other public interaction associated with the artisan production activities.

(d) Classes, Workshops, or Group Instruction. For uses that propose classes, workshops, or group instruction the following shall apply:

1. Parking requirements shall be provided per Table 13-89, Non-Residential Parking Standards.

2. Whenever amplified music or sound is played, all exterior doors and windows shall remain closed.

3. A minimum of 15 minutes shall be provided between each class, workshop or group instruction.

(e) Production Scale. The use shall be limited to small-scale production activities involving handcrafted, custom, artistic, specialty, or limited-production goods that are sold onsite. Uses involving assembly-line production, mass manufacturing, bulk processing, or large-scale industrial operations are prohibited.

(f) Permitted Equipment. Equipment and machinery customarily associated with artisan production, fabrication, repair, design, and creative activities may be utilized provided such equipment complies with all applicable building, fire, and noise regulations.

(g) Compatibility with Commercial Areas. Operations shall not create noise, vibration, dust, smoke, glare, fumes, odors, electrical interference, hazardous conditions, or other impacts beyond the property boundaries.

(h) Screening. All exterior mechanical equipment, and/or roof mounted equipment, shall be screened from view from public right-of-way and adjacent properties.

(i) Materials and Storage. All materials, supplies, products, and equipment shall be stored within an enclosed building. Outdoor storage of raw materials, products, equipment, or waste materials is prohibited. The use shall not involve the storage or use of hazardous materials in quantities exceeding those

permitted by the California Fire Code or other applicable regulations.

(j) Food Production. Food preparation, food manufacturing, ghost kitchens, commercial kitchens, catering kitchens, or other food-related production uses shall not be considered Artisan Studio and shall be regulated separately.

EXHIBIT A

Chapter I, Article 2
Definitions

§ 13-5. Purpose.

The intent of this article is to define certain words and phrases which are used in this Zoning Code. Additional definitions may also be given in conjunction with the special regulations contained in Chapter IX, Special Land Use Regulations, and Chapter XII, Special Fee Assessments.

(Ord. No. 97-11, § 2, 5-5-97)

§ 13-6. Definitions.

Abutting. Sharing a common boundary, of at least one point contiguous to, having district boundaries or lot lines in common (i.e., not separated by an alley, public or private right-of-way, or street).

Accessory building. A building or part of a building which is subordinate to, and the use of which is incidental to that of the main building or use on the same lot.

Accessory dwelling unit (ADU). See Chapter V, Article 2, section 13-35.

Accessory use. A use incidental and subordinate to and devoted exclusively to the main use of the land or building thereon that does not change the character of the structure or use.

Accessory use, residential. A use that is a part of, and clearly incidental and secondary to, a residence; located on the same lot as a residence; and that does not change the character of the residential use such as:

(a) Accessory dwelling unit (ADU)

(b) Home occupations

(c) Personal property sales (i.e., garage or yard sales).

Active Entertainment. A commercial use that provides interactive, participant-based amusement, recreation, or game-oriented activities for individual or group participation and is limited to a maximum of 15,000 square feet. Active Entertainment does not include spectator-oriented uses, live performance theaters, adult entertainment businesses, physical fitness facilities, or event centers.

Adjacent. Same as abutting, but also includes properties which are separated by a public right-of-way, not exceeding 120 feet in width.

Adult business. See Chapter IX, Special Land Use Regulations, Article 1, Adult Businesses, for specific definitions and terms.

Alcoholism or drug abuse recovery or treatment facility. Adult alcoholism or drug abuse recovery or treatment facilities that are licensed pursuant to section 11834.01 of the California Health and Safety Code. Alcoholism or drug abuse recovery or treatment facilities are a subset of residential care facilities.

Alteration (structure). Any construction, addition or physical change in the internal arrangement of rooms or the supporting members of a structure, or change in the appearance of any structure, except paint.

Ambient noise level. The all-encompassing noise level associated with a given environment, being a composite of sounds from all sources, excluding the alleged offensive noise, at the location and approximate time at which a comparison with the alleged offensive noise is to be made.

Amusement Center. A commercial use that provides interactive, participant-based amusement, recreation, or game-oriented activities for individual or group participation and is larger than 15,000 gross square feet. Amusement Center does not include spectator-oriented uses, live performance theaters, adult entertainment businesses, physical fitness facilities, or event centers.

Antenna. Any structure, including, but not limited to, a monopole, tower, parabolic and/or disk shaped device in single or multiple combinations of either solid or mesh construction, intended for the purpose of receiving or transmitting communication to or from another antenna, device or orbiting satellite, as well as supporting equipment necessary to install or mount the antenna.

Antenna, amateur radio. An antenna array and its associated support structure, such as a mast or tower, that is used for the purpose of transmitting and receiving radio signals in conjunction with an amateur radio station licensed by the Federal Communications Commission.

Antenna, communication. All types of receiving and transmitting antennas, except satellite dish antennas and amateur radio antennas. Communication antenna includes, but is not limited to, cable television antennas, cellular radiotelephone cell antennas, FM digital communication antennas, microwave telephone communication antennas, and shortwave communication and other similar antennas.

Antenna height. The distance from the property's grade to the highest point of the antenna and its associated support structure when fully extended.

Antenna, satellite dish. An antenna intended for the purpose of receiving or transmitting communication to or from an orbiting satellite.

Antenna, whip. An antenna and its support structure consisting of a single, slender, rod- like element which is supported only at or near its base.

Apartment. A rental or lease dwelling having kitchen facilities in a structure designed or used to house at least one family, as the term "family" is defined in this Zoning Code.

Artisan Studio. A workspace for the creation, display, and retail sale of artwork and hand crafted goods, including custom woodworking and furniture making, where products are primarily created by the artist or artisan on-site; excluding automotive repair and food related production. Examples include, but are not limited to, artist studios and workshops, photography studios and commercial photography, recording studios, music studios, galleries, and showrooms.

Assembly use. A use conducted in a structure or outdoor venue for the purpose of gathering of persons for a civic, education, political, religious, or social function, or

for the consumption or receipt of food and/or beverages. Assembly use does not include sexually oriented businesses.

Association (homeowners'). The organization of persons who own a lot, parcel, area, airspace, or right of exclusive occupancy in a common interest development and who have interests in the control of common areas of such project.

Attached (structure). Any structure that has a wall or roof in common with another structure.

Attic. Any non-habitable area immediately below the roof and wholly or partly within the roof framing.

Awning. A roof-like cover that projects from the wall of a building for the purpose of shielding the sun or providing an architectural accent.

Basement. A space wholly or partially underground and having more than 1/2 of its height, measuring from floor to ceiling, below the average grade. If the finished floor level directly above the basement is more than four feet above grade at any point, the basement shall be considered a story.

Boardinghouse. A dwelling unit, other than a hotel, wherein rooms are rented under two or more separate written or oral rental agreements, leases or subleases or combination thereof, whether or not the owner, agent or rental manager resides within the dwelling unit. Boardinghouse, small means two or fewer rooms being rented to a maximum of three occupants per dwelling unit. Boardinghouse, large means three to six rooms being rented to a maximum of six occupants per dwelling unit. Boardinghouses renting two or fewer rooms and having more than three occupants, or renting more than six rooms and/ or having more than six occupants, per dwelling unit are prohibited.

Building. Any structure having roof and walls and requiring permanent location on the ground, built and maintained for the support, shelter or enclosure of persons, animals, chattels or property of any kind.

Building height. The distance from the finished grade (as defined in this section) to the highest point on the roof, including roof-top mechanical equipment and screening.

Building, main. The building or buildings within which the principal use permitted on the lot is conducted.

Carport. A permanent, roofed structure, not completely enclosed which is used for vehicle parking.

Central administrative office. An establishment primarily engaged in management and general administrative functions performed centrally for other establishments of the same company.

Churches and other places of religious assembly. A type of assembly use which has the principal purpose of religious worship and for which the primary space is a sanctuary. Religious activities and services held in the sanctuary are conducted at scheduled times. The use may also include accessory facilities in the same or separate building that includes classrooms, assembly rooms, restrooms, kitchen, and a library. Other uses such as, but not limited to, day care facilities, nursery schools, schools, retail sales, and services to businesses, are not considered a

primary function of churches and other places of religious assembly.

Cigar bar. See Smoking lounge.

City. City of Costa Mesa.

Commercial Kitchen. A food preparation facility used by one or more food operators for the preparation, cooking, processing, packaging, and storage of food or beverages for off-site consumption, distribution, catering, wholesale, or other commercial purposes, with no on-site dining, retail sales, customer pick-up, or delivery service to the general public. A commercial kitchen may include catering kitchens, commissary kitchens, shared-use kitchens, and food production facilities, but does not include a restaurant, ghost kitchen, food hall, or other food service establishment where food orders are accepted from customers and fulfilled directly from the premises.

Common area. Those portions of a project area which are designed, intended or used in common and not under the exclusive control or possession of owners or occupants of individual units in planned development projects or common interest developments.

Common interest development. A development as defined in State Civil Code section 1350, containing two or more common interest units, as defined in Civil Code section 783; a community apartment project, as defined in State Business and Professional Code section 11004, containing two or more rights of exclusive occupancy; and a stock cooperative, as defined in Business and Professional Code section 11003.2, containing two or more rights of exclusive occupancy.

Community Development Department. Refers to the Community Development Department of the City of Costa Mesa on or after July 1, 2026, and the Economic and Development Services Department and/or Development Services Department of the City of Costa Mesa prior to July 1, 2026.

Community Development Director. The director of the Community Development Department of the City of Costa Mesa, or his or her designee.

Conditional use permit. A discretionary approval usually granted by the planning commission which allows a use or activity not allowed as a matter of right, based on specified findings.

Convenience stores, mini-markets. A retail store, generally less than 10,000 square feet in area, that sells a variety of convenience foods, beverages and non-food items. Fresh dairy products, produce and/or meat may be offered on a limited basis.

County. County of Orange.

Covered parking space. A garage, carport or parking space which is completely covered by a roof.

Density bonus. A minimum increase of 25% over the allowable residential dwelling unit density as specified by the zoning classification.

Development. The division of land into two or more lots; the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any structure; any mining, excavation, landfill, or land disturbance; and any use or extension of the use of land.

Development review. The processing of a development plan when authority for approval is vested in the planning division.

Development services department. See Community Development Department.

Development services director. See Community Development Director.

Disabled shall have the same meaning as handicapped.

Dormer. A vertical window in a projection built out from a sloping roof.

Driveway, common. A paved area for vehicle circulation and parking purposes which features joint use between two or more parties.

Driveway, individual. The paved area strictly leading to the garage/carport of a residence. This paved area serves vehicle parking purposes and does not extend beyond the garage/carport unless a curvilinear design is necessary for the turning radius.

Dwelling, single-family. "Dwelling, single-family" or "single-family dwelling" is a building of permanent character placed in a permanent location which is designed or used for residential occupancy by one family. A single mobile home on a foundation system on a single lot is a single-family dwelling. (See Manufactured housing).

Dwelling, multi-family. "Dwelling, multi-family" or "multi-family dwelling" is a building or buildings of permanent character placed on one lot which is designed or used for residential occupancy by two or more families.

Dwelling unit. One or more rooms in any building designed for occupancy by one family, and containing one kitchen unit, including manufactured housing. (See Manufactured housing).

Easement. A grant of one or more property rights by the owner for use by the public, a corporation or another person or entity.

Efficiency unit. A dwelling unit for occupancy by no more than two persons conforming to California's Health and Safety Code § 17958.1 with a minimum floor area of 150 square feet that provides bathroom facilities and a partial kitchen equipped with a sink, cooking appliance, and refrigerator.

Electronic cigarette. An electronic and/or battery-operated device used to provide an inhalable dose of nicotine by delivering a vaporized solution. The term includes any such device manufactured, distributed, marketed, or sold as an electronic cigarette, an electronic cigar, an electronic cigarillo, an electronic pipe, an electronic hookah, or any other product name or descriptor. The term does not include any medical inhaler prescribed by a licensed doctor.

Electronic game machine. Any electronic or mechanical device which upon insertion of a coin, slug, or token in any slot or receptacle attached to the device or connected therewith, operates, or which may be operated for use as a game, contest, or amusement through the exercise of skill or chance.

Electric vehicle charging station. As defined by Government Code Section 65850.7.

Electric vehicle supply equipment. The hardware, including connectors, fixtures, devices, and other components required to charge an electric vehicle.

Emergency shelters. A facility that provides immediate and short-term housing for homeless persons that is limited to occupancy of six months or less. Supplemental services may include counseling and access to social programs. No individual or household may be denied to emergency shelter because of an inability to pay.

Employee housing. Shall have the same meaning as "employee housing" described in California Health and Safety Code Section 17021.5, and as set forth in California Health and Safety Code Section 17008 for farmworkers.

Entertainment (live). Any act, play, revue, pantomime scene, dance act, musical performance, or any combination thereof, performed by one or more persons whether or not they are compensated for the performance.

E-Sports or Electronic Sports. Means a participant-based organized competitive playing of video games using digital gaming platforms.

E-Sports Arena. A facility designed and operated primarily for organized E-Sports competitions, tournaments, exhibitions, broadcasts, live-streaming events, or similar events where spectator viewing and attendance are the principal activities.

Establishment where food or beverages are served. Any commercial use that sells prepared food and/or beverages for consumption on site or off site, either solely or in conjunction with an ancillary or complementary use. Excluded from this definition are grocery stores, convenience stores, movie theaters, and other such uses, as determined by the development services director, where the sale of food or beverages is clearly incidental to the primary use. All establishments selling alcoholic beverages for consumption on-site are included within this definition

Event Center. A facility designed for assembly use and to accommodate organized events, competitions, ceremonies, meetings, entertainment, spectator viewing, or similar group activities. Event Centers are also referred to as Banquet Facilities, Assembly Halls, and Arenas.

Fair housing laws. The Federal Fair Housing Act, the Americans with Disabilities Act, and the California Fair Employment and Housing Act, as each statute may be amended from time to time, and each statute's implementing regulations.

Family. One or more persons occupying one dwelling unit and living together as a single housekeeping unit.

Family day care home, large. A home which provides family day care to seven to 14 children as defined in section 1596.78 of the State Health and Safety Code.

Family day care home, small. A home which provides family day care to eight or fewer children as defined in section 1596.78 of the State Health and Safety Code.

Fitness studios. Means an indoor commercial use of more than 5,000 square feet but less than 15,000 square feet that provides instructor-led instruction, training, or structured physical activity, either in a group setting or one-on-one, including, but not limited to: dance, martial arts, yoga, Pilates, high-intensity interval training (HIIT), circuit training, and similar small-group fitness activities. These uses are characterized by scheduled classes or training sessions and are limited in scale and intensity. This use does not include large health clubs, commercial gyms, indoor sports training facilities, or uses greater than 15,000 square feet of gross floor area.

Floor area ratio. The gross floor area of a building or project divided by the project lot area upon which it is located.

Food Hall. A single, integrated food and beverage establishment, or restaurant, containing three or more independently operated food or beverage vendors or counters within a shared building or tenant space, with common customer seating, shared circulation, and shared amenities. A food hall may include accessory alcohol service, entertainment, retail, or event programming when allowed by applicable permits, but does not include ghost kitchen or commercial kitchen.

Garage. An accessory or attached enclosed building with doors, designed and/or used for vehicle parking.

Garage sale. An event for the purpose of selling or trading personal property. Garage sale includes yard sale.

General plan. The City of Costa Mesa General Plan as adopted or amended from time to time by the city council.

Ghost Kitchen. A food preparation facility used by one or more food operators for the preparation of meals or beverages for off-site consumption through delivery, mobile ordering, or customer pick-up, with no dine-in restaurant service. A ghost kitchen may include multiple virtual restaurant brands, shared order fulfillment areas, delivery driver staging, and limited pick-up lobby areas, but does not include a catering kitchen, commercial kitchen, or food hall.

Grade. The lowest point of the finished surface elevation of either the ground, paving or sidewalk within the area between the building and the property line, or when the property line is more than five feet from the building, between the building and a line five feet from the building.

Grade, finished. The surface of the ground at a stated location as it exists after completion of precise grading.

Grade, natural. The unaltered natural surface of the ground at a stated location.

Gross acreage. The total area within the lot lines of a lot of land before public streets, easements or other areas to be dedicated or reserved for public use are deducted from such lot, and not including adjacent lands already dedicated for such purposes.

Gross floor area. The total horizontal area of all floors within the exterior walls of a structure. The following areas do not contribute to the building's occupancy or intensity of use and shall be excluded from the gross floor area calculation: garages or carports used for parking, elevator and stair shafts, mechanical shafts, pipe chases, equipment and mechanical rooms, electrical rooms, and other accessory storage, utility or service spaces, that are devoted exclusively to development operations and maintenance.

Gross leasable area. The total floor area designed for tenant occupancy and exclusive use, including both owned and leased areas.

Group home. A facility that is being used as a supportive living environment for persons who are considered handicapped under state or federal law. A group home operated by a single operator or service provider (whether licensed or unlicensed) constitutes a single facility, whether the facility occupies one or more dwelling units.

Group homes shall not include the following: (1) residential care facilities; (2) any group home that operates as a single housekeeping unit; (3) any group home without an operator.

Guestroom. A room occupied or intended, arranged, or designed for occupancy by one or more guests.

Handicapped. As more specifically defined under the fair housing laws, a person who has a physical or mental impairment that limits one or more major life activities, a person who is regarded as having that type of impairment, or a person who has a record of that type of impairment, not including current, illegal use of a controlled substance.

Hazardous materials. Any material of quantity, concentration, physical or chemical characteristics, that poses a significant present or potential hazard to human health and safety or to the environment if released into the work place or environment; or any material requiring a Material Safety Data Sheet according to Title 8, section 339 of the State Code of Regulation.

Health club. See Physical Fitness Facility.

Height. See Building height and Antenna height.

Home occupation. Any business or commercial use conducted within a dwelling unit.

Hookah lounge. See Smoking lounge.

Hotel. Any building or combination of buildings generally three or more stories in height containing six or more guest rooms offering transient lodging accommodations to the general public and providing incidental guest services such as food and beverage service, recreation facilities, retail services and banquet, reception and meeting rooms. Typically, room access is provided through a main or central lobby.

Household includes all the people occupying a dwelling unit, and includes people who live in different units governed by the same operator.

Integral facilities. Any combination of two or more group homes which may or may not be located on the same or contiguous parcels of land, that are under the control and management of the same owner, operator, management company or licensee or any affiliate of any of them, and are integrated components of one operation shall be referred to as integral facilities and shall be considered one facility for purposes of applying federal, state and local laws to its operation. Examples of such integral facilities include, but are not limited to, the provision of housing in one facility and recovery programming, treatment, meals, or any other service or services to program participants in another facility or facilities or by assigning staff or a consultant or consultants to provide services to the same program participants in more than one licensed or unlicensed facility.

Integral uses. Any two or more residential care programs commonly administered by the same owner, operator, management company or licensee, or any affiliate of any of them, in a manner in which participants in two or more care programs participate simultaneously in any care or recovery activity or activities so commonly administered. Any such integral use shall be considered one use for purposes of

applying federal, state and local laws to its operation.

Intersection. The general area where two or more roadways join or cross.

Kitchen. Any room, all or part of which is designed and/or used for storage, refrigeration, cooking and preparation of food.

Landscaping. Plant materials such as lawn, groundcover, trees and shrubs.

Loft. An intermediate floor placed within a room, where the clear height above and below the loft is not less than seven feet, and where the aggregate area of the loft does not exceed 1/3 of the area of the room in which it is located.

Lot.

(a) A parcel of real property when shown as a delineated parcel of land with a number or designation on a subdivision map or parcel map recorded in the office of the county recorder, and created in conformance with the Subdivision Map Act and applicable local ordinances.

(b) A parcel of real property when shown on a record of survey map or deed filed in the office of the county recorder, when such map or deed was filed as the result of and was made a condition of a lot division approved under the authority of prior ordinances.

Lot area. The total land area of a project after all required dedications or reservations for public improvements, including, but not limited to, streets, parks, schools, and flood control channels. This phrase does not apply in the planned development zones where the phrase "site area," as defined in Chapter V, Development Standards, is used.

Lot, corner. A lot abutting on and at the intersection of two or more streets which intersect at an angle that is equal to or less than 135 degrees.

Lot, depth. The average of the horizontal distance between the front and the rear lot lines.

Lot, development. The master lot or project site upon which a development will be constructed.

Lot, individual dwelling unit. An individual building site or lot within a development intended for construction of a single attached or detached dwelling unit.

Lot, interior. A lot abutting only one street, or a lot abutting two streets which intersect at an angle greater than 135 degrees.

Lot, width. The horizontal distance between the side lot lines measured at right angles to the lot depth at the front building setback line.

Low barrier navigation center. Shall have the same meaning as “low barrier navigation center” as set forth in Government Code Section 65660.

Major modification. A discretionary entitlement, usually granted by the zoning administrator, which permits limited deviation from the strict application of the development standards contained in this Zoning Code, based on specified findings.

Manufactured housing. Detached housing that is built to the National Manufactured Housing Construction and Safety Standards Act of 1974, including structures

known as manufactured homes and mobile homes. For the purpose of this Zoning Code, a factory- built single-family structure that is manufactured under the authority of 42 U.S.C. section 5401, the National Manufactured Home Construction and Safety Standards Act, transportable in one or more sections, built on a permanent chassis and used as a place of human habitation, shall be considered a single-family home and shall be reviewed under the same standards as a sitebuilt structure.

Marijuana. Has the same definition as that set forth in California Health and Safety Code section 11018.

Marijuana cultivation and/or medical marijuana cultivation. The planting, growing, harvesting, drying or processing of marijuana plants or any part thereof for any purpose, including medical marijuana, and shall include both indoor and outdoor cultivation.

Master plan. The overall development plan for a parcel or parcels which is depicted in both a written and graphic format.

Master plan of highways. The graphic representation of the city's ultimate circulation system contained in the general plan. It illustrates the alignment of the major, primary, secondary and collector highways.

Median. A paved or planted area separating a parking area, street, or highway, into two or more lanes or directions of travel.

Medical marijuana. Marijuana used for medical purposes in accordance with California Health and Safety Code section 11362.5.

Medical marijuana dispensary. A facility or location where medical marijuana is cultivated or by any other means made available to and/or distributed by or to three or more of the following: a primary caregiver, a qualified patient, or a person with an identification card in strict accordance with State Health and Safety Code sections 11362.5 et seq., and 11362.7 et seq., which shall include, but not be limited to, any facility or location engaging in the retail sale, dispensation, or distribution of marijuana for medical purposes that does not have an active role in the cultivation of the marijuana product that it sells, dispenses, or distributes, or when its cultivation of the marijuana product is off-site from the facility or location for retail sale, dispensation, or distribution.

Minor conditional use permit. A discretionary approval granted by the zoning administrator which allows a use or activity not allowed as a matter of right, based on specified findings.

Minor modification. A discretionary entitlement granted by the planning division, which permits limited deviation from the strict application of the development standards contained in this Zoning Code, based on specified findings.

Mixed use development. The development of lot(s) or structure(s) with two or more different land uses such as, but not limited to a combination of residential, office, manufacturing, retail, public, or entertainment in a single or physically integrated group of structures.

Mobile home. See Manufactured housing.

Mobile home park. Any area or tract of land where two or more mobile home lots

are rented or leased, held out for lease or rent, or were formerly held out for rent or lease and later converted to a subdivision, cooperative, condominium, or other form of resident ownership, to accommodate manufactured homes or mobile homes. A mobile home park also means a mobile home development constructed according to the requirements of Part 2.1 (commencing with section 18200) of Division 13 of the State Health and Safety Code, and intended for use and sale as a mobile home condominium or cooperative park, or as a mobile home planned unit development.

Motel. Any building or combination of buildings of one to three stories in height having six or more guest rooms with parking located convenient to the guest rooms and providing temporary lodging for automobile tourists and transient visitors. Typically, guest rooms have direct access to available parking without passing through a common lobby area. Motels also include auto courts, tourist courts, motor lodges, motor inns and motor hotels.

Municipal Code. City of Costa Mesa Municipal Code.

Open space. An area that is intended to provide light and air, and is designed for either environmental, scenic or recreational purposes. Open space may include, but is not limited to, lawns, decorative planting, walkways, active and passive recreational areas, playgrounds, fountains, swimming pools, wooded areas; first floor decks; unenclosed patios with solid or lattice roofs; water courses; and surfaces covered by not more than five feet in depth by projections which are at least eight feet above grade.

Open space shall not include the following: driveways; parking lots; other surfaces designed or intended for vehicular travel; and upper floor decks, balconies or areas under projections which are less than eight feet above grade.

Open space, common. An area of land reserved primarily for the leisure and recreational use of all residents of a planned development or common interest development and owned in common by them, generally through a homeowners' association.

Open space, private. An area of land located adjacent to an individual dwelling unit, owned or leased and maintained by its residents, and reserved exclusively for their use.

Operator means a company, business or individual, including an in-house manager, who provides residential services, i.e., the placement of individuals in a residence, setting of house rules, and/or governing behavior of the residents as residents. Operator does not include a property owner or property manager that exclusively handles real estate contracting, property management and leasing of the property and that does not otherwise meet the definition of operator.

Organizational documents. The declaration of restrictions, articles of incorporation, bylaws, and any contracts for the maintenance, management or operation of all or any part of a project.

Parcel. Same as Lot.

Parkway. The area of a public street that lies between the curb and the adjacent property line or physical boundary definition, which is used for landscaping and/or passive recreational purposes.

Paved area. Ground surface covered with cobblestone, clay-fired bricks, concrete precast paver units, poured concrete with or without decorative surface materials, or asphaltic or rubber mixture which may include sand, stone, or gravel as an ingredient to create a hard surface. A graded natural surface or one covered with rolled stone or overlaid with loose gravel is not considered paved area.

Peak hour. The hour during the AM peak period (typically 7:00 a.m.—9:00 a.m.) or the PM peak period (typically 3:00 p.m.—6:00 p.m.) in which the greatest number of vehicle trips are generated by a given land use or are traveling on a given roadway.

Permitted use. Any use allowed in a land use zoning district without requiring a discretionary approval, and subject to the provisions applicable to that district.

Personal Services. A commercial use that provides personal care, grooming, wellness, aesthetic, or convenience services directly to individuals. This category does not include group fitness uses, medical offices, or other uses involving medical diagnosis or clinical treatment.

Personal Services, Group. A commercial use that provides personal care, grooming, wellness, aesthetic, or convenience services directly to individuals that include group instruction or group setting. This category does not include group fitness uses, medical offices, or other uses involving medical diagnosis or clinical treatment.

Physical Fitness Facility means a facility, building, or portion thereof designed and operated for physical fitness, athletic training, sports instruction, exercise, recreation, or wellness activities conducted individually or in groups, with a gross floor area of 15,000 square feet or greater. Such facilities may include exercise equipment, fitness classes, courts, fields, training areas, locker rooms, spectator seating accessory to the primary use, and related support amenities. Also see Health Club.

Planned development. A land area which is developed as an integrated unit under single ownership or control and having planned development zoning designation.

Planning application. A broad term for any development project or land use which requires the discretionary review and approval of either the planning division, zoning administrator, planning commission, or city council. Planning applications include major modifications, conditional use permits, development reviews, variances, etc.

Planning division. The planning division of the Community Development Department of the City of Costa Mesa.

Project. See Development.

Property line. A line of record bounding a lot which divides one lot from another lot or from a public or private street or any other public space.

Property line, front. For interior lots, the narrowest property line of a lot abutting a public or private street. If two or more equal property lines are narrowest, the front shall be that property line across which the development takes its primary access (if the primary access is determined to be equal, there shall be two front property lines). However, for non-residentially zoned property, any property line abutting a public street designated as a secondary, primary or major street on the master plan

of highways shall be deemed a front property line. A non-residentially zoned property shall have more than one front property line when it abuts more than one street designated as secondary, primary, or major on the master plan of highways.

For R-1 zoned property located on corner lots, the front property line may be the property line towards which the front of the dwelling unit is oriented.

Property line, rear. The property line opposite the front property line. A corner lot with more than one front property line shall have more than one rear property line. Irregularly shaped lots may also have more than one rear property line.

Property line, side. Any property line which is not a front or rear property line.

Property line, ultimate. The boundary of a lot after the dedication of land for use as public right(s)-of-way, whether dedicated in fee or by easement. A setback is measured from the ultimate property line.

Public area. Establishments where food or beverages are served. That portion of an establishment reserved for the exclusive use of the public for the receipt or consumption of food and/or beverages. For the purpose of this Zoning Code, public area shall not include restrooms, kitchens, hallways or other areas restricted to employees only.

Public hearing. A public proceeding conducted for the purpose of acquiring information or evidence which may be considered in evaluating a proposed action, and which affords to any affected person or persons the opportunity to present their views, opinions, and information on such proposed applications. "Mandatory hearings" are those required to be held by law, and "discretionary hearings" are those which may be held within the sole discretion of the hearing body.

Public right-of-way. A strip of land acquired by reservation, dedication, prescription or condemnation and intended to be occupied by a road, trail, water line, sanitary sewer and/or other public uses.

Recyclable materials. Reusable materials, including, but not limited to, metals, glass, plastic and paper which are intended for reuse, remanufacture or reconstruction. Recyclable materials do not include refuse, hazardous materials or hazardous waste.

Recycling. The process by which waste products are reduced to raw materials and transformed into new products.

Recycling and collection facility. A building or enclosed space used for the collection and processing of recyclable materials for preparation for shipment, or to an end user's specifications, by such means as baling, briquetting, compacting, flattening, grinding, crushing, mechanical sorting, shredding, cleaning or remanufacturing.

Referral facility. A residential care facility or a group home where one or more person's residency in the facility is pursuant to a court order or directive from an agency in the criminal justice system.

Residential care facility. A residential facility licensed by the state where care, services, or treatment is provided to persons living in a supportive community residential setting. Residential care facilities include, but may not be limited to, the following: intermediate care facilities for the developmentally disabled (Health &

Safety Code §§ 1267.8,1267.9); community care facilities (Health & Safety Code § 1500 et seq.); residential care facilities for the elderly (Health & Safety Code § 1569 et seq.); residential care facilities for the chronically ill (22 C.C.R. § 87801(a)(5); Health & Safety Code § 1568.02); alcoholism and drug abuse facilities (Health & Safety Code §§ 11834.02—11834.30); pediatric day health and respite care facilities (Health & Safety Code § 1760 et seq.); residential health care facilities, including congregate living health facilities (Health & Safety Code §§ 1265—1271.1, 1250(i), 1250(e), (h)); family care home, foster home, group home for the mentally disordered or otherwise handicapped persons or dependent and neglected children (Wel. & Inst. Code §§ 5115—5120).

Residential, multi-family. Apartments, common interest developments, townhouses and similar multiple-family residential developments, including detached single-family homes where there is more than one primary dwelling unit on a lot.

Residential, single-family. Detached single-family home where there is no more than one primary dwelling unit on a lot.

Room, bedroom. A fully-enclosed room designed or intended to be used for sleeping purposes within a residence that typically includes a closet and is separated from the other living spaces with a door.

Room, home office. A room designed and intended to be used for a household office or small business related activity within a residence. Within a single-family detached residence, this room is strictly not intended for sleeping purposes, and lacks direct access to a bathroom. The home office may also be referred to as a studio, den, study or library.

Senior congregate care facility. A structure(s) providing residence for 13 or more senior citizens with kitchen, dining, recreational, etc. facilities with separate bedrooms and/or living quarters.

Setback. The required distance that a building, structure, parking or other designated item must be located from a property line or lot line. A setback is measured from the ultimate property line.

Single housekeeping unit. The occupants of a dwelling unit have established ties and familiarity with each other, including joint use of and responsibility for common areas, which includes interaction with each other, shared meals, household activities, and expenses and responsibilities; where residency is mutually agreed by all residents, is not transitory in nature and the residential activities of the household are conducted on a not-for-profit basis.

Single room occupancy unit. A dwelling unit that serves as the primary residence of its occupant(s) and is offered on a monthly rental basis or longer. Single room occupancy units may contain kitchen and/or sanitary facilities. If the units do not contain kitchen and/or bathroom facilities, shared kitchen and/or bathroom facilities must be provided within the building.

Single room occupancy residential hotel. A residential hotel, allowed in certain commercial zones, that contains units designed for long-term occupancy by a single person, although double occupancy may be permitted.

Slope. The degree of deviation of a surface from the horizontal plane, usually expressed in percent or degrees.

Small Fitness Studio. An indoor commercial use of up to 5,000 square feet that provides instructor-led instruction, training, or structured physical activity, either in a group setting or one-on-one, including, but not limited to: dance, martial arts, yoga, Pilates, high-intensity interval training (HIIT), circuit training, and similar small-group fitness activities. These uses are characterized by scheduled classes or training sessions and are limited in scale and intensity.

Small lot subdivision. A residential development containing a maximum of 15 detached or townhome style units with no common walls where each unit is independently constructed on an individual parcel and the land is subdivided into fee simple parcels containing each unit. Each individual lot is provided with either a direct access to public street/alley or an easement access through a recorded subdivision map.

Smoking lounge. Any facility or location whose business operation, whether as a primary use or an ancillary use, is characterized by the sale, offering, and/or preparation of smoking of tobacco, cigars, hookah, electronic cigarettes, or similar products, including but not limited to establishments known variously as hookah parlors, vaping lounges, or cigar bars.

Smoking/vaping retailer. A smoke shop, electronic cigarette retailer, vapor cigarette retailer, or any other retail business that sells tobacco, electronic cigarettes, and related products primarily for off-site consumption. Smoking/vaping retailers shall not include food or beverage service, outdoor seating, or an indoor seating area greater than 100 square feet in area.

Sober living home. A group home for persons who are recovering from a drug and/or alcohol addiction and who are considered handicapped under state or federal law. Sober living homes shall not include the following: (1) residential care facilities; (2) any sober living home that operates as a single housekeeping unit; (3) any sober living home without an operator.

Specialty store. A retail store less than 3,000 square feet in area with hours of operation between 6:00 a.m. and 11:00 p.m. A specialty store offers a combination of foods and beverages for off-site use or consumption and provides for alcoholic beverage sales that are incidental to the primary use. No more than 10% of the total merchandise area of the retail floor may be devoted to display or sale of alcoholic beverages and only non- refrigerated alcoholic beverages may be offered. A specialty store must comply with the operational standards of section 13-200.72.

Specific plan. A plan consisting of text, maps, and other documents and exhibits regulating development within a defined area of the city, consistent with the general plan and the provisions of State Government Code section 65450 et seq.

State. State of California.

Story. For purposes related to zoning regulations, a story is that portion of a building included between the surface of any floor and the surface of the floor next above it. If there is no floor above it, then the space between such floor and the ceiling next above it shall constitute a story. An attic shall not be considered a story. A basement or cellar shall not be considered a story, if the finished floor level directly

above the basement or cellar is less than four feet above finish grade at all locations. Any uncovered deck or activity area above the first story shall be considered a story.

Streamlined development review. The streamlined processing of a development plan when authority for approval is vested in the planning division.

Street. A public or private thoroughfare that provides primary access to adjacent land and local traffic movements. Streets do not include driveways which only provide access to parking areas.

Structure. Anything, including a building, located on the ground in a permanent location or attached to something having a permanent location on the ground.

Studio Fitness. See Small Fitness Studio.

Supportive housing. Housing with no limit on length of stay, that is occupied by the target population, as defined in Section 50675.14 of the California Health and Safety Code, and that is linked to on site or off site services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

Tandem parking. An arrangement of parking spaces one behind the other in a row of maximum two cars including one in the garage space. Tandem garage parking is defined as the placement of standard parking spaces one behind the other within the enclosed area of a garage.

Townhouse. A single-family attached dwelling unit located on an individual dwelling unit lot, and is part of a row of units that contains three or more dwelling units.

Transitional housing. A development with buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. *Trip (vehicle).* A one-way vehicular journey either to or from a site, or totally within the site i.e. internal trip. Each trip has two trip ends, one at the beginning and the other at the destination.

Trip rate (vehicular). The anticipated number of vehicle trips to be generated by a specific land use type or land use classification. The trip rate is expressed as a given number of vehicle trips for a given unit of development intensity (i.e., trip per unit, trip per 1,000 square feet, etc.).

Uncontrolled environment. A location where there is the exposure (to radiofrequency radiation) of individuals who have no knowledge or control of their exposure. The exposures may occur in living quarters or work places where there are no expectations that the exposure levels may exceed the exposure and induced current levels permitted for the general public.

Underroof. All of the area within the walls of the building that a roof covers. Areas under porches, roof overhangs, garage protrusions, breezeways and other similar architectural design features are not considered as underroof.

Unit. A particular building or structure, or portion thereof, that is designed, intended or used for exclusive occupancy, possession or control of individual owners or

occupiers, whether or not they have interests in common areas of the project.

Use. The purpose (type and extent) for which land or a building is arranged, designed, or intended, or for which either land or a structure is occupied or maintained.

Warehouse, mini. A structure or group of structures for the dead storage of customer's goods and wares where individual stalls or lockers are rented out to different tenants for storage and where at least one of the stalls or lockers has less than 500 square feet of floor area.

Warehouse, public. A structure or group of structures for the dead storage of customer's goods and wares where individual stalls or lockers are rented out to different tenants for storage and where all the stalls or lockers have more than 500 square feet of floor area.

Vacancy rate (common lot development conversion). The ratio of vacant apartments being offered for rent or lease in the City of Costa Mesa, shown as a percentage of the total number of apartments in the city.

Vape lounge. See Smoking lounge.

Vape shop. See Smoking/vaping retailer.

Variance. A discretionary entitlement, usually granted by the planning commission, which permits departure from the strict application of the development standards contained in this Zoning Code, based on specified findings.

Yard. Any open space on a lot unoccupied and unobstructed from the ground upward, except an inside court.

Yard, front. The yard between the front line of a building and the front line of the lot upon which the building is located.

Yard, rear. The yard extending from the extreme rear line of the main building to the rear lot line on which the building is situated.

Yard, side. The yard extending from the front yard, or from the front lot line where no front yard is required, to the rear yard or rear lot line, between the side lot line and the nearest wall of the main building or any accessory structure attached thereto.

Zero lot line. The location of a structure on a lot in such a manner that one or more of the structure's sides rest directly on a lot line.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 98-5, § 4, 3-2-98; Ord. No. 00-5, § 1(a), 3-20-00; Ord. No. 01-16, § 1a., 6-18-01; Ord. No. 05-11, § 2a., 7-19-05; Ord. No. 06-18, § 1, 9-5-06; Ord. No. 09-3, §§ 1a., b., 5-19-09; Ord. No. 09-4, § 1a., 5-5-09; Ord. No. 10-13, § 1, 10-19-10; Ord. No. 10-14, § 1, 11-16-10; Ord. No. 11-10, § 1, 9-20-11; Ord. No. 13-1, § 2A., 3-19-13; Ord. No. 13-05, § 1, 12-3-13; Ord. No. 14-04, § 2A., 4-1-14; Ord. No. 14-13, § 1, 10-21-14; Ord. No. 15-10, § 2A, 9-15-15; Ord. No. 15-11, § 1, 11-17-15; Ord. No. 16-01, § 1, 1-19-16; Ord. No. 18-03, § 2, 1-16-18; Ord. No. 21-03, § 3, 3-2-21; Ord. No. 21-20, § 1, 12-7-21; Ord. No. 26-03 § 04-07-26)

EXHIBIT B

CHAPTER IV
CITYWIDE LAND USE MATRIX

§ 13-30. Purpose.

The purpose of this chapter is to provide a comprehensive list of uses which are permitted, conditionally permitted, or prohibited in the various zoning districts, as represented by Table 13-30, Land Use Matrix. In evaluating a proposed use, the following criteria shall also be considered:

(a) Uses determined as permitted may be subject to a discretionary review when construction is proposed, pursuant to Chapter III, Planning Applications.

(b) Uses proposed in the planned development zones are subject to verification of consistency with the master plan adopted for planned development zones. A proposed use not expressly allowed by the adopted master plan may require additional discretionary review pursuant to Table 13-30, Land Use Matrix.

(c) All listed uses in the matrix are subject to verification of compliance with density and floor area ratio limits, parking requirements and performance standards which may, in certain cases, prevent the establishment of the use.

(d) Any proposed use not listed in the Land Use Matrix shall be reviewed by the development services director to determine its similarity to another listed use. If no substantial similarity exists, the proposed use shall require approval of a conditional use permit prior to establishment of the use.

(e) For the purpose of Table 13-30, Land Use Matrix, the various zoning districts are labeled as follows:

Residential zones: R1, R2-MD, R2-HD, and R3

Commercial zones: AP, CL, C1, C2, C1-S, and TC

Industrial zones: MG and MP

Planned Development Residential zones: PDR-LD, PDR-MD, PDR-HD, and PDR-NCM

Planned Development Commercial zone: PDC Planned Development

Industrial zone: PDI

The Parking zone: P

(f) For zoning districts located in a specific plan area, please refer to the appropriate specific plan text to determine if any additional regulations related to land uses are applicable.

(g) For the mixed-use overlay district located in an urban plan area, please refer to the appropriate urban plan text for additional regulations related to development standards and allowable land uses as applicable.

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
RESIDENTIAL USES																						
1. Single-family dwellings (single housekeeping units)	P[4]	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	•	•	P	•
2. Multi-family dwellings	•	P	P	P	•	•	•	•	•	P	•	•	P	P	P	P	P	P	•	•	P	•
2.1 Common interest developments, residential	•	P	P	P	•	•	•	•	•	P	•	•	P	P	P	P	P	P	•	•	P	•
2.2 Small lot subdivisions, residential	•	P	P	P	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
3. Mobile home parks	•	C	C	C	•	•	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•
4. Boarding-house, small[7]	•	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	•	•	•	•
5. Boarding-house, large[7]	•	C	C	C	•	•	•	•	•	•	•	•	•	C	C	C	C	C	•	•	•	•
6. Residential care facility, six or fewer persons (State licensed)	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	P	•	P	•
7. Group homes, six or fewer	S	S[6]	S[6]	S[6]	•	•	•	•	•	•	•	•	S[6]	S[6]	S[6]	S[6]	S[6]	S[6]	P	•	P	•
7.1 Sober living homes, six or fewer	S[5]	S[6]	S[6]	S[6]	•	•	•	•	•	•	•	•	S[6]	S[6]	S[6]	S[6]	S[6]	S[6]	P	•	•	•
8. Residential care facility, seven or more	•	C[6]	C[6]	C[6]	•	•	•	•	•	•	•	•	•	C[6]	C[6]	C[6]	C[6]	C[6]	P	•	•	•
9. Group homes, seven or more	•	C[6]	C[6]	C[6]	•	•	•	•	•	•	•	•	•	C[6]	C[6]	C[6]	C[6]	C[6]	P	•	•	•
9.1 Sober living homes, seven or more	•	C[6]	C[6]	C[6]	•	•	•	•	•	•	•	•	•	C[6]	C[6]	C[6]	C[6]	C[6]	P	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
10. Referral facility (Subject to the requirements of section 13-32.2, referral facility).	•	C[2]	C[2]	C[2]	•	•	•	C[2]	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	•	•
11. Single room occupancy residential hotel (subject to City Council Policy 500-5)	•	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Employee housing, six or fewer	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	•	•	P	•
Supportive housing	P[12]	P[11, 12]	P[11, 12]	P[11, 12]	•	•	•	•	•	P[11, 12]	•	•	P[11, 12]	P[11, 12]	P[11, 12]	P[11, 12]	P[11, 12]	P[11, 12]	•	•	P[11, 12]	•
Transitional housing	P[12]	P[12]	P[12]	P[12]	•	•	•	•	•	P[12]	•	•	P[12]	P[12]	P[12]	P[12]	P[12]	P[12]	•	•	P[12]	•
Low barrier navigation center	•	•	•	•	•	•	•	•	•	P[13]	•	•	•	•	•	•	P[13]	P[13]	•	•	P[13]	•
ACCESSORY USES																						
12. Electric Vehicle Charging Station, Accessory Use (subject to the requirements of Chapter IV, 13-30)	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]
13. Animals, keeping of	SEE TITLE 3, ANIMALS AND FOWL																					
14. Antennas: Amateur radio, Satellite dish, Communication	SEE CHAPTER IX, ARTICLE 2, ANTENNAS																					
15. Reserved																						
16. Day care facilities (15 children or more) (see also Nursery	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	P	P	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
schools)																						
17. Family day care—Large (7 to 14 children) (subject to the requirements of section 13-37, large family day care homes)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P	•	P[2]	•
18. Family day care—Small (up to 8 children)	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P[3]	P[3]	P	•	P[3]	•
19. Garage/yard sales—No more than 2 events permitted a year, not to exceed 3 consecutive days	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P[3]	P[3]	•	•	P[3]	•
20. Reserved																						
21. Home occupations (subject to the requirements of chapter IX, article 6, home occupations)	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2]	•	P[2]	•
22. Home occupations that generate traffic and do not involve more than 1 customer/ client at a time or more than 8 customers/clients per day (subject to the requirements of ch. IX, article 6, home occupations)	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	•	MC[2,3]	•
22.1 Non-residential accessory uses in a residential development not otherwise specified in this table	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
21. Home occupations (subject to the requirements of chapter IX, article 6, home occupations)	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2]	•	P[2]	•
22. Home occupations that generate traffic and do not involve more than 1 customer/ client at a time or more than 8 customers/clients per day (subject to the requirements of ch. IX, article 6, home occupations)	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	•	MC[2,3]	•
22.1 Non-residential accessory uses in a residential development not otherwise specified in this table	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
22.2 Accessory dwelling unit (subject to the requirements of ch. V, section 13-35, accessory dwelling units)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	P[2]	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	P[2]	•
22.3 Junior accessory dwelling unit (subject to the requirements of ch. V, section 13-35, accessory dwelling units)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	P[2]	•
22.4 Temporary real estate and construction offices (subject to the requirements of ch. IX, art. 10, temporary trailers)	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
INSTITUTIONAL AND RECREATIONAL USES																						
23. Cemeteries	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	C	•	•	•
24. Churches and other places of religious assembly (Subject to the requirements of article 4.5, development standards for churches and other places of religious assembly)	C[2]	C[2]	C[2]	C[2]	C[2]	C[2]	P[2]	P[2]	C[2]	C[2]	P[2]	P[2]	C[2]	C[2]	C[2]	C[2]	C[2]	C[2]	P[2]	C[2]	C[2]	•
25. Civic and community clubs	C	C	C	C	C	C	P	P	P	P	C	C	C	C	C	C	C	C	C	•	P	•
26. Convalescent hospitals; nursing homes	•	C	C	C	C	C	C	C	•	•	•	•	•	•	•	•	•	•	P	•	•	•
27. Country clubs; golf courses	C	C	C	C	•	•	•	•	•	•	•	•	C	C	C	C	•	•	P	C	•	•
28. Crematories (See also Mortuary services)	•	•	•	•	•	•	•	C	•	•	C	C	•	•	•	•	•	•	C	•	•	•
29. Fairgrounds; outdoor festival (permanent)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	C	•	•	•
30. Hospitals, general	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	P	•	P	•
31. Libraries, privately-operated	C	C	C	C	•	•	C	C	C	C	C	C	C	C	C	C	C	C	P	C	•	•
31a. Marijuana and/or medical marijuana cultivation	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
31b. Cannabis and/or marijuana distributer	•	•	•	•	•	•	•	•	•	•	•	C[9]	•	•	•	•	•	C[9]	•	•	•	
31c. Cannabis and/or marijuana manufacturer or	•	•	•	•	•	•	•	•	•	•	•	C[9]	•	•	•	•	•	C[9]	•	•	•	

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
processor																						
31d. Cannabis and/or marijuana retail sales storefront	•	•	•	•	•	C[9]	C[9]	C[9]	C[9]	C[9]	•	•	•	•	•	•	•	•	•	•	•	
31e. Cannabis and/or marijuana retail sales nonstorefront (deliveries)	•	•	•	•	•	C[9]	C[9]	C[9]	C[9]	C[9]	•	C[9]	•	•	•	•	•	C[9]	•	•	•	•
31f. Cannabis and/or marijuana research and development and/or testing laboratories	•	•	•	•	•	•	•	•	•	•	•	C[9]	•	•	•	•	•	C[9]	•	•	•	
32. Mortuary services without crematories	•	•	•	•	C	C	C	C	C	•	C	C	•	•	•	•	•	•	C	•	•	•
32a. Needle exchange program	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
33. Nursery schools—See also Day care facilities for 15 or more children	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	P	C	•
34. Parks and playgrounds	C	C	C	C	•	•	•	•	•	C	•	•	C	C	C	C	C	C	P	P	P	•
35. Public offices and facilities, such as city halls, courthouses, police/ fire stations, etc.	C	C	C	C	C	C	P	P	P	P	C	C	C	C	C	C	C	C	P	•	•	•
36. Schools: primary, secondary and colleges	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	P	P	•
37. Schools: trade and vocational; group counseling	•	•	•	•	•	MC	P	P	P	P	MC	MC	•	•	•	•	P	MC	P	P	•	•
38. Senior congregate care facility	•	C	C	C	C	C	C	C	C	C	•	•	•	C	C	C	C	•	C	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
39. Swap meets	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	C	C	•	•
39a. Emergency shelters	•	•	•	•	•	•	•	•	•	•	•	C[10]	•	•	•	•	•	P[10]	•	•	•	•
SPECIAL SEASONAL EVENTS																						
40. Reserved																						
41. Christmas tree lots; pumpkin patches; fireworks stands; produce stands (subject to the requirements of title 9, chapter II, regulation of certain businesses)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•	P[2]	P[2]	P[2]	P[2]	•	•
COMMERCIAL AND INDUSTRIAL USES																						
42. Acupressure; massage (subject to the requirements of title 9, chapter ii, article 22, Massage establishments and practitioners)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	P[2]	•	•	•	•	•
42a. Active Entertainment (subject to the requirements of chapter IX, article 5, electronic game machines and Article 26, Active Entertainment)	•	•	•	•	P	P	P	P	P	P	MC	MC	•	P	P	P	P	P	•	•	•	•
43. Adult businesses (See Sexually-oriented businesses)																						
44. Aggregate batch plants; Rock or asphalt crushing; Sand	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
blasting																						
45. Ambulance services	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	MC	•	•	•	•	MC	MC	•	•	•	•
46. Amusement centers (subject to the requirements of chapter IX, article 5, electronic game machines, and Article 26, Active Entertainment/Amusement Center)	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	•	•
47. Animal hospitals; veterinary services (kenneling only when incidental to principal hospital use)	•	•	•	•	•	C	C	P	P	C	C	C	•	•	•	•	P	•	•	•	•	•
48. Animal shelters, pounds, kennels, training schools	•	•	•	•	•	•	•	C	•	•	C	C	•	•	•	•	•	•	C	•	•	•
48a. Antique malls	•	•	•	•	•	•	P	P	P	•	MC	MC	•	•	•	•	P	MC	•	•	•	•
49. Artisan Studio	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	P	P	P	•	•	•	•
50. Auction houses	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
51. Automobile (See Motor vehicle)																						
52. Banks; savings and loans; and other financial institutions	•	•	•	•	P	P	P	P	P	P	•	•	•	P	P	P	P	P	•	•	•	•
53. Bars; nightclubs (See Establishments where food or beverages are served)																						

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
54.Reserved																						
55. Billiards parlors	•	•	•	•	•	•	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	•	•	•	•
56. Botanical gardens; Zoos	•	•	•	•	•	•	C	C	C	C	•	•	•	•	•	•	•	•	C	•	•	•
57. Bowling centers	•	•	•	•	•	•	MC	MC	MC	MC	•	•	•	•	•	MC	MC	•	•	•	•	•
58. Breweries; Distilleries	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	•	•	•	•
59. Reserved																						
60. Building supplies; Hardware stores (retail)	•	•	•	•	•	•	P	P	P	•	•	•	•	P	P	P	P	•	•	•	•	•
61. Business services—See Offices																						
62. Car washes	•	•	•	•	•	•	C	C	C	C	C	C	•	C	C	C	C	C	•	•	•	•
63. Carts— Outdoor retail sales in conjunction with an established business	•	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	MC	•	•	•
64. Catering	•	•	•	•	•	MC	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•
65. Coffee roasting	•	•	•	•	•	•	•	•	•	•	MC	MC	•	•	•	•	•	•	•	•	•	•
66. Coffee roasting (in conjunction with establishments where food or beverages are served)	•	•	•	•	•	•	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	•	•	•	•
67. Commercial art; Graphic design	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
68. Commercial testing laboratories	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
69. Computer and data processing	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
70. Contracting: general contractors; operative builders	•	•	•	•	•	C	C	P	C	•	P	P	•	•	•	•	•	P	•	•	•	•
71. Convenience stores; mini-markets (subject to the requirements of chapter IX, article 16, liquor stores, convenience stores, and mini-markets)	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	•	C[2]	C[2]	C[2]	•	•	•	•	•
72. Department stores (retail)	•	•	•	•	•	•	P	P	P	P	•	•	•	•	•	•	P	•	•	•	•	•
73. Electronic game machines (four or more), incidental to the primary use, (subject to the requirements of chapter IX, article 5, electronic game machines)— Excluding amusement centers listed separately	•	•	•	•	•	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	•	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	•	•	•	•
74. Engineering; architectural; and surveying services— See Offices																						
75. Entertainment, live or public	•	•	•	•	•	SEE TITLE 9, ARTICLE 11, REGULATORY PERMITS FOR PUBLIC ENTERTAINMENT							•	SEE TITLE 9, ARTICLE 11, REGULATORY PERMITS FOR PUBLIC ENTERTAINMENT								•	•
76. Establishments where food or beverages are served	•	•	•	•	•	SEE CHAPTER V, ARTICLE 4, ESTABLISHMENTS WHERE FOOD OR BEVERAGES ARE SERVED							•	SEE CHAPTER V, ARTICLE 4, ESTABLISHMENTS WHERE FOOD OR BEVERAGES ARE SERVED						•	•	•	•
77. Event Center (subject to the	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	C	C	C	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
requirements of chapter IX, article 25, Event Center)																						
78. Flower stands—See also Carts	•	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	MC	•	•	•
79. Electric Vehicle Charging Station, Primary Use (subject to the requirements of Chapter IV, 13-30)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]
80. Grocery stores—See also Supermarkets; excluding convenience stores; and liquor stores listed separately	•	•	•	•	•	•	P	P	P	P	•	•	•	MC	MC	MC	MC	•	•	•	•	•
81. Hazardous waste facilities, off-site (subject to chapter IX article 9, off-site hazardous waste facilities)	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	C[2]	C[2]	•	•	•	•	C[2]	C[2]	C[2]	•	•	•
82. Heliports; Helistops	•	•	•	•	•	•	•	•	C	C	C	C	•	•	•	•	C	C	C	C	•	•
83. Hotels— Excluding motels listed separately	•	•	•	•	•	•	C	C	C	P	•	•	•	C	C	C	P	•	•	•	•	•
84. Landscape services (installation and maintenance)	•	•	•	•	•	MC	MC	P	P	•	P	P	•	•	•	•	•	P	•	•	•	•
85. Reserved																					•	
86. Leather tanning and finishing	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	C	•	•	•	•
87. Limousine services	•	•	•	•	•	C	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
88. Liquor stores (subject to the	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	•	•	•	C[2]	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
requirements of chapter IX, article 16, liquor stores, convenience stores, and mini- markets)																						
89. Lumber and building materials dealers, (wholesale)	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
90. Manufacturing: Light EXCEPT the following which are prohibited: • Manufacture of fertilizer • Manufacture of products involving the use of explosives Manufacture of rubber (including tires), steel	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	P2	•	•	•	•
91. Manufacturing of chemical products, paints, pharmaceuticals, and plastics	•	•	•	•	•	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	C[2]	•	•	•	•
92. Manufacturing of stone, clay, glass and concrete products EXCEPT the following which are prohibited: • Manufacture of flat glass • Manufacture of cement and structural clay products • Manufacture of concrete, gypsum and plaster products • Manufacture of	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	P[2]	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
abrasive and asbestos products • Manufacture of nonclay refractories and crucibles • Processing and preparation of clay, ceramic and refractory minerals																						
93. Manufacturing or processing of foods and beverages EXCEPT the following which are prohibited: • Meat and poultry packing plants • Grain mills • Sugar refining • Fats and oils processing mills • Seafood canneries and packaging (See also Breweries; Distilleries; Coffee roasting)	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	P[2]	•	•	•	•
94. Massage— See also Acupressure (subject to the requirements of title 9, chapter II, article 22, massage establishments and practitioners)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	P[2]	•	•	•	•	•
95. Medical laboratories	•	•	•	•	MC	MC	P	P	P	P	MC	MC	•	•	•	•	MC	MC	•	•	•	•
96. Metal fabrication, welding, foundry, die casting (subject to subsection 13-54(a), performance	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
standards)																						
97. Motels— (Subject to requirements of chapter IX, article 8, motels) Excluding Hotels listed separately	•	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	•	•	•	•	•	•	•	•	•
98. Motion picture and television studios	•	•	•	•	C	C	C	C	•	•	P	P	•	•	•	•	P	P	•	•	•	•
99. Motion picture theaters and other theaters not within 200 feet of residential zones	•	•	•	•	•	•	P	P	P	P	•	•	•	•	•	•	P	•	•	•	•	•
100. Motion picture theaters and other theaters within 200 feet of residential zones	•	•	•	•	•	•	C	C	C	C	•	•	•	•	•	•	C	•	•	•	•	•
101. Motor oil, used—Collection facility (subject to the requirements of chapter IX, article 9, off-site hazardous waste facilities)	•	•	•	•	•	•	P[2]	P[2]	P[2]	•	P[2]	P[2]	•	•	•	•	P[2]	P[2]	P[2]	P[2]	•	•
102. Motor vehicle, boat, and motorcycle retail sales, leasing, rentals and service with two or more outdoor display parking spaces	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
103. Motor vehicle, boat, and motorcycle retail sales, leasing, and rentals with one or less outdoor display parking space and no service (subject to verification	•	•	•	•	•	•	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
of parking availability)																						
104. Motor vehicle service stations	•	•	•	•	•	•	C	C	C	•	•	•	•	•	•	•	C	•	•	•	•	•
105. Motor vehicle service stations with concurrent sale of alcoholic beverages (subject to requirements of chapter IX, article 3, concurrent sale of alcoholic beverages and motor vehicle fuel)	•	•	•	•	•	•	C[2]	C[2]	C[2]	•	•	•	•	•	•	•	C[2]	•	•	•	•	•
106. Motor vehicle; boat; and motorcycle repair services (including body and paint work), not within 200 feet of residential zone (subject to subsection 13-54(b))	•	•	•	•	•	•	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•
107. Motor vehicle; boat; and motorcycle repair services (including body and paint work), within 200 feet of residential zone (subject to subsection 13-54(b))	•	•	•	•	•	•	C	C	C	•	C	C	•	•	•	•	C	C	•	•	•	•
108. Nurseries (retail with no bulk fertilizer)	•	•	•	•	•	C	C	P	P	•	C	C	•	•	•	•	•	•	•	•	•	•
109. Offices: central administrative	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
110. Offices: engineering; architectural; and surveying services; management; consulting and public	•	•	•	•	P	P	P	P	P	P	P	P	•	MC	MC	MC	P	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
relations																						
111. Offices: general; individual counseling	•	•	•	•	P	P	P	P	P	P	MC	MC	•	MC	MC	MC	P	P	•	•	•	•
112. Reserved																						
113. Offices: medical and dental	•	•	•	•	P	P	P	P	P	P	•	•	•	MC	MC	MC	P	MC	MC	•	•	•
114. Offices: services to businesses such as bookkeeping and data processing	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
115. Off-street parking lots and structures including related maintenance buildings	•	•	•	•	C	C	C	C	C	P	C	C	•	•	•	C	C	C	C	C	•	P
116. Off-street parking lots and structures, incidental uses within	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	MC	•	•	•	MC	MC	MC	MC	MC	•	MC
117. Oil fields; oil wells (see chapter XIV, oil drilling)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
118. Pawn shops	•	•	•	•	•	C	C	C	C	•	•	•	•	•	•	•	•	•	•	•	•	•
119. Photocopying; blueprinting and related services	•	•	•	•	•	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
120. Photofinishing laboratories	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
121. Photofinishing stores	•	•	•	•	•	P	P	P	P	P	•	•	•	•	•	•	P	P	•	•	•	•
122. Personal Service	•	•	•	•	P	P	P	P	P	P	P	P	•	P	P	P	P	•	•	•	•	•
123. Personal Service with Group Instruction/Setting (see Chapter IX Article 24	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
Group Instruction/Setting including Studio and Fitness Uses)																						
124. Physical fitness facilities	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
125. Printing and publishing	•	•	•	•	•	•	MC	P	MC	MC	P	P	•	•	•	•	P	P	•	•	•	•
126. Reserved																						
127. Recycling and collection facilities for nonhazardous materials	•	•	•	•	•	MC	MC	MC	MC	•	MC	MC	•	•	•	•	MC	MC	MC	MC	•	•
128. Research and development laboratories— Other than cannabis and/or marijuana testing laboratories	•	•	•	•	C	C	C	P	C	C	P	P	•	•	•	•	•	P	•	•	•	
129. Restaurants including Food Halls—See Establishments where food or beverages are served																						
130. Retail: general—Excluding antique malls, pawn shops, supermarkets, grocery stores, convenience stores; and liquor stores listed separately	•	•	•	•	•	P	P	P	P	P	•	•	•	P	P	P	P	P	•	•	•	•
131. Retail, incidental sales to the main use (subject to the requirements of section 13-54(a), incidental retail sales)	•	•	•	•	P	P	P	P	P	P	P[2]	P[2]	•	P	P	P	P	P[2]	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
132. Retail: nonstore	•	•	•	•	P	P	P	P	P	P	P	P	•	P	P	P	P	P	•	•	•	•
133. Rifle, pistol, and firing ranges	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	C	•	•	•
134. Sexually-oriented businesses (subject to the requirements of title 9, chapter IV and title 13, chapter IX, sexually-oriented businesses)	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	•	P[2]	•	•	•	•	•
135. Reserved																						
135a. Smoking lounge (subject to chapter IX, article 19, smoking and vaping uses)	•	•	•	•	•	•	•	•	C[2]	•	•	P[2]	•	•	•	•	C[2]	•	•	•	•	•
135b. Smoking/ vaping retailer (subject to chapter IX, article 19, smoking and vaping uses)	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•
136. Storage of chemicals and allied products (except as incidental use)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
137. Storage of explosives	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
138. Storage of fertilizer	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	•	•	•	•
139. Storage of motor vehicles— Outdoor (not including impound yard)	•	•	•	•	•	•	C	C	C	•	MC	MC	•	•	•	•	C	MC	•	•	•	•
139a. Storage of motor vehicles— Indoor only (not	•	•	•	•	•	•	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
including impound yard)																						
140. Storage of petroleum and coal products	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
141. Storage of rock, sand, crushed aggregate and gravel	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	•	•	•	•
142. Studio Fitness; Small and Fitness Studios etc.(See Chapter IX Article 24, Group Instruction/Setting including Studio and Fitness Uses)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	P[2]	•
143. Supermarkets—See also Grocery stores	•	•	•	•	•	•	P	P	P	P	•	•	•	MC	MC	MC	MC	•	•	•	•	•
143a. Specialty stores	•	•	•	•	•	•	P	P	P	P	•	•	•	•	MC	MC	MC	•	•	•	•	•
144. Tattoo parlors	•	•	•	•	•	•	C	C	C	•	•	•	•	•	•	•	C	•	•	•	•	•
145. Tire sales and installation not within 200 feet of residential zone	•	•	•	•	•	•	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•
146. Tire sales and installation within 200 feet of residential zone	•	•	•	•	•	•	MC	MC	MC	•	MC	MC	•	•	•	•	MC	MC	•	•	•	•
147. Tow companies with or without impound yard	•	•	•	•	•	•	C	C	C	•	MC	MC	•	•	•	•	•	MC	•	•	•	•
148. Transfer station for refuse, sewage treatment	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	C	C	•	•	•
149. Trucking: local and long distance	•	•	•	•	•	•	•	C	•	•	P	P	•	•	•	•	•	C	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
150. Warehouses, mini (subject to the requirements of chapter IX, article 7, mini- warehouses)	•	•	•	•	•	•	C[2]	C[2]	C[2]	•	MC[2]	MC[2]	•	•	•	•	•	MC[2]	•	•	•	•
151. Warehouses, public	•	•	•	•	•	•	C	C	C	•	P	P	•	•	•	•	•	P	•	•	•	•
152. Warehousing of durable and nondurable goods except livestock and poultry—See also Storage	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
153. Wholesale trade of motor vehicles, boats and motorcycles with outdoor storage of vehicles	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
154. Wholesale trade of motor vehicles, boats and motorcycles without outdoor storage of vehicles	•	•	•	•	•	MC	MC	P	P	P	P	P	•	P	P	P	P	P	•	•	•	•
155. Wholesale trade of durable, nondurable goods, except livestock, poultry and perishable goods	•	•	•	•	•	MC	MC	P	P	P	P	P	•	P	P	P	P	P	•	•	•	•

Notes:

1	Uses proposed in this zone are subject to verification of consistency with the adopted master plan. Uses not specified in the master plan, could be allowed, subject to the review process indicated in this matrix, if the proposed use is determined to be compatible with the adopted master plan. Residential uses shall not be permitted on any site or parcel of land on which residential uses are expressly prohibited by the general plan.
2	This use is subject to the requirements of the referenced Municipal Code article or section.

3	If residential uses exist, accessory uses shall be permitted.
4	For the purposes of this table, the symbols in the non-shaded areas shall have the following meaning: C—Conditional Use Permit; MC—Minor Conditional Use Permit; P—Permitted; •—Prohibited; and S—Special Use Permit.
5	Six hundred fifty foot separation required between sober living homes, or from state licensed alcohol or drug abuse recovery or treatment facilities. CMMC 13-311(a)(10)(i).
6	Subject to the separation requirement set forth in sections 13-322(a)(3) and 13-323(b).
7	Small boardinghouses shall locate at least 650 feet from any other small boardinghouse. Large boardinghouses shall be located at least 1,000 feet away from any other boardinghouse.
8	Uses prohibited in the base zoning district of a mixed-use overlay zone shall also be prohibited in the overlay zone.
9	Prohibited at the SoCo property, 3303 through 3323 Hyland Ave.
10	Emergency shelters located on sites owned, controlled, and/or operated by the city in the MP and/or the PDI zone are a permitted use, not subject to a master plan requirement and the standards in section 13-200.79(1), (2), (4), (8), (10) and (13) do not apply to such uses.
11	Supportive housing, as defined in Government Code Section 65650, shall be permitted by-right in all zones where multifamily and mixed uses are permitted by-right, provided it is consistent with Government Code Sections 65650 – 65656.
12	Pursuant to Government Code Section 65583(c)(3), transitional and supportive Housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zoning district.
13	Low barrier navigation centers shall be permitted by-right provided they are consistent with the requirements in Government Code Sections 65660-65668.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 98-4, § 2, 2-2-98; Ord. No. 98-5, § 8, 3-2-98; Ord. No. 00-5, § 1(b), 3-20-00; Ord. No. 01-1, § 1, 1-15-01; Ord. No. 01-30, § 1a(Att. A), 1-7-02; Ord. No. 02-4, § 1b(Att. A), 3-18-02; Ord. No. 02-12, § 1c, 6-17-02; Ord. No. 05-2, § 1f.(Att. A), 2-22-05; Ord. No. 05-11, § 2b., 7-19-05; Ord. No. 06-2, § 1a., 2-7-06; Ord. No. 06-9, § 1d., 4-18-06; Ord. No. 06-18, § 1b., 9-5-06; Ord. No. 07-2, § 1d., 2-6-07; Ord. No. 11-10, § 1, 9-20-11; Ord. No. 13-1, § 2B., 3-19-13; Ord. No. 14-04, § 2B., 4-1-14; Ord. No. 14-13, 10-21-14; Ord. No. 15-06, §§ 1—3, 7-7-15; Ord. No. 15-10, § 2B, 9-15-15; Ord. No. 15-11, §§ 3—5, 11-17-15; Ord. No. 16-01, § 4, 1-19-16; Ord. No. 16-09, §§ 4, 5(Exh. A), 10-4-16; Ord. No. 16-13, § 2, 11-15-16; Ord. No. 16-15, § 5, 11-8-16; Ord. No. 18-03, § 3, 1-16-18; Ord. No. 18-04, § 3, 4-3-18; Ord. No. 19-13, § 3, 9-3-19; Ord. No. 19-15, § 1, 9-17-19; Ord. No. 21-03, § 4, 3-2-21; Ord. No. 21-08, § 1, 6-15-21; Ord. No. 21-20, § 1, 12-7; Ord. No 26-03, 4-7-26;

EXHIBIT C

Chapter V, Development Standards
Article 3, Commercial Districts

§ 13-44 Development Standards.

Table 13-44 identifies development standards for the various commercial zones. See also Article 9, General Site Improvement Standards of this chapter for additional requirements.

TABLE 13-44
COMMERCIAL PROPERTY DEVELOPMENT STANDARDS

DEVELOPMENT STANDARDS	P	AP	CL	C1	C2	C1-S	TC
Minimum Lot Area for newly created lots	6,000 square feet			12,000 square feet		5 acres	See Master Plan
Minimum Lot Width for newly subdivided lots	120 feet Note: All newly subdivided lots shall have frontage on a dedicated street equal to, or in excess of, the required minimum lot width.			120 feet Note: All newly subdivided lots shall have frontage on a dedicated street equal to, or in excess of, the required minimum lot width.			None
Minimum Lot Width	Interior Lot: 50 feet Corner Lot: 60 feet			60 feet			None
Maximum Floor Area Ratio	Refer to CHAPTER V, ARTICLE 8, FLOOR AREA RATIOS.						
Maximum Building/ Structure Height	2 stories/30 feet[1,2]						None
SETBACKS FOR MAIN BUILDINGS AND ACCESSORY BUILDINGS AND STRUCTURES (Minimum distances given, unless otherwise noted. All setbacks from streets are measured from the ultimate property line shown on the master plan of highways.)							
Front	20 feet						
Side (Interior)	15 feet on one side and 0 feet on the other side. Exception: If the side property line is adjacent to a residential zone, all buildings shall maintain a side setback from the residential property line of 2 times the building height at all locations.						None
Rear (Interior)	0 feet Exception: If the rear property line is adjacent to a residential zone, all buildings shall maintain a rear setback from the residential property line of 2 times the building height at all locations.						None

Side or Rear abutting a public street	20 feet for secondary, primary or major streets per the master plan of highways. 15 feet for all other streets.	20 feet—see also subsections 13-45(f) and (g).
PROJECTIONS (Maximum depth of projections given)		
Roof or Eaves overhang; Awning	2 feet 6 inches into required side setback. 5 feet into required front or rear setback.	None
Open, unenclosed Stairways.	2 feet 6 inches into required setback area.	None
PARKING (See CHAPTER VI)		
LANDSCAPING (See CHAPTER VII)		

1. A 5% increase is allowed if necessary to screen existing roof- mounted equipment

2. A height deviation of up to 12 feet, or 40 percent of the maximum allowable height, whichever is less, may be approved through the minor conditional use permit process. In addition to the findings required by Sections 13-29(e) and 13-29(g)(2), the review authority shall find that the proposed height is (a) compatible with the existing and anticipated development in the vicinity; (b) enhances the architecture and design of the development; and (c) would not be materially detrimental to surrounding properties or uses and would not adversely affect the public health, safety, or welfare.

Add the following to Section 13-45 Additional property development standards for commercial districts.

(h) Noise Regulations. All operations shall conform to Chapter XIII Noise Control of this Title. The operator must limit noise generated from the use to the greatest extent feasible. Any noise complaints generated from this use must be addressed by the owner/operator.

EXHIBIT D

Chapter V, Article 4
Establishments Where Food or Beverages are Served

§ 13-46. Purpose.

The purpose of this article is to regulate and provide development standards for establishments where food or beverages are served. The proximity of residential uses to these types of establishments is a concern of this article. Where the distance criterion of 200 feet from residentially-zoned property is given in this article, it shall be measured from the property line of the site to the property line of the nearest residentially-zoned property. This article also establishes requirements for outdoor dining areas to support long-term economic viability of local establishments, promote vitality in the city's commercial areas, promote progress towards creating walkable communities by facilitating pedestrian-friendly and safe public spaces, and facilitate and incentivize enhanced city dining experiences.
(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 2024-01, 1/16/2024)

§ 13-47. Permitted and conditionally permitted uses.

Establishments where food or beverages are served are subject to the review and approval procedures shown in Table 13-47 (a) and (b). In instances where more than one review procedure is applicable to an establishment, the more stringent procedure shall apply.

TABLE 13-47(a)
PERMITTED AND CONDITIONALLY PERMITTED USES

LOCATION AND OPERATIONAL CHARACTERISTICS	C1-S	C1	C2	CL	TC	PD	MG	MP
Establishments with 300 square feet or less of indoor public area.[3]	P[1,2] or P	P	P	MC	P[1] or P	P[1] or P	P	P
Establishments with more than 300 square feet of indoor public area.[3]	P[1] or P	P	P	MC	P[1] or P	P[1] or P	MC	MC
EXCEPTIONS								
Located within 200 feet of a residential zone. (Subject to the requirements of section 13-49, Development Standards for section 13-49, Development Standards for Establishments Within 200 Feet of Residentially Zoned Property)[3]	P[1] or P	P	P	MC	P[1] or P	P[1] or P	P	P

TABLE 13-47(a)
PERMITTED AND CONDITIONALLY PERMITTED USES

LOCATION AND OPERATIONAL CHARACTERISTICS	C1-S	C1	C2	CL	TC	PD	MG	MP
Sale of alcoholic beverages for on-site consumption after 11:00 p.m. and/or provision of live entertainment or dancing located within 200 feet of a residential zone.[3]	P[1] or C	C	C	C	P[1] or C	P[1] or C	C	C
Sale of alcoholic beverages for on-site consumption after 11:00 p.m. and/or provision of live entertainment or dancing located not within 200 feet of a residential zone.[3]	P[1] or MC	MC	MC	MC	P[1] or MC	P[1] or MC	MC	MC
Drive-through operations. (Subject to the requirements of section 13-50, Development Standards for Drive-Through Operations)[3]	P[1] or MC	MC	MC	MC	P[1] or MC	P[1] or MC	MC	MC
Establishments with less than 300 square feet of indoor public area located in a multi-tenant center where 30% or more of the tenants are similar businesses, i.e., establishments with less than 300 square feet of indoor public area.[3]	P[1] or MC	MC	MC	MC	P[1] or MC	P[1] or MC	MC	MC
Establishments with a micro brewery[3]	P[1] or C	C	C	C	P[1] or C	P[1] or C	C	C
Commercial Kitchens						P	P	P

TABLE 13-47(a)
PERMITTED AND CONDITIONALLY PERMITTED USES

LOCATION AND OPERATIONAL CHARACTERISTICS	C1-S	C1	C2	CL	TC	PD	MG	MP
Ghost Kitchen (Subject to the requirements of section 13-52, Development Standards for Ghost Kitchens)		MC	P			P	P	P

Notes:

[1] Pursuant to an approved master plan which specifies these operational characteristics and/or location of the business.

[2] For the purposes of this table, the symbols shall have the following meaning: P=Permitted; MC=Minor Conditional Use Permit; C=Conditional Use Permit.

[3] Outdoor dining and seating areas may be considered as part of a proposed land use if allowed in the zoning district, and pursuant to the provisions, regulations and standards of this Article.

TABLE 13-47 (b) OUTDOOR DINING AREA PERMITTING PROCESS[1]	
LOCATION OF OUTDOOR AREAS AND OPERATIONAL CHARACTERISTICS	**Approval Process**
Courtyard Area	P[2]
Setback Area - Expansion of up to 50% of indoor public area outdoors.[1]	P[2]
Setback Area - Expansion of more than 50% of indoor public area outdoors.[1]	MC[2]
Parking Area - Expansion of up to 50% of indoor public area outdoors and does not remove more than five parking spaces or 25% of existing, required parking, whichever is less.[1]	P[2]
Parking Area - Expansion of more than 50% of indoor public area outdoors.[1]	MC[2]
Parking Area - removal of more than five parking spaces, or removal of more than 25% of existing, required parking, whichever is less.[1]	MC[2]

Notes:

[1] Temporary Use Permits for outdoor dining areas, including parklets within the public right-of-way, approved through Urgency Ordinance 2020-15 may continue to operate with staff approval; however, shall comply with applicable Building and Fire Code requirements, may not interfere with minimum required site access or circulation, and shall comply with the aesthetic development standards outlined in section 13-48 within six months from the time of ordinance adoption, with an allowed six-month extension of time. Outdoor dining areas approved under a temporary use permit shall also be subject to applicable fees. Any modifications to these outdoor dining areas shall be approved pursuant to this article.

For the purposes of this table, the symbols shall have the following meaning: P=Permitted; MC=Minor Conditional Use Permit.

[2]

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 2024-01, 1/16/2024)

Add the following new Section to Article 4, Establishments where Food or Beverages are Served:

§ 13-52. Operational standards for ghost kitchen operations.

Establishments with ghost kitchen operations shall comply with the following operational standards in addition to the development standards included in this Chapter, unless the standards are modified through the issuance of a minor conditional use permit.

(a) The customer area shall be limited to pick-up lobby only, no dine-in seating is allowed.

(b) Applicant shall provide a delivery/couriers management plan and shall submit it to the Planning Department for review and approval by the Community Development Director or their designee. The Plan shall include but not be limited to:

(1) Queuing. Queuing into drive aisles or public ROW is strictly prohibited. Should queuing be an issue the applicant/operators shall develop a solution that elevates the issue and shall be reviewed and approved by the Community Development Director or their designee.

(2) Loading Zone. Designated Pick-up/loading spaces shall be provided.

(3) Hours of operation.

(4) Operators. The plan shall identify the total number of operators and/or businesses in the facility.

(c) Should parking issues arise the owner and/or operator shall work with the City to resolve the issues which may include but shall not be limited too runners to deliver meals to waiting drivers/customers, parking attendants, and valet services.

(d) Establishments within 200 feet of residentially-zoned property shall also be subject to the development standards contained in section 13-49, Development standards for establishments within 200 feet of residentially-zoned property.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 00-4, § 1, 2-22-00; Ord. No. 2024-01, 1/16/2024)

EXHIBIT E

Chapter VI Off-Street Parking Standards, Article 2
Non-Residential Districts

§ 13-88. Purpose.

The purpose of this article is to establish parking requirements for all nonresidential zones, nonresidential components of the planned development residential zones and to mixed-use developments in all zones.
(Ord. No. 97-11, § 2, 5-5-97)

§ 13-89. Parking required.

The minimum amount of off-street parking as established in Table 13-89 shall be provided at the time:

(a) Any building and/or structure is constructed;

(b) Any building or structure is enlarged or increased in capacity by adding gross floor area, gross leasable area or seats;

(c) A specific use is proposed for a building site; or

(d) An existing use is changed to one which requires additional parking.

At all times, with the exception of the provisions of section 13-98, Declaration of land use restriction, parking shall be provided according to the requirements of Table 13-89.

TABLE 13-89
NON-RESIDENTIAL PARKING STANDARDS

USE	PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)
Retail; offices; central administrative offices; individual counseling; group counseling; artisan studio and retail commercial; small fitness studios; establishments where food or beverages are served with a maximum of 300 square feet of public area[1]	4 spaces per 1,000 square feet
Office buildings exceeding 2 stories in height and 100,000 square feet in area	3 spaces per 1,000 square feet
Banks; savings and loans; credit unions	5 spaces per 1,000 square feet with a minimum of 6 spaces
Medical and dental offices; acupressure; massage; personal services (non-group instruction/setting)	6 spaces per 1,000 square feet
Furniture and appliance stores with floor area greater than 5,000 square feet	2 spaces per 1,000 square feet with a minimum of 20 spaces
Churches; theaters; mortuaries; auditoriums; services and fraternal clubs and lodges; amphitheaters event center, event venue, banquet facilities, assembly halls, and E-Sports arena, and other similar places of assembly	Within the main auditorium or assembly area: 1 space for each 3 fixed seats or 1 space for every 35 square feet of seating area if there are no fixed seats. 18 lineal inches of bench shall be considered equal to 1 fixed seat.
Racquetball and tennis facilities	3 spaces per court plus parking required for incidental uses such as restaurants which shall be calculated as noted below

TABLE 13-89 NON-RESIDENTIAL PARKING STANDARDS	
USE	**PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)**
Establishments where food or beverages are served with more than 300 square feet of public area[1,4]	10 spaces per 1,000 square feet for the first 3,000 square feet;[2] 12 spaces per 1,000 square feet for each additional 1,000 square feet above the first 3,000 square feet.[2]
Health clubs; Fitness studios and physical fitness facilities; skating rinks; active entertainment	Parking requirement is 10 spaces per 1,000 square feet (unless otherwise listed in this table). Accessory food or beverage service parking requirements shall be 4 spaces per 1,000 square feet. Total parking requirement shall be the sum of all uses combined, but the provisions of section 13-89.5 may be applied.
Bowling alleys	3 spaces per lane plus parking required for incidental uses such as restaurants which shall be calculated as noted under "Establishments where food or beverages are served"
Trade schools; business colleges; dancing and music academies	10 spaces per 1,000 square feet
Motels	1 space for each rentable unit without cooking facilities. Each rentable unit with cooking facilities shall be governed by residential parking standards
Hotels	1 space for each 2 rentable units plus 10 spaces per 1,000 square feet for the first 3,000 square feet, and 20 spaces per 1,000 square feet for each additional 1,000 square feet above the first 3,000 square feet for restaurant, banquet, meeting room and kitchen spaces
Establishments with live entertainment; i.e., go-go dancers, topless dancers, bikini dancers	1 parking space for each person for the first 100 persons as authorized by capacity signs posted by the fire department; 1 parking space for each 2 persons for every 101 to 300 persons as authorized by capacity signs posted; 1 parking space for each 3 persons for every 301 plus persons as authorized by capacity signs posted by the fire department.
Personal Service Group Instruction/Setting; Studios	Parking requirement is 10 spaces per 1,000 square feet
Commercial Kitchens	3 spaces per 1,000 square feet of gross leasable area
Ghost Kitchens	6 spaces per 1,000 square feet of gross leasable area
Shopping centers with a minimum of 600,000 square feet of contiguous gross leasable area:	
Main structure or group of abutting structures	
Retail	5 spaces per 1,000 square feet of gross leasable area
Establishments where food or beverages are served occupying 5% or less of the total contiguous gross leasable area	1 space per 1,000 square feet of gross leasable area

TABLE 13-89 NON-RESIDENTIAL PARKING STANDARDS	
USE	**PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)**
Establishments where food or beverages are served in excess of 5% of the total contiguous gross leasable area	5 spaces per 1,000 square feet of gross leasable area
Office Space occupying 10% or less of the total contiguous gross leasable area	None
Office Space in excess of 10% of the total contiguous gross leasable area	4 spaces per 1,000 square feet of gross leasable area
Theaters (cumulative)	
750 seats and less	5 spaces per 1,000 square feet of gross leasable area
More than 750 seats	5 spaces per 1,000 square feet of gross leasable area plus 3 spaces for each additional 100 seats
Uses within freestanding structures	
Establishments where food or beverages are served	10 spaces per 1,000 square feet of gross leasable area

TABLE 13-89 NON-RESIDENTIAL PARKING STANDARDS	
USE	**PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)**
All others	Pursuant to this table
Mixed use developments	When there are mixed uses within a single development which share the same parking facilities, the total requirement for parking should be determined as outlined in "City of Costa Mesa Procedure for Determining Shared Parking Requirements" which are included herein by this reference and which may be amended from time to time by resolution of the city council. A greater reduction in parking than would be allowed under this procedure may be approved by minor conditional use permit where it can be demonstrated that less parking is needed due to the hours of operation or other unusual features of the users involved. For mixed-use developments located in the mixed-use overlay zone, refer to the applicable urban plan for parking rates.
Industrial	3 parking spaces shall be provided per 1,000 square feet of gross floor area for the first 25,000 square feet of building; 2 parking spaces shall be provided per 1,000 square feet of gross floor area between 25,000 and 50,000 square feet of building; and one and one-half parking spaces shall be provided per 1,000 square feet of gross floor area over 50,001 square feet of building.
Garden centers; plant nurseries	4 spaces per 1,000 square feet of gross floor area; and 2 spaces per 1,000 square feet of outdoor display area.
Smoking lounges	17 spaces per 1,000 square feet

Notes:

1 Establishments limited to seating for 12 or fewer persons prior to June 4, 1997, shall remain at that seating limit unless additional parking is provided pursuant to this Zoning Code.

2 The outdoor patio seating area(s) shall not be included in the floor area calculations for purposes of determining the required parking.

3 The final review authority may apply a maximum credit of one parking space due to the provision of bicycle racks. This credit shall only apply to the overall parking supply and not to multiple uses.

4 When the approval of a use permit is required, the final review authority may require additional parking spaces at a ratio not to exceed 30 spaces per 1,000 square feet of floor area of the entire building. Factors that may warrant additional parking include, but are not limited to, the provision of entertainment and/or dancing, or substantial ratio of floor area devoted to bar as compared to restaurant use. The maximum parking rate shall be applicable to uses that have substantially maximized the building's occupancy due to design and provision of concentrated uses.

5 The square footage of electrical and mechanical equipment and the surrounding three feet for clearance shall be excluded from the calculation of gross floor area for the purpose of determining parking requirements.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 98-5, § 16, 3-2-98; Ord. No. 02-4, § 1j, 3-18-02; Ord. No. 06-9, § 1g., 4-18-06; Ord. No. 12-4, § 1, 5-15-12; Ord. No. 15-10,

§ 2C, 9-15-15; Ord. No. 21-20, § 1, 12-7-21; Ord. No. 2024-01, 1/16/2024; Ord. 2025-07, 10/21/2025)

§ 13-89.5. Reduction in parking requirements.

Where it can be shown that the required parking for a nonresidential land use will substantially exceed the demand of the actual use, the zoning administrator may, by minor conditional use permit, allow a reduction in the amount of required parking. The zoning administrator may place the following conditions on the approval of the minor conditional use permit:

(a) Allow such excess parking to be provided as landscaping, plazas, courtyards, or similar open space feature.

(b) Require recordation of a land use restriction that restricts the future use of the property to ensure adequate parking availability.

(Ord. No. 99-15, § 2, 11-16-99)

§ 13-90. Parking for uses not specified.

The parking requirements for the uses not specified in Table 13-89 shall be determined by the planning division. The determination shall be based upon the requirements for the most comparable use specified in this chapter or other appropriate sources including but not limited to a parking study.

(Ord. No. 97-11, § 2, 5-5-97)

§ 13-91. General development standards.

General development standards for parking areas applicable to the nonresidential zones are contained in Article 3, Development Standards, of this chapter.

(Ord. No. 97-11, § 2, 5-5-97)

EXHIBIT F

CHAPTER VI, OFF-STREET PARKING STANDARDS
Article 3 Development Standards

Add the following Section to Article 3:

13-100.10 Electric Vehicle Charging Stations

(a) Purpose.

The purpose of this chapter is to comply with Government Code Section 65850.7 and to promote and encourage the use of electric charging stations while promoting public health and safety and preventing specific adverse impacts in the installation and use of such charging stations.

(b) Regulations.

(1) Accessory Use. An electric vehicle charging station (EVCS) for public or private use shall be permitted as an accessory use within any existing legal single-family or multiple-family residential garage or carport, or within any existing legal commercial parking space in a parking lot or in a parking garage, subject to the development standards listed in subsection (c) below.

(2) Primary Use. An electric vehicle charging station (EVCS) as a primary use shall be permitted in non-residential and mixed use zones, pursuant to the Mesa Land Use Matric Chapter IV, Table 13-30 and shall comply with all standards applicable to the underlying zone and the development standards listed in subsection (c) below.

(c) Development Standards:

All EVCS shall:

(1) Be protected as necessary to prevent damage by automobiles;

(2) Be designed to minimize potential damage by vandalism and to be safe for use in inclement weather;

(3) Include complete instructions and appropriate warnings concerning the use of the EVCS, which shall be posted on a sign in a prominent location on or near each station for use by the operator;

(4) Be maintained in good working order. Damaged or broken EV chargers or related infrastructure shall be repaired within 48 hours;

(5) Be located in a manner which will be easily seen by the public for informational and security purposes, when available for public use;

(6) Be located so as not to obstruct required parking areas, drive aisles, pedestrian walkways, accessible paths of travel, emergency access, or required visibility areas; and

(7) Comply with all applicable building, electrical, fire, accessibility, parking, circulation, and zoning requirements.

EXHIBIT G

Chapter IX Special Land Use Regulations

The following new Articles are added to Chapter IX, Special land Use Regulations:

Article 24 – Group Instruction/Setting including Studio and Fitness Uses.

13-200.210 Purpose: The purpose of Article is to establish operational and development standards for uses with group instruction, group setting for Studios and Fitness uses to ensure compatibility with surrounding commercial uses.

13-200.211 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.212 Operational and Development Standards.

(a) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards.

(b) Indoor Operations. All activities shall occur entirely within an enclosed building. Outdoor activities shall require approval of a Minor Conditional Use Permit per Chapter V, Development Standards, Article 3, Commercial Districts, Section 13-44 of this title.

(c) Small Fitness Studios may be up to 5,000 square feet in gross floor area.

(d) Fitness Studios shall be less than 15,000 square feet in gross floor area. Facilities larger than 15,000 square feet of gross floor area are classified as Physical Fitness Facilities.

(e) Noise. Whenever amplified music, instruction, or sound is utilized, all exterior doors and windows shall remain closed.

(f) A minimum of 15 minutes shall be provided between each group instruction or class.

Article 25 – Event Centers.

13-200.215 Purpose and Intent. The purpose of this Article is to establish operational and development standards for Event Centers and similar assembly uses, including banquet facilities, assembly halls, conference facilities, and arenas, in order to ensure compatibility with surrounding uses.

13-200.216 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.217 Operational and Development Standards.

(a) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards.

(b) Occupancy. Occupancy shall not exceed the maximum occupant load approved by the Building Official and Fire Authority, or any occupancy limitation imposed through a planning entitlement.

(c) Noise. Amplified music, outdoor speakers, and public address systems shall comply with the City's Noise Ordinance. Outdoor amplified sound shall cease by 11:00 p.m., unless otherwise authorized through a Conditional Use Permit. A Noise study may be required to evaluate impacts on adjacent properties.

(d) Operation Plan. Operator shall provide a detailed Operations Plan as part of the application package which shall include, at a minimum, the following:

1. Description of Operations. A description of the proposed use, including the types of events to be conducted, maximum occupancy, seating capacity, frequency of events, and anticipated hours of operation.
2. Site Management. Identification of on-site management personnel responsible for facility operations during events, including contact information for an on-site manager or responsible party.
3. Parking and Circulation. A description of parking management practices, valet operations (if applicable), rideshare pick-up and drop-off locations, employee parking locations, loading and unloading activities, and measures to prevent vehicle congestion on adjacent streets.
4. Noise Management. Identification of any amplified sound, entertainment, public address systems, or outdoor activities and measures to ensure compliance with the City's Noise Ordinance.
5. Security and Crowd Management. Procedures for crowd control including procedures for event dismissal and dispersal of attendees, event monitoring, security staffing, and coordination with public safety agencies, as appropriate.
6. Alcohol Service. A description of alcohol management practices, type of Alcohol Beverage Control license, including proof of compliance with all applicable Alcoholic Beverage Control regulations.

7. Loading and Deliveries. A description of delivery schedules, vendor access, equipment loading and unloading activities, and designated service areas.

8. Trash and Maintenance. Procedures for refuse collection, litter control, site maintenance, and post-event cleanup.

9. Modification of Operations. The Director may require modifications to an approved Operations Plan when necessary to address documented operational impacts, ensure compliance with conditions of approval, or maintain compatibility with surrounding properties.

(e) Excluded Uses. Event Centers do not include:

1. Restaurants, bars, or nightclubs where food and beverage service is the primary use, and

    i. Private events do not occur regularly and are accessory and subordinate to the permitted restaurants, bars, or nightclub use; and

    ii. The tenant space does not have space dedicated for private events.

2. Indoor commercial fitness or sports training facilities;

3. Churches or other places of religious assembly regulated under Article 4.5 (Development Standards for Churches and Other Places of Religious Assembly);

4. Civic and Community clubs or other private social clubs regulated elsewhere in this Title;

5. E-sports gaming lounges and participant-oriented electronic gaming facilities regulated as Active Entertainment uses; or

6. Schools or educational institutions.

Article 26 – Active Entertainment and Amusement Center

13.200.220 Purpose and Intent. The purpose of the Article is to establish operational and development standards for Active Entertainment and Amusement Center uses and to ensure compatibility with surrounding properties.

13-200.221 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.222 Operational and Development Standards.

(a) Indoor Operations. Active Entertainment and Amusement Center uses shall be conducted entirely within an enclosed building. Active Entertainment uses shall be limited to a maximum gross square footage of 15,000 sf. Uses larger than 15,000 gross square feet are classified as Amusement Centers. For uses that proposes outdoor uses (uses not underroof) a Minor Conditional Use Permit is required per Chapter V, Development Standards, Article 3, Commercial Districts, Section 13-44 of this title.

(b) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards.

(c) Noise. All activities, including amplified sound, public address systems, gaming equipment, and entertainment devices, shall comply with the City's Noise Ordinance. Sound generated by the use shall not create a nuisance on adjacent properties. Should an issue arise from noise the operator shall work with the City and implement best practice to eliminate the issue.

(d) Occupancy. The use shall not exceed the maximum occupant load established by the Building Official and Fire Authority.

(e) Food and Beverage. Accessory food and beverage service may be permitted, subject to Chapter V, Article 4 (Establishments Where Food or Beverages Are Served).

(f) Queuing and Circulation. The use shall be designed and operated so that customer queues, waiting areas, and patron gatherings do not obstruct pedestrian walkways, building entrances, drive aisles, parking spaces, or required accessible routes.

(g) Excluded Uses. Active Entertainment and Amusement Center uses shall not include spectator-oriented assembly uses, event centers, concert venues, e-sports arenas, or other assembly uses where viewing or attendance is the primary activity. Such uses shall be regulated as Event Centers and Assembly Uses.

Article 27 – Artisan Studio

13.200.225 Purpose and Intent. The purpose of this Article is to establish development and operational standards for Artisan Studio retail uses that also support onsite opportunities for small-scale creative production, fabrication, repair, while ensuring compatibility with surrounding commercial uses and distinguishing Artisan Studio uses from manufacturing and industrial operations.

13-200.226 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.227 Operational and Development Standards.

(a) Indoor Operations. All production, fabrication, assembly, repair, and retail activities shall occur entirely within an enclosed building. For studios that propose outdoor uses (uses not underroof) a Minor Conditional Use Permit is required per Chapter V, Development Standards, Article 3, Commercial Districts, Section 13-44 of this title.

(b) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards

(c) Customer-Oriented Component. The use shall maintain a customer-facing component, which may include retail sales, display areas, demonstrations, workshops, classes, or other public interaction associated with the artisan production activities.

(d) Classes, Workshops, or Group Instruction. For uses that propose classes, workshops, or group instruction the following shall apply:

1. Parking requirements shall be provided per Table 13-89, Non-Residential Parking Standards.

2. Whenever amplified music or sound is played, all exterior doors and windows shall remain closed.

3. A minimum of 15 minutes shall be provided between each class, workshop or group instruction.

(e) Production Scale. The use shall be limited to small-scale production activities involving handcrafted, custom, artistic, specialty, or limited-production goods that are sold onsite. Uses involving assembly-line production, mass manufacturing, bulk processing, or large-scale industrial operations are prohibited.

(f) Permitted Equipment. Equipment and machinery customarily associated with artisan production, fabrication, repair, design, and creative activities may be utilized provided such equipment complies with all applicable building, fire, and noise regulations.

(g) Compatibility with Commercial Areas. Operations shall not create noise, vibration, dust, smoke, glare, fumes, odors, electrical interference, hazardous conditions, or other impacts beyond the property boundaries.

(h) Screening. All exterior mechanical equipment, and/or roof mounted equipment, shall be screened from view from public right-of-way and adjacent properties.

(i) Materials and Storage. All materials, supplies, products, and equipment shall be stored within an enclosed building. Outdoor storage of raw materials, products, equipment, or waste materials is prohibited. The use shall not involve

the storage or use of hazardous materials in quantities exceeding those permitted by the California Fire Code or other applicable regulations.

(j) Food Production. Food preparation, food manufacturing, ghost kitchens, commercial kitchens, catering kitchens, or other food-related production uses shall not be considered Artisan Studio and shall be regulated separately.

RESOLUTION NO. PC-2026-19

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA, CALIFORNIA RECOMMENDING THAT THE CITY COUNCIL OF THE CITY OF COSTA MESA ADOPT AN ORDINANCE TO AMEND TITLE 13 OF THE CITY'S MUNICIPAL CODE (PLANNING, ZONING, AND DEVELOPMENT) TO UPDATE SPECIFIC NON RESIDENTIAL LAND USE CLASSIFICATIONS, USES AND STANDARDS (PCTY-2026-0001)

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA, CALIFORNIA FINDS AND DECLARES AS FOLLOWS:

WHEREAS, the City of Costa Mesa Municipal Code, Title 13 Planning Zoning and Development Code was last significantly updated in 1997, and since that time has been periodically amended;

WHEREAS, Title 13 Planning, Zoning, and Development Code serves as the primary regulatory framework governing land use and development throughout the City, and a clear and modern Zoning Code supports economic development by providing certainty for property owners, tenants, and investors while ensuring that new development remains consistent with the City's General Plan and community objectives;

WHEREAS, new business types, including wellness-oriented services, specialized fitness facilities, active entertainment venues, artisan production spaces, food halls, ghost kitchens, commercial kitchens, and e-sports-related uses are increasingly common but are not clearly addressed within the City's existing regulatory framework;

WHEREAS, this Ordinance would amend the following Chapters in Title 13 of the Costa Mesa Municipal Code to implement amendments to the Zoning Code to facilitate clarity and regulation requirements:

a. Chapter I, Article 2, Definitions
b. Chapter IV, Citywide Land Use Matrix
c. Chapter V Development Standards, Article 3, Commercial Development Standards
d. Chapter V Development Standards, Article 4, Establishments Where Food or Beverages are Served
e. Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts

f. Chapter VI, Off-Street Parking Standards, Article 3, Development Standards

g. Chapter IX, Special Land Use Regulations;

WHEREAS, a Study Session was held by the Planning Commission on April 13, 2026 with all persons having the opportunity to speak for and against the amendments;

WHEREAS, a duly noticed public hearing was held by the Planning Commission on June 22, 2026 with all persons having the opportunity to speak for and against the amendments; and

WHEREAS, after holding a public hearing, the Planning Commission conducted a discussion, re-opened the public hearing, and continued the item to the July 13, 2026 hearing; and

WHEREAS, a public hearing was held by the Planning Commission on July, 2026 with all persons having the opportunity to speak for and against the amendments, and the Planning Commission recommended the City Council approve the proposed amendments;

WHEREAS, the proposed amendments have been reviewed for compliance with the California Environmental Quality Act (CEQA). The proposed amendments are exempt pursuant to CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption, because it can be seen with certainty that there is no possibility that adoption of the ordinance may have a significant effect on the environment. The amendments primarily involve updates to land use classifications, definitions, and administrative development standards. Additionally, portions of the amendment may be categorically exempt pursuant to CEQA Guidelines Section 15305 (Minor Alterations in Land Use Limitations).

NOW, THEREFORE, based on the evidence in the record the Planning Commission, in its independent judgement, hereby **RECOMMENDS APPROVAL** of the Zoning Code amendments incorporated herein as Attachment 1, Exhibits A through F:

Attachment 1 – Draft City Council Ordinance 26-XX,

- Exhibit A: Chapter 1, Article 2, Definitions;
- Exhibit B: Chapter IV, Citywide Land Use Matrix;
- Exhibit C: Chapter V, Development Standards, Article 3, Commercial Development Standards;

- Exhibit D: Chapter V Development Standards, Article 4, Establishments Where Food or Beverages are Served;
- Exhibit E: Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts;
- Exhibit F: Chapter VI, Off-Street Parking Standards, Article 3, Development Standards; and
- Exhibit G: Chapter IX, Special Land Use Regulations;

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission does hereby find and determine that adoption of this Resolution is expressly predicated upon the activity as described in the staff report, and in compliance with all applicable federal, state, and local laws.

BE IT FURTHER RESOLVED that if any section, division, sentence, clause, phrase or portion of this resolution, or the document in the record in support of this resolution, are for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions.

PASSED AND ADOPTED this 13th day of July, 2026.

Jeffrey Harlan, Chair
Costa Mesa Planning Commission

STATE OF CALIFORNIA)
COUNTY OF ORANGE)ss
CITY OF COSTA MESA)

I, Carrie Tai, Secretary to the Planning Commission of the City of Costa Mesa, do hereby certify that the foregoing Resolution No. PC-2026-19 was passed and adopted at a regular meeting of the City of Costa Mesa Planning Commission held on July 13, 2026, by the following votes:

AYES: Harlan, Zich, Andrade, Klepack, Martinez, Rojas

NOES: None

ABSENT: Dickson

ABSTAIN: None

Carrie Tai, Secretary
Costa Mesa Planning Commission

ATTACHMENT 1 – Draft City Council Ordinance

ORDINANCE NO. 2026-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AMENDING TITLE 13 OF THE COSTA MESA MUNICIPAL CODE (PLANNING, ZONING, AND DEVELOPMENT) TO UPDATE SPECIFIC NON RESIDENTIAL LAND USE CLASSIFICATIONS, USES AND STANDARDS (PCTY-2026-0001)

THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA DOES HEREBY FIND AND DECLARE AS FOLLOWS:

WHEREAS, the City of Costa Mesa Municipal Code, Title 13 Planning Zoning and Development Code was last significantly updated in 1997, and since that time has been periodically amended;

WHEREAS, Title 13 Planning, Zoning, and Development Code serves as the primary regulatory framework governing land use and development throughout the City, and a clear and modern Zoning Code supports economic development by providing certainty for property owners, tenants, and investors while ensuring that new development remains consistent with the City's General Plan and community objectives;

WHEREAS, new business types, including wellness-oriented services, specialized fitness facilities, active entertainment venues, artisan production spaces, food halls, ghost kitchens, commercial kitchens, and e-sports-related uses are increasingly common but are not clearly addressed within the City's existing regulatory framework;

WHEREAS, this Ordinance would amend the following Chapters in Title 13 of the Costa Mesa Municipal Code to implement amendments to the Zoning Code to facilitate clarity and regulation requirements:

a. Chapter I, Article 2, Definitions;
b. Chapter IV, Citywide Land Use Matrix;
c. Chapter V Development Standards, Article 3, Commercial Development Standards;
d. Chapter V Development Standards, Article 4, Establishments Where Food or Beverages are Served;
e. Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential

Districts;

f. Chapter VI, Off-Street Parking Standards, Article 3, Development Standards; and

g. Chapter IX, Article 24, Group Instruction/Setting & Small Fitness Studio.

WHEREAS, a Study Session was held by the Planning Commission on April 13, 2026 with all persons having the opportunity to speak for and against the amendments;

WHEREAS, a duly noticed public hearing was held by the Planning Commission on June 22, 2026 with all persons having the opportunity to speak for and against the amendments, and the Planning Commission recommended the City Council approve the proposed amendments;

WHEREAS, after holding a public hearing, the Planning Commission conducted a discussion, re-opened the public hearing, and continued the item to the July 13, 2026 hearing; and

WHEREAS, a public hearing was held by the Planning Commission on July, 2026 with all persons having the opportunity to speak for and against the amendments, and the Planning Commission recommended the City Council approve the proposed amendments;

WHEREAS, the proposed amendments have been reviewed for compliance with the California Environmental Quality Act (CEQA). The proposed amendments are exempt pursuant to CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption, because it can be seen with certainty that there is no possibility that adoption of the ordinance may have a significant effect on the environment. The amendments primarily involve updates to land use classifications, definitions, and administrative development standards. Additionally, portions of the amendment may be categorically exempt pursuant to CEQA Guidelines Section 15305 (Minor Alterations in Land Use Limitations);

WHEREAS, a duly noticed public hearing was held by the City Council on _____ , 2026 with all persons having the opportunity to speak for and against the amendments; and

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The City Council, in its independent judgement, hereby adopts the Zoning Code amendments incorporated herein as Exhibits A through G:

- Exhibit A: Chapter 1, Article 2, Definitions;
- Exhibit B: Chapter IV, Citywide Land Use Matrix;
- Exhibit C: Chapter V, Development Standards, Article 3, Commercial Development Standards;
- Exhibit D: Chapter V Development Standards, Article 4, Establishments Where Food or Beverages are Served;
- Exhibit E: Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts
- Exhibit F: Chapter VI, Off-Street Parking Standards, Article 3, Development Standards; and
- Exhibit G: Chapter IX, Special Land Use Regulations;

Section 2. Inconsistencies. Any provision of the Costa Mesa Municipal Code or appendices thereto inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to that extent necessary to affect the provisions of this Ordinance.

Section 3. Severability. If any chapter, article, section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance, or the application thereof to any person, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this Ordinance or its application to other persons. The City Council hereby declares that it would have adopted this Ordinance and each chapter, article, section, subsection, subdivision, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, phrases, or portions of the application thereof to any person, be declared invalid or unconstitutional. No portion of this Ordinance shall supersede any local, State, or Federal law, regulation, or codes dealing with life safety factors.

Section 4. Effective Date. This Ordinance shall take effect thirty (30) days after its final passage.

Section 5. Certification. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted in the manner required by law.

PASSED AND ADOPTED this ___day of _____, 2026.

_____
John Stephens, Mayor

ATTEST:

_____
Brenda Green, City Clerk

APPROVED AS TO FORM:

_____
Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing Ordinance No. 2026-xx was duly introduced for first reading at a regular meeting of the City Council held on the ____day of _____ 2026, and that thereafter, said Ordinance was duly passed and adopted at a regular meeting of the City Council held on the ___ day of _____, 2026, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this ___ day of _____, 2026.

_____
Brenda Green, City Clerk

EXHIBIT A
Chapter I, Article 2
Definitions

§ 13-5. Purpose.

The intent of this article is to define certain words and phrases which are used in this Zoning Code. Additional definitions may also be given in conjunction with the special regulations contained in Chapter IX, Special Land Use Regulations, and Chapter XII, Special Fee Assessments.

(Ord. No. 97-11, § 2, 5-5-97)

§ 13-6. Definitions.

Abutting. Sharing a common boundary, of at least one point contiguous to, having district boundaries or lot lines in common (i.e., not separated by an alley, public or private right-of-way, or street).

Accessory building. A building or part of a building which is subordinate to, and the use of which is incidental to that of the main building or use on the same lot.

Accessory dwelling unit (ADU). See Chapter V, Article 2, section 13-35.

Accessory use. A use incidental and subordinate to and devoted exclusively to the main use of the land or building thereon that does not change the character of the structure or use.

Accessory use, residential. A use that is a part of, and clearly incidental and secondary to, a residence; located on the same lot as a residence; and that does not change the character of the residential use such as:

(a) Accessory dwelling unit (ADU)

(b) Home occupations

(c) Personal property sales (i.e., garage or yard sales).

Active Entertainment. A commercial use that provides interactive, participant-based amusement, recreation, or game-oriented activities for individual or group participation and is limited to a maximum of 15,000 square feet. Active Entertainment does not include spectator-oriented uses, live performance theaters, adult entertainment businesses, physical fitness facilities, or event centers.

Adjacent. Same as abutting, but also includes properties which are separated by a public right-of-way, not exceeding 120 feet in width.

Adult business. See Chapter IX, Special Land Use Regulations, Article 1, Adult Businesses, for specific definitions and terms.

Alcoholism or drug abuse recovery or treatment facility. Adult alcoholism or drug abuse recovery or treatment facilities that are licensed pursuant to section 11834.01 of the California Health and Safety Code. Alcoholism or drug abuse recovery or treatment facilities are a subset of residential care facilities.

Alteration (structure). Any construction, addition or physical change in the internal arrangement of rooms or the supporting members of a structure, or change in the appearance of any structure, except paint.

Ambient noise level. The all-encompassing noise level associated with a given environment, being a composite of sounds from all sources, excluding the alleged offensive noise, at the location and approximate time at which a comparison with the alleged offensive noise is to be made.

Amusement Center. A commercial use that provides interactive, participant-based amusement, recreation, or game-oriented activities for individual or group participation and is larger than 15,000 gross square feet. Amusement Center does not include spectator-oriented uses, live performance theaters, adult entertainment businesses, physical fitness facilities, or event centers.

Antenna. Any structure, including, but not limited to, a monopole, tower, parabolic and/or disk shaped device in single or multiple combinations of either solid or mesh construction, intended for the purpose of receiving or transmitting communication to or from another antenna, device or orbiting satellite, as well as supporting equipment necessary to install or mount the antenna.

Antenna, amateur radio. An antenna array and its associated support structure, such as a mast or tower, that is used for the purpose of transmitting and receiving radio signals in conjunction with an amateur radio station licensed by the Federal Communications Commission.

Antenna, communication. All types of receiving and transmitting antennas, except satellite dish antennas and amateur radio antennas. Communication antenna includes, but is not limited to, cable television antennas, cellular radiotelephone cell antennas, FM digital communication antennas, microwave telephone communication antennas, and shortwave communication and other similar antennas.

Antenna height. The distance from the property's grade to the highest point of the antenna and its associated support structure when fully extended.

Antenna, satellite dish. An antenna intended for the purpose of receiving or transmitting communication to or from an orbiting satellite.

Antenna, whip. An antenna and its support structure consisting of a single, slender, rod- like element which is supported only at or near its base.

Apartment. A rental or lease dwelling having kitchen facilities in a structure designed or used to house at least one family, as the term "family" is defined in this Zoning Code.

Artisan Studio. A workspace for the creation, display, and retail sale of artwork and hand crafted goods, including custom woodworking and furniture making, where products are primarily created by the artist or artisan on-site; excluding automotive repair and food related production. Examples include, but are not limited to, artist studios and workshops, photography studios and commercial photography, recording studios, music studios, galleries, and showrooms.

Assembly use. A use conducted in a structure or outdoor venue for the purpose of gathering of persons for a civic, education, political, religious, or social function, or

for the consumption or receipt of food and/or beverages. Assembly use does not include sexually oriented businesses.

Association (homeowners'). The organization of persons who own a lot, parcel, area, airspace, or right of exclusive occupancy in a common interest development and who have interests in the control of common areas of such project.

Attached (structure). Any structure that has a wall or roof in common with another structure.

Attic. Any non-habitable area immediately below the roof and wholly or partly within the roof framing.

Awning. A roof-like cover that projects from the wall of a building for the purpose of shielding the sun or providing an architectural accent.

Basement. A space wholly or partially underground and having more than 1/2 of its height, measuring from floor to ceiling, below the average grade. If the finished floor level directly above the basement is more than four feet above grade at any point, the basement shall be considered a story.

Boardinghouse. A dwelling unit, other than a hotel, wherein rooms are rented under two or more separate written or oral rental agreements, leases or subleases or combination thereof, whether or not the owner, agent or rental manager resides within the dwelling unit. Boardinghouse, small means two or fewer rooms being rented to a maximum of three occupants per dwelling unit. Boardinghouse, large means three to six rooms being rented to a maximum of six occupants per dwelling unit. Boardinghouses renting two or fewer rooms and having more than three occupants, or renting more than six rooms and/ or having more than six occupants, per dwelling unit are prohibited.

Building. Any structure having roof and walls and requiring permanent location on the ground, built and maintained for the support, shelter or enclosure of persons, animals, chattels or property of any kind.

Building height. The distance from the finished grade (as defined in this section) to the highest point on the roof, including roof-top mechanical equipment and screening.

Building, main. The building or buildings within which the principal use permitted on the lot is conducted.

Carport. A permanent, roofed structure, not completely enclosed which is used for vehicle parking.

Central administrative office. An establishment primarily engaged in management and general administrative functions performed centrally for other establishments of the same company.

Churches and other places of religious assembly. A type of assembly use which has the principal purpose of religious worship and for which the primary space is a sanctuary. Religious activities and services held in the sanctuary are conducted at scheduled times. The use may also include accessory facilities in the same or separate building that includes classrooms, assembly rooms, restrooms, kitchen, and a library. Other uses such as, but not limited to, day care facilities, nursery schools, schools, retail sales, and services to businesses, are not considered a

primary function of churches and other places of religious assembly.

Cigar bar. See Smoking lounge.

City. City of Costa Mesa.

Commercial Kitchen. A food preparation facility used by one or more food operators for the preparation, cooking, processing, packaging, and storage of food or beverages for off-site consumption, distribution, catering, wholesale, or other commercial purposes, with no on-site dining, retail sales, customer pick-up, or delivery service to the general public. A commercial kitchen may include catering kitchens, commissary kitchens, shared-use kitchens, and food production facilities, but does not include a restaurant, ghost kitchen, food hall, or other food service establishment where food orders are accepted from customers and fulfilled directly from the premises.

Common area. Those portions of a project area which are designed, intended or used in common and not under the exclusive control or possession of owners or occupants of individual units in planned development projects or common interest developments.

Common interest development. A development as defined in State Civil Code section 1350, containing two or more common interest units, as defined in Civil Code section 783; a community apartment project, as defined in State Business and Professional Code section 11004, containing two or more rights of exclusive occupancy; and a stock cooperative, as defined in Business and Professional Code section 11003.2, containing two or more rights of exclusive occupancy.

Community Development Department. Refers to the Community Development Department of the City of Costa Mesa on or after July 1, 2026, and the Economic and Development Services Department and/or Development Services Department of the City of Costa Mesa prior to July 1, 2026.

Community Development Director. The director of the Community Development Department of the City of Costa Mesa, or his or her designee.

Conditional use permit. A discretionary approval usually granted by the planning commission which allows a use or activity not allowed as a matter of right, based on specified findings.

Convenience stores, mini-markets. A retail store, generally less than 10,000 square feet in area, that sells a variety of convenience foods, beverages and non-food items. Fresh dairy products, produce and/or meat may be offered on a limited basis.

County. County of Orange.

Covered parking space. A garage, carport or parking space which is completely covered by a roof.

Density bonus. A minimum increase of 25% over the allowable residential dwelling unit density as specified by the zoning classification.

Development. The division of land into two or more lots; the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any structure; any mining, excavation, landfill, or land disturbance; and any use or extension of the use of land.

Development review. The processing of a development plan when authority for approval is vested in the planning division.

Development services department. See Community Development Department.

Development services director. See Community Development Director.

Disabled shall have the same meaning as handicapped.

Dormer. A vertical window in a projection built out from a sloping roof.

Driveway, common. A paved area for vehicle circulation and parking purposes which features joint use between two or more parties.

Driveway, individual. The paved area strictly leading to the garage/carport of a residence. This paved area serves vehicle parking purposes and does not extend beyond the garage/carport unless a curvilinear design is necessary for the turning radius.

Dwelling, single-family. "Dwelling, single-family" or "single-family dwelling" is a building of permanent character placed in a permanent location which is designed or used for residential occupancy by one family. A single mobile home on a foundation system on a single lot is a single-family dwelling. (See Manufactured housing).

Dwelling, multi-family. "Dwelling, multi-family" or "multi-family dwelling" is a building or buildings of permanent character placed on one lot which is designed or used for residential occupancy by two or more families.

Dwelling unit. One or more rooms in any building designed for occupancy by one family, and containing one kitchen unit, including manufactured housing. (See Manufactured housing).

Easement. A grant of one or more property rights by the owner for use by the public, a corporation or another person or entity.

Efficiency unit. A dwelling unit for occupancy by no more than two persons conforming to California's Health and Safety Code § 17958.1 with a minimum floor area of 150 square feet that provides bathroom facilities and a partial kitchen equipped with a sink, cooking appliance, and refrigerator.

Electronic cigarette. An electronic and/or battery-operated device used to provide an inhalable dose of nicotine by delivering a vaporized solution. The term includes any such device manufactured, distributed, marketed, or sold as an electronic cigarette, an electronic cigar, an electronic cigarillo, an electronic pipe, an electronic hookah, or any other product name or descriptor. The term does not include any medical inhaler prescribed by a licensed doctor.

Electronic game machine. Any electronic or mechanical device which upon insertion of a coin, slug, or token in any slot or receptacle attached to the device or connected therewith, operates, or which may be operated for use as a game, contest, or amusement through the exercise of skill or chance.

Electric vehicle charging station. As defined by Government Code Section 65850.7.

Electric vehicle supply equipment. The hardware, including connectors, fixtures, devices, and other components required to charge an electric vehicle.

Emergency shelters. A facility that provides immediate and short-term housing for homeless persons that is limited to occupancy of six months or less. Supplemental services may include counseling and access to social programs. No individual or household may be denied to emergency shelter because of an inability to pay.

Employee housing. Shall have the same meaning as "employee housing" described in California Health and Safety Code Section 17021.5, and as set forth in California Health and Safety Code Section 17008 for farmworkers.

Entertainment (live). Any act, play, revue, pantomime scene, dance act, musical performance, or any combination thereof, performed by one or more persons whether or not they are compensated for the performance.

E-Sports or Electronic Sports. Means a participant-based organized competitive playing of video games using digital gaming platforms.

E-Sports Arena. A facility designed and operated primarily for organized E-Sports competitions, tournaments, exhibitions, broadcasts, live-streaming events, or similar events where spectator viewing and attendance are the principal activities.

Establishment where food or beverages are served. Any commercial use that sells prepared food and/or beverages for consumption on site or off site, either solely or in conjunction with an ancillary or complementary use. Excluded from this definition are grocery stores, convenience stores, movie theaters, and other such uses, as determined by the development services director, where the sale of food or beverages is clearly incidental to the primary use. All establishments selling alcoholic beverages for consumption on-site are included within this definition

Event Center- A facility designed for assembly use and to accommodate organized events, competitions, ceremonies, meetings, entertainment, spectator viewing, or similar group activities. Event Centers are also referred to as Banquet Facilities, Assembly Halls, and Arenas.

Fair housing laws. The Federal Fair Housing Act, the Americans with Disabilities Act, and the California Fair Employment and Housing Act, as each statute may be amended from time to time, and each statute's implementing regulations.

Family. One or more persons occupying one dwelling unit and living together as a single housekeeping unit.

Family day care home, large. A home which provides family day care to seven to 14 children as defined in section 1596.78 of the State Health and Safety Code.

Family day care home, small. A home which provides family day care to eight or fewer children as defined in section 1596.78 of the State Health and Safety Code.

Fitness studios.- means an indoor commercial use of more than 5,000 square feet but less than 15,000 square feet that provides instructor-led instruction, training, or structured physical activity, either in a group setting or one-on-one, including, but not limited to: dance, martial arts, yoga, Pilates, high-intensity interval training (HIIT), circuit training, and similar small-group fitness activities. These uses are characterized by scheduled classes or training sessions and are limited in scale and intensity. This use does not include large health clubs, commercial gyms, indoor sports training facilities, or uses greater than 15,000 square feet of gross floor area.

Floor area ratio. The gross floor area of a building or project divided by the project lot area upon which it is located.

Food Hall. A single, integrated food and beverage establishment, or restaurant, containing three or more independently operated food or beverage vendors or counters within a shared building or tenant space, with common customer seating, shared circulation, and shared amenities. A food hall may include accessory alcohol service, entertainment, retail, or event programming when allowed by applicable permits, but does not include ghost kitchen or commercial kitchen.

Garage. An accessory or attached enclosed building with doors, designed and/or used for vehicle parking.

Garage sale. An event for the purpose of selling or trading personal property. Garage sale includes yard sale.

General plan. The City of Costa Mesa General Plan as adopted or amended from time to time by the city council.

Ghost Kitchen. A food preparation facility used by one or more food operators for the preparation of meals or beverages for off-site consumption through delivery, mobile ordering, or customer pick-up, with no dine-in restaurant service. A ghost kitchen may include multiple virtual restaurant brands, shared order fulfillment areas, delivery driver staging, and limited pick-up lobby areas, but does not include a catering kitchen, commercial kitchen, or food hall.

Grade. The lowest point of the finished surface elevation of either the ground, paving or sidewalk within the area between the building and the property line, or when the property line is more than five feet from the building, between the building and a line five feet from the building.

Grade, finished. The surface of the ground at a stated location as it exists after completion of precise grading.

Grade, natural. The unaltered natural surface of the ground at a stated location.

Gross acreage. The total area within the lot lines of a lot of land before public streets, easements or other areas to be dedicated or reserved for public use are deducted from such lot, and not including adjacent lands already dedicated for such purposes.

Gross floor area. The total horizontal area of all floors within the exterior walls of a structure. The following areas do not contribute to the building's occupancy or intensity of use and shall be excluded from the gross floor area calculation: garages or carports used for parking, elevator and stair shafts, mechanical shafts, pipe chases, equipment and mechanical rooms, electrical rooms, and other accessory storage, utility or service spaces, that are devoted exclusively to development operations and maintenance.

Gross leasable area. The total floor area designed for tenant occupancy and exclusive use, including both owned and leased areas.

Group home. A facility that is being used as a supportive living environment for persons who are considered handicapped under state or federal law. A group home operated by a single operator or service provider (whether licensed or unlicensed) constitutes a single facility, whether the facility occupies one or more dwelling units.

Group homes shall not include the following: (1) residential care facilities; (2) any group home that operates as a single housekeeping unit; (3) any group home without an operator.

Guestroom. A room occupied or intended, arranged, or designed for occupancy by one or more guests.

Handicapped. As more specifically defined under the fair housing laws, a person who has a physical or mental impairment that limits one or more major life activities, a person who is regarded as having that type of impairment, or a person who has a record of that type of impairment, not including current, illegal use of a controlled substance.

Hazardous materials. Any material of quantity, concentration, physical or chemical characteristics, that poses a significant present or potential hazard to human health and safety or to the environment if released into the work place or environment; or any material requiring a Material Safety Data Sheet according to Title 8, section 339 of the State Code of Regulation.

Health club. See Physical Fitness Facility.

Height. See Building height and Antenna height.

Home occupation. Any business or commercial use conducted within a dwelling unit.

Hookah lounge. See Smoking lounge.

Hotel. Any building or combination of buildings generally three or more stories in height containing six or more guest rooms offering transient lodging accommodations to the general public and providing incidental guest services such as food and beverage service, recreation facilities, retail services and banquet, reception and meeting rooms. Typically, room access is provided through a main or central lobby.

Household includes all the people occupying a dwelling unit, and includes people who live in different units governed by the same operator.

Integral facilities. Any combination of two or more group homes which may or may not be located on the same or contiguous parcels of land, that are under the control and management of the same owner, operator, management company or licensee or any affiliate of any of them, and are integrated components of one operation shall be referred to as integral facilities and shall be considered one facility for purposes of applying federal, state and local laws to its operation. Examples of such integral facilities include, but are not limited to, the provision of housing in one facility and recovery programming, treatment, meals, or any other service or services to program participants in another facility or facilities or by assigning staff or a consultant or consultants to provide services to the same program participants in more than one licensed or unlicensed facility.

Integral uses. Any two or more residential care programs commonly administered by the same owner, operator, management company or licensee, or any affiliate of any of them, in a manner in which participants in two or more care programs participate simultaneously in any care or recovery activity or activities so commonly administered. Any such integral use shall be considered one use for purposes of

applying federal, state and local laws to its operation.

Intersection. The general area where two or more roadways join or cross.

Kitchen. Any room, all or part of which is designed and/or used for storage, refrigeration, cooking and preparation of food.

Landscaping. Plant materials such as lawn, groundcover, trees and shrubs.

Loft. An intermediate floor placed within a room, where the clear height above and below the loft is not less than seven feet, and where the aggregate area of the loft does not exceed 1/3 of the area of the room in which it is located.

Lot.

(a) A parcel of real property when shown as a delineated parcel of land with a number or designation on a subdivision map or parcel map recorded in the office of the county recorder, and created in conformance with the Subdivision Map Act and applicable local ordinances.

(b) A parcel of real property when shown on a record of survey map or deed filed in the office of the county recorder, when such map or deed was filed as the result of and was made a condition of a lot division approved under the authority of prior ordinances.

Lot area. The total land area of a project after all required dedications or reservations for public improvements, including, but not limited to, streets, parks, schools, and flood control channels. This phrase does not apply in the planned development zones where the phrase "site area," as defined in Chapter V, Development Standards, is used.

Lot, corner. A lot abutting on and at the intersection of two or more streets which intersect at an angle that is equal to or less than 135 degrees.

Lot, depth. The average of the horizontal distance between the front and the rear lot lines.

Lot, development. The master lot or project site upon which a development will be constructed.

Lot, individual dwelling unit. An individual building site or lot within a development intended for construction of a single attached or detached dwelling unit.

Lot, interior. A lot abutting only one street, or a lot abutting two streets which intersect at an angle greater than 135 degrees.

Lot, width. The horizontal distance between the side lot lines measured at right angles to the lot depth at the front building setback line.

Low barrier navigation center. Shall have the same meaning as "low barrier navigation center" as set forth in Government Code Section 65660.

Major modification. A discretionary entitlement, usually granted by the zoning administrator, which permits limited deviation from the strict application of the development standards contained in this Zoning Code, based on specified findings.

Manufactured housing. Detached housing that is built to the National Manufactured Housing Construction and Safety Standards Act of 1974, including structures

known as manufactured homes and mobile homes. For the purpose of this Zoning Code, a factory- built single-family structure that is manufactured under the authority of 42 U.S.C. section 5401, the National Manufactured Home Construction and Safety Standards Act, transportable in one or more sections, built on a permanent chassis and used as a place of human habitation, shall be considered a single-family home and shall be reviewed under the same standards as a sitebuilt structure.

Marijuana. Has the same definition as that set forth in California Health and Safety Code section 11018.

Marijuana cultivation and/or medical marijuana cultivation. The planting, growing, harvesting, drying or processing of marijuana plants or any part thereof for any purpose, including medical marijuana, and shall include both indoor and outdoor cultivation.

Master plan. The overall development plan for a parcel or parcels which is depicted in both a written and graphic format.

Master plan of highways. The graphic representation of the city's ultimate circulation system contained in the general plan. It illustrates the alignment of the major, primary, secondary and collector highways.

Median. A paved or planted area separating a parking area, street, or highway, into two or more lanes or directions of travel.

Medical marijuana. Marijuana used for medical purposes in accordance with California Health and Safety Code section 11362.5.

Medical marijuana dispensary. A facility or location where medical marijuana is cultivated or by any other means made available to and/or distributed by or to three or more of the following: a primary caregiver, a qualified patient, or a person with an identification card in strict accordance with State Health and Safety Code sections 11362.5 et seq., and 11362.7 et seq., which shall include, but not be limited to, any facility or location engaging in the retail sale, dispensation, or distribution of marijuana for medical purposes that does not have an active role in the cultivation of the marijuana product that it sells, dispenses, or distributes, or when its cultivation of the marijuana product is off-site from the facility or location for retail sale, dispensation, or distribution.

Minor conditional use permit. A discretionary approval granted by the zoning administrator which allows a use or activity not allowed as a matter of right, based on specified findings.

Minor modification. A discretionary entitlement granted by the planning division, which permits limited deviation from the strict application of the development standards contained in this Zoning Code, based on specified findings.

Mixed use development. The development of lot(s) or structure(s) with two or more different land uses such as, but not limited to a combination of residential, office, manufacturing, retail, public, or entertainment in a single or physically integrated group of structures.

Mobile home. See Manufactured housing.

Mobile home park. Any area or tract of land where two or more mobile home lots

are rented or leased, held out for lease or rent, or were formerly held out for rent or lease and later converted to a subdivision, cooperative, condominium, or other form of resident ownership, to accommodate manufactured homes or mobile homes. A mobile home park also means a mobile home development constructed according to the requirements of Part 2.1 (commencing with section 18200) of Division 13 of the State Health and Safety Code, and intended for use and sale as a mobile home condominium or cooperative park, or as a mobile home planned unit development.

Motel. Any building or combination of buildings of one to three stories in height having six or more guest rooms with parking located convenient to the guest rooms and providing temporary lodging for automobile tourists and transient visitors. Typically, guest rooms have direct access to available parking without passing through a common lobby area. Motels also include auto courts, tourist courts, motor lodges, motor inns and motor hotels.

Municipal Code. City of Costa Mesa Municipal Code.

Open space. An area that is intended to provide light and air, and is designed for either environmental, scenic or recreational purposes. Open space may include, but is not limited to, lawns, decorative planting, walkways, active and passive recreational areas, playgrounds, fountains, swimming pools, wooded areas; first floor decks; unenclosed patios with solid or lattice roofs; water courses; and surfaces covered by not more than five feet in depth by projections which are at least eight feet above grade.

Open space shall not include the following: driveways; parking lots; other surfaces designed or intended for vehicular travel; and upper floor decks, balconies or areas under projections which are less than eight feet above grade.

Open space, common. An area of land reserved primarily for the leisure and recreational use of all residents of a planned development or common interest development and owned in common by them, generally through a homeowners' association.

Open space, private. An area of land located adjacent to an individual dwelling unit, owned or leased and maintained by its residents, and reserved exclusively for their use.

Operator means a company, business or individual, including an in-house manager, who provides residential services, i.e., the placement of individuals in a residence, setting of house rules, and/or governing behavior of the residents as residents. Operator does not include a property owner or property manager that exclusively handles real estate contracting, property management and leasing of the property and that does not otherwise meet the definition of operator.

Organizational documents. The declaration of restrictions, articles of incorporation, bylaws, and any contracts for the maintenance, management or operation of all or any part of a project.

Parcel. Same as Lot.

Parkway. The area of a public street that lies between the curb and the adjacent property line or physical boundary definition, which is used for landscaping and/or passive recreational purposes.

Paved area. Ground surface covered with cobblestone, clay-fired bricks, concrete precast paver units, poured concrete with or without decorative surface materials, or asphaltic or rubber mixture which may include sand, stone, or gravel as an ingredient to create a hard surface. A graded natural surface or one covered with rolled stone or overlaid with loose gravel is not considered paved area.

Peak hour. The hour during the AM peak period (typically 7:00 a.m.—9:00 a.m.) or the PM peak period (typically 3:00 p.m.—6:00 p.m.) in which the greatest number of vehicle trips are generated by a given land use or are traveling on a given roadway.

Permitted use. Any use allowed in a land use zoning district without requiring a discretionary approval, and subject to the provisions applicable to that district.

Personal Services. A commercial use that provides personal care, grooming, wellness, aesthetic, or convenience services directly to individuals. This category does not include group fitness uses, medical offices, or other uses involving medical diagnosis or clinical treatment.

Personal Services, Group. A commercial use that provides personal care, grooming, wellness, aesthetic, or convenience services directly to individuals that include group instruction or group setting. This category does not include group fitness uses, medical offices, or other uses involving medical diagnosis or clinical treatment.

Physical Fitness Facility means a facility, building, or portion thereof designed and operated for physical fitness, athletic training, sports instruction, exercise, recreation, or wellness activities conducted individually or in groups, with a gross floor area of 15,000 square feet or greater. Such facilities may include exercise equipment, fitness classes, courts, fields, training areas, locker rooms, spectator seating accessory to the primary use, and related support amenities. Also see Health Club.

Planned development. A land area which is developed as an integrated unit under single ownership or control and having planned development zoning designation.

Planning application. A broad term for any development project or land use which requires the discretionary review and approval of either the planning division, zoning administrator, planning commission, or city council. Planning applications include major modifications, conditional use permits, development reviews, variances, etc.

Planning division. The planning division of the Community Development Department of the City of Costa Mesa.

Project. See Development.

Property line. A line of record bounding a lot which divides one lot from another lot or from a public or private street or any other public space.

Property line, front. For interior lots, the narrowest property line of a lot abutting a public or private street. If two or more equal property lines are narrowest, the front shall be that property line across which the development takes its primary access (if the primary access is determined to be equal, there shall be two front property lines). However, for non-residentially zoned property, any property line abutting a public street designated as a secondary, primary or major street on the master plan

of highways shall be deemed a front property line. A non-residentially zoned property shall have more than one front property line when it abuts more than one street designated as secondary, primary, or major on the master plan of highways.

For R-1 zoned property located on corner lots, the front property line may be the property line towards which the front of the dwelling unit is oriented.

Property line, rear. The property line opposite the front property line. A corner lot with more than one front property line shall have more than one rear property line. Irregularly shaped lots may also have more than one rear property line.

Property line, side. Any property line which is not a front or rear property line.

Property line, ultimate. The boundary of a lot after the dedication of land for use as public right(s)-of-way, whether dedicated in fee or by easement. A setback is measured from the ultimate property line.

Public area. Establishments where food or beverages are served. That portion of an establishment reserved for the exclusive use of the public for the receipt or consumption of food and/or beverages. For the purpose of this Zoning Code, public area shall not include restrooms, kitchens, hallways or other areas restricted to employees only.

Public hearing. A public proceeding conducted for the purpose of acquiring information or evidence which may be considered in evaluating a proposed action, and which affords to any affected person or persons the opportunity to present their views, opinions, and information on such proposed applications. "Mandatory hearings" are those required to be held by law, and "discretionary hearings" are those which may be held within the sole discretion of the hearing body.

Public right-of-way. A strip of land acquired by reservation, dedication, prescription or condemnation and intended to be occupied by a road, trail, water line, sanitary sewer and/or other public uses.

Recyclable materials. Reusable materials, including, but not limited to, metals, glass, plastic and paper which are intended for reuse, remanufacture or reconstruction. Recyclable materials do not include refuse, hazardous materials or hazardous waste.

Recycling. The process by which waste products are reduced to raw materials and transformed into new products.

Recycling and collection facility. A building or enclosed space used for the collection and processing of recyclable materials for preparation for shipment, or to an end user's specifications, by such means as baling, briquetting, compacting, flattening, grinding, crushing, mechanical sorting, shredding, cleaning or remanufacturing.

Referral facility. A residential care facility or a group home where one or more person's residency in the facility is pursuant to a court order or directive from an agency in the criminal justice system.

Residential care facility. A residential facility licensed by the state where care, services, or treatment is provided to persons living in a supportive community residential setting. Residential care facilities include, but may not be limited to, the following: intermediate care facilities for the developmentally disabled (Health &

Safety Code §§ 1267.8,1267.9); community care facilities (Health & Safety Code § 1500 et seq.); residential care facilities for the elderly (Health & Safety Code § 1569 et seq.); residential care facilities for the chronically ill (22 C.C.R. § 87801(a)(5); Health & Safety Code § 1568.02); alcoholism and drug abuse facilities (Health & Safety Code §§ 11834.02—11834.30); pediatric day health and respite care facilities (Health & Safety Code § 1760 et seq.); residential health care facilities, including congregate living health facilities (Health & Safety Code §§ 1265—1271.1, 1250(i), 1250(e), (h)); family care home, foster home, group home for the mentally disordered or otherwise handicapped persons or dependent and neglected children (Wel. & Inst. Code §§ 5115—5120).

Residential, multi-family. Apartments, common interest developments, townhouses and similar multiple-family residential developments, including detached single-family homes where there is more than one primary dwelling unit on a lot.

Residential, single-family. Detached single-family home where there is no more than one primary dwelling unit on a lot.

Room, bedroom. A fully-enclosed room designed or intended to be used for sleeping purposes within a residence that typically includes a closet and is separated from the other living spaces with a door.

Room, home office. A room designed and intended to be used for a household office or small business related activity within a residence. Within a single-family detached residence, this room is strictly not intended for sleeping purposes, and lacks direct access to a bathroom. The home office may also be referred to as a studio, den, study or library.

Senior congregate care facility. A structure(s) providing residence for 13 or more senior citizens with kitchen, dining, recreational, etc. facilities with separate bedrooms and/or living quarters.

Setback. The required distance that a building, structure, parking or other designated item must be located from a property line or lot line. A setback is measured from the ultimate property line.

Single housekeeping unit. The occupants of a dwelling unit have established ties and familiarity with each other, including joint use of and responsibility for common areas, which includes interaction with each other, shared meals, household activities, and expenses and responsibilities; where residency is mutually agreed by all residents, is not transitory in nature and the residential activities of the household are conducted on a not-for-profit basis.

Single room occupancy unit. A dwelling unit that serves as the primary residence of its occupant(s) and is offered on a monthly rental basis or longer. Single room occupancy units may contain kitchen and/or sanitary facilities. If the units do not contain kitchen and/or bathroom facilities, shared kitchen and/or bathroom facilities must be provided within the building.

Single room occupancy residential hotel. A residential hotel, allowed in certain commercial zones, that contains units designed for long-term occupancy by a single person, although double occupancy may be permitted.

Slope. The degree of deviation of a surface from the horizontal plane, usually expressed in percent or degrees.

Small Fitness Studio. An indoor commercial use of up to 5,000 square feet that provides instructor-led instruction, training, or structured physical activity, either in a group setting or one-on-one, including, but not limited to: dance, martial arts, yoga, Pilates, high-intensity interval training (HIIT), circuit training, and similar small-group fitness activities. These uses are characterized by scheduled classes or training sessions and are limited in scale and intensity.

Small lot subdivision. A residential development containing a maximum of 15 detached or townhome style units with no common walls where each unit is independently constructed on an individual parcel and the land is subdivided into fee simple parcels containing each unit. Each individual lot is provided with either a direct access to public street/alley or an easement access through a recorded subdivision map.

Smoking lounge. Any facility or location whose business operation, whether as a primary use or an ancillary use, is characterized by the sale, offering, and/or preparation of smoking of tobacco, cigars, hookah, electronic cigarettes, or similar products, including but not limited to establishments known variously as hookah parlors, vaping lounges, or cigar bars.

Smoking/vaping retailer. A smoke shop, electronic cigarette retailer, vapor cigarette retailer, or any other retail business that sells tobacco, electronic cigarettes, and related products primarily for off-site consumption. Smoking/vaping retailers shall not include food or beverage service, outdoor seating, or an indoor seating area greater than 100 square feet in area.

Sober living home. A group home for persons who are recovering from a drug and/or alcohol addiction and who are considered handicapped under state or federal law. Sober living homes shall not include the following: (1) residential care facilities; (2) any sober living home that operates as a single housekeeping unit; (3) any sober living home without an operator.

Specialty store. A retail store less than 3,000 square feet in area with hours of operation between 6:00 a.m. and 11:00 p.m. A specialty store offers a combination of foods and beverages for off-site use or consumption and provides for alcoholic beverage sales that are incidental to the primary use. No more than 10% of the total merchandise area of the retail floor may be devoted to display or sale of alcoholic beverages and only non- refrigerated alcoholic beverages may be offered. A specialty store must comply with the operational standards of section 13-200.72.

Specific plan. A plan consisting of text, maps, and other documents and exhibits regulating development within a defined area of the city, consistent with the general plan and the provisions of State Government Code section 65450 et seq.

State. State of California.

Story. For purposes related to zoning regulations, a story is that portion of a building included between the surface of any floor and the surface of the floor next above it. If there is no floor above it, then the space between such floor and the ceiling next above it shall constitute a story. An attic shall not be considered a story. A basement or cellar shall not be considered a story, if the finished floor level directly

above the basement or cellar is less than four feet above finish grade at all locations. Any uncovered deck or activity area above the first story shall be considered a story.

Streamlined development review. The streamlined processing of a development plan when authority for approval is vested in the planning division.

Street. A public or private thoroughfare that provides primary access to adjacent land and local traffic movements. Streets do not include driveways which only provide access to parking areas.

Structure. Anything, including a building, located on the ground in a permanent location or attached to something having a permanent location on the ground.

Studio Fitness. See Small Fitness Studio.

Supportive housing. Housing with no limit on length of stay, that is occupied by the target population, as defined in Section 50675.14 of the California Health and Safety Code, and that is linked to on site or off site services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

Tandem parking. An arrangement of parking spaces one behind the other in a row of maximum two cars including one in the garage space. Tandem garage parking is defined as the placement of standard parking spaces one behind the other within the enclosed area of a garage.

Townhouse. A single-family attached dwelling unit located on an individual dwelling unit lot, and is part of a row of units that contains three or more dwelling units.

Transitional housing. A development with buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. *Trip (vehicle).* A one-way vehicular journey either to or from a site, or totally within the site i.e. internal trip. Each trip has two trip ends, one at the beginning and the other at the destination.

Trip rate (vehicular). The anticipated number of vehicle trips to be generated by a specific land use type or land use classification. The trip rate is expressed as a given number of vehicle trips for a given unit of development intensity (i.e., trip per unit, trip per 1,000 square feet, etc.).

Uncontrolled environment. A location where there is the exposure (to radiofrequency radiation) of individuals who have no knowledge or control of their exposure. The exposures may occur in living quarters or work places where there are no expectations that the exposure levels may exceed the exposure and induced current levels permitted for the general public.

Underroof. All of the area within the walls of the building that a roof covers. Areas under porches, roof overhangs, garage protrusions, breezeways and other similar architectural design features are not considered as underroof.

Unit. A particular building or structure, or portion thereof, that is designed, intended or used for exclusive occupancy, possession or control of individual owners or

occupiers, whether or not they have interests in common areas of the project.

Use. The purpose (type and extent) for which land or a building is arranged, designed, or intended, or for which either land or a structure is occupied or maintained.

Warehouse, mini. A structure or group of structures for the dead storage of customer's goods and wares where individual stalls or lockers are rented out to different tenants for storage and where at least one of the stalls or lockers has less than 500 square feet of floor area.

Warehouse, public. A structure or group of structures for the dead storage of customer's goods and wares where individual stalls or lockers are rented out to different tenants for storage and where all the stalls or lockers have more than 500 square feet of floor area.

Vacancy rate (common lot development conversion). The ratio of vacant apartments being offered for rent or lease in the City of Costa Mesa, shown as a percentage of the total number of apartments in the city.

Vape lounge. See Smoking lounge.

Vape shop. See Smoking/vaping retailer.

Variance. A discretionary entitlement, usually granted by the planning commission, which permits departure from the strict application of the development standards contained in this Zoning Code, based on specified findings.

Yard. Any open space on a lot unoccupied and unobstructed from the ground upward, except an inside court.

Yard, front. The yard between the front line of a building and the front line of the lot upon which the building is located.

Yard, rear. The yard extending from the extreme rear line of the main building to the rear lot line on which the building is situated.

Yard, side. The yard extending from the front yard, or from the front lot line where no front yard is required, to the rear yard or rear lot line, between the side lot line and the nearest wall of the main building or any accessory structure attached thereto.

Zero lot line. The location of a structure on a lot in such a manner that one or more of the structure's sides rest directly on a lot line.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 98-5, § 4, 3-2-98; Ord. No. 00-5, § 1(a), 3-20-00; Ord. No. 01-16, § 1a., 6-18-01; Ord. No. 05-11, § 2a., 7-19-05; Ord. No. 06-18, § 1, 9-5-06; Ord. No. 09-3, §§ 1a., b., 5-19-09; Ord. No. 09-4, § 1a., 5-5-09; Ord. No. 10-13, § 1, 10-19-10; Ord. No. 10-14, § 1, 11-16-10; Ord. No. 11-10, § 1, 9-20-11; Ord. No. 13-1, § 2A., 3-19-13; Ord. No. 13-05, § 1, 12-3-13; Ord. No. 14-04, § 2A., 4-1-14; Ord. No. 14-13, § 1, 10-21-14; Ord. No. 15-10, § 2A, 9-15-15; Ord. No. 15-11, § 1, 11-17-15; Ord. No. 16-01, § 1, 1-19-16; Ord. No. 18-03, § 2, 1-16-18; Ord. No. 21-03, § 3, 3-2-21; Ord. No. 21-20, § 1, 12-7-21; Ord. No. 26-03 § 04-07-26)

EXHIBIT B

CHAPTER IV
CITYWIDE LAND USE MATRIX

§ 13-30. Purpose.

The purpose of this chapter is to provide a comprehensive list of uses which are permitted, conditionally permitted, or prohibited in the various zoning districts, as represented by Table 13-30, Land Use Matrix. In evaluating a proposed use, the following criteria shall also be considered:

(a) Uses determined as permitted may be subject to a discretionary review when construction is proposed, pursuant to Chapter III, Planning Applications.

(b) Uses proposed in the planned development zones are subject to verification of consistency with the master plan adopted for planned development zones. A proposed use not expressly allowed by the adopted master plan may require additional discretionary review pursuant to Table 13-30, Land Use Matrix.

(c) All listed uses in the matrix are subject to verification of compliance with density and floor area ratio limits, parking requirements and performance standards which may, in certain cases, prevent the establishment of the use.

(d) Any proposed use not listed in the Land Use Matrix shall be reviewed by the development services director to determine its similarity to another listed use. If no substantial similarity exists, the proposed use shall require approval of a conditional use permit prior to establishment of the use.

(e) For the purpose of Table 13-30, Land Use Matrix, the various zoning districts are labeled as follows:

Residential zones: R1, R2-MD, R2-HD, and R3

Commercial zones: AP, CL, C1, C2, C1-S, and TC

Industrial zones: MG and MP

Planned Development Residential zones: PDR-LD, PDR-MD, PDR-HD, and PDR-NCM

Planned Development Commercial zone: PDC Planned Development

Industrial zone: PDI

The Parking zone: P

(f) For zoning districts located in a specific plan area, please refer to the appropriate specific plan text to determine if any additional regulations related to land uses are applicable.

(g) For the mixed-use overlay district located in an urban plan area, please refer to the appropriate urban plan text for additional regulations related to development standards and allowable land uses as applicable.

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR - LD[1]	PDR - MD[1]	PDR - HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RM LT[1]	P
RESIDENTIAL USES																						
1. Single-family dwellings (single housekeeping units)	P[4]	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	•	•	P	•
2. Multi-family dwellings	•	P	P	P	•	•	•	•	•	P	•	•	P	P	P	P	P	P	•	•	P	•
2.1 Common interest developments, residential	•	P	P	P	•	•	•	•	•	P	•	•	P	P	P	P	P	P	•	•	P	•
2.2 Small lot subdivisions, residential	•	P	P	P	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
3. Mobile home parks	•	C	C	C	•	•	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•
4. Boarding-house, small[7]	•	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	•	•	•	•
5. Boarding-house, large[7]	•	C	C	C	•	•	•	•	•	•	•	•	•	C	C	C	C	C	•	•	•	•
6. Residential care facility, six or fewer persons (State licensed)	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	P	•	P	•
7. Group homes, six or fewer	S	S[6]	S[6]	S[6]	•	•	•	•	•	•	•	•	S[6]	S[6]	S[6]	S[6]	S[6]	S[6]	P	•	P	•
7.1 Sober living homes, six or fewer	S[5]	S[5]	S[6]	S[6]	•	•	•	•	•	•	•	•	S[5]	S[5]	S[6]	S[5]	S[5]	S[6]	P	•	•	•
8. Residential care facility, seven or more	•	C[6]	C[6]	C[6]	•	•	•	•	•	•	•	•	•	C[5]	C[5]	C[6]	C[6]	C[5]	P	•	•	•
9. Group homes, seven or more	•	C[5]	C[6]	C[6]	•	•	•	•	•	•	•	•	•	C[5]	C[5]	C[6]	C[6]	C[6]	P	•	•	•
9.1 Sober living homes, seven or more	•	C[5]	C[6]	C[6]	•	•	•	•	•	•	•	•	•	C[5]	C[5]	C[6]	C[6]	C[6]	P	•	•	•

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TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
10. Referral facility (Subject to the requirements of section 13-32.2, referral facility).	•	C[2]	C[2]	C[2]	•	•	•	C[2]	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	•	•
11. Single room occupancy residential hotel (subject to City Council Policy 500-5)	•	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Employee housing, six or fewer	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P	P	•	•	P	•
Supportive housing	P[12]	P[11,12]	P[11,12]	P[11,12]	•	•	•	•	•	P[11,12]	•	•	P[11,12]	P[11,12]	P[11,12]	P[11,12]	P[11,12]	P[11,12]	•	•	P[11,12]	•
Transitional housing	P[12]	P[12]	P[12]	P[12]	•	•	•	•	•	P[12]	•	•	P[12]	P[12]	P[12]	P[12]	P[12]	P[12]	•	•	P[12]	•
Low barrier navigation center	•	•	•	•	•	•	•	•	•	P[13]	•	•	•	•	•	•	P[13]	P[13]	•	•	P[13]	•
ACCESSORY USES																						
12. Electric Vehicle Charging Station, Accessory Use (subject to the requirements of Chapter IV, 13-30)	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]
13. Animals, keeping of	SEE TITLE 3, ANIMALS AND FOWL																					
14. Antennas: Amateur radio, Satellite dish, Communication	SEE CHAPTER IX, ARTICLE 2, ANTENNAS																					
16. Day care facilities (15 children or more) (see also Nursery	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	P	P	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
schools)																						
17. Family day care—Large (7 to 14 children) (subject to the requirements of section 13-37, large family day care homes)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P	•	P[2]	•
18. Family day care—Small (up to 8 children)	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P[3]	P[3]	P	•	P[3]	•
19. Garage/yard sales—No more than 2 events permitted a year, not to exceed 3 consecutive days	P	P	P	P	•	•	•	•	•	•	•	•	P	P	P	P	P[3]	P[3]	•	•	P[3]	•
21. Home occupations (subject to the requirements of chapter IX, article 6, home occupations)	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2]	•	P[2]	•
22. Home occupations that generate traffic and do not involve more than 1 customer/ client at a time or more than 8 customers/clients per day (subject to the requirements of ch. IX, article 6, home occupations)	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	•	MC[2,3]	•
22.1 Non-residential accessory uses in a residential development not otherwise specified in this table	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•

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TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
21. Home occupations (subject to the requirements of chapter IX, article 6, home occupations)	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2,3]	P[2]	P[2]	P[2]	P[2]	P[2,3]	P[2,3]	P[2]	•	P[2]	•
22. Home occupations that generate traffic and do not involve more than 1 customer/ client at a time or more than 8 customers/clients per day (subject to the requirements of ch. IX, article 6, home occupations)	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2,3]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2,3]	MC[2,3]	MC[2,3]	•	MC[2,3]	•
22.1 Non-residential accessory uses in a residential development not otherwise specified in this table	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
22.2 Accessory dwelling unit (subject to the requirements of ch. V, section 13-35, accessory dwelling units)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	P[2]	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	P[2]	•
22.3 Junior accessory dwelling unit (subject to the requirements of ch. V, section 13-35, accessory dwelling units)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	P[2]	•
22.4 Temporary real estate and construction offices (subject to the requirements of ch. IX, art. 10, temporary trailers)	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
INSTITUTIONAL AND RECREATIONAL USES																						
23. Cemeteries	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	C	•	•	•
24. Churches and other places of religious assembly (Subject to the requirements of article 4.5, development standards for churches and other places of religious assembly)	C[2]	C[2]	C[2]	C[2]	C[2]	C[2]	P[2]	P[2]	C[2]	C[2]	P[2]	P[2]	C[2]	C[2]	C[2]	C[2]	C[2]	C[2]	P[2]	C[2]	C[2]	•
25. Civic and community clubs	C	C	C	C	C	C	P	P	P	P	C	C	C	C	C	C	C	C	C	•	P	•
26. Convalescent hospitals; nursing homes	•	C	C	C	C	C	C	C	•	•	•	•	•	•	•	•	•	•	P	•	•	•
27. Country clubs; golf courses	C	C	C	C	•	•	•	•	•	•	•	•	C	C	C	C	•	•	P	C	•	•
28. Crematories (See also Mortuary services)	•	•	•	•	•	•	•	C	•	•	C	C	•	•	•	•	•	•	C	•	•	•
29. Fairgrounds; outdoor festival (permanent)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	C	•	•	•
30. Hospitals, general	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	P	•	P	•
31. Libraries, privately-operated	C	C	C	C	•	•	C	C	C	C	C	C	C	C	C	C	C	C	P	C	•	•
31a. Marijuana and/or medical marijuana cultivation	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
31b. Cannabis and/or marijuana distributer	•	•	•	•	•	•	•	•	•	•	•	C[9]	•	•	•	•	•	C[9]	•	•	•	
31c. Cannabis and/or marijuana manufacturer or	•	•	•	•	•	•	•	•	•	•	•	C[9]	•	•	•	•	•	C[9]	•	•	•	

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TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
processor																						
31d. Cannabis and/or marijuana retail sales storefront	•	•	•	•	•	C[9]	C[9]	C[9]	C[9]	C[9]	•	•	•	•	•	•	•	•	•	•	•	
31e. Cannabis and/or marijuana retail sales nonstorefront (deliveries)	•	•	•	•	•	C[9]	C[9]	C[9]	C[9]	C[9]	•	C[9]	•	•	•	•	•	C[9]	•	•	•	•
31f. Cannabis and/or marijuana research and development and/or testing laboratories	•	•	•	•	•	•	•	•	•	•	•	C[9]	•	•	•	•	•	C[9]	•	•	•	
32. Mortuary services without crematories	•	•	•	•	C	C	C	C	C	•	C	C	•	•	•	•	•	•	C	•	•	•
32a. Needle exchange program	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
33. Nursery schools—See also Day care facilities for 15 or more children	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	P	C	•
34. Parks and playgrounds	C	C	C	C	•	•	•	•	•	C	•	•	C	C	C	C	C	C	P	P	P	•
35. Public offices and facilities, such as city halls, courthouses, police/ fire stations, etc.	C	C	C	C	C	C	P	P	P	P	C	C	C	C	C	C	C	C	P	•	•	•
36. Schools: primary, secondary and colleges	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	P	P	•
37. Schools: trade and vocational; group counseling	•	•	•	•	•	MC	P	P	P	P	MC	MC	•	•	•	•	P	MC	P	P	•	•
38. Senior congregate care facility	•	C	C	C	C	C	C	C	C	C	•	•	•	C	C	C	C	•	C	•	•	•

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TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
39. Swap meets	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	C	C	•	•
39a. Emergency shelters	•	•	•	•	•	•	•	•	•	•	•	C[10]	•	•	•	•	•	P[10]	•	•	•	•
SPECIAL SEASONAL EVENTS																						
41. Christmas tree lots; pumpkin patches; fireworks stands; produce stands (subject to the requirements of title 9, chapter II, regulation of certain businesses)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•	P[2]	P[2]	P[2]	P[2]	•	•
COMMERCIAL AND INDUSTRIAL USES																						
42. Acupressure; massage (subject to the requirements of title 9, chapter ii, article 22, Massage establishments and practitioners)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	P[2]	•	•	•	•	•
42a. Active Entertainment (subject to the requirements of chapter IX, article 5, electronic game machines and Article 26, Active Entertainment)	•	•	•	•	P	P	P	P	P	P	MC	MC	•	P	P	P	P	P	•	•	•	•
43. Adult businesses (See Sexually-oriented businesses)																						
44. Aggregate batch plants; Rock or asphalt crushing; Sand	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•

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TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
blasting																						
45. Ambulance services	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	MC	•	•	•	•	MC	MC	•	•	•	•
46. Amusement centers (subject to the requirements of chapter IX, article 5, electronic game machines, and Article 26, Active Entertainment/Amusement Center)	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	•	•
47. Animal hospitals, veterinary services (kenneling only when incidental to principal hospital use)	•	•	•	•	•	C	C	P	P	C	C	C	•	•	•	•	P	•	•	•	•	•
48. Animal shelters, pounds, kennels, training schools	•	•	•	•	•	•	•	C	•	•	C	C	•	•	•	•	•	•	C	•	•	•
48a. Antique malls	•	•	•	•	•	•	P	P	P	•	MC	MC	•	•	•	•	P	MC	•	•	•	•
49. Artisan Studio	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	P	P	P	•	•	•	•
50. Auction houses	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
51. Automobile (See Motor vehicle)																						
52. Banks, savings and loans, and other financial institutions	•	•	•	•	P	P	P	P	P	P	•	•	•	P	P	P	P	P	•	•	•	•
53. Bars, nightclubs (See Establishments where food or beverages are served)																						

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC'	MG	MP	PDR - LD'	PDR - MD'	PDR - HD'	PDR-NCM'	PDC'	PDI'	I&R'	I&R-S1	I&RM LT'	P
54. Reserved																						
55. Billiards parlors	•	•	•	•	•	•	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	•	•	•	•
56. Botanical gardens; Zoos	•	•	•	•	•	•	C	C	C	C	•	•	•	•	•	•	•	•	C	•	•	•
57. Bowling centers	•	•	•	•	•	•	MC	MC	MC	MC	•	•	•	•	•	MC	MC	•	•	•	•	•
58. Breweries; Distilleries	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	•	•	•	•
59. Reserved																						
60. Building supplies; Hardware stores (retail)	•	•	•	•	•	•	P	P	P	•	•	•	•	P	P	P	P	•	•	•	•	•
61. Business services—See Offices																						
62. Car washes	•	•	•	•	•	•	C	C	C	C	C	C	•	C	C	C	C	C	•	•	•	•
63. Carts—Outdoor retail sales in conjunction with an established business	•	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	MC	•	•	•
64. Catering	•	•	•	•	•	MC	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•
65. Coffee roasting	•	•	•	•	•	•	•	•	•	•	MC	MC	•	•	•	•	•	•	•	•	•	•
66. Coffee roasting (in conjunction with establishments where food or beverages are served)	•	•	•	•	•	•	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	•	•	•	•
67. Commercial art; Graphic design	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR - LD[1]	PDR - MD[1]	PDR - HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
68. Commercial testing laboratories	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
69. Computer and data processing	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
70. Contracting: general contractors; operative builders	•	•	•	•	•	C	C	P	C	•	P	P	•	•	•	•	•	P	•	•	•	•
71. Convenience stores; mini-markets (subject to the requirements of chapter IX, article 16, liquor stores, convenience stores, and mini-markets)	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	•	C[2]	C[2]	C[2]	•	•	•	•	•
72. Department stores (retail)	•	•	•	•	•	•	P	P	P	P	•	•	•	•	•	•	P	•	•	•	•	•
73. Electronic game machines (four or more), incidental to the primary use, (subject to the requirements of chapter IX, article 5, electronic game machines)— Excluding amusement centers listed separately	•	•	•	•	•	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	•	MC[2]	MC[2]	MC[2]	MC[2]	MC[2]	•	•	•	•
74. Engineering, architectural, and surveying services— See Offices																						
75. Entertainment, live or public	•	•	•	•	•	SEE TITLE 9, ARTICLE 11, REGULATORY PERMITS FOR PUBLIC ENTERTAINMENT							•	SEE TITLE 9, ARTICLE 11, REGULATORY PERMITS FOR PUBLIC ENTERTAINMENT							•	•
76. Establishments where food or beverages are served	•	•	•	•	•	SEE CHAPTER V, ARTICLE 4, ESTABLISHMENTS WHERE FOOD OR BEVERAGES ARE SERVED							•	SEE CHAPTER V, ARTICLE 4, ESTABLISHMENTS WHERE FOOD OR BEVERAGES ARE SERVED						•	•	•	•
77. Event Center (subject to the	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	C	C	C	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
requirements of chapter IX, article 25, Event Center)																						
78. Flower stands—See also Carts	•	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	•	MC	MC	MC	MC	MC	MC	•	•	•
79. Electric Vehicle Charging Station, Primary Use (subject to the requirements of Chapter IV, 13-30)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]
80. Grocery stores—See also Supermarkets; excluding convenience stores; and liquor stores listed separately	•	•	•	•	•	•	P	P	P	P	•	•	•	MC	MC	MC	MC	•	•	•	•	•
81. Hazardous waste facilities, off-site (subject to chapter IX article 9, off-site hazardous waste facilities)	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	C[2]	C[2]	•	•	•	•	C[2]	C[2]	C[2]	•	•	•
82. Heliports; Helistops	•	•	•	•	•	•	•	•	C	C	C	C	•	•	•	•	C	C	C	C	•	•
83. Hotels—Excluding motels listed separately	•	•	•	•	•	•	C	C	C	P	•	•	•	C	C	C	P	•	•	•	•	•
84. Landscape services (installation and maintenance)	•	•	•	•	•	MC	MC	P	P	•	P	P	•	•	•	•	•	P	•	•	•	•
85. Reserved																					•	
86. Leather tanning and finishing	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	C	•	•	•	•
87. Limousine services	•	•	•	•	•	C	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
88. Liquor stores (subject to the	•	•	•	•	•	•	C[2]	C[2]	C[2]	C[2]	•	•	•	•	•	•	C[2]	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
requirements of chapter IX, article 16, liquor stores, convenience stores, and mini- markets)																						
89. Lumber and building materials dealers, (wholesale)	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
90. Manufacturing: Light EXCEPT the following which are prohibited: • Manufacture of fertilizer • Manufacture of products involving the use of explosives Manufacture of rubber (including tires), steel	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	P[2]	•	•	•	•
91. Manufacturing of chemical products, paints, pharmaceuticals, and plastics	•	•	•	•	•	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	C[2]	•	•	•	•
92. Manufacturing of stone, clay, glass and concrete products EXCEPT the following which are prohibited: • Manufacture of flat glass • Manufacture of cement and structural clay products • Manufacture of concrete, gypsum and plaster products • Manufacture of	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	P[2]	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR - LD[1]	PDR - MD[1]	PDR - HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
abrasive and asbestos products • Manufacture of nonclay refractories and crucibles • Processing and preparation of clay, ceramic and refractory minerals																						
93. Manufacturing or processing of foods and beverages EXCEPT the following which are prohibited: • Meat and poultry packing plants • Grain mills • Sugar refining • Fats and oils processing mills • Seafood canneries and packaging (See also Breweries; Distilleries; Coffee roasting)	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	P[2]	•	•	•	•
94. Massage— See also Acupressure (subject to the requirements of title 9, chapter II, article 22, massage establishments and practitioners)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	P[2]	•	•	•	•	•
95. Medical laboratories	•	•	•	•	MC	MC	P	P	P	P	MC	MC	•	•	•	•	MC	MC	•	•	•	•
96. Metal fabrication, welding, foundry, die casting (subject to subsection 13-54(a), performance	•	•	•	•	•	•	•	•	•	•	P[2]	P[2]	•	•	•	•	•	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
standards)																						
97. Motels—(Subject to requirements of chapter IX, article 8, motels) Excluding Hotels listed separately	•	•	•	•	•	•	C[2]	C[2]	•	•	•	•	•	•	•	•	•	•	•	•	•	•
98. Motion picture and television studios	•	•	•	•	C	C	C	C	•	•	P	P	•	•	•	•	P	P	•	•	•	•
99. Motion picture theaters and other theaters not within 200 feet of residential zones	•	•	•	•	•	•	P	P	P	P	•	•	•	•	•	•	P	•	•	•	•	•
100. Motion picture theaters and other theaters within 200 feet of residential zones	•	•	•	•	•	•	C	C	C	C	•	•	•	•	•	•	C	•	•	•	•	•
101. Motor oil, used—Collection facility (subject to the requirements of chapter IX, article 9, off-site hazardous waste facilities)	•	•	•	•	•	•	P[2]	P[2]	P[2]	•	P[2]	P[2]	•	•	•	•	P[2]	P[2]	P[2]	P[2]	•	•
102. Motor vehicle, boat, and motorcycle retail sales, leasing, rentals and service with two or more outdoor display parking spaces	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
103. Motor vehicle, boat, and motorcycle retail sales, leasing, and rentals with one or less outdoor display parking space and no service (subject to verification	•	•	•	•	•	•	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
of parking availability)																						
104. Motor vehicle service stations	•	•	•	•	•	•	C	C	C	•	•	•	•	•	•	•	C	•	•	•	•	•
105. Motor vehicle service stations with concurrent sale of alcoholic beverages (subject to requirements of chapter IX, article 3, concurrent sale of alcoholic beverages and motor vehicle fuel)	•	•	•	•	•	•	C[2]	C[2]	C[2]	•	•	•	•	•	•	•	C[2]	•	•	•	•	•
106. Motor vehicle; boat; and motorcycle repair services (including body and paint work), not within 200 feet of residential zone (subject to subsection 13-54(b))	•	•	•	•	•	•	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•
107. Motor vehicle; boat; and motorcycle repair services (including body and paint work), within 200 feet of residential zone (subject to subsection 13-54(b))	•	•	•	•	•	•	C	C	C	•	C	C	•	•	•	•	C	C	•	•	•	•
108. Nurseries (retail with no bulk fertilizer)	•	•	•	•	•	C	C	P	P	•	C	C	•	•	•	•	•	•	•	•	•	•
109. Offices: central administrative	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
110. Offices: engineering; architectural, and surveying services; management; consulting and public	•	•	•	•	P	P	P	P	P	P	P	P	•	MC	MC	MC	P	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RM LT[1]	P
relations																						
111. Offices: general	•	•	•	•	P	P	P	P	P	P	MC	MC	•	MC	MC	MC	P	P	•	•	•	•
112. Reserved																						
113. Offices: medical and dental	•	•	•	•	P	P	P	P	P	P	•	•	•	MC	MC	MC	P	MC	MC	•	•	•
114. Offices: services to businesses such as bookkeeping and data processing	•	•	•	•	P	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
115. Off-street parking lots and structures including related maintenance buildings	•	•	•	•	C	C	C	C	C	P	C	C	•	•	•	C	C	C	C	C	•	P
116. Off-street parking lots and structures, incidental uses within	•	•	•	•	MC	MC	MC	MC	MC	MC	MC	MC	•	•	•	MC	MC	MC	MC	MC	•	MC
117. Oil fields; oil wells (see chapter XIV, oil drilling)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
118. Pawn shops	•	•	•	•	•	C	C	C	C	•	•	•	•	•	•	•	•	•	•	•	•	•
119. Photocopying; blueprinting and related services	•	•	•	•	•	P	P	P	P	P	P	P	•	•	•	•	P	P	•	•	•	•
120. Photofinishing laboratories	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
121. Photofinishing stores	•	•	•	•	•	P	P	P	P	P	•	•	•	•	•	•	P	P	•	•	•	•
122. Personal Service	•	•	•	•	P	P	P	P	P	P	P	P	•	P	P	P	P	•	•	•	•	•
123. Personal Service with Group Instruction/Setting (see Chapter IX Article 24	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
Group Instruction/Setting including Studio and Fitness Uses)																						
124. Physical fitness facilities	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
125. Printing and publishing	•	•	•	•	•	•	MC	P	MC	MC	P	P	•	•	•	•	P	P	•	•	•	•
126. Reserved																						
127. Recycling and collection facilities for nonhazardous materials	•	•	•	•	•	MC	MC	MC	MC	•	MC	MC	•	•	•	•	MC	MC	MC	MC	•	•
128. Research and development laboratories— Other than cannabis and/or marijuana testing laboratories	•	•	•	•	C	C	C	P	C	C	P	P	•	•	•	•	•	P	•	•	•	
129. Restaurants including Food Halls—See Establishments where food or beverages are served																						
130. Retail: general—Excluding antique malls, pawn shops, supermarkets, grocery stores, convenience stores, and liquor stores listed separately	•	•	•	•	•	P	P	P	P	P	•	•	•	P	P	P	P	P	•	•	•	•
131. Retail, incidental sales to the main use (subject to the requirements of section 13-54(a), incidental retail sales)	•	•	•	•	P	P	P	P	P	P	P[2]	P[2]	•	P	P	P	P	P[2]	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR - LD[1]	PDR - MD[1]	PDR - HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RM LT[1]	P
132. Retail: nonstore	•	•	•	•	P	P	P	P	P	P	P	P	•	P	P	P	P	P	•	•	•	•
133. Rifle, pistol, and firing ranges	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	C	•	•	•
134. Sexually-oriented businesses (subject to the requirements of title 9, chapter IV and title 13, chapter IX, sexually-oriented businesses)	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	•	P[2]	•	•	•	•	•
135. Reserved																						
135a. Smoking lounge (subject to chapter IX, article 19, smoking and vaping uses)	•	•	•	•	•	•	•	•	C[2]	•	•	P[2]	•	•	•	•	C[2]	•	•	•	•	•
135b. Smoking/ vaping retailer (subject to chapter IX, article 19, smoking and vaping uses)	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	•	•
136. Storage of chemicals and allied products (except as incidental use)	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
137. Storage of explosives	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
138. Storage of fertilizer	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	•	•	•	•
139. Storage of motor vehicles— Outdoor (not including impound yard)	•	•	•	•	•	•	C	C	C	•	MC	MC	•	•	•	•	C	MC	•	•	•	•
139a. Storage of motor vehicles— Indoor only (not	•	•	•	•	•	•	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•

TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RMLT[1]	P
including impound yard)																						
140. Storage of petroleum and coal products	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
141. Storage of rock, sand, crushed aggregate and gravel	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	•	•	•	•	•
142. Studio Fitness, Small and Fitness Studios etc. (See Chapter IX Article 24, Group Instruction/Setting including Studio and Fitness Uses)	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	P[2]	•
143. Supermarkets—See also Grocery stores	•	•	•	•	•	•	P	P	P	P	•	•	•	MC	MC	MC	MC	•	•	•	•	•
143a. Specialty stores	•	•	•	•	•	•	P	P	P	P	•	•	•	•	MC	MC	MC	•	•	•	•	•
144. Tattoo parlors	•	•	•	•	•	•	C	C	C	•	•	•	•	•	•	•	C	•	•	•	•	•
145. Tire sales and installation not within 200 feet of residential zone	•	•	•	•	•	•	P	P	P	•	P	P	•	•	•	•	P	P	•	•	•	•
146. Tire sales and installation within 200 feet of residential zone	•	•	•	•	•	•	MC	MC	MC	•	MC	MC	•	•	•	•	MC	MC	•	•	•	•
147. Tow companies with or without impound yard	•	•	•	•	•	•	C	C	C	•	MC	MC	•	•	•	•	•	MC	•	•	•	•
148. Transfer station for refuse, sewage treatment	•	•	•	•	•	•	•	•	•	•	C	C	•	•	•	•	•	C	C	•	•	•
149. Trucking: local and long distance	•	•	•	•	•	•	•	C	•	•	P	P	•	•	•	•	•	C	•	•	•	•

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TABLE 13-30
CITY OF COSTA MESA LAND USE MATRIX
ZONES

LAND USES	R1	R2-MD	R2-HD	R3	AP	CL	C1	C2	C1-S1	TC[1]	MG	MP	PDR-LD[1]	PDR-MD[1]	PDR-HD[1]	PDR-NCM[1]	PDC[1]	PDI[1]	I&R[1]	I&R-S1	I&RM LT[1]	P
150. Warehouses, mini (subject to the requirements of chapter IX, article 7, mini- warehouses)	•	•	•	•	•	•	C[2]	C[2]	C[2]	•	MC[2]	MC[2]	•	•	•	•	•	MC[2]	•	•	•	•
151. Warehouses, public	•	•	•	•	•	•	C	C	C	•	P	P	•	•	•	•	•	P	•	•	•	•
152. Warehousing of durable and nondurable goods except livestock and poultry—See also Storage	•	•	•	•	•	•	•	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•
153. Wholesale trade of motor vehicles, boats and motorcycles with outdoor storage of vehicles	•	•	•	•	•	•	C	C	C	C	C	C	•	•	•	•	C	C	•	•	•	•
154. Wholesale trade of motor vehicles, boats and motorcycles without outdoor storage of vehicles	•	•	•	•	•	MC	MC	P	P	P	P	P	•	P	P	P	P	P	•	•	•	•
155. Wholesale trade of durable, nondurable goods, except livestock, poultry and perishable goods	•	•	•	•	•	MC	MC	P	P	P	P	P	•	P	P	P	P	P	•	•	•	•

Notes:

1 Uses proposed in this zone are subject to verification of consistency with the adopted master plan. Uses not specified in the master plan, could be allowed, subject to the review process indicated in this matrix, if the proposed use is determined to be compatible with the adopted master plan. Residential uses shall not be permitted on any site or parcel of land on which residential uses are expressly prohibited by the general plan.

2 This use is subject to the requirements of the referenced Municipal Code article or section.

3 If residential uses exist, accessory uses shall be permitted.

4 For the purposes of this table, the symbols in the non-shaded areas shall have the following meaning: C—Conditional Use Permit; MC—Minor Conditional Use Permit; P—Permitted; •—Prohibited; and S—Special Use Permit.

5 Six hundred fifty foot separation required between sober living homes, or from state licensed alcohol or drug abuse recovery or treatment facilities. CMMC 13-311(a)(10)(i).

6 Subject to the separation requirement set forth in sections 13-322(a)(3) and 13-323(b).

7 Small boardinghouses shall locate at least 650 feet from any other small boardinghouse. Large boardinghouses shall be located at least 1,000 feet away from any other boardinghouse.

8 Uses prohibited in the base zoning district of a mixed-use overlay zone shall also be prohibited in the overlay zone.

9 Prohibited at the SoCo property, 3303 through 3323 Hyland Ave.

10 Emergency shelters located on sites owned, controlled, and/or operated by the city in the MP and/or the PDI zone are a permitted use, not subject to a master plan requirement and the standards in section 13-200.79(1), (2), (4), (8), (10) and (13) do not apply to such uses.

11 Supportive housing, as defined in Government Code Section 65650, shall be permitted by-right in all zones where multifamily and mixed uses are permitted by-right, provided it is consistent with Government Code Sections 65650 – 65656.

12 Pursuant to Government Code Section 65583(c)(3), transitional and supportive Housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zoning district.

13 Low barrier navigation centers shall be permitted by-right provided they are consistent with the requirements in Government Code Sections 65660-65668.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 98-4, § 2, 2-2-98; Ord. No. 98-5, § 8, 3-2-98; Ord. No. 00-5, § 1(b), 3-20-00; Ord. No. 01-1, § 1, 1-15-01; Ord. No. 01-30, § 1a(Att. A), 1-7-02; Ord. No. 02-4, § 1b(Att. A), 3-18-02; Ord. No. 02-12, § 1c, 6-17-02; Ord. No. 05-2, § 1f.(Att. A), 2-22-05; Ord. No. 05-11, § 2b., 7-19-05; Ord. No. 06-2, § 1a., 2-7-06; Ord. No. 06-9, § 1d., 4-18-06; Ord. No. 06-18, § 1b., 9-5-06; Ord. No. 07-2, § 1d., 2-6-07; Ord. No. 11-10, § 1, 9-20-11; Ord. No. 13-1, § 2B., 3-19-13; Ord. No. 14-04, § 2B., 4-1-14; Ord. No. 14-13, 10-21-14; Ord. No. 15-06, §§ 1—3, 7-7-15; Ord. No. 15-10, § 2B, 9-15-15; Ord. No. 15-11, §§ 3—5, 11-17-15; Ord. No. 16-01, § 4, 1-19-16; Ord. No. 16-09, §§ 4, 5(Exh. A), 10-4-16; Ord. No. 16-13, § 2, 11-15-16; Ord. No. 16-15, § 5, 11-8-16; Ord. No. 18-03, § 3, 1-16-18; Ord. No. 18-04, § 3, 4-3-18; Ord. No. 19-13, § 3, 9-3-19; Ord. No. 19-15, § 1, 9-17-19; Ord. No. 21-03, § 4, 3-2-21; Ord. No. 21-08, § 1, 6-15-21; Ord. No. 21-20, § 1, 12-7; Ord. No 26-03, 4-7-26;

EXHIBIT C

Chapter V, Development Standards
Article 3, Commercial Districts

§ 13-44 Development Standards.

Table 13-44 identifies development standards for the various commercial zones. See also Article 9, General Site Improvement Standards of this chapter for additional requirements.

TABLE 13-44
COMMERCIAL PROPERTY DEVELOPMENT STANDARDS

DEVELOPMENT STANDARDS	P	AP	CL	C1	C2	C1-S	TC
Minimum Lot Area for newly created lots	6,000 square feet			12,000 square feet		5 acres	See Master Plan
Minimum Lot Width for newly subdivided lots	120 feet Note: All newly subdivided lots shall have frontage on a dedicated street equal to, or in excess of, the required minimum lot width.			120 feet Note: All newly subdivided lots shall have frontage on a dedicated street equal to, or in excess of, the required minimum lot width.			None
Minimum Lot Width	Interior Lot: 50 feet Corner Lot: 60 feet			60 feet			None
Maximum Floor Area Ratio	Refer to CHAPTER V, ARTICLE 8, FLOOR AREA RATIOS.						
Maximum Building/ Structure Height	2 stories/30 feet[1,2]						None
SETBACKS FOR MAIN BUILDINGS AND ACCESSORY BUILDINGS AND STRUCTURES (Minimum distances given, unless otherwise noted. All setbacks from streets are measured from the ultimate property line shown on the master plan of highways.)							
Front	20 feet						
Side (Interior)	15 feet on one side and 0 feet on the other side. Exception: If the side property line is adjacent to a residential zone, all buildings shall maintain a side setback from the residential property line of 2 times the building height at all locations.						None
Rear (Interior)	0 feet Exception: If the rear property line is adjacent to a residential zone, all buildings shall maintain a rear setback from the residential property line of 2 times the building height at all locations.						None

Side or Rear abutting a public street	20 feet for secondary, primary or major streets per the master plan of highways. 15 feet for all other streets.	20 feet—see also subsections 13-45(f) and (g).
PROJECTIONS (Maximum depth of projections given)		
Roof or Eaves overhang; Awning	2 feet 6 inches into required side setback. 5 feet into required front or rear setback.	None
Open, unenclosed Stairways.	2 feet 6 inches into required setback area.	None
PARKING (See CHAPTER VI)		
LANDSCAPING (See CHAPTER VII)		

1. A 5% increase is allowed if necessary to screen existing roof- mounted equipment

2. A height deviation of up to 12 feet, or 40 percent of the maximum allowable height, whichever is less, may be approved through the minor conditional use permit process. In addition to the findings required by Sections 13-29(e) and 13-29(g)(2), the review authority shall find that the proposed height is (a) compatible with the existing and anticipated development in the vicinity; (b) enhances the architecture and design of the development; and (c) would not be materially detrimental to surrounding properties or uses and would not adversely affect the public health, safety, or welfare.

Add the following to Section 13-45 Additional property development standards for commercial districts.

(h) Noise Regulations. All operations shall conform to Chapter XIII Noise Control of this Title. The operator must limit noise generated from the use to the greatest extent feasible. Any noise complaints generated from this use must be addressed by the owner/operator.

EXHIBIT D

Chapter V, Article 4
Establishments Where Food or Beverages are Served

§ 13-46. Purpose.

The purpose of this article is to regulate and provide development standards for establishments where food or beverages are served. The proximity of residential uses to these types of establishments is a concern of this article. Where the distance criterion of 200 feet from residentially-zoned property is given in this article, it shall be measured from the property line of the site to the property line of the nearest residentially-zoned property. This article also establishes requirements for outdoor dining areas to support long-term economic viability of local establishments, promote vitality in the city's commercial areas, promote progress towards creating walkable communities by facilitating pedestrian-friendly and safe public spaces, and facilitate and incentivize enhanced city dining experiences.
(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 2024-01, 1/16/2024)

§ 13-47. Permitted and conditionally permitted uses.

Establishments where food or beverages are served are subject to the review and approval procedures shown in Table 13-47 (a) and (b). In instances where more than one review procedure is applicable to an establishment, the more stringent procedure shall apply.

TABLE 13-47(a)
PERMITTED AND CONDITIONALLY PERMITTED USES

LOCATION AND OPERATIONAL CHARACTERISTICS	C1-S	C1	C2	CL	TC	PD	MG	MP
Establishments with 300 square feet or less of indoor public area.[3]	P[1,2] or P	P	P	MC	P[1] or P	P[1] or P	P	P
Establishments with more than 300 square feet of indoor public area.[3]	P[1] or P	P	P	MC	P[1] or P	P[1] or P	MC	MC
EXCEPTIONS								
Located within 200 feet of a residential zone. (Subject to the requirements of section 13-49, Development Standards for section 13-49, Development Standards for Establishments Within 200 Feet of Residentially Zoned Property)[3]	P[1] or P	P	P	MC	P[1] or P	P[1] or P	P	P

TABLE 13-47(a)
PERMITTED AND CONDITIONALLY PERMITTED USES

LOCATION AND OPERATIONAL CHARACTERISTICS	C1-S	C1	C2	CL	TC	PD	MG	MP
Sale of alcoholic beverages for on-site consumption after 11:00 p.m. and/or provision of live entertainment or dancing located within 200 feet of a residential zone.[3]	P[1] or C	C	C	C	P[1] or C	P[1] or C	C	C
Sale of alcoholic beverages for on-site consumption after 11:00 p.m. and/or provision of live entertainment or dancing located not within 200 feet of a residential zone.[3]	P[1] or MC	MC	MC	MC	P[1] or MC	P[1] or MC	MC	MC
Drive-through operations. (Subject to the requirements of section 13-50, Development Standards for Drive-Through Operations)[3]	P[1] or MC	MC	MC	MC	P[1] or MC	P[1] or MC	MC	MC
Establishments with less than 300 square feet of indoor public area located in a multi-tenant center where 30% or more of the tenants are similar businesses, i.e., establishments with less than 300 square feet of indoor public area.[3]	P[1] or MC	MC	MC	MC	P[1] or MC	P[1] or MC	MC	MC
Establishments with a micro brewery[3]	P[1] or C	C	C	C	P[1] or C	P[1] or C	C	C
Commercial Kitchens						P	P	P

TABLE 13-47(a)
PERMITTED AND CONDITIONALLY PERMITTED USES

LOCATION AND OPERATIONAL CHARACTERISTICS	C1-S	C1	C2	CL	TC	PD	MG	MP
Ghost Kitchen (Subject to the requirements of section 13-52, Development Standards for Ghost Kitchens)		MC	P			P	P	P

Notes:

[1] Pursuant to an approved master plan which specifies these operational characteristics and/or location of the business.

[2] For the purposes of this table, the symbols shall have the following meaning: P=Permitted; MC=Minor Conditional Use Permit; C=Conditional Use Permit.

[3] Outdoor dining and seating areas may be considered as part of a proposed land use if allowed in the zoning district, and pursuant to the provisions, regulations and standards of this Article.

TABLE 13-47 (b)

OUTDOOR DINING AREA PERMITTING PROCESS[1]

LOCATION OF OUTDOOR AREAS AND OPERATIONAL CHARACTERISTICS	Approval Process
Courtyard Area	P[2]
Setback Area - Expansion of up to 50% of indoor public area outdoors.[1]	P[2]
Setback Area - Expansion of more than 50% of indoor public area outdoors.[1]	MC[2]
Parking Area - Expansion of up to 50% of indoor public area outdoors and does not remove more than five parking spaces or 25% of existing, required parking, whichever is less.[1]	P[2]
Parking Area - Expansion of more than 50% of indoor public area outdoors.[1]	MC[2]
Parking Area - removal of more than five parking spaces, or removal of more than 25% of existing, required parking, whichever is less.[1]	MC[2]

Notes:

[1] Temporary Use Permits for outdoor dining areas, including parklets within the public right-of-way, approved through Urgency Ordinance 2020-15 may continue to operate with staff approval; however, shall comply with applicable Building and Fire Code requirements, may not interfere with minimum required site access or circulation, and shall comply with the aesthetic development standards outlined in section 13-48 within six months from the time of ordinance adoption, with an allowed six-month extension of time. Outdoor dining areas approved under a temporary use permit shall also be subject to applicable fees. Any modifications to these outdoor dining areas shall be approved pursuant to this article.

[2] For the purposes of this table, the symbols shall have the following meaning: P=Permitted; MC=Minor Conditional Use Permit.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 2024-01, 1/16/2024)

Add the following new Section to Article 4, Establishments where Food or Beverages are Served:

§ 13-52. Operational standards for ghost kitchen operations.

Establishments with ghost kitchen operations shall comply with the following operational standards in addition to the development standards included in this Chapter, unless the standards are modified through the issuance of a minor conditional use permit.

(a) The customer area shall be limited to pick-up lobby only, no dine-in seating is allowed.

(b) Applicant shall provide a delivery/couriers management plan and shall submit it to the Planning Department for review and approval by the Community Development Director or their designee. The Plan shall include but not be limited to:

(1) Queuing. Queuing into drive aisles or public ROW is strictly prohibited. Should queuing be an issue the applicant/operators shall develop a solution that elevates the issue and shall be reviewed and approved by the Community Development Director or their designee.

(2) Loading Zone. Designated Pick-up/loading spaces shall be provided.

(3) Hours of operation.

(4) Operators. The plan shall identify the total number of operators and/or businesses in the facility.

(c) Should parking issues arise the owner and/or operator shall work with the City to resolve the issues which may include but shall not be limited too runners to deliver meals to waiting drivers/customers, parking attendants, and valet services.

(d) Establishments within 200 feet of residentially-zoned property shall also be subject to the development standards contained in section 13-49, Development standards for establishments within 200 feet of residentially-zoned property.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 00-4, § 1, 2-22-00; Ord. No. 2024-01, 1/16/2024)

EXHIBIT E

Chapter VI Off-Street Parking Standards, Article 2
Non-Residential Districts

§ 13-88. Purpose.

The purpose of this article is to establish parking requirements for all nonresidential zones, nonresidential components of the planned development residential zones and to mixed-use developments in all zones.
(Ord. No. 97-11, § 2, 5-5-97)

§ 13-89. Parking required.

The minimum amount of off-street parking as established in Table 13-89 shall be provided at the time:

(a) Any building and/or structure is constructed;

(b) Any building or structure is enlarged or increased in capacity by adding gross floor area, gross leasable area or seats;

(c) A specific use is proposed for a building site; or

(d) An existing use is changed to one which requires additional parking.

At all times, with the exception of the provisions of section 13-98, Declaration of land use restriction, parking shall be provided according to the requirements of Table 13-89.

TABLE 13-89
NON-RESIDENTIAL PARKING STANDARDS

USE	PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)
Retail; offices; central administrative offices; individual counseling; group counseling; artisan studio and retail commercial; small fitness studios; establishments where food or beverages are served with a maximum of 300 square feet of public area[1]	4 spaces per 1,000 square feet
Office buildings exceeding 2 stories in height and 100,000 square feet in area	3 spaces per 1,000 square feet
Banks; savings and loans; credit unions	5 spaces per 1,000 square feet with a minimum of 6 spaces
Medical and dental offices; acupressure; massage; personal services (non-group instruction/setting)	6 spaces per 1,000 square feet
Furniture and appliance stores with floor area greater than 5,000 square feet	2 spaces per 1,000 square feet with a minimum of 20 spaces
Churches; theaters; mortuaries; auditoriums; services and fraternal clubs and lodges; amphitheaters event center, event venue, banquet facilities, assembly halls, and E-Sports arena, and other similar places of assembly	Within the main auditorium or assembly area: 1 space for each 3 fixed seats or 1 space for every 35 square feet of seating area if there are no fixed seats. 18 lineal inches of bench shall be considered equal to 1 fixed seat.
Racquetball and tennis facilities	3 spaces per court plus parking required for incidental uses such as restaurants which shall be calculated as noted below

TABLE 13-89 NON-RESIDENTIAL PARKING STANDARDS	
USE	**PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)**
Establishments where food or beverages are served with more than 300 square feet of public area[1,4]	10 spaces per 1,000 square feet for the first 3,000 square feet;[2] 12 spaces per 1,000 square feet for each additional 1,000 square feet above the first 3,000 square feet.[2]
Health clubs; Fitness studios and physical fitness facilities; skating rinks; active entertainment	Parking requirement is 10 spaces per 1,000 square feet (unless otherwise listed in this table). Accessory food or beverage service parking requirements shall be 4 spaces per 1,000 square feet. Total parking requirement shall be the sum of all uses combined, but the provisions of section 13-89.5 may be applied.
Bowling alleys	3 spaces per lane plus parking required for incidental uses such as restaurants which shall be calculated as noted under "Establishments where food or beverages are served"
Trade schools; business colleges; dancing and music academies	10 spaces per 1,000 square feet
Motels	1 space for each rentable unit without cooking facilities. Each rentable unit with cooking facilities shall be governed by residential parking standards
Hotels	1 space for each 2 rentable units plus 10 spaces per 1,000 square feet for the first 3,000 square feet, and 20 spaces per 1,000 square feet for each additional 1,000 square feet above the first 3,000 square feet for restaurant, banquet, meeting room and kitchen spaces
Establishments with live entertainment; i.e., go-go dancers, topless dancers, bikini dancers	1 parking space for each person for the first 100 persons as authorized by capacity signs posted by the fire department; 1 parking space for each 2 persons for every 101 to 300 persons as authorized by capacity signs posted; 1 parking space for each 3 persons for every 301 plus persons as authorized by capacity signs posted by the fire department.
Personal Service Group Instruction/Setting; Studios	Parking requirement is 10 spaces per 1,000 square feet
Commercial Kitchens	3 spaces per 1,000 square feet of gross leasable area
Ghost Kitchens	6 spaces per 1,000 square feet of gross leasable area
Shopping centers with a minimum of 600,000 square feet of contiguous gross leasable area:	
Main structure or group of abutting structures	
Retail	5 spaces per 1,000 square feet of gross leasable area
Establishments where food or beverages are served occupying 5% or less of the total contiguous gross leasable area	1 space per 1,000 square feet of gross leasable area

TABLE 13-89
NON-RESIDENTIAL PARKING STANDARDS

USE	PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)
Establishments where food or beverages are served in excess of 5% of the total contiguous gross leasable area	5 spaces per 1,000 square feet of gross leasable area
Office Space occupying 10% or less of the total contiguous gross leasable area	None
Office Space in excess of 10% of the total contiguous gross leasable area	4 spaces per 1,000 square feet of gross leasable area
Theaters (cumulative)	
750 seats and less	5 spaces per 1,000 square feet of gross leasable area
More than 750 seats	5 spaces per 1,000 square feet of gross leasable area plus 3 spaces for each additional 100 seats
Uses within freestanding structures	
Establishments where food or beverages are served	10 spaces per 1,000 square feet of gross leasable area

TABLE 13-89
NON-RESIDENTIAL PARKING STANDARDS

USE	PARKING RATIO PER GROSS FLOOR AREA (except as noted otherwise)
All others	Pursuant to this table
Mixed use developments	When there are mixed uses within a single development which share the same parking facilities, the total requirement for parking should be determined as outlined in "City of Costa Mesa Procedure for Determining Shared Parking Requirements" which are included herein by this reference and which may be amended from time to time by resolution of the city council. A greater reduction in parking than would be allowed under this procedure may be approved by minor conditional use permit where it can be demonstrated that less parking is needed due to the hours of operation or other unusual features of the users involved. For mixed-use developments located in the mixed-use overlay zone, refer to the applicable urban plan for parking rates.
Industrial	3 parking spaces shall be provided per 1,000 square feet of gross floor area for the first 25,000 square feet of building; 2 parking spaces shall be provided per 1,000 square feet of gross floor area between 25,000 and 50,000 square feet of building; and one and one-half parking spaces shall be provided per 1,000 square feet of gross floor area over 50,001 square feet of building.
Garden centers; plant nurseries	4 spaces per 1,000 square feet of gross floor area; and 2 spaces per 1,000 square feet of outdoor display area.
Smoking lounges	17 spaces per 1,000 square feet

Notes:

1 Establishments limited to seating for 12 or fewer persons prior to June 4, 1997, shall remain at that seating limit unless additional parking is provided pursuant to this Zoning Code.

2 The outdoor patio seating area(s) shall not be included in the floor area calculations for purposes of determining the required parking.

3 The final review authority may apply a maximum credit of one parking space due to the provision of bicycle racks. This credit shall only apply to the overall parking supply and not to multiple uses.

4 When the approval of a use permit is required, the final review authority may require additional parking spaces at a ratio not to exceed 30 spaces per 1,000 square feet of floor area of the entire building. Factors that may warrant additional parking include, but are not limited to, the provision of entertainment and/or dancing, or substantial ratio of floor area devoted to bar as compared to restaurant use. The maximum parking rate shall be applicable to uses that have substantially maximized the building's occupancy due to design and provision of concentrated uses.

5 The square footage of electrical and mechanical equipment and the surrounding three feet for clearance shall be excluded from the calculation of gross floor area for the purpose of determining parking requirements.

(Ord. No. 97-11, § 2, 5-5-97; Ord. No. 98-5, § 16, 3-2-98; Ord. No. 02-4, § 1j, 3-18-02; Ord. No. 06-9, § 1g., 4-18-06; Ord. No. 12-4, § 1, 5-15-12; Ord. No. 15-10,

§ 2C, 9-15-15; Ord. No. 21-20, § 1, 12-7-21; Ord. No. 2024-01, 1/16/2024; Ord. 2025-07, 10/21/2025)

§ 13-89.5. Reduction in parking requirements.

Where it can be shown that the required parking for a nonresidential land use will substantially exceed the demand of the actual use, the zoning administrator may, by minor conditional use permit, allow a reduction in the amount of required parking. The zoning administrator may place the following conditions on the approval of the minor conditional use permit:

(a) Allow such excess parking to be provided as landscaping, plazas, courtyards, or similar open space feature.

(b) Require recordation of a land use restriction that restricts the future use of the property to ensure adequate parking availability.

(Ord. No. 99-15, § 2, 11-16-99)

§ 13-90. Parking for uses not specified.

The parking requirements for the uses not specified in Table 13-89 shall be determined by the planning division. The determination shall be based upon the requirements for the most comparable use specified in this chapter or other appropriate sources including but not limited to a parking study.
(Ord. No. 97-11, § 2, 5-5-97)

§ 13-91. General development standards.

General development standards for parking areas applicable to the nonresidential zones are contained in Article 3, Development Standards, of this chapter.
(Ord. No. 97-11, § 2, 5-5-97)

EXHIBIT F

CHAPTER VI, OFF-STREET PARKING STANDARDS
Article 3 Development Standards

Add the following Section to Article 3:

13-100.10 Electric Vehicle Charging Stations

(a) Purpose.

The purpose of this chapter is to comply with Government Code Section 65850.7 and to promote and encourage the use of electric charging stations while promoting public health and safety and preventing specific adverse impacts in the installation and use of such charging stations.

(b) Regulations.

(1) Accessory Use. An electric vehicle charging station (EVCS) for public or private use shall be permitted as an accessory use within any existing legal single-family or multiple-family residential garage or carport, or within any existing legal commercial parking space in a parking lot or in a parking garage, subject to the development standards listed in subsection (c) below.

(2) Primary Use. An electric vehicle charging station (EVCS) as a primary use shall be permitted in non-residential and mixed use zones, pursuant to the Mesa Land Use Matric Chapter IV, Table 13-30 and shall comply with all standards applicable to the underlying zone and the development standards listed in subsection (c) below.

(c) Development Standards:

All EVCS shall:

(1) Be protected as necessary to prevent damage by automobiles;

(2) Be designed to minimize potential damage by vandalism and to be safe for use in inclement weather;

(3) Include complete instructions and appropriate warnings concerning the use of the EVCS, which shall be posted on a sign in a prominent location on or near each station for use by the operator;

(4) Be maintained in good working order. Damaged or broken EV chargers or related infrastructure shall be repaired within 48 hours;

(5) Be located in a manner which will be easily seen by the public for informational and security purposes, when available for public use;

(6) Be located so as not to obstruct required parking areas, drive aisles, pedestrian walkways, accessible paths of travel, emergency access, or required visibility areas; and

(7) Comply with all applicable building, electrical, fire, accessibility, parking, circulation, and zoning requirements.

EXHIBIT G

Chapter IX Special Land Use Regulations

The following new Articles are added to Chapter IX, Special land Use Regulations:

Article 24 – Group Instruction/Setting including Studio and Fitness Uses.

13-200.210 Purpose: The purpose of Article is to establish operational and development standards for uses with group instruction, group setting for Studios and Fitness uses to ensure compatibility with surrounding commercial uses.

13-200.211 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.212 Operational and Development Standards.

(a) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards.

(b) Indoor Operations. All activities shall occur entirely within an enclosed building. Outdoor activities shall require approval of a Minor Conditional Use Permit per Chapter V, Development Standards, Article 3, Commercial Districts, Section 13-44 of this title.

(c) Small Fitness Studios may be up to 5,000 square feet in gross floor area.

(d) Fitness Studios shall be less than 15,000 square feet in gross floor area. Facilities larger than 15,000 square feet of gross floor area are classified as Physical Fitness Facilities.

(e) Noise. Whenever amplified music, instruction, or sound is utilized, all exterior doors and windows shall remain closed.

(f) A minimum of 15 minutes shall be provided between each group instruction or class.

Article 25 – Event Centers.

13-200.215 Purpose and Intent. The purpose of this Article is to establish operational and development standards for Event Centers and similar assembly uses, including banquet facilities, assembly halls, conference facilities, and arenas, in order to ensure compatibility with surrounding uses.

13-200.216 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.217 Operational and Development Standards.

(a) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards.

(b) Occupancy. Occupancy shall not exceed the maximum occupant load approved by the Building Official and Fire Authority, or any occupancy limitation imposed through a planning entitlement.

(c) Noise. Amplified music, outdoor speakers, and public address systems shall comply with the City's Noise Ordinance. Outdoor amplified sound shall cease by 11:00 p.m., unless otherwise authorized through a Conditional Use Permit. A Noise study may be required to evaluate impacts on adjacent properties.

(d) Operation Plan. Operator shall provide a detailed Operations Plan as part of the application package which shall include, at a minimum, the following:

1. Description of Operations. A description of the proposed use, including the types of events to be conducted, maximum occupancy, seating capacity, frequency of events, and anticipated hours of operation.

2. Site Management. Identification of on-site management personnel responsible for facility operations during events, including contact information for an on-site manager or responsible party.

3. Parking and Circulation. A description of parking management practices, valet operations (if applicable), rideshare pick-up and drop-off locations, employee parking locations, loading and unloading activities, and measures to prevent vehicle congestion on adjacent streets.

4. Noise Management. Identification of any amplified sound, entertainment, public address systems, or outdoor activities and measures to ensure compliance with the City's Noise Ordinance.

5. Security and Crowd Management. Procedures for crowd control including procedures for event dismissal and dispersal of attendees, event monitoring, security staffing, and coordination with public safety agencies, as appropriate.

6. Alcohol Service. A description of alcohol management practices, type of Alcohol Beverage Control license, including proof of compliance with all applicable Alcoholic Beverage Control regulations.

7. Loading and Deliveries. A description of delivery schedules, vendor access, equipment loading and unloading activities, and designated service areas.

8. Trash and Maintenance. Procedures for refuse collection, litter control, site maintenance, and post-event cleanup.

9. Modification of Operations. The Director may require modifications to an approved Operations Plan when necessary to address documented operational impacts, ensure compliance with conditions of approval, or maintain compatibility with surrounding properties.

(e) Excluded Uses. Event Centers do not include:

1. Restaurants, bars, or nightclubs where food and beverage service is the primary use, and

    i. Private events do not occur regularly and are accessory and subordinate to the permitted restaurants, bars, or nightclub use; and

    ii. The tenant space does not have space dedicated for private events.

2. Indoor commercial fitness or sports training facilities;

3. Churches or other places of religious assembly regulated under Article 4.5 (Development Standards for Churches and Other Places of Religious Assembly);

4. Civic and Community clubs or other private social clubs regulated elsewhere in this Title;

5. E-sports gaming lounges and participant-oriented electronic gaming facilities regulated as Active Entertainment uses; or

6. Schools or educational institutions.

Article 26 – Active Entertainment and Amusement Center

13.200.220 Purpose and Intent. The purpose of the Article is to establish operational and development standards for Active Entertainment and Amusement Center uses and to ensure compatibility with surrounding properties.

13-200.221 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.222 Operational and Development Standards.

(a) Indoor Operations. Active Entertainment and Amusement Center uses shall be conducted entirely within an enclosed building. Active Entertainment uses shall be limited to a maximum gross square footage of 15,000 sf. Uses larger than 15,000 gross square feet are classified as Amusement Centers. For uses that proposes outdoor uses (uses not underroof) a Minor Conditional Use Permit is required per Chapter V, Development Standards, Article 3, Commercial Districts, Section 13-44 of this title.

(b) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards.

(c) Noise. All activities, including amplified sound, public address systems, gaming equipment, and entertainment devices, shall comply with the City's Noise Ordinance. Sound generated by the use shall not create a nuisance on adjacent properties. Should an issue arise from noise the operator shall work with the City and implement best practice to eliminate the issue.

(d) Occupancy. The use shall not exceed the maximum occupant load established by the Building Official and Fire Authority.

(e) Food and Beverage. Accessory food and beverage service may be permitted, subject to Chapter V, Article 4 (Establishments Where Food or Beverages Are Served).

(f) Queuing and Circulation. The use shall be designed and operated so that customer queues, waiting areas, and patron gatherings do not obstruct pedestrian walkways, building entrances, drive aisles, parking spaces, or required accessible routes.

(g) Excluded Uses. Active Entertainment and Amusement Center uses shall not include spectator-oriented assembly uses, event centers, concert venues, e-sports arenas, or other assembly uses where viewing or attendance is the primary activity. Such uses shall be regulated as Event Centers and Assembly Uses.

Article 27 – Artisan Studio

13.200.225 Purpose and Intent. The purpose of this Article is to establish development and operational standards for Artisan Studio retail uses that also support onsite opportunities for small-scale creative production, fabrication, repair, while ensuring compatibility with surrounding commercial uses and distinguishing Artisan Studio uses from manufacturing and industrial operations.

13-200.226 Permits required. The required permit is identified in Chapter IV, Table 13-30, City of Costa Mesa Land Use Matrix.

13-200.227 Operational and Development Standards.

(a) Indoor Operations. All production, fabrication, assembly, repair, and retail activities shall occur entirely within an enclosed building. For studios that propose outdoor uses (uses not underroof) a Minor Conditional Use Permit is required per Chapter V, Development Standards, Article 3, Commercial Districts, Section 13-44 of this title.

(b) Parking. Parking requirements shall be provided pursuant to Chapter VI, Off-Street Parking Standards, Article 2, Non-Residential Districts, Table 13-89, Non-Residential Parking Standards

(c) Customer-Oriented Component. The use shall maintain a customer-facing component, which may include retail sales, display areas, demonstrations, workshops, classes, or other public interaction associated with the artisan production activities.

(d) Classes, Workshops, or Group Instruction. For uses that propose classes, workshops, or group instruction the following shall apply:

1. Parking requirements shall be provided per Table 13-89, Non-Residential Parking Standards.

2. Whenever amplified music or sound is played, all exterior doors and windows shall remain closed.

3. A minimum of 15 minutes shall be provided between each class, workshop or group instruction.

(e) Production Scale. The use shall be limited to small-scale production activities involving handcrafted, custom, artistic, specialty, or limited-production goods that are sold onsite. Uses involving assembly-line production, mass manufacturing, bulk processing, or large-scale industrial operations are prohibited.

(f) Permitted Equipment. Equipment and machinery customarily associated with artisan production, fabrication, repair, design, and creative activities may be utilized provided such equipment complies with all applicable building, fire, and noise regulations.

(g) Compatibility with Commercial Areas. Operations shall not create noise, vibration, dust, smoke, glare, fumes, odors, electrical interference, hazardous conditions, or other impacts beyond the property boundaries.

(h) Screening. All exterior mechanical equipment, and/or roof mounted equipment, shall be screened from view from public right-of-way and adjacent properties.

(i) Materials and Storage. All materials, supplies, products, and equipment shall be stored within an enclosed building. Outdoor storage of raw materials, products, equipment, or waste materials is prohibited. The use shall not involve

the storage or use of hazardous materials in quantities exceeding those permitted by the California Fire Code or other applicable regulations.

(j) Food Production. Food preparation, food manufacturing, ghost kitchens, commercial kitchens, catering kitchens, or other food-related production uses shall not be considered Artisan Studio and shall be regulated separately.

PLANNING COMMISSION AGENDA REPORT

MEETING DATE: June 22, 2026 **ITEM NUMBER: PH-3**

SUBJECT: **PROPOSED AMENDMENTS TO TITLE 13 (PLANNING, ZONING AND DEVELOPMENT) OF THE COSTA MESA MUNICIPAL CODE TO UPDATE LAND USE CLASSIFICATIONS FOR VARIOUS NON-RESIDENTIAL USES INCLUDE BUT NOT LIMITED TO, PERSONAL SERVICES, ARTISAN STUDIO AND RETAIL USES, ACTIVE ENTERTAINMENT USES, EVENT CENTERS AND ASSEMBLY USES, SPECIALIZED FITNESS STUDIOS, AND OTHER NON-RESIDENTIAL USES AND STANDARDS– PCTY-26-0001**

FROM: **ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT/PLANNING DIVISION**

PRESENTATION BY: **AMBER GREGG, CONTRACT PLANNER, AND MARTINA CARON, PLANNING MANAGER**

FOR FURTHER INFORMATION CONTACT: **MARTINA CARON MARTINA.CARON@costamesaca.gov**

RECOMMENDATION

Staff recommends the Planning Commission:

1. Find that the proposed Zoning Code Amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15061(b)(3) and 15305; and

2. Adopt a Resolution Recommending that the City Council approve amendments to Title 13 (Planning, Zoning and Development) of the Costa Mesa Municipal Code related to commercial land use classifications, emerging commercial uses, development standards, and implementation of Floor Area Ratio regulations.

APPLICANT OR AUTHORIZED AGENT

City-Initiated request.

BACKGROUND

The Zoning Code (Title 13 of the Costa Mesa Municipal Code) serves as the primary regulatory framework governing land use and development throughout the City. A clear and modern Zoning Code supports economic development by providing certainty for property owners, tenants, and investors while ensuring that new development remains consistent with the City's General Plan and community objectives.

While the Zoning Code has been periodically updated, the overall structure of the Citywide Land Use Matrix has remained largely unchanged since its adoption in 1997. Since that time, commercial business models, consumer preferences, and tenant demands have evolved significantly. New business types, including wellness-oriented services, specialized fitness facilities, active entertainment venues, artisan production spaces, food halls, ghost kitchens, commercial kitchens, and e-sports-related uses are increasingly common but are not clearly addressed within the City's existing regulatory framework.

As a result, applicants frequently seek clarification regarding land use classifications, parking requirements, and entitlement procedures. In many instances, businesses must be evaluated through use determinations or discretionary approvals because they are not specifically identified within the Zoning Code. This creates uncertainty for applicants, increases processing time, and can discourage reinvestment in commercial properties.

On April 13, 2026, the Planning Commission conducted a study session to review potential amendments intended to modernize the City's land use framework and address several recurring implementation issues. The Planning Commission was generally supportive of the proposed Zoning Code Amendments and expressed appreciation for the effort to modernize regulations. Commissioners discussed several implementation considerations, including potential traffic and circulation impacts associated with ghost kitchens, operational considerations for small fitness studios, and the importance of maintaining parking requirements that reflect current Institute of Transportation Engineers (ITE) data. Additional comments included support for adding new land use categories such as escape rooms, climbing gyms, and trampoline parks.

The Commission also discussed Microenterprise Home Kitchen Operations (MEHKOs), noting that while the County currently administers the program, cities have the option to regulate MEHKOs directly if they establish and conduct the necessary health inspection and enforcement framework.

Other topics raised included the potential future need to address autonomous vehicle dispatch and repair operations, ensuring EV charging infrastructure is properly maintained, conducting outreach with commercial property owners, and monitoring emerging retail and commercial trends for future code updates. No public comments were received.

A link to the April 13, 2026, Planning Commission Agenda Report is provided below; the minutes are provided under Attachment 3.

April 13, 2026, Agenda Report:
https://costamesa.legistar.com/LegislationDetail.aspx?ID=7976488&GUID=694B0C33-AB5F-4F28-8F1C-4E67CB6704A9&Options=&Search=

PROJECT DESCRIPTION

Staff is proposing eleven targeted Zoning Code updates intended to modernize land use classifications and development standards and improve regulatory clarity. These updates are also intended to support the City's economic development goals by facilitating reinvestment in commercial properties, reducing uncertainty in the entitlement process, and better accommodating evolving business models. The proposed amendments are intentionally narrow in scope and focus on a limited set of high-priority and commonly occurring issues. Although there are additional Code topics that may merit future evaluation, the current effort is designed to advance a manageable package of amendments that can be effectively studied and implemented within existing staffing capacity and current departmental work program constraints. See a summary of the proposed amendments below:

Table 1. Summary of Proposed Zoning Code Updates

PROPOSED UPDATES TO LAND USE MATRIX			
TOPIC	**DESCRIPTION**	**Current Process**	**Proposed Process**
1. Personal Services	Establishes a broader Personal Services category for one-on-one customer-serving grooming, wellness, and similar uses that are currently regulated separately or not clearly identified. Adds regulations for group instruction for setting. New definition and special land use regulations proposed.	CUP* if not expressly called out	Permitted by right
2. Artisan Studio	Consolidates small-scale creative production, artist spaces, and related accessory retail uses into one category. Provides a clearer framework for hybrid businesses that produce and sell goods on-site. New definition and special land use regulations proposed.	CUP if not expressly called out	Permitted by right
3. Active Entertainment	New category for indoor, participant-based entertainment uses of 15,000 square feet or less, where customers actively engage in recreation or gaming activities. Uses would be allowed by right in Commercial zones and require MCUP in MG and MP Industrial zones. Examples include escape rooms, virtual reality venues, and similar uses. Parking requirements and definition added. Uses larger than 15,000 square feet would fall under Amusement Centers and would require a CUP. New definition and special land use regulations proposed.	CUP if not expressly called out	Permitted by right; MCUP* Industrial Zones; and CUP >15,000 sf

PROPOSED UPDATES TO LAND USE MATRIX			
TOPIC	**DESCRIPTION**	**Current Process**	**Proposed Process**
4. Event Centers and Assembly Uses	Consolidates banquet halls, assembly halls, reception venues, conference facilities, and spectator-oriented e-sports arenas into a single classification of event center. This update distinguishes assembly uses from active entertainment and applies consistent operating standards. New definition and special land use regulations proposed.	CUP	CUP Clarifies Standard
5. Small Fitness Studios	Establishes a category for smaller instructional fitness uses, generally 15,000 square feet or less, such as yoga, Pilates, martial arts, dance, and similar studios. This would distinguish these uses from larger fitness clubs and health clubs that operate at a greater scale and intensity and are regulated under existing "Physical Fitness Facility" uses. Parking requirements, new definition, and special land use regulations proposed.	CUP if not expressly called out	Permitted by right
6. (a) Food Halls	Defines food halls as a specifically identified restaurant-related use to clarify how multi-vendor dining spaces are classified and reviewed. Food Halls are regulated under existing standards.	Limited Definition	Clarifies Standard
6. (b) Ghost Kitchens	Defines and adds ghost kitchens to the Food And Beverage Section of the Zoning Code as a specifically identified restaurant-related use to clarify how multi-vendor dining spaces are classified and reviewed. Parking requirements, new definition and special land use regulations proposed.	CUP if not expressly called out	Ghost Kitchen Permitted or MCUP*
7. Electric Vehicle Charging	Establishes electric vehicle charging stations as a permitted use, consistent with State law. New definition and development standards proposed.	Silent	Permitted by right
8. Sports Clubs	Clarifies that indoor sports clubs, such as basketball, pickleball, volleyball, and soccer training facilities, are regulated under the existing "Physical Fitness Facility" uses. These uses require a Conditional Use Permit consistent with the existing framework for larger fitness and recreation facilities. New definition proposed.	CUP	Clarifies Standard
9. Commercial Kitchens	Establishes land use classification for commercial kitchens, including catering kitchens, shared kitchens, and similar food preparation facilities without traditional on-site dining. Provides a clearer framework for evaluating newer food service business models. Parking requirements and a new definition proposed.	CUP if not expressly called out	Permitted by right in Industrial Zones
10. Height Deviation	Allows limited height deviations for commercial development through Minor Conditional Use Permit review to accommodate architectural features and functional rooftop elements. The amendment is intended to provide flexibility for building modernization while maintaining compatibility with surrounding development. Revised development standards proposed.	Variance	Up to 12 ft or 40% increase with MCUP
11. Floor Area Ratio Definition	Clarifies how "Gross Floor Area" is measured for non-residential FAR implementation by identifying which building areas are included and excluded from the calculation. The amendment is intended to improve consistency and better align FAR with occupiable area and site intensity. Revised definitions proposed.	Limited Definition	Clarifies Standard
**** CUP means Conditional Use Permit; MCUP means Minor Conditional Use Permit***			

Land Use Matrix Updates

Nine amendments are proposed to consolidate specific uses into general categories, add specified uses, and clarify existing uses. The proposed amendments would modernize several land use categories to reflect emerging commercial trends. The following provides additional detail on the consolidation of specific uses into general categories.

1. Personal Services and Personal Services, Group

The Zoning Code currently contains several individual uses such as barber shops, massage establishments, and laundry services that function similarly but are regulated separately. These individual uses make it difficult to consistently classify similar businesses, make it challenging to determine other uses as "similar" when not explicitly permitted, and often require staff to interpret how new or hybrid service models fit within outdated or narrowly defined categories. For example, the Code specifically permits barber shops but is silent on beauty salons and nail salons.

The proposed amendment establishes a comprehensive Personal Services category encompassing personal care, grooming, and wellness-related services provided directly to customers. These individual uses would be combined into one similar "Personal Services" category for regulation purposes. Examples include:

- Barber and beauty salons
- Nail salons
- Day spas
- Wellness centers offering services such as cryotherapy or infrared therapy
- Massage establishments (subject to existing regulations)
- Tattoo and body art establishments (subject to CUP requirements)

Personal Services are permitted by right, and services offering group services or instruction have additional operational regulations that must comply with under Special Land Use Regulations (See Exhibit G of the Resolution). This change improves clarity and aligns the Zoning Code with the regulatory framework while maintaining City standards.

2. Artisan Studio

Several creative and production-related uses are currently listed separately in the Zoning Code. Regulating these uses as separate categories can create complexity and make it difficult to consistently classify businesses that combine elements of production, design, and retail. In recent years, more artisan businesses are emerging to fill once vacant brick and mortar spaces. These businesses often operate as hybrid

spaces, for example, an artisan may produce goods on-site while also selling them directly to customers (i.e. a ceramicist, artist, or other small-scale production). Under the current structure, these types of uses may not fit squarely into a single category, requiring staff interpretation or additional entitlement review.

The proposed amendment consolidates these uses into a new "Artisan Studio" category that allows small-scale creative production with accessory retail sales to be permitted by right. Examples include:

- Artist and maker studios
- Custom woodworking
- Photography studios
- Recording studios
- Small-scale craft production

Consolidating these uses into a single category improves clarity and provides greater flexibility for evolving business models by regulating them based on shared operational characteristics rather than narrowly defined activities. For example, a furniture maker who designs, builds, and sells products on-site would be clearly permitted within this category, rather than being split between manufacturing and retail classifications or requiring a use determination.

This new category supports creative industries and aligns with trends in adaptive reuse of commercial spaces. For commercial zones, it does not permit more intense industrial uses such as automotive uses or food manufacturing.

Staff did examine if this category of uses could fit under Personal Services. However, while "Personal Services" involve services performed directly on or for a customer (such as grooming, wellness treatments, or body care), Artisan Studio uses are centered on the creation, fabrication, or production of goods, with accessory retail sales. These uses may involve equipment, materials, and operational characteristics more similar to light production or workshop environments than customer-focused service activities. Maintaining a separate classification ensures that these uses can be appropriately regulated based on their operational impacts, including potential noise, equipment, or workspace needs, while also enabling them to establish in commercial areas.

3. Active Entertainment

"Active Entertainment" refers to indoor uses that provide interactive, participant-based recreation where customers are actively engaged in an activity, rather than observing or receiving a service. For example, an escape room or virtual reality gaming venue where customers rotate through timed sessions would be an Active Entertainment uses.

The existing Zoning Code identifies entertainment uses individually, including bowling centers, billiard parlors, and skating rinks, while imposing the same development standards for the uses, for example parking requirements are 10 spaces per 1,000 sf.

Staff proposes establishing a broader "Active Entertainment" category that would consolidate these listed uses and capture other interactive and participant-based indoor recreation uses. The proposed amendments establish special land use regulations for the uses and permit them by right if they are less than 15,000 square feet in size (see Exhibit G for details). Examples include:

- Escape rooms
- Virtual reality gaming venues
- Sports simulators
- Interactive arcades
- E-sports gaming lounges

For similar uses that are 15,000 square feet or larger, staff proposes classifying them separately as an "Amusement Center" and requiring a Conditional Use Permit (CUP). The reason for this is as the scale of the facility increases, the potential for negative land use impacts to surrounding uses also increases. Larger facilities often attract a regional customer base, accommodate greater numbers of patrons, generate higher parking demand, create increased vehicle trips, and may result in greater noise, crowd management, and circulation concerns. The 15,000 square-foot threshold serves as an objective standard that distinguishes smaller neighborhood and community serving entertainment uses from larger facilities that may function as regional destinations. Requiring a CUP for larger facilities provides the City with the opportunity to evaluate site-specific operational characteristics, including parking demand, circulation patterns, hours of operation, security measures, noise mitigation, and compatibility with surrounding land uses. Examples of these uses may include:

- Trampoline parks
- Indoor Mini-Golf
- Large Entertainment Centers
- Roller Rinks

4. Event Centers and Assembly Uses

The proposed amendment would also consolidate several assembly-related uses into a single classification. The proposed Event Center category would include but not be limited to Banquet Facilities, Assembly Halls, and E-Sports Arenas, and would include indoor or outdoor venues designed to host organized gatherings such as:

- Banquet halls
- Reception facilities

- Conference venues
- E-sports arenas designed for spectator events

The review process would continue to require a CUP but provided added Special Land Use Regulations (see Exhibit G for details). The new classification would continue to distinguish these uses from "Active Entertainment" uses and ensures consistent parking and operational standards.

5. Small Fitness Studios

Fitness-related uses have evolved significantly in recent years, with many smaller studios focusing on specialized instruction rather than traditional gym facilities. Staff proposes establishing a "Small Fitness Studio" category to address smaller-scale instructional fitness uses and are generally designed for one or two concurrent class oriented uses. Examples include:

- Yoga studios
- Pilates studios
- Martial arts studios
- Dance instruction studios
- High-intensity interval training (HIIT) studios

The proposed amendments include a new definition and special land use regulations (see Exhibit G for details). The uses in this category would be permitted by right in most commercial zones. The new definition includes operational characteristics typical of these uses, such as scheduled classes and smaller square footage. Establishing an operational threshold helps provide a clear objective standard to distinguish Small Fitness Studios from larger fitness facilities and health clubs currently permitted with a CUP under "Physical Fitness Facilities", which operate at a greater scale and intensity. Small Fitness Studios typically have limited occupancy at any given time, shorter customer durations, and activity patterns that are more predictable. In contrast, larger fitness facilities such as 24 Hour Fitness, often include multiple activity areas, extended hours of operation, and higher membership volumes, which can result in increased parking demand and traffic generation.

6. Food Halls and Ghost Kitchens

The Zoning Code currently regulates food and beverage uses under Article IV; however, the Zoning Code does not specifically identify Food Halls or Ghost Kitchens as permitted uses. As these business models have become more common, the absence of clear classifications has created uncertainty during project review and made it difficult to consistently permit these uses under existing restaurant categories. Staff proposes new definitions to help in the review of these land uses.

Food Halls – A Food Hall is a shared dining destination that brings together multiple independent food and beverage vendors under one roof. Customers can purchase

food and drinks from a variety of vendors and enjoy them in common seating areas, creating a market-style dining experience with diverse culinary options in a single location. The proposed amendments include a definition for Food Halls. The operation for Food Halls would fall under existing food and beverage service requirements so no additional regulations are needed.

Ghost Kitchen – A Ghost Kitchen is a commercial food preparation facility that prepares meals and beverages exclusively for delivery, mobile ordering, or customer pick-up. Unlike a traditional restaurant, a ghost kitchen does not provide dine-in service and may support multiple food brands operating from a shared kitchen space. Amendments for Ghost Kitchens include a definition and new operational regulations (see Exhibit D for details). Ghost Kitchens are a more intensive food service model, often involving multiple kitchen operators within a single facility and generating substantial pick-up and delivery traffic, even where on-site dining is limited or absent. Due to this, a MCUP would be required in C1 zones to review for potential negative impacts; the use would be permitted by right in the C2 and Industrial zones.

Clearly identifying and defining these uses in the Zoning Code will improve regulatory clarity, reduce reliance on staff interpretation, and ensure that they are evaluated and regulated consistent with their operational characteristics and potential impacts.

7. Electric Vehicle Charging Stations

Electric vehicle (EV) charging infrastructure is an increasingly important component of development. The California Building Code also requires inclusion of EV charging infrastructure in new or remodeled developments. Furthermore, State law (Assembly Bill 1236, Government Code Section 65850.7) requires that EV charging stations be permitted and subject to streamlined, ministerial review. However, EV charging stations and associated equipment are not clearly identified within the Zoning Code, which can create uncertainty for applicants.

The proposed amendment would explicitly identify EV charging stations as an allowed use and clarify that they are permitted by right as both primary and accessory uses, consistent with State requirements. This update improves clarity, ensures consistency with State law, and supports the continued expansion of EV infrastructure throughout the City by allowing property owners and businesses to readily understand that these facilities are permitted without requiring additional interpretation.

8. Sports Clubs

The Zoning Code currently includes "Physical Fitness Facilities" uses, which requires a CUP, but does not clearly distinguish larger indoor sports facilities or member clubs that are increasingly common in commercial areas. These uses often include specialized

courts, training facilities or fields and operating as sports clubs, which are different from traditional gyms, large and smaller fitness studios.

Sports clubs are indoor recreational facilities focused on organized or league-based or member activities, often involving larger floor areas and specialized equipment. Examples include indoor soccer facilities, basketball training centers, pickleball courts, volleyball facilities, and similar uses.

The proposed amendment would incorporate sports clubs into the existing "Physical Fitness Facilities" within the Zoning Code clarifying the City permits these uses with a Conditional Use Permit.

9. Commercial Kitchens

The Zoning Code currently does not clearly define or classify commercial kitchens that operate independently of traditional restaurants, for example, a catering company preparing food for off-site events or a shared kitchen used by multiple small food entrepreneurs. Unlike traditional restaurants, commercial kitchens do not include on-site dining and have different operational characteristics, such as delivery activity, scheduled food preparation, and limited customer presence. As a result, commercial kitchens may be inconsistently categorized as restaurant or unlisted uses. These uses differ from ghost kitchens in that individual direct customer take-out services are not part of the use.

The proposed amendment would allow Commercial Kitchens by right in Industrial zones and establish a classification for commercial kitchens, including catering kitchens and shared kitchen facilities, to align this with the current food manufacturing land use and clearly define how these uses are regulated within the Zoning Code. Establishing a clear classification improves consistency in code administration, ensures that appropriate development and operational standards are applied, and supports the growing demand for flexible, small-scale food production spaces. It also helps distinguish these uses from traditional restaurants and more intensive food manufacturing operations.

10. Non-residential Height Limits

In most commercial zones, building height is currently limited to two stories or 30 feet, with only a narrow exception allowing up to a five percent increase when necessary to screen existing roof-mounted equipment. Height limits are an important tool for maintaining neighborhood compatibility and consistent building scale; however, when applied too rigidly, they can also limit the ability to incorporate architectural elements, functional rooftop features, and may make it more difficult for commercial properties to modernize, reposition, and compete for new investment and tenants.

In many cities, commercial height standards allow limited flexibility for features such as parapets, cornices, elevator overruns, stair enclosures, screening elements, roof access

structures, and rooftop amenities, provided the additional height does not create a full additional story or materially alter the perceived mass and scale of the building. Flexible standards allow for creativity and functional upgrades to existing buildings.

Staff proposes a process to allow a height deviation up to 12 feet or 40%, whichever is less, of the allowable height through the MCUP process. The Zoning Code already provides a similar discretionary review framework for antenna-related height exceptions. In addition to the required MCUP findings, staff proposes (Exhibit C) that the review authority find that the proposed height is:

(a) Compatible with the existing and anticipated development in the vicinity;
(b) Enhances the architecture and design of the development; and
(c) Would not be materially detrimental to surrounding properties or uses and would not adversely affect the public health, safety, or welfare.

Any request for additional height would also be subject to the applicable planning application procedures, an staff would evaluate the project for consistency with the City's review criteria contained in Zoning Code Section 13-29(e). This process will allow the City to continue to evaluate the modification to ensure it maintains a compatible and harmonious relationship between the proposed building and site development and adjacent properties.

11. Floor Area Ratio (FAR)

Floor Area Ratio (FAR) is the City's primary tool for regulating the intensity of nonresidential development. FARs are established in the General Plan and further implemented through the Zoning Code. FAR establishes the amount of building floor area permitted on a site in relation to the size of the lot and is used to ensure that development intensity remains consistent with the General Plan and the City's broader land use objectives.

In the General Plan, FAR is also directly tied to traffic generation and the City's ability to evaluate development intensity based on anticipated trips. Because nonresidential traffic impacts are generally calculated based on the amount and type of active floor area associated with a use, FAR is regulated through building floor area as a practical way to manage the relationship between development intensity, land use, and trip generation. Therefore, it is important that the floor area counted toward FAR reflects the portions of a building that contribute to occupancy, activity, and traffic demand.

The Zoning Code currently provides the following limited definitions for use in application review:

Floor area ratio.
The gross floor area of a building or project divided by the project lot area upon which it is located.

Gross floor area.
The area of all floors within the walls of a structure except elevator and other vertical shafts (including stairwells) and elevator equipment areas.

Given these limited definitions, the "Gross Floor Area" definition is the primary basis for implementing Floor Area Ratio (FAR); however, the current definition can result in unintended limitations for development, particularly for building areas devoted to operations or support functions rather than occupancy or site activity, which also do not impact a use's trip generation calculations. The lack of clarity creates confusion for applicants and staff, complicates plan check and entitlement review, and may discourage tenant improvements or reinvestment in existing commercial properties.

To address this issue, staff is proposing to further expand the definitions of "Gross Floor Area" to clarify its application to nonresidential uses and to better identify which building areas should be included in FAR. See below for the proposed definition:

Nonresidential Gross Floor Area
The total horizontal area of all floors within the exterior walls of a structure that contribute to the building's occupancy or intensity of use. Nonresidential gross floor area excludes garages or carports used for required parking, elevator and stair shafts, mechanical shafts, pipe chases, mechanical equipment rooms, electrical rooms, and other utility or service spaces devoted exclusively to building operations and maintenance. Basement, cellar, storage or attic areas used solely for accessory building functions and not intended for human occupancy are also excluded.

The intent of the proposed update is to ensure that FAR more accurately reflects occupiable building area and the functional intensity of a site, while excluding certain building service and utility areas that do not generate occupancy or increase operational demand or increase use trip calculations. This proposed clarification will improve consistency in code administration, reduce ambiguity during project review, and better align FAR implementation with the practical way commercial and industrial buildings are designed and operated. By providing greater certainty regarding how floor area is measured, the amendment would help support tenant improvements, building modernization, and reinvestment in existing commercial properties, while maintaining the City's intent to regulate overall development intensity.

ADDITIONAL AMENDMENTS

Parking Standards

As part of the proposed Zoning Code amendments, staff aligned certain land use classifications with the City's existing off-street parking standards contained in Table 13-89 of the Costa Mesa Municipal Code.

The proposed amendments do not introduce new parking ratios. Instead, the updated land use categories are being associated with the most appropriate existing parking standards based on the operational characteristics of each use. This approach maintains consistency with the City's established parking framework while ensuring that newly defined or consolidated land use classifications are clearly linked to the applicable parking requirements.

For example, uses categorized as Active Entertainment or Small Fitness Studios would follow the existing parking requirements currently applied to similar recreation and fitness-related uses. Similarly, Artisan Studio uses would be aligned with the parking standards that apply to retail and office uses.

Aligning the updated use classifications with existing parking standards helps ensure that parking requirements remain consistent with current City regulations while providing clarity for staff, property owners, and businesses regarding the applicable parking ratios. In addition, parking ratios that had a minimum number of parking spaces as a requirement were stricken resulting in a standard parking ratio for all businesses regardless of size. For example, Retail required "4 spaces per 1,000 square feet with a minimum of 6 spaces," and staff is proposing to strike "with a minimum of 6 spaces".

The table below summarizes the applicable parking standards associated with the proposed land use classifications.

Table 2: Parking Standards

USE	PARKING STANDARD
Personal Services	6 spaces per 1,000 square feet
Personal Services (Group Instruction/Setting)	10 spaces per 1,000 square feet
Small Fitness Studios	10 spaces per 1,000 square feet
Active Entertainment	10 spaces per 1,000 square feet
Artisan Studio	4 spaces per 1,000 square feet
Event Centers / Assembly Uses	1 space per 3 seats or 1 space per 35 square feet of seating area

USE	PARKING STANDARD
Ghost Kitchen	6 paces per 1,000 square feet
Commercial Kitchen	3 spaces per 1,000 square feet

DISCUSSION

The proposed amendments represent a targeted effort to modernize the City's commercial land use framework. Rather than regulating emerging business models through subjective "similar use" determinations, the amendments establish clear classifications, definitions, and operational standards for uses that are increasingly common throughout Southern California.

The amendments reduce ambiguity within the Land Use Matrix by consolidating narrowly defined categories into broader use classifications based upon operational characteristics. This approach provides greater predictability for property owners, business operators, and City staff while maintaining the City's ability to evaluate compatibility and potential impacts.

Economic Development Benefits

The proposed amendments are intended to support economic development. By modernizing the City's Land Use Matrix and categorizing uses rather than calling them out specifically the following economic developments are achieved:

- Reducing uncertainty during tenant leasing and entitlement review.
- Facilitating adaptive reuse of existing commercial buildings.
- Providing flexibility for evolving business models.
- Supporting reinvestment in aging commercial centers.
- Improving consistency in permit processing.
- Encouraging activation of vacant commercial spaces.
- Aligning the Zoning Code with contemporary market conditions.
- Promoting redevelopment and upgrading of non-residential sites

GENERAL PLAN CONSISTENCY

The proposed Zoning Code Amendment is consistent with the Costa Mesa General Plan. The amendments support the General Plan's economic development objectives by encouraging reinvestment in commercial properties, improving regulatory clarity, facilitating adaptive reuse, and maintaining development standards that protect community character while accommodating evolving business models. Additionally, the proposed definition of "Nonresidential Gross Floor Area", further implements and clarifies trip generating area calculations, as required by the General Plan.

ENVIRONMENTAL DETERMINATION

The proposed Zoning Code Amendment has been reviewed for compliance with the California Environmental Quality Act (CEQA). The proposed amendments are exempt pursuant to CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption, because it can be seen with certainty that there is no possibility that adoption of the ordinance may have a significant effect on the environment. The amendments primarily involve updates to land use classifications, definitions, and administrative development standards. Additionally, portions of the amendment are categorically exempt pursuant to CEQA Guidelines Section 15305 (Minor Alterations in Land Use Limitations).

PUBLIC NOTICE

Pursuant to California Government Code Section 65854 (amended by Assembly Bill 2904 in 2025) public notification for amending the Zoning Code has been completed no less than 20 days prior to the date of the public hearing:

1. On-site posting. A public notice was posted at City Hall and on the City's website on May 29, 2026.

2. Newspaper publication. A public notice was published in the Daily Pilot newspaper on May 30, 2026.

CONCLUSION

The proposed amendments represent a focused effort to modernize the Costa Mesa Zoning Code and address recurring implementation issues identified by staff, property owners, and business operators. The amendments establish clear classifications for emerging commercial uses, improve consistency in code administration, provide targeted flexibility for building modernization, and clarify implementation of key development standards. Collectively, the amendments will help support economic development, adaptive reuse, and reinvestment in commercial properties while maintaining the City's long-standing planning and compatibility objectives.

Therefore, staff recommends that the Planning Commission adopt the attached Resolution recommending the City Council adopt the proposed Zoning Code Amendment.

ATTACHMENTS

1. Draft Planning Commission Resolution, Title 13 Amendment
   Draft City Council Ordinance, Title 13 Amendment
   Exhibit A: Chapter 1, Article 2, Definitions
   Exhibit B: Chapter IV, Citywide Land Use Matrix

Exhibit C: Chapter V, Development Standards, Article 3 Commercial Districts
Exhibit D: Chapter V, Development Standards, Article 4, Establishments where food and beverages are served
Exhibit E: Chapter VI, Off-Street Parking Standards, Article 2, Nonresidential Districts
Exhibit F: Chapter VI, Off-Street Parking Standards, Article 3, Development Standards
Exhibit G: Chapter IX, Special Land Use Regulations

2. Strikethrough format of the proposed Zoning Code amendments
Exhibit A: Chapter 1, Article 2, Definitions
Exhibit B: Chapter IV, Citywide Land Use Matrix
Exhibit C: Chapter V, Development Standards, Article 3 Commercial Districts
Exhibit D: Chapter V, Development Standards, Article 4, Establishments where food and beverages are served
Exhibit E: Chapter VI, Off-Street Parking Standards, Article 2, Nonresidential Districts
Exhibit F: Chapter VI, Off-Street Parking Standards, Article 3, Development Standards
Exhibit G: Chapter IX, Special Land Use Regulations

3. Planning Commission April 13, 2026, Study Session Minutes

REGULAR PLANNING COMMISSION
MONDAY, JUNE 22, 2026 - MINUTES

CALL TO ORDER - The Regular Planning Commission Meeting was called to order by Chair Harlan at 6:03 p.m.

PLEDGE OF ALLEGIANCE TO THE FLAG - Commissioner Klepack led the Pledge of Allegiance.

ROLL CALL

Present: Chair Jeffrey Harlan, Vice Chair Jon Zich, Commissioner Angely Andrade, Commissioner Robert Dickson, Commissioner Karen Klepack, and Commissioner Johnny Rojas

Absent: Commissioner David Martinez

ANNOUNCEMENTS AND PRESENTATIONS: None.

PUBLIC COMMENTS - MATTERS NOT LISTED ON THE AGENDA:

Speaker one addressed the Commission regarding development and permitting processes in Costa Mesa. He expressed concerns regarding permit processing timelines, demolition permit requirements, and the perceived complexity of development approvals. He encouraged Commissioners to seek greater transparency regarding permit processing and application timelines and suggested staff reports include information regarding application submittal dates and review durations. He also expressed concerns regarding transportation policies and the City's recent animal services contract decisions.

Cynthia McDonald commented on the Environmental Impact Report associated with the Measure K/Housing Element update. She noted the report identified numerous significant and unavoidable impacts and questioned the absence of traffic-related analysis. She also shared observations regarding the impacts of taller residential buildings, including shading and shadow effects, and encouraged the Commission to carefully review the environmental documentation.

PLANNING COMMISSIONER COMMENTS AND SUGGESTIONS:

Commissioner Dickson commented on the cancellation of several recent Planning Commission meetings and suggested exploring additional opportunities for public engagement when regular meetings are not scheduled. He highlighted the success of the community event Songs in the Canyon and discussed the importance of supporting local businesses and considering the economic impacts of planning and transportation decisions. He also expressed interest in consistent approaches to state mandates and planning issues affecting the Fairview Developmental Center and other major projects.

Commissioner Andrade thanked staff for facilitating the June 3 public workshop regarding the Neighborhoods Where We All Belong (NWWAB) initiative and encouraged community participation in reviewing the Environmental Impact Report available for public review through August 3, 2026. She also recognized staff participation in the International Council of Shopping Centers (ICSC) conference, recent park improvement projects, and the Small Business Diversity Network's entrepreneurship and food industry training program. She encouraged residents to participate in upcoming community events including Movies in the Park and Concerts in the Park.

Commissioner Klepack expressed appreciation for returning to the regular meeting schedule and offered no additional comments.

Vice Chair Zich responded to issues raised during public comments and discussed the limited role of the Planning Commission in broader policy matters. He noted the Commission's responsibility is generally limited to reviewing development applications and ensuring compliance with adopted standards. He acknowledged concerns regarding permit processing, business development, and environmental review issues, while emphasizing the importance of receiving specific information from residents and businesses regarding such concerns.

CONSENT CALENDAR:

1. **APRIL 13, 2026 UNOFFICIAL MEETING MINUTES**

2. **APRIL 27, 2026 UNOFFICIAL MEETING MINUTES**

MOVED/SECOND: DICKSON/ZICH
MOTION: Move the minutes.

The motion carried by the following roll call vote:
Ayes: Chair Harlan, Vice Chair Zich, Commissioner Andrade, Commissioner Dickson, Commissioner Klepack, Commissioner Rojas
Nays: None
Absent: Commissioner Martinez
Recused: None
Motion carried: 6-0

ACTION:
Planning Commission approved Consent Calendar items.

PUBLIC HEARINGS:

1. CONDITIONAL USE PERMIT (PCUP-26-0005) TO ALLOW THE SALE OF ALCOHOL FOR ON-SITE CONSUMPTION UNTIL 12:00 A.M. WITHIN 200 FEET OF A RESIDENTIAL ZONE FOR A RESTAURANT (THREE EYED TIGER) AT 2930 BRISTOL STREET, UNIT B60

Presentation by Assistant Planner, Gabriel Villalobos.

Zachary Scherer, business owner, stated he has read the staff report and agreed to the conditions of approval. He also clarified that he did submit a revised applicant letter.

Public comments:

Speaker one commented generally on the application process and praised the speed at which the application was processed.

Motion Discussion:

Commissioners discussed the proposal, compatibility with surrounding uses, and the similarities of Conditions of Approval No. 1 and No. 9. Chair Harlan and Commissioner Andrade revised the motion to include striking Condition of Approval No. 9.

MOVED/SECOND: HARLAN/ANDRADE
MOTION: Move staff's recommendation and strike Condition of Approval No. 9.
The motion carried by the following roll call vote:
Ayes: Chair Harlan, Vice Chair Zich, Commissioner Andrade, Commissioner Dickson, Commissioner Klepack, Commissioner Rojas
Nays: None
Absent: Commissioner Martinez
Recused: None

Motion carried: 6-0

ACTION:
The Planning Commission adopted a resolution to:

1. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15301 (Existing Facilities); and
2. Approve Conditional Use Permit (PCUP-26-0005) based on the findings of fact and subject to conditions of approval, with the removal of Condition of Approval No. 9: Any change in the operational characteristics of the use shall be subject to Planning Division review and may require an amendment to the conditional use permit, subject to either Zoning Administrator or Planning Commission approval, depending on the nature of the proposed change.

2. CONDITIONAL USE PERMIT (PCUP-26-0003) TO ALLOW THE SALE OF ALCOHOL FOR ON-SITE CONSUMPTION UNTIL 1:30 A.M. WITHIN 200 FEET OF A RESIDENTIAL ZONE FOR AN EXISTING RESTAURANT (NAISHO OMAKASE AND HIGHBALL BAR) AT 3033 BRISTOL STREET, UNIT 117

Presentation by Assistant Planner, Gabriel Villalobos.

Michael Cho, applicant's representative, stated his client has read the staff report and agreed to the conditions of approval.

Public comments:

Speaker one spoke in support of the business and on the application processing timeline.

Motion Discussion:

Commissioners expressed support for the project, noting that based on personal observations of the shopping center and surrounding area, late-night operations have generally been quiet with minimal disturbances. Commissioners also commented that the restaurant would add a unique dining option to Costa Mesa and believed the conditions of approval would adequately address potential neighborhood concerns.

MOVED/SECOND: DICKSON/KLEPACK
MOTION: Move's staff recommendation and strike Condition of Approval No. 9.
The motion carried by the following roll call vote:
Ayes: Chair Harlan, Vice Chair Zich, Commissioner Andrade, Commissioner Dickson, Commissioner Klepack, Commissioner Rojas
Nays: None

Absent: Commissioner Martinez
Recused: None
Motion carried: 6-0

ACTION:
The Planning Commission adopted a resolution to:

1. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15301 (Existing Facilities); and
2. Approve Conditional Use Permit (PCUP-26-0003) based on findings of fact and subject to conditions of approval, with the removal of Condition of Approval No. 9: Any change in the operational characteristics of the use shall be subject to Planning Division review and may require an amendment to the conditional use permit, subject to either Zoning Administrator or Planning Commission approval, depending on the nature of the proposed change.

3. PROPOSED AMENDMENTS TO TITLE 13 (PLANNING, ZONING AND DEVELOPMENT) OF THE COSTA MESA MUNICIPAL CODE TO UPDATE LAND USE CLASSIFICATIONS FOR VARIOUS NON-RESIDENTIAL USES INCLUDE BUT NOT LIMITED TO, PERSONAL SERVICES, ARTISAN STUDIO AND RETAIL USES, ACTIVE ENTERTAINMENT USES, EVENT CENTERS AND ASSEMBLY USES, SPECIALIZED FITNESS STUDIOS, AND OTHER NON-RESIDENTIAL USES AND STANDARDS- PCTY-26-0001

Presentation by Planning Manager, Martina Caron.

Commissioners requested clarification regarding:

- Proposed exclusions from floor area ratio calculations, including storage areas and equipment rooms.
- The definition of pet services and how they differ from veterinary services and kenneling.
- How unique businesses, such as cat cafés, would be classified under the revised code.
- Classification of golf simulator businesses.
- Parking standards for small fitness studios compared to larger fitness facilities.

Staff explained the intent of the proposed classifications, clarified differences between various business types, and indicated that processing requirements had changes, but the parking standards for small fitness studios remained unchanged from current regulations despite differences in operational intensity.

Public comments:

Daniel Pietenpol, a downtown Costa Mesa commercial property owner, expressed strong support for the proposed code amendments, stating they would simplify approvals for modern businesses and encourage economic development. He commended staff's efforts but urged the Commission to further reduce parking requirements for small fitness studios, noting Costa Mesa's standards are significantly higher than neighboring cities and may discourage prospective tenants.

Speaker two expressed concerns that the Commission had not reviewed zoning code updates frequently enough and stated that outdated regulations have negatively affected business development. He commented on the City's handling of electric vehicle charging regulations, parking requirements, and zoning interpretations, encouraging the Commission to conduct more regular reviews of the zoning ordinance and provide stronger policy direction.

Motion Discussion:

Commissioners expressed appreciation for staff's efforts to modernize the zoning code and generally supported the proposed direction.

Discussion focused primarily on two issues:

- Small Fitness Studios: Commissioners agreed that additional refinement of the parking requirements and size thresholds should be explored to better distinguish small studios from larger fitness facilities and ensure parking standards reflect actual operational characteristics.
- Floor Area Ratio (FAR): Commissioners expressed concerns regarding the proposed exclusion of certain storage areas from FAR calculations and requested staff review industry definitions and further clarify what spaces should be excluded.

Several Commissioners stated that the proposal represented a strong foundation but believed these issues should be addressed before forwarding a recommendation to the City Council.

Director Tai noted that the amendments were the result of approximately 18 months of work with the business community and suggested the Commission consider forwarding portions of the package that had broad support while staff continued refining the remaining items. Commissioners ultimately preferred to review the complete package after the identified revisions were made. Commission and staff discussed including in the motion to reopen the public

hearing and continued to July 13 meeting. Vice Chair Zich and Commissioner Dickson agreed to include that in their motion.

MOVED/SECOND: ZICH/DICKSON
MOTION: Reopen the public hearing and continue the item to July 13, 2026 to allow staff to revise the proposed parking standards for small fitness studios and the floor area ratio (FAR) definition before returning the item to the Planning Commission.
The motion carried by the following roll call vote:
Ayes: Chair Harlan, Vice Chair Zich, Commissioner Andrade, Commissioner Dickson, Commissioner Klepack, Commissioner Rojas
Nays: Commissioner Andrade
Absent: Commissioner Martinez
Recused: None
Motion carried: 5-1

ACTION: Planning Commission reopened the public hearing and continued the item to the July 13, 2026 meeting to allow staff to come back with revisions to the proposed parking standards for small fitness studios and the floor area ratio (FAR) definition.

OLD BUSINESS: None.

NEW BUSINESS: None.

DEPARTMENTAL REPORTS:

1. **PUBLIC WORKS REPORT -** City Engineer Yang reminded the public that the 2026 Orange County Fair will be held July 17 through August 16, operating Wednesday through Sunday. Residents were encouraged to observe traffic controls, watch for pedestrians and bicyclists, and exercise caution while traveling near the fairgrounds. Mr. Yang noted that Monday Planning Commission meetings would not be impacted because the fair is closed on Mondays.

2. **DEVELOPMENT SERVICES REPORT -** Director Tai reported:
   - Recent meeting cancellations were due to normal fluctuations in application workloads and staff resources devoted to major long-range planning efforts.
   - The Ohio House project public hearing before City Council was continued to September 1.
   - Upcoming Planning Commission agendas will include the Climate Action and Adaptation Plan, Neighborhoods Where We All Belong, and Fairview Developmental Center planning documents.

- Environmental review periods remain open for the Neighborhoods Where We All Belong Environmental Impact Report and the Fairview Developmental Center Environmental Impact Report.
- Demolition of the former Trinity Broadcasting Network property has been completed for the future Meritage Homes development.
- The One Metro West project has submitted modifications reducing residential units while increasing unit sizes and reconfiguring site amenities.
- The City's Neighborhoods Where We All Belong outreach program has been named a finalist for the Orange County Golden Hub Awards.
- City staff attended the Internal Council of Shopping Centers conference in Las Vegas to promote Costa Mesa and attract new businesses.
- Twenty-four entrepreneurs graduated from the City's EATS small business program.
- Effective July 1, the Economic and Development Services Department will be renamed the Community Development Department to better reflect the department's broader responsibilities.

CITY ATTORNEY REPORT:

1. CITY ATTORNEY REPORT - None.

ADJOURNMENT AT 8:14 p.m.

Submitted by:

CARRIE TAI, SECRETARY
COSTA MESA PLANNING COMMISSION

PLANNING COMMISSION AGENDA REPORT

MEETING DATE: July 13, 2026 **ITEM NUMBER: PH-2**

SUBJECT: **PROPOSED AMENDMENTS TO TITLE 13 (PLANNING, ZONING AND DEVELOPMENT) OF THE COSTA MESA MUNICIPAL CODE TO UPDATE LAND USE CLASSIFICATIONS FOR VARIOUS NON-RESIDENTIAL USES INCLUDE BUT NOT LIMITED TO, PERSONAL SERVICES, ARTISAN STUDIO AND RETAIL USES, ACTIVE ENTERTAINMENT USES, EVENT CENTERS AND ASSEMBLY USES, SPECIALIZED FITNESS STUDIOS, AND OTHER NON-RESIDENTIAL USES AND STANDARDS– PCTY-26-0001 (CONTINUED FROM JUNE 22, 2026)**

FROM: **ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT/PLANNING DIVISION**

PRESENTATION BY: **AMBER GREGG, CONTRACT PLANNER, AND MARTINA CARON, PLANNING MANAGER**

FOR FURTHER INFORMATION CONTACT: **MARTINA CARON MARTINA.CARON@costamesaca.gov**

RECOMMENDATION

Staff recommends the Planning Commission:

1. Find that the proposed Zoning Code Amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15061(b)(3) and 15305; and

2. Adopt a Resolution recommending that the City Council approve amendments to Title 13 (Planning, Zoning and Development) of the Costa Mesa Municipal Code to update land use classifications for various non-residential uses include but not limited to, personal services, artisan studio and retail uses, active entertainment uses, event centers and assembly uses, specialized fitness studios, and other non-residential uses and standards.

APPLICANT OR AUTHORIZED AGENT

City-Initiated request.

BACKGROUND

On April 13, 2026, the Planning Commission conducted a study session to review potential amendments intended to modernize the City's land use framework and address several recurring implementation issues. The Planning Commission was generally supportive of the proposed Zoning Code Amendments and expressed appreciation for the effort to modernize regulations. Commissioners discussed several implementation considerations, including potential traffic and circulation impacts associated with ghost kitchens, operational considerations for small fitness studios, and the importance of maintaining parking requirements that reflect current Institute of Transportation Engineers (ITE) data. Additional comments included support for adding new land use categories such as escape rooms, climbing gyms, and trampoline parks.

April 13, 2026, Agenda Report:
https://costamesa.legistar.com/LegislationDetail.aspx?ID=7976488&GUID=694B0C33-AB5F-4F28-8F1C-4E67CB6704A9&Options=&Search=

On June 22, 2026, staff presented a package of eleven targeted Zoning Code amendments intended to modernize land use classifications and development standards, improve regulatory clarity, and address issues identified through the City's review of development applications and business inquiries. The amendments are also intended to support the City's economic development goals by facilitating reinvestment in commercial properties, reducing uncertainty in the entitlement process, and better accommodating evolving business models. An excerpt of the draft June 22, 2026nd minutes can be found under Attachment 3. The summary of the proposed changes and June 22, 2026, Agenda Report can be found here:
https://costamesa.legistar.com/View.ashx?M=F&ID=15589938&GUID=28AC4200-2BB0-4336-8E4F-5C3DB5633A4D

The proposed amendments are intentionally focused on a limited number of high-priority and commonly occurring issues. Although additional Zoning Code topics may merit future evaluation, the current effort is intended to advance a manageable package of amendments that can be effectively reviewed and implemented within existing staffing capacity and departmental work program constraints.

Public comments were generally supportive of modernizing the Zoning Code and simplifying the approval process for contemporary business uses. Commenters also encouraged the City to reevaluate parking requirements for small fitness studios, conduct more frequent reviews of the Zoning Code.

The Planning Commission expressed general support for the overall direction of the amendments and recognized the proposal as a strong foundation for modernizing the City's regulations. However, the Commission requested additional analysis and refinement regarding two primary issues. First, the Commission requested that staff

further evaluate the parking requirements and applicable size or operational thresholds for small fitness studios to better distinguish these uses from larger fitness facilities. Second, the Commission requested additional review of the proposed exclusions from floor area ratio calculations, particularly the treatment of storage areas, equipment rooms, and other non-occupied spaces.

Staff proposed the option of forwarding the portions of the amendment package that had broad support to the City Council for consideration, while continuing to refine the remaining items, however, the Planning Commission preferred to consider the amendments as a complete package. The Commission therefore reopened the public hearing and continued the item to the July 13, 2026, Planning Commission meeting and requested staff consider the Planning Commission's recommendations and revisions and provide additional clarification.

A summary of the proposed amendments, including the revisions made in response to the Planning Commission's comments, is provided below.

Fitness Uses

In response to the Planning Commission's comments, staff proposes three fitness use categories to better distinguish between different facility sizes and operational models. See the proposed categories below in Table 1:

Table 1 – Fitness Uses

Use	Summary	Review Process	Parking Req.
Small Fitness Studio	Facilities less than 2,500 square feet; generally designed for one-on-one instruction, personal training, or small classes.	Permitted with Special Land Use Regulations	4 spaces per 1,000 sf
Fitness Studio	Facilities of 2,500 square feet to 15,000 square feet; generally intended to accommodate small to mid-sized class-based fitness businesses, such as yoga, Pilates, martial arts, and similar uses.	Permitted with Special Land Use Regulations	10 spaces per 1,000 sf
Physical Fitness Facility	Facilities larger than 15,000 square feet; intended for larger fitness facilities.	CUP (no change)	10 spaces per 1,000 sf

A new Small Fitness Studio category would apply to facilities of less than 2,500 square feet that are generally designed for one-on-one instruction, personal training, or small classes. An intermediary Fitness Studio category would apply to facilities that are 2,500 square feet or larger but do not exceed 15,000 square feet. These new categories are intended to accommodate small- to mid-sized class-based fitness businesses, such as yoga, Pilates, barre, cycling, martial arts, dance-based fitness, circuit training, and similar uses, without classifying them as large fitness centers or health clubs.

The proposed size thresholds provide objective standards for distinguishing these smaller instructional facilities from larger Physical Fitness Facilities, which would remain

subject to a Conditional Use Permit. Small Fitness Studios and Fitness Studios typically operate with scheduled classes, limited occupancy, shorter customer visits, and predictable arrival and departure patterns that generally result in lower traffic and parking demand. By comparison, larger fitness facilities, such as 24 Hour Fitness, commonly include multiple activity areas, extended operating hours, unscheduled customer arrivals, and substantially higher membership volumes, resulting in greater parking demand and traffic generation. Consistent with these operational characteristics, Small Fitness Studios and Fitness Studios would be permitted by right in most commercial zoning districts (subject to special land use regulations), while larger Physical Fitness Facilities would continue to require a Conditional Use Permit.

Fitness Parking

To further differentiate Small Fitness Studios from Fitness Studios and Physical Fitness Facilities, a parking ratio of four spaces per 1,000 square feet is proposed for this category as noted in Table 1. This would result in a maximum parking requirement of 10 spaces for a 2,500-square-foot studio. Fitness Studios would continue to require 10 spaces per 1,000 square feet because these facilities accommodate larger classes, more frequent customer turnover, and higher peak parking demand than a Small Fitness Studio. Physical Fitness Facilities would also require 10 spaces per 1,000 square feet, consistent with their larger scale and broader operational characteristics. Although Fitness Studios and Physical Fitness Facilities would have the same parking ratio, they would remain separate use categories because Fitness Studios would be smaller in scale and permitted by right with Special Land Use Regulations in most commercial zones, while Physical Fitness Facilities would continue to require a Conditional Use Permit.

Floor Area Ratio (FAR)

Floor Area Ratio (FAR) is the City's primary tool for regulating the intensity of nonresidential development. FARs are established in the General Plan and further implemented through the Zoning Code. FAR establishes the amount of building floor area permitted on a site in relation to the size of the lot and is used to ensure that development intensity remains consistent with the General Plan and the City's broader land use objectives.

In the General Plan, FAR is also directly tied to traffic generation and the City's ability to evaluate development intensity based on anticipated trips. Because nonresidential traffic impacts are generally calculated based on the amount and type of active floor area associated with a use, FAR is regulated through building floor area as a practical way to manage the relationship between development intensity, land use, and trip generation. Therefore, it is important that the floor area counted toward FAR reflects the portions of a building that contribute to occupancy, activity, and traffic demand.

The Zoning Code currently provides the following limited definitions for use in application review:

> **Floor area ratio.**
> The gross floor area of a building or project divided by the project lot area upon which it is located.
>
> **Gross floor area.**
> The area of all floors within the walls of a structure except elevator and other vertical shafts (including stairwells) and elevator equipment areas.

In addition, Zoning Administrator Determination 17-01 was approved in 2017 to clarify which building areas should be included when calculating parking demand. The determination recognizes that spaces used for electrical and mechanical equipment are not occupied by employees or patrons during the operation of nonresidential uses and, therefore, should not be included in gross floor area calculations for parking purposes.

While the existing definitions provide a basic framework, they do not fully address how floor area should be measured for nonresidential buildings, particularly where portions of a building are devoted to operational, utility, or support functions rather than areas that generate occupancy, customer activity, employee activity, parking demand, or vehicle trips. Because gross floor area is also used as the basis for calculating FAR, the current definition can result in unintended limitations on development by counting areas that do not contribute to the functional intensity of a site.

This lack of clarity can create confusion for applicants and staff, complicate plan check and entitlement review, and result in inconsistent application of the Zoning Code. It may also discourage tenant improvements, building modernization, and reinvestment in existing commercial and industrial properties where utility, service, or support areas are necessary for development functions but do not increase operational intensity.

To address this issue, staff is proposing a new definition for "Nonresidential Gross Floor Area." The proposed definition is intended to clarify how floor area is calculated for nonresidential development, ensure greater consistency between FAR, parking, and trip generation review, and provide a more accurate measure of the areas that contribute to occupancy and site activity.

During the June 22, 2026, Planning Commission hearing, the Commission discussed whether the FAR calculation should continue to include building areas that do not contribute to occupancy, development intensity, or traffic generation. The Commission expressed general support for clarifying the definition to distinguish active, occupiable floor area from spaces devoted exclusively to building operations and maintenance. that the Commission questioned whether general storage could be used for the primary development functions should not be excluded from the FAR.

Based on this discussion, the proposed definition has been updated to exclude areas that do not directly contribute to the intensity of the development. The updated definition also recognizes that certain accessory storage areas do not necessarily increase trip generation or operational intensity. For example, on-site storage may allow businesses to rotate seasonal merchandise, store materials for upcoming events, prepare for holiday demand, or manage inventory associated with temporary increases in patrons. Excluding these limited accessory storage areas from nonresidential gross floor area provides businesses with greater flexibility to operate efficiently and respond to changing customer demand, without creating additional occupancy, customer activity, or traffic impacts. See the proposed definition below:

> **Nonresidential Gross Floor Area**
> The total horizontal area of all floors within the exterior walls of a structure that contribute to the building's occupancy or intensity of use. Nonresidential gross floor area excludes garages or carports used for parking, elevator and stair shafts, mechanical shafts, pipe chases, equipment and mechanical rooms, electrical rooms, and other accessory storage, utility or service spaces, that are devoted exclusively to development operations and maintenance.

The intent of the proposed update is to ensure that FAR more accurately reflects occupiable building area and the functional intensity of a site, while excluding certain building service, utility, and incidental support areas that do not generate occupancy, increase operational demand, or contribute to trip generation.

GENERAL PLAN CONSISTENCY

The proposed Zoning Code Amendment is consistent with the Costa Mesa General Plan. The amendments support the General Plan's economic development objectives by encouraging reinvestment in commercial properties, improving regulatory clarity, facilitating adaptive reuse, and maintaining development standards that protect community character while accommodating evolving business models. Additionally, the proposed definition of "Nonresidential Gross Floor Area", further implements and clarifies trip generating area calculations, as required by the General Plan.

ENVIRONMENTAL DETERMINATION

The proposed Zoning Code Amendment has been reviewed for compliance with the California Environmental Quality Act (CEQA). The proposed amendments are exempt pursuant to CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption, because it can be seen with certainty that there is no possibility that adoption of the ordinance may have a significant effect on the environment. The amendments primarily involve updates to land use classifications, definitions, and administrative development standards. Additionally, portions of the amendment are categorically exempt pursuant to CEQA Guidelines Section 15305 (Minor Alterations in Land Use Limitations).

PUBLIC NOTICE

Pursuant to California Government Code Section 65854 (amended by Assembly Bill 2904 in 2025) public notification for amending the Zoning Code has been completed no less than 20 days prior to the date of the public hearing:

1. On-site posting. A public notice was posted at City Hall and on the City's website on May 29, 2026.

2. Newspaper publication. A public notice was published in the Daily Pilot newspaper on May 30, 2026.

CONCLUSION

The proposed amendments represent a focused effort to modernize the Costa Mesa Zoning Code and address recurring implementation issues identified by staff, property owners, and business operators. The amendments establish clear classifications for emerging commercial uses, improve consistency in code administration, provide targeted flexibility for building modernization, and clarify implementation of key development standards. Collectively, the amendments will help support economic development, adaptive reuse, and reinvestment in commercial properties while maintaining the City's long-standing planning and compatibility objectives.

Therefore, staff recommends that the Planning Commission adopt the attached Resolution recommending the City Council adopt the proposed Zoning Code Amendment.

ATTACHMENTS

1. Draft Planning Commission Resolution, Title 13 Amendment
   Draft City Council Ordinance, Title 13 Amendment
   - Exhibit A: Chapter 1, Article 2, Definitions
   - Exhibit B: Chapter IV, Citywide Land Use Matrix
   - Exhibit C: Chapter V, Development Standards, Article 3 Commercial Districts
   - Exhibit D: Chapter V, Development Standards, Article 4, Establishments where food and beverages are served
   - Exhibit E: Chapter VI, Off-Street Parking Standards, Article 2, Nonresidential Districts
   - Exhibit F: Chapter VI, Off-Street Parking Standards, Article 3, Development Standards
   - Exhibit G: Chapter IX, Special Land Use Regulations

2. Strikethrough format of the proposed Zoning Code amendments
   Exhibit A: Chapter 1, Article 2, Definitions
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   Exhibit G: Chapter IX, Special Land Use Regulations

3. Planning Commission April 13, 2026, Study Session Minutes

4. Excerpt of Draft June 22, 2026 Minutes

REGULAR PLANNING COMMISSION
MONDAY, JULY 13, 2026 - MINUTES

CALL TO ORDER - The Regular Planning Commission Meeting was called to order by Chair Harlan at 6:03 p.m.

PLEDGE OF ALLEGIANCE TO THE FLAG – Commissioner Martinez led the Pledge of Allegiance.

ROLL CALL

Present: Chair Jeffrey Harlan, Vice Chair Jon Zich, Commissioner Angely Andrade, Commissioner Karen Klepack, Commissioner David Martinez, and Commissioner Johnny Rojas

Absent: Commissioner Robert Dickson,

ANNOUNCEMENTS AND PRESENTATIONS: None.

PUBLIC COMMENTS – MATTERS NOT LISTED ON THE AGENDA: None.

PLANNING COMMISSIONER COMMENTS AND SUGGESTIONS:

Commissioner Martinez announced the upcoming Concerts in the Park series at Fairview Park and the upcoming community meetings regarding Moon Park and Shalimar Park. He encouraged public participation in the Fairview Developmental Center (FDC) community meeting scheduled for July 23, 2026, at the Norma Hertzog Community Center. He also recognized several successful City events held during May and June, including Bike Month, Pride Month, Neighborhoods Where We All Belong, and the Fish Fry.

Commissioner Andrade encouraged residents to attend the July 23 FDC community meeting and emphasized the importance of public participation in the planning process.

Commissioner Rojas commended the City and event organizers for the Fourth of July celebration at the Orange County Fairgrounds and welcomed the return of the Orange County Fair.

CONSENT CALENDAR:

Vice Chair Zich requested that Consent Calendar Item No. 2 be pulled for separate discussion.

1. **JUNE 22, 2026 UNOFFICIAL MEETING MINUTES**

3. **GENERAL PLAN CONFORMITY DETERMINATION FOR PROPOSED EXCESS RIGHT-OF-WAY VACATION EABN-26-0001 ADJACENT TO 405 EAST 19TH STREET**

MOVED/SECOND: MARTINEZ/ZICH
MOTION: Move the balance of Consent Calendar items.
The motion carried by the following roll call vote:
Ayes: Chair Harlan, Vice Chair Zich, Commissioner Andrade, Commissioner Klepack, Commissioner Martinez, Commissioner Rojas
Nays: None
Absent: Commissioner Dickson
Recused: None
Motion carried: 6-0

ACTION:
Planning Commission approved Consent Calendar Items No. 1 and No. 3.

2. **GENERAL PLAN CONFORMITY DETERMINATION FOR PROPOSED EXCESS RIGHT-OF-WAY VACATION EABN-26-0002 ADJACENT TO 296 EAST 19TH STREET**

Vice Chair Zich asked questions regarding the original roadway width of East 19th Street; whether future roadway widening is anticipated; bicycle facilities planned for the corridor; and notification of neighboring property owners regarding potential right-of-way vacations.

City Engineer Mr. Yang responded that there are no plans to widen East 19th Street; Class III shared bicycle facilities (sharrows) are anticipated rather than dedicated bike lanes; and similar right-of-way vacations are generally initiated upon property owner request rather than by City outreach.

No public comments were received.

MOVED/SECOND: MARTINEZ/ZICH
MOTION: Move the item.
The motion carried by the following roll call vote:

DRAFT

Ayes: Chair Harlan, Vice Chair Zich, Commissioner Andrade, Commissioner Klepack, Commissioner Martinez, Commissioner Rojas
Nays: None
Absent: Commissioner Dickson
Recused: None
Motion carried: 6-0

ACTION:
Planning Commission approved Consent Calendar Item No. 2.

PUBLIC HEARINGS:

1. **CONDITIONAL USE PERMIT (PCUP-26-0005) TO ALLOW THE SALE OF ALCOHOL FOR ON-SITE CONSUMPTION UNTIL 12:00 A.M. WITHIN 200 FEET OF A RESIDENTIAL ZONE FOR A RESTAURANT (THREE EYED TIGER) AT 2930 BRISTOL STREET, UNIT B60**

Presentation by Assistant Planner, Justin Arios.

David See, applicant's representative, stated he has read the staff report and agreed to the conditions of approval. He introduced Greg Hendrix, General Manager from Jumpstart, for the proposed location, who was there for questions.

No public comments.

Commission comments:

Commissioners spoke in support of the project, noting its family-oriented nature, the adaptive reuse of a vacant commercial space, increased economic activity, and additional recreational opportunities for Costa Mesa families.

MOVED/SECOND: MARTINEZ/ANDRADE
MOTION: Move staff's recommendation.
The motion carried by the following roll call vote:
Ayes: Chair Harlan, Vice Chair Zich, Commissioner Andrade, Commissioner Klepack, Commissioner Martinez, Commissioner Rojas
Nays: None
Absent: Commissioner Dickson
Recused: None
Motion carried: 6-0

ACTION:
The Planning Commission adopted a resolution to:

1. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15301 (Existing Facilities); and
2. 2. Approve Conditional Use Permit 25-0022 based on findings of fact and subject to conditions of approval.

2. PROPOSED AMENDMENTS TO TITLE 13 (PLANNING, ZONING AND DEVELOPMENT) OF THE COSTA MESA MUNICIPAL CODE TO UPDATE LAND USE CLASSIFICATIONS FOR VARIOUS NON-RESIDENTIAL USES INCLUDE BUT NOT LIMITED TO, PERSONAL SERVICES, ARTISAN STUDIO AND RETAIL USES, ACTIVE ENTERTAINMENT USES, EVENT CENTERS AND ASSEMBLY USES, SPECIALIZED FITNESS STUDIOS, AND OTHER NON-RESIDENTIAL USES AND STANDARDS- PCTY-26-0001 (CONTINUED FROM JUNE 22, 2026)

Joint presentation by Contract Planner Amber Gregg, and Planning Manager Martina Caron.

Commission Discussion:

Commissioners conducted a detailed page-by-page review of the proposed ordinance.

Discussion included:
- amusement center definitions;
- esports terminology;
- personal service definitions;
- Community Development Department terminology;
- parking calculations;
- bicycle parking credits;
- indoor entertainment limitations;
- fitness studio size classifications;
- parking ratios;
- floor area ratio calculations;
- treatment of storage and utility areas;
- implementation consistency.

Staff agreed to numerous technical revisions and clarifications during the discussion.

Public comments:

A speaker stated concern with the proposed fitness studio category, ranging from 2,500 to 15,000 square feet, was too broad and could encompass facilities that function more like traditional physical fitness centers. Using Curl Fitness on Adams

Avenue as an example, he suggested reducing the maximum square footage for the fitness studio classification and encouraged staff to verify the facility's size and entitlement history to help establish an appropriate threshold. He stated that while the change may not affect parking requirements, it could impact the entitlement process and requested that the Commission and staff further evaluate the proposed 15,000-square-foot limit.

A Costa Mesa resident spoke in support of increasing the maximum square footage for the small fitness studio category. The speaker explained that they regularly bike to a neighborhood fitness studio and encouraged the City to allow additional fitness options, including larger facilities, that residents could access by bicycle rather than by car.

Chris Bennett, representing Lab Holding, spoke in support of the proposed zoning code amendments. He thanked the Commission for its consideration of the changes and stated that the amendments would provide meaningful benefits to the small businesses with which his company works.

Commissioner Comments:

Vice Chair Zich shared appreciation for staff's responsiveness to Commission feedback.

Chair Harlan commended staff and the Commission for their collaborative review.

MOVED/SECOND: MARTINEZ/ZICH
MOTION: Move staff's recommendation with the following amendments:

1. **Gross Floor Area Definition**
    - Revise the definition of **Gross Floor Area** to reflect the language presented on the meeting slide and strike the existing definition from the Municipal Code.
2. **Amusement Center Definition**
    - Replace the reference to **"active entertainment"** with **"amusement center"** in the definition.
3. **Esports Arena Definition**
    - Revise the definition by changing **"electronic gaming"** to **"esports."**
4. **Department Name**
    - Clarify that any reference to the **Development Services Department** shall mean the **Community Development Department**.
5. **Esports Terminology**
    - Correct the reference from **"esports area"** to **"esports arena."**
6. **Accessory Food and Beverage Parking**
    - Eliminate the split parking calculation of:
        - First 25% of gross leasable area: 1 space per 1,000 square feet.

        - Remaining gross leasable area: 5 spaces per 1,000 square feet.
    - Replace with a single parking standard of **4 spaces per 1,000 square feet of gross leasable area**.
7. **Typographical Correction**
    - Correct the word **"or"** to **"are"** in the parking standards table.
8. **Duplicate Language**
    - Remove the second paragraph of **Note 3**, as it duplicates the language contained in **Note 4**.
9. **Active Entertainment Standard**
    - Revise the indoor operations standard to specify that **active entertainment** uses shall be limited to a maximum of **15,000 gross square feet**, clarifying that the limitation does not apply to amusement centers.
10. **Fitness Use Classifications**
    - Increase the maximum size of a **Small Fitness Studio** from **2,500 square feet to 5,000 square feet**.
    - Revise the **Fitness Studio** category to begin at **5,000 square feet** rather than 2,500 square feet.

The motion carried by the following roll call vote:
Ayes: Chair Harlan, Vice Chair Zich, Commissioner Andrade, Commissioner Klepack, Commissioner Martinez, Commissioner Rojas
Nays: None
Absent: Commissioner Dickson
Recused: None
Motion carried: 6-0

ACTION:
The Planning Commission adopted a resolution to:

1. Find that the proposed Zoning Code Amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15061(b)(3) and 15305; and
2. Adopt a Resolution recommending that the City Council approve amendments to Title 13 (Planning, Zoning and Development) of the Costa Mesa Municipal Code to update land use classifications for various non-residential uses include but not limited to, personal services, artisan studio and retail uses, active entertainment uses, event centers and assembly uses, specialized fitness studios, and other non-residential uses and standards with the following amendments:

    1. **Gross Floor Area Definition**
        - Revise the definition of **Gross Floor Area** to reflect the language presented on the meeting slide and strike the existing definition from the Municipal Code.

2. **Amusement Center Definition**
    - Replace the reference to **"active entertainment"** with **"amusement center"** in the definition.
3. **Esports Arena Definition**
    - Revise the definition by changing **"electronic gaming"** to **"esports."**
4. **Department Name**
    - Clarify that any reference to the **Development Services Department** shall mean the **Community Development Department**.
5. **Esports Terminology**
    - Correct the reference from **"esports area"** to **"esports arena."**
6. **Accessory Food and Beverage Parking**
    - Eliminate the split parking calculation of:
        - First 25% of gross leasable area: 1 space per 1,000 square feet.
        - Remaining gross leasable area: 5 spaces per 1,000 square feet.
    - Replace with a single parking standard of **4 spaces per 1,000 square feet of gross leasable area**.
7. **Typographical Correction**
    - Correct the word **"or"** to **"are"** in the parking standards table.
8. **Duplicate Language**
    - Remove the second paragraph of **Note 3**, as it duplicates the language contained in **Note 4**.
9. **Active Entertainment Standard**
    - Revise the indoor operations standard to specify that **active entertainment** uses shall be limited to a maximum of **15,000 gross square feet**, clarifying that the limitation does not apply to amusement centers.
10. **Fitness Use Classifications**
    - Increase the maximum size of a **Small Fitness Studio** from **2,500 square feet to 5,000 square feet**.
    - Revise the **Fitness Studio** category to begin at **5,000 square feet** rather than 2,500 square feet.

OLD BUSINESS: None.

NEW BUSINESS: None.

DEPARTMENTAL REPORTS:

1. **PUBLIC WORKS REPORT –** Mr. Yang announced the annual Concerts in the Park series and transportation accommodations associated with the events.

2. **DEVELOPMENT SERVICES REPORT –** Director Tai provided updates regarding:
   - the City's response to recent housing legislation;
   - the July 23 Fairview Developmental Center community meeting;
   - the July 27 Planning Commission study session on the Fairview Developmental Center Specific Plan;
   - the potential August 17 special Planning Commission meeting concerning the "Neighborhoods Where We All Belong" initiative and Housing Element revisions;
   - several upcoming Planning Commission and City Council hearings;
   - the City's Active Development Map, which allows the public to view active planning, building, and construction projects online.

CITY ATTORNEY REPORT:

1. CITY ATTORNEY REPORT – None.

ADJOURNMENT AT 8:14 p.m.

Submitted by:

_____
CARRIE TAI, SECRETARY
COSTA MESA PLANNING COMMISSION

DRAFT

Outlook

Title 13 Proposed Amendments

From Daniel Pietenpol <pietenpol@gmail.com>
Date Thu 7/9/2026 11:52 AM
To PC Public Comments <PCPublicComments@costamesaca.gov>

Dear Commissioners,

I was very honored to speak at the June 22nd meeting.

After reviewing the updated proposed amendments, I want to express my appreciation for your thorough review of the Small Fitness Studio and FAR sections. Both revised sections will encourage fairness, flexibility, and reasonable development.

Thank you for being responsive to your community.

Best regards,

Daniel Pietenpol
714-308-2708

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CARON, MARTINA PH-3

From: Daniel Pietenpol <pietenpol@gmail.com>
Sent: Thursday, June 18, 2026 2:53 PM
To: PC Public Comments
Subject: June 22, 2026 Meeting

Honorable Commissioners,

Thank you for your work in reviewing and simplifying the land use classifications within Title 13 of the Costa Mesa Municipal Code. As an owner of six buildings on Newport Boulevard in downtown Costa Mesa, I appreciate your efforts to adapt our regulations to the evolving retail landscape.

I specifically welcome the increased clarity in the new definitions for Artisan Studios, Personal Services, and Physical Fitness Facilities. However, I would like to request a review of the parking requirements for "Small Fitness Studios" compared to "Physical Fitness Facilities."

Currently, both classifications require 10 spaces per 1,000 square feet (Table 13-89). While this ratio is appropriate for large gyms, smaller studios typically host far fewer attendees—often training only two to three people at a time. Maintaining the same high requirement for these small businesses creates an undue hardship, particularly in Downtown Costa Mesa where many older buildings have limited parking capacity. Furthermore, the high volume of pedestrians and cyclists in the downtown core naturally offsets the need for such intensive parking.

Would you consider reducing the requirement for Small Fitness Studios to 4 spaces per 1,000 square feet? This adjustment would provide adequate parking while significantly reducing the burden on small business owners and align better with other surounding cities. (See the chart below)

Thank you for your time and consideration.

Best regards,

Daniel Pietenpol
714-308-2708

City	Fitness Type	Studio Type	Personal Services
	SPACES per 1,000 square feet	SPACES per 1,000 square feet	SPACES per 1,000 sq
Newport Beach	**4** under 2,000 sq ft **5** over 2,000 sq ft	**4**	**4**
Irvine	**7** 1 space per 150 sq ft		
Fountain Valley	**4**	**5**	
Huntington Beach	**5** **10** if group instruction		**5**

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PH-3

PUBLIC COMMENT TO THE COSTA MESA PLANNING COMMISSION

Re: Proposed Zoning Code Amendments and Electric Vehicle Charging Station Permitting

Submitted by: Jim Fitzpatrick, SOLUTIONEER

Question for Commissioners:

Costa Mesa continues to commit "Economic Terrorism", against Business and Residents, will you help?

Was this the cause of yet another Planning Commission Meeting cancellation, when there I sso much to talk about, and so many important decision?

In this case I had to contact a state agency to require City Staff to write compline Code, after significant delays in doing so. Is that OK with you?

Recommendations:

1. Recognize the "Economic Terrorism" and get involved
2. Mandate Staff bring forward Code cleanup on a quarterly basis instead of waiting years

Summary

This comment concerns the City of Costa Mesa's treatment of electric vehicle (EV) charging stations in its proposed Zoning Code Amendments. California law requires cities to approve EV charging station permits through a streamlined, ministerial process. The City's May 18, 2026 Public Review Draft did the opposite. It proposed a discretionary Minor Conditional Use Permit for EV charging, which conflicts directly with state law and with the Attorney General's March 18, 2025 Legal Alert. After the Governor's Office of Business and Economic Development (GO-Biz) was contacted, the City revised the draft to permit EV charging by right and added dedicated code language. I am submitting this comment to document that sequence and to ask that the by-right, ministerial approach be preserved in the final ordinance.

The Governing State Law and the Compliance Timeline

Two state statutes govern here. **AB 1236** (Chiu, 2015), codified at Government Code section 65850.7, requires every city and county to adopt an ordinance that creates an expedited, streamlined, ministerial permitting process for EV charging stations, with review limited to health and safety. **AB 970** (McCarty and Chiu, 2021), codified at Government Code section 65850.71, added binding timelines to that review, generally 20 business days for projects of 25 or fewer chargers and 40 business days for larger projects. The Legislature found that timely, cost-effective installation of EV charging stations is a matter of statewide concern and not a municipal affair, so these laws apply to all cities, including charter cities, and preempt conflicting local zoning.

On **March 18, 2025**, the California Attorney General issued Legal Alert OAG 2025-01 to all local planning directors, reminding cities that these laws are mandatory and identifying the most common violations. Two of those violations describe Costa Mesa's May 18, 2026 draft precisely: applying local zoning designations to EV charging permits, and requiring discretionary review such as a conditional use permit instead of streamlined ministerial approval. The Alert is a reminder of obligations that were already in force, not a new deadline. The City was required to have a compliant streamlining ordinance years before the Alert was issued and well before the May 18, 2026 draft was published.

References with brief summaries are listed at the end of this comment.

What the May 18, 2026 Draft Proposed

The Public Review Draft published **May 18, 2026** contained requirements for a discretionary approval process rather than the ministerial process state law requires. The clearest example is the Citywide Land Use Matrix at **Page 53**, where the City proposed a discretionary Minor Conditional Use Permit for EV charging. Under the matrix structure, that designation forces an applicant into public notice, zoning administrator review, and the delay and discretion the streamlining laws were written to remove.

Legend: **P** = Permitted by right (ministerial) **MC** = Minor Conditional Use Permit (discretionary) **C** = Conditional Use Permit (discretionary)

Figure 1. Land Use Matrix excerpt as proposed (May 18, 2026 draft).

LAND USE	AP	CL	C1	C2	MG	MP
EV Charging Station (as proposed in May 18 draft)	MC	MC	MC	MC	MC	MC

What Changed After GO-Biz Was Contacted

On **June 8, 2026**, I emailed GO-Biz, the state agency that tracks EV charging streamlining compliance, asking who could help require City staff to bring the Zoning Code changes into line with state law. The email explained that, instead of following AB 1236 or the Attorney General's Legal Alert, the City was again proposing discretionary review through a Minor Conditional Use Permit, and it pointed to real-world consequences for charging projects already trying to open in Costa Mesa.

After GO-Biz reached out to the City, the draft was revised. EV charging is now treated as a by-right, permitted use, and dedicated code language was added that was entirely absent from the first draft:

- Page 30, Primary Use: permitted by right.
- Page 21, Accessory Use: permitted by right.
- Page 53, Section 13-100.10: EV Charging Station language finally introduced.

Figure 2. Land Use Matrix excerpt as revised after GO-Biz contact.

LAND USE	AP	CL	C1	C2	MG	MP
EV Charging Station (as revised after GO-Biz contact)	P	P	P	P	P	P

Figure 3. Before and after, by page.

Page	May 18, 2026 Draft (before)	Current Draft (after GO-Biz contact)
Page 53	Land Use Matrix listed EV Charging Station as a discretionary Minor Conditional Use Permit (MC).	Primary Use permitted by right across applicable districts.
Page 30	No by-right primary use category for EV charging.	Primary Use, permitted by right.
Page 21	No accessory-use treatment for EV charging.	Accessory Use, permitted by right.
Page 53	No dedicated EV charging station code section.	Section 13-100.10, EV Charging Station, language introduced (absent from the first draft).

Request

I appreciate that the revised draft moves EV charging to a by-right, ministerial footing and adds the missing code section. I ask the Planning Commission to keep it that way. Specifically, please confirm that the final ordinance treats EV charging stations as permitted by right in every applicable district, as both a primary use and an accessory use; limits review to health and safety as required by Government Code section 65850.7; honors the AB 970 timelines in Government Code section 65850.71; and contains no discretionary conditional use permit, minor conditional use permit, design review, or aesthetic review for EV charging. These steps bring Costa Mesa into compliance with state law and end the delays that have driven charging projects out of the city.

References

Attorney General Legal Alert OAG 2025-01 (March 18, 2025). Statewide reminder to local planning directors that AB 1236 and AB 970 require streamlined, ministerial EV charging permits, and that discretionary review and local zoning designations applied to EV charging are unlawful.

Attorney General Press Release on the Legal Alert. Announcement of the Legal Alert, summarizing the state-mandated local program to streamline EV charging permits and the consequences of noncompliance.

AB 1236 Fact Sheet (Government Code section 65850.7). GO-Biz overview of the 2015 law requiring cities to adopt a streamlining ordinance and checklist and to limit EV charging review to health and safety.

Permitting EV Charging Stations, GO-Biz Best Practices (AB 970, Government Code section 65850.71). GO-Biz guidance describing the 2021 binding timelines added by AB 970 and best-practice ordinances and checklists for compliant jurisdictions.

Costa Mesa Zoning Code Amendments, Public Review Draft, May 18, 2026. The City draft at issue. See Page 53, the Land Use Matrix, where EV charging was proposed as a discretionary Minor Conditional Use Permit, along with the revised Pages 21, 30, and 53 noted above.

PH-2

Outlook

FW: July 13, 2026 - Support for Title 13 Zoning Code Amendments (PCTY-26-0001) — Item PH-2

From CARON, MARTINA <Martina.Caron@costamesaca.gov>
Date Mon 7/13/2026 3:16 PM
To COLGAN, JULIE <JULIE.COLGAN@costamesaca.gov>

For the PC.

Martina Caron, AICP
Planning Manager | Current Planning
City of Costa Mesa | Economic and Development Services Department
(soon to be the Community Development Department)
77 Fair Drive | Costa Mesa | CA 92626
(office) (714) 754-5153

"The City of Costa Mesa serves our residents, businesses and visitors while promoting a safe, inclusive, and vibrant community."

Beginning July 1, 2026, the Economic and Development Services Department will begin undergoing a name change to become the Community Development Department.

PLEASE CONSIDER THE ENVIRONMENT BEFORE PRINTING THIS EMAIL. THANK YOU.

From: George Sakioka <gmks@sakioka.com>
Sent: Monday, July 13, 2026 3:14 PM
To: GREEN, BRENDA <brenda.green@costamesaca.gov>; TAI, CARRIE <Carrie.Tai@costamesaca.gov>; GREGG, AMBER <AMBER.GREGG@costamesaca.gov>; CARON, MARTINA <Martina.Caron@costamesaca.gov>
Cc: Mark Sakioka <mark@sakioka.com>
Subject: July 13, 2026 - Support for Title 13 Zoning Code Amendments (PCTY-26-0001) — Item PH-2

Dear Chair Harlan and Commissioners,

I want to express our appreciation for staff's work to update Costa Mesa's zoning framework and our general support for the proposed updates to Title 13.

We support efforts to streamline the development process. Clearer classifications and definitions reduce uncertainty for property owners and tenants, improve consistency and efficiency in review, and make it easier to reinvest in and modernize existing properties—the kind of responsible, well-managed growth that benefits the broader community.

We defer to staff's expertise on the specific standards and thresholds and appreciate the balance between flexibility and the City's long-standing planning and compatibility objectives.

We're glad to remain a constructive resource as this moves forward.

Thank you for your consideration.

Best always,
George

George M.K. Sakioka
Sakioka Company, LLC

14850 Sunflower Avenue
Santa Ana, CA 92707
714-545-8611
gmks@sakioka.com
SAKIOKA COMPANY

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77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-367 **Meeting Date:** 8/4/2026

TITLE:

CONTINUATION REQUEST OF THE CONSOLIDATED MASTER FEE SCHEDULE

DEPARTMENT: **FINANCE DEPARTMENT**

PRESENTED BY: **ANNA ACOSTA-REYES, FINANCE MANAGER**

CONTACT INFORMATION: **ANNA ACOSTA-REYES, FINANCE MANAGER, (714) 754-5243**

RECOMMENDATION:

Staff recommends the City Council open the public hearing and continue the item to the September 15, 2026, meeting, pursuant to department's request.

BACKGROUND:

The item was previously agenized for the August 4, 2026, City Council Meeting. Prior to the meeting, but before the agenda was published, staff requested to continue the item to the September 15, 2026, City Council Meeting.

ANALYSIS:

Staff requests that the public hearing be continued to a date certain to the September 15, 2026, City Council Meeting. Staff will present the item at the September 15, 2026, Meeting.

ALTERNATIVES:

There are no recommended alternatives.

FISCAL REVIEW:

The fiscal review will be included as part of the September 15, 2026, report.

LEGAL REVIEW:

The legal review will be included as part of the September 15, 2026, report.

CITY COUNCIL GOALS AND PRIORITIES:

The priorities will be included as part of the September 15, 2026, report.

CONCLUSION:

The item will be presented at the September 15, 2026, City Council Meeting.

77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-362 **Meeting Date:** 8/4/2026

TITLE:

PARKS AND COMMUNITY SERVICES COMMISSION ANNUAL REPORT

DEPARTMENT: **PARKS AND COMMUNITY SERVICES**

PRESENTED BY: **BRIAN GRUNER, PARKS AND COMMUNITY SERVICES**

CONTACT INFORMATION: **BRIAN GRUNER, PARKS AND COMMUNITY SERVICES DIRECTOR, (714) 754-5009**

RECOMMENDATION:

Staff recommends the City Council receive and file the Parks and Community Services Commission annual report, Attachment 1.

BACKGROUND:

On August 20, 1990, the City Council approved the creation of the Parks, Recreation Facilities and Parkways Commission, a seven-member body. On May 20, 2002, the City Council renamed the commission to the Parks and Recreation Commission and reduced its membership to five members.

In 2019, the commission was renamed the Parks, Arts and Community Services Commission and expanded to seven members. In 2022, following the establishment of the Arts Commission, the commission was renamed the Parks and Community Services Commission, maintaining a seven-member structure. The role of the commission is defined in Municipal Code 12-71, Attachment 2.

The Commission and Committee Member Handbook, p. 23, defines the reporting out of Commission and Committee activities, recommendations, forthcoming work and funding requests through an “Annual Report”. At the April 23, 2026, PACS Special Meeting, the Commission was introduced to the annual City Council presentation process and discussed the key topics and accomplishments to be included in the presentation. Chair Brown and Vice Chair Wright compiled the Commission’s presentation input and drafted a presentation outline.

At the May 21, 2026, PACS Special Meeting, the draft presentation outline was presented and discussed. Commissioners were invited to submit final comments at the June 11, 2026, regular meeting, and the presentation outline was revised to incorporate the Commission's feedback. With the final feedback received, Chair Brown and Vice Chair formulated the PACS Annual Report presentation.

ANALYSIS:

Each year, the Parks and Community Services Commission meets monthly to discuss and make decisions on a variety of items related to Parks and Community Services, which includes but is not limited to recreational programming, recreation fees, special events, park and parkway-related tree appeals and capital improvement projects pertaining to parks.

The Commission's focus this year was to create more meaningful opportunities for Commissioners to contribute to policy and decision making and to improve Commissioners' education, so recommendations are informed, thoughtful, and data driven.

Highlighted accomplishments for FY 2025-26:

1) Developed a commission evaluation, CIP Values and Goals, to help provide formal commission recommendations to City Council for future Capital Improvement Park Projects.
2) Reviewed and approved seven (7) memorial donations
    - Four (4) at TeWinkle Park
    - One (1) at Brentwood Park
    - One (1) at Estancia Park
    - One (1) at Tanager Park
    - One (1) at Canyon Park
    - One (1) at Fairview Park
3) Provided recommendations for the Skate Park conceptual designs.
4) Approved the conceptual design improvements for Brentwood Park.
5) Provided recommendations for the Fairview Park Master Plan Update and the Fairview Development Center for the City Council.
6) Reviewed the City's Urban Canopy and Park Assessment.
7) Provided CIP budget recommendations for City Council Review for FY 2026-27 and five-year CIP budget for FY 2030-31.
8) Presented to City Council FY 2026-27 CIP recommendations on March 31, 2026.
9) Provided recommendations for Senior Transportation Program

Areas of focus for FY 2026-27 for the Parks and Community Services Commission:

1. Present an Annual Working Plan to Council.
2. Assess and review the Community Garden program to enhance community opportunity.

3. Assess and review an additional dog park location.
4. Evaluate recreational fees and cost recovery.
5. Review park-related ordinances.
6. Review park memorial donations and policy.
7. Review Category 3 parkway tree removal and replacement requests.
8. Attend community events throughout the calendar year.
9. Conduct an earlier and timelier CIP review and recommendation to Council.

The Commission is to serve as an informed, engaged, and forward-thinking advisory body that enhances Costa Mesa's parks, recreation programs, and community spaces through thoughtful planning, public engagement, and data-driven recommendations.

The Commission will advance the 2026 areas of focus by working collaboratively with the City Council, staff, and community partners to ensure that programs and services, recreational facilities, and parks effectively meet the evolving community needs.

ALTERNATIVES:

City Council may provide feedback and direction to this fiscal year’s goals, objectives, and budget priorities and recommendations.

FISCAL REVIEW:

There is no fiscal impact associated with the recommended action.

LEGAL REVIEW:

There is no legal review required for this report.

CITY COUNCIL GOALS AND PRIORITIES:

This item supports the following City Council Goal:

- Strengthen the public safety and improve the quality of life.
- Maintain and enhance the City’s facilities, equipment, and technology.

CONCLUSION:

Staff recommends the City Council receive and file the Parks and Community Services Commission annual report.

PARKS & COMMUNITY SERVICES COMMISSION (PACS)
Year in Review & Looking Ahead



Chair: Kelly Anne Brown, PhD

Vice Chair: Shayanne Wright

Commissioners: Elizabeth Dorn Parker • Jason Komala • Brandice Leger • Jake Husen • Cristian Garcia-Arcos

2025/26

Year in Review

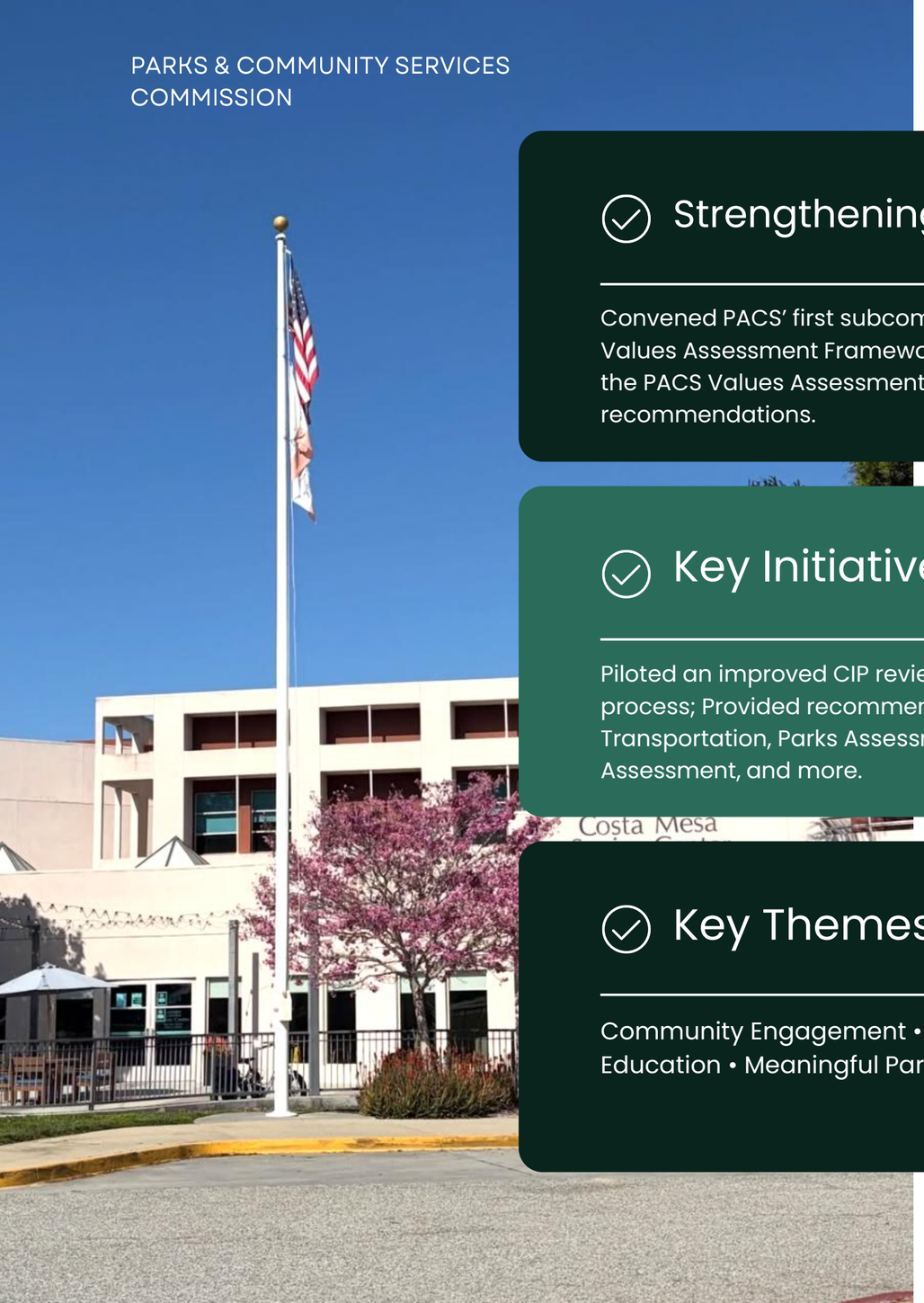
Presented by Kelly Brown & Shayanne Wright

Building Better Processes



Our Focus This Year

- Create more meaningful opportunities for Commissioners to contribute to policy and decision-making.
- Improve Commissioner education so recommendations are informed, thoughtful, and data-driven.
- Shift discussions earlier in the process—especially around Capital Improvement Projects (CIP)—to maximize our impact.



Strengthening the Commission

Convened PACS' first subcommittee to develop the Values Assessment Framework; Unanimously adopted the PACS Values Assessment to guide future recommendations.

Key Initiatives

Piloted an improved CIP review and budget education process; Provided recommendations on Senior Transportation, Parks Assessment, Tree Canopy Assessment, and more.

Key Themes

Community Engagement • Commissioner Education • Meaningful Participation

What We Have Accomplished

Provided recommendations on major community initiatives including:

- Senior Transportation
- Parks Assessment
- Tree Canopy Assessment
- Fairview Developmental Center
- Harper Park
- Brentwood Park
- Skate Park Expansion Project
- Fairview Park Master Plan Draft

Presented by Kelly Brown & Shayanne Wright

Programming Priorities

Community Gardens

- Established a PACS subcommittee
- Conduct community focus groups
- Benchmark successful programs
- Evaluate financial sustainability
- Develop long-term recommendations





Capital Improvement

- Begin CIP discussions earlier
- Improve Commissioner preparedness before budget season



Budget & Administration

Recommended Areas of Focus

- Earlier annual CIP review
- Review park-related ordinances
- Evaluate opportunities for a second dog park
- Review memorial donation and tree removal policies
- Review recreation fees and cost recovery
- Evaluating community gardens program with attention to expansion

Data-Driven Decisions



Our goal is to better connect the City's planning efforts.

Making the most of our Plans:

- Parks Assessment
- Tree Canopy Assessment
- Pedestrian Master Plan
- Climate Action & Adaptation Plan
- Open Space Master Plan DRAFT

Long-Term Investment

- Understand how major City plans work together
- Use data to support long-term investment decisions

Looking Ahead



Commissioner Education

- Continue building Commissioner knowledge through:
- Joint Use Agreement with NMUSD
- Review of BrightView & Priority LLC maintenance responsibilities
- Six-month review of Senior Transportation program
- Professional development and educational opportunities for Commissioners

Events

- Picnic Day at Lion's Park
- Concerts in the Park
  - Consider a change of location if possible
- Emphasis on quality of community outreach at events





Our Vision

"To serve as an informed, engaged, and forward-thinking advisory body that enhances Costa Mesa's parks, recreation programs, and community spaces through thoughtful planning, public engagement, and data-driven recommendations."

Grounded in the Commission's purpose as established by City ordinance:

Advise the City Council on parks and recreation matters
Promote high-quality recreational opportunities
Support stewardship of community assets
Foster public participation in shaping Costa Mesa's future

Parks and Community Services Commission Thank You!



Chair: Kelly Anne Brown, PhD

Vice Chair: Shayanne Wright

Commissioners: Elizabeth Dorn Parker • Jason Komala • Brandice Leger • Jake Husen • Cristian Garcia-Arcos

2025/26

Year in Review

Title 12. Parks and Recreation

Chapter III. PARKS AND COMMUNITY SERVICES COMMISSION

§ 12-71. Commission established.

There is hereby established as a part of the government of the city, a parks and community services commission, which shall:

(a) Consider and provide advice regarding matters that may be referred to it by the city council, the city manager, the director of parks and community services, or the director of public works;

(b) By its own motion, conduct studies and investigations and hold public hearings as it may deem necessary for the formulation of policies, plans, and procedures relating to parks, recreation, senior programs, recreation facilities, community facilities, and parkways, or to determine the wisdom and efficacy of such policies, plans and procedures, or to determine an action plan to pursue in implementing the city's Parks, Recreation and Open Space Master Plan and report its findings and recommendations to the city council, the city manager, the director of parks and community services, and/or the director of public works;

(c) Recommend to the city council approval of concept plans for development and/or modification of parks, recreation, community, and open space facilities;

(d) Solicit to the fullest extent possible the cooperation of school authorities and other public and private agencies concerned with the parks, recreation, recreation facilities, community facilities, and parkways of the city;

(e) Make recommendations and findings on the necessity for removal of parkway trees and the necessity for terms and conditions for retention of trees in accordance with Chapter V of Title **15** of this Code, which decisions shall be final notwithstanding section **2-303**;

(f) Set the fees to be charged to participants in recreation and community programs and classes in accordance with the guidelines adopted by the city council;

(g) In its discretion, review the annual budget as presented to the city council and advise it on the current operational needs and long-range plans for capital improvements;

(h) Periodically visit parks, recreation and community facilities in the city to review established programs and facilities, and to monitor needs in accordance with the Parks, Recreation and Open Space Master Plan;

(i) On behalf of the city, actively encourage programs for the cultural enrichment of the community;

(j) Solicit partnerships with senior organizations which share the common goal to serve Costa Mesa's senior population; and

(k) Seek out and recommend to the city council, city manager or director of parks and community services possible public and private funding opportunities available to implement new or enhance existing senior programs and services.

(Ord. No. 19-06, § 2, 4-2-19; Ord. No. 22-05, § 2, 7-19-22)

CITY OF COSTA MESA

Agenda Report

File #: 26-347 **Meeting Date:** 8/4/2026

TITLE:

AWARD OF THE ON CALL SIDEWALK REPAIR PROJECT, CITY PROJECT NO. 25-20

DEPARTMENT: **PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION**

PRESENTED BY: **RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR**

CONTACT INFORMATION: **SEUNG YANG, P.E., CITY ENGINEER (714) 754-5335**

RECOMMENDATION:

Staff recommends the City Council:

1. Make a finding of California Environmental Quality Act (CEQA) categorical exemption pursuant to CEQA Guidelines section 15301.

2. Adopt plans, specifications, and working details for the On Call Sidewalk Repair Project, City Project No. 25-20.

3. Reject the apparent low bid submitted by Access General Contracting, Inc., 357 North Sheridan Street, Suite 100, Corona, California 92878, as non-responsive.

4. Award a Public Works Agreement (PWA) for construction to S&H Civilworks, 6612 Columbus Avenue, Riverside, California 92504 in the amount of $237,600, and authorize an additional ten percent (10%) contingency in the amount of $23,760 as needed for any unforeseen costs related to this project.

5. Authorize the City Manager and City Clerk to execute the PWA and future amendments to the agreement within Council authorized limits.

ENVIRONMENTAL DETERMINATION:

The proposed action is exempt from the California Environmental Quality Act (CEQA). The action involves an organizational or administrative activity of government that will not result in direct or indirect physical change in the environment. In addition, the proposed action is exempt under section 15301 relating to the operation, repair, maintenance, permitting, and/or minor alteration of existing public facilities.

BACKGROUND:

The City has initiated a program to assess sidewalks throughout the City for deficiencies that could result in trip-and-fall incidents. While several of the uplifted sidewalks are addressed by grinding and

minor repairs, few areas require major repairs and reconstruction. The City intends to complete this assessment and follow up repairs over a five-year period.

The On Call Sidewalk Repair Project consists of sidewalk repairs at various locations throughout the City on a priority basis. The scope of work for this project addresses repair and reconstruction of damaged and deficient sidewalks, curbs and gutters, driveway approaches, spandrels, cross gutters, and other work as required, within the public right-of-way. Additionally, Americans with Disabilities Act (ADA) accessibility ramps are constructed and upgraded as deemed necessary.

ANALYSIS:

The City Clerk received eight (8) bids for this project on May 6, 2026. Access General Contracting, Inc. (AGC), was the apparent low bidder with a base bid proposal of $228,300. S&H Civilworks (S&H) was the apparent second low bidder with a base bid proposal of $237,600. Van Engineering was the apparent third low bidder with a bid proposal of $248,600.

Van Engineering and Golden Coast Construction withdrew their bids, leaving five (5) remaining bid proposals. Of the five (5) remaining bids, S&H was the apparent responsive low bidder, followed by Gentry General Engineering, Inc. with a base bid proposal of $260,490, and CJ Concrete Construction, Inc. with a base bid proposal of $270,145.

Rejection of the Non-Responsive Bidder

AGC submitted the apparent low bid, with a base bid proposal of $228,300. However, upon review of AGC's bid, staff determined the bid contained multiple material deficiencies, which renders it non-responsive. Staff notified AGC of its determination on June 30, 2026 (Attachment 1). The bid did not conform to the terms of the bid package for the following reasons: (1) missing original bid bond in the proposal package, (2) missing contract amount and bid security option on bid proposal forms, (3) missing Contract Assurance page in the bid package, and (4) insufficient information provided regarding qualifications and experience.

Based on these material deficiencies, staff has determined that AGC's bid does not conform to the terms of the bid package and is, therefore, disqualified as non-responsive. As a result, staff recommends that the City Council reject AGC's bid as non-responsive.

Selection of Lowest Responsible Bidder

S&H submitted the apparent second low bid with a base bid proposal of $237,600. The Engineer's estimate for the base bid is $318,165, and the average of the remaining five (5) base bids received (not including AGC, Van Engineering, and Golden Coast Construction) amounted to $363,533. The bid summary is included as Attachment 2.

The proposal submitted by S&H includes all the required documents necessary with the bid package and contained no irregularities. Therefore, staff recommends that City Council award the PWA (Attachment 3) to S&H as the lowest responsible bidder.

The license and references of S&H have been checked, and staff has found them to be in good standing. S&H has successfully completed several projects for the City of Costa Mesa in the past,

including the Citywide Parkway Maintenance Project (Zones 2 and 5), the Jack Hammett Sports Complex Sidewalk Repairs Project, and most recently, last year's Priority Sidewalk Repair Project.

Upon City Council award of the PWA, S&H will furnish the necessary bonds, which will be approved as to form by the City. After the award and subsequent execution of the agreement, a "Notice to Proceed" will be issued.

Therefore, staff recommends the City Council award the contract to S&H as the lowest responsible bidder.

ALTERNATIVES:

The alternative would be to reject all bids, re-advertise, and rebid the project. Staff believes that re-advertising and re-bidding the project will not result in lower bids and will delay the project.

FISCAL REVIEW:

Funding for the agreement amount of $261,360, inclusive of a contingency, is available from various street and sidewalk projects budgeted in the current fiscal year, including Citywide Street Improvements, Parkway Maintenance Program and Priority Sidewalk Repair, in various funds, including the Gas Tax Fund (Fund 201) and Measure "M2" Fairshare Fund (Fund 416).

LEGAL REVIEW:

The City Attorney's Office has reviewed the agenda report, prepared the PWA, and approves them both as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This project works toward achieving the following City Council goals:

- Maintain and Enhance the City's Facilities, Equipment and Technology.
- Strengthen the Public's Safety and Improve the Quality of Life.

CONCLUSION:

Staff recommends the City Council:

1. Make a finding of California Environmental Quality Act (CEQA) categorical exemption pursuant to CEQA Guidelines section 15301.

2. Adopt plans, specifications, and working details for the On Call Sidewalk Repair Project, City Project No. 25-20.

3. Reject the apparent low bid submitted by Access General Contracting, Inc., 357 North Sheridan Street, Suite 100, Corona, California 92878, as non-responsive.

4. Award a Public Works Agreement (PWA) for construction to S&H Civilworks, 6612 Columbus Avenue, Riverside, California 92504 in the amount of $237,600, and authorize an additional ten

percent (10%) contingency in the amount of $23,760 as needed for any unforeseen costs related to this project.

5. Authorize the City Manager and City Clerk to execute the PWA and future amendments to the agreement within Council authorized limits.

CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

FROM THE DEPARTMENT OF PUBLIC WORKS/ENGINEERING DIVISION

June 30, 2026

Sent by Certified Mail and by E-Mail to elizabeth@accessgcinc.com

Access General Contracting, Inc.
Elizabeth Tene
357 N Sheridan Street, Suite 100,
Corona, CA 92878

SUBJECT: REJECTION OF BID FOR ON CALL SIDEWALK REPAIR PROJECT - CITY PROJECT NO. 25-20

Dear Ms. Elizabeth Tene,

The City of Costa Mesa ("City") has completed its review of the bids submitted on May 6, 2026, in response to the Notice Inviting Bids for the On Call Sidewalk Repair Project (the "Project"). Your firm, Access General Contracting, Inc. ("AGC") submitted a bid that City staff has determined to be non-responsive to the City's requirements. Specifically, AGC's bid was found to be non-responsive for each of the following reasons:

1. ***Bid Security***: The contractor, AGC, did not submit a physical bid security to the Costa Mesa City Clerk. Page N-1 provides: "No bid will be considered unless such certified check, cashier's check, or bid bond is received by the City Clerk PRIOR to the bid submission deadline." Additionally, Page B-1, Information for Bidders, Section 3, states: "The original bid security / bid bond must be submitted to the City Clerk's Office at least one hour prior to the bid submission deadline. Any and all late submittals of the bid security / bid bond shall be rejected, and it is the bidder's responsibility, not the delivery service, to ensure that said bid security / bid bond is delivered timely to the City Clerk's Office. The Bidder's Bond shall be signed by both the Bidder and the Surety, and both signatures shall be notarized."

2. ***Blanks in Bid Forms***: On Bid Proposal Page P-2a, the contract amount was not entered, and AGC did not indicate whether the required bid security was provided in the form of cash, a certified check, or a bidder's bond. Page B-1 of the Information for Bidders, Section 1, specifies that "All information requested in the bid forms must be provided."

3. ***Missing Page from Proposal***: Page P-7, Contract Assurance, was not included in the proposal package. Page N-1, Section 4, states: "All bids must be submitted on the proposal form included in the bid documents. No bid will be considered unless it is made on the proposal form furnished by the City and made in accordance with the provisions of the bid requirements." Although AGC submitted the bid package using the prescribed proposal pages, one required page is missing.

4. ***Qualification of Bidders***: Three references were submitted; however, only one falls within the past 24 months. Page B-1 of the Information for Bidders, Section 2, states: "Each Bidder shall submit a list of Construction Project References indicating Public Works and/or similar construction projects completed or in progress within the last 24 months." Additionally, Page P-4, under Construction Project References, states: "It is requested that you submit a list of Public Works and/or similar construction projects completed, or in progress, within the last 24 months. This information will be used to evaluate whether the bid is responsive and/or responsible to the call for bids."

Conclusion

The discrepancies identified above are each material, inhibit the City's ability to evaluate bids equitably, and demonstrate non-responsiveness to the requirements of the bid package. Accordingly, City staff has determined that the bid submitted by AGC is non-responsive for each of the reasons set forth above.

The Project is scheduled to be presented to the City Council at 6:00 p.m. at the August 4, 2026, Council Meeting for award to the lowest responsive and responsible bidder. City staff will recommend the rejection of AGC's bid at that time and date for the reasons identified above. If AGC wishes to be heard, protest, or otherwise object to the City's determination of non-responsiveness as set forth herein, AGC must be present at the Council Meeting, and must submit any written objection and/or evidence to the City Clerk's office, City Hall, 77 Fair Drive, Costa Mesa, CA 92626 on or before July 27, 2026.

Sincerely,

S. Yang

Seung Yang, P.E.
City Engineer

c: Raja Sethuraman, Public Works Director
Derek Wieske, Assistant City Engineer
Tarquin Preziosi, Assistant City Attorney
Cristina Oquendo, Associate Engineer
Tiffany Le, Assistant Engineer
File

ATTACHMENT 2

CITY OF COSTA MESA
PUBLIC WORKS DEPARTMENT

ON CALL SIDEWALK REPAIR PROJECT, #25-20

BID OPENING DATE: MAY 6, 2026

BASE BID				CITY ESTIMATE		1. S&H CIVILWORKS		2. GENTRY GENERAL ENGINEERING, INC.		3. CJ CONCRETE CONSTRUCTION, INC.		4. ONYX PAVING COMPANY, INC.	
						COLTON		*COLTON*		*SANTA FE SPRINGS*		*YORBA LINDA*	
NO.	BID QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	MOBILIZATION (5% MAXIMUM)	$10,000.00	$10,000.00	$4,000.00	$4,000.00	$12,100.00	$12,100.00	$800.00	$800.00	$12,525.00	$12,525.00
2	1	LS	TRAFFIC & PEDESTRIAN CONTROL	$5,000.00	$5,000.00	$3,000.00	$3,000.00	$13,038.00	$13,038.00	$800.00	$800.00	$44,000.00	$44,000.00
3	6,000	SF	REMOVE & RECONSTRUCT CONCRETE SIDEWALK (4-INCH CONCRETE OVER 4-INCH C.M.B) INCLUDING ADA RAMPS	$21.50	$129,000.00	$20.00	$120,000.00	$22.00	$132,000.00	$16.00	$96,000.00	$30.00	$180,000.00
4	140	LF	REMOVE EXISITING AND RECONSTRUCT C-6 CURB & GUTTER OVER 6" CMB WITH 2' A.C. SLOT PAVE	$145.00	$20,300.00	$250.00	$35,000.00	$124.00	$17,360.00	$100.00	$14,000.00	$125.00	$17,500.00
5	75	LF	REMOVE EXISITING AND RECONSTRUCT C-8 CURB & GUTTER OVER 6" CMB WITH 2' A.C. SLOT PAVE	$160.00	$12,000.00	$300.00	$22,500.00	$132.00	$9,900.00	$100.00	$7,500.00	$205.00	$15,375.00
6	760	SF	REMOVE & RECONSTRUCT P.C.C. CROSS-GUTTER, SPANDREL,LOCAL DEPRESSION, AND P.C.C. PAD (8" CONCRETE OVER 8" C.M.B.) WITH 3' A.C. SLOT PAVE	$51.00	$38,760.00	$30.00	$22,800.00	$50.00	$38,000.00	$32.00	$24,320.00	$55.00	$41,800.00
7	650	SF	REMOVE EXISITING AND RECONSTRUCT P.C.C. DRIVEWAY APPROACH (6-INCH CONCRETE OVER 6-INCH C.M.B.)	$31.00	$20,150.00	$20.00	$13,000.00	$28.00	$18,200.00	$18.50	$12,025.00	$40.00	$26,000.00
8	640	LF	INSTALL ROOT BARRIERS	$125.00	$80,000.00	$20.00	$12,800.00	$26.00	$16,640.00	$175.00	$112,000.00	$120.00	$76,800.00
9	3	EA	INSTALL TRUNCATED DOMES (ADA RAMPS)	$985.00	$2,955.00	$1,500.00	$4,500.00	$1,084.00	$3,252.00	$900.00	$2,700.00	$1,000.00	$3,000.00
			PROJECT BASE BID TOTAL:		**$318,165.00**		**$237,600.00**		**$260,490.00**		**$270,145.00**		**$417,000.00**

BASE BID				CITY ESTIMATE		5. HARDY AND HARPER, INC.		AVERAGE	
						LAKE FOREST			
NO.	BID QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	MOBILIZATION (5% MAXIMUM)	$10,000.00	$10,000.00	$9,500.00	$9,500.00	$7,785.00	$7,785.00
2	1	LS	TRAFFIC & PEDESTRIAN CONTROL	$5,000.00	$5,000.00	$15,000.00	$15,000.00	$15,167.60	$15,167.60
3	6,000	SF	REMOVE & RECONSTRUCT CONCRETE SIDEWALK (4-INCH CONCRETE OVER 4-INCH C.M.B) INCLUDING ADA RAMPS	$21.50	$129,000.00	$54.00	$324,000.00	$28.40	$170,400.00
4	140	LF	REMOVE EXISITING AND RECONSTRUCT C-6 CURB & GUTTER OVER 6" CMB WITH 2' A.C. SLOT PAVE	$145.00	$20,300.00	$230.00	$32,200.00	$165.80	$23,212.00
5	75	LF	REMOVE EXISITING AND RECONSTRUCT C-8 CURB & GUTTER OVER 6" CMB WITH 2' A.C. SLOT PAVE	$160.00	$12,000.00	$250.00	$18,750.00	$197.40	$14,805.00
6	760	SF	REMOVE & RECONSTRUCT P.C.C. CROSS-GUTTER, SPANDREL,LOCAL DEPRESSION, AND P.C.C. PAD (8" CONCRETE OVER 8" C.M.B.) WITH 3' A.C. SLOT PAVE	$51.00	$38,760.00	$98.00	$74,480.00	$53.00	$40,280.00
7	650	SF	REMOVE EXISITING AND RECONSTRUCT P.C.C. DRIVEWAY APPROACH (6-INCH CONCRETE OVER 6-INCH C.M.B.)	$31.00	$20,150.00	$80.00	$52,000.00	$37.30	$24,245.00
8	640	LF	INSTALL ROOT BARRIERS	$125.00	$80,000.00	$150.00	$96,000.00	$98.20	$62,848.00
9	3	EA	INSTALL TRUNCATED DOMES (ADA RAMPS)	$985.00	$2,955.00	$3,500.00	$10,500.00	$1,596.80	$4,790.40
			PROJECT BASE BID TOTAL:		**$318,165.00**		**$632,430.00**		**$363,533.00**

CITY OF COSTA MESA
PUBLIC WORKS AGREEMENT FOR
CITY PROJECT NO. 25-20

THIS PUBLIC WORKS AGREEMENT ("Agreement"), dated August 4, 2026 ("Effective Date"), is made by the CITY OF COSTA MESA, a political subdivision of the State of California ("CITY"), and S&H CIVILWORKS, a California corporation ("CONTRACTOR").

WHEREAS, CITY desires to construct the public improvements described below under Paragraph 1, Scope of Work (the "Project"); and

WHEREAS, CITY has determined that CONTRACTOR is the lowest responsible bidder; and

WHEREAS, CITY now desires to contract with CONTRACTOR to furnish construction and related services for the Project; and

WHEREAS, CITY and CONTRACTOR desire to set forth their rights, duties and liabilities in connection with the services to be performed.

NOW, THEREFORE, for and in consideration of the covenants and conditions contained herein, the parties hereby agree as follows:

1. SCOPE OF WORK.

The scope of work generally consists of on-call sidewalk repair work (the "Work").

The Work is further described in the "Contract Documents" referred to below.

The Project is known as the On-Call Sidewalk Repair Project, City Project No. 25-20 (the "Project").

2. CONTRACT DOCUMENTS.

The complete Agreement consists of the following documents relating to the Project:

(a) This Agreement;

(b) CONTRACTOR's bid, attached hereto as Exhibit A and incorporated herein;

(c) Bid package, including, but not limited to, notice inviting bids, complete plans, profiles, detailed drawings and specifications, general provisions and special provisions. The bid package is attached hereto as Exhibit B and incorporated herein;

(d) Faithful Performance Bond and Labor and Material Bond, including agent's Power of Attorney for each bond, attached hereto as Exhibit C;

(e) Drug-Free Workplace Policy, attached hereto as Exhibit D and incorporated herein; and

(f) Provisions of the most current edition of The Greenbook: Standard Specifications for Public Works Construction ("The Greenbook"). Provisions of The Greenbook are incorporated by this reference as if fully set forth herein.

The documents comprising the complete Agreement will be referred to as the "Contract Documents."

All of the Contract Documents are intended to complement one another, so that any Work called for in one and not mentioned in another is to be performed as if mentioned in all documents.

In the event of an inconsistency in the Contract Documents, the terms of this Agreement shall prevail over all other Contract Documents. The order of precedence between the remaining Contract Documents shall be as set forth in The Greenbook.

The Contract Documents constitute the entire agreement between the parties and supersede any and all other writings and oral negotiations.

3. CITY'S REPRESENTATIVE.

The CITY's Representatives are Cristina Oquendo and Seung Yang referred to collectively herein as the Project Manager ("Project Manager").

4. CONTRACTOR'S PROJECT MANAGER; PERSONNEL.

(a) Project Manager. CONTRACTOR's Project Manager must be approved by City. Such approval shall be at CITY's sole discretion.

(b) Personnel. CITY has the right to review and approve any personnel who are assigned to perform work under this Agreement. CONTRACTOR shall remove personnel from performing work under this Agreement if requested to do so by CITY.

This Paragraph 4 is a material provision of the Agreement.

5. SCHEDULE.

All Work shall be performed in accordance with the schedule approved on behalf of CITY by the Project Manager, and in accordance with the time of performance set forth

in Paragraph 11 (Time of Performance).

6. EQUIPMENT - PERFORMANCE OF WORK.

CONTRACTOR shall furnish all tools, equipment, apparatus, facilities, labor and materials necessary to perform and complete the Work in a good and workmanlike manner in strict conformity with the Contract Documents.

The equipment, apparatus, facilities, labor and material shall be furnished and such Work performed and completed as required in the plans and specifications to the satisfaction of the Project Manager or his or her designee, and subject to his or her approval.

7. COMPENSATION.

CITY shall pay CONTRACTOR in accordance with the fee schedule set forth in CONTRACTOR's bid. CONTRACTOR's total compensation shall not exceed Two Hundred Thirty-Seven Thousand Six Hundred Dollars ($237,600.00).

8. ADDITIONAL SERVICES.

CONTRACTOR shall not receive compensation for any services provided outside the scope of the Contract Documents unless such additional services, including change orders, are approved in writing by CITY prior to CONTRACTOR performing the additional services.

It is specifically understood that oral requests or approvals of such additional services, change orders or additional compensation and any approvals from CITY shall be barred and are unenforceable.

9. PAYMENTS TO CONTRACTOR.

On or before the last Monday of each and every month during the performance of the Work, CONTRACTOR shall meet with the Project Manager or his or her designee to determine the quantity of pay items incorporated into the improvement during that month. A "Progress Payment Order" will then be jointly prepared, approved, and signed by the Project Manager and the CONTRACTOR setting forth the amount to be paid and providing for a five percent (5%) retention. Upon approval of the progress payment order by the Project Manager, or his or her designee, it shall be submitted to CITY's Finance Department and processed for payment by obtaining approval from the City Council to issue a warrant.

Within three (3) days following City Council's approval to issue a warrant, CITY shall mail to CONTRACTOR a warrant for the amount specified in the progress payment order as the amount to be paid. The retained five percent (5%) shall be paid to CONTRACTOR thirty-five (35) days after the recording of the Notice of Completion of the

Work by the CITY with the Orange County Clerk-Recorder and after CONTRACTOR has furnished releases of all claims against CITY by persons who furnished labor or materials for the Work, if required by CITY.

Upon the request of CONTRACTOR and at its expense, securities equivalent to the amount withheld pursuant to the foregoing provisions may be presented to CITY for substitution for the retained funds. If CITY approves the form and amount of the offered securities it will release the retained funds and will hold the securities in lieu thereof. CONTRACTOR shall be entitled to any interest earned on the securities.

In the event that claims for property damage or bodily injury are presented to CITY arising out of CONTRACTOR's or any subcontractor's work under this Agreement, CITY shall give notice thereof to CONTRACTOR, and CONTRACTOR shall have thirty-five (35) days from the mailing of any such notice to evaluate the claim and to settle it by whole or partial payment, or to reject it, and to give notice of settlement or rejection to CITY. If CITY does not receive notice within the above-mentioned 35-day period that the claim has been settled, and if the Project Manager, after consultation with the City Attorney, determines that the claim is meritorious, CITY may pay the claim or a portion of it in exchange for an appropriate release from the claimant, and may deduct the amount of the payment from the retained funds that would otherwise be paid to CONTRACTOR upon completion of the Work; provided, however, that the maximum amount paid for any one claim pursuant to this provision shall be One Thousand Dollars ($1,000.00), and the maximum amount for all such claims in the aggregate paid pursuant to this provision shall be Five Thousand Dollars ($5,000.00).

10. PROMPT PAYMENT OF SUBCONTRACTORS.

CONTRACTOR agrees to pay each subcontractor under this Agreement for satisfactory performance of its contract no later than seven (7) days from the receipt of each payment the CONTRACTOR receives from CITY.

CONTRACTOR agrees further to release retainage payments to each subcontractor within thirty (30) days after the subcontractor's work is satisfactorily completed.

Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the CITY.

11. TIME OF PERFORMANCE.

CONTRACTOR shall commence Work by the date specified in CITY's Notice to Proceed, unless a later date is agreed upon in writing by the parties. The Work shall be completed within ten (10) working/calendar days from the first day of commencement of the Work, at each location.

12. TERMINATION.

(a) Termination for Convenience. CITY may terminate this Agreement at any time, with or without cause, by providing thirty (30) days' written notice to CONTRACTOR.

(b) Termination for Breach of Contract.

(i) If CONTRACTOR refuses or fails to prosecute the Work or any severable part of it with such diligence as will ensure its timely completion, or if CONTRACTOR fails to complete the Work on time, or if CONTRACTOR, or any subcontractor, violates any of the provisions of the Contract Documents, the Project Manager may give written notice to CONTRACTOR and CONTRACTOR's sureties of the CITY's intention to terminate this Agreement; and, unless within five (5) days after the serving of that notice, such conduct shall cease and arrangements for the correction thereof be made to the satisfaction of the CITY, this Agreement may be terminated at the option of CITY effective upon CONTRACTOR's receipt of a second notice sent by the CITY indicating that the CITY has exercised its option to terminate.

(ii) If CONTRACTOR is adjudged bankrupt or files for any relief under the Federal Bankruptcy Code or State insolvency laws, this Agreement shall automatically terminate without any further action or notice by CITY.

(iii) If CONTRACTOR is in breach of any material provision of this Agreement, CITY may immediately terminate this Agreement by providing written notice to CONTRACTOR of same.

13. LIQUIDATED DAMAGES.

In the event the Work is not completed, for any reason, within the time required including any approved extensions of time, and to the satisfaction of the Project Manager, CITY may, in addition to any other remedies, equitable and legal, including remedies authorized by Paragraph 12 (Termination) of this Agreement, charge to CONTRACTOR or its sureties, or deduct from payments or credits due CONTRACTOR, a sum equal to Three Thousand Six Hundred Dollars ($3,600.00) as liquidated damages for each calendar day beyond the date provided for the completion of such work.

The parties hereto agree that the amount set forth above, as liquidated damages constitutes a fair and reasonable estimate of the costs the CITY would suffer for each day that the CONTRACTOR fails to meet the performance schedule. The parties hereby agree and acknowledge that the delays in the performance schedule will cause CITY to incur costs and expenses not contemplated by this Agreement.

14. PERFORMANCE BY SURETIES.

In the event CONTRACTOR fails or refuses to perform the Work, CITY may provide CONTRACTOR with a notice of intent to terminate as provided in Paragraph 12 (Termination), of this Agreement. CITY shall immediately give written notice of such intent to terminate to CONTRACTOR and CONTRACTOR's surety or sureties, and the sureties shall have the right to take over and perform this Agreement; provided, however, that the sureties must, within five (5) days after CITY's giving notice of termination, (a) give the CITY written notice of their intention to take over the performance of this Agreement; (b) provide adequate assurances, to the satisfaction of the CITY, that the Work shall be performed diligently and in a timely manner; and (c) must commence performance thereof within five (5) days after providing notice to the CITY of their intention to take over the Work. Upon the failure of the sureties to comply with the provisions set forth above, CITY may take over the Work and complete it, at the expense of CONTRACTOR, and the CONTRACTOR and the sureties shall be liable to CITY for any excess costs or damages including those referred to in Paragraph 13 (Liquidated Damages), incurred by CITY. In such event, CITY may, without liability for so doing, take possession of such materials, equipment, tools, appliances, Contract Documents and other property belonging to CONTRACTOR as may be on the site of the Work and reasonably necessary therefor and may use them to complete the Work.

15. DISPUTES PERTAINING TO PAYMENT FOR WORK.

Should any dispute arise respecting whether any delay is excusable, or its duration, or the value of the Work done, or of any Work omitted, or of any extra Work which CONTRACTOR may be required to do, or respecting any payment to CONTRACTOR during the performance of this Agreement, such dispute shall be decided by the Project Manager, and his or her decisions shall be final and binding upon CONTRACTOR and its sureties.

16. SUPERINTENDENCE BY CONTRACTOR.

At all times during performance of the Work, CONTRACTOR shall give personal superintendence or have a competent foreman or superintendent on the worksite, with authority to act for CONTRACTOR.

17. INSPECTION BY CITY.

CONTRACTOR shall at all times maintain proper facilities and provide safe access for inspection by CITY to all parts of the Work and to all shops on or off-site where the Work or portions of the Work, are in preparation. CITY shall have the right of access to the premises for inspection at all times. However, CITY shall, at all times, comply with CONTRACTOR's safety requirements on the job site.

18. CARE OF THE WORK AND OFF-SITE AUTHORIZATION.

CONTRACTOR warrants that it has examined the site of the Work and is familiar with its topography and condition, location of property lines, easements, building lines

and other physical factors and limitations affecting the performance of this Agreement. CONTRACTOR, at CONTRACTOR's sole cost and expense, shall obtain any permission, and all approvals, licenses, or easements necessary for any operations conducted off the premises owned or controlled by CITY. CONTRACTOR shall be responsible for the proper care and protection of all materials delivered to the site or stored off-site and for the Work performed until completion and final inspection and acceptance by CITY. The risk, damage or destruction of materials delivered to the site or to Work performed shall be borne by CONTRACTOR.

19. CONTRACT SECURITY AND GUARANTEE.

CONTRACTOR shall furnish, concurrently with the execution of this Agreement, the following: (1) a surety bond in an amount equal to one hundred percent (100%) of the contract price as security for the faithful performance of this Agreement, and (2) a separate surety bond in an amount equal to at least one hundred percent (100%) of the contract price as security for the payment of all persons furnishing labor or materials in connection with the Work under this Agreement. Sureties for each of the bonds and the forms thereof shall be satisfactory to CITY. In addition, such sureties must be authorized to issue bonds in California; sureties must be listed on the latest revision to the U.S. Department of the Treasury Circular 570; and must be shown to have sufficient bonding capacity to provide the bonds required by the Contract Documents.

CONTRACTOR shall provide a certified copy of the certificate of authority of the surety issued by the Insurance Commissioner; a certificate from the clerk of the county in which the court or officer is located that the certificate of authority of the surety has not been surrendered, revoked, canceled, annulled, or suspended or, in the event that it has, that renewed authority has been granted; and copies of the surety's most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

CONTRACTOR guarantees that all materials used in the Work and all labor performed shall be in conformity with the Contract Documents including, but not limited to, the standards and specifications set forth in the most current edition of The Greenbook. CONTRACTOR shall, at its own expense, make any and all repairs and replacements that shall become necessary as the result of any failure of the Work to conform to the aforementioned Contract Documents, and/or standard specifications; provided, however, that CONTRACTOR shall be obligated under this provision only to the extent of those failures or defects of which CONTRACTOR is given notice within a period of twelve (12) months from the date that the Notice of Completion is recorded.

The rights and remedies available to CITY pursuant to this provision shall be cumulative with all rights and remedies available to CITY pursuant to statutory and common law, which rights and remedies are hereby expressly reserved, and neither the foregoing guarantee by CONTRACTOR nor its furnishing of the bonds, nor acceptance thereof by CITY, shall constitute a waiver of any rights or remedies available to CITY

against CONTRACTOR.

20. INDEMNIFICATION.

CONTRACTOR agrees to protect, defend, indemnify and hold harmless CITY and its elected and appointed boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury to or death of any person, and for injury or damage to any property, including consequential damages of any nature resulting therefrom, arising out of or in any way connected with the performance of this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the CONTRACTOR, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the CONTRACTOR, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the CITY, its elected officials, officers, agents and employees based upon the work performed by the CONTRACTOR, its employees, and/or authorized subcontractors under this Agreement, whether or not the CONTRACTOR, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the CONTRACTOR shall not be liable for the defense or indemnification of the CITY for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the CITY. This provision shall supersede and replace all other indemnity provisions contained either in the CITY's specifications or CONTRACTOR's proposal, which shall be of no force and effect.

CONTRACTOR shall comply with all of the provisions of the Workers' Compensation insurance laws and Safety in Employment laws of the State of California, including the applicable provisions of Divisions 4 and 5 of the California Labor Code and all amendments thereto and regulations promulgated pursuant thereto, and all similar State, Federal or local laws applicable; and CONTRACTOR shall indemnify and hold harmless CITY from and against all claims, liabilities, expenses, damages, suits, actions, proceedings and judgments, of every nature and description, including attorney fees, that may be presented, brought or recovered against CITY for or on account of any liability under or failure to comply with any of said laws which may be incurred by reason of any Work performed under this Agreement by CONTRACTOR or any subcontractor or others performing on behalf of CONTRACTOR.

CITY does not, and shall not, waive any rights against CONTRACTOR which it may have by reason of the above hold harmless agreements, because of the acceptance by CITY or the deposit with CITY by CONTRACTOR of any or all of the insurance policies described in Paragraph 21 (Insurance) of this Agreement.

The hold harmless agreements by CONTRACTOR shall apply to all liabilities, expenses, claims, and damages of every kind (including but not limited to attorneys' fees) incurred or alleged to have been incurred, by reason of the operations of CONTRACTOR or any subcontractor or others performing on behalf of CONTRACTOR, whether or not

such insurance policies are applicable. CONTRACTOR shall require any and all tiers of subcontractors to afford the same degree of indemnification to the CITY OF COSTA MESA and its elected and appointed boards, officers, agents, and employees that is required of CONTRACTOR and shall incorporate identical indemnity provisions in all contracts between CONTRACTOR and all tiers of its subcontractors.

In the event that CONTRACTOR and CITY are sued by a third party for damages caused or allegedly caused by negligent or other wrongful conduct of CONTRACTOR, or by a dangerous condition of CITY's property created by CONTRACTOR or existing while the property was under the control of CONTRACTOR, CONTRACTOR shall not be relieved of its indemnity obligation to CITY by any settlement with any such third party unless that settlement includes a full release and dismissal of all claims by the third party against the CITY.

21. INSURANCE.

(a) Minimum Scope and Limits of Insurance. CONTRACTOR shall not commence work under this Agreement until it has obtained all insurance required under this Paragraph 21 and CITY has approved the insurance as to form, amount, and carrier, nor shall CONTRACTOR allow any subcontractor to commence any Work until all similar insurance required of the subcontractor has been obtained and approved.

CONTRACTOR shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by CITY:

(i) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars ($1,000,000.00) per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.

(ii) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars ($1,000,000.00) combined single limit per accident for bodily injury and property damage.

(iii) Workers' compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability insurance with a limit of no less than One Million Dollars ($1,000,000.00) per accident for bodily injury or disease. CONTRACTOR agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the CITY, its officers,

agents, employees, and volunteers arising from work performed by CONTRACTOR for the CITY and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

(iv) Umbrella or excess liability insurance that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

(1) A drop down feature requiring the policy to respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable in whole or in part for any reason;
(2) Pay on behalf of wording as opposed to reimbursement;
(3) Concurrency of effective dates with primary policies;
(4) Policies shall "follow form" to underlying primary policies; and
(5) Insureds under primary policies shall also be insureds under the umbrella or excess policies.

(b) Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

(i) Additional insureds: The City of Costa Mesa and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the CONTRACTOR pursuant to its contract with the City; products and completed operations of the CONTRACTOR; premises owned, occupied or used by the CONTRACTOR; automobiles owned, leased, hired, or borrowed by the CONTRACTOR."

(ii) Notice: "Said policy shall not terminate, nor shall it be canceled nor the coverage reduced, until thirty (30) days after written notice is given to CITY."

(iii) Other Insurance: "CONTRACTOR's insurance coverage shall be primary insurance as respects the City of Costa Mesa, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy."

(c) Reporting Provisions. Any failure of CONTRACTOR to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Costa Mesa, its officers, officials, agents, employees, and volunteers.

(d) Insurance Applies Separately. CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with

respect to the limits of the insurer's liability.

(e) Deductible or Self-Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by CITY. No policy of insurance issued as to which the CITY is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

(f) Proof of Insurance. Prior to commencement of the Work, CONTRACTOR shall furnish CITY, through the Project Manager, proof of compliance with the above insurance requirements in a form satisfactory to City's Risk Management.

(g) Non-Limiting. Nothing in this Paragraph 21 shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

22. PREVAILING WAGE REQUIREMENTS.

(a) Prevailing Wage Laws. CONTRACTOR is aware of the requirements of Chapter 1 (beginning at Section 1720 et seq.) of Part 7 of Division 2 of the California Labor Code, as well as Title 8, Section 16000 et seq. of the California Code of Regulations ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. This Project is a "public works" project and requires compliance with the Prevailing Wage Laws. CONTRACTOR shall defend, indemnify and hold the CITY, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

(b) Payment of Prevailing Wages. CONTRACTOR shall pay the prevailing wage rates for all work performed under this Agreement. When any craft or classification is omitted from the general prevailing wage determinations, CONTRACTOR shall pay the wage rate of the craft or classification most closely related to the omitted classification. A copy of the general prevailing wage rate determination is on file in the Office of the City Clerk and is incorporated into this Agreement as if fully set forth herein. CONTRACTOR shall post a copy of such wage rates at all times at the project site(s).

(c) Legal Working Day. In accordance with the provisions of Labor Code Section 1810 et seq., eight (8) hours is the legal working day. CONTRACTOR and any subcontractor(s) of CONTRACTOR shall comply with the provisions of the Labor Code regarding eight (8)-hour work day and 40-hour work week requirements, and overtime, Saturday, Sunday, and holiday work. Work performed by CONTRACTOR's or any subcontractor's employees in excess of eight (8) hours per day, and 40 hours during any one week, must include compensation for all hours worked in excess of eight (8) hours per day, or 40 hours during any one week, at not less than one and one-half times the basic rate of pay. CONTRACTOR shall forfeit as a penalty to CITY Twenty-Five Dollars

($25.00), or any greater penalty set forth in the Labor Code, for each worker employed in the execution of the Work by CONTRACTOR or by any subcontractor(s) of CONTRACTOR, for each calendar day during which such worker is required or permitted to the work more than eight (8) hours in one calendar day or more than 40 hours in any one calendar week in violation of the Labor Code.

(d) Apprentices. CONTRACTOR shall comply with the provisions of Labor Code Section 1777.5 concerning the employment of apprentices on public works projects. CONTRACTOR shall be responsible for ensuring compliance by its subcontractors with Labor Code Section 1777.5.

(e) Payroll Records. Pursuant to Labor Code Section 1776, CONTRACTOR and any subcontractor(s) shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by CONTRACTOR or any subcontractor in connection with this Agreement. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: (1) The information contained in the payroll record is true and correct; and (2) The employer has complied with the requirements of Sections 1771, 1881, and 1815 of the Labor Code for any work performed by his or her employees on this Project. The payroll records shall be certified and shall be available for inspection at all reasonable hours in accordance with the requirements of Labor Code Section 1776. CONTRACTOR shall also furnish each week to CITY's Project Administration Division a statement with respect to the wages of each of its employees during the preceding weekly payroll period.

(f) Registration with DIR. CONTRACTOR and any subcontractor(s) of CONTRACTOR shall comply with the provisions of Labor Code Section 1771 and Labor Code Section 1725.5 requiring registration with the DIR.

23. COMPLIANCE WITH ALL LAWS.

CONTRACTOR shall, at its own cost and expense, comply with all applicable local, state, and federal laws, regulations, and requirements in the performance of this Agreement, including but not limited to laws regarding health and safety, labor and employment, and wage and hours.

24. DRUG-FREE WORKPLACE POLICY.

CONTRACTOR, upon notification of the award of this Agreement, shall establish a Drug-Free Awareness Program to inform employees of the dangers of drug abuse in the workplace, the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace, and the employee assistance programs available to employees. Each employee engaged in the performance of a CITY contract must be notified of this Drug-Free Awareness Program, and must abide by its terms. CONTRACTOR shall conform to all the requirements of CITY's Policy No. 100-5,

attached hereto. Failure to establish a program, notify employees, or inform the CITY of a drug-related workplace conviction will constitute a material breach of contract and cause for immediate termination of the contract by the CITY.

25. NON–DISCRIMINATION.

In performing this Agreement, CONTRACTOR will not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status or sex, or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Violation of this provision may result in the imposition of penalties referred to in Section 1735 of the California Labor Code.

26. PROVISIONS CUMULATIVE.

The provisions of this Agreement are cumulative and in addition to, and not in limitation of, any other rights or remedies available to CITY.

27. NOTICES.

It shall be the duty and responsibility of CONTRACTOR to notify all tiers of subcontractors and material men of the following special notice provision; namely, all preliminary 20-day notices or stop notices shall be directed only to the City Clerk and to no other department, and shall be either personally delivered or sent by certified mail, postage prepaid.

All other notices shall be in writing and delivered in person or sent by certified mail, postage prepaid. Notices required to be given to CITY pursuant to this Agreement shall be addressed as follows:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Attn: Cristina Oquendo and Seung Yang

Notices required to be given to CONTRACTOR shall be addressed as follows:

S & H Civilworks
1801 Hilltop Drive
Colton, CA 92324
Attn: Jess Canilo Sotto

Notices required to be given to CONTRACTOR's sureties shall be addressed as follows:

_____
_____

_____
Attn: _____

28. INDEPENDENT CONTRACTOR.

The parties hereto acknowledge and agree that the relationship between CITY and CONTRACTOR is one of principal and independent contractor and no other. All personnel to be utilized by CONTRACTOR in the performance of this Agreement shall be employees of CONTRACTOR and not employees of the CITY. CONTRACTOR shall pay all salaries and wages, employer's social security taxes, unemployment insurance and similar taxes relating to employees and shall be responsible for all applicable withholding taxes. Nothing contained in this Agreement shall create or be construed as creating a partnership, joint venture, employment relations, or any other relationship except as set forth between the parties. The parties specifically acknowledge and agree that CONTRACTOR is not a partner with CITY, whether general or limited, and no activities of CITY or CONTRACTOR or statements made by CITY or CONTRACTOR shall be interpreted by any of the parties hereto as establishing any type of business relationship other than an independent contractor relationship.

29. PERS ELIGIBILITY INDEMNIFICATION.

In the event that CONTRACTOR or any employee, agent, or subcontractor of CONTRACTOR providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees' Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, CONTRACTOR shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONTRACTOR or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, CONTRACTOR and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

30. VALIDITY.

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any of the other provisions of this Agreement.

31. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any legal action relating to or arising out of this Agreement shall

be subject to the jurisdiction of the County of Orange, California.

32. NO THIRD PARTY BENEFICIARY RIGHTS.

This Agreement is entered into for the sole benefit of the CITY and CONTRACTOR and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

33. ASSIGNABILITY.

This Agreement may not be transferred or assigned by either party, or by operation of law, to any other person or persons or business entity, without the other party's written permission. Any such transfer or assignment, or attempted transfer or assignment, without written permission, may be deemed by the other party to constitute a voluntary termination of this Agreement and this Agreement shall thereafter be deemed terminated and void.

34. WAIVER.

No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought referring expressly to this Paragraph. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

35. HEADINGS.

Section and subsection headings are not to be considered part of this Agreement, are included solely for convenience, and are not intended to modify or explain or to be a full or accurate description of the content thereof.

36. CONSTRUCTION.

The parties have participated jointly in the negotiation and drafting of this Agreement and have had an adequate opportunity to review each and every provision of the Agreement and submit the same to counsel or other consultants for review and comment. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

37. COUNTERPARTS.

This Agreement may be executed in one or more counterparts by the parties

hereto. All counterparts shall be construed together and shall constitute one Agreement.

38. CORPORATE AUTHORITY.

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so, the parties hereto are formally bound to the provisions of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CITY OF COSTA MESA
A municipal corporation

_____ Date: _____
Cecilia Gallardo-Daly
City Manager

CONTRACTOR

_____ Date: _____
Signature

_____
[Name and Title]

ATTEST:

_____ Date: _____
Brenda Green
City Clerk

APPROVED AS TO FORM:

_____ Date: _____
Kimberly Hall Barlow
City Attorney

APPROVED AS TO INSURANCE:

_____ Date: _____
Ruth Wang
Risk Management

APPROVED AS TO PURCHASING:

_____ Date: _____
Finance Director

DEPARTMENTAL APPROVAL:

_____ Date: _____
Raja Sethuraman
Public Works Director

_____ Date: _____
Cristina Oquendo
Project Manager

_____ Date: _____
Seung Yang, P.E.
City Engineer

EXHIBIT A

CONTRACTOR'S BID

SECTION C
PROPOSAL FOR THE

ON CALL SIDEWALK REPAIR PROJECT

CITY PROJECT NO. 25-20

The Honorable City Council
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

Dear Council Members:

In compliance with the NOTICE INVITING BIDS FOR THE **ON CALL SIDEWALK REPAIR PROJECT, CITY PROJECT NO. 25-20,** a copy which is hereto attached, the undersigned has carefully examined the location of the proposed Work, the Plans, Specifications and other Contract Documents and is therefore satisfied as to the conditions to be encountered, as to the character, quality and quantity of work to be performed and materials to be furnished and as to the requirements of the specifications and the Contract. It is mutually agreed that the submission of a proposal shall be considered prima facie evidence that the BIDDER has made such examination.

If awarded the Contract, the undersigned agrees to commence the Work under the Contract **WITHIN TEN (10) WORKING DAYS AFTER DATE OF CONTRACT, WITH MINIMUM WORKORDER AMOUNT OF $10,000.00**. Beginning on the first day of commencement of such work unless legal extension is granted in accordance with the terms set forth in the specifications, and to perform and complete the Work as shown on the Plans and in accordance with the Specifications and other Contract Documents, and to furnish all labor, materials, tools and equipment necessary to complete the Work in-place therefor, in the manner and time herein prescribed at the following prices, to wit:

PROPOSAL
ON CALL SIDEWALK REPAIR PROJECT
CITY PROJECT NO. 25-20
Base Bid

ITEM #	BID ITEM DECRIPTION	EST. QTY.	UNIT	UNIT PRICE (in figures)	ITEMS TOTAL (in figures)
1	Mobilization (5% Maximum)	1	L.S.	$ 4000	$ 4000
2	Traffic & Pedestrian Control	1	L.S.	$ 3000	$ 3000
3	Remove & Reconstruct Concrete Sidewalk (4-inch Concrete over 4-inch C.M.B.) including ADA ramps	6,000	S.F.	$ 20	$ 120,000
4	Remove Existing and Reconstruct C-6 Curb & Gutter over 6" CMB with 2' A.C. Slot Pave	140	L.F.	$ 250	$ 35,000

Bidder's Initials

PROPOSAL ON CALL SIDEWALK REPAIR PROJECT CITY PROJECT NO. 25-20 Base Bid (Continued)					
ITEM #	**BID ITEM DECRIPTION**	**APPROX. QTY.**	**UNIT**	**UNIT PRICE (in figures)**	**ITEMS TOTAL (in figures)**
5	Remove Existing and Reconstruct C-8 Curb & Gutter over 6" CMB with 2' A.C. Slot Pave	75	L.F.	$ 300	$ 22,500
6	Remove & Reconstruct P.C.C. Cross-Gutter, Spandrel, Local Depression, and P.C.C. Pad (8" Concrete over 8" inch C.M.B) with 3' A.C. Slot Pave	760	S.F.	$ 30	$ 22,800
7	Remove Existing and Reconstruct P.C.C. Driveway Approach (6-inch Concrete over 6-inch C.M.B)	650	S.F.	$ 20	$ 13,000
8	Root Prune and Install Root Barrier	640	L.F.	$ 20	$ 12,800
9	Install Truncated Domes (ADA ramps)	3	EA	$ 1500	$ 4,500

TOTAL BID PROPOSAL FIGURES: $ 237,600.00

TOTAL BID PROPOSAL (Words):

Two Hundred thirty Seven thousand Six Hundred Dollars. & 00/100

The award of the Contract shall be based on the lowest responsive Bid amount, and the City reserves the right to delete one or more bid items and/or to increase and/or to decrease bid items' quantities.

The CITY also reserves the right to reject all Bids.

JCM

Bidder's Initials

PROPOSAL
ON CALL SIDEWALK REPAIR PROJECT
CITY PROJECT NO. 25-20
BASE BID (CONTINUED)

NOTES:

1. The accuracy of estimate quantities as shown is not guaranteed; the Bidder shall make his/her own estimate from the drawings and field review for verification. If the unit price and the total amount are different, the unit price will control the bid. Payment shall be based on actual work done and/or actual quantities used.

2. The City reserves the right to delete one or more bid items and/or to increase or decrease bid items' quantities, at no additional cost to the City.

3. (F) Designates Final Pay Item. When an item of work is designated as "FINAL PAY ITEM" in the Specifications, the estimated quantity for that item of work shall be the final pay quantity, unless the dimensions of any portion of that item are revised by the Engineer, or the item or any portion of the item is eliminated. If the dimensions of any portion of the item are revised, and the revisions result in an increase or decrease in the estimated quantity of that item of work, the final pay quantity for the item will be revised in the amount represented by the changes in the dimensions. If a final pay item is eliminated, the estimated quantity for the item will be eliminated. If a portion of a final pay item is eliminated, the final pay quantity will be revised in the amount represented by the eliminated portion of the item of work.
   The estimated quantity for each item of work designated as "FINAL PAY ITEM" in the Specifications, shall be considered as approximate only, and no guarantee is made that the quantity which can be determined by computations, based on the details and dimensions shown on the plans, will equal the estimated quantity. No allowance will be made in the event that the quantity based on computations does not equal the estimated quantity.
   In case of discrepancy between the quantity shown in the Engineer's Estimate for a final pay item and the quantity or summation of quantities for the same item shown on the plans, payment will be based on the quantity shown in the Engineer's Estimate.

Bidder's Initials

PROPOSAL

Base Bid (Continued)

(Please Type or Print)

Total Amount for Base Bid (in written words) Two Hundred thirty seven thousand Six Hundred

($ 237,600)
in figures

Contractor's Lawful Name: S & H CIVILWORKS

Bidder's Name: S&H CIVILWORKS Bidder's Initials: [redacted]

Contractor's License No. [redacted] Expiration: 11/30/2027

Contractor's Taxpayer I.D. Number: [redacted]

Contractor's DIR Registration Number: [redacted]

Signature: [redacted] Date: 05/05/2026

Contractor's Address: 1201 HILLTOP DRIVE.
COLTON CA 92324

Telephone Number: (909) 206-1161 Mobile No.: (714) 855-0909

Fax Number: (909) 498-8021 E-mail: JESSE@SANDHCIVILWORKS.COM

24-Hour Emergency Contacts:

- JESSE SOTO
Name
Telephone Number: (714) 855-0909
Mobile No.: (714) 855-0909

Name
Telephone No.: ( )
Mobile No.: ( )

Name
Telephone No.: ( )
Mobile No.: ( )

Bidder's Initials

PROPOSAL SCHEDULE
(CONTINUED)

The Contractor agrees that the City will not be held responsible if any of the approximate quantities shown in the foregoing proposal shall be found incorrect, and he shall not make any claim for damages or for loss of profits because of a difference between the quantities of the various classes of work as estimated and the work actually done. If any error, omission or misstatements shall be discovered in the estimated quantities, it shall not invalidate this contract or release the Contractor from the execution and completion of the whole or part of the work herein specified, in accordance with the specifications and the plans herein mentioned and the prices herein agreed upon and fixed therefore, or excuse him from any of the obligations or liabilities hereunder, or entitle him to any damages or compensation otherwise than as provided for in this contract.

The Contractor agrees that the City shall have the right to increase or decrease the quantity of any bid item or portion of the work or to omit portions of the work as may be deemed necessary or expedient, and that the payment for incidental items or work, not separately provided in the proposal shall be considered included in the price bid for other various items or work.

Accompanying this proposal is "Cash," "Certified Check," or "Bidder's Bond" (circle one) in the amount of 10% BID BOND ($_____) equal to at least ten (10%) percent of the total bid price, payable to the City of Costa Mesa, to guarantee that within fourteen (14) days after written notice is deposited in the mail, or the bidder has received notice by telephone, the bidder will furnish proper Certificates of Insurance, and required bonds satisfactory to the City and execute a contract in accordance with the proposal and in the manner and form required by the contract documents.

The undersigned deposits the above-named security as a proposal guarantee and agrees that it shall be forfeited to the City of Costa Mesa as Liquidated Damages if the above requirements are not complied with.

Bidder's Initials

Project and Specification No. 25-20

Respectfully Submitted,

S+H CIVILWORKS
Contractor's Business Name

1801 HILLTOP DR
Business Address: Street

COLTON CA 92324
City State Zip

(909) 206-1181
Business Phone Number

JESSE SOTTO, PRESIDENT
Name Title

COLTON CA 92324
City State Zip

JESSE SOTTO
S+H CIVILWORKS — PRESIDENT
Contractor Title

Signed By — PRESIDENT
Title

1008640 — 11/30/2023
Contractor's License No. and Classification Exp. Date

5/5/2026
Date

HILLTOP DR COLTON CA
Residence: Street

(714) 855-0909
Residence phone Number

If the bid is by a corporation, state the names of the officers who can sign an agreement on behalf of the corporation and whether more than one officer must sign.

☒ Corporation — Taxpayer I.D. Number: 47 5560185

	Can Sign	Must Sign
Name JESSE SOTTO	☒	☒
Name	☐	☐
Name	☐	☐

If the bid is by a partnership or a joint venture, state the names and addresses of all general partners and joint ventures.

☐ Partnership or Joint Ventures — Taxpayer I.D. Number: _____

Name _____

Address _____

Name _____

Address _____

If the bidder is a sole proprietorship or another entity that does business under a fictitious name, the bid shall be in the real name of the bidder with a designation following showing "DBA (the fictitious name)"; provided, however, no fictitious name shall be used unless there is a current registration with the Orange County Recorder.

The full names and residences of all persons and parties interested in the foregoing proposal, as principals, are as follows:

NOTE: Give first and last names in full; in case of corporation, give names of President, Secretary, Treasurer and Manager, and affix corporate seal; in case of partnerships and joint ventures, give names of all the individual members.

JESSE SOTTO	PRESIDENT
JOSE HERMOSILLO	SECRETARY

Bidder's Initials

Bidder shall signify receipt of all Addenda here, if any:

Addendum No.	Date Received	Bidder's Signature

CONSTRUCTION PROJECT REFERENCES

In order to more fully evaluate your firm's background and experience for the project herein proposed, it is requested that you submit a list of Public Works and/or similar construction projects completed, or in progress, within the last 24 months. This information will be used to evaluate whether the bid is responsive and or responsible to the call for bids.

Date Project Awarded	Awarding Agency	Agency's Contract Administrator Contact Information
SEE ATTACHED		

Bidder's Initials

ATTACHMENT 3

S&H CIVILWORKS
COMPLETED PROJECT REFERENCES PAST (5) YEARS

Project Owner	Project	Scope of Work	Contact	Contract Amount	Completion Date
OMNITrans 1700 West 5th St San Bernardino, CA 92411	**ATP safe Route to Transit Project**	Demo, sidewalk, ADA Ramps & Asphalt Paving	Thomas Dahlin Capital Project Manager/Inspector (951) 358-9322 thomas.dahlin@omnitrans.org	$2.1M	May 2019
OMNITrans 1700 West 5th St San Bernardino, CA 92411	**Corona Avenue ATP safe Route to Transit Project**	Demo, sidewalk, ADA Ramps & Asphalt Paving	Thomas Dahlin Capital Project Manager/Inspector (951) 358-9322 thomas.dahlin@omnitrans.org	$308,000	April 2019
City of San Bernardino 201 N "E" Street, san Bernardino CA	**Annual Concrete Repair & ADA Access Ramp Project**	Demo, sidewalk, driveway, ADA Ramps & cross gutter	Nathan Toczek City Inspector (760) 963-2085 toczek_na@sbcity.org	$2.1M	April 2019
City of Santa Barbara 630 Garden Street, Santa Barbara CA	**Measure A Cycle 3 Sidewalk Infill Project**	Roadway Improvement, concrete, storm drainage, retaining walls, Ramps & Asphalt Paving	Ken Young – Project Manager (805) 560-7568 kyoung@santabarbaraca.gov	$1.1M	December 2019
County of Riverside 2950 Washington St, Riverside, CA 92504	**Mayberry Avenue Sidewalk Project – Hemet CA**	Roadway Improvement, concrete sidewalk, cross gutter and ramps	Trai Nguyen – Principal Inspector (951) 961-5363 trnguyen@rivco.org	$316,000	February 2020
City of Costa Mesa 77 Fair Drive Costa Mesa CA	**City Parkway Maintenance Project**	Citywide concrete repair curb, gutter, sidewalk, driveway and ADA Ramps	Cristina Oquendo Project Manager (714) 754-5015 cristina.oquendo@costamesaca.gov	$3.2M	May 2020
City of Newport 100 Civic Center Drive, Newport Beach, CA 92660	**Concrete Replacement Project**	Demo, Curb, Gutter, Sidewalk, ADA Ramps, Cross gutter & Asphalt	Ben Davis PE– Project Manager (949) 644-3317 bdavis@newportbeachca.gov	$763,500	July 2020
City of Loma Linda 26000 Barton Road, Loma Linda 92354	**ADA Access Ramp Installation Project**	Demo, sidewalk, driveway, ADA Ramps & cross gutter	Alex Rubalcava City Inspector (909) 478-4263 erubalcava@lomalinda-ca.gov	$113,000	August 2020
City of West Hollywood 8300 Santa Monica West Hollywood, CA 90069	**CDBG Concrete Repair Project**	Demo, sidewalk, driveway, ADA Ramps & cross gutter	Mila Solugob Project Manager Inspector (323) 848-6338 msologub@weho.org	$311,000	October 2020
City of Perris 1015 S G St, Perris, CA 92570	**A Street and Nuevo Road Project**	Demo, sidewalk, driveway, ADA Ramps, cross gutter and asphalt	Brad Brophy Project Manager Inspector (951) 943-6504 brad@tritakeconsultants.com	$298,000	November 2020
City of Newport 100 Civic Center Drive, Newport Beach, CA 92660	**Concrete Repair Program Project**	Street Reconstruction; Concrete Repair	Ben Davis PE – Project Manager (949) 644-33 17 bdavis@newportbeachca.gov	$700K	July 2021

S&H CIVILWORKS
COMPLETED PROJECT REFERENCES PAST (5) YEARS

Project Owner	Project	Scope of Work	Contact	Contract Amount	Completion Date
City of Newport 100 Civic Center Drive, Newport Beach, CA 92660	**Concrete Alley and Street Replacement Project**	Street Reconstruction; Concrete, drainage and PCC pavement	Patricia Carpenter PE– Project Manager (949) 644-3344 pcarpenter@newportbeachca.gov	$2.2M	November 2021
City of Chino Hills 14000 City Center Dr, Chino Hills CA	**5 Year On-Call contract Project 2019-2024**	Remove and reconstruction of curb, gutter, driveway sidewalk and ramp	Jerry Barragan Superintendent (909) 573-4355 jbarragan@chinohills.org	$225K/Yr	On-going
City of Corona 400 S. Vicentia Ave *Corona*, CA 92882	**Oak Avenue Sidewalk Improvement Project**	Street Reconstruction; Concrete and PCC pavement	Julianna Zaleski Project Manager (951) 736-2264 julianna.zaleski@coronaca.gov	$550K	April 2022
County of Riverside 2950 Washington St, Riverside, CA 92504	**Carver Tract Sidewalk Improvement Replacement Project**	Street Reconstruction; Concrete, drainage and Asphalt pavement	Trai Nguyen –Supervisor Principal Inspector (951) 961-5363 trnguyen@rivco.org	$1.5M	November 2022
County of Riverside 2950 Washington St, Riverside, CA 92504	**El Toro Road/Dexter Road Project**	Street Reconstruction; Concrete, drainage and Asphalt pavement	Steve Wann – Principal Inspector (951) 961-5946 swann@rivco.org	$1.5M	November 2022
City of Orange 300 E Chapman Ave, Orange, CA 92866	**Annual Concrete at Various location**	Remove and reconstruction of curb, gutter, driveway sidewalk and ramp	Evan Arnold Construction Inspector (714) 602-0111 Earnold@CityofOrange.org	$1.1M	October 2023
City of Lake Forest 100 Civic Center Dr, Lake Forest CA	**Phase 13 – CDBG ADA Ramp**	Remove and reconstruction of curb, gutter, driveway sidewalk and ramp	Nazila Mokarram Principal Engineer (949) 461-3490 nmokarram@lakeforestca.gov	$104K	November 2023
City of Newport 100 Civic Center Drive, Newport Beach, CA 92660	**38th and lake Street Project**	Wall construction and Concrete	**Kyle Aube, PE–** Project Manager (949) 644-3296 kaube@newportbeachca.gov	$210K	January 2025
City of Hawaiian Garden 21815 Pioneer Blvd., Hawaiian Gardens, CA 90716	**Citywide Concrete Rehabilitation Project**	Remove and reconstruction of curb, gutter, driveway sidewalk and ramp	**Neema Ghanbari, P.E.** Engineering Manager (562) 420-2641 ext. 206 nghanbari@hgcity.org	$130K	March 2025
City of Yorba Linda 4845 Casa Loma Ave, Yorba Linda, CA 92886	**4 Year On-Call contract Project 2022-2024**	Remove and reconstruction of curb, gutter, driveway sidewalk and ramp	**Armando Jaime** Superintendent (714) 814-4687 ajaime@yorbalindaca.gov	$1.6M $400K/Yr	January 2026

DESIGNATION OF SUBCONTRACTORS

In compliance with the "Subletting and Subcontracting Fair Practices Act" being Sections 4100-4113 of the Public Contract Code of the State of California, and any amendments thereto, each bidder shall set forth below the name and location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement in an amount in excess of one-half (½) of one percent (1%) of the prime contractor's total bid or in the case of bids for the construction of streets or highways, including bridges, in excess of one-half (½) of one percent (1%) of the prime contractor's total bid or ten thousand ($10,000) dollars, whichever is greater. Bidder shall further set forth the portion of the work, which will be done by each such subcontractor with its Department of Industrial Relations (DIR) registration number. Only one subcontractor for each such portion shall be listed.

If the contractor fails to specify a subcontractor for any portion of the work to be performed under the contract, he/she/it shall be deemed to have agreed to perform the balance of all work, which is not covered, and he/she/it shall not be permitted to subcontract that portion of the work except under the conditions hereinafter set forth.

Subletting or subcontracting of any portion of the work to which no subcontractor was designated in the original bid, shall only be permitted in cases of public emergency or necessity, and then only after a finding reduced to writing as a public record of the Legislative Body of the Owner.

All information must be filled out and typed. Please use additional pages in this format if needed.

Bid Item (s) Number	*% Portion of Work*	*Name, Address and E-mail of Subcontractor*	*State License Number*	*Class*	*DIR Registration Number*
		NONE			

By submission of this proposal, the Bidder certifies:

1. That (I)(we)(it) is able to and will perform the balance of all work which is not covered in the above subcontractors listing.

2. That the AGENCY will be furnished copies of all subcontracts entered into by subcontractor for this project.

JM
Bidder's Initials

ATTACHMENT 3

Project and Specification No. 25-20

CITY OF COSTA MESA BIDDERS LIST

All bidders/proposers are required to provide the following information for all DBE and non-DBE subcontractors and suppliers, who provided a proposal, bid, quote, or were contacted by the proposed prime. This information is also required from the proposed prime contractor, and must be submitted with their bid/proposal. City of Costa Mesa will use this information to maintain and update a "Bidders List" to assist in evaluating the level of DBE participation on all Public Works projects. To the extent permitted by law, all information submitted will be held in confidence.

If Bidders List information is not submitted with the bid, it shall be submitted to the City of Costa Mesa, Construction Management Division, 77 Fair Drive, Costa Mesa, CA 92626, no later than 4:00 p.m. on the fourth day, not including Saturdays, Sundays and legal holidays, following the bid opening. Bidders List information sent by U.S. Postal Service certified mail with return receipt and certificate of mailing and mailed on or before the third day, not including Saturdays, Sundays and legal holidays, following bid opening will be accepted even if it is received after the fourth day following bid opening. Failure to submit the required Bidders List information by the time specified will be grounds for finding the bid or proposal non-responsive.

Firm Name: S+H CIVILWORKS Phone: (909) 2061181

Address: 1601 HILLTOP DR Fax: (909) 4988021

Contact Person: JESSE SOTO No. of years in business: 12

Is the firm currently certified as a DBE under 49 CFR Part 26? ☒ YES ☐ NO

Type of work/services/materials provided by firm? GRADING, CONCRETE + ASPHALT

What was your firm's Gross Annual receipts for last year?

- ☐ Less than $1 Million
- ☒ Less than $5 Million
- ☐ Less than $10 Million
- ☐ Less than $15 Million
- ☐ More than $15 Million

This form can be duplicated if necessary to report all bidders (DBE subcontractors, non-DBE subcontractors and/or suppliers' information).

Bidder's Initials

ATTACHMENT 3

Project and Specification No. 25-20

BIDDER'S BOND TO ACCOMPANY PROPOSAL

(Required if the bidder desires to submit bond instead of a certified or cashier's check.)

KNOW ALL PEOPLE BY THESE PRESENTS:

That we, S&H Civilworks as principals, and Merchants Bonding Company (Mutual) as surety, are held and firmly bound unto the City of Costa Mesa, a municipal corporation, organized under the laws of the State of California and situated in Orange County in the sum of Ten percent of amount bid ($ 10%) to be paid to the City, its successors and assigns, for which payment well and truly to be made, we bind ourselves, our heirs, executors, and administrators, successors or assigns, jointly and severally firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH,

That is the certain proposal of the above bounden, S&H Civilworks , if accepted by the City of Costa Mesa, and if the above bounden, S&H Civilworks , his heirs, executors, administrators, successors and assigns, shall duly enter into and execute a contract for such construction, and shall execute and deliver the CERTIFICATE OF INSURANCE and the LABOR AND MATERIAL and the FAITHFUL PERFORMANCE BONDS described within fourteen (14) days from the date of the mailing of a notice of the above bounden, S&H Civilworks , by and from the City, that said contract is ready for execution, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue.

IN WITNESS WHEREOF:

We hereunto set our hands and seals this 23rd day of April , 2026.

S&H Civilworks

Jess C Soto

Contractor/ Principal
(Notary Acknowledgement to be attached)

Merchants Bonding Company (Mutual)

Emily Preciado

Emily Preciado, Attorney-in-Fact

Surety/Power of Attorney
(Notary Acknowledgment to be attached)

Bidder's Initials

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On 4/23/2026 before me, E.A. Garibay, Notary Public
(insert name and title of the officer)

personally appeared Emily Preciado----------

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

NRO1 E. A. GARIBAY COMM. #2408744 Notary Public - California Orange County My Comm. Expires June 22, 2026 NRO1

ATTACHMENT 3

MERCHANTS BONDING COMPANY™

POWER OF ATTORNEY

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa, and MERCHANTS NATIONAL INDEMNITY COMPANY , an assumed name of Merchants National Bonding, Inc., (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Cynthia J Young; Edith Garibay; Emily Preciado; Kassandra De Leon

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the By-Laws adopted by the Board of Directors of the Companies.

"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship o obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner - Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 7th day of July , 2025

MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.
MERCHANTS NATIONAL INDEMNITY COMPANY

By Larry Taylor

STATE OF IOWA
COUNTY OF DALLAS ss.

On this 7th day of July 2025 , before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL), MERCHANTS NATIONAL BONDING, INC., and MERCHANTS NATIONAL INDEMNITY COMPANY; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.

Penni Miller
Commission Number 787952
My Commission Expires
January 20, 2027

Notary Public

(Expiration of notary's commission does not invalidate this instrument)

I, Elisabeth Sandersfeld, Secretary of MERCHANTS BONDING COMPANY (MUTUAL), MERCHANTS NATIONAL BONDING, INC., and MERCHANTS NATIONAL INDEMNITY COMPANY do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 23rd day of April , 2026.

Secretary

POA 0018 (5/25)

No. 2482-8

STATE OF CALIFORNIA

DEPARTMENT OF INSURANCE

SAN FRANCISCO

Amended

Certificate of Authority

THIS IS TO CERTIFY *that, pursuant to the Insurance Code of the State of California,*

Merchants Bonding Company (Mutual)

of Iowa, organized under the laws of Iowa, subject to its Articles of Incorporation or other fundamental organizational documents, is hereby authorized to transact within this State, subject to all provisions of this Certificate, the following classes of insurance:

Surety, Liability, and Miscellaneous

as such classes are now or may hereafter be defined in the Insurance Laws of the State of California.

THIS CERTIFICATE *is expressly conditioned upon the holder hereof now and hereafter being in full compliance with all, and not in violation of any, of the applicable laws and lawful requirements made under authority of the laws of the State of California as long as such laws or requirements are in effect and applicable, and as such laws and requirements now are, or may hereafter be changed or amended.*

IN WITNESS WHEREOF, *effective as of the 1st day of October, 2015, I have hereunto set my hand and caused my official seal to be affixed this 1st day of October, 2015.*

Dave Jones
Insurance Commissioner

By

Valerie Sarfaty
for Nettie Hoge
Chief Deputy

NOTICE:
Qualification with the Secretary of State must be accomplished as required by the California Corporations Code promptly after issuance of this Certificate of Authority. Failure to do so will be a violation of Insurance Code section 701 and will be grounds for revoking this Certificate of Authority pursuant to the covenants made in the application therefor and the conditions contained herein.

CONTRACT ASSURANCE

The CONTRACTOR or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the CONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as recipient deems appropriate.

The CONTRACTOR will require that the above provision is included in all subcontracts.

Bidder's Initials

NONCOLLUSION AFFIDAVIT

The bidders, by its officers and agents or representatives present at the time of filing this bid, being duly sworn on their oaths say, that neither they nor any of them have in any way directly or indirectly entered into any arrangement or agreement with any other bidder, or with any public officer of such CITY OF COSTA MESA whereby such affiant or affiants or either of them has paid or is to pay to such bidder or public officer any sum of money, or has given or is to give to such other bidder or public officer anything of value whatever, or such affiant or affiants or either of them has not directly or indirectly, entered into any arrangement or agreement with any other bidder or bidders, which tends to or does lessen or destroy free competition in the letting of the contract sought for on the attached bids; that no bid has been accepted from any subcontractor or supplier through any bid depository, the By-Laws, Rules, or Regulations of which prohibit or prevent the Contractor from considering any bid from any subcontractor or supplier which is not processed through said bid depository, or which prevent any subcontractor or supplier from bidding to any Contractor who does not use the facilities or accept bids from or through such bid depository; that bidder has not bid as subcontractor to other bidders; that no inducement of any form or character other than that which appears upon the face of the bid will be suggested, offered, paid or delivered to any person of the contract, nor has this bidder any agreement or understanding of any kind whatsoever, with any person whomsoever to pay, deliver to, or share with any other person in any way or manner, any of the proceeds of the contracts sought by this bid.

S & H CIVILWORKS
Contractor Firm Name

JESS C SOTTO
Name of Principal

PRESIDENT
Title

Signature

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

Subscribed and sworn to before me by:
Jess Carilo ReJano Sotto
This 6th day of May, 2026.
My Commission Expires: 03/29/2030

DEEPAK BAWA
COMM. #2551477
NOTARY PUBLIC - CALIFORNIA
SAN BERNARDINO COUNTY
My Comm. Expires March 29, 2030

Notary Public
DEEPAK BAWA

Bidder's Initials

ATTACHMENT 3

CONTRACTOR'S CERTIFICATION
OF
WORKERS' COMPENSATION INSURANCE REQUIREMENTS
FOR
PUBLIC WORKS PROJECTS
(Labor Code §1861)

I am aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.

Dated: 05/05/2026

CONTRACTOR

S&H CIVILWORKS

Company Name

PROJECT: On Call Sidewalk Repair Project
City Project No. 25-20

Bidder's Initials

ATTACHMENT 3

DRUG-FREE WORKPLACE POLICY

CONTRACTOR, upon notification of contract award, shall establish a Drug-Free Awareness Program to inform employees of the dangers of drug abuse in the workplace, the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace, and the employee assistance programs available to employees. Each employee engaged in the performance of a CITY contract must be notified of this Drug-Free Awareness Program, and must abide by its terms. Failure to establish a program, notify employees, or inform CITY of a drug-related workplace conviction will constitute a material breach of contract and cause for immediate termination of the contract by CITY.

CONTRACTOR shall conform to all the requirements of CITY'S Policy No. 100-5. A copy of this policy is attached to the sample contract agreement as an attachment in the Project Specifications.

Bidder's Initials

BIDDER/APPLICANT/CONTRACTOR CAMPAIGN

CONTRIBUTION DISCLOSURE FORM

Proposer/Consultant/Applicant is required to identify any campaign contribution or cumulative contributions greater than $249 to any city council member in the twelve months prior to submitting an application, proposal, statement of qualifications or bid requiring approval by the City Council.

NONE

Date	Name of Donor	Company/Business Affiliation	Name of Recipient	Amount

Except as described above, I/we have not made any campaign contribution in the amount of $250 or more to any Costa Mesa City Council Member in the twelve months preceding this Application/Proposal.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

SFH CIVILWORKS
Bidder/Applicant/Proposer

05/05/2026
Date

Bidder's Initials

ATTACHMENT 3

ATTACHMENT 3

Acknowledgement

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Bernardino

On April 24, 2026, before me, Manjit Kaur Boughan, Notary Public, personally appeared **Jess Sotto** who proved to me on the basis of satisfactory evidence to be the person ~~(s)~~ whose name ~~(s)~~ is/ ~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/ they~~ executed the same in his/~~her/ their~~ authorized capacity ~~(ies)~~, and that by his/~~her/their~~ signature ~~(s)~~ on the instrument the person (s), or the entity upon behalf of which the person ~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MANJIT KAUR BOUGHAN
COMM. #2470923
NOTARY PUBLIC - CALIFORNIA
SAN BERNARDINO COUNTY
My Comm. Expires Nov. 12, 2027

Manjit K

(Signature) (seal)

EXHIBIT B

BID PACKAGE

ATTACHMENT 3

CITY OF COSTA MESA

ORANGE COUNTY, CALIFORNIA

NOTICE TO BIDDERS, PROPOSAL, CONTRACT, AND
SPECIAL PROVISIONS FOR

ON CALL SIDEWALK REPAIR PROJECT

CITY PROJECT NO. 25-20

Prepared Under the Direction of



Seung Yang, P.E.

City Engineer

Copy No. _____

Checked by _____

ATTACHMENT 3

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CITY OF COSTA MESA
ORANGE COUNTY, CALIFORNIA
NOTICE INVITING BIDS

NOTICE IS HEREBY GIVEN that the City of Costa Mesa ("City") invites sealed bids, to be submitted electronically only, for the following project:

On Call Sidewalk Repair Project
CITY PROJECT NO. 25-20

1. **BID SUBMISSION AND OPENING:** Bids must be submitted electronically via the City of Costa Mesa's PlanetBids portal before the deadline of **2:00 P.M., Wednesday, May 6, 2026,** at which time or shortly thereafter the City will open bids electronically. The bid results will be posted online via PlanetBids. No paper bids or any other form of submittal will be accepted. Any bid received after the scheduled closing time for the receipt of bids will be rejected. The City is not responsible for and accepts no liability in the event a response is late due to any network, internet, or any other technical difficulty or interruption. It shall be the sole responsibility of the bidder to ensure that his/her/its bid is received by the deadline.

   To access the bid documents and bid on this project, potential vendors and bidders must first register through the City's PlanetBids portal at:

   https://www.planetbids.com/portal/portal.cfm?CompanyID=45476.

2. **SCOPE OF WORK AND BID DOCUMENTS:** The scope of work consists of: mobilization; clearing and grubbing; sawcutting, removal and reconstruction of sidewalk; curb and gutter, driveway/driveway approach, spandrel, and cross gutter; installation of new A.D.A. ramps; traffic control; and all other work as required. The contractor shall furnish all materials, tools, equipment and incidentals necessary to perform and complete the work as shown on the plans and these contract documents, and to the satisfaction of the City.

   The plans, specifications, and bid documents for this project can be obtained via the City's PlanetBids portal at: *https://www.planetbids.com/portal/portal.cfm?CompanyID=45476*. It is the bidder's responsibility to ensure that the most current version of the solicitation, including any addenda, has been downloaded. Bids received without the applicable addenda will be rejected as incomplete.

3. **PRE-BID MEETING OR JOB WALK:** None.

4. **BID CONTENTS:** All bids must be submitted on the proposal form included in the bid documents. No bid will be considered unless it is made on the proposal form furnished by the City and made in accordance with the provisions of the bid requirements.

5. **BID SECURITY:** Each bidder **must** submit a physical certified check, cashier's check, or a bid bond, made payable to or in favor of the City of Costa Mesa, in an amount equal to at least ten percent (10%) of the total amount of the bid, to the Costa Mesa City Clerk at 77 Fair Drive, Costa Mesa, CA 92626 prior to the bid submission deadline. No bid will be considered unless such certified check, cashier's check, or bid bond is received by the City Clerk ***PRIOR*** to the bid submission deadline.

6. **CONTRACTOR'S LICENSE:** A valid **California Contractor's License Class "A" (General Engineering Contractor)** issued by the California Contractors State License Board is required at the time the contract is awarded pursuant to California Public Contract Code section 3300. Each bidder must also be qualified as required by law at the time of the bid opening.

7. **REGISTRATION WITH THE DEPARTMENT OF INDUSTRIAL RELATIONS:** Pursuant to Labor Code sections 1725.5 and 1771.1, no contractor or subcontractor shall be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code or engage in the performance of any contract for public work unless registered and qualified pursuant to Labor Code section 1725.5.

8. **PREVAILING WAGES:** This project is a "public work" subject to prevailing wage requirements. Pursuant to provisions of Sections 1770 et seq. of the California Labor Code, all works employed on the project shall be paid not less than the general prevailing rate of per diem wages, as determined by the Director of the Department of Industrial Relations (DIR) for work of a similar character in the locality in which the work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work. Copies of the prevailing rate of per diem wages are on file with Costa Mesa Public Services Department and are available to any interested party upon request. The applicable State prevailing wages are also set forth on the Department of Industrial Relations' website: *http://www.dir.ca.gov*; these rates are subject to predetermined increases. The prime contractor shall post a copy of the DIR's determination of the prevailing rate of per diem wages at each job site. This project is subject to compliance monitoring and enforcement by the DIR.

9. **PAYMENT (LABOR & MATERIAL) BOND AND PERFORMANCE BOND:** A Payment (Labor & Material) Bond and a Performance Bond, each in the amount of 100% of the contract amount, will be required of the successful bidder prior to or after the award of the contract.

10. **RETENTION:** The City withholds five percent (5%) of each progress payment as retention. Pursuant to Public Contract Code section 22300, the successful bidder may substitute certain securities for money withheld by the City to ensure performance of the contract. At the request and expense of the contractor, securities equivalent to the amount withheld shall be deposited with the public agency, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to the contractor. Securities will be returned to the contractor upon satisfactory completion of the contract.

11. **NON-DISCRIMINATION:** The bidding process and contract are subject to State and Federal non-discrimination requirements, including but not limited to the requirement that no person or business shall discriminate on the basis of race, color, national origin, ancestry, religious creed, physical disability, mental disability, medical condition, marital status, sex, gender, gender expression, gender identity, sexual orientation, age, or military or veteran status in its solicitation, selection, hiring, or treatment of individuals or businesses in connection with the bidding process or work performed for the City in connection with the project.

12. **CITY'S RIGHT TO REJECT BIDS:** The City of Costa Mesa reserves the right, in its sole discretion, to reject any or all bids, or to waive any minor irregularities or informalities in any bid.

13. **ADDITIONAL REQUIREMENTS:** This project is subject to local, State, and Federal regulations and requirements, as detailed in the bid documents.

For all inquiries, please contact Kevin Gaxiola, Public Works Department, via e-mail at kevin.gaxiola@costamesaca.gov.

Brenda Green, City Clerk
City of Costa Mesa

Dated: April 9, 2026

INFORMATION FOR BIDDERS

1. PREPARATION OF BID FORM: The City of Costa Mesa (City) requires that bids be submitted on the proposal available on *PlanetBids* at such time and place as is stated in the Notice Inviting Bids. All information requested in the bid forms must be provided. All bids shall be submitted electronically via the City's public bidding platform, *PlanetBids* **only**. No other form of submittal shall be accepted. It is the sole responsibility of the Bidder to see that his bid is received in proper time. Any bid received after the scheduled closing time for receipt of bids will be **rejected**. Each Bidder is responsible for acknowledging all addenda.

2. QUALIFICATION OF BIDDERS: Each Bidder shall submit a list of Construction Project References indicating Public Works and/or similar construction projects completed or in progress within the last 24 months. Forms for this purpose are furnished with the bid package.

3. BID SECURITY / BID BOND: Each bid shall be accompanied by one of the following: cash, cashier's check made payable to the City, a certified check made payable to the City, or a Bidder's Bond executed by an admitted surety insurer, made payable to the City, in an amount not less than 10% of the maximum amount of the bid. This original bid security / bid bond must be submitted to the City Clerk's Office *at least one hour* ***prior*** to the bid submission deadline. Any and all **late** submittals of the bid security / bid bond **shall** be rejected, and it is the bidder's responsibility, *not* the delivery service, to ensure said bid security / bid bond is delivered timely to the City Clerk's office. The Bidder's Bond shall be signed by both, the Bidder and the Surety; and both signatures shall be notarized. The bid security shall be given as a guarantee that the Bidder, if awarded the work, shall execute the contract in conformity with the Contract Documents and shall provide the surety bond or bonds as specified therein within fourteen (14) calendar days after a written Notice of Intent to Award Contract is deposited in the mail. In the case of refusal or failure to enter into said contract, the check or bond, as the case may be, shall be forfeited to the City.

4. NONCOLLUSION AFFIDAVIT: Each bid shall be accompanied by a notarized Noncollusion Affidavit on a form which is included in the Contract Documents.

5. SIGNATURE: Via the *PlanetBids* platform, the bid must be *electronically* or *digitally* signed in the name of the Bidder and must be person or persons duly authorized to sign the bid on behalf of the Bidder.

6. CORRECTIONS: Any corrections made to the submitted bid must be made electronically via *PlanetBids*.

7. DELIVERY OF PROPOSAL: Proposals shall be submitted electronically via PlanetBids: *https://www.planetbids.com/portal/portal.cfm?CompanyID=45476*. No other form of submittal shall be accepted by the City.

8. BID DEPOSIT RETURN: Deposits of three or more low bidders, the number being at the discretion of the City, will be held for sixty (60) calendar days or until posting by the successful bidder of the Bonds and Certificates of Insurance required and return of executed copies of the Agreement, whichever first occurs, at which time the deposits will be returned.

9. TAXES: No mention shall be made in the proposal of Sales Tax, Use Tax or any other tax, as all amounts bid will be deemed and held to include any such taxes which may be applicable.

10. WITHDRAWAL OF BIDS: Any bidder may withdraw his bid either personally, by written request, or by telegraphic request confirmed in the manner specified above at any time prior to the scheduled closing time for receipt of bids.

11. AGREEMENT AND BONDS: The Agreement form, which the successful bidder, as Contractor, will be required to execute, and the forms and amounts of surety bonds and Certificate of Insurance which he will be required to furnish prior to the execution of the Agreement, are included in the Contract Documents and should be carefully examined by the Bidder. The successful Bidder will be required to submit **THREE (3)** executed copies of the Agreement, the Performance Bond, the Payment Bond and the Certificate of Insurance. Payment and performance bonds shall be issued by a surety who is listed in the latest revision of U.S. Department of Treasury Circular 570 and Code of Civil Procedure Section 995.120. The Performance Bond and the Payment Bond shall be signed by both, the Bidder and the Surety; and both signatures shall be notarized.

12. FORFEITURE FOR FAILURE TO POST SECURITY AND EXECUTE AGREEMENT: In the event the Bidder to whom the Notice of Intent to Award Contract is given fails or refuses to post the required bonds and Certificate of Insurance and return executed copies of the Agreement within fourteen (14) calendar days after notification, the City may declare the Bidder's bid deposit or bond forfeited as damages caused by the failure of the bidder to post such security and execute such copies of the Agreement, and may give Notice of Intent to Award Contract to the next lowest responsive and responsible bidder, or may call for new bids.

13. BIDDERS INTERESTED IN MORE THAN ONE BID: No person, firm or corporation shall be allowed to make, or file or be interested in more than one bid for the same work unless alternate bids are specifically called for.

14. EXAMINATION OF SITE AND CONTRACT DOCUMENTS: Each bidder shall visit the site of the proposed work and fully acquaint himself with the conditions relating to the construction and labor so that he may fully understand the facilities, difficulties, and restrictions attending the execution of the work under the contract. Bidders shall thoroughly examine and be familiar with the drawings and specifications. The failure or omission of any bidder to receive or examine any contract document, form, instrument, addendum, or other document or to visit the site and acquaint himself with conditions there existing shall in no way relieve any bidder from any obligation with respect to his bid or to the contract. The submission of a bid shall be taken as prima facie evidence of compliance with this section.

15. INTERPRETATION OF PLANS AND DOCUMENTS: If any Bidder contemplating submitting a bid for the proposed contract is in doubt as to the true meaning of any part of the drawings, specifications, or other Contract Documents, or finds discrepancies in, or omissions from the drawings and specifications, it may submit to the Engineer a written request for an interpretation or correction thereof. The Bidder submitting the Request for Interpretation (RFI) shall be responsible for its prompt delivery and on the form included within this IFB (Page B-6) Any interpretation or correction of the Contract Documents will be made only by addendum duly issued

and a copy of such addendum will be mailed or delivered to each person receiving a set of the Contract Documents. No person is authorized to make any oral interpretation of any provision in the Contract Documents to any Bidder, and no Bidder is authorized to rely on any such unauthorized oral interpretation.

16. ADDENDA: The effect of all addenda to the Contract Documents shall be considered in the bid package and said addenda shall be made part of the Contract Documents and shall be returned with the bid package. Failure to submit any such addenda with the bid package may render the bid irregular and result in its rejection by the City.

17. QUESTIONS TO THE ENGINEER: Questions regarding the bid documents (i.e. Plans, Specifications, Contract Documents, Bid Forms, etc.) will be received by the Engineer up to five (5) working days prior to the bid opening as specified in the Notice Inviting Bids. Questions asked of the Engineer after this time will not be addressed.

18. EQUIVALENT MATERIALS: Requests for the use of equivalents to those specified, must be submitted to the City. Only substitutions approved prior to bid due date via addenda Product Substitutions, will be considered. No substitutions will be considered after bid due date and contract award. It is the sole responsibility of the successful bidder to prove to the City that such a material is truly an equivalent.

19. EVIDENCE OF RESPONSIBILITY: Upon the request of the City, a bidder whose bid is under consideration for the award of the contract shall submit promptly to the City satisfactory evidence showing the Bidder's financial resources, its construction experience, and its organization and plant facilities available for the performance of the contract.

20. LEGAL RESPONSIBILITIES: All proposals must be submitted, filed, made and executed in accordance with State and Federal laws relating to bids for contracts of this nature whether the same or expressly referred to herein or not. Any Bidder submitting a proposal shall by such action thereby agree to each and all of the terms, conditions, provisions and requirements set forth, contemplated and referred to in the Plans, Specifications and other Contract Documents, and to full compliance therewith. Additionally, any Bidder submitting a proposal shall, by such action thereby, agree to pay at least the minimum prevailing per diem wages as provided in Section 1773, et. seq. of the Labor Code for each craft, classification or type of workman required as set forth by the Director of Industrial Relations of the State of California.

21. ANTI-DISCRIMINATION: It is the policy of the City that in connection with all work performed under contracts, there be no discrimination against any prospective or active employee engaged in the work because of race, color, ancestry, national origin, religious creed, sex, age, or marital status. The Contractor agrees to comply with applicable Federal and California laws including, but not limited to, the California Fair Employment Practice Act, beginning with Government Code Section 12900, and Labor Code Section 1735. In addition, the Contractor agrees to require like compliance by any subcontractors employed on the work by him/her.

22. DRUG-FREE WORKPLACE POLICY: Contractor, upon notification of contract award, shall establish a Drug-Free Awareness Program to inform employees of the dangers of drug abuse in the workplace, the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace, and the employee

assistance programs available to employees. Each employee engaged in the performance of a City contract must be notified of this Drug-Free Awareness Program, and must abide by its terms. Contractor shall conform to all the requirements of City's Policy No. 100-5. Failure to establish a program, notify employees, or inform the City of a drug-related workplace conviction will constitute a material breach of contract and cause for immediate termination of the contract by the City.

23. BID PROTEST PROCEDURES: Any bid protest must be submitted in writing before 5:00 PM of the 5th business day following bid openings. The initial protest document shall contain a complete statement of the basis for the protest. The protest shall refer to the specific portion of the document which forms the basis for the protest. The protest shall include the name, address and telephone number of the person representing the protesting party. The party filing the protest shall concurrently transmit a copy of the initial protest document and any attached documentation to all other parties with a direct financial interest which may be adversely affected by the outcome of the protest. Such parties shall include all other Bidders or proposers who appear to have a reasonable prospect of receiving an award depending upon the outcome of the protest. Upon receipt of a bid protest, the matter shall be reviewed by the Public Services Director, whose decision shall be final. This procedure supersedes the procedure of appeal outlined in City of Costa Mesa Municipal Code Section 2-303.

24. ASSEMBLY BILL 626: Assembly Bill 626 (AB 626), adds section 9204 to the Public Contract Code creating a claims resolution process applicable to any claim (as defined) by a contractor against a public entity filed in connection with a public works project. Section 9204 applies to public works contracts entered into on and after January 1, 2017. The legislation was supposed to sunset (end) on January 1, 2020, unless extended by subsequent legislation. The summary of Section 9204 is specified as follows:

    In the event of any dispute or controversy with the City over any matter whatsoever, the Contractor shall not cause any delay or cessation in or of Work, but shall proceed with the performance of the Work in dispute. The Contractor shall retain any and all rights provided that pertain to the resolution of disputes and protests between the parties. The Disputed Work will be categorized as an “unresolved dispute” and payment, if any, shall be as later determined by agreement or a court of law. The Contractor shall keep accurate, detailed records of all Disputed Work, claims and other disputed matters.

    All claims arising out of or related to the Contract Documents or this Project, and the consideration and payment of such claims, are subject to the Government Claims Act (Government Code Section 810 et seq.) with regard to filing claims. All such claims are also subject to the dispute procedures set forth in Public Contract Code Section 9204 and Public Contract Code Section 20104, et seq. (Article 1.5), to the extent each is applicable. This Contract hereby incorporates those provisions as through fully set forth herein. Thus, the Contractor or any Subcontractor must file a claim in accordance with the Government Claims Act as a prerequisite to filing a construction claim in compliance with Section 9204 and Section 20104 et seq. (if applicable), and must then adhere to Section 20104, et seq. and Section 9204, as applicable, pursuant to the definition of “claim” as individually defined therein.

CITY OF COSTA MESA

Agenda Report

File #: 26-348 **Meeting Date:** 8/4/2026

TITLE:

SIGNAL MODERNIZATION FOR SYSTEMIC SAFETY IMPROVEMENTS, FEDERAL PROJECT NO. HSIPL-5312(107), CITY PROJECT NO. 26-01

DEPARTMENT: **PUBLIC WORKS DEPARTMENT/TRANSPORTATION SERVICES DIVISION**

PRESENTED BY: **RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR**

CONTACT INFORMATION: **PAUL MARTIN, TRANSPORTATION SERVICES MANAGER AND RAMIN NIKOUI, SENIOR ENGINEER, (714) 754-5343**

RECOMMENDATION:

Staff recommends the City Council:

1. Adopt plans, specifications, and working details for the Signal Modernization for Systemic Safety Improvements, Federal Project No. HSIPL-5312(107), City Project No. 26-01, and find the project categorically exempt from the California Environmental Quality Act (CEQA).

2. Award a Public Works Agreement (PWA) for construction to Econolite Systems Inc. 1250 N Tustin Avenue, Anaheim CA 92807, in the amount of $2,709,902.68, and authorize a ten percent (10%) contingency in the amount of $270,990.27 for unforeseen costs related to the project.

3. Authorize the City Manager or designee to negotiate and approve future PWA amendment(s) to increase the total not-to-exceed compensation by up to $712,000.00 to utilize the full federal Highway Safety Improvement Program (HSIP) grant allocation.

4. Award a Professional Services Agreement (PSA) for construction management and inspection support services to C2PM, 22601 Summerfield, Suite 2, Mission Viejo, CA 92692, in the amount of $406,084.83, and authorize a ten percent (10%) contingency in the amount of $40,608.48.

5. Authorize an appropriation of $204,000 from the Measure M2 Fairshare (Fund 416) fund balance.

6. Authorize the City Manager and the City Clerk to execute the PWA and the PSA and any future amendments to the agreements within Council authorized limits.

ENVIRONMENTAL DETERMINATION:

The proposed project is exempt from the California Environmental Quality Act (CEQA). The project involves an organizational or administrative activity of government that will not result in direct or

indirect physical change in the environment. The proposed project is categorically exempt under Section 15301 relating to the operation, repair, maintenance, permitting, and/or minor alteration of existing public facilities. A Notice of Exemption was prepared by City staff, was submitted electronically to the California Governor's Office of Land Use and Climate Innovation on July 21, 2025, and was physically filed and posted at the Orange County Clerk-Recorder Department on July 22, 2025.

The proposed project is categorically excluded from the National Environmental Policy Act (NEPA). Per the Code of Federal Regulations 23 CFR 771.117(c)(8), the installation of traffic signals and equipment where no substantial land acquisition or traffic disruption will occur are considered actions that meet the criteria for categorical exclusions from NEPA and are deemed to not have any significant environmental impacts. A Preliminary Environmental Study classifying the project as categorically excluded was submitted to the California Department of Transportation (Caltrans) on July 18, 2025. On October 23, 2025, Caltrans provided concurrence with the NEPA determination of Categorical Exclusion.

BACKGROUND:

The Signal Modernization for Systemic Safety Improvements, Federal Project No. HSIPL-5312(107), City Project No. 26-01 (Project), is a federally funded project that will construct safety improvements at nearly all City-owned traffic signals.

In 2022, the City of Costa Mesa completed a Local Road Safety Plan (LRSP), which created a framework to identify, analyze and develop traffic safety enhancements on the City's roadway network. The LRSP was developed in response to local issues and needs. The LRSP identified systemic infrastructure improvements that can be implemented throughout the City to enhance safety for all modes of travel. In late 2022, using data and recommendations from the LRSP, the City applied for grant funds for the 11th cycle of the Highway Safety Improvement Program (HSIP). In 2023, the City was awarded $3,636,090 of federal grant funds for the implementation and construction management of systemic safety improvements to nearly all its signalized intersections. The grant program requires a 10% local match, which results in the federal funds accounting for 90% of project costs.

The Project will provide safety improvements for all users including implementing Leading Pedestrian Intervals (LPI) at 44 intersections, installing countdown pedestrian signals at 43 intersections, installing new yellow retroreflective border signal backplates at 128 signalized intersections to enhance visibility and compliance at traffic signals, upgrading all remaining 8" signal heads in the City to more visible 12" signal heads, installing battery backup systems at 16 major intersections to keep signals and pedestrian crossings active during unexpected power outages, and installing emergency vehicle preemption devices at 28 intersections to fill the remaining gaps in the preemption network for the City's emergency services.

The contractor is required to complete all tasks necessary to perform the scope of work as outlined in the contract documents, plans, and specifications. A copy of the specifications and working details are available for review in the Office of the City Clerk.

City Staff issued a Request for Proposals (RFP) to select a well-qualified consultant to lead the construction management and inspection operations of this federally-funded project. A copy of the

RFP is available for review in the Office of the City Clerk.

ANALYSIS:

Project Construction:

The City received and opened ten (10) bids for this project on May 4, 2026. Econolite Systems Inc. (Econolite), is the apparent low bidder with a base bid proposal of $2,472,097.53. The bid abstract for this project is included as Attachment 1. Staff has elected to authorize the additive/deductive bid items for this Project. The total contract cost for Econolite, including the additive/deductive bid items is $2,709,902.68.

Staff has analyzed the bid proposal submitted by Econolite and found no errors or irregularities. Staff recommends that City Council authorize the use of the additive/deductive bid items and award a construction contract to the apparent lowest bidder, Econolite Systems, Inc. The license and references of Econolite have been checked, and staff has found them to be in good standing.

Upon City Council authorization to execute the Public Works Agreement (PWA), Econolite will furnish the necessary bonds and insurance, which will be approved as to form by Risk Management. After the award and subsequent execution of the agreement, a “Notice to Proceed” will be issued.

Full Utilization of Available Grant Funds:

The total bid amount including additive/deductive bid items is significantly lower than the available federal grant amount awarded to the City, and there are additional grant funds that can still be utilized. Upon contract award, City staff can negotiate additional improvements to use the remaining available grant funds while providing only a 10% match. Staff recommends City Council authorize the City Manager or designee to negotiate and approve future PWA amendment(s) to increase the total not-to-exceed compensation by up to $712,000 to utilize the full federal HSIP grant allocation as needed. This will require $71,200 of additional city match to be budgeted to utilize an additional $640,800 of grant funds.

Some potential improvements that can be funded through future amendments include:

- New traffic signal heads and backplates;
- “No-Right-Turn Arrow” electronic blank-out signs to supplement leading pedestrian intervals;
- Additional pedestrian count-down heads; and
- Emergency Vehicle Preemption replacements.

Project Construction Management and Inspection Support:

On April 3, 2026, the City issued a Request for Proposals (RFP) for Construction Management and Inspection Support Services for the Project. Four (4) consultant proposals were received on April 27, 2026.

Proposals were reviewed for compliance with the City’s RFP process, and the proposed consultants were evaluated based on project understanding, depth of experience, technical expertise, and associated evaluation criteria. Since these services are grant funded, the City’s evaluation and

selection process was conducted in accordance with federal consultant selection procedures. In accordance with federal requirements, the responsive responsible proposer shall be determined based on evaluation of qualitative factors and not based on cost. During the evaluation process, the following criteria was used:

1. Project Approach & Methodology ---------- 40%
2. Qualifications & Experience of Firm ---------- 30%
3. Experience and Record of Success on Similar Federal Projects --------- 30%

After careful review of the proposals, the evaluation team identified and interviewed the two highest ranked consultants. After the interviews, the evaluation team determined the ranking of the top two consultants (in order):

1. C2PM
2. DCCM Infrastructure, Inc.

Staff determined that the highest ranked consultant, C2PM, is well qualified to perform the requested construction management and inspection support services for the project. The proposal and interviews showed that C2PM has a thorough understanding of the project, the contract documents, and federal requirements. C2PM's proposal showcased experience working on federally funded projects as they are currently working on a very large-scale federally funded project for Caltrans. The fees proposed by C2PM were initially high but were negotiated down by City staff, consistent with federal requirements, to be competitive and commensurate with the requested services.

The second highest ranked consultant, DCCM Infrastructure, Inc., was qualified to perform the construction management and inspection support services. DCCM's proposal showcased an extensive experience in federally funded projects of similar scale and type. During the consultant interviews, however, the proposed project team was not able to properly showcase their knowledge and experience related to recently updated federal procedures and requirements.

Therefore, staff recommends that the City Council award a Professional Services Agreement (PSA) for construction management and inspection support services to C2PM, (Attachment 3) in the amount of $406,084.83, and authorize a ten percent (10%) contingency in the amount of $40,608.48.

Contingency:

Staff requests approval of a ten percent (10%) contingency for both the construction and construction management agreements for unforeseen costs that may arise.

ALTERNATIVES:

The alternative would be to reject all bids, re-advertise, and re-bid the construction project. Staff has determined that re-advertising and re-bidding the project will not result in lower bids and will delay the project and adversely affect the project's federal grant funding. In addition, the alternative to reject all consultant proposals and re-advertise the RFP for construction management and inspection services will not result in lower cost proposals and will only delay the project delivery.

FISCAL REVIEW:

Majority of the funding for the construction and construction management is available in the FY 2026-27 Capital Improvement Program budget, consisting of Federal Highway Safety Improvement Program (HSIP) (Fund 230), and Regional Measure M2 Fairshare (Fund 416). To utilize all the awarded grant funds for the project, staff is requesting City Council approve an appropriation of an additional $204,000 from the Measure M2 Fairshare Fund 416 fund balance.

LEGAL REVIEW:

The City Attorney's Office has reviewed this agenda report, prepared the agreements, and approves them all as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This project works toward achieving the following City Council goals:

- Strengthen the Public's Safety and Improve the Quality of Life
- Maintain and enhance the City's facilities, equipment, and technology.

CONCLUSION:

Staff recommends the City Council:

1. Adopt plans, specifications, and working details for the Signal Modernization for Systemic Safety Improvements, Federal Project No. HSIPL-5312(107), City Project No. 26-01, and find the project categorically exempt from the California Environmental Quality Act (CEQA).

2. Award a Public Works Agreement (PWA) for construction to Econolite Systems Inc. 1250 N Tustin Avenue, Anaheim CA 92807, in the amount of $2,709,902.68, and authorize a ten percent (10%) contingency in the amount of $270,990.27 for unforeseen costs related to the project.

3. Authorize the City Manager or designee to approve future PWA amendment(s) to increase the total not-to-exceed compensation by up to $712,000.00 to utilize the full federal Highway Safety Improvement Program (HSIP) grant allocation.

4. Award a Professional Services Agreement (PSA) for construction management and inspection support services to C2PM, 22601 Summerfield, Suite 2, Mission Viejo, CA 92692, in the amount of $406,084.83, and authorize a ten percent (10%) contingency in the amount of $40,608.48.

5. Authorize an appropriation of $204,000 from the Measure M2 Fairshare Fund 416 fund balance.

6. Authorize the City Manager and the City Clerk to execute the PWA and the PSA and any future amendments to the agreements within Council authorized limits.

ATTACHMENT 1

CITY OF COSTA MESA
PUBLIC WORKS DEPARTMENT

SIGNAL MODERNIZATION FOR SYSTEMIC SAFETY IMPROVEMENTS

FEDERAL PROJECT NO. HSIPL-5312(107)
CITY PROJECT NO. 26-01

BID RESULTS
BID OPENING RESULTS: MAY 4, 2026

Bidder	***City***	***Total Base Bid (determines lowest bidder)***	***Total Base Bid + Additive/ Deductive Bid***
1. ECONOLITE SYSTEMS, INC.	*ANAHEIM*	$2,472,097.53	**$2,709,902.68**
2. ELECNOR BELCO ELECTRIC, INC.	*CHINO*	$2,586,337.00	$2,927,601.00
3. CALIFORNIA PROFESSIONAL ENGINEERING, INC.	*LA PUENTE*	$2,599,719.00	$2,908,335.00
4. INTERNATIONAL LINE BUILDERS, INC.	*CORONA*	$2,658,749.00	$2,887,593.00
5. BEAR ELECTRICAL SOLUTIONS, INC.	*ALVISO*	$2,791,425.00	$3,040,905.00
6. YUNEX LLC	*ANAHEIM*	$3,091,660.00	$3,285,700.00
7. ALFARO COMMUNICATIONS CONSTRUCTION, INC.	*COMPTON*	$3,184,394.64	$3,319,939.28
8. CROSSTOWN ELECTRICAL & DATA, INC.	*CHINO*	$3,244,455.00	$3,299,895.00
9. SELECT ELECTRIC, INC.	*ANAHEIM*	$3,257,171.00	$3,377,599.00
10. FERREIRA COASTAL CONSTRUCTION	*RANCHO CUCAMONGA*	$3,521,145.00	$3,806,045.00
	AVERAGE	**$2,940,715.32**	**$3,156,351.50**

CITY OF COSTA MESA
PUBLIC WORKS AGREEMENT FOR
CITY PROJECT NO. 26-01

THIS PUBLIC WORKS AGREEMENT ("Agreement"), dated July 1, 2026 ("Effective Date"), is made by the CITY OF COSTA MESA, a political subdivision of the State of California ("CITY"), and ECONOLITE SYSTEMS, INC., a California corporation ("CONTRACTOR").

WHEREAS, CITY desires to construct the public improvements described below under Paragraph 1, Scope of Work (the "Project"); and

WHEREAS, CITY has determined that CONTRACTOR is the lowest responsible bidder; and

WHEREAS, CITY now desires to contract with CONTRACTOR to furnish construction and related services for the Project; and

WHEREAS, CITY and CONTRACTOR desire to set forth their rights, duties and liabilities in connection with the services to be performed.

NOW, THEREFORE, for and in consideration of the covenants and conditions contained herein, the parties hereby agree as follows:

1. SCOPE OF WORK.

The scope of work generally consists of traffic signal modifications to implement safety upgrades at 128 signalized intersections in the City, including new retroreflective border backplates, countdown pedestrian signals, upgrading 8" signal heads to 12" signal heads, implementing leading pedestrian intervals, installing battery backup systems and emergency vehicle preemption. (the "Work").

The Work is further described in the "Contract Documents" referred to below.

The Project is known as the Singal Modernization for Systemic Safety Improvements Project, Federal Project No. HSIPL-5312(107), City Project No. 26-01 (the "Project").

2. CONTRACT DOCUMENTS.

The complete Agreement consists of the following documents relating to the Project:

(a) This Agreement;

(b) CONTRACTOR's bid, attached hereto as Exhibit "A" and incorporated herein;

(c) Bid package, including, but not limited to, notice inviting bids, complete plans, profiles, detailed drawings and specifications, general provisions and special provisions. The bid package is attached hereto as Exhibit “B” and incorporated herein;

(d) Faithful Performance Bond and Labor and Material Bond, including agent’s Power of Attorney for each bond, attached hereto as Exhibit “C”;

(e) Drug-Free Workplace Policy, attached hereto as Exhibit “D” and incorporated herein;

(f) Federal funding supplement (David Bacon Act and Equal Opportunity Clause) as attached hereto as Exhibit “E” and incorporated herein;

(g) Required Contract Provisions for Federal-Aid Construction Contracts (Local Assistance Procedures Manual Exhibit 12-G Required; Federal-Aid Contract Language; Form FHWA-1273 (Without Modification) As Required Per 23 CFR 633.102(B); and Title VI Assurances Appendices A and E) as attached hereto as Exhibit “F” and incorporated herein; and

(h) The Federal Prevailing Wage Determinations issued under the Davis-Bacon and related Acts applied for this project attached hereto as Exhibit “G” and incorporated herein. If there is any conflict between the State prevailing wages and the Federal prevailing wages, the higher rate shall be paid.

Any sub agreement entered into as a result of this Agreement shall contain all of the provisions of this clause.

The documents comprising the complete Agreement will be referred to as the “Contract Documents.”

All of the Contract Documents are intended to complement one another, so that any Work called for in one and not mentioned in another is to be performed as if mentioned in all documents.

In the event of an inconsistency in the Contract Documents, the terms of this Agreement shall prevail over all other Contract Documents. The order of precedence between the remaining Contract Documents shall be as set forth in The Greenbook.

The Contract Documents constitute the entire agreement between the parties and supersede any and all other writings and oral negotiations.

3. CITY’S REPRESENTATIVE.

The CITY's Representative is Ramin Nikoui referred to herein as the Project Manager ("Project Manager").

4. CONTRACTOR'S PROJECT MANAGER; PERSONNEL.

(a) Project Manager. CONTRACTOR's Project Manager must be approved by City. Such approval shall be at CITY's sole discretion.

(b) Personnel. CITY has the right to review and approve any personnel who are assigned to perform work under this Agreement. CONTRACTOR shall remove personnel from performing work under this Agreement if requested to do so by CITY.

This Paragraph 4 is a material provision of the Agreement.

5. SCHEDULE.

All Work shall be performed in accordance with the schedule approved on behalf of CITY by the Project Manager, and in accordance with the time of performance set forth in Paragraph 11 (Time of Performance).

6. EQUIPMENT - PERFORMANCE OF WORK.

CONTRACTOR shall furnish all tools, equipment, apparatus, facilities, labor and materials necessary to perform and complete the Work in a good and workmanlike manner in strict conformity with the Contract Documents.

The equipment, apparatus, facilities, labor and material shall be furnished and such Work performed and completed as required in the plans and specifications to the satisfaction of the Project Manager or his or her designee, and subject to his or her approval.

7. COMPENSATION.

CITY shall pay CONTRACTOR in accordance with the fee schedule set forth in CONTRACTOR's bid. CONTRACTOR's total compensation shall not exceed Two Million Seven Hundred Nine Thousand Nine Hundred Two Dollars and Sixty-Eight Cents ($2,709,902.68).

8. ADDITIONAL SERVICES.

CONTRACTOR shall not receive compensation for any services provided outside the scope of the Contract Documents unless such additional services, including change orders, are approved in writing by CITY prior to CONTRACTOR performing the additional services.

It is specifically understood that oral requests or approvals of such additional

services, change orders or additional compensation and any approvals from CITY shall be barred and are unenforceable.

9. PAYMENTS TO CONTRACTOR.

On or before the last Monday of each and every month during the performance of the Work, CONTRACTOR shall meet with the Project Manager or his or her designee to determine the quantity of pay items incorporated into the improvement during that month. A "Progress Payment Order" will then be jointly prepared, approved, and signed by the Project Manager and the CONTRACTOR setting forth the amount to be paid and providing for a five percent (5%) retention. Upon approval of the progress payment order by the Project Manager, or his or her designee, it shall be submitted to CITY's Finance Department and processed for payment by obtaining approval from the City Council to issue a warrant.

Within three (3) days following City Council's approval to issue a warrant, CITY shall mail to CONTRACTOR a warrant for the amount specified in the progress payment order as the amount to be paid. The retained five percent (5%) shall be paid to CONTRACTOR thirty-five (35) days after the recording of the Notice of Completion of the Work by the CITY with the Orange County Clerk-Recorder and after CONTRACTOR has furnished releases of all claims against CITY by persons who furnished labor or materials for the Work, if required by CITY.

Upon the request of CONTRACTOR and at its expense, securities equivalent to the amount withheld pursuant to the foregoing provisions may be presented to CITY for substitution for the retained funds. If CITY approves the form and amount of the offered securities it will release the retained funds and will hold the securities in lieu thereof. CONTRACTOR shall be entitled to any interest earned on the securities.

In the event that claims for property damage or bodily injury are presented to CITY arising out of CONTRACTOR's or any subcontractor's work under this Agreement, CITY shall give notice thereof to CONTRACTOR, and CONTRACTOR shall have thirty-five (35) days from the mailing of any such notice to evaluate the claim and to settle it by whole or partial payment, or to reject it, and to give notice of settlement or rejection to CITY. If CITY does not receive notice within the above-mentioned 35-day period that the claim has been settled, and if the Project Manager, after consultation with the City Attorney, determines that the claim is meritorious, CITY may pay the claim or a portion of it in exchange for an appropriate release from the claimant, and may deduct the amount of the payment from the retained funds that would otherwise be paid to CONTRACTOR upon completion of the Work; provided, however, that the maximum amount paid for any one claim pursuant to this provision shall be One Thousand Dollars ($1,000.00), and the maximum amount for all such claims in the aggregate paid pursuant to this provision shall be Five Thousand Dollars ($5,000.00).

10. PROMPT PAYMENT OF SUBCONTRACTORS.

CONTRACTOR agrees to pay each subcontractor under this Agreement for satisfactory performance of its contract no later than seven (7) days from the receipt of each payment the CONTRACTOR receives from CITY.

CONTRACTOR agrees further to release retainage payments to each subcontractor within thirty (30) days after the subcontractor's work is satisfactorily completed.

Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the CITY.

11. TIME OF PERFORMANCE.

CONTRACTOR shall commence Work by the date specified in CITY's Notice to Proceed, unless a later date is agreed upon in writing by the parties. The Work shall be completed within 95 working days from the first day of commencement of the Work.

12. TERMINATION.

(a) Termination for Convenience. CITY may terminate this Agreement at any time, with or without cause, by providing thirty (30) days' written notice to CONTRACTOR.

(b) Termination for Breach of Contract.

(i) If CONTRACTOR refuses or fails to prosecute the Work or any severable part of it with such diligence as will ensure its timely completion, or if CONTRACTOR fails to complete the Work on time, or if CONTRACTOR, or any subcontractor, violates any of the provisions of the Contract Documents, the Project Manager may give written notice to CONTRACTOR and CONTRACTOR's sureties of the CITY's intention to terminate this Agreement; and, unless within five (5) days after the serving of that notice, such conduct shall cease and arrangements for the correction thereof be made to the satisfaction of the CITY, this Agreement may be terminated at the option of CITY effective upon CONTRACTOR's receipt of a second notice sent by the CITY indicating that the CITY has exercised its option to terminate.

(ii) If CONTRACTOR is adjudged bankrupt or files for any relief under the Federal Bankruptcy Code or State insolvency laws, this Agreement shall automatically terminate without any further action or notice by CITY.

(iii) If CONTRACTOR is in breach of any material provision of this Agreement, CITY may immediately terminate this Agreement by providing written notice to CONTRACTOR of same.

13. LIQUIDATED DAMAGES.

In the event the Work is not completed, for any reason, within the time required including any approved extensions of time, and to the satisfaction of the Project Manager, CITY may, in addition to any other remedies, equitable and legal, including remedies authorized by Paragraph 12 (Termination) of this Agreement, charge to CONTRACTOR or its sureties, or deduct from payments or credits due CONTRACTOR, a sum equal to Five Thousand Two Hundred Dollars ($5,200.00) as liquidated damages for each calendar day beyond the date provided for the completion of such work.

The parties hereto agree that the amount set forth above, as liquidated damages constitutes a fair and reasonable estimate of the costs the CITY would suffer for each day that the CONTRACTOR fails to meet the performance schedule. The parties hereby agree and acknowledge that the delays in the performance schedule will cause CITY to incur costs and expenses not contemplated by this Agreement.

14. PERFORMANCE BY SURETIES.

In the event CONTRACTOR fails or refuses to perform the Work, CITY may provide CONTRACTOR with a notice of intent to terminate as provided in Paragraph 12 (Termination), of this Agreement. CITY shall immediately give written notice of such intent to terminate to CONTRACTOR and CONTRACTOR's surety or sureties, and the sureties shall have the right to take over and perform this Agreement; provided, however, that the sureties must, within five (5) days after CITY's giving notice of termination, (a) give the CITY written notice of their intention to take over the performance of this Agreement; (b) provide adequate assurances, to the satisfaction of the CITY, that the Work shall be performed diligently and in a timely manner; and (c) must commence performance thereof within five (5) days after providing notice to the CITY of their intention to take over the Work. Upon the failure of the sureties to comply with the provisions set forth above, CITY may take over the Work and complete it, at the expense of CONTRACTOR, and the CONTRACTOR and the sureties shall be liable to CITY for any excess costs or damages including those referred to in Paragraph 13 (Liquidated Damages), incurred by CITY. In such event, CITY may, without liability for so doing, take possession of such materials, equipment, tools, appliances, Contract Documents and other property belonging to CONTRACTOR as may be on the site of the Work and reasonably necessary therefor and may use them to complete the Work.

15. DISPUTES PERTAINING TO PAYMENT FOR WORK.

Should any dispute arise respecting whether any delay is excusable, or its duration, or the value of the Work done, or of any Work omitted, or of any extra Work which CONTRACTOR may be required to do, or respecting any payment to CONTRACTOR during the performance of this Agreement, such dispute shall be decided by the Project Manager, and his or her decisions shall be final and binding upon CONTRACTOR and its sureties.

16. SUPERINTENDENCE BY CONTRACTOR.

At all times during performance of the Work, CONTRACTOR shall give personal superintendence or have a competent foreman or superintendent on the worksite, with authority to act for CONTRACTOR.

17. INSPECTION BY CITY.

CONTRACTOR shall at all times maintain proper facilities and provide safe access for inspection by CITY to all parts of the Work and to all shops on or off-site where the Work or portions of the Work, are in preparation. CITY shall have the right of access to the premises for inspection at all times. However, CITY shall, at all times, comply with CONTRACTOR's safety requirements on the job site.

18. CARE OF THE WORK AND OFF-SITE AUTHORIZATION.

CONTRACTOR warrants that it has examined the site of the Work and is familiar with its topography and condition, location of property lines, easements, building lines and other physical factors and limitations affecting the performance of this Agreement. CONTRACTOR, at CONTRACTOR's sole cost and expense, shall obtain any permission, and all approvals, licenses, or easements necessary for any operations conducted off the premises owned or controlled by CITY. CONTRACTOR shall be responsible for the proper care and protection of all materials delivered to the site or stored off-site and for the Work performed until completion and final inspection and acceptance by CITY. The risk, damage or destruction of materials delivered to the site or to Work performed shall be borne by CONTRACTOR.

19. CONTRACT SECURITY AND GUARANTEE.

CONTRACTOR shall furnish, concurrently with the execution of this Agreement, the following: (1) a surety bond in an amount equal to one hundred percent (100%) of the contract price as security for the faithful performance of this Agreement, and (2) a separate surety bond in an amount equal to at least one hundred percent (100%) of the contract price as security for the payment of all persons furnishing labor or materials in connection with the Work under this Agreement. Sureties for each of the bonds and the forms thereof shall be satisfactory to CITY. In addition, such sureties must be authorized to issue bonds in California; sureties must be listed on the latest revision to the U.S. Department of the Treasury Circular 570; and must be shown to have sufficient bonding capacity to provide the bonds required by the Contract Documents.

CONTRACTOR shall provide a certified copy of the certificate of authority of the surety issued by the Insurance Commissioner; a certificate from the clerk of the county in which the court or officer is located that the certificate of authority of the surety has not been surrendered, revoked, canceled, annulled, or suspended or, in the event that it has, that renewed authority has been granted; and copies of the surety's most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to

Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

CONTRACTOR guarantees that all materials used in the Work and all labor performed shall be in conformity with the Contract Documents including, but not limited to, the standards and specifications set forth in the most current edition of The Greenbook. CONTRACTOR shall, at its own expense, make any and all repairs and replacements that shall become necessary as the result of any failure of the Work to conform to the aforementioned Contract Documents, and/or standard specifications; provided, however, that CONTRACTOR shall be obligated under this provision only to the extent of those failures or defects of which CONTRACTOR is given notice within a period of twelve (12) months from the date that the Notice of Completion is recorded.

The rights and remedies available to CITY pursuant to this provision shall be cumulative with all rights and remedies available to CITY pursuant to statutory and common law, which rights and remedies are hereby expressly reserved, and neither the foregoing guarantee by CONTRACTOR nor its furnishing of the bonds, nor acceptance thereof by CITY, shall constitute a waiver of any rights or remedies available to CITY against CONTRACTOR.

20. INDEMNIFICATION.

CONTRACTOR agrees to protect, defend, indemnify and hold harmless CITY and its elected and appointed boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury to or death of any person, and for injury or damage to any property, including consequential damages of any nature resulting therefrom, arising out of or in any way connected with the performance of this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the CONTRACTOR, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the CONTRACTOR, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the CITY, its elected officials, officers, agents and employees based upon the work performed by the CONTRACTOR, its employees, and/or authorized subcontractors under this Agreement, whether or not the CONTRACTOR, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the CONTRACTOR shall not be liable for the defense or indemnification of the CITY for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the CITY. This provision shall supersede and replace all other indemnity provisions contained either in the CITY's specifications or CONTRACTOR's proposal, which shall be of no force and effect.

CONTRACTOR shall comply with all of the provisions of the Workers' Compensation insurance laws and Safety in Employment laws of the State of California, including the applicable provisions of Divisions 4 and 5 of the California Labor Code and

all amendments thereto and regulations promulgated pursuant thereto, and all similar State, Federal or local laws applicable; and CONTRACTOR shall indemnify and hold harmless CITY from and against all claims, liabilities, expenses, damages, suits, actions, proceedings and judgments, of every nature and description, including attorney fees, that may be presented, brought or recovered against CITY for or on account of any liability under or failure to comply with any of said laws which may be incurred by reason of any Work performed under this Agreement by CONTRACTOR or any subcontractor or others performing on behalf of CONTRACTOR.

CITY does not, and shall not, waive any rights against CONTRACTOR which it may have by reason of the above hold harmless agreements, because of the acceptance by CITY or the deposit with CITY by CONTRACTOR of any or all of the insurance policies described in Paragraph 21 (Insurance) of this Agreement.

The hold harmless agreements by CONTRACTOR shall apply to all liabilities, expenses, claims, and damages of every kind (including but not limited to attorneys' fees) incurred or alleged to have been incurred, by reason of the operations of CONTRACTOR or any subcontractor or others performing on behalf of CONTRACTOR, whether or not such insurance policies are applicable. CONTRACTOR shall require any and all tiers of subcontractors to afford the same degree of indemnification to the CITY OF COSTA MESA and its elected and appointed boards, officers, agents, and employees that is required of CONTRACTOR and shall incorporate identical indemnity provisions in all contracts between CONTRACTOR and all tiers of its subcontractors.

In the event that CONTRACTOR and CITY are sued by a third party for damages caused or allegedly caused by negligent or other wrongful conduct of CONTRACTOR, or by a dangerous condition of CITY's property created by CONTRACTOR or existing while the property was under the control of CONTRACTOR, CONTRACTOR shall not be relieved of its indemnity obligation to CITY by any settlement with any such third party unless that settlement includes a full release and dismissal of all claims by the third party against the CITY.

21. INSURANCE.

(a) Minimum Scope and Limits of Insurance. CONTRACTOR shall not commence work under this Agreement until it has obtained all insurance required under this Paragraph 21 and CITY has approved the insurance as to form, amount, and carrier, nor shall CONTRACTOR allow any subcontractor to commence any Work until all similar insurance required of the subcontractor has been obtained and approved.

CONTRACTOR shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by CITY:

(i) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars ($1,000,000.00) per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.

(ii) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars ($1,000,000.00) combined single limit per accident for bodily injury and property damage.

(iii) Workers' compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability insurance with a limit of no less than One Million Dollars ($1,000,000.00) per accident for bodily injury or disease. CONTRACTOR agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the CITY, its officers, agents, employees, and volunteers arising from work performed by CONTRACTOR for the CITY and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

(iv) Umbrella or excess liability insurance that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

(1) A drop down feature requiring the policy to respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable in whole or in part for any reason;
(2) Pay on behalf of wording as opposed to reimbursement;
(3) Concurrency of effective dates with primary policies;
(4) Policies shall "follow form" to underlying primary policies; and
(5) Insureds under primary policies shall also be insureds under the umbrella or excess policies.

(b) Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

(i) Additional insureds: The City of Costa Mesa and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the CONTRACTOR pursuant to its contract with the City; products

and completed operations of the CONTRACTOR; premises owned, occupied or used by the CONTRACTOR; automobiles owned, leased, hired, or borrowed by the CONTRACTOR."

(ii) Notice: "Said policy shall not terminate, nor shall it be canceled nor the coverage reduced, until thirty (30) days after written notice is given to CITY."

(iii) Other Insurance: "CONTRACTOR's insurance coverage shall be primary insurance as respects the City of Costa Mesa, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy."

(c) Reporting Provisions. Any failure of CONTRACTOR to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Costa Mesa, its officers, officials, agents, employees, and volunteers.

(d) Insurance Applies Separately. CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(e) Deductible or Self-Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by CITY. No policy of insurance issued as to which the CITY is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

(f) Proof of Insurance. Prior to commencement of the Work, CONTRACTOR shall furnish CITY, through the Project Manager, proof of compliance with the above insurance requirements in a form satisfactory to City's Risk Management.

(g) Non-Limiting. Nothing in this Paragraph 21 shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

22. PREVAILING WAGE REQUIREMENTS.

(a) Prevailing Wage Laws. CONTRACTOR is aware of the requirements of Chapter 1 (beginning at Section 1720 et seq.) of Part 7 of Division 2 of the California Labor Code, as well as Title 8, Section 16000 et seq. of the California Code of Regulations ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. This Project is a "public works" project and requires compliance with the Prevailing Wage Laws. CONTRACTOR shall defend, indemnify and hold the CITY, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of

any failure or alleged failure to comply with the Prevailing Wage Laws.

(b) Payment of Prevailing Wages. CONTRACTOR shall pay the prevailing wage rates for all work performed under this Agreement. When any craft or classification is omitted from the general prevailing wage determinations, CONTRACTOR shall pay the wage rate of the craft or classification most closely related to the omitted classification. A copy of the general prevailing wage rate determination is on file in the Office of the City Clerk and is incorporated into this Agreement as if fully set forth herein. CONTRACTOR shall post a copy of such wage rates at all times at the project site(s).

(c) Legal Working Day. In accordance with the provisions of Labor Code Section 1810 et seq., eight (8) hours is the legal working day. CONTRACTOR and any subcontractor(s) of CONTRACTOR shall comply with the provisions of the Labor Code regarding eight (8)-hour work day and 40-hour work week requirements, and overtime, Saturday, Sunday, and holiday work. Work performed by CONTRACTOR's or any subcontractor's employees in excess of eight (8) hours per day, and 40 hours during any one week, must include compensation for all hours worked in excess of eight (8) hours per day, or 40 hours during any one week, at not less than one and one-half times the basic rate of pay. CONTRACTOR shall forfeit as a penalty to CITY Twenty-Five Dollars ($25.00), or any greater penalty set forth in the Labor Code, for each worker employed in the execution of the Work by CONTRACTOR or by any subcontractor(s) of CONTRACTOR, for each calendar day during which such worker is required or permitted to the work more than eight (8) hours in one calendar day or more than 40 hours in any one calendar week in violation of the Labor Code.

(d) Apprentices. CONTRACTOR shall comply with the provisions of Labor Code Section 1777.5 concerning the employment of apprentices on public works projects. CONTRACTOR shall be responsible for ensuring compliance by its subcontractors with Labor Code Section 1777.5.

(e) Payroll Records. Pursuant to Labor Code Section 1776, CONTRACTOR and any subcontractor(s) shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by CONTRACTOR or any subcontractor in connection with this Agreement. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: (1) The information contained in the payroll record is true and correct; and (2) The employer has complied with the requirements of Sections 1771, 1881, and 1815 of the Labor Code for any work performed by his or her employees on this Project. The payroll records shall be certified and shall be available for inspection at all reasonable hours in accordance with the requirements of Labor Code Section 1776. CONTRACTOR shall also furnish each week to CITY's Project Administration Division a statement with respect to the wages of each of its employees during the preceding weekly payroll period.

(f) Registration with DIR. CONTRACTOR and any subcontractor(s) of

CONTRACTOR shall comply with the provisions of Labor Code Section 1771 and Labor Code Section 1725.5 requiring registration with the DIR.

23. COMPLIANCE WITH ALL LAWS.

CONTRACTOR shall, at its own cost and expense, comply with all applicable local, state, and federal laws, regulations, and requirements in the performance of this Agreement, including but not limited to laws regarding health and safety, labor and employment, and wage and hours.

24. DRUG-FREE WORKPLACE POLICY.

CONTRACTOR, upon notification of the award of this Agreement, shall establish a Drug-Free Awareness Program to inform employees of the dangers of drug abuse in the workplace, the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace, and the employee assistance programs available to employees. Each employee engaged in the performance of a CITY contract must be notified of this Drug-Free Awareness Program, and must abide by its terms. CONTRACTOR shall conform to all the requirements of CITY's Policy No. 100-5, attached hereto. Failure to establish a program, notify employees, or inform the CITY of a drug-related workplace conviction will constitute a material breach of contract and cause for immediate termination of the contract by the CITY.

25. NON–DISCRIMINATION.

In performing this Agreement, CONTRACTOR will not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status or sex, or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Violation of this provision may result in the imposition of penalties referred to in Section 1735 of the California Labor Code.

26. PROVISIONS CUMULATIVE.

The provisions of this Agreement are cumulative and in addition to, and not in limitation of, any other rights or remedies available to CITY.

27. NOTICES.

It shall be the duty and responsibility of CONTRACTOR to notify all tiers of subcontractors and material men of the following special notice provision; namely, all preliminary 20-day notices or stop notices shall be directed only to the City Clerk and to no other department, and shall be either personally delivered or sent by certified mail, postage prepaid.

All other notices shall be in writing and delivered in person or sent by certified mail,

postage prepaid. Notices required to be given to CITY pursuant to this Agreement shall be addressed as follows:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Attn: Ramin Nikoui

Notices required to be given to CONTRACTOR shall be addressed as follows:

Econolite Systems, Inc.
1250 N Tustin Ave
Anaheim, CA 92807
Attn: Patrick Showalter

Notices required to be given to CONTRACTOR's sureties shall be addressed as follows:

_____
_____
_____
Attn: _____

28. INDEPENDENT CONTRACTOR.

The parties hereto acknowledge and agree that the relationship between CITY and CONTRACTOR is one of principal and independent contractor and no other. All personnel to be utilized by CONTRACTOR in the performance of this Agreement shall be employees of CONTRACTOR and not employees of the CITY. CONTRACTOR shall pay all salaries and wages, employer's social security taxes, unemployment insurance and similar taxes relating to employees and shall be responsible for all applicable withholding taxes. Nothing contained in this Agreement shall create or be construed as creating a partnership, joint venture, employment relations, or any other relationship except as set forth between the parties. The parties specifically acknowledge and agree that CONTRACTOR is not a partner with CITY, whether general or limited, and no activities of CITY or CONTRACTOR or statements made by CITY or CONTRACTOR shall be interpreted by any of the parties hereto as establishing any type of business relationship other than an independent contractor relationship.

29. PERS ELIGIBILITY INDEMNIFICATION.

In the event that CONTRACTOR or any employee, agent, or subcontractor of CONTRACTOR providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees' Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, CONTRACTOR shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONTRACTOR

or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, CONTRACTOR and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

30. VALIDITY.

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any of the other provisions of this Agreement.

31. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any legal action relating to or arising out of this Agreement shall be subject to the jurisdiction of the County of Orange, California.

32. NO THIRD PARTY BENEFICIARY RIGHTS.

This Agreement is entered into for the sole benefit of the CITY and CONTRACTOR and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

33. ASSIGNABILITY.

This Agreement may not be transferred or assigned by either party, or by operation of law, to any other person or persons or business entity, without the other party's written permission. Any such transfer or assignment, or attempted transfer or assignment, without written permission, may be deemed by the other party to constitute a voluntary termination of this Agreement and this Agreement shall thereafter be deemed terminated and void.

34. WAIVER.

No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought referring expressly to this Paragraph. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

35. HEADINGS.

Section and subsection headings are not to be considered part of this Agreement, are included solely for convenience, and are not intended to modify or explain or to be a full or accurate description of the content thereof.

36. CONSTRUCTION.

The parties have participated jointly in the negotiation and drafting of this Agreement and have had an adequate opportunity to review each and every provision of the Agreement and submit the same to counsel or other consultants for review and comment. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

37. COUNTERPARTS.

This Agreement may be executed in one or more counterparts by the parties hereto. All counterparts shall be construed together and shall constitute one Agreement.

38. CORPORATE AUTHORITY.

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so, the parties hereto are formally bound to the provisions of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CITY OF COSTA MESA
A municipal corporation

_____ Date: _____
Cecilia Gallardo-Daly
City Manager

CONTRACTOR

_____ Date: _____
Signature

_____
[Name and Title]

ATTEST:

_____ Date: _____
Brenda Green
City Clerk

APPROVED AS TO FORM:

_____ Date: _____
Kimberly Hall Barlow
City Attorney

APPROVED AS TO INSURANCE:

_____ Date: _____
Ruth Wang
Risk Management

APPROVED AS TO PURCHASING:

_____ Date: _____
Finance Director

DEPARTMENTAL APPROVAL:

_____ Date: _____
Raja Sethuraman
Public Works Director

_____ Date: _____
Ramin Nikoui
Project Manager

EXHIBIT A

CONTRACTOR'S BID

PROPOSAL
FOR THE
SIGNAL MODERNIZATION FOR SYSTEMIC SAFETY IMPROVEMENTS
FEDERAL PROJECT NO. HSIPL-5312(107)
CITY PROJECT NO. 26-01

The Honorable City Council
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

Dear Council Members:

In compliance with the NOTICE INVITING BIDS FOR THE **SIGNAL MODERNIZATION FOR SYSTEMIC SAFETY IMPROVEMENTS, FEDERAL PROJECT NO. HSIPL-5312(107), CITY PROJECT NO. 26-01,** a copy which is hereto attached, the undersigned has carefully examined the locations of the proposed Work, the Plans, Specifications and other Contract Documents and is therefore satisfied as to the conditions to be encountered, as to the character, quality and quantity of work to be performed and materials to be furnished and as to the requirements of the specifications and the Contract. It is mutually agreed that the submission of a proposal shall be considered prima facie evidence that the BIDDER has made such examination.

If awarded the Contract, the undersigned agrees to commence the Work under the Contract **WITHIN TEN (10) DAYS AFTER DATE OF EXECUTION OF CONTRACT, AND COMPLETE SAID WORK WITHIN NINETY-FIVE (95) WORKING DAYS FROM FIRST DAY OF CONSTRUCTION AS ESTABLISHED BY THE NOTICE TO PROCEED FOR CONSTRUCTION** unless legal extension is granted in accordance with the terms set forth in the specifications, and to perform and complete the Work as shown on the Plans and in accordance with the Specifications and other Contract Documents, and to furnish all labor, materials, tools and equipment necessary to complete the Work in-place therefor, in the manner and time herein prescribed at the following prices, to wit:

BASE BID SCHEDULE PROPOSAL

BASE BID

Econolite Systems, Inc.

ITEM	DESCRIPTION	QTY.	UNIT	UNIT COST	TOTAL AMOUNT
1	Mobilization*	1	LS	$ 19,277.53	$ 19,277.53
2	Traffic Control*	1	LS	$ 104,595.35	$ 104,595.35
3	Furnish And Install Complete Battery Backup System Assembly At Intersection With Inverters, Batteries, Harnesses And All Appurtenances Per The Plans And Specifications With Ethernet Monitoring Connection Configured With City Provided Ip Address And New Bbs Enclosure Onto Existing	12	EA	$ 29,619.84	$ 355,438.08

	Controller Cabinet.				
4	Furnish And Install Complete Battery Backup System Assembly At Intersection With Inverters, Batteries, Harnesses And All Appurtenances Per The Plans And Specifications With Ethernet Monitoring Connection Configured With City Provided IP Address Into Existing BBS Enclosure On Existing Controller Cabinet.	4	EA	$ 16,844.11	$ 67,376.44
5	Furnish And Install Miovision Opticom GPS EVP In New 760 Card Rack Completely With 768 Auxiliary Interface Panel And All Necessary Appurtenances For Intended Operations. Contractor To Configure With City Provided Ip Address Upon Installation. Furnish And Install Pole Mount Opticom GPS System Complete Per Manufacturer's Instructions.	28	EA	$ 14,617.20	$ 409,281.60
6	Contractor Shall Implement Leading Pedestrian Interval (LPI) Per Signal Timing Sheet Provided By The City.	44	EA	$ 1,373.33	$ 60,426.52
7	Remove And Salvage Existing Pedestrian Signal. Furnish And Install Countdown Pedestrian Signal In Existing Pedestrian Signal Housing. Reuse Existing Signal Wires.	187	EA	$ 387.25	$ 72,415.75
8	Remove And Salvage Existing Backplate. Furnish And Install New Factory-Manufactured Backplate for 3-Section Vehicle Head With High Visibility Yellow Retro-Reflective Border Per Special Provisions.	304	EA	$ 441.43	$ 134,194.72
9	Remove And Salvage Existing Backplate. Furnish And Install New Factory-Manufactured Backplate for 4-Section Vehicle Head With High Visibility Yellow Retro-Reflective Border Per Special Provisions.	13	EA	$ 514.02	$ 6,682.26

10	Remove And Salvage Existing Backplate. Furnish And Install New Factory-Manufactured Backplate for 5-Section Vehicle Head With High Visibility Yellow Retro-Reflective Border Per Special Provisions.	29	EA	$ 588.96	$ 17,079.84
11	Contractor Shall Thoroughly Clean And Acid-Wash Existing Signal Head Assembly. Paint Existing Signal Head Assembly Black Per Special Provisions. Apply 2" High Visibility Yellow Retro-Reflective Tape On Existing Backplate. Retro-Reflective Tape Shall Be Per Special Provisions.	1010	EA	$ 355.99	$ 359,549.90
12	Remove And Salvage Existing Traffic Signal Head. Furnish And Install New 3-Section Traffic Signal Head With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	205	EA	$ 1,120.14	$ 229,628.70
13	Remove And Salvage Existing 8" Traffic Signal Head. Furnish And Install New 3-Section Traffic Signal Head With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	123	EA	$ 1,215.74	$ 149,536.02
14	Remove And Salvage Existing Traffic Signal Head. Furnish And Install New 3-Section Left Arrow Traffic Signal Head Per Detail on Plans With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	82	EA	$ 1,164.63	$ 95,499.66

15	Remove And Salvage Existing 8" Traffic Signal Head. Furnish And Install New 3-Section Left Arrow Traffic Signal Head Per Detail on Plans With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	8	EA	$ 1,164.63	$ 9,317.04
16	Remove And Salvage Existing Traffic Signal Head. Furnish And Install New 3-Section Right Arrow Traffic Signal Head Per Detail on Plans With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	1	EA	$ 1,208.20	$ 1,208.20
17	Remove And Salvage Existing Traffic Signal Head. Furnish And Install New 3-Section Through Green Arrow Traffic Signal Head Per Detail on Plans With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	4	EA	$ 1,199.19	$ 4,796.76
18	Remove And Salvage Existing 8" Traffic Signal Head. Furnish And Install New 3-Section Through Arrow Traffic Signal Head Per Detail on Plans With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	1	EA	$ 1,208.20	$ 1,208.20
19	Remove And Salvage Existing Traffic Signal Head. Furnish And Install New Programmable Visibility 3-Section Left Arrow Traffic Signal Head Per Detail on Plans With High Visibility Yellow Retro-Reflective Factory Manufactured	7	EA	$ 4,864.51	$ 34,051.57

	Backplate And Mounting Bracket Per Special Provisions. Contractor Shall Program Signal Head Per Direction Of Engineer.				
20	Remove And Salvage Existing Traffic Signal Head. Furnish And Install New 4-Section Traffic Signal Head Per Detail on Plans With High Visibility Yellow Reflective Factory Manufactured Backplate And Mounting Bracket Per Special Provisions.	5	EA	$ 1,609.66	$ 8,048.30
21	Remove And Salvage Existing Traffic Signal Head. Furnish And Install New 5-Section Traffic Signal Head Per Detail on Plans With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	28	EA	$ 2,009.79	$ 56,274.12
22	Remove And Salvage Existing 8" Traffic Signal Head. Furnish And Install New 5-Section Traffic Signal Head Per Detail on Plans With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	2	EA	$ 2,075.12	$ 4,150.24
23	Remove And Salvage Existing 8" Signal Head Mounting Bracket. Furnish And Install New TV-1-T Traffic Signal Mounting Bracket For 12" Signal Heads.	21	EA	$ 1,208.56	$ 25,379.76
24	Remove And Salvage Existing 8" Signal Head Mounting Bracket. Furnish And Install New TV-2-T Traffic Signal Mounting Bracket For 12" Signal Heads. Relocate Any Existing Signal Heads To New Mounting Bracket.	9	EA	$ 1,440.71	$ 12,966.39

25	Remove And Salvage Existing 8" Signal Head Mounting Bracket. Furnish And Install New TV-3-T Traffic Signal Mounting Bracket For 12" Signal Heads. Relocate Any Existing Signal Heads To New Mounting Bracket.	1	EA	$ 1,685.36	$ 1,685.36
26	Remove And Salvage Existing 8" Signal Head Mounting Bracket. Furnish And Install New SV-1-T Traffic Signal Mounting Bracket For 12" Signal Heads.	79	EA	$ 1,253.69	$ 99,041.51
27	Remove And Salvage Existing 8" Signal Head Mounting Bracket. Furnish And Install New SV-2-TB Traffic Signal Mounting Bracket For 12" Signal Heads. Relocate Any Existing Signal Heads To New Mounting Bracket.	19	EA	$ 1,578.47	$ 29,990.93
28	Remove And Salvage Existing Vehicle Head And Mounting Bracket.	1	EA	$ 423.90	$ 423.90
29	Remove And Salvage Existing Signal Head Mounting Bracket. Furnish And Install New SV-1-T Traffic Signal Mounting Bracket For 12" Signal Heads.	2	EA	$ 1,286.44	$ 2,572.88
30	Additional Work Items	1	FA	$100,000.00	$100,000.00

TOTAL BASE BID AMOUNT (IN FIGURES) $ 2,472,097.53

TOTAL BASE BID AMOUNT (IN WORDS) Two million, four hundred seventy-two thousand, ninety-seven dollars and fifty-three cents

The award of the Contract shall be based on the lowest responsible BASE BID SCHEDULE PROPOSAL amount. The ADDITIVE and DEDUCTIVE BID ITEMS shown below per the ADDITIVE/DEDUCTIVE BID SCHEDULE PROPOSAL will **not** be taken into account in determining the lowest responsible bidder. The City may add any or all bid items from the ADDITIVE AND DEDUCTIVE BID SCHEDULE at the sole and complete discretion of the City as part of the performance of this Contract.

The City reserves the right to delete one or more bid items and/or to increase and/or to decrease bid items' quantities.

ADDITIVE/DEDUCTIVE BID SCHEDULE PROPOSAL

ADDITIVE/DEDUCTIVE BID

ITEM	ACTION	DESCRIPTION	QTY.	UNIT	UNIT COST	TOTAL AMOUNT
AD1	Deduct from Base Bid Item 11	Contractor Shall Thoroughly Clean And Acid-Wash Existing Signal Head Assembly. Paint Existing Signal Head Assembly Black Per Special Provisions. Apply 2" High Visibility Yellow Retro-Reflective Tape On Existing Backplate. Retro-Reflective Tape Shall Be Per Special Provisions.	(308)	EA	$ 355.99	($ 109,644.922),
	Add to Base Bid Item 12	Remove And Salvage Existing Traffic Signal Head. Furnish And Install New 3-Section Traffic Signal Head Per Detail on Plans With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	253	EA	$ 1,120.14	$ 283,395.42
	Add to Base Bid Item 14	Remove And Salvage Existing Traffic Signal Head. Furnish And Install New 3-Section Left Arrow (LRA, LYA, LGA) Traffic Signal Head With High Visibility Yellow Retro-Reflective Factory Manufactured Backplate Per Special Provisions.	55	EA	$ 1,164.63	$ 64,054.65

TOTAL BASE BID + ADDITIVE/DEDUCTIVE BID AMOUNT (WITH ADDITIVE/DEDUCTIVE BID ITEMS "AD1") (IN FIGURES)

$ 2,709,902.68

TOTAL BASE BID + ADDITIVE/DEDUCTIVE BID AMOUNT (WITH ADDITIVE/DEDUCTIVE BID ITEMS "AD1") (IN WORDS)

Two million, seven hundred nine thousand, nine hundred two dollars and sixty-eight cents

The CITY also reserves the right to reject all Bids.

Bidder's Initials

PROPOSAL SCHEDULE

(CONTINUED)

NOTES:

1. The accuracy of estimate quantities as shown is not guaranteed; the Bidder shall make his/her own estimate from the drawings and field review for verification. If the unit price and the total amount are different, the unit price will control the bid. Payment shall be based on actual work done and/or actual quantities used.

2. The City reserves the right to delete one or more bid items and/or to increase or decrease bid items' quantities, at no additional cost to the City.

3. F.A. designates force account. Payment shall be made on a time and materials basis, only if directed by the ENGINEER.

4. (*) Schedule of Values shall be submitted before 4:00 PM of the 4th business day following the bid opening. Schedule of values shall include quantities and unit prices. Price includes the indirect cost mark up.

5. (F) Designates Final Pay Item. When an item of work is designated as "FINAL PAY ITEM" in the Specifications, the estimated quantity for that item of work shall be the final pay quantity, unless the dimensions of any portion of that item are revised by the Engineer, or the item or any portion of the item is eliminated. If the dimensions of any portion of the item are revised, and the revisions result in an increase or decrease in the estimated quantity of that item of work, the final pay quantity for the item will be revised in the amount represented by the changes in the dimensions. If a final pay item is eliminated, the estimated quantity for the item will be eliminated. If a portion of a final pay item is eliminated, the final pay quantity will be revised in the amount represented by the eliminated portion of the item of work.

   The estimated quantity for each item of work designated as "FINAL PAY ITEM" in the Specifications, shall be considered as approximate only, and no guarantee is made that the quantity which can be determined by computations, based on the details and dimensions shown on the plans, will equal the estimated quantity. No allowance will be made in the event that the quantity based on computations does not equal the estimated quantity.

   In case of discrepancy between the quantity shown in the Engineer's Estimate for a final pay item and the quantity or summation of quantities for the same item shown on the plans, payment will be based on the quantity shown in the Engineer's Estimate.

6. Bidder declares that it has read and understands Items 14 & 15 of Information for Bidders (Page B-2 and B-3).

7. Bidder agrees to initial or notarize (if applicable) all proposal pages where initials requires uploaded onto *PlanetBids*.

Bidder's Initials

PROPOSAL SCHEDULE
(CONTINUED)

(Please Type or Print)

Total Amount for Base Bid (in written words) Two million, four hundred seventy-two thousand, ninety-seven dollars and fifty-three cents ($2,472,097.53)
in figures

Contractor's Lawful Name: Econolite Systems, Inc.

Bidder's Name: Econolite Systems, Inc. Bidder's Initials: [redacted]

Contractor's License No. [redacted] Expiration: 01/31/2028

DIR Registration Number: [redacted]

Dun & Bradstreet Number: [redacted]

Contractor's Taxpayer I.D. Number: [redacted]

Signature: [redacted] Avishek Basu Date: 04/22/2026

Contractor's Address: 1250 N Tustin Avenue, Anaheim, CA 92807

Telephone Number:(714) 575-5549 Mobile No.:(657) 291-5218

Fax Number: (N/A) E-mail: pshowalter@econolite.com

24-Hour Emergency Contacts:

Patrick Showalter
Name
Telephone Nu [redacted]
Mobile No.: (

24/7 Dispatch Service
Name
Telephone No.
Mobile No.: (

Stephanie DeFazio
Name
Telephone No.
Mobile No.: (

[redacted]
Bidder's Initials

PROPOSAL SCHEDULE
(CONTINUED)

The Contractor agrees that the City will not be held responsible if any of the approximate quantities shown in the foregoing proposal shall be found incorrect, and he shall not make any claim for damages or for loss of profits because of a difference between the quantities of the various classes of work as estimated and the work actually done. If any error, omission or misstatements shall be discovered in the estimated quantities, it shall not invalidate this contract or release the Contractor from the execution and completion of the whole or part of the work herein specified, in accordance with the specifications and the plans herein mentioned and the prices herein agreed upon and fixed therefore, or excuse him from any of the obligations or liabilities hereunder, or entitle him to any damages or compensation otherwise than as provided for in this contract.

The Contractor agrees that the City shall have the right to increase or decrease the quantity of any bid item or portion of the work or to omit portions of the work as may be deemed necessary or expedient, and that the payment for incidental items or work, not separately provided in the proposal shall be considered included in the price bid for other various items or work.

Accompanying this proposal is "Cash," "Certified Check," or "Bidder's Bond" (circle one) in the amount of Ten Percent of Amount Bid (Bidder's Bond) ($10% of Amount Bid) equal to at least ten (10%) percent of the total bid price, payable to the City of Costa Mesa, to guarantee that within fourteen (14) days after written notice is deposited in the mail, or the bidder has received notice by telephone, the bidder will furnish proper Certificates of Insurance, and required bonds satisfactory to the City and execute a contract in accordance with the proposal and in the manner and form required by the contract documents.

The undersigned deposits the above-named security as a proposal guarantee and agrees that it shall be forfeited to the City of Costa Mesa as Liquidated Damages if the above requirements are not complied with.

Bidder's Initials

Respectfully submitted,

Econolite Systems, Inc.	Avishek Basu VP, Finance & Treasurer
Contractor's Business Name	Contractor Title
1250 N Tustin Avenue	By Title
Business Address: Street	[redacted]
Anaheim CA 92807	Contractor's License No. and Classification
City State Zip	04/30/2026
(714) 630-3700	Date
Business Phone Number	N/A
N/A	Residence: Street
Name Title	N/A
N/A	Residence phone Number
City State Zip	

If the bid is by a corporation, state the names of the officers who can sign an agreement on behalf of the corporation and whether more than one officer must sign.

☑ Corporation Taxpayer I.D. Number: 27-0206675

	Can Sign	Must Sign
Name Avishek Basu	☑	☐
Name Alice Cook	☑	☐
Name Stephanie DeFazio	☑	☐

If the bid is by a partnership or a joint venture, state the names and addresses of all general partners and joint venturers.

☐ Partnership or Joint Ventures Taxpayer I.D. Number: N/A

Name N/A

Address N/A

Name N/A

Address N/A

If the bidder is a sole proprietorship or another entity that does business under a fictitious name, the bid shall be in the real name of the bidder with a designation following showing "DBA (the fictitious name)"; provided, however, no fictitious name shall be used unless there is a current registration with the Orange County Recorder.

The full names and residences of all persons and parties interested in the foregoing proposal, as principals, are as follows:

NOTE: Give first and last names in full; in case of corporation, give names of President, Secretary, Treasurer and Manager, and affix corporate seal; in case of partnerships and joint ventures, give names of all the individual members.

Spiro Gjorgjievski - President & CEO	1250 N Tustin Ave, Anaheim, CA 92807
Avishek Basu - VP Finance & Treasurer	1250 N Tustin Ave, Anaheim, CA 92807
Alice Cook - General Counsel & Secretary	1250 N Tustin Ave, Anaheim, CA 92807
Stephanie DeFazio - VP, Field Services	1250 N Tustin Ave, Anaheim, CA 92807

Bidder's Initials

Bidder shall signify receipt of all Addenda here, if any:

Addendum No.	Date Received	Bidder's Signature
1	04/29/2026	

CONSTRUCTION PROJECT REFERENCES

In order to more fully evaluate your firm's background and experience for the project herein proposed, it is requested that you submit a list of Public Works and/or similar construction projects completed, or in progress, within the last 24 months. This information will be used to evaluate whether the bid is responsive and or responsible to the call for bids.

Date Project Awarded	Awarding Agency	Agency's Contract Administrator
See attached detail on page that follows.		

Bidder's Initials

Construction Contract References

City of Bell, CA
Traffic Signal Improvements for HSIP Cycle 11
Matthew Viegas, City Engineer
6330 Pine Ave., Bell, CA 90201
(909) 706-7365
engineering@cityofbell.org
6/2025 – 9/2025, $897,000

City of Camarillo, CA
Video Detection Installation Project
Ryan Strawser, Senior Traffic Signal Technician
601 Carmen Dr., Camarillo, CA 93010
(805) 388-5381
rstrawser@cityofcamarillo.org
12/2024 – 1/2025, $106,000

City of Camarillo, CA
Citywide Opticom Installation Project
Ryan Strawser, Senior Traffic Signal Technician
601 Carmen Dr., Camarillo, CA 93010
(805) 388-5381
rstrawser@cityofcamarillo.org
12/2024 – 4/2025, $197,000

City of Mission Viejo, CA
HSIP Citywide Audible Pedestrian Signal Push Button Improvements
Mario Gutierrez, Associate Engineer (Traffic Ops)
200 Civic Center, Mission Viejo, CA 92691
(949) 470-3068 mariog@cityofmissionviejo.org
10/2024 – 4/2025, $225,000

City of Simi Valley, CA
Signal Head Replacements and Retroreflective Backplates Project
Justin Link, PE, TE, Principal Engineer
2929 Tapo Canyon Rd, Simi Valley, CA 93063
(805) 583-6884
jlink@simivalley.org
7/2024 - 10/2024, $564,000

City of Camarillo, CA
High-Definition Video Detection Project
Ryan Strawser, Senior Traffic Signal Technician
601 Carmen Dr., Camarillo, CA 93010
(805) 388-5381
rstrawser@cityofcamarillo.org
4/2024 – 5/2024, $58,000

City of Poway, CA
Traffic Signal Controller and Communications
Miguel Solano, Assistant Traffic Engineer
13325 Civic Center Dr., Poway, CA 92074
(858) 668-4653
msolano@poway.org
2/2024 – 11/2024, $520,000

City of Oceanside, CA
HSIP Cycle 9 Traffic Signal Upgrades
Luis Cardenas, Project Manager
300 North Coast Hwy, Oceanside, CA 92054
(760) 435-3573
lcardenas@oceansideca.org
7/2023 – 2/2024, $1,300,000

City of Palm Desert, CA
Traffic Signal Hardware Upgrades
Chris Gerry, Senior Project Manager
73-510 Fred Waring Dr., Palm Desert, CA 92260
(760) 776-6335
cgerry@cityofpalmdesert.org
1/2023 – 4/2023, $412,560

City of Redlands, CA
HSIP-Cycle 8 Pedestrian Countdown Signal Heads
Veronica Medina, EIT, Associate Engineer
111 W. Lugonia Ave., Redlands, CA 92374
(909) 798-7584 ext. 6
vmedina@cityofredlands.org
6/2022 – 5//2023, $542,000

City of Simi Valley, CA
Traffic Signal Video Detection System (VDS) Justin Link, PE, TE, Principal Engineer
2929 Tapo Canyon Rd., Simi Valley, CA 93063
(805) 583-6884
jlink@simivalley.org
4/2023 – 9/2024, $480,000

City of Laguna Niguel, CA
Accessible Pedestrian Signals Installation
Kathy Nguyen, Engineering Services Manager
30111 Crown Valley Pkwy., Laguna Niguel, CA 92677, (949) 362-4341
kanguyen@cityoflagunaniguel.org
CC 22-33: 5/2023 – 6/2023, CC 22-33: $84,000
CC 21-05: 5/2022 – 6/2022, CC 21-05: $49,000

City of Fontana, CA
Pan Tilt Zoom (PTZ) Camera Installation
Darrin Huggins, Supervising Traffic Systems Specialist
8353 Sierra Ave., Fontana, CA 92335
(909) 350-6525
dhuggins@fontanaca.gov
4/2022 – 5/2022, $205,121

DESIGNATION OF SUBCONTRACTORS

In compliance with the "Subletting and Subcontracting Fair Practices Act" being Sections 4100-4113 of the Public Contract Code of the State of California, and any amendments thereto, each bidder shall set forth below the name and location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement in an amount in excess of one-half (½) of one percent (1%) of the prime contractor's total bid or in the case of bids for the construction of streets or highways, including bridges, in excess of one-half (½) of one percent (1%) of the prime contractor's total bid or ten thousand ($10,000) dollars, whichever is greater. Bidder shall further set forth the portion of the work which will be done by each such subcontractor. Only one subcontractor for each such portion shall be listed.

If the contractor fails to specify a subcontractor for any portion of the work to be performed under the contract, he shall be deemed to have agreed to perform such portion himself, and he shall not be permitted to subcontract that portion of the work except under the conditions hereinafter set forth.

Subletting or subcontracting of any portion of the work to which no subcontractor was designated in the original bid, shall only be permitted in cases of public emergency or necessity, and then only after a finding reduced to writing as a public record of the Legislative Body of the owner.

All information must be filled out and typed. Please use additional pages in this format if needed.

PORTION OF WORK	BID ITEM NUMBER	SUBCONTRACTOR'S NAME AND FULL ADDRESS	STATE LICENSE NUMBER AND CLASSIFICATION
		None required.	

Bidder's Initials

CITY OF COSTA MESA BIDDERS LIST

All bidders/proposers are required to provide the following information for all ~~DBE and non-DBE~~ subcontractors and suppliers, who provided a proposal, bid, quote, or were contacted by the proposed prime. This information is also required from the proposed prime contractor, and must be submitted with their bid/proposal. ~~City of Costa Mesa will use this information to maintain and update a "Bidders List" to assist in evaluating the level of DBE participation on all Public Works projects~~. To the extent permitted by law, all information submitted will be held in confidence.

If Bidders List information is not submitted with the bid, it shall be submitted to the City of Costa Mesa, Construction Management Division, 77 Fair Drive, Costa Mesa, CA 92626, no later than 4:00 p.m. on the fourth day, not including Saturdays, Sundays and legal holidays, following the bid opening. Bidders List information sent by U.S. Postal Service certified mail with return receipt and certificate of mailing and mailed on or before the third day, not including Saturdays, Sundays and legal holidays, following bid opening will be accepted even if it is received after the fourth day following bid opening. Failure to submit the required Bidders List information by the time specified will be grounds for finding the bid or proposal non-responsive.

Firm Name: Econolite Systems, Inc. Phone: (714) 575-5549

Address: 1250 N Tustin Avenue, Anaheim, CA 92807 Fax: N/A

Contact Person: Patrick Showalter No. of years in business: 24

~~Is the firm currently certified as a DBE under 49 CFR Part 26? ☐ YES ☐ NO~~

Type of work/services/materials provided by firm? ITS/traffic signal system maintenance, repair, and construction

What was your firm's Gross Annual receipts for last year?

- ☐ Less than $1 Million
- ☐ Less than $5 Million
- ☐ Less than $10 Million
- ☐ Less than $15 Million
- ☑ More than $15 Million

This form can be duplicated if necessary to report all bidders (~~DBE~~ subcontractors, non-DBE subcontractors and/or suppliers' information).

CITY OF COSTA MESA BIDDERS LIST

All bidders/proposers are required to provide the following information for all ~~DBE and non-DBE~~ subcontractors and suppliers, who provided a proposal, bid, quote, or were contacted by the proposed prime. This information is also required from the proposed prime contractor, and must be submitted with their bid/proposal. ~~City of Costa Mesa will use this information to maintain and update a "Bidders List" to assist in evaluating the level of DBE participation on all Public~~ Works projects. To the extent permitted by law, all information submitted will be held in confidence.

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Firm Name: __Nextech Systems_____ Phone: __949-916-2664_____

Address: __13885 Alton Parkway, Suite A_____ Fax: __949-916-2665_____

___Irvine, CA 92618_____

Contact Person: ___Janna McKhann_____ No. of years in business: __26__

Is the firm currently certified as a DBE under 49 CFR Part 26? ☐ YES ☐ NO

Type of work/services/materials provided by firm? __Traffic Safety systems and solutions__

What was your firm's Gross Annual receipts for last year?

- ☐ Less than $1 Million
- ☐ Less than $5 Million
- ☐ Less than $10 Million
- ☐ Less than $15 Million
- ☐ More than $15 Million

This form can be duplicated if necessary to report all bidders (~~DBE~~ subcontractors, non-DBE subcontractors and/or suppliers' information).

CITY OF COSTA MESA BIDDERS LIST

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Firm Name: Swarco McCain Phone: 760-727-8100

Address: 2365 Oak Ridge Way Fax: _____

Vista, CA 92081

Contact Person: Elia Herrera No. of years in business: 39

~~Is the firm currently certified as a DBE under 49 CFR Part 26? ☐ YES ☐ NO~~

Type of work/services/materials provided by firm? Traffic Signal Equipment

What was your firm's Gross Annual receipts for last year?

- ☐ Less than $1 Million
- ☐ Less than $5 Million
- ☐ Less than $10 Million
- ☐ Less than $15 Million
- ☑ More than $15 Million

This form can be duplicated if necessary to report all bidders (~~DBE~~ subcontractors, non-DBE subcontractors and/or suppliers' information).

CITY OF COSTA MESA BIDDERS LIST

All bidders/proposers are required to provide the following information for all ~~DBE and non-DBE~~ subcontractors and suppliers, who provided a proposal, bid, quote, or were contacted by the proposed prime. This information is also required from the proposed prime contractor, and must be submitted with their bid/proposal. ~~City of Costa Mesa will use this information to maintain and update a "Bidders List" to assist in evaluating the level of DBE participation on all Public Works projects~~. To the extent permitted by law, all information submitted will be held in confidence.

If Bidders List information is not submitted with the bid, it shall be submitted to the City of Costa Mesa, Construction Management Division, 77 Fair Drive, Costa Mesa, CA 92626, no later than 4:00 p.m. on the fourth day, not including Saturdays, Sundays and legal holidays, following the bid opening. Bidders List information sent by U.S. Postal Service certified mail with return receipt and certificate of mailing and mailed on or before the third day, not including Saturdays, Sundays and legal holidays, following bid opening will be accepted even if it is received after the fourth day following bid opening. Failure to submit the required Bidders List information by the time specified will be grounds for finding the bid or proposal non-responsive.

Firm Name: AM Signal, LLC Phone: 4/30/2026

Address: 7257 S Revere Pkwy, Suite 400 Fax: 720-749-1667

Centennial, CO 80112

Contact Person: Erica Peel No. of years in business: 25

~~Is the firm currently certified as a DBE under 49 CFR Part 26? ☐ YES ☐ NO~~

Type of work/services/materials provided by firm? Opticom GPS / EVP & Turn-On Support

What was your firm's Gross Annual receipts for last year?

- ☐ Less than $1 Million
- ☐ Less than $5 Million
- ☐ Less than $10 Million
- ☐ Less than $15 Million
- ☒ More than $15 Million

This form can be duplicated if necessary to report all bidders (~~DBE~~ subcontractors, non-DBE subcontractors and/or suppliers' information).

BIDDER'S BOND TO ACCOMPANY PROPOSAL

(Required if the bidder desires to submit bond instead of a certified or cashier's check.)

KNOW ALL PEOPLE BY THESE PRESENTS:

That we, Econolite Systems, Inc. as principals, and Fidelity and Deposit Company of Maryland as surety, are held and firmly bound unto the City of Costa Mesa, a municipal corporation, organized under the laws of the State of California and situated in Orange County in the sum of Ten Percent of Amount Bid ----------($ 10% of Amount Bid) to be paid to the City, its successors and assigns, for which payment well and truly to be made, we bind ourselves, our heirs, executors, and administrators, successors or assigns, jointly and severally firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH,

That is the certain proposal of the above bounden, Econolite Systems, Inc., if accepted by the City of Costa Mesa, and if the above bounden, Econolite Systems, Inc., his heirs, executors, administrators, successors and assigns, shall duly enter into and execute a contract for such construction, and shall execute and deliver the CERTIFICATE OF INSURANCE and the LABOR AND MATERIAL and the FAITHFUL PERFORMANCE BONDS described within fourteen (14) days from the date of the mailing of a notice of the above bounden, Econolite Systems, Inc., by and from the City, that said contract is ready for execution, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue.

IN WITNESS WHEREOF:

We hereunto set our hands and seals this 17th day of April, 2026.

Econolite Systems, Inc.

By: [signature]

VP of Finance.

Contractor/ Principal
(Notary Acknowledgement to be attached)

Fidelity and Deposit Company of Maryland

By: [signature]

Kathy R. Mair, Attorney-in-Fact

Surety/Power of Attorney
(Notary Acknowledgment to be attached)

ECONOLITE SYSTEMS INCORPORATED MAY 14 2009 CALIFORNIA

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT CIVIL CODE§ 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On **April 17, 2026** (DATE) before me, Mechelle Larkin, Notary Public (Name of Notary Public and Title "Notary Public"),

personally appeared Kathy R. Mair (Name(s) of Signer(s)),

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

MECHELLE LARKIN
Notary Public - California
Orange County
Commission # 2515893
My Comm. Expires Apr 24, 2029

WITNESS my hand and official seal.

Signature of Notary Public Mechelle Larkin

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Kathy R. Mair

- ☐ Corporate Officer – Title(s): _____
- ☐ Partner – ☐ Limited ☐ General
- ☐ Individual ☒ Attorney-in-Fact
- ☐ Trustee ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: **Fidelity and Deposit Company of Maryland**

Signer's Name: _____

- ☐ Corporate Officer – Title(s): _____
- ☐ Partner – ☐ Limited ☐ General
- ☐ Individual ☐ Attorney-in-Fact
- ☐ Trustee ☐ Guardian or Conservator
- ☐ Other: _____

Signer is Representing: _____

CALIFORNIA ACKNOWLEDGMENT CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange }

On 4/22/26 before me, Melissa Wilson, Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Avishek Basu
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

MELISSA WILSON
Notary Public - California
Orange County
Commission # 2517165
My Comm. Expires Apr 14, 2029

Place Notary Seal and/or Stamp Above

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Bid Bond - Costa Mesa, CA

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer – Title(s): _____	☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General	☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer is Representing: _____	Signer is Representing: _____

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ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by Christopher Nolan, Vice President, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **Mechelle LARKIN, Kathy R. MAIR, My HUA, Marie Claire TRINIDAD of Irvine, California**, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings,** and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said **ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND**, this 11th day of February, A.D. 2025.

SEAL SEAL SEAL

ATTEST:
ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND

By: Christopher Nolan
Vice President

By: Dawn E. Brown
Secretary

State of Maryland
County of Baltimore

On this 11th day of February, A.D. 2025, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Christopher Nolan, Vice President and Dawn E. Brown, Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, deposeth and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Genevieve M. Maison
Notary Public
My Commission Expire January 27, 2029

EXTRACT FROM BY-LAWS OF THE COMPANIES

Authenticity of this bond can be confirmed at bondvalidator.zurichna.com or 410-559-8790

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify of revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this 17th day of April, 2026.



MJ Pethick

Mary Jean Pethick
Vice President

TO REPORT A CLAIM WITH REGARD TO A SURETY BOND, PLEASE SUBMIT A COMPLETE DESCRIPTION OF THE CLAIM INCLUDING THE PRINCIPAL ON THE BOND, THE BOND NUMBER, AND YOUR CONTACT INFORMATION TO:

Zurich Surety Claims
1299 Zurich Way
Schaumburg, IL 60196-1056
reportsfclaims@zurichna.com
800-626-4577

Authenticity of this bond can be confirmed at bondvalidator.zurichna.com or 410-559-8790

CONTRACT ASSURANCE

The CONTRACTOR or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the CONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as recipient deems appropriate.

The CONTRACTOR will require that the above provision is included in all subcontracts.

_____
Bidder's Initial

NONCOLLUSION AFFIDAVIT

The bidders, by its officers and agents or representatives present at the time of filing this bid, being duly sworn on their oaths say, that neither they nor any of them have in any way directly or indirectly entered into any arrangement or agreement with any other bidder, or with any public officer of such CITY OF COSTA MESA whereby such affiant or affiants or either of them has paid or is to pay to such bidder or public officer any sum of money, or has given or is to give to such other bidder or public officer anything of value whatever, or such affiant or affiants or either of them has not directly or indirectly, entered into any arrangement or agreement with any other bidder or bidders, which tends to or does lessen or destroy free competition in the letting of the contract sought for on the attached bids; that no bid has been accepted from any subcontractor or supplier through any bid depository, the By-Laws, Rules, or Regulations of which prohibit or prevent the Contractor from considering any bid from any subcontractor or supplier which is not processed through said bid depository, or which prevent any subcontractor or supplier from bidding to any Contractor who does not use the facilities or accept bids from or through such bid depository; that bidder has not bid as subcontractor to other bidders; that no inducement of any form or character other than that which appears upon the face of the bid will be suggested, offered, paid or delivered to any person of the contract, nor has this bidder any agreement or understanding of any kind whatsoever, with any person whomsoever to pay, deliver to, or share with any other person in any way or manner, any of the proceeds of the contracts sought by this bid.

Econolite Systems, Inc.
Contractor Firm Name

Avishek Basu
Name of Principal

Vice President, Finance & Treasurer
Title

Signature

Subscribed and sworn to before me by:

see attached

This ____ day of _____, 20___.

My Commission Expires: _____

Notary Public

Bidder's Initials

CALIFORNIA JURAT GOVERNMENT CODE § 8202

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Orange

Subscribed and sworn to (or affirmed) before me on this 22 (Date) day of April (Month), 2026 (Year), by

(1) Avishek Basu

(and (2) _____),
Name(s) of Signer(s)

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



Signature _____
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Non Collusion Affidavit for Costa Mesa

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

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CONTRACTOR'S CERTIFICATION OF WORKERS' COMPENSATION INSURANCE REQUIREMENTS FOR PUBLIC WORKS PROJECTS (Labor Code §1861)

I am aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.

Dated: 04/30/2026

CONTRACTOR

Avishek Basu

Econolite Systems, Inc.
Company Name

PROJECT: Signal Modernization for Systemic Safety Improvements (Federal Project No. HSIPL -5312(107), City Project No. 26-01)

Bidder's Initials

DRUG-FREE WORKPLACE POLICY

CONTRACTOR, upon notification of contract award, shall establish a Drug-Free Awareness Program to inform employees of the dangers of drug abuse in the workplace, the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace, and the employee assistance programs available to employees. Each employee engaged in the performance of a CITY contract must be notified of this Drug-Free Awareness Program, and must abide by its terms. Failure to establish a program, notify employees, or inform CITY of a drug-related workplace conviction will constitute a material breach of contract and cause for immediate termination of the contract by CITY.

CONTRACTOR shall conform to all the requirements of CITY'S Policy No. 100-5. A copy of this policy is attached to the sample contract agreement as Attachment No. 1 in the Project Specifications.

_____
Bidder's Initials

FEDERAL REQUIREMENTS
(BID PROPOSAL)

Federal Lobbying Restrictions:

Section 1352, Title 1352, Title 31, United States Code prohibits Federal funds from being expended by the recipient or any lower tier subrecipient of a Federal-aid contract to pay for any person for influencing or attempting to influence a federal agency or Congress in connection with the awarding of any federal-aid contract, the making of any federal grant or loan, or the entering into of any cooperative agreement.
If any funds other than federal funds have been paid for the same purposes in connection with this federal-aid contract, the recipient shall submit an executed certification and, if required, submit a completed disclosure form as part of the bid documents.

A certification for federal-aid contracts regarding payment of funds to lobby Congress or a federal agency is included in the Proposal. Standard Form - LLL, "Disclosure of Lobbying Activities," with instructions for completion of the Standard Form is also included in the Proposal. Signing the Proposal shall constitute signature of the Certification.

The above referenced certification and disclosure of lobbying activities shall be included in each subcontract and any lower-tier contracts exceeding $100,000. All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the Engineer.

The Contractor, subcontractors and any lower-tier contractors shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by the Contractor, subcontractors and any lower-tier contractors. An event that materially affects the accuracy of the information reported includes:

(1) A cumulative increase if $25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action; or
(2) A change in the person(s) or individual(s) influencing or attempting to influence a covered federal action;
or
(3) A change in the officer(s), employees(s), or Member(s) contacted to influence or attempt to influence a covered Federal Action.

Design Engineer May Not Bid On Construction Contract

No engineering or architectural firm which has provided design services for a project shall be eligible to bid on the contract to construct the project. The firms ineligible to bid include the prime contractor for design, subcontractors of portions of the design, and affiliates of either. An affiliate is a firm which is subject to the control of the same persons, through joint ownership or otherwise.

DEBARMENT AND SUSPENSION CERTIFICATION

TITLE 49, CODE OF FEDERAL REGULATIONS, PART 29

The bidder, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, and manager:

- Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;
- Has not been suspended, debarred, voluntarily excluded or determined ineligible by any federal agency within the past 3 years;
- Does not have a proposed debarment pending; and
- Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

Exceptions will not necessarily result in denial of award, but will be considered in determining bidder responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Notes: Providing false information may result in criminal prosecution or administrative sanctions.
The above certification is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Certification.

NONLOBBYING CERTIFICATION FOR FEDERAL-AID CONTRACTS

The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

(I) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed $100,000 and that all such subrecipients shall certify and disclose accordingly.

DISCLOSURE OF LOBBYING ACTIVITIES

COMPLETE THIS FORM TO DISCLOSE LOBBYING ACTIVITIES PURSUANT TO 31 U.S.C. 1352

1. Type of Federal Action:

☐ a. contract
b. grant
c. cooperative agreement
d. loan
e. loan guarantee
f. loan insurance

2. Status of Federal Action:

☐ a. bid/offer/application
b. initial award
c. post-award

3. Report Type:

☐ a. initial
b. material change

For Material Change Only:
year ___ quarter _____
date of last report _____

4. Name and Address of Reporting Entity

☐ Prime ☐ Subawardee
Tier _____, if known

Congressional District, if known

5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:

Congressional District, if known

6. Federal Department/Agency:

7. Federal Program Name/Description:

CFDA Number, if applicable _____

8. Federal Action Number, if known:

9. Award Amount, if known:

10. a. Name and Address of Lobby Entity
(If individual, last name, first name, MI)

b. Individuals Performing Services (including address if different from No. 10a)
(last name, first name, MI)

(attach Continuation Sheet(s) if necessary)

11. Amount of Payment (check all that apply)

$ _____ ☐ actual ☐ planned

12. Form of Payment (check all that apply):

☐ a. cash
☐ b. in-kind; specify: nature _____
value _____

13. Type of Payment (check all that apply)

☐ a. retainer
☐ b. one-time fee
☐ c. commission
☐ d. contingent fee
☐ e deferred
☐ f. other, specify _____

14. Brief Description of Services Performed or to be performed and Date(s) of Service, including officer(s), employee(s), or member(s) contacted, for Payment Indicated in Item 11:

Not Applicable to Econolite Systems, Inc.

(attach Continuation Sheet(s) if necessary)

15. Continuation Sheet(s) attached: Yes ☐ No ☐

16. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. This disclosure of lobbying reliance was placed by the tier above when his transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: _____

Print Name: Avishek Basu

Title: Vice President, Finance & Treasurer

Telephone No.: (714) 630-3700 Date: 04/30/26

Federal Use Only:

Authorized for Local Reproduction
Standard Form - LLL

Standard Form LLL Rev. 09-12-97

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipient, at the initiation or receipt of covered federal action or a material change to previous filing pursuant to title 31 U.S.C. Section 1352. The filing of a form is required for such payment or agreement to make payment to lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with a covered federal action. Attach a continuation sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence, the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last, previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District if known. Check the appropriate classification of the reporting entity that designates if it is or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee" then enter the full name, address, city, State and zip code of the prime federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organization level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the federal program name or description for the covered federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identification in item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant. or loan award number, the application/proposal control number assigned by the federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered federal action where there has been an award or loan commitment by the Federal agency, enter the federal amount of the award/loan commitments for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influenced the covered federal action.
    (b) Enter the full names of the individual(s) performing services and include full address if different from 10 (a). Enter Last Name, First Name and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.

12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.

14. Provide a specific and detailed description of the services that the lobbyist has performed or will be expected to perform and the date(s) of any services rendered. Include all preparatory and related activity not just time spent in actual contact with federal officials. Identify the federal officer(s) or employee(s) contacted or the officer(s) employee(s) or Member(s) of Congress that were contacted.
15. Check whether or not a continuation sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name title and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

SF-LLL-Instructions Rev. 06-04-90«ENDIF»

By my signature on this proposal I certify, under penalty of perjury under the laws of the State of California, that the foregoing questionnaire and statements of Public Contract Code Sections 10162, 10232 and 10285.1 are true and correct and that the bidder has complied with the requirements of Section 8103 of the Fair Employment and Housing Commission Regulations (Chapter 5, Title 2 of the California Administrative Code). By my signature on this proposal I further certify, under penalty of perjury under the laws of the State of California and the United States of America, that the Noncollusion Affidavit required by Title 23 United States Code, Section 112 and Public Contract Code Section 7106; and the Title 49 Code of Federal Regulations, Part 29 Debarment and Suspension Certification are true and correct.

Date: 04/30/2026

Avishek Basu

Vice President, Finance & Treasurer



Signature and Title of Bidder

Business Address 1250 N Tustin Avenue, Anaheim, CA 92807

Place of Business Orange County, California

Place of Residence N/A

PUBLIC CONTRACT CODE

PUBLIC CONTRACT CODE SECTION 10285.1 STATEMENT

In conformance with Public Contract Code Section 10285.1 (Chapter 376, Stats. 1985), the bidder hereby declares under penalty of perjury under the laws of the State of California that the bidder has ___, has not _✓_ been convicted within the preceding three years of any offenses referred to in that section, including any charge of fraud, bribery, collusion, conspiracy, or any other act in violation of any state or Federal antitrust law in connection with the bidding upon, award of, or performance of, any public works contract, as defined in Public Contract Code Section 1101, with any public entity, as defined in Public Contract Code Section 1100, including the Regents of the University of California or the Trustees of the California State University. The term "bidder" is understood to include any partner, member, officer, director, responsible managing officer, or responsible managing employee thereof, as referred to in Section 10285.1.

Note: The bidder must place a check mark after "has" or "has not" in one of the blank spaces provided. The above Statement is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Statement. Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

PUBLIC CONTRACT CODE SECTION 10162 QUESTIONNAIRE

In conformance with Public Contract Code Section 10162, the Bidder shall complete, under penalty of perjury, the following questionnaire:
Has the bidder, any officer of the bidder, or any employee of the bidder who has a proprietary interest in the bidder, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation?

Yes _____ No _✓_

If the answer is yes, explain the circumstances in the following space.

PUBLIC CONTRACT CODE 10232 STATEMENT

In conformance with Public Contract Code Section 10232, the Contractor, hereby states under penalty of perjury, that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two year period because of the Contractor's failure to comply with an order of a federal court which orders the Contractor to comply with an order of the National Labor Relations Board.

Note: The above Statement and Questionnaire are part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Statement and Questionnaire.
Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

AFFIRMATIVE ACTION QUESTIONNAIRE
ORDINANCE NUMBER 1451

Paragraph B.1, Section 1.

1. All contractors and subcontractors shall submit for approval to the Affirmative Action Officer of the City and Federal Government, when necessary, prior to the award of a contract, a written Affirmative Action Program in which the contractor or subcontractor, as the case may be, agrees to meet the following minimum requirements:

    a. The contractor or subcontractor shall recruit and hire a work force that reflects the ethnic composition of the resident population of the City. The most current census data shall be used as a guide in determining such required composition. In order to further the purpose of the project, the work force shall be recruited from the following areas in the order of their priority:

        1. The resident population of the official target areas of the City, as may be designated by the Affirmative Action Department or the Council;

        2. The resident population of the City as a whole; and

        3. No contractor or subcontractor shall be found to be in noncompliance solely on account of its goals within its timetable, but such contractors shall be given the opportunity to demonstrate that it has instituted all of the specific affirmative action steps specified in Paragraph B, Subsection I, and has made every good faith effort to make these steps work toward the attainment of its goals within its timetables, all to the purpose of expanding minority and residential manpower utilization on all of its projects in the Costa Mesa community;

        4. The resident population of the unincorporated areas of the County contiguous to the City.

    b. The contractor and all subcontractors shall be required to establish a plan for the hiring of minority workers. Such a plan shall include referral procedures for hiring programs, or any other comparable programs. The contractor or subcontractor pursuant to any such plan shall utilize any applicable Federal or locally subsidized program for the training and hiring of minority workers.

2. Upon acceptance of the respective Affirmative Action Programs by the Affirmative Action Officer of the City, such programs shall become a part of the contractor's and subcontractor's contracts as if fully set forth in its terms and conditions.

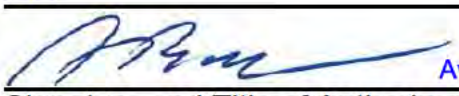
3. Compliance with the Affirmative Action Program Requirements shall be measured from the initial day of performance under the contract.

Title of Officer Signing Vice President, Finance & Treasurer

Signature ~~Avishek Basu~~ Date 04/30/2026

IMPORTANT: This report must be completed by the prime contractor and each subcontractor. Complete all items unless otherwise instructed. If additional space is needed, use separate 8-1/2 x 11 blank sheets. SUBMIT ORIGINAL OF THIS QUESTIONNAIRE TO: City Manager, City Manager's Office, P.O. Box 1200, Costa Mesa, California 92626.

Part I N/A Prime Contractor Econolite Systems, Inc.
Subcontractor

1. Name and address of reporting unit covered by this questionnaire.
   Econolite Systems, Inc. 1250 N Tustin Avenue, Anaheim, CA 92807
2. Name and address of principal official or manager.
   Patrick Showalter 1250 N Tustin Avenue, Anaheim, CA 92807
3. Name and address of principal officer of the company.
   Avishek Basu 1250 N Tustin Avenue, Anaheim, CA 92807
4. Name and address of parent company if an affiliated corporation.
   Econolite Group, Inc. 1250 N Tustin Avenue, Anaheim, CA 92807
5. Name and address of subcontractor(s). (Complete only if this is a subcontractor's report.)
   N/A
6. Name and address of prime contractor. (Complete only if this is a subcontractor's report.)
   N/A
7.  Avishek Basu - Vice President, Finance & Treasurer
   Signature and Title of Authorized Representative
8. 04/30/2026
   Date

Part II

1. Attach a statement of your company's policy on equal employment opportunity to all persons without regard to race, creed, color, national origin, or ancestry and describe what specific steps have been taken to put this policy into effect. see attached
2. Have you informed company officials and representatives regarding the nondiscrimination provisions of City of Costa Mesa contracts? yes

Equal Opportunity Statement

An Equal Opportunity Employer - Non-Smoking Facility

Econolite conform to all laws, statutes, and regulations concerning equal employment opportunities and affirmative action. We strongly encourage women, minorities, individuals with disabilities and veterans to apply to all of our job openings. We are an equal opportunity employer, and all qualified applicants will receive consideration for employment without regard to race, color, religion, gender, sexual orientation, gender identity, marital status, lactation, ancestry/national origin, citizenship, age, disability, arrest and court records, military & veteran's status, Genetic Information and Testing, Family and Medical Leave, or any other classification protected by state or federal law.

We prohibit Retaliation against individuals who bring forth any complaint, orally or in writing, to the employer or the government, or against any individuals who assist or participate in the investigation of any complaint or otherwise oppose discrimination.

More information pertaining to our EEO policy can be found here:
https://www.econolite.com/careers/career-opportunities/

3. Have you examined your company's practices regarding assignments, layoffs, or transfers of your employees from one job to another for evidence of practice or employment pattern that might appear to be discriminatory and based upon race, religion, or national origin? Are they nondiscriminatory? Yes

4. Do you have educational or training programs sponsored or financed for the benefit of employees or prospective employees? Yes - Safety Programs

   a) How many people participate in these programs? 106
   b) How many are minorities? 50%
   c) Does your help wanted advertising state that you are an equal opportunity employer, male or female? Yes

5. Are any apprentices obtained from sources outside the employer's work force? No If yes, have you circulated information about apprenticeship openings or opportunities to the following?

   State Employment Office N/A

   Newspapers or other media N/A

   High schools, including those in minority group areas N/A

   Local trade or vocational schools, including those with minority group students N/A

   Agencies and/or organizations specializing in minority employment N/A

   Federal or State apprenticeship representatives N/A

   Name N/A
   Other - Name N/A

6. If you are a prime contractor, have all subcontractors covered by these compliance inspection reports been instructed as to their contractual obligations relating to the nondiscrimination provisions of the City of Costa Mesa contracts? Yes

7. Have all recruitment sources been advised that all qualified applicants will receive consideration for employment without regard to race, color, creed or national origin? Yes

8. Identify (names and addresses) the employment agencies, personal recruitment organizations, newspaper advertising or other nonunion sources from which the company recruits its personnel.

   Company website, LinkedIn

Part III

1. Have you a collective bargaining agreement with a labor union or other organization? No

2. If yes, specify the union(s) or organization(s).
N/A

3. Have you advised the labor union and/or worker organization of the company's responsibility under the nondiscrimination provisions of City contracts?
No

4. Approximately what percentage of your employees covered by union agreements are referred by or hired through the unions?
N/A

5. Does the company's collective bargaining agreement or other contract or understanding with a labor union (or unions) or other worker organization include a nondiscrimination in employment provision? N/A

6. Is there any labor union or worker organization policy which prevents you from fulfilling your obligations under the nondiscrimination provisions of City contracts?
N/A

   If so, specify _____

7. Specify the trade(s) or craft(s) involved in this contract.
The scope of work consists of traffic signal modifications to implement safety upgrades at 128 signalized intersections in the City.

CERTIFICATION WITH REGARD TO THE PERFORMANCE OF PREVIOUS CONTRACTS OR SUBCONTRACTS SUBJECT TO THE EQUAL OPPORTUNITY CLAUSE AND THE FILING OF REQUIRED REPORTS

The bidder Econolite Systems, Inc., proposed subcontractor N/A, hereby certifies that he has ✓, has not ____, participated in a previous contract or subcontract subject to the equal opportunity clauses, as required by Executive Orders 10925, 11114, or 11246, and that, where required, he has filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance, a Federal Government contracting or administering agency, or the former President's Committee on Equal Employment Opportunity, all reports due under the applicable filling requirements.

Note: The above certification is required by the Equal Employment Opportunity Regulations of the Secretary of Labor (41 CFR 60-1.7(b) (1)), and must be submitted by bidders and proposed subcontractors only in connection with contracts and subcontracts which are subject to the equal opportunity clause. Contracts and subcontracts which are exempt from the equal opportunity clause are set forth in 41 CFR 60-1.5. (Generally only contracts or subcontracts of $10,000 or under are exempt.)

Currently, Standard Form 100 (EEO-1) is the only report required by the Executive Orders or their implementing regulations.

Proposed prime contractors and subcontractors who have participated in a previous contract or subcontract subject to the Executive Orders and have not filed the required reports should note that 41 CFR 60-1.7(b) (1) prevents the award of contracts and subcontracts unless such contractor submits a report covering the delinquent period or such other period specified by the Federal Highway Administration or by the Director, Office of Federal Contract Compliance, U.S. Department of Labor.

NOTICE

TO: Employees, Applicants for Employment, and Potential Employees

From: Econolite Systems, Inc.
(Firm Name)

Subject: Project No 26-01, Federal Project No. HSIPL-5312(107)
Equal Opportunity Policy

It is the operating policy of this company to afford all persons equal employment opportunity without regard to their race, religion, sex, national origin, age, or disability. The following is our company policy:

It is the policy of this company to assure that applicants are employed, and that employees are treated equally during employment, without regard to their race, color, religion (including reasonably accommodating an employee's religious practices where the accommodation does not impose undue hardship), sex (including pregnancy and sexual harassment), age, disability, or national origin. Such action shall include: employment, promotion, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training.

We also encourage the use of available training programs and will be happy to advise upon what programs are available, the entrance requirements for each, as well as assisting in applying for or entering such programs. Any supervisor will be happy to discuss the training program with you.

All present employees are requested also to encourage minorities and women to make application for employment with this company or to apply for training under available programs.

Spiro Gjorgjievski — (Name/Company Chief Officer)

President & CEO — (Title)

Any complaint of alleged discrimination by this company, its supervisors or employees, or any person or organization acting on behalf of the company should immediately be called to the attention of:

Company EEO Officer		Project EEO Representative:
Sue Burns (Name)	or	(Name)
1250 N Tustin Avenue, Anaheim, CA 92807 (Address)		(Address)
(714) 630-3700 (Phone Number)	or	(Phone number)

(Please print/type in bold, black block letters)

Exhibit 12-B: Bidder's List of Subcontractor (~~DBE and Non-DBE~~) - Part 1

As of March 1, 2015 Contractors (and sub-contractors) wishing to bid on public works contracts must be registered with the State Division of Industrial Relations and certified to bid on Public Works contracts. Please register at https://www.dir.ca.gov/Public-Works/Contractor-Registration.html. The local agency will verify registration of all contractors and subcontractors on public works projects at bid and thereafter annually to assure that yearly registration is maintained throughout the life of the project.

In accordance with Title 49, Section 26.11 of the Code of Federal Regulations, and Section 4104 of the Public Contract Code of the State of California, as amended, the following information is required for each sub-contractor who will perform work amounting to more than one half of one percent (0.5%) of the Total Base Bid or $10,000 (whichever is greater).

Photocopy this form for additional firms.

FEDERAL PROJECT NUMBER:
HSIPL-5312(107)

Subcontractor Name & Location	Line Item & Description	Subcontract Amount	Percentage of Bid Item Subcontracted	Contractor License Number / DIR Reg Number	DBE (Y/N)	DBE Cert Number	Annual Gross Receipts
NAME City, State	None required - Econolite can self perform all required work.						< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years

Distribution – Original: Local Agency File; Copy: DLAE w/Award Package

Exhibit 12-B: Bidder's List of Subcontractor (DBE and Non-DBE) - Part 2

In accordance with Title 49, Section 26 of the Code of Federal Regulations, the Bidder shall list all subcontractors who provided a quote or bid but **were not selected** to participate as a subcontractor on this project.

Photocopy this form for additional firms.

FEDERAL PROJECT NUMBER:
HSIPL-5312(107)

Subcontractor Name & Location	Line Item & Description	Subcontract Amount	Percentage of Bid Item Subcontracted	Contractor License Number / DIR Reg Number	DBE (Y/N)	DBE Cert Number	Annual Gross Receipts
NAME City, State	None required - Econolite can self perform all required work.						< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
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NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years
NAME City, State							< $1 million < $5 million < $10 million < $15 million Age of Firm in years

Distribution – Original: Local Agency File; Copy: DLAE w/Award Package

BIDDER/APPLICANT/CONTRACTOR CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Proposer/Consultant/Applicant is required to identify any campaign contribution or cumulative contributions greater than $249 to any city council member in the twelve months prior to submitting an application, proposal, statement of qualifications or bid requiring approval by the City Council.

Date	Name of Donor	Company/Business Affiliation	Name of Recipient	Amount
None				

Except as described above, I/we have not made any campaign contribution in the amount of $250 or more to any Costa Mesa City Council Member in the twelve months preceding this Application/Proposal.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Econolite Systems, Inc.

Bidder/Applicant/Proposer

04/30/2026

Date

CITY OF COSTA MESA

P.O. BOX 12000 77 FAIR DRIVE CALIFORNIA 92628·1200

FROM THE OFFICE OF THE TRANSPORTATION SERVICES MANAGER

DATE: **APRIL 29, 2026**

TO: **ALL PROSPECTIVE BIDDERS**

SUBJECT: **BID ADDENDUM NO. 1 –**
SIGNAL MODERNIZATION FOR SYSTEMIC SAFETY IMPROVEMENTS
FEDERAL PROJECT NO. HSIPL-5312(107)
CITY PROJECT NO. 26-01

Please forward this addendum to the appropriate individual as soon as possible. To assist our office in confirming the delivery of this addendum, please sign acknowledging receipt herein and e-mail a copy of this sheet to Kevin.Gaxiola@costamesaca.gov. **A COPY WILL NOT BE SENT BY MAIL.**

Received by: _____ Avishek Basu - Vice President, Finance

Company: Econolite Systems, Inc.

All bidders shall register with *PlanetBids* in order to retrieve addenda. It is the responsibility of each prospective bidder to check *PlanetBids* on a DAILY basis through the close of bids for any applicable addenda or updates.

This addendum, effective on this date, addresses the following items:

Responses to some of the "Request for Information" (RFI) questions are below:

1. Per Bid Item #5- Please confirm whether the qty is 28. We found qty 29, so if there's 29 locations please update the Bid Schedule. Locations attached. In order to provide a quote for the D-Panel we will need the following information for the existing cabinets. Pictures of Cabinets: Interior, Front, Center, Left, Right, Cabinet tag, D-Panel & Sticker, Cabinet manufacturer and date. - We are also requesting a due date extension if possible.

   Answer: There are 28 intersections receiving Miovision GPS EVP systems. Below is a list of the intersections as well as their cabinet and D-panel information. There are 6 intersections missing D-Panels and 22 intersections that have Econolite ASC-8000 D-panels.

   10: Cabinet=Gibbons Enclosures, D-Panel= None
   12: Cabinet=Mccain, D-Panel= Econolite ASC-8000
   13: Cabinet= Safetran, D-Panel= Econolite ASC-8000
   15: Cabinet= IDC, D-Panel= None
   16: Cabinet= Safetran, D-Panel= Econolite ASC-8000
   19: Cabinet=Mccain, D-Panel= Econolite ASC-8000
   20: Cabinet= Safetran, D-Panel= Econolite ASC-8000
   23: Cabinet= Econolite, D-Panel= Econolite ASC-8000

30: Cabinet=Gibbons Enclosures, D-Panel= None
31: Cabinet= PEEK, D-Panel= None
33: Cabinet= PEEK, D-Panel= Econolite ASC-8000
34: Cabinet=Gibbons Enclosures, D-Panel= Econolite ASC-8000
35: Cabinet= Econolite, D-Panel= Econolite ASC-8000
36: Cabinet= Econolite, D-Panel= Econolite ASC-8000
38: Cabinet= WW Metal Fabrication, D-Panel= Econolite ASC-8000
42: Cabinet= Unknown, D-Panel= Econolite ASC-8000
43: Cabinet= PEEK, D-Panel= None
82: Cabinet= Siemens, D-Panel= Econolite ASC-8000
84: Cabinet= Econolite, D-Panel= Econolite ASC-8000
92: Cabinet= Econolite, D-Panel= Econolite ASC-8000
94: Cabinet= Unknown, D-Panel= Econolite ASC-8000
95: Cabinet=Gibbons Enclosures, D-Panel= Econolite ASC-8000
96: Cabinet=Gibbons Enclosures, D-Panel= Econolite ASC-8000
98: Cabinet= Unknown, D-Panel= None
99: Cabinet=Gibbons Enclosures, D-Panel= Econolite ASC-8000
100: Cabinet= Unknown, D-Panel= Econolite ASC-8000
109: Cabinet=Gibbons Enclosures, D-Panel= Econolite ASC-8000
119: Cabinet= Econolite, D-Panel= Econolite ASC-8000

2. Regarding Bid Line Item No. 11, which states, “Contractor shall thoroughly clean and acid-wash existing signal head assembly,” would the City approve the use of an alternative, more environmentally friendly cleaning solution and methodology that minimizes potential hazards to the public and passing vehicles, including exposure to irritants and overspray?

   Answer: The intent of Bid Item No. 11 is to properly clean the signal head prior to painting the signal head in preparation for retroreflective tape on the backplate. After Contract award, if the Contractor can properly demonstrate that the method and material is equivalent and can properly clean the signal head then the City may approve it as an equivalent material and method and a submittal can be sent as an equivalent. If the City determines that the alternate does not yield the intended results or is not sufficient, the Contractor will be required to follow the plans and specifications as intended.

3. Working Days: The Contract states that the contractor shall commence the Work within ten (10) days after the date of execution of the Contract and complete the Work within ninety-five (95) working days from the first day of construction as established by the Notice to Proceed for Construction. Please clarify whether the ninety-five (95) working days include material procurement, or if this period begins only after materials are received and on-site construction activities commence.

   Answer: There will be 2 Notice to Proceeds (NTP) that will be issued, one for administrative work such as traffic control plans, submittals and procurement, and one for Construction where the working days will begin counting. The City will work with the Contractor to set an appropriate date for the NTP for Construction to account for material delivery times.

4. Would like to request a site survey for 29 locations potentially needing new D-Panels. Can the city provide access to perform a site survey for 29 cabinet locations that may require a new Econolite ASC-8000 "D" Connector Interface Panel? This is in effort to determine if a new panel is required or what panel currently exists in the cabinet. Based on the site survey, would it be possible to request a due date extension?

Answer: There are 28 intersections that will be receiving new Miovision GPS EVP systems. Please see response to question #1 for additional information regarding D-panels and cabinet manufacturers.

Where discrepancies exist between these revised plans and specifications (per Bid Addendum No. 1) and the original signed plans, these revised specifications shall take precedence.

Failure to submit this acknowledgment form AND signing page P-12 in the Bid Contract Documents and Specifications MAY CAUSE YOUR BID TO BE REJECTED.

The contents of this bid addendum shall have precedence over all related provisions within the contract documents. It is the intent of the City of Costa Mesa to clarify the above-referenced items to all bidders. Should it be necessary to request clarification on these matters, please send your request via e-mail at *Kevin.Gaxiola@costamesaca.gov*.

Again, please acknowledge receipt of ALL addenda by filling out and signing page "P-12" of the proposal within the bid contract documents **AND** by filling out and signing within the rectangle on the first page of this bid addendum and emailing it to Kevin.Gaxiola@costamesaca.gov.

Also, please remember to physically submit the bid security in the form of a certified check, cashier's check or a bid bond, made payable to or in favor of the City of Costa Mesa, per Section 4 on Sheet N-1 of the Notice Inviting Bids to the City Clerk **PRIOR** to the bid submission deadline. **No bid will be considered unless this bid security is physically received PRIOR to the submission deadline.**

Sincerely,

Ramin Nikoui
Senior Engineer

EXHIBIT B

BID PACKAGE

EXHIBIT C

BONDS

EXHIBIT D

DRUG-FREE WORKPLACE POLICY

EXHIBIT E

FEDERAL FUNDING SUPPLEMENT
(DAVIS BACON ACT AND EQUAL OPPORTUNITY CLAUSE)

EXHIBIT F

REQUIRED CONTRACT PROVISIONS FOR FEDERAL-AID CONSTRUCTION CONTRACTS

LOCAL ASSISTANCE PROCEDURES MANUAL EXHIBIT 12-G REQUIRED FEDERAL-AID CONTRACT LANGUAGE

AND

FORM FHWA-1273 (WITHOUT MODIFICATION) AS REQUIRED PER 23 CFR 633.102(b)

AND

TITLE VI ASSURANCES APPENDICES A AND E

CITY OF COSTA MESA
PROFESSIONAL SERVICES AGREEMENT
WITH C2PM

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 1st day of July, 2026 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and C2PM, a California corporation ("Consultant").

RECITALS

A. City proposes to utilize the services of Consultant as an independent contractor to provide consturction management and inspection support services for Signal Modernization for Systemic Safety Impovements (Federal Project No. HSIPL-5312(107) City Project No. 26-01), as more fully described herein; and

B. Consultant represents that it has that degree of specialized expertise contemplated within California Government Code section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. City and Consultant desire to contract for the specific services described in Exhibit "A" and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. No official or employee of City has a financial interest, within the provisions of sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in City's Request for Proposals No. 26-18, attached hereto as Exhibit "A," and Consultant's Proposal, attached hereto as Exhibit "B," both incorporated herein.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant's performance of this Agreement.

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City. Evaluations of the work will be done by the City Manager or his or her designee. If the quality of work is not satisfactory, City in its discretion has the right to:

(a) Meet with Consultant to review the quality of the work and resolve the matters of concern;

(b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or

(c) Terminate the Agreement as hereinafter set forth.

Further, pursuant to the requirements of Article XXX, Consultant's performance will be evaluated by the City. A copy of the evaluation will be sent to Consultant for comments. The evaluation together with the comments shall be retained as a part of the Agreement record.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to harassment, workplace violence, discrimination, minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-Discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military or veteran status, except as permitted pursuant to section 12940 of the Government Code. In addition, Consultant shall comply with the Non-Discrimination Clause and Statement of Compliance as delineated in Article XVI, attached as Exhibit "N" to this PSA.

Contractor assures that he/she/it will comply with Title VII of the Civil Rights Act of 1964 and that no person shall, on the grounds of race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement.

(a) Contractor shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.

(b) Contractor shall, if requested to so do by the City, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.

(c) If requested to do so by the City, Contractor shall provide the City with access to copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under state or federal law.

(d) Contractor shall recruit vigorously and encourage minority - and women-owned businesses to bid its subcontracts.

(e) Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act, which is prohibited by law.

(f) The Contractor shall include the provisions set forth in subparagraphs (a) through (e) (above) in each of its subcontracts.

(g) The Consultant's signature affixed herein and dated shall constitute a certification under penalty of perjury under the State of California that the Consultant has, unless exempt, complied with the nondiscrimination requirements of Government Code § 12990 and 2 CCR § 8103.

1.6. Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

1.9. Workplace Safety. In performing services under this Agreement, Contractor shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. Contractor shall indemnify and hold City harmless from any and all liability, fines, penalties and consequences from any of Contractor's failures to comply with such laws, ordinances, codes and regulations.

(a) Accidents: If a death, serious personal injury, or substantial property damage occurs in connection with Contractor's performance of this Agreement, Contractor shall immediately notify the Costa Mesa City Risk Manager's

Office by telephone. Contractor shall promptly submit to City a written report, in such form as may be required by City of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of Contractor's sub-Contractor, if any; (3) name and address of Contractor's liability insurance carrier; and (4) a detailed description of the accident and whether any of City's equipment, tools, material, or staff were involved.

(b) Contractor further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the City the opportunity to review and inspect such evidence, including the scene of the accident.

1.10. State Prevailing Wage Rates.

(a) No Consultant or Subconsultant may be awarded an Agreement containing public work elements unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code § 1725.5. Registration with DIR must be maintained throughout the entire term of this Agreement, including any subsequent amendments.

(b) The Consultant shall comply with all of the applicable provisions of the California Labor Code requiring the payment of prevailing wages. The General Prevailing Wage Rate Determinations applicable to work under this Agreement are available and on file with the Department of Transportation’s Regional/District Labor Compliance Officer.

(c) General Prevailing Wage Rate Determinations applicable to this project may also be obtained from the Department of Industrial Relations website at http://www.dir.ca.gov.

(d) Payroll Records: 1) Each Consultant and Subconsultant shall keep accurate certified payroll records and supporting documents as mandated by Labor Code § 1776 and as defined in 8 CCR § 16000 showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each worker or other employees by the Consultant or Subconsultant; 2) The payroll records enumerated under paragraph 1) above shall be certified as correct by the Consultant under penalty of perjury. Each Consultant shall submit a certified copy of the records to the entity that requested the records within ten (10) calendar days after receipt of the written request.

(e) When prevailing wage rates apply, the Consultant is responsible for verifying compliance with certified payroll requirements. Invoice payment will not be made until the invoice is approved by the City’s Contract Administrator.

(f) Penalty. The Consultant and any of its Subconsultants shall comply with Labor Code § 1774 and § 1775. Pursuant to § 1775, the Consultant and any Subconsultants shall forfeit to the City a penalty of not more than two hundred dollars ($200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of DIR for the work or craft in which the worker is employed for any public work done under the Agreement by Consultant or by its Subconsultants in violation of the requirements of the Labor Code and in particular, Labor Code §§ 1770 to 1780, inclusive.

(g) Pursuant to Labor Code § 1775, the City shall notify the Consultant on a public works project within fifteen (15) calendar days of receipt of a complaint that a Subconsultant has failed to pay workers the general prevailing rate of per diem wages.

2.0. COMPENSATION AND BILLING

2.1. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "C," (Consultant's Cost Proposal) attached hereto and made a part of this Agreement. Consultant's total compensation, based upon lump sum, shall not exceed Four Hundred Six Thousand Eighty-Four Dollars and Eighty-Three Cents ($406,084.83).

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal unless the City Manager or designee, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

2.3. Method of Billing. Consultant may submit invoices to the City for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to City's sole satisfaction. City shall pay Consultant's invoice within forty-five (45) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Prompt Payment From Local City To Consultant. The City shall make all project progress payment within 30 days after receipt of an undisputed and properly submitted payment request from Consultant on a professional service contract. If the City fails to pay promptly, the City shall pay interest to the Consultant, which accrues at the rate of 10 percent per annum on the principal amount of a money judgment remaining unsatisfied and pro-rated as necessary. Upon receipt of the payment request, the City shall act in accordance with both of the following:

(a) The City shall review each payment request as soon as feasible after receipt to verify it is a proper payment request.

(b) The City must return any payment request deemed improper by the City to the Consultant as soon as feasible, but not later than seven (7) days, after receipt. A request returned pursuant to this paragraph shall

include documentation setting forth in writing the reasons why it is an improper payment request.

2.5. Prompt Payment Certification. Consultant must now submit Exhibit 9-P (pursuant to Article XXX) to the City administering the contract by the 15th of the month following the month of any payment(s). If the Consultant does not make any payments to subconsultants, supplier(s), and/or manufacturers they must report "no payments were made to subs this month" and write this visibly and legibly on Exhibit 9-P.

The City must verify all Exhibit 9-P information, monitor compliance with prompt payment requirements for DBE and non-DBE firms, and address any shortfalls to the DBE commitment and prompt payment issues until the end of the project. The City must email a copy of Exhibit 9-P to DBE.Forms@dot.ca.gov before the end of the month after receiving the Exhibit 9-P from the Consultant.

2.6. Prompt Payment of Withheld Funds to Subconsultants. The City may hold retainage from CONSULTANT and shall make prompt and regular incremental acceptances of portions, as determined by the City, or the contract work, and pay retainage to Consultant based on these acceptances. The City shall designate that no retainage will be held by the City from progress payments due to Consultant. Consultant and subconsultants are prohibited from holding retainage from subconsultants. Any delay or postponement of payment may take place only for good cause and with the City's prior written approval. Any violation of these provisions shall subject the violating Consultant or subconsultant to the penalties, sanctions, and other remedies specified in Section 3321 of the California Civil Code. This requirement shall not be construed to limit or impair contractual, administrative or judicial remedies, otherwise available to Consultant or subconsultant in the event of a dispute involving late payment or nonpayment by Consultant, deficient subconsultant performance and/or noncompliance by a subconsultant. This clause applies to both DBE and non-DBE subconsultants.

2.7. Retention of Records, Audits and Audit Review Procedure.

(a) For the purpose of determining compliance with Gov. Code § 8546.7, the Consultant, Subconsultants, and City shall maintain all books, documents, papers, accounting records, Independent CPA Audited Indirect Cost Rate workpapers, and other evidence pertaining to the performance of the Agreement including, but not limited to, the costs of administering the Agreement. All parties, including the Consultant's Independent CPA, shall make such workpapers and materials available at their respective offices at all reasonable times during the Agreement period and for three (3) years from the date of final payment under the Agreement and records for real property and equipment acquired with federal funds must be retained for three (3) years after final disposition. City, Caltrans Auditor, FHWA, or any duly authorized representative of the Federal government having jurisdiction under Federal laws or regulations (including the basis of Federal funding in whole or in part) shall have access to any books, records, and documents of the Consultant, Subconsultants, and the Consultant's Independent CPA, that are pertinent to the Agreement for audits, examinations, workpaper review, excerpts, and transactions, and copies thereof shall be furnished if requested without limitation.

(b) Any dispute concerning a question of fact arising under an interim or

post audit of this Agreement that is not disposed of by Agreement, shall be reviewed by City's Chief Financial Officer.

(c) Not later than thirty (30) calendar days after issuance of the final audit report, Consultant may request a review by City's Chief Financial Officer of unresolved audit issues. The request for review will be submitted in writing.

(d) Neither the pendency of a dispute nor its consideration by City will excuse Consultant from full and timely performance, in accordance with the terms of this Agreement.

(e) Consultant and subconsultant Agreements, including cost proposals and Indirect Cost Rates (ICR), may be subject to audits or reviews such as, but not limited to, an Agreement audit, an incurred cost audit, an ICR Audit, or a CPA ICR audit work paper review. If selected for audit or review, the Agreement, cost proposal and ICR and related work papers, if applicable, will be reviewed to verify compliance with 48 CFR 31 and other related laws and regulations. In the instances of a CPA ICR audit work paper review it is Consultant's responsibility to ensure federal, City, or local government officials are allowed full access to the CPA's work papers including making copies as necessary. The Agreement, cost proposal, and ICR shall be adjusted by Consultant and approved by City Contract Administrator to conform to the audit or review recommendations. Consultant agrees that individual terms of costs identified in the audit report shall be incorporated into the Agreement by this reference if directed by City at its sole discretion. Refusal by Consultant to incorporate audit or review recommendations, or to ensure that the federal, City or local governments have access to CPA work papers, will be considered a breach of Agreement terms and cause for termination of the Agreement and disallowance of prior reimbursed costs.

(f) Consultant's Cost Proposal may be subject to a CPA ICR Audit Work Paper Review and/or audit by the Independent Office of Audits and Investigations (IOAI). IOAI, at its sole discretion, may review and/or audit and approve the CPA ICR documentation. The Cost Proposal shall be adjusted by the Consultant and approved by the City Contract Administrator to conform to the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report. Refusal by the Consultant to incorporate the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report will be considered a breach of the Agreement terms and cause for termination of the Agreement and disallowance of prior reimbursed costs.

(1) During IOAI's review of the ICR audit work papers created by the Consultant's independent CPA, IOAI will work with the CPA and/or Consultant toward a resolution of issues that arise during the review. Each party agrees to use its best efforts to resolve any audit disputes in a timely manner. If IOAI identifies significant issues during the review and is unable to issue a cognizant approval letter,

City will reimburse the Consultant at an accepted ICR until a FAR (Federal Acquisition Regulation) compliant ICR (e.g. 48 CFR Part 31; GAGAS (Generally Accepted Auditing Standards); CAS (Cost Accounting Standards), if applicable; in accordance with procedures and guidelines of the American Association of State Highways and Transportation Officials (AASHTO) Audit Guide; and other applicable procedures and guidelines) is received and approved by IOAI.

Accepted rates will be as follows:

a. If the proposed rate is less than one hundred fifty percent (150%) - the accepted rate reimbursed will be ninety percent (90%) of the proposed rate.

b. If the proposed rate is between one hundred fifty percent (150%) and two hundred percent (200%) - the accepted rate will be eighty-five percent (85%) of the proposed rate.

c. If the proposed rate is greater than two hundred percent (200%) - the accepted rate will be seventy-five percent (75%) of the proposed rate.

(2) If IOAI is unable to issue a cognizant letter per paragraph E.1. above, IOAI may require Consultant to submit a revised independent CPA-audited ICR and audit report within three (3) months of the effective date of the management letter. IOAI will then have up to six (6) months to review the Consultant's and/or the independent CPA's revisions.

(3) If the Consultant fails to comply with the provisions of this paragraph E, or if IOAI is still unable to issue a cognizant approval letter after the revised independent CPA audited ICR is submitted, overhead cost reimbursement will be limited to the accepted ICR that was established upon initial rejection of the ICR and set forth in paragraph E.1. above for all rendered services. In this event, this accepted ICR will become the actual and final ICR for reimbursement purposes under this Agreement.

(4) Consultant may submit to City final invoice only when all of the following items have occurred: (1) IOAI accepts or adjusts the original or revised independent CPA audited ICR; (2) all work under this Agreement has been completed to the satisfaction of City; and, (3) IOAI has issued its final ICR review letter. The Consultant must submit its final invoice to City no later than sixty (60) calendar days after occurrence of the last of these items. The accepted ICR will apply to this Agreement and all other agreements executed between City and the Consultant, either as a prime or subconsultant, with the same fiscal period ICR.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. Unless otherwise agreed to in writing by the parties, the professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this AgreementFailure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, pandemics (excluding COVID-19), material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party (each, a "Force Majeure Event"). If a party experiences a Force Majeure Event, the party shall, within five (5) days of the occurrence of the Force Majeure Event, give written notice to the other party stating the nature of the Force Majeure Event, its anticipated duration and any action being taken to avoid or minimize its effect. Any suspension of performance shall be of no greater scope and of no longer duration than is reasonably required and the party experiencing the Force Majeure Event shall use best efforts without being obligated to incur any material expenditure to remedy its inability to perform; provided, however, if the suspension of performance continues for sixty (60) days after the date of the occurrence and such failure to perform would constitute a material breach of this Agreement in the absence of such Force Majeure Event, the parties shall meet and discuss in good faith any amendments to this Agreement to permit the other party to exercise its rights under this Agreement. If the parties are not able to agree on such amendments within thirty (30) days and if suspension of performance continues, such other party may terminate this Agreement immediately by written notice to the party experiencing the Force Majeure Event, in which case neither party shall have any liability to the other except for those rights and liabilities that accrued prior to the date of termination.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of twenty-four (24) months, ending on July 21, 2028, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties. This Agreement may be extended by one (1) one (1) year period upon mutual written agreement of both parties.

4.2. This AGREEMENT may be terminated by City, provided that City gives not less than thirty (30) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate. Upon termination, City shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not.

4.3. City may temporarily suspend this Agreement, at no additional cost to City, provided that Consultant is given written notice (delivered by certified mail, return receipt requested) of temporary suspension. If City gives such notice of temporary suspension, Consultant shall immediately suspend its activities under this Agreement. A temporary suspension may be issued concurrent with the notice of termination.

4.4. Notwithstanding any provisions of this Agreement, Consultant shall not be relieved of liability to City for damages sustained by City by virtue of any breach of this Agreement by Consultant, and City may withhold any payments due to Consultant until such

time as the exact amount of damages, if any, due City from Consultant is determined.

4.5. In the event of termination, Consultant shall be compensated as provided for in this Agreement. Upon termination, City shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

(a) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars ($1,000,000.00) per occurrence, Two Million Dollars ($2,000,000.00) general aggregate.

(b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars ($1,000,000.00) combined single limit per accident for bodily injury and property damage.

(c) Workers' compensation insurance as required by the State of California. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City, its officers, agents, employees, and volunteers arising from work performed by Consultant for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

(d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars ($1,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

(a) Additional insureds: "The City of Costa Mesa and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the City; products and

completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."

(b) Notice: "Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to City."

(c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects the City of Costa Mesa, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy."

(d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Costa Mesa, its officers, officials, agents, employees, and volunteers.

(e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement.

5.5. Non-Limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

5.6. Excess Coverage. To the extent that Contractor maintains any insurance coverage(s) in amounts or types which are not expressly called out in this Agreement, such additional coverage(s) shall be deemed to be required by this Agreement.

5.7. Federal Insurance Requirements. If required by Article XIX, Consultant shall maintain insurance in accordance with those requirements.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits

to this Agreement.

6.2. Representatives. The City Manager or his or her designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Debarment and Suspension Certification**:** Applicable to all agreements funded in part or whole with federal funds and contracts over $25,000.

(a) By signing this agreement and Exhibit "Q," Debarment and Suspension Certification, Contractor/Grantee agrees to comply with applicable federal suspension and debarment regulations, including but not limited to 7 Code of Federal Regulations (CFR) 3016.35, 28 CFR 66.35, 29 CFR 97.35, 34 CFR 80.35, 45 CFR 92.35 and Executive Order 12549.

(b) By signing this agreement, Contractor certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntary excluded by any federal department or agency;

(2) Shall not knowingly enter into any covered transaction with a person who is proposed for debarment under federal regulations, debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction.

(c) Any exceptions to this certification must be disclosed to City. Exceptions will not necessarily result in denial of recommendation for award but will be considered in determining responsibility. Disclosures must indicate party to whom the exceptions apply, the initiating agency, and the dates of agency action.

(d) Exceptions to the Federal Government excluded parties (https://sam.gov/content/home) maintained by the U.S. General Services Administration are to be determined by FHWA.

6.5. Additional Contract Provisions – Federal. Contractor shall comply with all of the terms and conditions of Exhibit "E," Article XXXI Title VI Assurances, Appendices A-E of the Title VI Assurances (Appendix A; Appendix B; Clauses for Deeds Transferring United States Property; Appendix C, Clauses for Transfer of Real Property Acquired or Improved Under the Activity, Facility, or Program; Appendix D, Clauses for Construction/Use/Access to Real Property Acquired Under the Activity, Facility, or Program; and Appendix E) which is attached hereto and incorporated herein by this reference as though set forth in full. Exhibit "F," Article III, Statement of Work; Exhibit "G,"Article IV, Performance Period; Exhibit "H,"Article V, Allowable Costs and Payments; Exhibit "I," Article VII, Cost Principle and Administrative Requirements; Exhibit "J,"Article X, Subcontracting; Exhibit "K,"Article XI, Equipment Purchase and Other Capital Expenditures; Exhibit "L" Article XII, State Prevailing Wage Rates; Exhibit "M," Article XIII Conflict of Interest; Exhibit "N" Article XIV, Rebates, Kickbacks or Other Unlawful Consideration; Exhibit "O,"Article XV, Prohibition of Expending City, State, or Federal Funds for Lobbying; Exhibit "P," Article XVI, Non-Discrimination Clause And Statement Of Compliance; Exhibit "Q," Article XVII, Debarment and Suspension Certification; Exhibit "R," Article XX, Funding Requirements; Exhibit "S," Article XXI, Change In Terms; Exhibit "T," Article XXIII, Disputes; Exhibit "U," Article XXIV, Inspection of Work; Exhibit "V," Article XXV, Safety; and Exhibit "W," Article XXXIII, Contract.

6.6. Notices. Any notices, documents, correspondence or other communications regarding interpretation of the terms of this Agreement, changes thereto, or the work hereunder may be provided by personal delivery or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: (a) at the time of delivery if such communication is sent by personal delivery, and (b) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

C2PM
22601 Summerfield, Suite 2
Mission Viejo, CA 92692

Tel: (949) 254-9077
Attn: Rowena Altaha

IF TO CITY:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

Tel: (714) 754-5184
Attn: Ramin Nikoui

Courtesy copy to:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Attn: Finance Dept. | Purchasing

6.7. Drug-Free Workplace Policy. Consultant shall provide a drug-free workplace by complying with all provisions set forth in City's Council Policy 100-5, attached hereto as Exhibit "D" and incorporated herein. Consultant's failure to conform to the requirements set forth in Council Policy 100-5 shall constitute a material breach of this Agreement and shall be cause for

immediate termination of this Agreement by City.

6.8. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.9. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Los Angeles County, California.

6.10. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of City's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.11. Indemnification and Hold Harmless. Consultant agrees to defend, indemnify, hold free and harmless the City, its elected officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, actions, suits or other legal proceedings brought against the City, its elected officials, officers, agents and employees arising out of the negligence, recklessness, or willful misconduct of the Consultant, its employees, and/or authorized subcontractors, in the performance of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected officials, officers, agents and employees based upon negligence, recklessness, or willful misconduct in the work performed by the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City. In no event shall the cost to defend charged to Consultant exceed Consultant's proportionate percentage of fault. However, notwithstanding the previous sentence, in the event one or more defendants is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, Consultant shall meet and confer with other parties regarding unpaid defense costs. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Consultant's Proposal, which shall be of no force and effect.
In addition, Consultant must also comply with Article XXVII Claims Filed by City's Construction Contractor as follows:

(a) If claims are filed by City's construction contractor relating to work

performed by Consultant's personnel, and additional information or assistance from Consultant's personnel is required in order to evaluate or defend against such claims; Consultant agrees to make its personnel available for consultation with City's construction contract administration and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.

(b) Consultant's personnel that City considers essential to assist in defending against construction contractor claims will be made available on reasonable notice from City.Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for Consultant's personnel services under this Agreement.

(c) Services of Consultant's personnel in connection with City's construction contractor claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this Agreement in order to resolve the construction claims.

6.12. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.13. Cooperation. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

6.14. Ownership/Confidentiality of Data/Documents.

(a) It is mutually agreed that all materials prepared by Consultant under this Agreement shall become the property of City, and Consultant shall have no property right therein whatsoever. Immediately upon termination, City shall be entitled to, and Consultant shall deliver to City, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and other such materials as may have been prepared or accumulated to date by Consultant in performing this

Agreement which is not Consultant's privileged information, as defined by law, or Consultant's personnel information, along with all other property belonging exclusively to City which is in Consultant's possession. Publication of the information derived from work performed or data obtained in connection with services rendered under this Agreement must be approved in writing by City.

(b) Additionally, it is agreed that the Parties intend this to be an Agreement for services and each considers the products and results of the services to be rendered by Consultant hereunder to be work made for hire. Consultant acknowledges and agrees that the work (and all rights therein, including, without limitation, copyright) belongs to and shall be the sole and exclusive property of City without restriction or limitation upon its use or dissemination by City.

(c) Nothing herein shall constitute or be construed to be any representation by Consultant that the work product is suitable in any way for any other project except the one detailed in this Contract. Any reuse by City for another project or project location shall be at City's sole risk.

(d) Applicable patent rights provisions regarding rights to inventions shall be included in the contracts as appropriate (48 CFR 27 Subpart 27.3 - Patent Rights under Government Contracts for federal-aid contracts).

(e) City may permit copyrighting reports or other agreement products. If copyrights are permitted; the Agreement shall provide that the FHWA shall have the royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use; and to authorize others to use, the work for government purposes.

(f) All financial, statistical, personal, technical, or other data and information relative to City's operations, which are designated confidential by City and made available to Consultant in order to carry out this Agreement, shall be protected by Consultant from unauthorized use and disclosure.

(g) Permission to disclose information on one occasion, or public hearing held by City relating to the Agreement, shall not authorize Consultant to further disclose such information, or disseminate the same on any other occasion.

(h) Consultant shall not comment publicly to the press or any other media regarding the Agreement or City's actions on the same, except to City's staff, Consultant's own personnel involved in the performance of this Agreement, at public hearings, or in response to questions from a Legislative committee.

(i) Consultant shall not issue any news release or public relations item of any nature, whatsoever, regarding work performed or to be performed under this Agreement without prior review of the contents thereof by

City, and receipt of City's written permission.

(j) Any subcontract entered into as a result of this contract shall contain all of the provisions of this Article.

6.15. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code section 7920.000, *et seq*.). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code section 7924.510, and of which Consultant informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.16. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code sections 81000, *et seq*.) and Government Code section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute. In addition, Consultant must comply with the federal Conflict of Interest provisions delineated in Article XIII, attached hereto as Exhibit "M".
.

6.17. Rebates, Kickbacks or Other Unlawful Consideration. The Consultant warrants this this Agreement was not obtained or secured through rebates, kickbacks or other unlawful consideration, i.e., a commission, percentage, brokerage, or contingent fee, excepting bona fide employees, or bona fide established commercial or selling agencies maintained by Consultant for the purpose of securing business. For breach or violation of this warranty, City shall have the right, in its discretion, to terminate this Agreement without liability, to pay only for the value of the work actually performed, or to deduct from this Agreement prices or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

6.18. Prohibition of Expending City, State, or Federal Funds for Lobbying.

(a) The Consultant certifies, to the best of his or her knowledge and belief, that 1) No State, Federal, or City appropriated funds have been paid or will be paid, by or on behalf of the Consultant, to any person for influencing or attempting to influence an officer or employee of any local, State, or Federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress, in connection with the awarding or making of this Agreement, or with the extension, continuation, renewal, amendment, or modification of this Agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Agreement, the Consultant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite form making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than ten thousand dollars ($10,000) and not more than one hundred thousand dollars ($100,000) for each such failure.

(d) The Consultant also agrees by signing this document that he or she shall require that the language of this certification be included in all lower tier subagreements, which exceed one hundred thousand dollars ($100,000), and that all such subrecipients shall certify and disclose accordingly.

6.19. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

6.20. Prohibited Employment. Consultant will not employ any regular employee of City while this Agreement is in effect.

6.21. National Labor Relations Board Certification. In accordance with Public Contract Code Section 10296, Consultant hereby states under penalty of perjury that no more than one unappealable finding of contempt of court by a federal court has been issued against Consultant within the immediately preceding two-year period, because of Consultant's failure to comply with an order of a federal court that orders Consultant to comply with an order of the National Labor Relations Board.

6.22. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.23. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.24. Binding Effect. This Agreement binds and benefits the parties and their respective permitted successors and assigns.

6.25. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.26. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.27. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement and have had an adequate opportunity to review each and every provision of the Agreement and submit the same to counsel or other consultants for review and comment. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.28. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.29. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.30. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.31. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.32. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CONSULTANT

_____ Date: _____
Signature

_____
[Name and Title]

CITY OF COSTA MESA

_____ Date: _____
Cecilia Gallardo-Daly
City Manager

ATTEST:

_____
Brenda Green
City Clerk

APPROVED AS TO FORM:

_____ Date: _____
Kimberly Hall Barlow
City Attorney

APPROVED AS TO INSURANCE:

_____ Date: _____
Ruth Wang
Risk Management

APPROVED AS TO CONTENT:

_____ Date: _____
Ramin Nikoui
Project Manager

DEPARTMENTAL APPROVAL:

_____ Date: _____
Raja Sethuraman
Public Works Director

APPROVED AS TO PURCHASING:

_____ Date: _____
Finance Director

EXHIBIT A

REQUEST FOR PROPOSALS

EXHIBIT B

CONSULTANT'S PROPOSAL



City of Costa Mesa

Request For Proposal: RFP 26-18

Construction Management and Inspection Support Services for Signal Modernization for Systemic Safety Improvements

Submission Date: April 27, 2026

April 27, 2026

Mr. Kevin Gaxiola
Senior Management Analyst
City of Costa Mesa
Public Works Department

SUBJECT: CONSTRUCTION MANAGEMENT AND INSPECTION SUPPORT SERVICES FOR SIGNAL MODERNIZATION FOR SYSTEMIC SAFETY IMPROVEMENTS (FEDERAL PROJECT NO. HSIPL-5312(107), CITY PROJECT NO. 26-01)

Dear Mr. Gaxiola and Selection Committee,

C2PM is pleased to submit this proposal to provide Construction Management and Inspection (CM/CI) Support Services for the City of Costa Mesa's (City) Signal Modernization for Systemic Safety Improvements Project (Project). We understand the City's goal is to efficiently deliver safety-focused upgrades across 128 signalized intersections within a compressed 95 working day construction window, while maintaining strict compliance with federal requirements and minimizing impacts to the community. Our CM/CI team brings extensive experience delivering federally funded transportation projects administered through Caltrans, with a strong command of the Local Assistance Procedures Manual (LAPM), federal reporting requirements, labor compliance, and documentation protocols. We understand that this project requires not only technical expertise in traffic signal systems, including signal head upgrades, pedestrian safety enhancements, emergency preemption, and battery backup systems, but also disciplined contract administration, proactive coordination, and real-time responsiveness to City staff and contractors.

C2PM is a full-service Program, Project, and Construction Management firm with 25 years of experience, with roots in general contracting dating back to 1997. Our depth of experience is critical to the value we bring to our clients, providing our team with a practical, field-driven understanding of construction means and methods, cost drivers, sequencing, and contractor-minded decision-making that translates into more accurate cost estimating, stronger construction oversight, proactive management of unforeseen conditions, and more effective risk mitigation.

Over the past two decades, C2PM has successfully supported the delivery of more than **$15 billion** in capital improvement programs (CIP) for public agencies throughout California. Our experience spans roadway and highway improvements, bridges and structures, water and wastewater systems, storm drain infrastructure, transit systems, airport facilities, and public buildings. We have provided Construction Management, Construction Inspection, Cost Estimating, and Traffic Safety control services to municipalities including City of Los Angeles, Orange County, San Diego, Irvine, Lake Forest, Fullerton, Tustin, Perris, Alameda, Pittsburg, Oakland, and Benicia.

UNDERSTANDING & APPROACH

C2PM will provide a dedicated Resident Engineer (RE) and experienced inspection staff to deliver full-service construction management, including contract administration, schedule and cost control, inspection, documentation, and federal compliance oversight. Our approach emphasizes:

- ***Proactive Field Coordination:*** Rapid issue resolution, continuous communication, and close coordination with contractors & stakeholders to maintain schedule.

- ***Federal Compliance Excellence*:** Rigorous adherence to LAPM requirements, including Buy America, labor compliance, certified payroll review, and federal documentation and reporting.
- ***Quality & Safety Assurance*:** Consistent inspection practices aligned with Caltrans standards and California Manual on Uniform Traffic Control (CA MUTCD) requirements to ensure safe, compliant, and high-quality installations.
- ***Community Sensitivity*:** Active coordination with public safety, local businesses, schools, and institutions to minimize traffic impacts and maintain safe access throughout construction.

Relevant Experience

C2PM's experience on large-scale, complex transportation projects demonstrates our ability to successfully deliver projects requiring stringent oversight, coordination, and compliance:

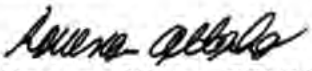
- ***Caltrans I-405 Improvements (Santa Ana, CA)*:** C2PM provided roadway and electrical construction inspection services on this $2.16 billion design-build freeway project, supporting construction of express lanes, traffic systems, and corridor-wide improvements within an active, high-traffic environment. Our team ensured compliance with Caltrans standards, coordinated with multiple local jurisdictions, and helped maintain project schedule through proactive issue resolution and disciplined documentation.
- ***Ethanac Road Bridge Over San Jacinto River (Perris, CA):*** As the Prime consultant, C2PM is nearing completion of delivering full construction management services for a $23 million federally and regionally funded bridge with associated electrical works. Our responsibilities include contract administration, labor compliance, submittals, RFIs, change orders, and coordination with multiple local agencies, demonstrating our ability to manage complex federal requirements while maintaining quality, schedule, and budget.

These projects reflect C2PM's proven ability to manage transportation infrastructure projects with similar regulatory complexity, stakeholder coordination demands, and technical requirements as the Project.

Commitment to the City of Costa Mesa

C2PM is committed to serving as a trusted partner to the City by delivering responsive, transparent, and high-quality CM/CI services. Our team is locally based out of South Orange County, accessible, and prepared to mobilize quickly to meet the City's schedule and staffing needs. We will work collaboratively with City staff to ensure successful project delivery that enhances safety, mitigates disruption, and meets all federal and local requirements. C2PM appreciates the opportunity to support the City of Costa Mesa on this important safety initiative and look forward to contributing to its successful completion. As a certified DBE firm with a staff of 34 construction management professionals and the ability to rapidly scale, C2PM is uniquely positioned to support the City's project goals.

Sincerely,



Rowena Altaha, CSLBA
Principal-In-Charge

Company Information	
Office	22601 Summerfield, Suite 2, Mission Viejo, CA 92692
Phone	(949) 254-9077
Email	rowena@c2pm.com

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- DISQUALIFICATIONS QUESTIONNAIRE
- BIDDER/APPLICANT/CONTRACTOR CAMPAIGN CONTRIBUTION
- LAPM EXHIBIT 10-Q – DISCLOSURE OF LOBBYING ACTIVITIES

Section 1 - Background and Project Summary

C2PM understands that the City is seeking CM/CI support services for the federally funded Project, which will implement critical safety and operational upgrades at approximately 128 of the City's 131 signalized intersection improvements throughout the City including installation of retroreflective border backplates at signalized intersections, new countdown pedestrian signal heads, upgrades of 8-inch signal heads to 12-inch signal heads, emergency vehicle preemption, battery backup systems, and leading pedestrian intervals at select intersections. This federally funded project must be delivered within a compressed 95-day construction schedule and in strict accordance with Caltrans LAPM requirements, as well as all applicable federal, state, and local regulations.



The project plans confirm that the work is distributed citywide across multiple major corridors and intersection groups, including locations along Fairview Road, Bristol Street, Newport Boulevard, Harbor Boulevard, Baker Street, Bear Street, Adams Avenue, Victoria Street, Sunflower Avenue, Placentia Avenue, and other local streets. Several plan sheets also identify intersections near or adjacent to sensitive and high-activity areas such as schools, South Coast Plaza, Metro Pointe, the City Yard, Fairview Park, and city boundaries with Santa Ana and Newport Beach. This citywide distribution requires a CM/CI team that can coordinate multiple work fronts, maintain consistent field documentation, monitor traffic control and pedestrian access, and support efficient construction sequencing without unnecessary disruption to residents, businesses, schools, and visitors.

We understand the City's primary objective is to complete these safety improvements efficiently, safely, and in full compliance with the project plans, specifications, Caltrans requirements, and federal-aid procedures. The Scope of Services in Appendix A requires comprehensive CM/CI services to support the City through all phases of construction. This includes plan review, inspection, quality assurance, coordination with stakeholders, contract administration, documentation, schedule review, RFI and submittal processing, change order support, labor compliance, federal reporting, project records, and adherence to federal-aid requirements such as certified payroll, Buy America provisions, and detailed project recordkeeping.

C2PM further understands that successful delivery will depend on proactive coordination during pre-construction, construction, and closeout. During the initial construction phase, the consultant is expected to review the PS&E, identify constructability issues, initiate the project control system, prepare Caltrans pre-construction documentation, complete LAPM Exhibit 15-B, review the Contractor's schedule and submittals, support the pre-construction meeting, review labor provisions and EEO requirements, and establish a City/Caltrans-compliant project filing structure. During construction, the consultant must provide on-the-job inspection, daily and weekly reports, certified payroll review, employee interviews, prompt payment tracking, photo documentation, quantity calculations, Q-sheets, progress payment support, RFI and change order processing, schedule monitoring, traffic control oversight, and federal documentation tracking.

Section 2 - Project Approach & Methodology

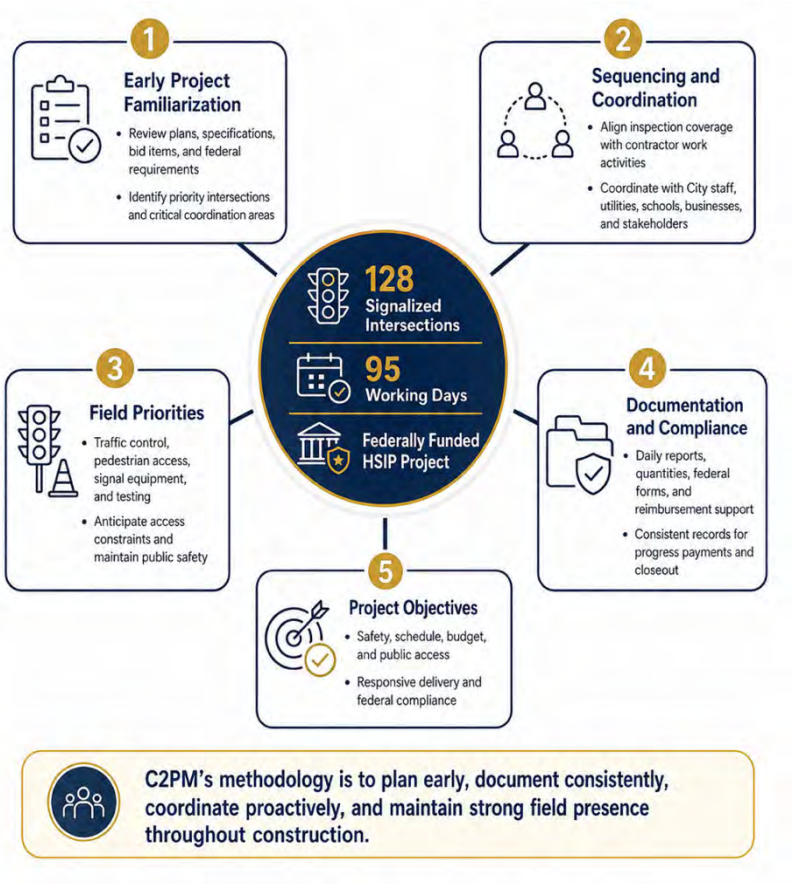
Project Familiarity and Understanding of Work Objectives

C2PM understands that this project is a citywide, federally funded traffic signal safety improvement effort requiring coordinated construction management across numerous active intersections within a compressed construction duration. Because the work will occur at 128 signalized intersections throughout Costa Mesa, successful delivery will depend on early project familiarization, clear sequencing, consistent inspection coverage, disciplined federal documentation, and close coordination with the City, Contractor, utilities, schools, adjacent businesses, and high-activity destinations.

C2PM's approach will begin with a detailed review of the project plans, specifications, bid items, federal requirements, site visit to the intersection locations, and Contractor's proposed schedule. This review will allow our Resident Engineer (RE), Shahrdad Deravi, PE and Senior Inspector, Steven DeMarr, ICC to identify work locations requiring heightened coordination, including intersections near schools, South Coast Plaza, Segerstrom Center for the Arts, Orange Coast College, Fairview Park, City facilities, and major commercial corridors. Our team will use this early review to anticipate access and traffic flow constraints, detours, traffic control needs, pedestrian routing, signal equipment coordination, and pre-construction property condition documentation before field work begins.

The primary objective of C2PM's approach is to assist the City deliver the signal modernization improvements safely, efficiently, and in compliance with the project documents and federal-aid requirements. To accomplish this, C2PM will establish a project control system at the outset, complete required startup checklists, review the Contractor's schedule, phased construction sequencing, traffic plans and submittals, confirm documentation protocols, and coordinate inspection coverage around the Contractor's planned work activities. This setup will allow C2PM to respond quickly as work moves between intersections while maintaining consistent reporting, quantity verification, commissioning and compliance tracking.

During construction, C2PM will focus on verifying that installations are completed in accordance with the approved plans and specifications, while documenting the work in a manner that supports progress payments, federal reimbursement, and project closeout. Field staff will monitor traffic control, pedestrian access, signal equipment installation, field testing, public impacts, and contractor progress. Our RE, Shahrdad Deravi,



PE will maintain regular communication with the City's Project Manager and the Contractor to resolve issues early, avoid unnecessary delays, and keep work aligned within the 95-working-day construction schedule and prior to the holiday season.

This understanding shapes C2PM's overall methodology: plan early, document consistently, coordinate proactively, and maintain strong field presence throughout construction. By applying this approach, C2PM will assist the City achieve the project's core objectives of improving traffic signal visibility, pedestrian safety, emergency response, and overall intersection safety while protecting schedule, budget, public access, and federal compliance.

Project Specific Issues and C2PM Solution

C2PM has identified key risks and will proactively manage to ensure successful project delivery:

Issue	C2PM's Solution
Coordinating work across 128 active signalized intersections within 95 working days	C2PM will review the Contractor's baseline schedule, intersection groupings, work sequence, lead times, and any multiple crew deployment plans at the start of construction. C2PM will establish a project control system to track progress by corridor, intersection, bid item, submittal status, testing, and punch list. Inspection coverage will be aligned with look-ahead schedules, so field staff are present for critical signal activities and final operational testing.
Maintaining traffic, pedestrian, school, and business access during active signal upgrades	C2PM will review traffic control plans and field implementation for compliance with project requirements, CA MUTCD, and the WATCH Manual. Inspectors will verify lane closures, detours, pedestrian routing, signage, cones, barricades, flagging, and work zones before work begins and confirm safe restoration at the end of each work period. Unsafe or non-compliant conditions will be documented and elevated immediately for correction.
Protecting access and minimizing disruption near high-activity destinations	C2PM will coordinate with the City and Contractor before work begins near Orange Coast College, Newport-Mesa Unified School District facilities, Segerstrom/South Coast Plaza, adjacent businesses, and other sensitive locations. Our team will review work dates, traffic control impacts, public notice needs, access requirements, and special restrictions. Field staff will monitor driveway access, business access, pedestrian routes, school circulation, and stakeholder concerns.
Verifying Buy America/BABA, Certificates of Compliance, and signal equipment documentation before installation	C2PM will establish a material compliance log to track submittals, Certificates of Compliance, Buy America/BABA documentation, and approvals for retroreflective backplates, countdown pedestrian signals, 12-inch signal heads, emergency vehicle preemption, battery backup systems, cabinet/controller components, and related signal materials. Required documentation will be identified early to avoid installation delays, reimbursement issues, or non-compliant materials.
Testing, documenting, and closing out safety improvements	C2PM will use an intersection-based testing and closeout tracker to confirm completion of countdown pedestrian signals, leading pedestrian intervals, emergency vehicle preemption, battery backup systems, upgraded signal heads, and retroreflective backplates. Field staff will

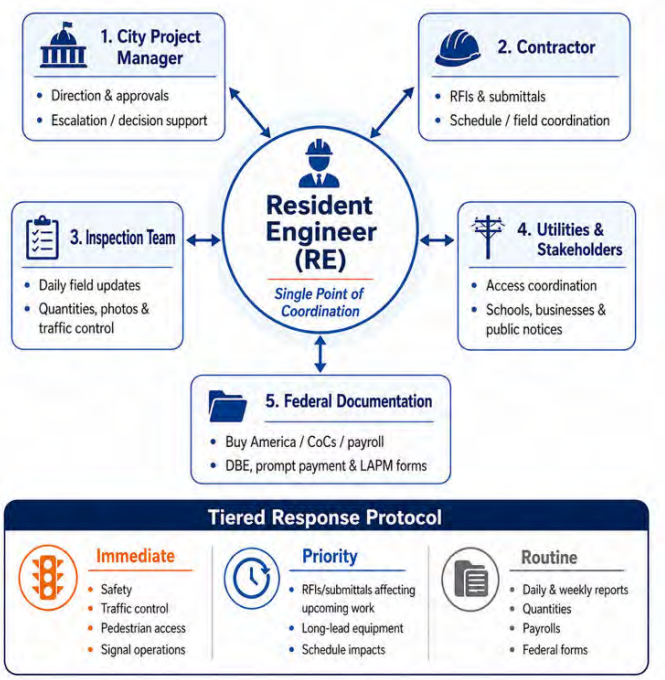
across multiple intersections	verify installation, document functional testing, track deficiencies, and maintain daily reports, photos, quantities, testing records, punch lists, as-builts, and closeout documentation by intersection and bid item.

Resident Engineer Responsiveness and Communication Protocol

C2PM understands that prompt responsiveness by the RE is critical to the success of this project because the work will move quickly across **128 active signalized intersections** within a **95-working-day construction duration**. Delayed responses to RFIs, submittals, traffic control concerns, signal equipment certifications, Buy America/BABA documentation, or field questions could affect multiple work locations, create access impacts, delay equipment installation, or jeopardize federal reimbursement documentation. C2PM's RE, Shahrdad Deravi, PE will serve as the central point of coordination between the City, Contractor, utilities and project stakeholders providing timely communication, clear direction, and proactive issue resolution throughout all phases of construction.

Pre-Construction Phase: During pre-construction, C2PM's RE, Shahrdad Deravi, PE, will establish the foundation for communication, responsiveness, and decision-making by confirming protocols with the City's Project Manager for RFIs, submittals, change orders, inspection requests, field issues, federal documentation routing, meeting schedules, and escalation procedures. Our RE will lead pre-construction meetings, review contract, schedule, traffic control, and phasing requirements with the Contractor, and confirm expectations for daily reporting, weekly coordination, schedule updates, traffic control implementation, and required federal documentation.

Our RE will also perform an early review of the plans, specifications, bid items, Contractor's baseline schedule, intersection sequencing plan, traffic control approach, and signal



equipment submittal schedule. Particular attention will be given to high-activity locations such as Orange Coast College, Newport-Mesa Unified School District facilities, Segerstrom/South Coast Plaza, and business corridors, where access, public notices, pedestrian movement, and peak traffic periods must be carefully coordinated. As part of this early effort, C2PM will conduct a pre-construction condition survey with photo and/or video documentation at applicable work locations to document existing conditions before construction begins and help protect the City from unsupported public or private damage claims.

To support prompt action, our RE will establish tracking logs for RFIs, submittals, action items, change orders, signal equipment certifications, Buy America/BABA documentation, Certificates of Compliance, traffic control issues, and stakeholder concerns. Each log will identify the responsible party, date received, required action, target response date, status, and follow-up needed. Time-sensitive items

affecting upcoming field work, such as countdown pedestrian signals, 12-inch signal heads, emergency vehicle preemption equipment, battery backup systems, controller/cabinet-related components, and traffic control approvals, will be prioritized based on the Contractor's look-ahead schedule.

Construction Phase: During construction, our RE, Shahrdad Deravi, PE, will maintain active communication with the City, Contractor, design team, and inspection staff to keep work progressing across multiple intersections. Our RE will coordinate daily with field staff to confirm work locations, critical activities, field conditions, traffic control status, pedestrian access, public impacts, quantities, and unresolved issues. Our RE will also conduct regular progress meetings, review look-ahead schedules, monitor RFIs and submittals, and remain accessible during working hours and critical construction activities to respond to issues involving signal shutdowns, pedestrian routing, lane closures, equipment installation, field testing, access impacts, and changed conditions.

C2PM will coordinate closely with the Contractor before work begins at each location to verify existing utilities and identify potential conflicts with signal equipment, cabinets, conduit, pull boxes, service points, foundations, and related electrical/civil improvements. Where potholing, utility verification, trenching, or other subsurface investigation is required by the plans, field conditions, or approved Contractor work plan, C2PM will confirm that the work is properly coordinated, documented, and completed before affected installations proceed. If trenching, micro tunneling, or other subsurface work becomes necessary, C2PM will monitor the activity for compliance with approved traffic control, utility protection, restoration, safety, and documentation requirements.

C2PM's inspection team will provide both electrical and civil inspection support. Electrical inspection will focus on signal equipment, pedestrian signal upgrades, emergency vehicle preemption, battery backup systems, cabinet/controller-related components, conduit, wiring, testing, and related certifications. Civil inspection will focus on traffic control, pedestrian access, excavation/restoration impacts, surface restoration, utility coordination, and any work affecting sidewalks, curb ramps, pavement, or adjacent public access areas.

C2PM will use a tiered response approach to keep the project moving. Safety issues, non-compliant traffic control, blocked pedestrian access, signal operation concerns, utility conflicts, or business/school access impacts will receive immediate attention. RFIs and submittals affecting upcoming work will be prioritized based on schedule impact, material lead times, and planned work locations, while routine documentation items such as certified payroll, prompt payment tracking, daily reports, weekly RE reports, quantity sheets, testing records, utility documentation, and federal forms will be reviewed on a recurring schedule to prevent backlog and protect reimbursement eligibility.

Our RE will also support timely decision-making by providing the City with concise, well-documented recommendations. When an issue requires City direction, design clarification, utility coordination, or formal approval, our RE will transmit the issue with relevant field facts, photographs, specification references, schedule considerations, cost implications, and recommended options so the City can make informed decisions quickly while maintaining proper control of contract direction.

Post Construction Phase: During post-construction, C2PM will focus on completing the project in an organized, documented, and audit-ready manner. Our RE, Shahrdad Deravi, PE, will coordinate with the City, Contractor, inspection staff, and electrical/signal support personnel to confirm that all work has been

completed in accordance with the approved plans, specifications, change orders, and City requirements. C2PM will prepare and track the punch list, verify corrective actions, confirm final quantities, and support final acceptance of the work.

C2PM will also support final testing and commissioning of the signal modernization improvements, including countdown pedestrian signals, leading pedestrian intervals, emergency vehicle preemption equipment, battery backup systems, upgraded signal heads, retroreflective backplates, cabinet/controller-related components, and related electrical/signal improvements. Any deficiencies identified during final inspection or testing will be documented, communicated to the Contractor, and tracked through correction.

Closeout documentation will be maintained by intersection and bid item to provide the City with a complete project record. C2PM will compile final reports, quantity sheets, testing records, photographs, material certifications, Buy America/BABA documentation, Certificates of Compliance, certified payroll records, DBE/prompt payment documentation, change order files, RFIs, submittals, punch list records, and as-built information. C2PM will also support final payment, Caltrans/FHWA closeout documentation, reimbursement support, and audit readiness to help preserve federal eligibility and provide reliable records for future signal maintenance and operations.

Project Delivery: C2PM's responsiveness protocol is built around the specific needs of this project: multiple active intersections, compressed construction duration, traffic and pedestrian access requirements, signal equipment coordination, and federal documentation compliance. By establishing communication protocols early, maintaining active tracking logs, aligning responses with the Contractor's schedule, and escalating field issues promptly, the RE will help the City maintain project momentum, minimize disruption to the public, and deliver the project in compliance with the plans, specifications, LAPM requirements, and federal-aid documentation standards.

Federal Compliance and Document Controls

C2PM understands that this HSIP-funded project requires complete, accurate, and audit-ready documentation to protect the City's federal reimbursement eligibility. Our approach is to establish compliance controls at the start of the project, track required documentation throughout construction, and verify completeness before closeout.

1. **Federal Compliance**
   During pre-construction, C2PM will establish a project filing structure consistent with City and Caltrans requirements. The RE will review federal requirements with the Contractor at the pre-construction meeting, including Buy America/BABA, Certificates of Compliance, labor compliance, EEO requirements, certified payrolls, employee interviews, jobsite postings, DBE requirements, prompt payment reporting, and required LAPM forms. C2PM will also complete the Caltrans pre-construction checklist and LAPM Exhibit 15-B and confirm that federal documentation responsibilities, submittal routing, and review procedures are understood before field work begins.

2. **Buy America/BABA and Certificates of Compliance**
   C2PM will maintain a material certification log to track required documentation for signal equipment and related materials. This log will identify the item, submittal status, Certificate of Compliance, Buy America/BABA documentation, DOT CEM-3101 documentation, approval status, and installation status. C2PM will coordinate with the Contractor early so required documentation is submitted before materials are ordered or installed. This will

apply to applicable project materials such as:

- retroreflective backplates,
- countdown pedestrian signals,
- 12-inch signal heads,
- emergency vehicle preemption equipment,
- battery backup systems,
- controller/cabinet-related components,
- and related electrical/signal materials.

3. **Labor Compliance Controls**
   C2PM will obtain, review, and track certified payrolls, owner-operator listings, apprentice documentation, employee interviews, wage rates, and required jobsite postings. Daily inspection reports, employee interviews, payrolls, and wage determinations will be cross-checked to confirm consistency of workers, classifications, hours, and wage rates. Payroll delinquencies, discrepancies, or inadequacies will be documented, communicated to the Contractor, and tracked through correction.

4. **DBE and Prompt Payment Tracking**
   C2PM will track subcontracting and DBE-related (if any) documentation throughout the project. C2PM will verify that required forms are submitted on time, reviewed for completeness, and filed in the project records. This includes:

   - LAPM Exhibit 16-B, Subcontracting Request, before subcontracted work begins;
   - LAPM Exhibit 9-P, Prompt Payment Certification, monthly;
   - LAPM Exhibit 17-F, Final Report Utilization of DBE and First-Tier Subcontractors, at completion;
   - LAPM Exhibit 17-O, DBE Certification Status Change, if applicable.

5. **LAPM Field Documentation**
   C2PM inspectors will prepare daily inspection reports consistent with LAPM Exhibit 16-C1, and the Resident Engineer will prepare weekly reports consistent with LAPM Exhibit 16-C2. Reports will document work performed, labor and equipment observed, quantities, traffic control conditions, photographs, field issues, safety concerns, access impacts, and compliance observations. C2PM will also prepare Weekly Statements of Working Days (WSOWD) consistent with LAPM Exhibit 16-A and maintain quantity sheets consistent with Caltrans LAPM requirements to support progress payments and final quantities.

6. **Logs, Reviews, and Quality Control**
   C2PM will maintain active logs for RFIs, submittals, change orders, working days, schedule updates, material certifications, payrolls, DBE/prompt payment forms, field issues, and closeout items. Before documents are submitted or filed as final, the RE will review them for completeness, consistency, and traceability. Missing or inconsistent documentation will be identified early and corrected before it becomes a closeout or reimbursement issue.

7. **Closeout and Audit Readiness**
   C2PM will plan closeout from the beginning of construction. At project completion, we will verify that final quantities, punch list records, as-builts, signal testing records, Buy America/BABA documentation, Certificates of Compliance, certified payroll records, DBE forms, prompt payment certifications, change order files, daily reports, weekly reports, and federal closeout documentation are complete and organized.

Section 3 - C2PM Qualifications & Experience

C2PM brings construction management, inspection, contract administration, quality oversight, documentation control, and project controls experience supporting public infrastructure projects for cities, transportation agencies, airports, transit agencies, and

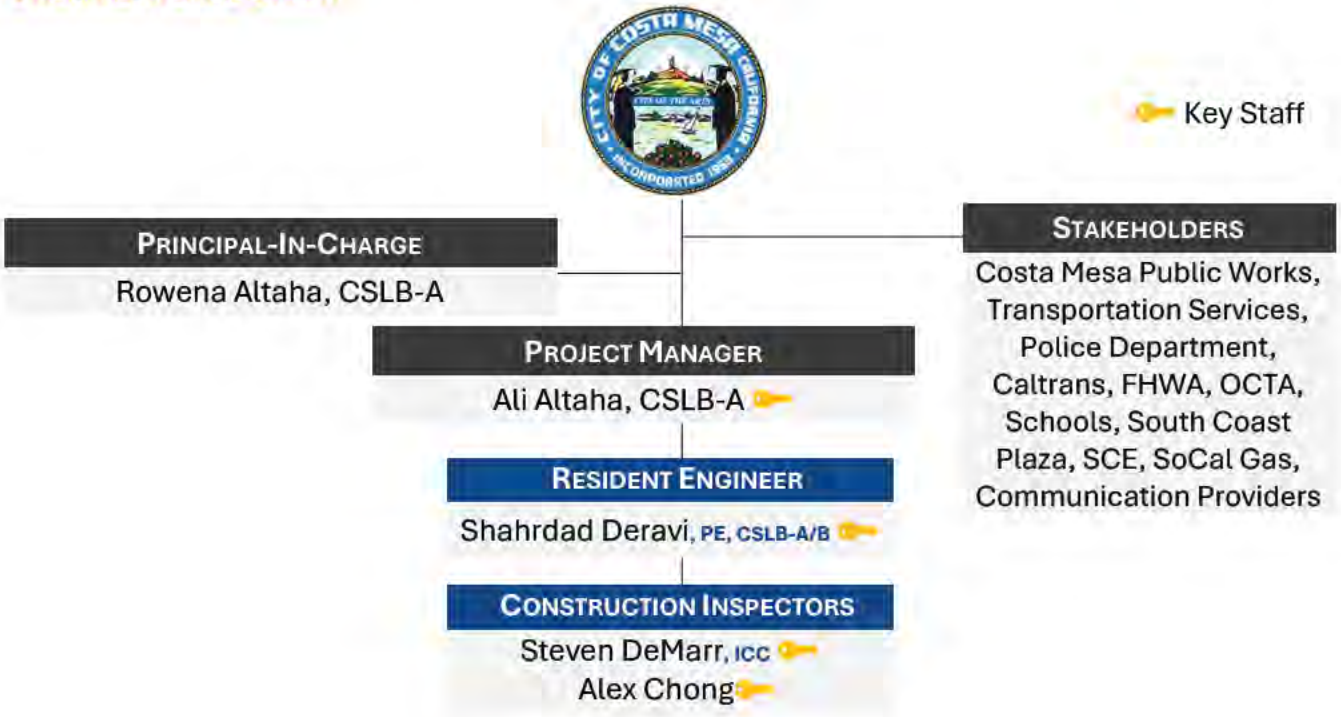
agencies, airports, transit agencies, and Caltrans. For the City's federally funded Project, C2PM has assembled a focused and experienced team with the technical, administrative, and field capabilities needed to support the City through pre-construction, construction, federal documentation, and closeout.

C2PM's proposed team is led by **Ali Altaha as Project Manager, Shahrdad Deravi, PE as Resident Engineer, and Steven DeMarr, ICC as Construction Inspector, with Alex Chong as electrical/signal inspection support** as needed. This structure gives the City a clear chain of responsibility while providing the Caltrans, public works, electrical/signal, inspection, documentation, and project controls experience needed for a fast-moving citywide signal modernization project.

A notable project includes the **Caltrans District 12 / OCTA $2.16 billion I-405 Improvements**, where C2PM provided roadway and electrical construction inspection services as part of the construction management team. C2PM's electrical inspection support included freeway lighting systems, ramp metering infrastructure, conduit and pull box installations, traffic signal modifications, and Intelligent Transportation Systems (ITS) components within a heavily traveled active corridor. This experience directly supports the City's need for inspection and documentation of traffic signal equipment and electrical/signal work.

This proposed C2PM team is currently nearing completion on the **$23M City of Perris Ethanac Road Bridge over San Jacinto River**, where C2PM provides construction management, quality oversight, contract administration, stakeholder coordination, RFI/submittal /change order review, progress reporting, quantity verification, and documentation support. This well-rounded, proven, and experienced team is prepared to apply its knowledge and field expertise to support the City through construction in an active traffic environment while maintaining strong control of schedule, cost, quality, and documentation.

Organizational Chart



Proposed Key Personnel

Role	Proposed Staff	Key Qualifications Relevant to This Project
Project Manager	**Ali Altaha CSLB-A**	35 years of construction/project management experience; public works, Caltrans, transportation, aviation, and municipal infrastructure; contract administration, project controls, QA/QC, RFIs, submittals, change orders, schedules, budgets, and closeout.
Resident Engineer	**Shahrdad Deravi, PE, CSLB-A/B**	California-registered Civil Engineer with 40 years of experience; 32-year Caltrans career; resident/assistant resident engineer, traffic/transportation, roadway, utility, traffic management, and public works construction experience.
Construction Inspector	**Steven DeMarr, ICC**	30 years of construction inspection experience; ICC Building, Plumbing, Mechanical, Electrical, and Commercial Combination Inspector; systems, MEP, electrical, transportation, transit, aviation, utilities, daily reporting, testing, and closeout documentation.
Electrical / Signal Inspection Support	**Alex Chong**	Electrical Engineer with 20 years of experience. Direct Caltrans District 12 I-405 electrical inspection experience involving ramp metering systems, traffic signal systems, CMS, roadway illumination, vehicle detection, CCTV, ETTM, communication systems, quantity takeoffs, as-builts, and pay estimate verification.

Project Management and Team Oversight

Ali Altaha will serve as Project Manager and will be responsible for overall contract oversight, client coordination, staffing support, quality management, schedule and budget awareness, and executive-level issue resolution. Mr. Altaha has more than 35 years of project and construction management experience across transportation, municipal public works, highways, rail/transit, aviation, and major infrastructure programs.

His experience includes managing multidisciplinary teams, contractors, and subconsultants; administering RFIs, submittals, change orders, payment processes, schedules, budgets, and project controls; and implementing quality management procedures to support compliant project delivery. For this project, Mr. Altaha will support the RE in maintaining responsiveness, quality, documentation control, and alignment with City expectations. He will also monitor staffing, workload, schedule, and budget performance to confirm that the team remains fully capable of meeting the City's schedule and service needs.

Resident Engineer Qualifications

C2PM's designated RE, **Shahrdad Deravi, PE**, meets the RFP's requirement for a California-licensed Civil Engineer and brings the depth of public works, transportation, construction administration, and Caltrans experience needed for this assignment.

Mr. Deravi has more than 40 years of experience, including a 32-year Caltrans career with engineering, construction, traffic

Mr. Deravi has more than 40 years of experience, including a 32-year Caltrans career with engineering, construction, traffic engineering, and resident/assistant resident engineer responsibilities on major freeway, interchange, traffic management, roadway, bridge, utility, and corridor improvement projects throughout Southern California. His relevant Caltrans District 12 experience includes the I-5 Expansion, SR-55 Widening, Barranca Parkway Carpool Ramp, University Drive On-Ramp, and the Caltrans District 12 Traffic Management Center. He also has experience with roadway and ATSAC fiber-optic system integration for the City of Los Angeles Bureau of Engineering.

For this project, Mr. Deravi will provide RE leadership, including plan and specification review, constructability review, contractor coordination, schedule review, RFI and submittal coordination, change order support, inspection oversight, field issue resolution, quantity verification, LAPM documentation, and closeout support. His Caltrans background and construction administration experience provide the leadership needed to administer a federally funded project with disciplined documentation, contract compliance, and timely coordination.

Construction Inspector Qualifications

C2PM's designated Construction Inspector, **Steven DeMarr, ICC**, brings more than 30 years of inspection experience and multiple ICC certifications, including Electrical Inspector and Commercial Combination Inspector. His background includes systems, MEP, utility, transportation, transit, airport, and active urban construction environments.

Mr. DeMarr's recent systems inspection experience includes major transportation projects where he verified approved submittals, material certifications, RFIs, design changes, inspection procedures, daily inspection reports, quality checklists, testing, commissioning, punch lists, and closeout records. His experience working in constrained, active transportation and aviation environments is directly relevant to monitoring work at operating intersections while maintaining safety, access, quality, and documentation requirements.

For this project, Mr. DeMarr will provide field inspection for traffic signal and related electrical work, traffic control implementation, pedestrian access, daily reports, photographs, quantity verification, field testing support, and documentation of deficiencies and corrective actions.

Electrical / Signal Inspection Support

To strengthen the team's traffic signal and electrical inspection capabilities, **Alex Chong** will be available to support electrical/signal inspection and technical review as needed. Mr. Chong brings direct Caltrans District 12 electrical inspection experience from the I-405 Improvements Project, where he inspected ramp metering systems, traffic signal systems, communication management systems, roadway illumination, vehicle detection systems, CCTV, and electronic toll and traffic management systems.

His experience also includes field measurements, quantity takeoffs, as-built reconciliation, monthly pay estimate verification, and coordination with construction management and project management teams. This technical background provides additional depth for Costa Mesa's signal modernization scope, including retroreflective backplates, countdown pedestrian signals, upgraded signal heads, emergency vehicle preemption, battery backup systems, and related electrical/signal components.

Capacity to Meet Schedule, Volume, and Quality Requirements

C2PM has assigned a focused team with the availability and depth needed to support the City's 95-working-day construction schedule and citywide work at 128 signalized intersections. Rather than relying on general on-call availability, C2PM will commit the

proposed Project Manager, RE, Construction Inspector, and electrical/signal support resources to this assignment for the duration required by the City, including the pre-construction startup period, active construction, and post-construction closeout support.

The team will be managed around the Contractor's approved baseline schedule and weekly look-ahead schedules. C2PM will use these schedules to confirm when and where inspection coverage is required, identify critical signal activities in advance, and adjust staffing if the Contractor shifts work between corridors or opens multiple work fronts. This allows C2PM to maintain coverage of key activities without overstaffing the project or delaying the Contractor.

C2PM will also maintain backup and technical support capacity to protect the City from staffing interruptions. If a key team member is unavailable, C2PM will provide an equally qualified replacement consistent with the RFP requirements and City approval. Electrical/signal technical support will also be available for targeted review or field support when work involves signal systems, BBS, emergency vehicle preemption, vehicle detection, roadway illumination, or related electrical components.

To maintain quality across a high volume of work locations, C2PM will use a standardized documentation and review process rather than relying on individual field habits. Daily reports, photographs, quantity records, certifications, issue logs, testing records, and punch list items will be tracked by intersection and bid item. This will help the City maintain consistent records as work moves from location to location and will reduce the risk of missing documentation at closeout.

This approach gives the City a dedicated, available, and scalable team that can support the project's schedule and field volume while maintaining consistent quality and documentation control throughout all phases of construction.

Cost and Budget Management Process

C2PM's cost and budget management process will be built around early cost setup, accurate quantity verification, disciplined progress payment review, and proactive change order control. Because this project includes repetitive signal safety improvements across 128 signalized intersections, C2PM will track cost and quantities by bid item, intersection, corridor, and work activity to provide the City with a clear understanding of completed work, remaining work, and potential cost exposure.

At the start of construction, C2PM will review the Contractor's bid schedule, baseline schedule, anticipated work sequence, and major signal equipment items to establish a cost tracking framework. This framework will be used to monitor quantities for items such as retroreflective backplates, countdown pedestrian signals, 12-inch signal head upgrades, emergency vehicle preemption equipment, battery backup systems, traffic control, and related electrical/signal work. The goal is to confirm that progress payments are based on verified work in place, not simply on the Contractor's reported percent complete.

During construction, our Construction Inspector will document daily work activities, installed quantities, field measurements, photographs, crew activity, traffic control conditions, and any issues affecting production. The RE will review this information against the bid items, daily reports, Q-sheets, and Contractor payment requests. Quantity records will be maintained in a manner consistent with Caltrans/LAPM expectations so that each payment recommendation is supported by traceable documentation.

For monthly progress payments, C2PM will compare the Contractor's payment application against verified field quantities, approved bid items, material documentation, and work actually completed at each intersection. Any

discrepancies will be reconciled with the Contractor before the payment recommendation is forwarded to the City. This process will help avoid overpayment, unsupported quantities, duplicate payment for repetitive work items, or payment for materials lacking required certifications or acceptance documentation.

C2PM will also maintain a change order and potential change log identifying the issue, location, affected bid items, reason for change, entitlement basis, cost support, schedule impact, approval status, and required backup documentation. For potential changes, C2PM will first determine whether the work is included in the contract documents, already covered by existing bid items, or outside the original scope. If a change is warranted, C2PM will review labor, equipment, material, subcontractor costs, production assumptions, and schedule impacts before providing the City with a recommendation.

Because this is a federally funded HSIP project, cost documentation must also support reimbursement and audit readiness. C2PM will verify that payment records are supported by daily reports, Q-sheets, photographs, approved submittals, Certificates of Compliance, Buy America/BABA documentation, certified payroll records where applicable, change order backup, and City approvals. Costs associated with non-compliant, undocumented, or unapproved work will be identified early so they can be resolved before becoming reimbursement or closeout issues.

This cost management process will help the City maintain budget control, verify that payments reflect actual completed work, identify cost risks early, and preserve the documentation needed for Caltrans/FHWA review.

This approach has been successfully implemented on complex infrastructure projects such as the Caltrans I-405 Improvements, where disciplined field verification and coordination supported quality control and schedule adherence, and the Ethanac Road Bridge Project, where C2PM provides comprehensive cost control, progress tracking, and contract administration services to maintain budget compliance. This proven system ensures effective cost management, minimizes risk of overruns, and supports successful delivery of federally funded projects.

LAPM and Federal-Aid Knowledge

C2PM understands that this HSIP-funded project must be administered in accordance with Caltrans Local Assistance and applicable federal-aid requirements. The proposed team will emphasize compliance with the latest LAPM requirements, including Chapter 5 for invoicing, Chapter 9 for Civil Rights, DBE, and prompt payment requirements, Chapter 16 for administering construction contracts, and Chapter 17 for project completion.

C2PM will translate these requirements into practical project controls, including a City/Caltrans-compliant filing structure, federal forms tracking, daily inspection reports, weekly RE reports, quantity sheets, certified payroll review, employee interviews, Buy America/BABA tracking, Certificates of Compliance, DBE documentation, prompt payment certifications, progress payment support, change order documentation, and closeout records.

For this project, C2PM will pay particular attention to the LAPM and federal documentation required for signal equipment and citywide construction activities, including DOT CEM-3101 Buy America documentation, LAPM Exhibit 16-B Subcontracting Requests, LAPM Exhibit 9-P Prompt Payment Certifications, LAPM Exhibit 16-A Weekly Statement of Working Days, LAPM Exhibits 16-C1 and 16-C2 inspection reports, and final DBE/closeout documentation such as LAPM Exhibits 17-F and 17-O.

Resumes and Qualifications of Staff



Ali Altaha, CSLB-A

Senior Project Manager

Education

BS, Civil Engineering, San Francisco State University

Registrations

California General Contractor (CSLB-A) No. 974836

Summary of Experience

Mr. Ali Altaha is a Senior Project Manager with more than 35 years of experience delivering municipal and public works infrastructure projects for cities, transportation agencies, and public-sector owners. He has supported projects for multiple municipalities, including the Cities of Perris, Los Angeles, Oakland, Irvine, Mission Viejo, Lake Forest, Tustin, and Fullerton. His experience includes construction management, project controls, quality assurance, risk management, schedule oversight, budget tracking, change order review, claims analysis, and contract administration for complex capital improvement programs. Mr. Altaha is experienced in coordinating with City staff, contractors, designers, utilities, regional agencies, and community stakeholders to maintain project momentum and resolve field issues efficiently. He brings strong understanding of public agency procedures, documentation requirements, cost control, and compliance with contractual and regulatory standards. As Project Manager, he will provide oversight to confirm the team remains responsive, properly staffed, and aligned with the City's schedule, budget, quality, and documentation expectations.

City of Perris, Ethanac Road Bridge Over San Jacinto River, Perris, CA • Senior Construction Manager • Mr. Altaha provided overall project management oversight, serving as the primary point of contact between the City, construction management team, contractors, and third-party stakeholders. He directed project planning, staffing, and resource allocation; monitored scope, budget, and schedule performance; and ensured alignment with contract requirements and agency objectives. Mr. Altaha led progress meetings, reviewed and approved change order recommendations, evaluated contractor claims and schedule impacts, and verified that quality assurance and safety programs were properly implemented in the field. He maintained executive-level reporting, tracked key performance indicators, and proactively identified risks affecting cost or schedule, implementing mitigation strategies to maintain project momentum. Through disciplined oversight, clear communication, and decisive leadership, he ensures the project continues to deliver in compliance with approved plans and specifications while safeguarding the City's financial and operational interests.

City of Los Angeles Bureau of Engineering (LABOE), Los Angeles, CA • Task Order Basis • Senior Construction Manager • Mr. Altaha oversaw construction management for a series of task orders for the City of Los Angeles, each with distinct challenges and goals. He successfully managed the seismic retrofit of the Corbin, Canoga, and Mason Avenue Bridges over the Los Angeles River. Following that, he led the construction of the Foothill Bridge project to completion. Mr. Altaha also supervised the seismic retrofit of the Colfax Bridge over the Los Angeles River, ensuring project completion within time and budget constraints. His role involved coordinating with multiple City departments and regional stakeholders, including the Los Angeles County Flood Control District. He was tasked with confirming construction progress, reviewing schedules, and overseeing payment verification in line with FAR requirements.



Shahrdad Deravi, PE, CSLBA/B

Resident Engineer

Education

MS, Civil Engineering, California State University Fullerton
BS, Civil Engineering, University of California Irvine
Civil Engineering Degree, Thames Polytechnic, London, UK

Registrations

California General Contractor (CSLBA and B) No. 1034862
Professional Engineer (PE) CA No. 48978

Summary of Experience

Mr. Shahrdad Deravi, PE, will serve as Resident Engineer for this assignment and brings the California PE licensure, Caltrans construction background, and field leadership required for a federally funded traffic signal modernization project. He has more than 40 years of transportation, roadway, bridge, rail, and municipal infrastructure experience, including a 32-year Caltrans career in roles such as Resident Engineer and Construction Engineer. His Caltrans experience includes high-volume corridor work, traffic control coordination, quantity verification, pay application review, CPM schedule evaluation, change order negotiation, and compliance with public agency standards. For this project, Mr. Deravi's role will include day-to-day construction administration, Contractor coordination, RFI and submittal review, schedule monitoring, change order support, inspection oversight, quantity verification, and documentation control. His dual background as a California-licensed Civil Engineer and General Contractor gives him practical constructability judgment when resolving field conflicts, access issues, schedule impacts, and potential claims.

City of Perris, Ethanac Road Bridge Over San Jacinto River, Perris, CA • Resident Engineer • Mr. Deravi provides day-to-day construction management oversight for this project, ensuring work is executed in accordance with approved plans, specifications, contract requirements, and agency standards. He oversees contractor activities with respect to quality, safety, schedule, and design intent; reviews and coordinates submittals, RFIs, and contractor correspondence; and supports constructability reviews to proactively identify and resolve field issues. He monitors construction progress, verifies quantities, and maintains accurate project documentation, including daily reports, meeting records, and status logs. Mr. Deravi actively supports contract administration by reviewing change requests, assisting with cost and schedule impact evaluations, and advising the owner on the validity of proposed changes. He coordinates testing and inspection activities, supports punch list development and closeout, and participates in regular construction meetings to track action items and facilitate timely resolution.

California Department of Transportation (Caltrans) District 12, Traffic Management Center (TMC), Santa Ana, CA • Assistant Resident Engineer • Mr. Deravi was responsible for concept development and preparation of the Project Study Report (PSR) for headquarters approval and funding. He served as the lead engineer in developing user requirements criteria and directing project development through final delivery. The project encompassed full contract administration, architectural production, construction bidding, award, and oversight of the construction phase. The facility represented the first Traffic Management Center (TMC) in Caltrans' history, co-locating Caltrans traffic operations and the California Highway Patrol (CHP) emergency division. The work involved renovation of an existing office building into a state-of-the-art traffic data collection and dissemination center. Mr. Deravi led product research and procurement, construction contract administration, daily field inspections, project management, and final project acceptance.



STEVEN DEMARR, ICC

CONSTRUCTION INSPECTOR

EDUCATION

United Brotherhood of Carpenters & Jointers Apprenticeship

REGISTRATIONS

ICC No. 5053149: Electrical, Building, Plumbing, Mechanical, Commercial Combination

SUMMARY OF EXPERIENCE

Mr. Steven DeMarr, ICC, will serve as Construction Inspector and brings more than 30 years of inspection experience on complex transportation, transit, aviation, utility, and public infrastructure projects. He holds multiple ICC certifications, including Electrical Inspector and Commercial Combination Inspector, giving him strong technical capability for field verification of signal-related, electrical, civil, and systems work. His experience includes inspection of active transportation environments, underground utilities, communications infrastructure, power systems, street restoration, traffic lighting control systems, daily inspection reporting, QA/QC checklists, testing, commissioning, punch lists, and closeout documentation. For this project, Mr. DeMarr's role will include monitoring construction activities at active signalized intersections, documenting field progress, verifying work for conformance with plans and specifications, supporting quantity tracking, and identifying deficiencies for correction. His background in systems-intensive work is well aligned with Costa Mesa's signal modernization scope, including pedestrian signal upgrades, signal equipment installation, traffic control, and related electrical components. Mr. DeMarr will provide disciplined field inspection, safety awareness, and detailed documentation to support the Resident Engineer and help maintain quality, access, and compliance throughout construction.

Regional Public Transportation Authority (RPTA) (Valley Metro), South Central Extension (SCE), Phoenix, AZ • Systems Project Inspector • Mr. DeMarr was responsible for providing QA oversight across multiple corridor locations, at-grade stations, downtown hubs, TPSS sites, signal houses, and mainline duct bank installations. He verified approved submittals, material certifications, RFIs, design changes, personnel qualifications, equipment calibration, and compliance with inspection procedures and project quality control plans before work proceeded. He documented work through Daily Inspection Reports and QA checklists, validated testing results, and monitored contractor production, quality, and safety performance. His inspection responsibilities included communications and feeder manholes, underground duct banks for power, communications, traffic signals, and rail systems, utility relocations, street restoration, paving, utility cutovers, and closeout of civil and MEP/systems work.

Los Angeles County Metropolitan Transportation Authority (LACMTA), Westside Purple Line Extension Phase II, Los Angeles, CA • Design-Build (DB) • Senior MEP/Systems Project Inspector • Mr. DeMarr was responsible for providing oversight inspection for underground station work, verifying approved submittals, material certifications, RFIs, change documents, equipment calibration, and inspection procedures before construction activities proceeded. He reviewed shop drawings, construction work plans, material documentation, safety submittals, RFIs, change orders, and nonconformance reports for compliance with contract documents and City standards. He documented field activities through Daily Inspection Reports and QA checklists, validating testing results with proper signatures, dates, and witness verification. His work also included coordination with Dig Alert, city jurisdictions, third-party utilities, street and traffic lighting control systems, progress payments, change order work, claims, and closeout documentation.



Alex Chong

Construction Inspector

Education

MS, Engineering Management, Florida International University
BS, Electrical Engineering, Florida International University

Summary of Experience

Mr. Alex Chong will provide electrical/signal inspection support and brings 20 years of experience on transportation, roadway, transit, and public infrastructure projects. He has direct Caltrans District 12 experience as Electrical Inspector on the I-405 Improvements Project, where he inspected ramp metering systems, traffic signal systems, roadway illumination, vehicle detection systems, CCTV, communication systems, and electronic toll/traffic management systems. He also served as Electrical Inspector on the I-5 North County Improvement Project, supporting ramp metering, traffic signal systems, CMS, roadway illumination, vehicle detection, CCTV, and a Caltrans communication hub. Mr. Chong's experience includes field measurements, quantity takeoffs, as-built reconciliation, monthly pay estimate verification, design review, constructability support, and coordination with construction management and project management teams. For this project, his electrical and signal systems background will support field verification, documentation, and technical review of signal modernization elements, including upgraded signal heads, pedestrian signal equipment, emergency vehicle preemption, battery backup systems, vehicle detection, and related electrical components.

Los Angeles County Metropolitan Transportation Authority (LACMTA), I-5 North County Improvement Project, Los Angeles, CA • Design-Bid-Build (DBB) • Electrical Inspector • Mr. Chong provided comprehensive electrical inspection and quality verification oversight for major transportation corridor improvements, including critical project elements such as Ramp Metering Systems, Traffic Signal Systems, Changeable Message Signs, highway and local city roadway illumination, Vehicle Detection Systems, CCTV components, and a new Caltrans Communication Hub. He was strategically brought onboard prior to NTP to collaborate closely with the Construction Management Consultant team in conducting detailed design reviews and constructability assessments. Through proactive analysis, he identified design deficiencies, coordination conflicts, and specification inconsistencies before construction activities commenced, significantly reducing field rework, mitigating risk exposure, and protecting project schedule and budget performance.

California Department of Transportation (Caltrans) District 12, I-405 Improvements, Santa Ana, CA • Design-Build (DB) • Electrical Inspector • Mr. Chong performed comprehensive electrical inspections and quality verification oversight supporting complex transportation infrastructure upgrades. His responsibilities included inspection and compliance verification of Ramp Metering Systems, Traffic Signal Systems, Communication Management Systems, highway and local city roadway illumination, Vehicle Detection Systems, CCTV components, and Electronic Toll and TMS. He ensured all installations met contract requirements, Caltrans standards, and applicable codes while maintaining strict adherence to project quality control protocols. He collaborated closely with the Consultant teams to perform detailed quantity take-offs, validate field measurements, review and reconcile As-Built drawings, and prepare and verify monthly pay estimates. Through disciplined documentation review and field verification, he strengthened cost control, enhanced reporting accuracy, and supported timely contractor payments while safeguarding the integrity of the project's financial and technical performance.

SECTION 4 - EXPERIENCE & RECORD OF SUCCESS ON SIMILAR FEDERAL PROJECTS

CITY OF PERRIS CONSTRUCTION MANAGEMENT SERVICES FOR ETHANAC ROAD BRIDGE OVER SAN JACINTO RIVER	
SCOPE OF SERVICES:	CM/CI — PROJECT DATES: 06/2024 – 06/2026
STAFF ASSIGNED:	Ali Altaha, CSLB-A, Project Manager Shahrdad Deravi, PE, CSLB-A/B Resident Engineer
PROJECT OVERVIEW:	C2PM is serving as the prime consultant providing comprehensive construction management and inspection services for the $23 million Ethanac Road Bridge Replacement Project, which includes a new 450-foot-long multi-span bridge over the San Jacinto River, roadway improvements, utility relocations, drainage upgrades, and environmental compliance. The project requires full-time field oversight, contract administration, stakeholder coordination, schedule monitoring, cost control, quality oversight, and detailed project documentation. **C2PM manages RFIs, submittals, change orders, quantity verification, progress reporting, payment reviews, and field issue resolution, with Shahrdad Deravi, PE, serving as RE and leading day-to-day construction administration and field coordination.** This experience directly relates to the City's federally funded signal modernization project, which requires similar CM/CI discipline, including active field inspection, documentation control, quantity tracking, change management, progress payment support, and coordination with the City, Contractor, agencies, utilities, and affected stakeholders. C2PM's work on Ethanac demonstrates our ability to manage federally funded public infrastructure work while maintaining cost and schedule visibility, resolving field issues proactively, and preserving complete records to support agency review, reimbursement, and closeout.
REFERENCE:	Kamran Saber, Senior Project Manager, City of Perris, Ksbaer@Cityofperris.com, (714) 239-1014

CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) DISTRICT 12 I-405 IMPROVEMENTS	
SCOPE OF SERVICES:	Construction Inspection — PROJECT DATES: 01/2020 – 01/2023
STAFF ASSIGNED	David Hissen (Roadway Construction Inspector) Alex Chong (Electrical Construction Inspector)
PROJECT OVERVIEW:	C2PM provided roadway and electrical construction inspection services for the $2.16 billion Caltrans District 12 / OCTA I-405 Improvements Project, a 16-mile corridor improvement between SR-73 and I-605. The project included new general-purpose lanes, express lanes, bridge and interchange improvements, ramp modifications, freeway lighting, ramp metering, traffic signal modifications, conduit and pull box systems, vehicle detection, CCTV, communications, and ITS components. C2PM's inspection team, including **Alex Chong**, provided electrical inspection support for ramp metering systems, traffic signal systems,

communication systems, roadway illumination, vehicle detection, CCTV, and electronic toll and traffic management systems. C2PM also supported field measurements, quantity verification, as-built reconciliation, monthly pay estimate review, daily reporting, and coordination with the construction management and project management teams.

This project is highly relevant to the City because it demonstrates C2PM's direct Caltrans District 12 experience inspecting electrical and traffic signal-related improvements in an active transportation environment. The same discipline used on I-405—field verification, documentation, quantity tracking, issue resolution, and coordination with Caltrans standards—will support the City's signal modernization work across 128 active intersections.

REFERENCE: Ghassan Dagher, Project Manager, TRC, Gdagher@trccompanies.com, (909) 477-0237

COMPARABLE CONTRACTS AND PROJECTS (PAST FIVE YEARS)

The following table summarizes representative contracts and projects that C2PM has performed and is currently performing that are comparable in scope, complexity, and delivery approach to the CM/CI services requested. These projects demonstrate C2PM's experience supporting municipal agencies with on-call construction management, field inspection, quality assurance, documentation, and construction-phase oversight for public works and capital improvement projects.

AGENCY NAME	PROJECT DESCRIPTION	DURATION	SCOPE OF WORK	COST OF CONSTRUCTION
Caltrans District 7	On-Call Construction Management	2017 – 2021	Construction Management	$1,000,000
Caltrans District 10	On-Call Construction Management	2020 – 2021	Construction Management	$1,000,000
LA Metro	I-105 and I-110 Construction	2025 – Ongoing	Construction - Electrical	$6,500,000
City of Los Angeles Street Lighting	Street Lighting Construction	2015 – 2018	Construction - Electrical	$1,000,000+
City of Los Angeles Bureau of Engineering	Bridge Seismic Retrofit Program	2018 – 2023; 2024 – Ongoing	CM/CI	$5,000,000+

SECTION 5 - FINANCIAL CAPACITY

C2PM confirms that it maintains an adequate financial management and accounting system in accordance with 48 CFR Part 16.301-3, 2 CFR Part 200, and 48 CFR Part 31. Audited financial statements for the past three years were submitted separately in PlanetBids as required by the RFP.

SECTION 6 - COST PROPOSAL (SEPARATE FILE)

Submitted separately

FORMS

VENDOR APPLICATION FORM

FOR

RFP No. 26-18 for Construction Management and Inspection Support Services for Signal Modernization for Systemic Safety Improvements

TYPE OF APPLICANT: ☒ NEW ☐ Legal Contractual Name CURRENT VENDOR

of Corporation: C2PM

Contact Person for Agreement: Rowena Altaha - President

Corporate Mailing Address: 22601 Summerfield, Suite 2 City,

State and Zip Code: Mission Viejo, CA 92692

E-Mail Address: rowena@c2pm.com

Phone: (949) 254-9077 Fax:

Contact Person for Proposals: Rowena Altaha

Title: President E-Mail Address: Rowena@c2pm.com

Business Telephone: (949) 254-9077 Business Fax:

Is your business: (check one)

☐ NON PROFIT CORPORATION ☒ FOR PROFIT CORPORATION

Is your business: (check one)

☒ CORPORATION ☐ LIMITED LIABILITY PARTNERSHIP

☐ INDIVIDUAL ☐ SOLE PROPRIETORSHIP

☐ PARTNERSHIP ☐ UNINCORPORATED ASSOCIATION

Names & Titles of Corporate Board Members

(Also list Names & Titles of persons with written authorization/resolution to sign contracts)

Names	Title	Phone
Rowena Altaha	President	(949) 254-9077

Federal Tax Identification Number: 02-0612145

City of Costa Mesa Business License Number: C2PM will obtain upon contract award

(If none, you must obtain a Costa Mesa Business License upon award of contract.)

City of Costa Mesa Business License Expiration Date: Please see above

COMPANY PROFILE & REFERENCES

Company Legal Name:

Company Legal Status (corporation, partnership, sole proprietor etc.): Corporation

Active licenses issued by the California State Contractor's License Board:

Business Address: 22601 Summerfield, Suite 2 Mission Viejo, CA 92692

Website Address: www.c2pm.com

Telephone Number: (949) 254-9077 Facsimile Number: (949) 333-3701

Email Address: rowena@c2pm.com

Length of time the firm has been in business: 25 years

Length of time at current location: 25 years

Is your firm a sole proprietorship doing business under a different name: ___Yes X No

If yes, please indicate sole proprietor's name and the name you are doing business under:

Federal Taxpayer ID Number: [redacted]

Regular Business Hours: Monday – Friday 7am – 5pm

Regular holidays and hours when business is closed: Federal Holidays

Contact person in reference to this solicitation: **Rowena Altaha**

Telephone Number: (949) 254-9077 Facsimile Number:

Email Address: rowena@c2pm.com

Contact person for accounts payable: **Shereen Hayes**

Telephone Number: (949) 226-2742 Facsimile Number:

Email Address: shereen@c2pm.com

Name of Project Manager: Ali Altaha

Telephone Number: (510) 812-5210 Facsimile Number:

Email Address: ali.altaha@c2pm.com

COMPANY PROFILE & REFERENCES (Continued)

Submit the company names, addresses, telephone numbers, email, contact names, and brief contract descriptions of at least three clients, preferably other municipalities for whom comparable projects have been completed or submit letters from your references which include the requested information.

Company Name: CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS)

Telephone Number: (909) 477-0237

Contact Name: Ghassan Dagher

Contract Amount: $1,530,000

Email: Gdagher@trccompanies.com

Address: 13571 W Central Ave, Brea, CA 92821

Brief Contract Description: The I-405 Improvements Design-Build Project is a $2.16 billion transportation infrastructure program delivered by Caltrans District 12 to enhance mobility, safety, and operational efficiency along one of Southern California's most heavily traveled corridors. Spanning approximately 16 miles between SR-73 and I-605, the project included the addition of a general-purpose lane in each direction and the construction of a dual express lane system within the median, along with extensive roadway, structural, and systems improvements to support increased capacity and improved traffic flow.

Company Name: City of Perris, CA

Telephone Number: (714) 239-1014

Contact Name: Kamran Saber

Contract Amount: $2,900,000

Email: Ksbaer@Cityofperris.com

Address: City of Perris, CA

Brief Contract Description: C2PM is serving as the prime consultant providing comprehensive CM/CI services for the $23 million Ethanac Road Bridge Replacement Project in the City of Perris. This critical infrastructure project includes the construction of a new 450-foot-long, 113.5-foot-wide multi-span bridge over the San Jacinto River, along with associated roadway improvements, utility relocations, drainage upgrades, and environmental compliance measures. The project is designed to enhance public safety, improve traffic operations, and strengthen regional connectivity within Riverside County.

Company Name: Conduent/LA Metro

Telephone Number: (818) 858-2192

Contact Name: Michael Decano

Contract Amount: $8,500,000

Email: michael.decano@conduent.com

Address: 2277 E 220th St, Carson, CA 90810

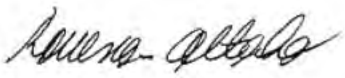
Brief Contract Description:

C2PM supports the I-105 ExpressLanes Roadside Toll Collection System (RTCS) Project, a major LACMTA technology and transportation infrastructure initiative involving the deployment of a complete roadside toll collection system along the I-105 ExpressLanes corridor. C2PM's scope includes providing skilled electrical and systems installation personnel, field installation execution, warehouse operations, procurement and logistics management, equipment assembly and configuration, quality validation, burn-in testing, installation testing, commissioning support, and milestone-based deployment across multiple freeway segments. The work includes tolling equipment and roadside systems such as LPR cameras, AVI antennas, LiDAR scanners, detection loops, electronics cabinets, UPS cabinets, Zone Controller cabinets, DMS cabinets, power and communications infrastructure, cabling, routing, labeling, and terminations. This experience is directly relevant to Costa Mesa's signal modernization project because it demonstrates C2PM's ability to manage complex electrical/systems infrastructure, coordinate field work in active traffic environments, maintain strict documentation and quality controls, support commissioning and operational acceptance, and deliver technology-based transportation improvements through structured sequencing, logistics coordination, and reliable field execution.

EX PARTE COMMUNICATIONS CERTIFICATION

Please indicate by signing below one of the following two statements. **Only sign one statement.**

I certify that Proposer and Proposer's representatives have not had any communication with a City Councilmember concerning informal **RFP No. 26-18_for Construction Management and Inspection Support Services for Signal Modernization for Systemic Safety Improvements** at any time after **March 02, 2026.**



_____ **Date**: 4/27/2026

Signature

Rowena Altaha

Print

OR

I certify that Proposer or Proposer's representatives have communicated after **March 2, 2026** with a City Councilmember concerning informal **RFP No. _____FOR _____**. A copy of all such communications is attached to this form for public distribution.

_____ **Date**: _____

Signature

_____

Print

DISCLOSURE OF GOVERNMENT POSITIONS

Each Proposer shall disclose below whether any owner or employee of Contractor currently hold positions as elected or appointed officials, directors, officers, or employees of a governmental entity or held such positions in the past twelve months. List below or state "None."

None. Not applicable.

DISQUALIFICATION QUESTIONNAIRE

The Contractor shall complete the following questionnaire:

Has the Contractor, any officer of the Contractor, or any employee of the Contractor who has proprietary interest in the Contractor, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or safety regulation?

Yes _____ No X____

If the answer is yes, explain the circumstances in the following space.

BIDDER/APPLICANT/CONTRACTOR CAMPAIGN CONTRIBUTION

DISCLOSURE FORM

Proposer/Consultant/Applicant is required to identify any campaign contribution or cumulative contributions greater than $249 to any city council member in the twelve months prior to submitting an application, proposal, statement of qualifications or bid requiring approval by the City Council.

Date	Name of Donor	Company/Business Affiliation	Name of Recipient	Amount
None. Not applicable.				

Except as described above, I/we have not made any campaign contribution in the amount of $250 or more to any Costa Mesa City Council Member in the twelve months preceding this Application/Proposal.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Bidder/Applicant/Proposer

4/27/2026

Date

EXHIBIT 10-Q DISCLOSURE OF LOBBYING ACTIVITIES

COMPLETE THIS FORM TO DISCLOSE LOBBYING ACTIVITIES PURSUANT TO 31 U.S.C. 1352 N/A

1. Type of Federal Action:

- ☐ a. contract
- ☐ b. grant
- ☐ c. cooperative agreement
- ☐ d. loan
- ☐ e. loan guarantee
- ☐ f. loan insurance

2. Status of Federal Action:

- ☐ a. bid/offer/application
- ☐ b. initial award
- ☐ c. post-award

3. Report Type:

- ☐ a. initial
- ☐ b. material change

For Material Change Only:
year ____ quarter _____
date of last report _____

4. Name and Address of Reporting Entity

☐ Prime ☐ Subawardee
Tier _____, if known

Congressional District, if known

5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:

Congressional District, if known

6. Federal Department/Agency:

7. Federal Program Name/Description:

CFDA Number, if applicable _____

8. Federal Action Number, if known:

9. Award Amount, if known:

10. Name and Address of Lobby Entity
(If individual, last name, first name, MI)

11. Individuals Performing Services
(including address if different from No. 10)
(last name, first name, MI)

(attach Continuation Sheet(s) if necessary)

12. Amount of Payment (check all that apply)

$ _____ ☐ actual ☐ planned

13. Form of Payment (check all that apply):

- ☐ a. cash
- ☐ b. in-kind; specify: nature _____
  Value _____

14. Type of Payment (check all that apply)

- ☐ a. retainer
- ☐ b. one-time fee
- ☐ c. commission
- ☐ d. contingent fee
- ☐ e deferred
- ☐ f. other, specify _____

15. Brief Description of Services Performed or to be performed and Date(s) of Service, including officer(s), employee(s), or member(s) contacted, for Payment Indicated in Item 12:

(attach Continuation Sheet(s) if necessary)

16. Continuation Sheet(s) attached: **Yes** ☐ **No** ☐

17. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. This disclosure of lobbying reliance was placed by the tier above when his transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: Rowena Altaa

Print Name: Rowena Altaa

Title: President

Telephone No.: (949) 254-9077 Date: 4/27/26

Authorized for Local Reproduction

Standard Form - LLL

Federal Use Only:

Standard Form LLL Rev. 04-28-06

Distribution: Orig- Local Agency Project Files


C2PM

EXHIBIT C

CONSULTANT'S COST PROPOSAL

COST PROPOSAL

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)

Note: Mark-ups are Not Allowed

☑ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Consultant C2PM

Project No. HSIPL-5312(107) Contract No. 26-01 Date 06/01/2026

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Project Manager	Ali Altaha	48.00	$ 72.00	$ 3,456.00
Resident Engineer	Shahrdad Deravi	540.00	$ 77.00	$ 41,580.00
Construction Inspector	Alex Chong	760.00	$ 58.00	$ 44,080.00
Office Engineer	Shereen Hayes	540.00	$ 43.00	$ 23,220.00

LABOR COSTS

a) Subtotal Direct Labor Costs $ 112,336.00

b) Anticipated Salary Increases (see page 2 for calculation) $ 0.00

c) **TOTAL DIRECT LABOR COSTS** [(a) + (b)] $ 112,336.00

INDIRECT COSTS

d) Fringe Benefits (Rate: 0.00%) e) Total Fringe Benefits [(c) x (d)] $ 0.00

f) Overhead (Rate: 206.72%) g) Overhead [(c) x (f)] $ 232,220.98

h) General and Administrative (Rate: 0.00%) i) Gen & Admin [(c) x (h)] $ 0.00

j) **TOTAL INDIRECT COSTS** [(e) + (g) + (i)] $ 232,220.98

FIXED FEE k) **TOTAL FIXED FEE** [(c) + (j)] x fixed fee 5.00%] $ 17,227.85

l) **CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)**

Description of Item	Quantity	Unit	Unit Cost	Total
Vehicle	2	1	$ 2,500.00	$ 5,000.00
Allowance - Night Time Work	1	1	$ 39,300.00	$ 39,300.00
Permit Fees				$ 0.00
Plan Sheets				$ 0.00
Test				$ 0.00

l) **TOTAL OTHER DIRECT COSTS** $ 44,300.00

m) **SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

Subconsultant 1:

Subconsultant 2:

Subconsultant 3:

Subconsultant 4:

m) **TOTAL SUBCONSULTANTS' COSTS** $ 0.00

n) **TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS** [(l)+(m)] $ 44,300.00

TOTAL COST [(c) + (j) + (k) + (n)] $ 406,084.83

NOTES:

1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

COST PROPOSAL

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement. Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Rowena Altaha Title *: President

Signature : Date of Certification (mm/dd/yyyy): 05/21/2026

Email: Rowena@c2pm.com Phone Number: (949) 226-2742

Address: 22601 Summerfield, Suite 2, Mission Viejo, CA 92692

*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Construction Management and Inspection for Signal Modernization for Systemic Safety Improvements

SUMMARY BREAKDOWN

STAFF	CLASSIFICATION/TITLE	HOURLY RATE	ICR	FEE	BILLING RATE
Ali Altaha	Project Manager	$ 72.00	206.72%	5%	$ 231.88
Shahrdad Deravi, PE	Resident Engineer	$ 77.00	206.72%	5%	$ 247.98
Alex Chong	Construction Inspector	$ 58.00	206.72%	5%	$ 186.79
Shereen Hayes	Office Engineer	$ 43.00	206.72%	5%	$ 138.48

NTP No. 1

STAFF	CLASSIFICATION/TITLE	WORKING DAYS	HOURS	BILLING RATE	TOTAL
Ali Altaha	Project Manager	2	16	$ 231.88	$ 3,710.09
Shahrdad Deravi, PE	Resident Engineer	10	80	$ 247.98	$ 19,838.65
Alex Chong	Construction Inspector	0	0	$ 186.79	$ -
Shereen Hayes	Office Engineer	10	80	$ 138.48	$ 11,078.73
		TOTAL	**176**		**$ 34,627.46**

NTP No. 2

STAFF	CLASSIFICATION/TITLE	WORKING DAYS	HOURS	BILLING RATE	TOTAL
Ali Altaha	Project Manager	2	16	$ 231.88	$ 3,710.09
Shahrdad Deravi, PE	Resident Engineer	95	380	$ 247.98	$ 94,233.59
Alex Chong	Construction Inspector	95	760	$ 186.79	$ 141,962.29
Shereen Hayes	Office Engineer	95 (4 hrs per day)	380	$ 138.48	$ 52,623.95
		TOTAL	**1,536**		**$ 292,529.91**

Close-Out

STAFF	CLASSIFICATION/TITLE	WORKING DAYS	HOURS	BILLING RATE	TOTAL
Ali Altaha	Project Manager	2	16	$ 231.88	$ 3,710.09
Shahrdad Deravi, PE	Resident Engineer	10	80	$ 247.98	$ 19,838.65
Alex Chong	Construction Inspector	0	0	$ 186.79	$ -
Shereen Hayes	Office Engineer	10	80	$ 138.48	$ 11,078.73
		TOTAL	**176**		**$ 34,627.46**

Other Direct Cost (ODC)	QUANTITY	UNIT	UNIT COSTS	TOTAL
Vehicle - Truck (Monthly)	2	1	$ 2,500.00	$ 5,000.00
Night-Time Inspection Allowance anc/or Allowance for any additional working days	1	1	$ 39,300.00	$ 39,300.00
		TOTAL	**$**	**406,084.83**

Inspector General

California Department of Transportation

Certification of Indirect Costs and Financial Management System

(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required)

Consultant's Full Legal Name: C2PM

Important: Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

Indirect Cost Rate (ICR):

Combined Rate: 206.72 Or

Home Office Rate: _____ and Field Office Rate (if applicable): _____

Facilities Capital Cost of Money (if applicable): _____

Fiscal Period:* 01/2024 - 12/2024

* Fiscal period is annual one year applicable accounting period that the ICR was developed (not the contract period). The ICR is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an ICR(s) for the fiscal period as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the ICR(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31).
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31.
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on the Financial Document Review Request form.

Financial Management System:

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in Title 23 United States Code (U.S.C.) Section 112(b)(2); 48 CFR Part 31.201-2(d); 23 CFR, Chapter 1, Part 172.11(a)(2); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirements.

Cost Reimbursements on Contracts:

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - 23 CFR Part 172.11(c)(4)
- False Claims Act - Title 31 U.S.C. Sections 3729-3733
- Statements or entries generally - Title 18 U.S.C. Section 1001
- Major Fraud Act - Title 18 U.S.C. Section 1031

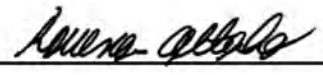
All A&E Contract Information:

- Total participation amount 5,867,000.00 on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is 1
- Years of consultant's experience with 48 CFR Part 31 is 25
- Identify the type of audits listed below that the consultant has had performed (if applicable):

Cognizant ICR Audit ☐	Local Govt ICR Audit ☑	Caltrans ICR Audit ☑
CPA ICR Audit ☑	Federal Govt ICR Audit ☐	

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the ICR Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with Title 23 U.S.C. Section 112(b)(2), 48 CFR Part 31, 23 CFR Part 172, and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name:** Rowena Altaha Title**: President

Signature:  Date: 04/27/2026

Phone**: (949) 254-9077 Email**: Rowena@c2pm.com

**An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.

Note: Both prime and subconsultants as parties of a contract must complete their own forms. Caltrans will not process local agency's invoices until a complete form is accepted and approved by the Independent Office of Audits and Investigations.

EXHIBIT D

CITY COUNCIL POLICY 100-5

EXHIBIT E

ARTICLE XXXI TITLE VI ASSURANCES

APPENDICES A – E OF THE TILTLE VI ASSURANCES

EXHIBIT F

ARTICLE III STATEMENT OF WORK

EXHIBIT G

ARTICLE IV PERFORMANCE PERIOD

EXHIBIT H

ARTICLE V ALLOWABLE COSTS AND PAYMENTS

EXHIBIT I

ARTICLE VII COST PRINCIPLES AND ADMINISTRATIVE REQUIREMENTS

EXHIBIT J

ARTICLE X SUBCONTRACTING

EXHIBIT K

ARTICLE XI EQUIPMENT PURCHASE AND OTHER CAPITAL EXPENDITURES

EXHIBIT L

ARTICLE XII STATE PREVAILING WAGE RATES

EXHIBIT M
ARTICLE XIII CONFLICT OF INTEREST

EXHIBIT N

ARTICLE XIV REBATES, KICKBACKS OR OTHER UNLAWFUL CONSIDERATION

EXHIBIT O

ARTICLE XV PROHIBITION OF EXPENDING LOCAL AGENCY, STATE, OR FEDERAL FUNDS FOR LOBBYING

EXHIBIT P

ARTICLE XVI NON-DISCRIMINATION CLAUSE AND STATEMENT OF COMPLIANCE

EXHIBIT Q

ARTICLE XVII DEBARMENT AND SUSPENSION CERTIFICATION

EXHIBIT R

ARTICLE XX FUNDING REQUIREMENTS

EXHIBIT S
ARTICLE XXI CHANGE IN TERMS

EXHIBIT T

ARTICLE XXIII DISPUTES

EXHIBIT U

ARTICLE XXIV INSPECTION OF WORK

EXHIBIT V

ARTICLE XXV SAFETY

EXHIBIT W

ARTICLE XXXIII CONTRACT

77 Fair Drive
Costa Mesa, CA 92626

CITY OF COSTA MESA

Agenda Report

File #: 26-351 **Meeting Date:** 8/4/2026

TITLE:

AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT FOR THE CONSTRUCTION MANAGEMENT AND INSPECTION SUPPORT SERVICES FOR THE ADAMS AVENUE BICYCLE FACILITY PROJECT (FROM HARBOR BOULEVARD TO FAIRVIEW ROAD), FEDERAL PROJECT NO. STPL-5312(108), CITY PROJECT NO. 25-11

DEPARTMENT: **PUBLIC WORKS DEPARTMENT/TRANSPORTATION SERVICES DIVISION**

PRESENTED BY: **RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR**

CONTACT INFORMATION: **PAUL MARTIN, TRANSPORTATION SERVICES MANAGER, AND RAMIN NIKOUI, SENIOR ENGINEER, (714) 754-5343**

RECOMMENDATION:

Staff recommends the City Council:

1. Approve an amendment to the Professional Services Agreement (PSA) to increase the compensation amount by $64,132.15 for a new not-to-exceed (NTE) compensation amount of $305,506.15 with Z&K Consultants, Inc., 17130 Van Buren Blvd. #122, Riverside, CA 92504, for construction management and inspection support services for the Adams Avenue Bicycle Facility Project.

2. Authorize the City Attorney to prepare the Amendment and the City Manager and the City Clerk to execute the Amendment and any future amendments to the agreements within Council authorized limits.

BACKGROUND:

The Adams Avenue Bicycle Facility Project (From Harbor Boulevard to Fairview Road), Federal Project No. STPL-5312(108), City Project No. 25-11 (Project), is an ongoing federally funded project that seeks to improve traveler accessibility and safety.

The Project narrows the raised center medians to provide enhanced bicycle facilities without reducing the number of vehicular lanes along Adams Avenue. From Harbor Boulevard to Pinecreek Drive, the project is constructing new protected Cycle Track bikeways on both sides of Adams Avenue. From Pinecreek Drive to Fairview Road, the project will provide a new Cycle Track along eastbound Adams Avenue, and a new Class II Buffered Bike Lane along westbound Adams Avenue adjacent to existing on-street parking. The Project includes slurry seal, new landscaping and irrigation, new streetlighting, green bicycle markings, and traffic signal and bikeway modifications at the intersection of Adams Avenue and Fairview Road.

The new bicycle facilities will connect to the City's award-winning multi-use bicycle and pedestrian pathways constructed at the intersection of Adams Avenue and Pinecreek Drive that finished construction in May 2025. These upcoming improvements will create a continuous low-stress bikeway from Harbor Boulevard to Fairview Road and will improve mobility and connectivity to Orange Coast College (OCC) and the surrounding neighborhoods. The barrier separated bikeways provide a safer space for bicyclists, and also further separate motorist traffic from pedestrians walking along the sidewalks.

On December 2, 2025, the City Council awarded a Public Works Agreement to Excel Paving Company for construction of the improvements in the amount of $2,268,636, as well as a Public Services Agreement to Z&K Consultants, Inc. (Z&K) for construction management and inspection services, in the amount of $241,374. The Project began construction in February 2026 with a construction duration of ninety (90) working days.

ANALYSIS:

The construction of the improvements on Adams Avenue from Harbor Boulevard to Fairview Road began on February 9, 2026. The Project is well underway and is anticipated to be completed by September 2026.

During construction, there was a need for additional construction management and inspection support services beyond the original scope of the project as well as additional working days approved beyond the ninety (90) working days due to the following reasons:

- During excavation, the current below ground soil was identified to be a poor mix that retains excess water and is unsuitable as a structural base for the new asphalt serving motor vehicles. After unsuccessful attempts to treat the soil, the soil was required to be removed, and additional excavation work and compaction testing were required.
- The existing soil in the landscaped medians was also found to be unsuitable for sustaining health and vibrancy for newly planted trees and shrubs. The existing soil contained high concentrations of heavy metals and had poor characteristics (drainage, acidity, etc.). To ensure successful growth of the new landscaping, the Project required additional soil removal and replacement with high-quality topsoil.
- During the Project, City Staff identified an opportunity to upgrade the Cycle Track vertical separation from plastic bollards to extruded concrete curbs within the existing construction budget and federal grant. The installation utilized the time-saving machine that was initially utilized for the construction of the center medians. The extruded concrete curbs provide a lower-stress bicycle facility with more continuous and hardened separation between motorists and bicyclists. The curbs also further separate motor vehicle traffic from pedestrians walking along the sidewalk. The extruded curb separation between motorists and cyclists aligns with industry best-practices for bikeway design and provides a demonstration of concept within the City of Costa Mesa following similar treatments in Irvine, Yorba Linda, Westminster, San Clemente, Long Beach, and Santa Ana.
- To effectively manage traffic during the construction along Adams Avenue, the project was separated into multiple phases of work which resulted in more complicated traffic control and an increase of materials testing services required for the project.

The above issues and additional work will require the construction duration to be extended by an additional twenty (20) working days for a total duration of one-hundred and ten (110) working days.

Due to the above delays caused by unforeseen issues that have arisen during construction, as well as scheduling of project enhancements, the contract with Z&K will need to be increased by $64,132.15 to continue the construction management and inspection services. The additional budget will secure construction management support to deliver project through completion while satisfying the federal grant-required monitoring and tracking. As the increase in the contract with Z&K exceeds 10 percent, City Council approval of the amendment is requested. Funding for this increase is available in the project budget.

There will be no amendment to the construction contract for Excel Paving to complete their construction activities.

ALTERNATIVES:

The City Council could choose not to approve the amendment to the PSA and direct City Staff to conduct the construction management and inspection services in-house. Federally funded projects require inspectors to visit the project site daily and track hours of construction staff, create daily logs of activity and resources utilized, conduct labor compliance investigations, as well as attest to hours of the construction staff. However, this alternative to utilize City staff for remaining construction management and inspection services is not recommended due to the complexity of managing federally funded projects and the limited available City staff resources and time.

FISCAL REVIEW:

Funding for the PSA amendment is available in the project budget, consisting of Traffic Impact Fee (TIF) (Fund 214) with an available budget of approximately $500,000 and Regional Measure “M2” Fairshare (Fund 416) with an available budget of approximately $100,000.

LEGAL REVIEW:

The City Attorney’s Office has reviewed this agenda report and approves it as to form. The Amendment to the PSA will be drafted following City Council approval and executed thereafter.

CITY COUNCIL GOALS AND PRIORITIES:

This project works toward achieving the following City Council goals:

- Strengthen the Public’s Safety and Improve the Quality of Life.
- Maintain and enhance the City’s facilities, equipment, and technology.
- Advance environmental sustainability and climate resiliency.

CONCLUSION:

Staff recommends the City Council:

1. Approve an amendment to the Professional Services Agreement (PSA) to increase the compensation amount by $64,132.15 for a new not-to-exceed (NTE) compensation amount of $305,506.15 with Z&K Consultants, Inc., 17130 Van Buren Blvd. #122, Riverside, CA 92504, for construction management and inspection support services for the Adams Avenue Bicycle Facility Project.

2. Authorize the City Attorney to prepare the Amendment and the City Manager and the City Clerk to execute the Amendment and any future amendments to the agreements within Council authorized limits.