
Economic and Development Services Department and Major Projects Update

City Council Study Session
February 15, 2023





Overview

- Budget and staffing overview
- Department operations and divisions
- High-priority projects
- Challenges and opportunities
- Next steps



Mission

Serve the community in every stage of the development process

Planning and Zoning

ADOPTING PLANS

- Ensuring development plans reflect community standards established in the General Plan and Zoning Code



Economic Development

SEIZING OPPORTUNITIES

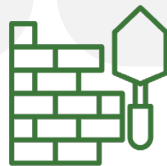
- Attracting new investments
- Retaining existing businesses
Promote Costa Mesa as place to do business



Building Safety

GETTING IT BUILT

- Ensuring new construction is safe and meets Building standards



Community Improvement

ENSURING COMPLIANCE

- Ensuring facilities keep up to code
- Connecting residents and businesses with City programs that can help



Housing and Community Development

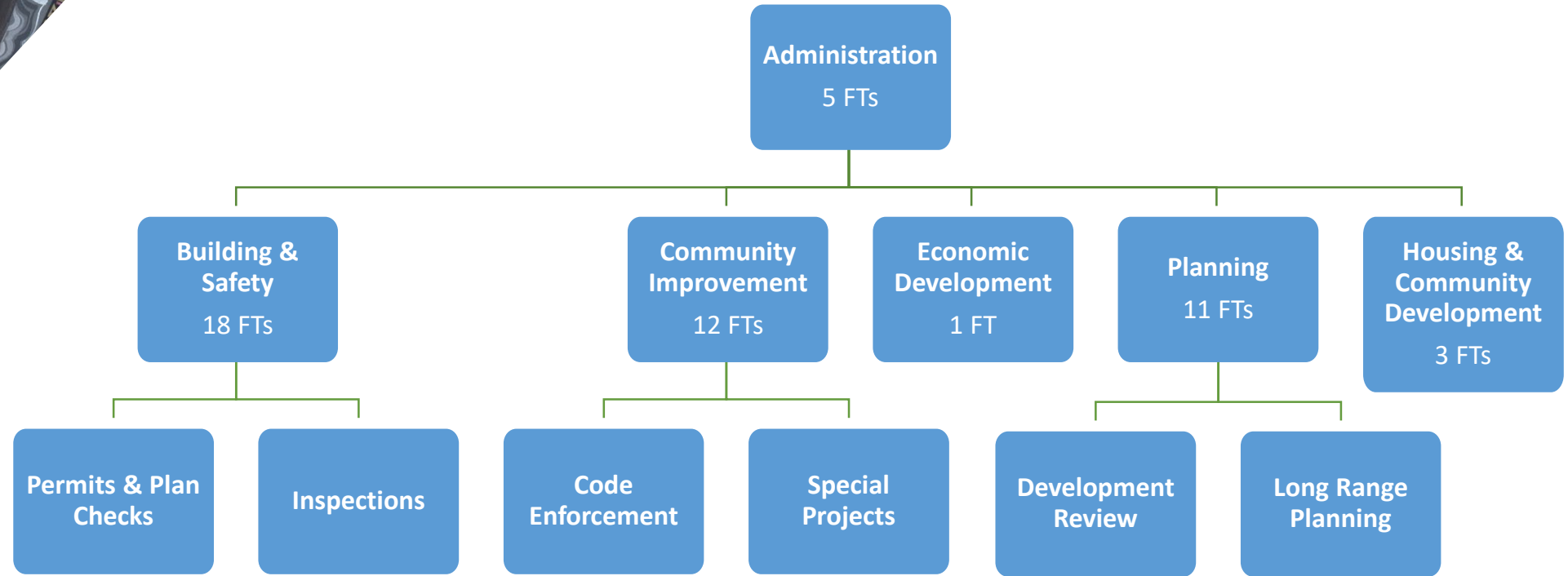
IMPROVING HOUSING OPPORTUNITIES

- Administering grant funds and programs to improve housing opportunities and provide housing related community services





Teams and Positions



- 48 full-time positions and 2.75 full-time equivalent (part-time) staff.
- In the past three years alone, over 40% of the Department's positions have turned over. Enhanced compensation has significantly decreased vacancies.
- The Department's overall budget in FY 2022-2023 is \$8.5 million in General Fund plus \$1.5 million in restricted Federal funds

DEPARTMENT OPERATIONS



A Banner Year



The City's Economic and Development Services Department is **processing** more permits, plan checks, inspections than ever.



The day-to-day tasks are on target to **exceed** our previous record setting year in FY 2021/22.



There are State mandates and City Council priorities that will further require **staff resources**.



Planning

Long Range Planning

- Coordinates with State and Regional Entities



- Updates and implements the City's General Plan and Zoning Code
- Updates and implements specific plans and urban plans



**2015-2035
General Plan**



City of Costa Mesa
2nd FL, Development Services Department
77 Fair Drive, Costa Mesa, CA 92626
714 754 5245

Planning

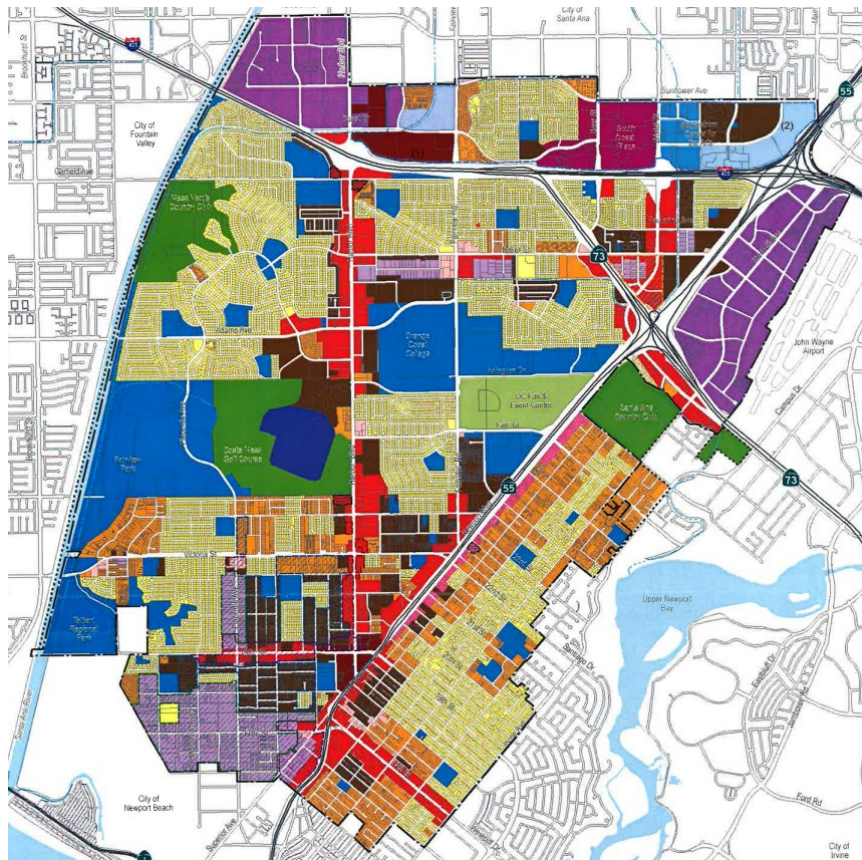
Long Range Planning

- Maintain and update land use plans based on State law and community needs

General Plan

Overlays – Urban Plans – Specific Plans

Zoning Ordinance



General Plan Land Uses

- Low Density Residential (8 du/ac)
- Medium Density Residential (12 du/ac)
- High Density Residential (20 du/ac)
- Commercial-Residential (17.4 du/ac)
- Neighborhood Commercial
- General Commercial
- Commercial Center
- Regional Commercial
- Multi-Use Center (6 to 40 du/ac)
- Urban Center Commercial
- Cultural Arts Center
- Light Industrial
- Industrial park
- Golf Course
- Fairgrounds
- Public/Institutional

Land Use Overlays

- Residential Incentive Overlay (30 du/ac)
- Harbor Mixed-Use Overlay (20 du/ac; 1.25 FAR)
- SoBECA Mixed-Use Overlay (40 du/ac)*

* Not to exceed 450 units

Urban Plans and Specific Plan

- 19 West Urban Plan
- Mesa West Bluffs Urban Plan
- Mesa West Residential
- North Costa Mesa Specific Plan

- (1) Segerstrom Home Ranch
- (2) Sakioka Site (Lot 2)

Land Use Plan Designations	Consistent Zoning Classification
Low Density	R1, PDR-LD, I&R, I&R-S
Medium Density	R1, R2-MD, PDR-MD, I&R, I&R-S, MU,
High Density	R2-MD, R2-HD, R3, PDR-HD, PDR-NCM, I&R, I&R-S, MU, RI
Commercial-Residential	AP, CL, C1, PDC, R2-MD, R2-HD, PDR-MD, PDR-HD, RI
Neighborhood Commercial	CL, C1, AP
General Commercial	CL, C1, C2, C1-S, PDC, AP, RI, MU
Commercial Center	C1, C2, C1-S, PDC, AP
Regional Commercial	PDC
Urban Center Commercial	PDC
Cultural Arts Center	TC
Multi-Use Center	I&R-MLT
Industrial Park	MP, PDI, CL
Light Industrial	MG, PDI, CL, MU
Public and Institutional	I&R, I&R-S
Golf Course	I&R
Fairgrounds	I&R
Fairview	R2-MD, R2-HD, R3, I&R

Off-Street Parking (P) zoning classification is consistent with any land use plan designation, with the exception of Low Density.

Planning

Projects Approved

30

Expedited projects approved by Zoning Administrator

100+

Staff Reports produced

42

Projects guided through public hearing process

2.5

Average projects heard per public hearing

20

Planning Commission Public Hearings Supported

16

Code amendments and presentations to City Council

Planning

Projects Approved

2,000+

Building permits reviewed first for zoning compliance

82

Outdoor dining approvals

54

Residential units

26

Cannabis approvals

20

Deviations from parking requirements

17

New or expanded business uses

Planning

Spotlight: Accessory Dwelling Units

- Since 2020, **144 ADUs** approved
 - Approved **68 ADU** permits in 2022
 - Approved **14 ADU** permits since the beginning of 2023
- Ordinances updated per State law



Planning

Day-to-Day Operations

Within the last three years

- **4,865 customers were served**
- Average time serving each customer is 21 minutes

Within the last year:

- **3,342 customers were served**
- Average time serving each customer is 7 minutes (**3x faster**)
- Average Wait Time is 16.5 minutes

This does not include the 50,000+ phone calls and emails we receive throughout the year.

- Provides permit issuance for projects.
- Implements and enforces State building codes and standards, and Costa Mesa Municipal Code standards.
 - Recently adopted the new 2022 California Building Codes.
- Provides plan check services, coordinates review of construction plans with other departments.



- The number of building permits issued from this FY to date:
 - BC (building combination) = 583
 - BX (building miscellaneous) = 661
 - E (electrical) = 289
 - M (mechanical) = 162
 - P (plumbing) = 106
 - SB (signage) = 62
 - Roofing = 219

Within the last three years

- **12,483 customers were served**
- Average time serving each customer is 29 minutes
- Average Wait Time is 30 minutes

Within the last year:

- **8,988 customers were served**
- Average time serving each customer is 28 minutes
- Average Wait Time is 32 minutes

Building & Safety

Inspection Services

- Building Safety inspectors protect Costa Mesa residents and businesses by enforcing codes that establish minimum requirements:
 - To safeguard the public health, safety and general welfare;
 - To provide access to persons with disabilities;
 - To promote energy conservation; and
 - Ensure a reasonable level of safety to emergency responders during emergency operations.

City of Costa Mesa Inspectors average workload:

60

Site visits per inspector per day

12

Inspections per inspector per day

- The division conducts damage assessments and determines building safety following a major disaster.
- Investigations include:
 - Building construction
 - Illegal conversions
 - Disabled access
 - Other building safety-related complaints generated by the public
- This year, the Inspection Division has Red tagged **6 buildings** and Yellow tagged **7 buildings**.



Community Improvement

Day-to-Day Operations

Promotes a safe living and working environment

Issues civil citations

Approx. \$200k in civil fines

Ensures quality of life

Issues entertainment permits for restaurant and bars

10-15 permits per year



Responds to concerns from the public

Assures compliance with short-term rental regulations

10-15 locations shut down in past 3 years

Community Improvement

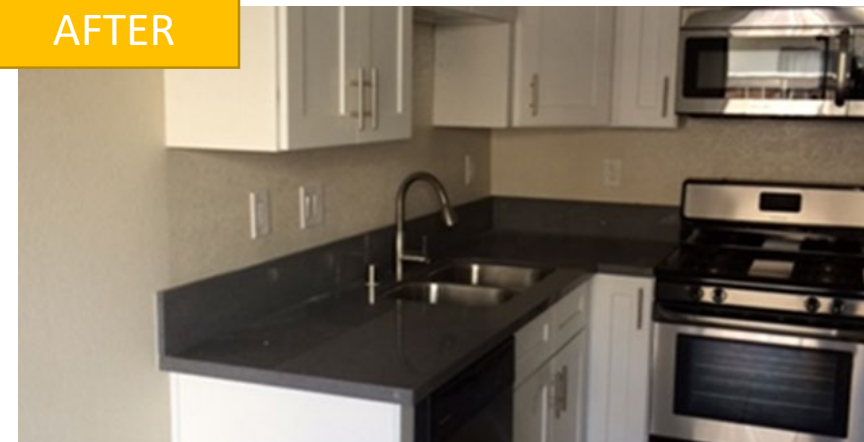
Day-to-Day Operations

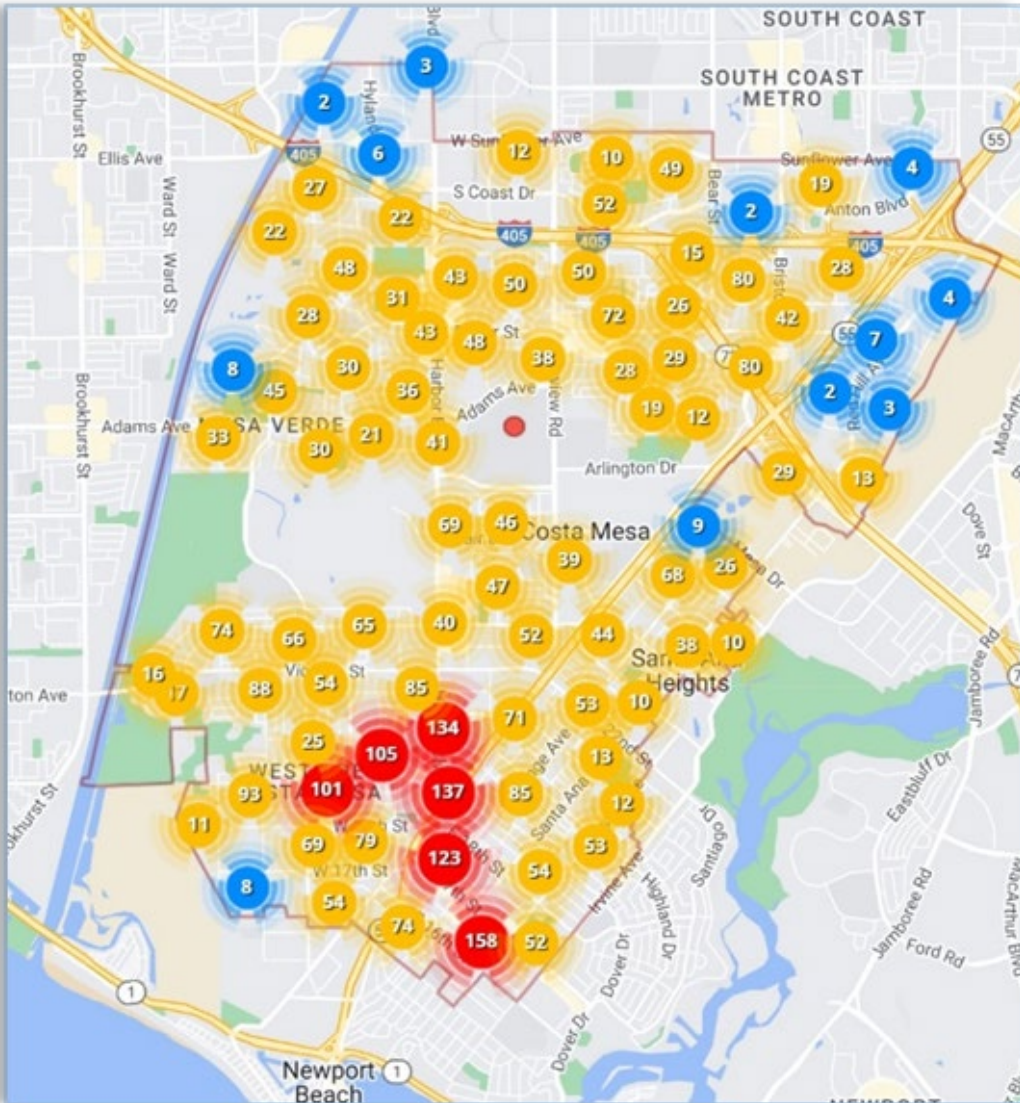
- Strategic enforcement of:
 - City's Municipal Code
 - Local, State, and Federal Health & Safety codes
 - International Property Maintenance
- Daily work is related to:
 - Land Use Violations
 - Housing Violations
 - Illegal construction without Approvals/Permits
 - Illegal building occupancy
 - Private property maintenance
 - Noise regulations
 - Signage
 - Vacant property conditions

BEFORE



AFTER





- On average staff investigates approximately **1,000-1,200 concerns** per year.
- Concerns can be submitted by the public and or prioritized as part of the implementation of City council priorities.

- **Illegal dispensaries**
 - Coordinates with CMPD to conduct investigations to shut down illegal dispensaries
 - **30 illegal operations** were shut down and fines levied in the past three years
- **Permitted locations**
 - Collaborates with CMPD and State's Bureau of Cannabis Control to ensure compliance with regulations
 - Leads cannabis employee background checks/ live scan efforts
 - **700 badges** issued by the team since implementation



Community Improvement

Quality of Life

- Conducts Citywide **outreach** programs in addition to daily operations:
 - Conducting **neighborhood clean-ups**
 - Shalimar/James
 - Fillmore/Coolidge
 - Mission/Mendoza
 - Setting up **informational booths** at public events
 - **Volunteering**
- Outreach helps educate residents on **hot topics**:
 - City links to report nuisance issues/ MyCostaMesa App
 - Fair housing
 - City HCD grants
 - Waste hauling



- The program's major objectives include:
 - ✓ Streamlining application and approval processes
 - ✓ Marketing Costa Mesa on a regional and nationwide basis
 - ✓ Improving the business climate within the City and encouraging Shop Local
 - ✓ Attraction and retention of key businesses in Costa Mesa
 - ✓ Facilitating the expansion of existing companies
 - ✓ Increasing job opportunities and job training
 - ✓ Assisting new companies with relocating to Costa Mesa

Economic Development

Concierge Services to Expand & Attract

Dedicated staff from application submittal to end of construction



Flexibility and Regular Meetings for large developments



Expedited review for high volume shopping centers



Direct line for top employers & established industries in Costa Mesa



Pre-application support and insight for revenue generating businesses



Support to businesses that have been attracted to Costa Mesa through ICSC



Economic Development

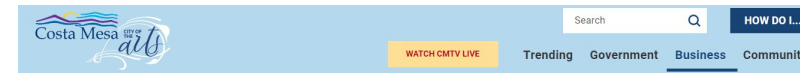
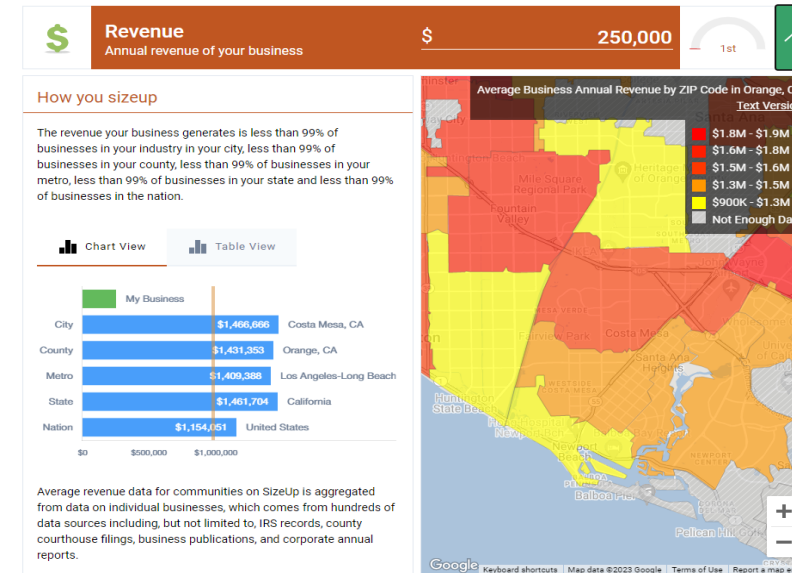
Support Existing Businesses

Business Insight Tool:

Provides comparative analytics to any business looking to operate in Costa Mesa. The tool is free and has almost 1,000 businesses who use its data monthly.

Site Selection Tool:

Find an office, retail, or industrial space for your business in Costa Mesa



SITE SELECTION TOOL

Looking for a site to start a new business or expand one you already have. Take a look at our site selection tool to find a place in Costa Mesa.



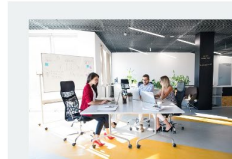
Retail Space

[CLICK HERE](#)



Industrial Space

[CLICK HERE](#)



Office Space

[CLICK HERE](#)



Economic Development

Flashback: COVID Recovery

3 Bus stop billboards advertising Shop Local campaign

40+ reStore Costa Mesa meetings coordinated

80 Temporary Outdoor Use Permits expedited, including 1 parklet

2,500 Businesses contacted

\$5 million Worth of grants distributed to 450 local businesses



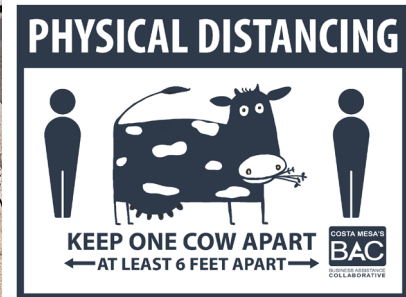
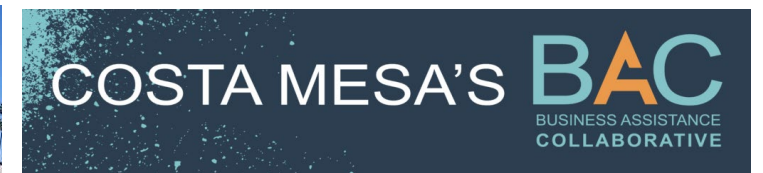
9TH ANNUAL GOLDEN HUB AWARDS | 2020

Public-Private Partnership

City of Costa Mesa

reStore Costa Mesa Recovery Team and the Costa Mesa Business Assistance Collaborative

ACC-OC Executive Director Bruce Channing, Councilman John Stephens, ACC-OC President Diane Dixon, Mayor Katrina Foley, ACC-OC First Vice President Barbara Delgleize



Recent Modernizations



Waitwhile

Queuing App



Customer Satisfaction




BLUEBEAM REVU

E- Plan Review




Customer Satisfaction
Decreased Review Time
Eco-Friendly




ArcGIS

Improved GIS Data




Efficiency Increase




CoStar

Real Estate Analytics




Informed Staff



buxton

Market Analytics



Improved Advanced Planning



Placer.ai

Mobilytics



Improved Advanced Planning



energov
a tyler civic services solution

Land Management System

Increase to:

- Customer Satisfaction
- Efficiency
- Transparency
- Access
- Sustainability



Decrease to:

- Application Review Times

Economic Development

Partners & Programs

These partnerships have facilitated the distribution of grant funds, assisted important community projects like Vanguard University and Orange County Museum of Art in obtaining necessary financing, and assisted the City in seeking after funding and launching programs of our own.



Department Operations Summary

- Permits and inspections are at an all time high
- Staffing turnover stabilized
- Modernization projects are underway
- Completed Council priorities and special projects including:
 - COVID business recovery programs
 - Two significant ballot measures in 24 months
 - Housing Element adoption
 - Cannabis retail program launch
 - Accessory dwellings units
 - Temporary ordinances for outdoor dining and short term rentals



HIGH PRIORITY PROJECTS

HIGH PRIORITY PROJECTS



State Law Mandates



Housing Element Update



Community Visioning



Fairview Developmental Center



Senior Center Housing Project



Short-Term Rentals Ordinance



Permanent Outdoor Dining



First-Time Home Buyers



Inclusionary Housing Ordinance

STATE LAW MANDATES

- General Plan Updates

- Safety Element Update*

- SB 379 - Integrate Climate Adaptation and Resiliency Strategies
- SB 1035 - Address Flood and Fire Hazards
- AB 747 - Evacuation routes
- SB 99 – Emergency routes for residential developments

- Environmental Justice - New Element or General Plan policies throughout**

- Circulation Element (update by January 1, 2025)

- SB 932 - Include Bicycle, Pedestrian and Traffic Calming Plans

- Open Space Element (update by January 1, 2026)

- SB 1425 - Review and update local open space plan to address climate resilience, correlated with the safety element

*Required upon revision of Housing Element or beginning on or before January 1, 2022

** Required upon adoption or revision of two general plan elements

STATE LAW MANDATES

- Municipal Code Updates

- Update Parking Standards (January 2023)

- AB 2097, AB 916, AB 2244

- Update Residential Development Standards for Multifamily Housing in Commercial/Industrial areas (January 2023)

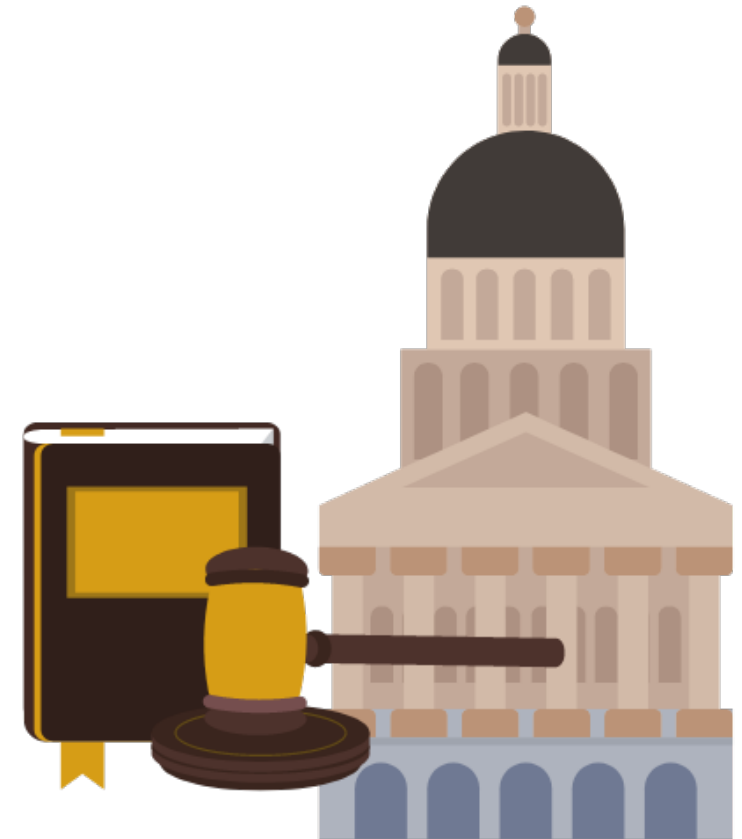
- AB 2011, SB 6

- Update Development Process (January 2023)

- SB 1214, SB 1291, SB 1194

- Density Bonus Updates (January 2022 and beyond)

- AB 2345, AB 2334, AB 1551, AB 682



HOUSING ELEMENT UPDATE

- Community Outreach
 - City-wide Townhall
 - District Specific Townhalls
 - Stakeholder Meetings
- 3 Planning Commission and 3 City Council public hearings
- Local adoption in February and November 2022
- 47 Housing Element programs; three year deadline
- Awaiting HCD certifications



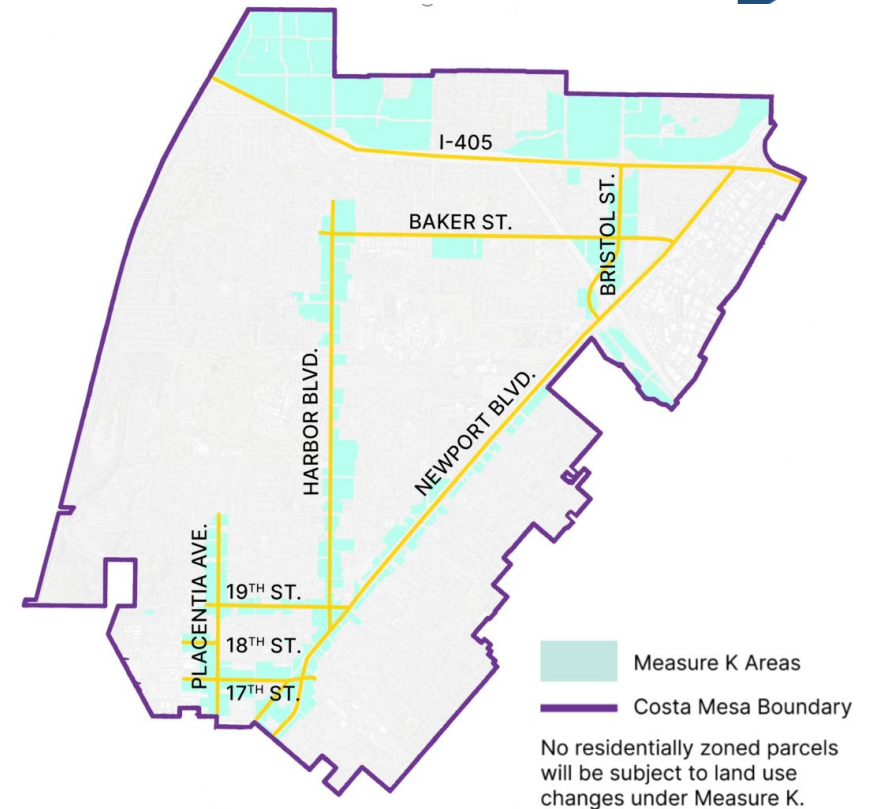
COMMUNITY VISIONING AND ZONING UPDATES

- Measure K was passed by voters in November 2022
- Objective: Provide for affordable housing opportunities and revitalized key commercial and industrial corridors
 - Community engagement and visioning forums
 - General Plan Update
 - Multiple Specific Plan and Urban Plan Updates
 - Zoning Code Update
 - Environmental Impact Report



COMMUNITY VISIONING AND ZONING UPDATES

- Newport Boulevard
- Harbor Boulevard
- Areas north of the I-405
- SoBECA area
- 17th, 19th, Placentia, Baker, and Bristol Street corridors



FAIRVIEW DEVELOPMENTAL CENTER

- Secured \$3.5 Million in State funds to plan and zone FDC for housing within three years
- City- State Agreement – December 2022
- Request for Proposals – February 2023
 - Community outreach and visioning forums
 - General Plan Update
 - FDC Specific Plan
 - Environmental Impact Report
- Coordinating with the State regarding a Cal-OES facility at FDC



INCLUSIONARY HOUSING ORDINANCE

- Draft Feasibility Analysis complete
- Community outreach
- Council Housing Ad Hoc Meeting
- Policy Study Sessions
- Prepare Ordinance and Program Guidelines
- Planning Commission public hearings
- City Council public hearings



SENIOR CENTER HOUSING PROJECT

- 60 affordable senior housing units on the City's Senior Center property
- Senior Center use, access and parking study complete
- Underway:
 - Urban Plan Screening/Master Plan
 - Land Division
 - Affordable Housing Agreement
 - Lease Agreement
- Planning Commission/City Council hearings



SHORT-TERM RENTALS PROGRAM

- STR demand analysis and revenue projections are underway
- Next Steps:
 - Community outreach
 - Policy Study Session
 - Prepare Ordinance and Program Guidelines
 - Planning Commission/City Council public hearings
 - Pursue third-party implementation options



FIRST TIME HOME BUYERS PROGRAM

- City Council approved 0.5% of cannabis retail sales tax to be allocated to first-time homebuyers
- Next steps:
 - Community outreach
 - Develop program guidelines



PERMANENT OUTDOOR DINING PROGRAM

- Temporary outdoor dining provisions remain in place through December 31, 2023.
- Next Steps:
 - Community outreach
 - Prepare Ordinance and Program Guidelines
 - Planning Commission/City Council public hearings



Economic Development Strategic Plan

Assess... Envision... Pursue ... Thrive



Kick-off

Analysis of
Economic
Context

Vision

Investigate
Potential
Actions

Strategic
Plan



Opportunities & Challenges

Challenges

- Large proportion of the Department staff joined the City team within the last few years and are entry or journey level.
- Volume of complex projects with overlapping deadlines, in addition to the extensive day-to-day operations



Needed Resources

- Two positions in the Planning Division
 - ✓ Planning Manager – Oversee day-to-day operations
 - ✓ Senior Planner
- Additional funds for contract project managers and multiple experienced consultant teams working concurrently





Conclusion

- The Economic and Development Services is processing more day-to-day permits, plan checks, inspections, etc. **than ever before.**
- Multiple high-priority projects and overlapping deadlines, in addition to the day-to-day operations will require **additional resources:**
 - The Department needs two full-time positions in the Planning Division, and additional funding for contract project managers.
- Staff is seeking **feedback** regarding Council priorities to allow Department leadership to schedule projects and plan for appropriate staff and consultant resources.





Questions?

