



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**Item #: 24-038**

**Meeting Date: 02/20/2024**

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**TITLE: URBAN MASTER PLAN SCREENING REQUEST (UMP-21-007) FOR A MIXED-USE DEVELOPMENT AT THE CITY'S SENIOR CENTER TO CONSTRUCT AND OPERATE A 60-UNIT AFFORDABLE SENIOR HOUSING PROJECT LOCATED AT 695 WEST 19TH STREET**

**DEPARTMENT: ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT/PLANNING DIVISION**

**PRESENTED BY: NANCY HUYNH, PRINCIPAL PLANNER**

**CONTACT INFORMATION: NANCY HUYNH, PRINCIPAL PLANNER, (714) 754-5609**

**RECOMMENDATION:**

Staff recommends the City Council review and provide feedback on the proposed 60-unit mixed-use development at 695 West 19<sup>th</sup> Street located in the 19 West Urban Plan area.

**BACKGROUND:**

Pursuant to the Costa Mesa Municipal Code (CMMC) Section 13-28(g)(4), applicants for residential or mixed-use development projects in a mixed-use overlay district shall submit a screening application for consideration by the City Council at a public meeting. No other concurrent application for the proposed development may be submitted for processing until City Council comments have been received. The purpose of the screening application is to receive City Council comments on the merits and appropriateness of the proposed development before the applicant submits the formal planning application(s).

***19 West Urban Plan***

The property is located within the 19 West Urban Plan. On April 4, 2006, the City Council adopted the Urban Plan to provide incentives for mixed-use developments in Westside Costa Mesa. The 19 West Urban Plan area generally consists of commercial properties along West 19<sup>th</sup> Street between Monrovia Avenue and Harbor Boulevard, and also includes certain industrial properties along Superior Avenue.

The 19 West Urban Plan can be found at the following link:

<https://www.costamesaca.gov/home/showpublisheddocument/315/636490563866670000>

The Urban Plan allows for horizontal and vertical mixed-use developments including live/work units and residential lofts. The intent of the Urban Plan is to provide development and economic incentives for private property owners to reinvest and redevelop their properties. The stated objectives of the Urban Plan include the following:

- Identify development regulations to realize the vision of the Urban Plan. These regulations address mixed-use development standards as well as public streetscapes and urban design improvement and amenities;
- Provide a Land Use Matrix of allowable uses that recognize the development potential of the plan area and need to sensitively integrate new development with the surrounding areas, and therefore, promote both resident and business community confidence in the long term;
- Encourage commercial and residential mixed-use development that combines residential and nonresidential uses in a single building (vertical mixed-use development) or in proximity on the same site (horizontal mixed-use development). This type of development includes office, retail, business services, personal services, public spaces and uses, and other community amenities to revitalize the area without exceeding the development capacity of the General Plan transportation system.
- Attract more residents and merchants by allowing mixed-use development in a single-use zoning area – specifically, vertical or horizontal mixed-use development offering first floor retail/office and upper story residential condominium units;
- Encourage adaptive reuse of existing industrial or commercial structures, which would result in rehabilitated buildings with unique architecture and a wider array of complementary uses;
- Stimulate improvement in the 19 West Urban Plan area through well designed and integrated urban residential development that is nontraditional in form and design with flexible open floor plans and which complements the surrounding existing development;
- Meet demand of a new housing types to satisfy a diverse residential population comprised of artists, designers, craftspeople, professionals and small-business entrepreneurs;
- Promote a new type of urban housing that would be target-marketed to people seeking alternative housing choices in an industrial area. An urban loft would be an alternative to a traditional single-family residence, tract home, or small-lot subdivision; and
- Encourage the design and development of urban residential structures reflecting the urban character of the surrounding industrial context both in the interior and exterior areas.

### ***Exclusive Negotiating Agreement (ENA) with Jamboree Housing Corporation***

At their regular meeting on July 21, 2020, the City Council approved an Exclusive Negotiating Agreement (ENA) with Jamboree Housing Corporation (JHC) to study and determine the feasibility for the right to acquire a long-term leasehold for an affordable senior housing project to be developed on a portion of the City’s Senior Center parking lot. JHC is a non-profit affordable housing developer that has developed nearly 80 affordable housing projects throughout California including many in Orange County.

During the July 21, 2020 meeting, the City Council were provided the terms of the ENA, preliminary plans for a 60-unit senior affordable housing project, and a presentation by staff and the applicant. The City Council also heard public comments regarding the proposed ENA. The ENA Agenda Report identified that the conceptual affordable housing project would maintain the existing Senior Center parking and provide resident parking in excess of minimum parking requirements allowed pursuant to State Density Bonus law. The Agenda Report also recognized that the Senior Center site was identified in a previous Housing Element as an “underutilized” site, and the parking lot could be used for affordable housing. The City Council approved the ENA on a 7-0 vote and voiced support for the senior housing project to proceed. The ENA term was approved for a one-year period with an allowed 120-day extension to be approved by the City Manager. Although a 120-day extension was granted by the

City Manager, the ENA expired in 2022. Staff continued to work with JHC to submit for entitlements.

The July 21, 2020 agenda report and meeting video are provided in the links below:

July 21, 2020 City Council Agenda Report:

<http://ftp.costamesaca.gov/costamesaca/council/agenda/2020/2020-07-21/NB-5.pdf>

July 21, 2020 City Council Meeting Video:

[https://costamesa.granicus.com/player/clip/3578?view\\_id=10&redirect=true&h=c234f40997ffc17e74bd793e125b476f](https://costamesa.granicus.com/player/clip/3578?view_id=10&redirect=true&h=c234f40997ffc17e74bd793e125b476f)

Since then, JHC and Planning Division staff have met regularly to discuss their proposed project concepts including incorporating a mix-of uses that could complement the existing Senior Center. JHC also met with the Community Services Department staff from the Senior Center to share their project scope, and to obtain feedback from the Community Services Department staff who are most familiar with the Senior Center's operations.

### **ANALYSIS:**

The proposed horizontal mixed-use development would include the existing Costa Mesa Senior Center and a new senior housing residential building on an existing 2.66-acre lot located on the northwest corner of West 19<sup>th</sup> Street and Pomona Avenue. The site is zoned Local Business District (C1) and has a General Plan land use designation of General Commercial. The property is located across from an existing senior housing development (The Towers at 19<sup>th</sup>) developed in the late 1960s, and existing residential properties along Plumer Avenue. To the west and east of the property are existing commercial uses including Smart & Final, various restaurants, and retail shops. Also located within the proposed project's vicinity is the City's community center, library, and recreation center.

Existing development on the subject property includes the City of Costa Mesa Senior Center which was constructed in the 1990s (approved under Conditional Use Permit PA-90-60). The Senior Center is an approximate 20,000-square-foot, two-story building with a 145 space surface parking lot. The original vision and concept for the Senior Center included a senior housing component with 46 units anticipated. However, at that time the City Council decided to not proceed with the senior housing project. The project does not propose any changes to the existing Senior Center building. The project would modify the existing parking and site circulation since the new residential building is proposed to be developed on a portion of the Senior Center's existing surface parking lot.

### ***Project Description***

The project proposes 59 low-income, age restricted (55+) apartment units with one additional onsite manager's unit (60 total units). As proposed, 29 of the 59-age restricted/affordable units would be dedicated for permanent supportive housing (PSH). The proposed building would be four-stories (approximately 57 feet) in height and include parking at the ground level under the new building ("podium" design). The design of the proposed building would also feature a central internal courtyard with multiple gathering spaces such as fitness lawn, barbeques, lounge seating, and a community garden. Each apartment unit would include one-bedroom and one- bathroom units with sizes ranging between 566 and 614 square feet. As proposed, each unit would include access to a private patio or

deck. In addition, the applicant proposes certain onsite tenant amenities that include a pet spa, fitness room, library/computer room, and community room. Details regarding project compliance with the 19 West Urban Plan mixed-use development standards are included in Attachment 1, and discussed further below.

### ***Building Design and 19 West Urban Plan Preliminary Compliance Review***

The proposed architectural style of the building is Spanish Colonial which features a red clay tile roof, round arches at entryways, light-colored stucco, and Spanish tile designs as building accents. The building design also includes corner articulation, varied roof heights, and delineation between each floor. The ground floor is proportionally designed to provide a “human scale” which creates a pedestrian-friendly environment and aesthetic by using storefront windows and decorative lighting as well as placing the building closer to the existing public sidewalk along West 19<sup>th</sup> Street. The private balconies are proposed to be placed along the front street façade which provides additional visual interest along West 19<sup>th</sup> Street.

At this time, the proposed project is limited to generally conceptual level plans that would be later refined and reviewed by staff. Based on the conceptual design, staff has reviewed the project and worked with the applicant to refine the project to be consistent with the applicable 19 West Urban Plan Development Standards, CMMC, and General Plan. With few exceptions (as further described below under “Concessions”), the project is generally in compliance with the City’s applicable development standards. For example, the Urban Plan maximum building height allowed for a “mixed-use project” is four stories and 60 feet, and the project proposes a four-story, approximately 57 feet maximum building height. The Urban Plan maximum lot coverage is 90% of the lot size and the applicant is proposing a 44% lot coverage. In regard to density, the 19 West Urban Plan does not prescribe a specific density requirement for a mixed-use project, and instead requires a “Maximum Floor Area Ratio” (FAR) of 1.0. The applicant proposes a FAR of 0.94 which is below the Urban Plan’s maximum FAR.

The 19 West Urban Plan allows design flexibility in exchange for quality projects that meet the Urban Plan vision. Such flexibility may come in the form of deviations from required development standards, if approved through an Urban Master Plan. Although the applicant may request these Urban Plan deviations, JHC is instead proposing to use concessions allowed under the State Density Bonus Law (DBL) pursuant to Government Code Section 65915.

### **Concessions**

Pursuant to State DBL, a proposed housing project that provides a certain percentage of their units as affordable are allowed concessions to deviate from any local development requirements and standards. Table 1 below provides the required Urban Plan development standards along with the project’s requested DBL concessions. Although the project proposes to deviate from certain Urban Plan development standards through the DBL concessions, the deviations are presented to the City Council in order to obtain feedback for the applicant’s consideration as they further refine their final design.

**Table 1 – Development Standard Deviations/Concessions**

Development Standard	Urban Plan	DBL Concession
Open Space – Development Lot	30%	26%
Side Setback Abutting W. 19 <sup>th</sup> St.	5 feet	0 feet
Additional Parking Space Width Adjacent to a Column/Wall <sup>1</sup>	1 foot additional	0 foot
<sup>1</sup> Pursuant to the City of Costa Mesa Parking Design Standard		

Open Space – Development Lot

The minimum open space required is 30% of the total lot size which is approximately 35,000 square feet. The project proposes to provide 26% open space including the proposed central open courtyard. Although the project does not comply with the minimum open space for the development lot, it would comply with the residential private open space and provide each unit with 200 square feet of open space area.

Side Setback (West 19<sup>th</sup> Street)

The side setback requirement for properties abutting a public street is five feet. The project proposes a zero setback adjacent to West 19<sup>th</sup> Street. While no setback from the property line is proposed at this location, an approximate 20-foot landscape parkway exists (located between the property line and the edge-of-curb), which effectively provides a landscape setback.

Parking Structure Design Standard

The City’s Parking Design Standards require an additional one-foot to be provided for parking spaces adjacent to a column or other vertical obstruction such as a wall. This standard is intended to provide clearance for opening car doors. According to the Applicant’s architect, the project would not be able to comply with this parking structure design standard without reducing parking. The applicant could continue to work with the Transportation Division to explore other design alternatives to comply with the intent of this parking design standard.

***Preliminary Traffic, Access and Parking Evaluation***

Traffic

The City’s Transportation Division completed a preliminary trip generation analysis to compare the proposed 60-unit mixed-use project to existing transportation conditions. The City’s Transportation Division requires a traffic impact analysis (TIA) for all development projects that generate 50 or more net vehicle trips that end during a peak hour. As shown in Table 2 below, the proposed project does not meet the criteria since the anticipated additional peak AM and PM hours will result in less than 50 vehicle trips (12 and 15 peak hour trips, respectively), and therefore a TIA is not required.

**Table 2– Preliminary Trip Generation Analysis**

Land Use	Units/SF	AM (Peak Hour)	PM (Peak Hour)	Daily Trips
Proposed Senior Housing	60 Units	12	15	194.4
Existing Senior Center	20,127 SF	38.44	50.32	580.06

### Access

The project proposes to remove the existing driveway along West 19<sup>th</sup> Street to accommodate the new building and landscaping and proposes a new driveway towards the western part of the property along West 19<sup>th</sup> Street. The project also proposes to provide an additional driveway along Plumer Street on the eastern part of the property for a total of three site access driveways.

### Parking

Pursuant to the 19 West Urban Plan Parking Standards, the proposed residential project requires 1.5 parking spaces per unit and 0.5 guest parking space per unit. Therefore, the proposed 60 residential units require 120 parking spaces (90 tenant spaces and 30 guest spaces). Neither the Costa Mesa Municipal Code (CMMC) nor the Urban Plan differentiates residential parking regulations for affordable housing.

Per Conditional Use Permit PA-90-60, the Senior Center's approved parking requirements were based on the "fraternal clubs and lodges" classification which is one space for every 35 square feet, and was calculated for the Senior Center based on the 5,160-square-foot meeting room, and excluded the ancillary and back-of-house areas. Per the CMMC parking requirements, the total required parking for the Senior Center facility is 147 parking spaces. The Senior Center parking lot contains 145 spaces.

The applicant proposes to maintain the existing number of parking spaces (145 spaces) but would not provide additional parking for the proposed residential and mixed-use project. JHC proposes shared parking between the Senior Center and the new residential development, this includes the parking spaces proposed under the new residential building. Based on the City's parking standards, the total parking required for the proposed mixed-use development (including both the Senior Center and the proposed 60-unit housing project) would be 267 spaces. However, the Urban Plan specifies that "a reduction in parking for a mixed-use development may be approved in conjunction with the Master Plan approval". In addition, pursuant to State Law (DBL), the proposed residential project is exempt from providing parking based on its proposed affordability component.

Although the project is exempted from State Law for providing parking for the affordable residential units, staff believes it is important to consider the project parking demand to assess the potential operational impacts to the City's Senior Center. In this regard, staff required that the applicant submit a parking study that assesses and considers the parking demand of the proposed residential project and Senior Center operations (Parking Demand Analysis, Costa Mesa Senior Housing Project – 2021, Linscott, Law & Greenspan Engineers). The parking analysis concluded that based on empirical parking data from two similar Jamboree Housing project's (both located in Orange County), the peak parking demand for the two housing developments was approximately 0.59 parking spaces per unit. Based on the study's most conservative (greatest) observed empirical parking demand ratio, the proposed 60-unit residential project is anticipated to result in a parking demand of approximately 35 spaces. In addition, the Consultant estimated that the peak parking average day demand for the Senior Center was 68 parking spaces. The Consultant's parking conclusions were that the Costa Mesa Senior Center and proposed residential component would have a combined parking demand of 102 spaces which would result in a parking surplus of 43 spaces when compared to the existing/proposed parking supply.

Staff also contracted with an independent parking consultant (LSA) to further work with the City's Senior Center staff and confirm the parking demand for the Senior Center operations ("Parking Demand for the Costa Mesa Senior Center Memorandum" - 2022). The Parking Memorandum concluded that the Senior Center average-day peak parking demand is approximately 58 parking spaces, and on a "busy day", the Center's parking demand is 103 parking spaces. The Memorandum also considered the Senior Center's special event parking demand which is estimated to peak at approximately 115 vehicles. In summary, the LSA report concluded that with the proposed 145-space parking lot, there would be a surplus of parking spaces available (approximately seven parking spaces) for both the proposed residential project and the Senior Center operations on a "busy day". However, based on the Senior Center's anticipated "special events", the parking demand for the 145-space lot would be exceeded by approximately seven parking spaces. This would occur during certain special events when the residential component was also at peak parking demand.

Lastly, the LSA report stated that future demographic growth [senior population] is expected to increase parking demand on an average day from 54 spaces to 84 spaces by 2030 and 99 spaces by 2040. The same demographic trends could result in parking demand on busy days exceeding parking supply by 2030 if visitor travel behavior to the senior center is the same as today. The LSA report concluded "reducing the parking supply available to the Senior Center through shared parking could result in the parking supply being fully utilized on average days."

### ***Proposed Tentative Parcel Map***

The proposed project also includes a tentative parcel map to subdivide the existing 2.66-acre City-owned property into two separate parcels – both to be owned by the City. Parcel 1 would be 1.28-acre in size and include the existing Senior Center building. Parcel 2 would be 1.38-acre in size and include the proposed senior housing building. As proposed, both parcels would share driveway access and parking. Although a subdivision on "paper" is proposed, the project's Urban Master Plan would consider the two parcels under one master development lot, and all development standards would be regulated based on the properties functioning as a single development.

The separate parcel for the senior housing component is proposed in order to allow JHC and their limited liability partner the ability to receive tax credits through the Low-Income Housing Tax Credit (LIHTC) program. The LIHTC program is a federal incentive program that awards tax credits to housing developers and their partners (or investors) in exchange for developing affordable housing. In order to obtain the tax credits, the federal program requires that affordable housing projects be located on a separate and distinct parcel with its own legal description. With the proposed subdivision, ownership of the two parcels would be maintained by the City, and JHC would lease the use of the property through a long-term lease agreement.

### ***Potential Issues to Consider***

- Parking - The future potential parking impacts to the Senior Center operations are a factor to consider. The Senior Center hosts over a dozen events for seniors throughout the year in addition to other potential events hosted by other organizations. The Senior Center auditorium is also used by the City to host special events and community meetings. Should the proposed project move forward and the applicant submit a formal planning application, staff will work with JHC to further consider parking demand and develop a parking management plan for their tenants, employees, and the Senior Center's operations. The parking management plan could

include securing temporary offsite parking for tenants/employees during major events, and/or the use of other parking management tools such as the use of temporary valet.

- New Driveway Access from West 19<sup>th</sup> Street - The design of the proposed new driveway access from West 19<sup>th</sup> Street requires additional consideration. There is an existing landscaped median that will be impacted and the location of the proposed driveway may result in potential traffic safety issues. If authorized to proceed with the submittal of a formal application, JHC would need to continue working with the Transportation and Engineering Division to either modify the landscaped median, allow exit only right turns, or consider providing all site access along Plumer Street.

### ***Merits of the Proposed Project***

The following is a summary of the merits of the proposed mixed-use development project to be considered by the City Council pursuant to the Costa Mesa Municipal Code screening requirements:

1. Proposed project meets objectives of the 19 West Urban Plan. Mixed-use developments are encouraged in the 19 West Urban Plan. As envisioned by the Urban Plan, a mixed-use development would be compatible with existing commercial and industrial uses. The proposed project is a horizontal mixed-use development within the existing Senior Center property with proposed senior housing added to the site. The project is located in an existing urban environment which includes a variety of existing commercial uses (grocery stores, restaurants, retail shops) within close proximity. There are also existing residential uses in the project site's vicinity including existing senior housing developments. The proposed senior housing would be complementary to the existing senior housing development. The proposed building incorporates design elements that would improve and enhance the public streetscape.
2. Proposed project meets the 2021-2029 Housing Element policies. The adopted Housing Element has identified policies and housing programs to address affordable housing needs, especially for senior populations. The proposed project would include 59 low-income rental units for seniors with 29 of the units dedicated for permeant supportive housing, which satisfies the intent of the following policies, and housing program:

**HOU-2.1:** Facilitate the development of housing that meets the needs of all segments of the population including affordable housing and households with specialized needs.

**HOU-2-4:** Encourage housing programs and future actions that address the need for affordable housing options as well as the housing needs of Costa Mesa's senior resident population and the large households' population.

**PROGRAM 2D:** Facilitate Development of Senior Housing Options.

- **Objective:** Pursue opportunities for senior housing on the Senior Center parcel identified as part of the candidate housing site analysis and/or other sites within the City.



### ***California Environmental Quality Act (CEQA)***

The City Council project screening is exempt from environmental review under the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines Section 15061(b)(3) (General Rule), in that there is no possibility that the project screening will have a significant impact on the environment. Should the proposed project move forward and the applicant submit a formal planning application, the project is subject to environmental review pursuant to the California Environmental Quality Act. Staff will review the proposed project based on a comprehensive evaluation of the project impacts as required by State Law. It is also possible that current State Law exempts the affordable housing project from environmental review pursuant to Government Code Section 15194, if it complies with certain criteria based on, but not limited to, project size and location.

### ***Screening of Project Concept***

This Urban Plan screening process is intended to address the following issues:

#### ***Does the project meet the City Council’s expectations for projects in the Urban Plan areas?***

The screening process is an opportunity to determine whether the project concept meets the City Council’s expectations for new projects in the Urban Plan areas before the applicant submits a formal Urban Master Plan application. The proposed horizontal mixed-use development would utilize an existing property with development opportunities to construct affordable housing for a specific population (seniors) in an urban environment that is walkable, bikeable, or short distance to neighborhood serving businesses including the Costa Mesa Senior Center, grocery stores, medical offices, restaurants, and variety of retail shops. There continues to be a growing need for affordable housing options for seniors that the proposed project would help to fulfill.

The project generally would comply with the 19 West Urban Plan development standards including minimum lot size, front and rear setback, residential private open space, floor area ratio (FAR), and building height.

#### ***Does the City Council have comments regarding any requested deviations?***

The screening process highlights requested deviations from the Urban Plan so that the City Council can provide feedback. Since the proposed project includes senior affordable housing, it is eligible for concessions allowed under the State DBL. The DBL concessions are, in essence, the Urban Plan deviations. However, State DBL requires a city to grant the concessions. The concessions, or deviations from the development standards, include minimum open space (30% required; approximately 26% provided), side setback along West 19<sup>th</sup> Street (five feet required; zero feet provided), and parking structure design standard.

Although the project does not comply with the minimum open space, it would comply with the residential private open space. Furthermore, the project would add new landscape improvements and create more common open space which would increase the current open space areas. The reduced side setback to a zero-lot line would provide visual interest along West 19<sup>th</sup> Street since the building proposes to front West 19<sup>th</sup> Street – whereas the current street view is the Senior Center parking lot. In terms of the parking structure design standard, the Transportation Division requires an additional one-foot to be provided for parking spaces adjacent to a column or other vertical obstruction. This is to provide the

clearance for opening car doors. The applicant would not be able to comply with this parking structure design standard without reducing their provided parking.

**ALTERNATIVES:**

Because the screening process allows the applicant to consider the City Council's initial comments and to refine the development concept based on City Council feedback prior to submittal of a formal planning application for review, and no decisions are made, there are no alternative actions for the City Council to consider.

**FISCAL REVIEW:**

There is no fiscal impact to the City associated with this item.

**LEGAL REVIEW:**

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

**CITY COUNCIL GOALS AND PRIORITIES:**

- Diversify, stabilize and increase housing to reflect community needs.

**CONCLUSION:**

The screening process is an opportunity to determine whether the project concept meets the City Council's expectations for new projects in the Urban Plan areas before the applicant submits a formal Urban Master Plan application. The proposed horizontal mixed-use development would utilize an existing property with development opportunities to construct affordable housing for a specific population (seniors). There continues to be a growing need for affordable housing options for seniors that the proposed mixed-use project would help to fulfill.

The screening process highlights requested deviations from the Urban Plan, as identified above, so that the City Council can provide feedback. The screening process allows the applicant to consider Council's initial comments and to refine the development concept based on their feedback.

The City Council's comments do not set precedent for the project's future consideration of a formal Urban Master Plan application, nor constitute final action on the development project. In addition, the applicant may expect the Planning Commission and/or City Council to have other comments/concerns on the proposed development that may not have been raised during the City Council screening review.

**NEXT STEPS:**

Should the proposed project move forward and the applicant submit a formal planning application, the project is subject to the City's "Master Plan" provisions (CMMC Section 13-28) and specifically the Master Plan provision of the CMMC, Mixed-use Overlay District requirements (Article 11 of the CMMC Zoning Code). The CMMC specifies that "all development proposed in the mixed-use overlay district

requires approval of a master plan pursuant to Chapter III planning applications. The final review authority for the master plan shall be the Planning Commission.”

Since the project is anticipated to include certain “concessions” pursuant to State DBL, the project is also subject to the CMMC Section 13-154 (Density Bonuses and other Incentives) which requires that “if the application involves a request for direct financial incentives, then any action by the Planning Commission on the application shall be advisory only, and the City Council shall have the authority to make the final decision on the application”. Because the application includes a requested lease of a City owned property, the City Attorney, at a future time, will determine if any aspects of the proposed property lease constitute a “direct financial incentive” to the applicant, and therefore require the City Council to act as the final project review authority.

Additionally, and as part of the project application submittal, JHC will be providing an “affordable housing agreement” (AHA). The AHA document will be reviewed by the City Attorney and include information such as:

1. The total number of units approved for the housing development including the type of affordable units;
2. A description of the household income group to be accommodated by the housing development, and the standards for determining the corresponding affordable rent or affordable housing cost;
3. The location, unit sizes (square feet), and number of bedrooms of the affordable units;
4. Affordability restrictions including income ranges and affordability terms;
5. A schedule for completion and occupancy of the affordable units;
6. A description of the incentives, development standard waivers, and any other optional additional assistance being provided by the city;
7. A description of remedies for breach of the agreement by either party; and
8. Any other provisions to ensure implementation and compliance.

Lastly, prior to final project review and for future City Council consideration, the City Manager and City Attorney will work with JHC to negotiate a lease for the use and occupation of a portion of the Senior Center property.