

**ORDINANCE NO. 2023-XX****AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA AMENDING TITLE 13 (PLANNING, ZONING, AND DEVELOPMENT) OF THE COSTA MESA MUNICIPAL CODE TO ESTABLISH AFFORDABLE HOUSING REQUIREMENTS FOR NEW RESIDENTIAL PROJECTS**

**THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1: Findings.** The City Council finds and declares as follows:

**WHEREAS**, the City compiled a community housing characteristics report which found that approximately 47-percent of the Costa Mesa community earns a lower income and approximately 29-percent of the community qualify for very low or extremely low-income housing. Based on housing prices, lower income households cannot afford to own or rent in Costa Mesa without experiencing overpayment;

**WHEREAS**, on September 27, 2021, the City Council adopted a Strategic Plan identifying five key goals to address specific community issues and needs which included to “diversify, stabilize, and increase housing to reflect community needs.” To address this goal, Council identified considering a draft affordable housing ordinance as a priority;

**WHEREAS**, the City’s adopted 2021-2029 Housing Element includes Program 2A which calls for the City to adopt an affordable housing ordinance;

**WHEREAS**, the City retained an expert consultant, Keyser Marston Associates Inc. (KMA), to prepare a Financial Evaluation in order to evaluate supportable affordable housing requirements and make policy recommendations for a potential affordable housing ordinance;

**WHEREAS**, the City Council held two joint study sessions with the Planning Commission on May 16, 2023 and July 11, 2023 with all persons having the opportunity to speak for and against the proposal;

**WHEREAS**, a draft affordable housing ordinance has been prepared based on the direction of the City Council and Planning Commission, and considering KMA’s Financial Evaluation and feedback received during public comments and during stakeholders meetings with housing advocates and housing developers;

**WHEREAS**, a duly noticed public hearing was held by the Planning Commission on November 13, 2023 with all persons having the opportunity to speak for and against the proposal;

**WHEREAS**, the Planning Commission voted 4-0 (Chair Ereth, Commissioner Rojas, and Commissioner Klepack absent) to continue the item to December 11, 2023;

**WHEREAS**, a public hearing was held by Planning Commission on December 11, 2023 with all persons having the opportunity to speak for and against the proposal;

**WHEREAS**, the Planning Commission voted X-X to recommend that the City Council give first reading to adopt an ordinance amending Title 13 of the Costa Mesa Municipal Code to establish minimum affordable housing requirements; and

**WHEREAS**, a duly noticed public hearing was held by the City Council on DATE with all persons having the opportunity to speak for and against the proposal.

**NOW, THEREFORE**, THE CITY COUNCIL OF THE CITY OF COSTA MESA HEREBY ORDAINS AS FOLLOWS:

**SECTION 2: Code Amendment. Title 13 (Planning, Zoning and Development).** Title 13, Planning, Zoning and Development of the Costa Mesa Municipal Code, as specified in Exhibit A, attached hereto and incorporated herein by this reference, is hereby amended as set forth therein.

**SECTION 3. Compliance with CEQA.** Adoption of this Ordinance is exempt from the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines Section 15061(b)(3) (General Rule). Under Section 15061(b)(3), the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the project is exempt from CEQA. This Ordinance will not affect the physical environment by permitting a new use or intensifying an existing use. Instead, the Ordinance establishes affordable housing requirements through a range of means for individual projects. There is no potential for the changes to result in significant impact on the environment. Furthermore, the Ordinance is not considered a project as defined pursuant to Public Resource Code 21065 because the Ordinance will not cause either direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

**SECTION 4. Severability.** If any section, subsection, sentence, clause, phrase or portion of this Ordinance 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 portions of this Ordinance. The City Council of the City of Costa Mesa hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

**SECTION 5. Effective Date.** This Ordinance shall take effect on the 31st day after adoption.

**SECTION 6. Certification.** The Mayor shall sign and 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 \_\_\_\_\_, 2024

\_\_\_\_\_  
Mayor  
ATTEST:

APPROVED AS TO FORM

\_\_\_\_\_  
Brenda Green, City Clerk

\_\_\_\_\_  
Kimberly Hall Barlow, City Attorney

I, Brenda Green, City Clerk of the City of Costa Mesa, do hereby certify that the above and foregoing is a true and correct copy of Ordinance No. 2023-XX \_\_\_\_ introduced at a regular meeting of the City Council of the City of Costa Mesa held on the \_\_\_\_ day of \_\_\_\_\_, 2024, and was thereafter adopted at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote:

AYES:           COUNCIL MEMBERS:  
NOES:           COUNCIL MEMBERS:  
ABSTAIN:       COUNCIL MEMBERS:  
ABSENT:        COUNCIL MEMBERS:

Said ordinance has been published or posted pursuant to law.

Witness my hand and the official seal of the City of Costa Mesa this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Brenda Green, City Clerk