
City Council Study Session
Housing Element Implementation &
Fairview Developmental Center Specific Plan

December 12, 2023





BACKGROUND

The City was allocated a Regional Housing Needs Assessment (RHNA) of **11,760** housing units in order to meet its portion of the projected regional need.

2021-2029 City of Costa Mesa RHNA Allocation

Income Category	% of Median Family Income	Income Range		RHNA Allocation (Housing Units)
		Min.	Max.	
Very Low Income	0 – 50%	--	\$51,500	2,919 units
Low Income	51 – 80%	\$51,501	\$82,400	1,794 units
Moderate Income	81 – 120%	\$82,401	\$123,600	2,088 units
Above Moderate Income	> 120%	\$123,601	> \$123,601	4,959 units
Total:				11,760 units





BACKGROUND

- The City adopted its Housing Element in November 2022.
- The **Housing Element** identifies specific actions or “programs” which work to:
 - ✓ Provide additional housing opportunities
 - ✓ Remove governmental constraints to affordable housing
 - ✓ Improve the condition of existing housing; and,
 - ✓ Provide equal housing opportunities for all residents.



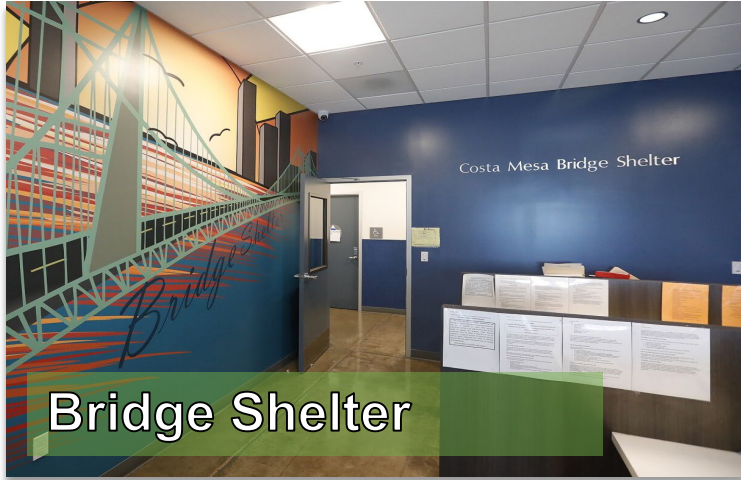


BACKGROUND

- The California Department of Housing and Community Development (HCD) **approved** the City's Housing Element on May 9, 2023.
- The Housing Element lists 47 programs to be completed by the City within the 8-year planning period.



Housing Programs Completed/ Underway



Housing Programs Completed/ Underway



RESIDENTIAL OFF-STREET PARKING STANDARDS

1. R1 ZONE AND SMALL-LOT SINGLE FAMILY COMMON INTEREST DEVELOPMENTS (excluding townhouses)
Each residence shall provide off-street parking in the form of a garage and open parking as follows:

Single-Family Detached Residence with 4 Bedrooms or Fewer		
Garage Parking Spaces	Open Parking Spaces ¹	Total Parking Spaces
2	Lots without garage access from alley: 2	4
	Lots with garage access from alley: 1	3
Single-Family Detached Residence with 5 Bedrooms or More ²		
New Construction		
Garage Parking Spaces ²	Open Parking Spaces ^{1,2}	Total Parking Spaces
3	Lots without garage access from alley: 2	5
	Lots with garage access from alley: 1	4
Bedroom Additions		
Garage Parking Spaces	Open Parking Spaces ^{1,2}	Total Parking Spaces
2	Lots without garage access from alley: 2	4
	Lots with garage access from alley: 1	3

1. In R1 zones, required open parking may be provided in a garage or on a minimum 19-foot long, individual driveway leading to a garage. In common-interest developments, required open parking may be provided on an individual unit's driveway or within the common area. Open parking provided as tandem spaces is subject to approval of a minor conditional use permit.

2. For single-family detached residences with five bedrooms or more, tandem parking of up to two standard vehicles is permitted in the garage as it relates to new construction. Tandem garage parking shall exclusively consist of two standard parking spaces.

Each garage space shall have interior dimensions that are 10 feet wide by 20 feet long, unobstructed inside measurements.

Each residence shall have no more than 700 square feet of garage area unless authorized by a minor conditional use permit approved by the Zoning Administrator.

1. OFF-STREET PARKING REQUIREMENTS FOR THE R2-MD, R2-HD, AND R3 ZONES

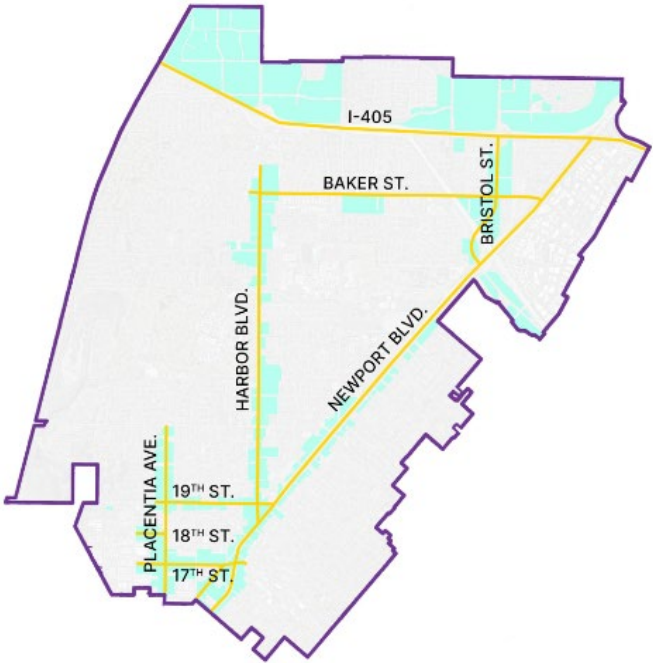
Off-street parking requirements are shown in the following table:

UNIT SIZE	TENANT COVERED PARKING ¹	TENANT OPEN PARKING ^{2,3,4,5,6}	GUEST PARKING ^{5,6}
BACHELOR	1	.5	.5
1 BEDROOM	1	1.0	.5
2 BEDROOMS	1	1.5	.5
3 BEDROOMS OR MORE	1	2.5	.5

- (1) If covered parking for apartments is provided in a parking structure and there is more than one parking space in any parking structure, then there shall be no solid walls constructed to separate individual parking spaces.
- (2) Open tenant parking spaces required by this section shall be distributed throughout the project at convenient locations and shall be screened from view from any public right-of-way. Open tenant parking may be provided as covered parking.

MEASURE K

Ordinance to Revitalize Commercial and Industrial Areas and Protect Residential Neighborhoods



Measure K Areas

Housing Programs Completed/ Underway



COSTA MESA SC HOUSING

COSTA MESA, CA



Housing Programs - Phased Rollout

- To complete the Housing Programs in a timely and efficient manner, the Housing Programs have been sorted into two categories:

EXISTING

Building Upon Existing Programs

- Residential Assistance
- Housing Outreach
- Zoning Code Updates
- Review of Housing Fees

Resources: Existing Staff
Timeline: 2 years (2025)

NEW

Creating the Framework for New Housing Revitalization

- Visioning and Community Engagement
- Develop Objective Design Standards
 - City-wide
 - Neighborhood-based
- General Plan Update, Rezoning, & Program EIR*

Resources: New staff teams and consultants
Timeline: 3 years (2024 - 2026)



Housing Programs - Phased Rollout

- General Plan Update, Rezoning, & Program EIR includes many crucial components:

NEW

Creating the Framework for New Housing Revitalization

- Visioning and Community Engagement
- Develop Objective Design Standards
 - City-wide
 - Neighborhood-based
- General Plan Update, Rezoning, & Program EIR*

Resources: New staff and consultants

Timeline: 3 years (2024 - 2026)

- Land Use and Circulation Policy Updates
- Incorporate Design Standards
- Simplify, integrate, and rezone
 - **Specific Plans**
 - Fairview Developmental Center
 - North Costa Mesa Update
 - **Urban Plan/Overlay Updates**
 - 19 West
 - SoBECA
 - Mesa West Bluffs
 - Mesa West Ownership
 - Harbor Mixed Use Overlay



Housing Programs

- General Plan Update
- Rezoning
- EIR

- Affordable Housing Ordinance



- Visioning & Community Engagement
- Objective Design Standards

- Residential Assistance Programs
- Housing Outreach

- Zoning Code Updates
- Streamlining Processes
- Parking Updates
- Review of Fees



Staffing and Milestone Schedule Examples

	Earlier Start Date	2023				2024				2025				2026				Progress	Staff
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Residential Assistance Programs																			
Residential Units Rehabilitation Programs	10-2021																	100%	Existing staff
Supportive Services for: - Persons with Special Needs - Homeless Shelter	10-2021																	100%	Existing staff
Monitor and Preservation of At-Risk Units																		70%	Existing staff
Housing Outreach																			
Update City webpage to highlight housing programs																		20%	Existing staff
Identify partnerships for housing																		50%	Existing staff
Develop user-friendly guides for housing projects																		30%	Existing staff
Zoning Code Updates																			
Residential Parking																		50%	Existing staff
Update Zoning processes and standards for compliance with State requirements																		30%	Existing staff
Review of Housing Fees																			
Review Planning Application Fees																		25%	Existing staff

Staffing and Milestone Schedule Examples

	Earlier Start Date	2023				2024				2025				2026				Progress	Staff
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Advanced Planning Team																			
Affordable Housing Ordinance	02-2021																	90%	Existing staff
Visioning and Design																			
Community Visioning and Objective Design Standards																		10%	New staff/consultants
General Plan Update, Rezoning, & Program EIR																			
Fairview Developmental Center (FDC) Specific Plan	10-2022																	10%	New staff/consultants
General Plan Amendment - Safety Element/Environmental Justice																		30%	New staff/consultants
General Plan, Specific Plan Amendments - Land Use/Circulation/Community Design																		0%	New staff/consultants
Rezoning of Corridors and Urban Plans																		0%	New staff/consultants



Opportunities & Resources

- City Council already set aside \$2.4 Million for Housing and Visioning Plan implementation.
- Grant Funds
 - \$3.5 Million – FDC
 - \$310,000 – SB 2 Funds (expended)
 - \$500,000 – LEAP Funds
- With continued high work volume, most existing staff are already fully allocated to day-to-day operations.
- Department is continuing to rebuild post-COVID.
 - New Planning and Sustainable Development Manager
 - Filling multiple Senior Planner vacancies.
- Similar to the FDC effort, consultants and project managers must be retained to successfully complete these projects.





Next Steps

- Complete the Affordable Housing Ordinance in early 2024.
- Continue community engagement and the development of land use alternatives for FDC in early 2024
- Release the RFP for Visioning and Objective Design Standards in early 2024.
- Release the RFP for the General Plan, rezoning, and EIR in early 2024.
- Onboard staff, consultants, and contract project managers.



City Council Study Session
Housing Element Implementation &
Fairview Developmental Center Specific Plan

December 12, 2023





Fairview Developmental Center City Council Study Session on Housing



City of Costa Mesa
December 12, 2023

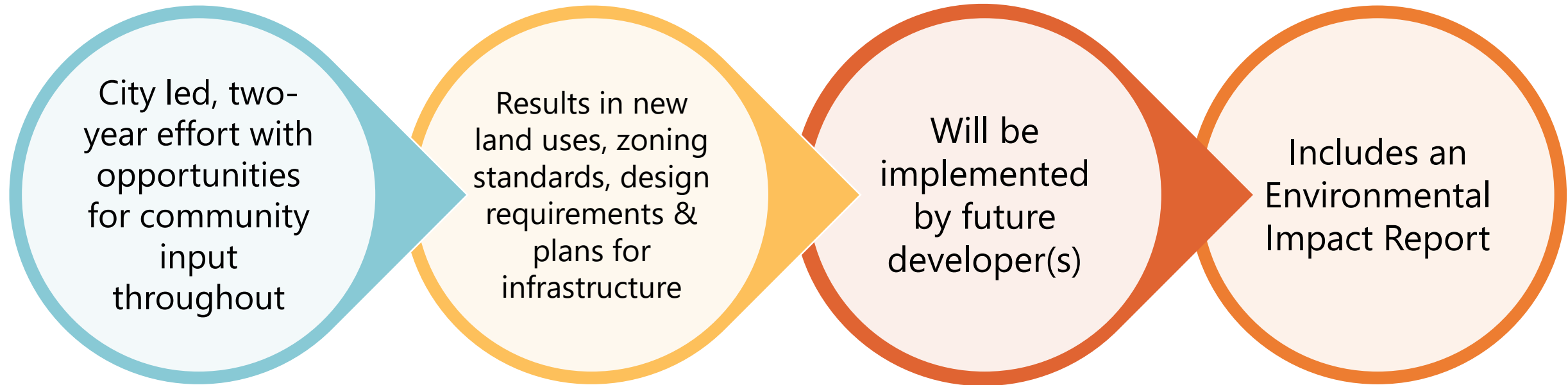
Meeting Purpose

- Brief Overview of the FDC Specific Plan and Housing Goals
- Site Potential
- Discussion of Potential Housing Types (Market Rate and Affordable)
- Future Developer Considerations
- Q&A



Project Process

CONSULTANT ROLE: Ensure the plan is financially feasible, desirable to build, and best addresses the vision of the community.

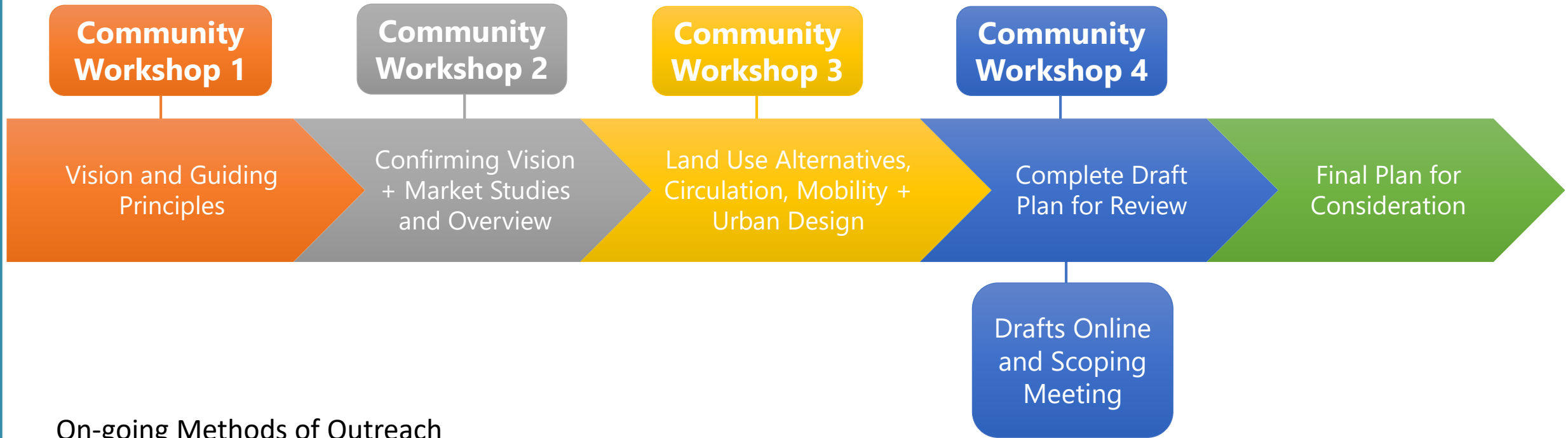


Actions by City and State

- 2016 State adopted FDC Closure Plan
- 2022 Senate Bill 188 approved disposition of the property
- 2022 State and City agreement for City led planning effort
- 2023 State pursued a 15-acre Emergency Operations Center
- 2023 City kicked off preparation of a Specific Plan and EIR
- 2025 Expected completion date for Specific Plan and EIR (September)
- State expected to initiate selection of a Master Developer



Process for Community Engagement



On-going Methods of Outreach

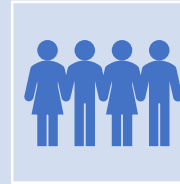
- Stakeholder Interviews
- Pop-up Events
- Dedicated Project Website
- On-line Surveys



November's Workshops



Start a dialogue and share information with the community



Listen to community ideas and concerns



Gather input for the Vision and Guiding Principles



Outcome: a community led draft vision statement and set of guiding principles



Workshop #1

Thursday, November 2, 2023 | 6 p.m. to 8 p.m. | English

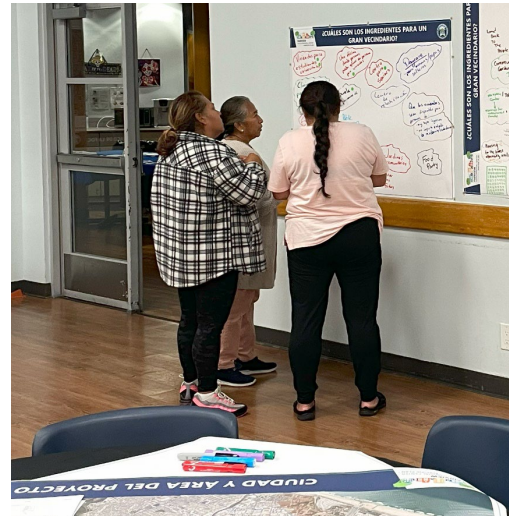
- Costa Mesa Senior Center, 695 W 19th St
- **65** Attendees
- **49** comments cards submitted

Friday, November 3, 2023 | 6 p.m. to 8 p.m. | Spanish

- Costa Mesa Senior Center, 695 W 19th St.
- **10** Attendees
- **9** comments cards submitted

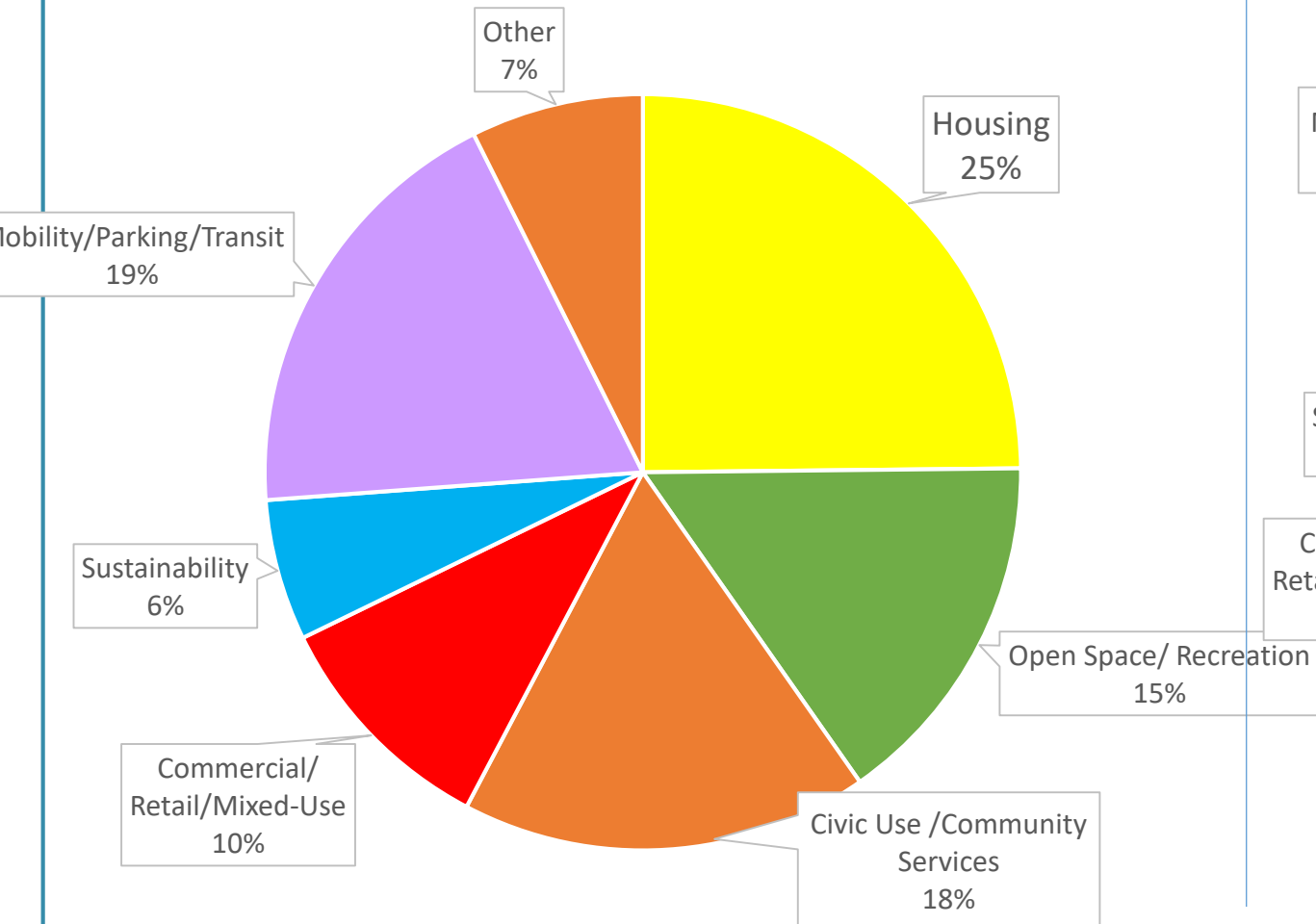
Monday, November 6, 2023 | 6 p.m. to 8 p.m. | English & Spanish

- Virtual using Zoom
- **39** Attendees
- **72** Comments and questions submitted via chat

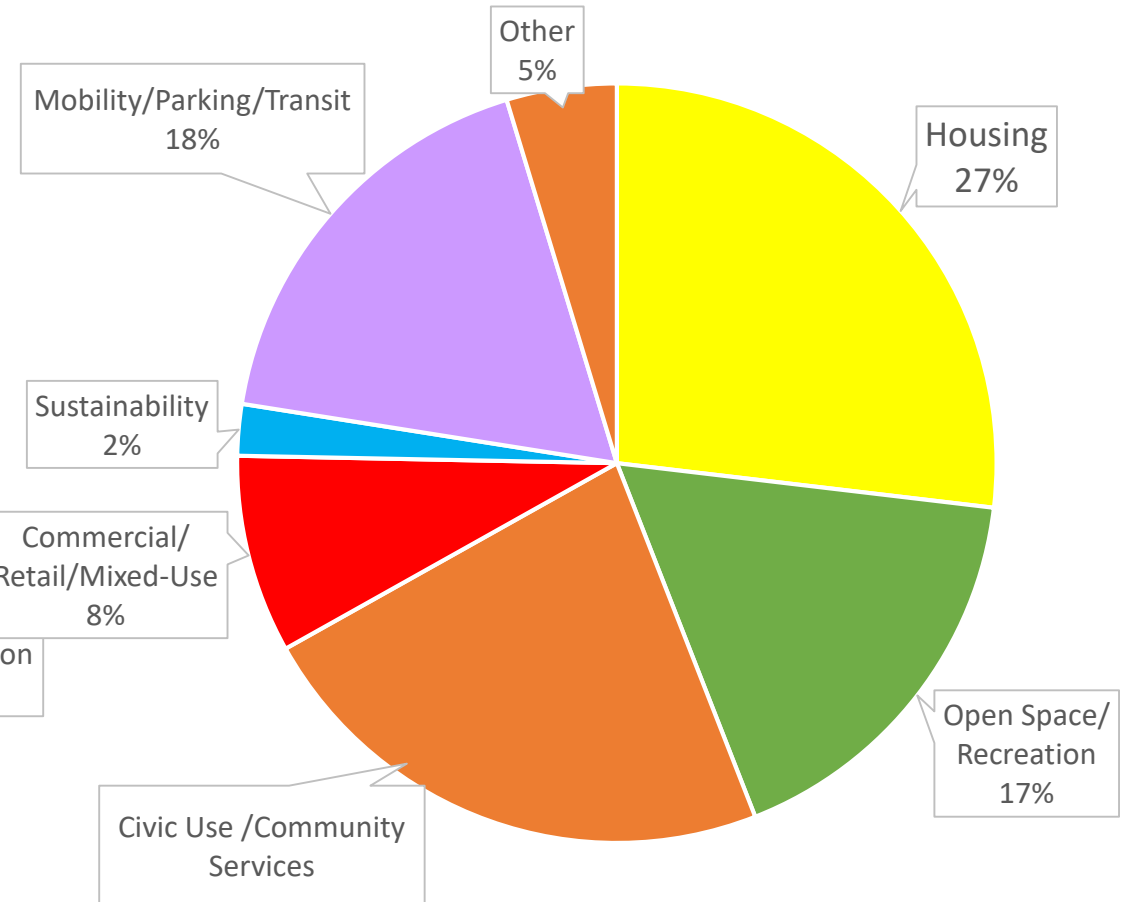


Workshop #1 Feedback

Comment Cards

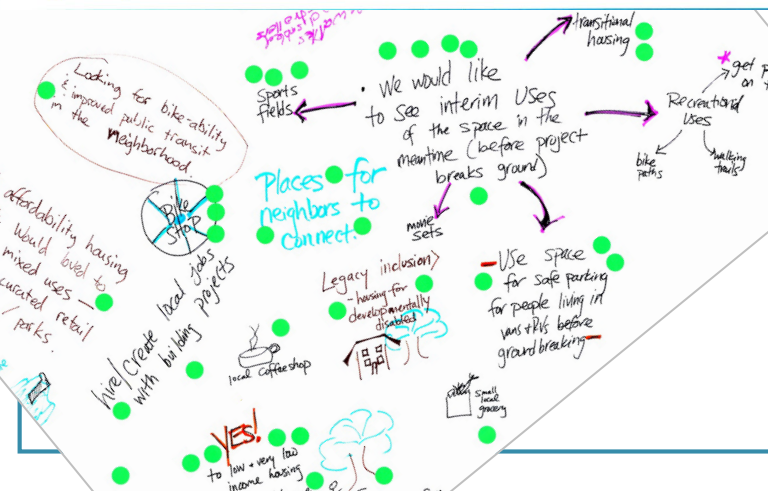
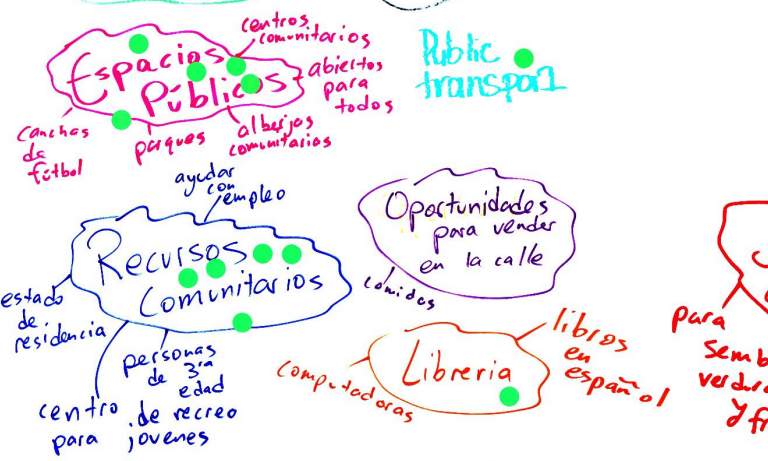
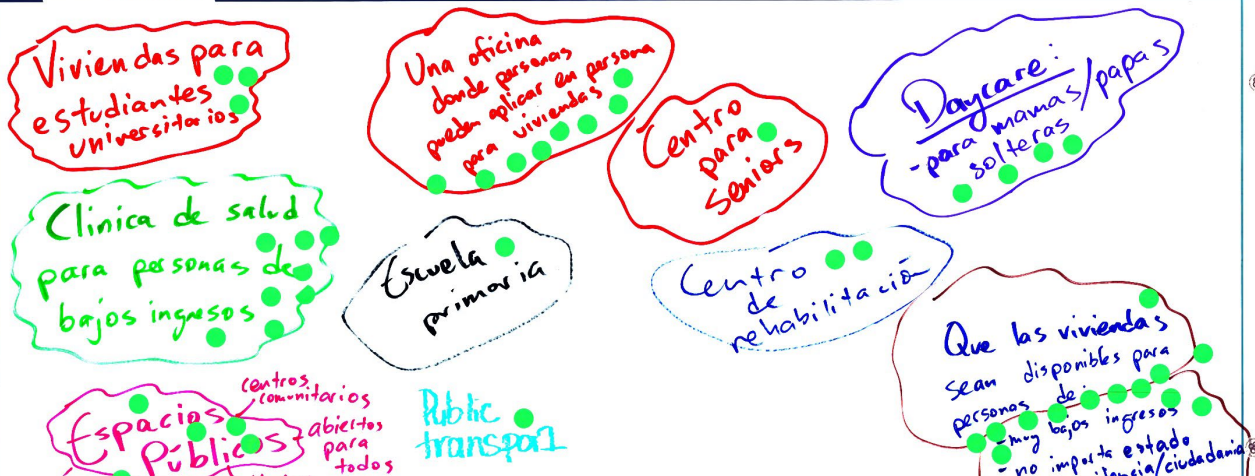


Group Exercise Priorities





¿CUÁLES SON LOS INGREDIENTES PARA UN GRAN VECINDARIO?



Community Input



Fairview Developmental Center Specific Plan Comment Card

Date 11-2-23

I appreciate the table process + ability for everyone to use their ideas + voice (not just the loudest + most powerful voices in the room).
Thank you.

Name Christine Hoff Email _____

☐ Please add me to the mailing list. Already on



FAIRVIEW DEVELOPMENTAL CENTER SPECIFIC PLAN COMMUNITY WORKSHOP

NOTES, IDEAS and ADDITIONAL THOUGHTS
Draw or write your ideas here

-DENSITY!!
Consider more stories
-BIKE PATH!
Continue the Harbor Blvd. bike path

Housing Goal

- City and State agree that housing shall be a priority use
- City goal in 2022 Housing Element
 - Very Low-Income Units – 575
 - Low Income Units – 345
 - Moderate Income Units – 690
 - Above Moderate-Income Units – 690
 - **Total – 2,300 units minimum**
 - **40% Low and Very Low**



Site Capacity

- Remaining State Land – 158.6 Acres
- Less Harbor Village Apartments/SF Homes
- = Specific Plan Boundary -121.08 Acres
- Less Potential EOC Site -15 Acres
- Less Existing Fair Drive, Merrimac Way
- Less Properties on Mark Lane
- = 99 Acres of New Development Potential
- = 23 Dwelling Units/Acre Average (does not include roads or public parks)



If this were Playa Vista, CA...

how many homes would fit?

Variety of Product Types

Maximizes Density

~ 4,500 units shown in the boundary

Green Space & Amenities

40-50 units/acre



 FDC Property Boundary

If this were the Irvine Spectrum...

how many homes would fit?

Resident Amenities

Private Green Space & Pools

~ 5,000 units shown in the boundary

50 units/acre



 FDC Property Boundary



Residential Building Types

Small-Lot Single Family Housing

(Detached and Attached)

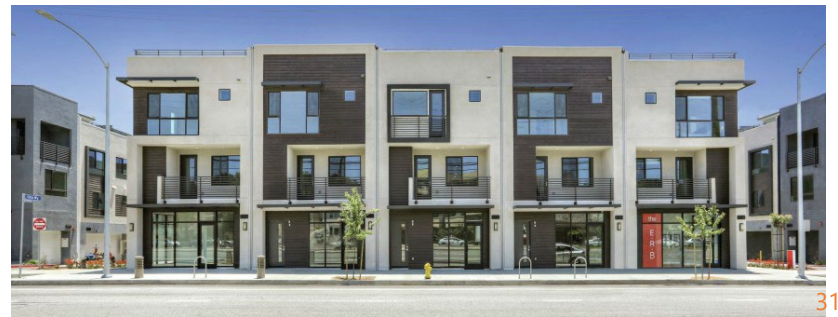
- 10-17 Units per Acre
- 2-3 Stories
- 2-Car Garage
- Condominiums or Fee Simple
- Some Private Open Space



Townhomes

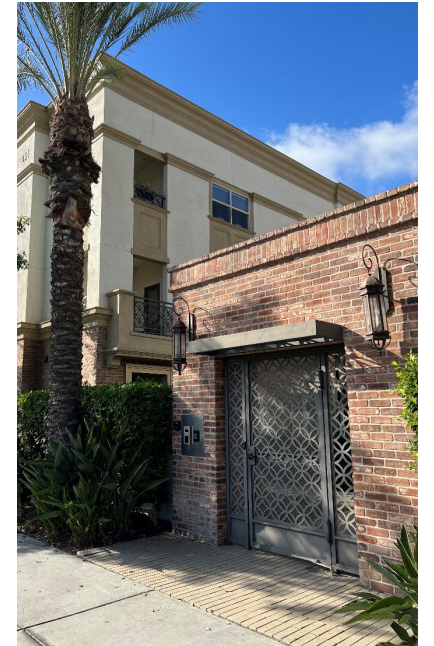
Attached

- 10-24 Units per Acre
- 2-3 Stories
- 1-2-Car Garage
- Condominiums
- Includes Live-Work Housing Type



Courtyard

- 12-26 Units per Acre
- 2-3 Stories
- Parking Tucked-Under the Unit
- Either Condominiums or Multifamily
- Common Open Space



For-Sale Multi-Story Flats

- 30+ Units per Acre
- 4-7 Stories
- Garage or Underground Parking
- Condominiums
- Common Open Space



Multifamily - Various

- 30 -100+ Units per Acre
- 3-7 Stories
- Building can include Ground Floor Retail/Other Uses
- Range of Parking Options – Surface, Above/Below Ground Structure, and/or Combination
- Common Open Space



Affordable Housing Today



Mountain View

Location: Lake Forest

Type: Multi-family, 4 Stories

Total Units: 71 Units

Affordability: 30%, 40%, 50% and 60% AMI*



Orchard View Gardens

Location: Buena Park

Type: Senior, 3 Stories

Total Units: 66 Units

Affordability: 30%, 45%, 50%, and 60% AMI*



Legacy Square

Location: Santa Ana

Type: Mixed-Use, 5 Stories

Total Units: 93 Units

Affordability: 25%, 30%, 50% and 60% AMI*

*AMI = Area Median Income



Economic / Market Considerations

Specific Plan Economic Tasks

- Market Demand
- Financial Feasibility Analysis
 - Different with State Ownership
 - Developers have Experience
- Funding and Financing Sources
- Current Market Conditions



Financing of Affordable Housing

- Financing affordable housing is an art
 - Low-Income Housing Tax Credits
 - Conventional bank financing
 - A variety of other sources
- Example: The Orion in Orange, CA
 - 164 low-income units
 - 1 & 2 bedroom units
 - Average 600 sq. ft.
 - \$57.7 million



Source: AOArchitects.com



Financing of Affordable Housing

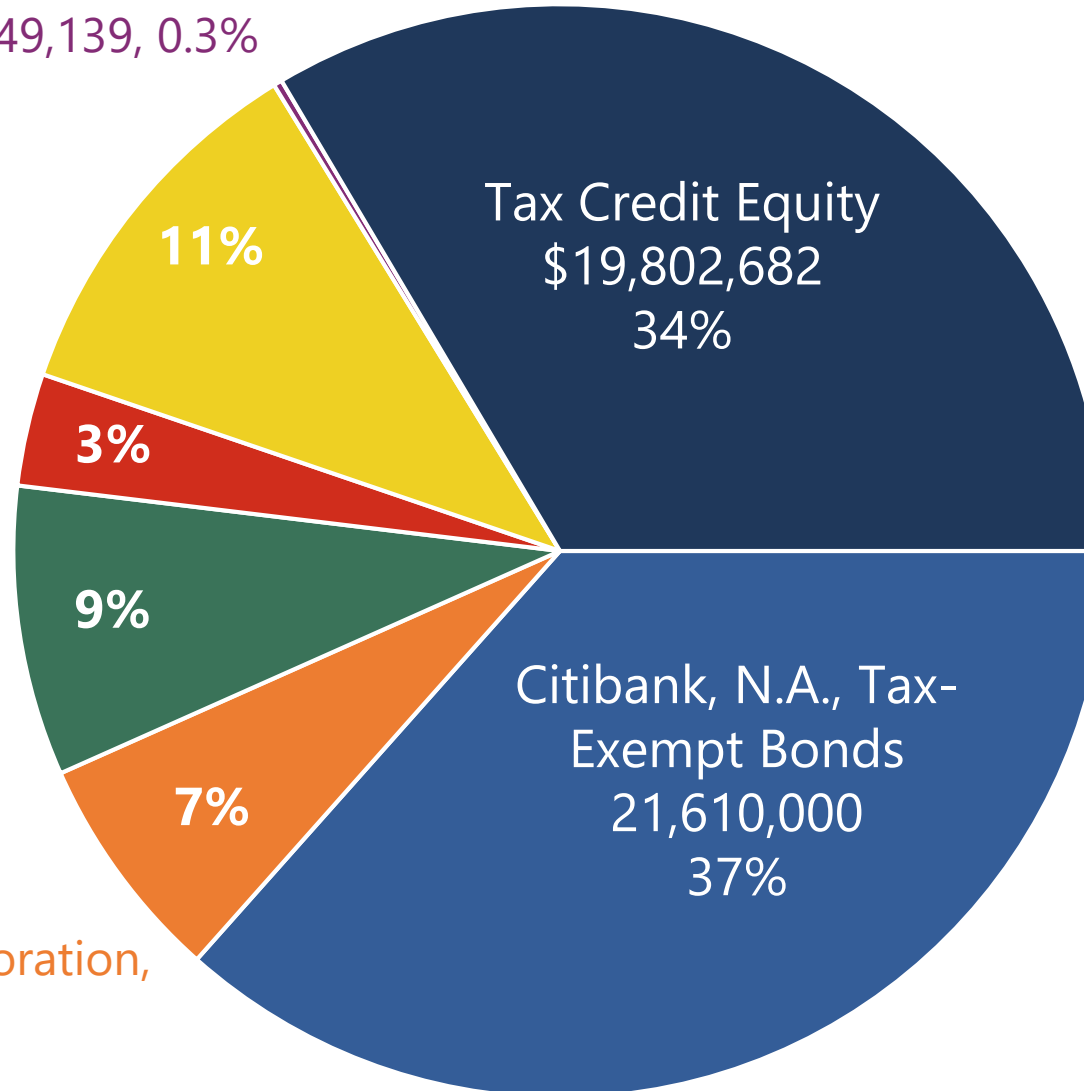
WNC Solar Tax Credits \$149,139, 0.3%

Safehold, Inc., Other
Financing \$6,500,000

Net Operating Income
During Construction
\$1,965,400

USA Multifamily
Development, Inc.,
Deferred Developer Fee
\$5,070,331

Riverside Charitable Corporation,
Loan, \$4,000,000



**The Orion
City of Orange**



Who is Eligible for the Affordable Housing?

What is an Affordable Housing Payment?

- Not more than 30 percent of gross household income for housing costs:
 - rent or mortgage payments,
 - utilities (gas, electricity, water, sewer, garbage, recycling, green waste), and
 - property taxes, insurance, and CFD/HOA on owner-occupied housing.

	Homeowners	Renters
Housing Cost > 30%	5,035	12,045
Share of Total HHs	31.8%	48.8%
Housing Cost > 50%	2,335	6,440
Share of Total HHs	14.7%	26.1%



Who is Eligible for the Affordable Housing?

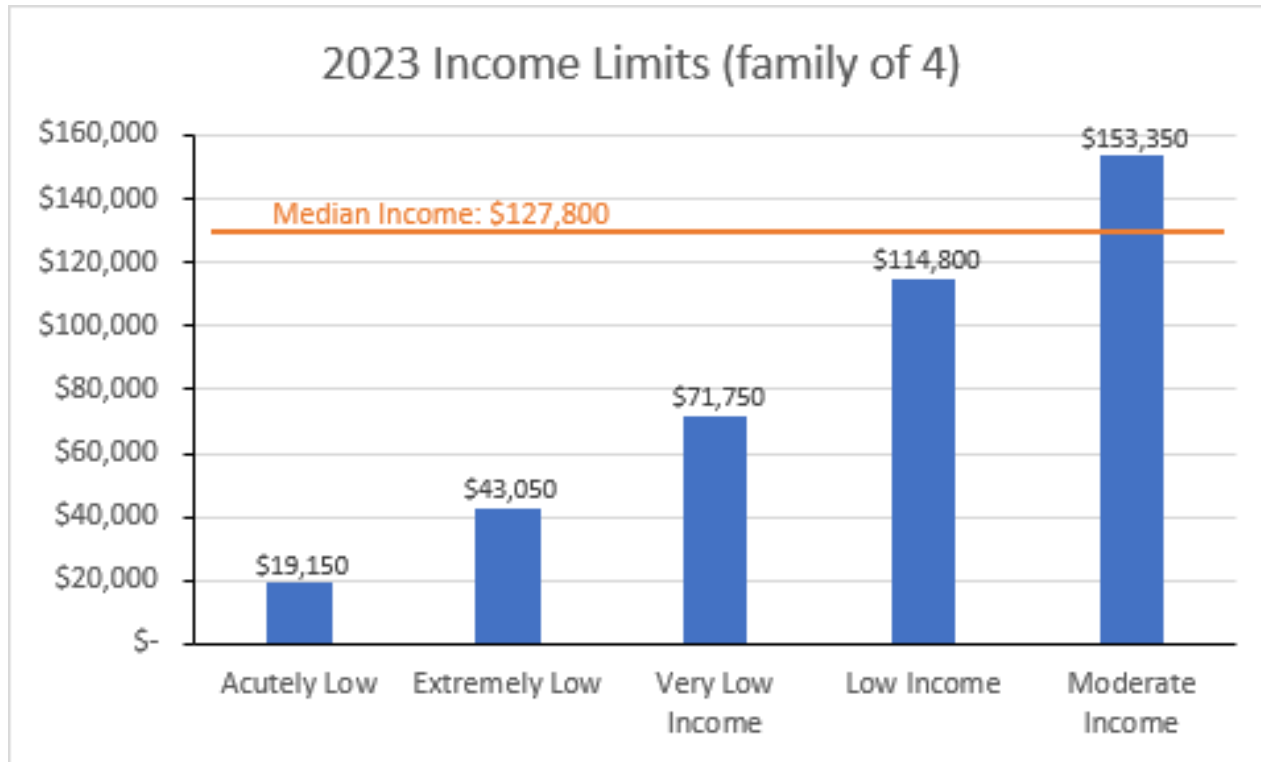


FIGURE 5: LIST OF TOP 25 OCCUPATIONS

ACCOUNTANT	RETAIL/SALES ASSOCIATE
ADMINISTRATOR	WAITER/WAITRESS
CAREGIVER	CHILDCARE PROVIDER
CASHIER	COSMETOLOGIST
NURSING	TECHNICIAN
DRIVER	PRODUCTION
BANKING	CONSTRUCTION
CUSTODIAN	ENGINEER
CUSTOMER SERVICE	DENTAL ASSISTANT
CHEF/COOK	FARMER
MEDICAL ASSISTANT	HEALTHCARE PROVIDER
MANAGER	SECURITY
TEACHER	



Who is Eligible for the Affordable Housing?

Affordable Housing Payment (Family of 4)

	Maximum Affordable Rent ¹	Maximum Affordable Purchase Price ²
Very Low Income	\$1,521	\$179,013
Low Income	\$2,597	\$309,848
Moderate Income	\$3,561	\$427,006

Notes:

1. Assumes 2023 HCD income limits; 30% gross household income as affordable cost less utilities, based on 2023 Orange County Utility Allowance.
 - a. Utilities include base electric, water, sewer/trash, refrigerator, and stove.
2. Assumes 2023 HCD income limits; 30% gross household income as affordable housing cost; 15% of monthly affordable cost for taxes and insurance; 10% downpayment; and 7.5% interest rate for a 30-year fixed-rate mortgage loan. Utilities based on 2023 Orange County Utility Allowance.
 - a. Utilities include base electric, water, sewer/trash, refrigerator, and stove.

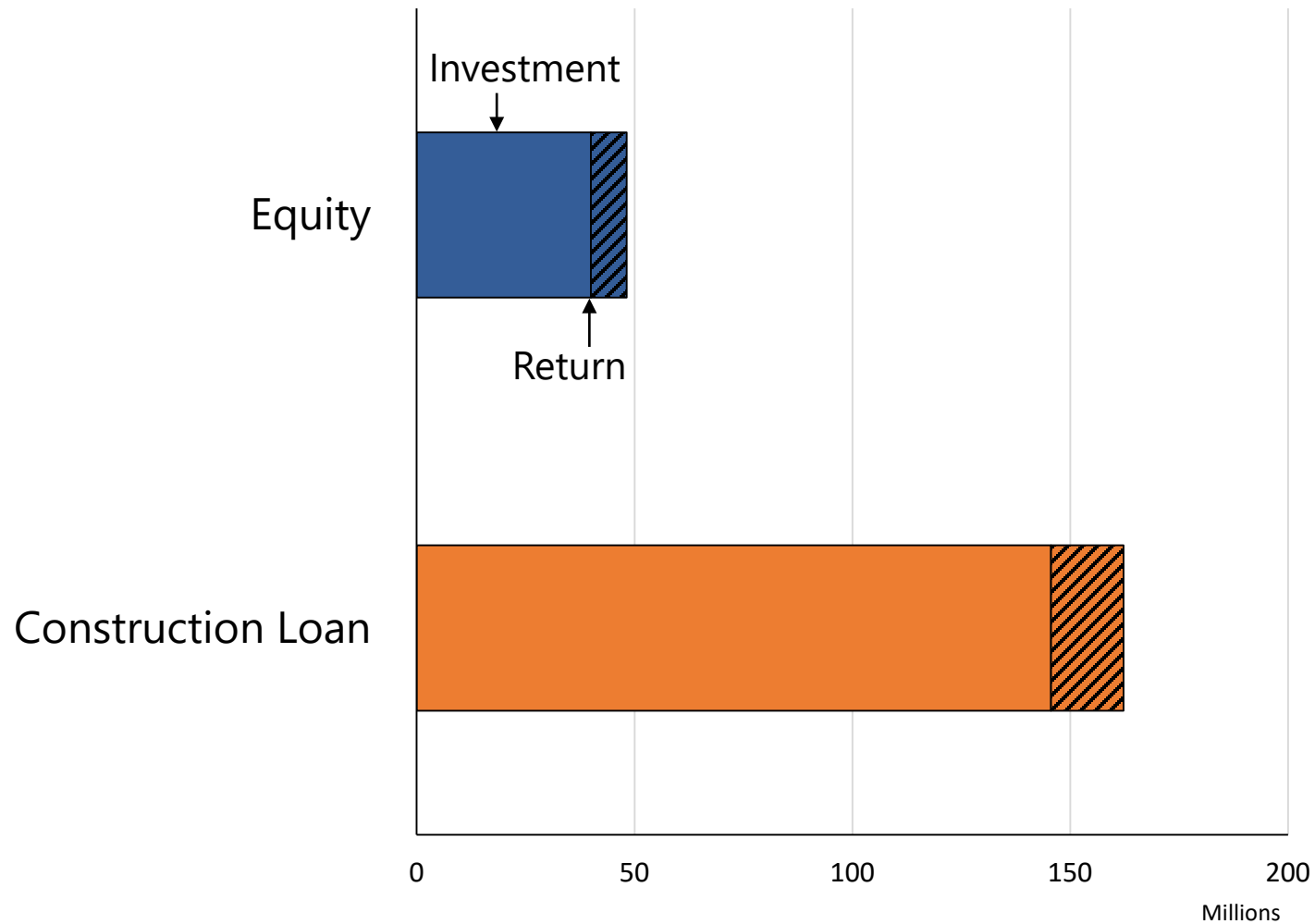


FINANCING OF MARKET RATE HOUSING

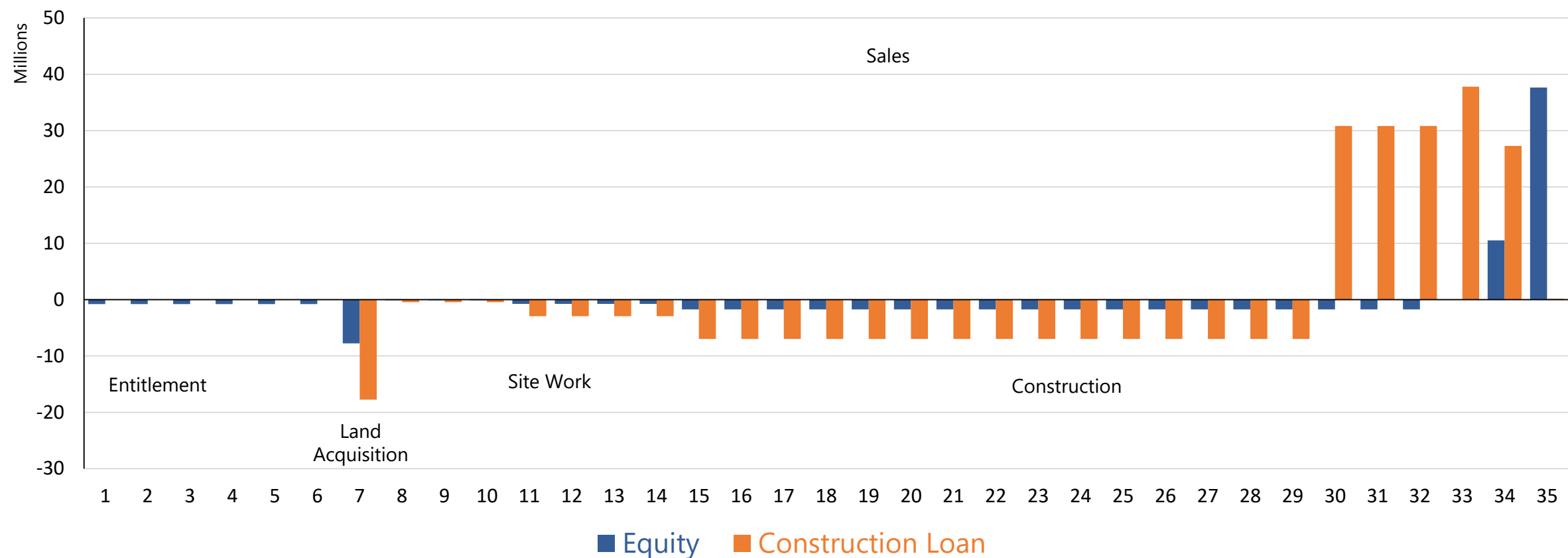
- Construction Loan
- Equity
- Permanent Financing
- Return on Investment



Financing of Market Rate Housing



Financing of Market Rate Housing



Simplified timeline for illustrative purposes.



Master Developer and the Specific Plan

- What is a Master Developer?
- Balancing Trade-offs to Achieve Feasibility
 - To be Studied in Alternatives (next step)
- Implications for Level of Flexibility in Specific Plan



Next Steps

- **Workshop #2 – Anticipated February 2024**
 - Draft Vision and Guiding Principles for community review
 - Market Study Findings and Additional Existing Conditions Information
 - Input for Land Use Plan Alternatives



On-going website updates – FDCHousingPlan.com



**Sign up for notifications at –
FDCHousingPlan@costamesaca.gov**



Project Deliverables

- Draft/Final Vision and Guiding Principles
- Market Study
- Existing Conditions Story Map
- 3 Land Use Plan Alternatives and Analyses
- Preferred Land Use Plan
- Project Description
- Draft/Final Specific Plan
 - Land Use Plan
 - Mobility Plan
 - Infrastructure Plan
 - Phasing and Financing
- Draft/Final Environmental Impact Report



FAIRVIEW

DEVELOPMENTAL CENTER

▪ **SPECIFIC PLAN** ▪

Questions?

