



# **PLANNING COMMISSION**

## **AGENDA REPORT**

**MEETING DATE:** December 9, 2024

**ITEM NUMBER:** PH-1

**SUBJECT:** GENERAL PLAN CONFORMITY REPORT FOR THE PROPOSED LEASE OF A PORTION OF CITY PROPERTY, AND RECOMMENDATION TO THE CITY COUNCIL ON A TENTATIVE PARCEL MAP (2023-160) TO SUBDIVIDE THE SUBJECT PROPERTY INTO TWO PARCELS, AND A MASTER PLAN (PMAP-24-0001) WITH DENSITY BONUS PURSUANT TO STATE LAW FOR THE DEVELOPMENT OF A 70-UNIT MULTI-FAMILY RESIDENTIAL PROJECT THAT INCLUDES 34 PERMANENT SUPPORTIVE HOUSING UNITS, 35 INDEPENDENT LIVING UNITS AND ONE UNRESTRICTED MANAGER'S UNIT; LOCATED IN A PORTION OF THE PARKING LOT AT 695 WEST 19TH STREET (COSTA MESA SENIOR CENTER)

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

**PRESENTATION BY:** VICTOR MENDEZ, SENIOR PLANNER

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### **RECOMMENDATION**

Staff recommends that the Planning Commission recommend that the City Council:

1. Find that the lease and use of the City property for affordable senior housing purposes is in conformance with the General Plan in regard to location, purpose and extent pursuant to California Government Code Section 65402.
2. Find the project is categorically exempt from the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15332 (Class 32), In-Fill Development Projects; and
3. Recommend that the City Council approve the Master Plan (PMAP-24-0001) with Density Bonus, and Tentative Parcel Map 2023-160.

**APPLICANT OR AUTHORIZED AGENT**

The applicant is Tish Kelly, on behalf of Jamboree Housing Corporation (JHC) via an Option-To-Lease Agreement with the City of Costa Mesa.

**PLANNING APPLICATION SUMMARY**

Location:	695 West 19 <sup>th</sup> Street	Applications Number(s):	PMP-24-0001 & PTPM-24-0004
Request:	General Plan Conformity Report for the proposed lease of a portion of City property located at 695 West 19 <sup>th</sup> Street (Costa Mesa Senior Center), and recommendation to the City Council on a Tentative Parcel Map to subdivide the subject property into two parcels, and a Master Plan with Density Bonus pursuant to State Law for the development of a 70-unit multi-family residential senior affordable project that includes 34 permanent supportive housing units, 35 independent living units and one manager's unit. The request includes concessions from specified development standards pursuant to State Density Bonus Law.		

**SUBJECT PROPERTY:**

**SUROUNING PROPERTY:**

Zone:	C1 – Local Business District	North:	R3 – Multiple
General Plan:	General Commercial	South:	R2-HD – Multiple-Family Residential District, High Density
Lot Dimensions:	264.75 FT by 247.02 FT	East:	C1 – Local Business District
Lot Area:	± 65,398 SF	West:	C1 – Local Business District
Existing Development:	The Senior Center is a 20,127 square-foot, two-story building on a site with landscaping and 145 surface parking spaces.		

**DEVELOPMENT STANDARDS COMPARISON (19 WEST URBAN PLAN)**

DEVELOPMENT STANDARD	CODE REQUIREMENT	PROPOSED	MEETS CODE
Minimum lot size:	1 acre	1.5 acres	Yes
Maximum Floor Area Ratio (FAR):	1.0	1.44 acres <sup>2, 5</sup>	Exempt <sup>5</sup>
Maximum Lot Coverage:	90% (58,858 SF)	47.5% (31,058 SF)	Yes
Density:	NA <sup>1</sup>	46.6 units per acre	NA <sup>1</sup>
Minimum Open Space:			
Development Lot	30% (19,619 SF)	5.04% (3,297 SF) <sup>2</sup>	<b>DBL Concession</b>
Residential	14,000 SF (70 units x 200 SF = 14,000 SF)	11, 857 SF	DBL Concession
Maximum Building Height - Residential Component:	4 stories / 60 FT	4 stories / 57 FT 6 IN	Yes
Setbacks:			
Front (West 19 <sup>th</sup> Avenue)	15 FT	0 FT 6 IN <sup>2</sup>	<b>DBL Concession</b>
Side – Left	0 FT	80 FT 6 IN	Yes
Side – Right	0 FT	10 FT	Yes
Rear – (Plumer Street)	10 FT	66 FT 6 IN	Yes
Parking (Urban Master Plan Requirements):			
Residential Tenant Parking (One Bedroom)	102 (1.5 spaces x 68 units = 102 spaces)	133 <sup>4</sup>	No
Residential Tenant Parking (Two Bedroom)	4 (2 spaces x 2 units = 4 spaces)		
Residential Guest Parking	35 (0.5 spaces x 70 units = 30)		
Senior Center Parking	147 <sup>3</sup>		
TOTAL	288		
Parking (State Density Bonus Law Requirements)			
Residential	0 spaces/unit	133	<b>No parking required through State Density Bonus Law</b>
Senior Center Parking	N/A		N/A
<sup>1</sup> Pursuant to General Plan Table LU-15, mixed-use projects that include a residential component are allowed a maximum FAR (density is not applicable). <sup>2</sup> Development standard deviations allowed through State Density Bonus Law. <sup>3</sup> Parking requirements for the Senior Center were established by Conditional Use Permit PA-90-60. <sup>4</sup> Development standard deviations allowed through Master Plan approval process. <sup>5</sup> Exemptions allowed through State Density Bonus Law.			

## **EXECUTIVE SUMMARY**

Jamboree Housing Corporation (JHC) has filed applications for the development of a 70-unit affordable senior and permanent supportive housing project on a portion of the property at 695 West 19th Street (Costa Mesa Senior Center), which is located within the 19 West Urban Plan area. The applications also include a Tentative Parcel Map to subdivide the existing 2.66-acre City-owned property into two lots. The subdivision enables JHC to demonstrate site control via a ground lease with the City for the purposes of obtaining State and Federal affordable housing funding. The lease will not change the City's underlying ownership of the property(s), as ownership is not required for the aforementioned funding. Additionally, JHC seeks a Density Bonus through concessions in accordance with State Density Bonus Law, as well as approvals for an Affordable Housing Plan and Affordable Housing Agreement. Lastly, pursuant to Government Code 65402, the requested long-term lease of the City property for the affordable housing construction and operation requires the Planning Commission to report to the City Council in regard to General Plan conformity.

This project is subject to the Costa Mesa Municipal Code, which mandates the preparation of a Master Plan for developments located within a mixed-use overlay district. While the Planning Commission typically serves as the final review authority for a Tentative Parcel Map and Master Plan applications, in this case, the City Council retains project discretionary approval authority based on the required regulatory agreements and the specific density bonus request.

Based on adherence to applicable goals, objectives, and policies of the General Plan, compatibility with nearby uses, staff recommends that the Planning Commission recommend that the City Council find the project exempt from the California Environmental Quality Act (CEQA), approve the associated planning applications, based on findings of fact and subject to conditions of approval, and determine that the proposed lease of the City property for the use and development of a senior affordable housing project is in conformance with the General Plan in regard to location, purpose and extent.

## **SETTING**

The project site is 2.66-acres and is currently occupied by City of Costa Mesa Senior Center located at 695 West 19<sup>th</sup> Street (see Exhibit 1 below). The property is a corner lot and is located at the southeast corner of West 19<sup>th</sup> Street and Pomona Avenue. The development is proposed at the northeast corner of the Senior Center parking lot.

The project site is designated General Commercial by the City's Land Use Element of the General Plan and is zoned C1 (Local Business District). The General Commercial designation is intended for a wide range of commercial uses that serve both local and regional needs such as retail stores, theaters, restaurants, and service establishments. The C1 zone allows for a wide range of similar goods and services with a focus on serving the local neighborhood. The project site also resides within a "Measure K" corridor. This

measure, approved by Costa Mesa voters on November 8, 2022, seeks to revitalize commercial corridors by promoting new housing in commercial and industrial areas while preserving the character of adjacent residential neighborhoods.

The site is located within the 19 West Urban Plan<sup>1</sup> which was adopted as a residential overlay zone by the Costa Mesa City Council on April 4, 2006. The Urban Plan's purpose is to incentivize mixed-use development, including the development of residential projects, in Westside Costa Mesa. When a Master Plan application is approved, the underlying zoning district's development standards are superseded by the 19 West Urban Plan standards.



The area influenced by the 19 West Urban Plan primarily consists of commercial properties located along West 19th Street situated between Monrovia Avenue and Harbor Boulevard, and also includes two other property groupings, both of which are distant from this project site.

The Urban Plan specifically allows for horizontal and vertical mixed-use developments including live/work units and residential lofts. The intent of the Urban Plan is to incentivize reinvestment in the plan boundary areas by conditionally permitting residential development. The following are urban plan's stated objectives:

- 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

<sup>1</sup> <https://www.costamesaca.gov/home/showpublisheddocument/315/636490563866670000>

services, public spaces and uses, and other community amenities to revitalize the area without exceeding the development capacity of the General Plan transportation system;

- 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; and
- Promote a new type of urban housing that would be target-marketed to people seeking alternative housing choices

19<sup>th</sup> Street is considered as Costa Mesa’s “downtown” and it is one of the City’s primary commercial corridors that has a variety of one- and two-story single tenant properties and multi-tenant commercial centers. Existing businesses along 19<sup>th</sup> Street include restaurants/bars, grocery stores, banks, pharmacy, the Department of Motor Vehicles, massage and beauty parlors, medical and general offices, retail stores, personal services, and gyms.

The project site is located directly across from an existing senior housing project known as “The Tower on 19<sup>th</sup>”. To the west (across Pomona Avenue) is Smart & Final, a retail grocery store chain. To the south are one- and two-story multifamily residential properties along Plumer Avenue. To the east of the project site are existing commercial uses including restaurants and retail.

Excepting the Towers at 19<sup>th</sup> property, which is designated and zoned for residential use, most properties along 19<sup>th</sup> Street are designated General Commercial by the City’s General Plan and are zoned C1, Local Business District, similar to the subject site. The multifamily residential properties located to the south across Plumer Street are designated High Density Residential and are zoned R3-HD, Multiple Family Residential.

Also located within close proximity of the project site is the City of Costa Mesa’s Norma Hertzog Community Center, Downtown Recreation Center, Downtown Aquatic Center, Orange County Library – Donald Dungan Branch, and Lions Park.

## **HISTORY**

The project site was originally created as Lot 501 of the Newport Mesa Tract on April 4, 1907. The site remained largely vacant during the first half of the 1900s, surrounded by rural areas and small farming communities. By the 1950s, following the incorporation of Costa Mesa in 1953, single-family residential development began to emerge to the north and south of the site. From the mid-1950s to the 1960s, the project site was home to Costa Mesa’s City Hall. The property was then sold to a private school known as “The

Mardan Center,” that operated at this location until the late 1980s, when it was reacquired by the City of Costa Mesa and demolished for the development of a new senior center.

In March of 1989, the City Council provided direction to staff to proceed with a conceptual plan for the development of a senior center and senior housing on the Mardan site. The original vision for the senior center included 46 units of senior housing at the property’s southeast corner. However, prior to presenting the project to the Planning Commission, the residential component was removed from consideration. In May 1990, the City of Costa Mesa approved Conditional Use Permit (PA-90-60) to construct an approximate 20,000 square foot, two-story senior center with 145 surface parking spaces.

The Senior Center opened in June 1992 and has continuously served the City’s senior community and for other community events. The senior center offers a wide variety of programs that includes, but is not limited to, social services, transportation, health and wellness, and meal programs. In addition to these services, the Center hosts various classes and activities, such as knitting, quilting, ukulele, card making, adapted seated fitness, Hawaiian dance, Tai Chi, circuit training, table tennis, book club, poker, bridge, bunco, and more. The senior center is also home to several special events throughout the year, including: the New Year Cocoa Bar Social, Lunar New Year, Volunteer Appreciation Lunch, Mother’s Day Lunch, the Knowledge & Health Fair Expo, the Independence Day Lunch, the LEAO Event, Halloween Social, Thanksgiving Lunch, and Breakfast with Santa. The Senior Center also hosts “Senior Grocery Day” which occurs twice a month and is one of the Center’s most popular events. The senior center offers free membership to those age 50 and older in Costa Mesa and surrounding cities, and currently boasts over 4,000 registered members.

## **BACKGROUND**

Since the 4<sup>th</sup> Cycle (i.e., 2008) Housing Element was adopted, the Senior Center parking lot has been identified as a potential affordable housing development opportunity site. It was also identified in the 5<sup>th</sup> Cycle (i.e., 2013) and then, again, in the 6<sup>th</sup> Cycle (i.e., current) Housing Elements. Housing Program 2D of the Costa Mesa 6<sup>th</sup> Cycle Housing Element states “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.”

Jamboree Housing Corporation (JHC) is a local non-profit affordable housing developer that has built approximately 100 affordable housing projects throughout California consisting of over 2,000 units since 1990. On July 21, 2020, the City Council approved an Exclusive Negotiating Agreement (ENA) with JHC. The ENA provided an exclusive opportunity for JHC to study the feasibility of acquiring a long-term leasehold interest at the site for the purpose of developing an affordable senior housing project. While the exclusivity of the ENA expired in 2022, conversations between the City and JHC continued.

On February 20, 2024<sup>2</sup>, the City Council reviewed JHC's screening application for a senior affordable housing project in the Senior Center's parking lot. The proposed project at that time included a combination of 60 independent living and permanent supportive housing units located in a podium style four-story building over surface parking. The City Council was supportive of the proposed development plan and also suggested more units and amenities, including pedestrian improvements, and supported a reduction in parking because of the project's location in a walkable and transit-rich area.

Most recently, on July 16, 2024<sup>3</sup>, the City Council approved an option-to-lease with JHC. The purpose of the option-to-lease is for JHC and the City to negotiate the final form and terms of the required Affordable Housing Agreement and JHC may seek any project approvals they deem necessary or advisable. An amendment to the option-to-lease was signed on October 31, 2024, extending the term until February 28, 2025. Since the option was signed, JHC has filed their development entitlement applications and has been working with staff to bring this project to public hearing for a decision.

Lastly, JHC in conjunction with City staff held two community outreach events to engage residents and stakeholders regarding the proposed project. The first meeting took place on February 1, 2024, at the Senior Center, with approximately 40-50 attendees, including City staff. The second meeting was held on December 3, 2024, also at the Senior Center, with also approximately 40-50 attendees, including City staff. The goal of both events was to gather community input and to consider and address concerns about the project. During both meetings, JHC provided visual presentations and responded to questions from the event attendees. Several of the topics discussed by the attendees included, but was not limited to, the cost of the units, unit eligibility, safety and security of the site, parking impacts from the new housing on the senior center operations, and parking and access during the project construction period.

## **REQUEST**

To entitle and execute the proposed project, the following requests must be approved:

- **General Plan Conformity Determination** Pursuant to Government Code 65402, local governments are required to assess how proposed actions align with the adopted General Plan. Specifically, this requirement mandates that before any public agency can approve the sale, lease, or other disposition of public land, it must evaluate the proposed action to ensure it is consistent with the City's general

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<sup>2</sup> The February 20, 2024 staff report and meeting video can be viewed links below:

**Report:** <https://costamesa.legistar.com/View.ashx?M=F&ID=12637803&GUID=EEE1D5F1-0892-458B-A83E-0427390D8F4D>

**Video:** [https://costamesa.granicus.com/player/clip/4088?view\\_id=14&redirect=true](https://costamesa.granicus.com/player/clip/4088?view_id=14&redirect=true)

<sup>3</sup> The July 16, 2024 agenda report and meeting video are provided in the links below:

**Report:** <https://costamesa.legistar.com/View.ashx?M=F&ID=13131729&GUID=AA1A0DDF-AF8E-4BC5-9D84-7FA75FD29613>

**Video:** [https://costamesa.granicus.com/player/clip/4153?view\\_id=14&redirect=true](https://costamesa.granicus.com/player/clip/4153?view_id=14&redirect=true)



plan in regard to location, purpose and extent. The location, purpose, and extent are described in this agenda report and also extensively detailed in draft agreements between the City and JHC, further described below.

- **Tentative Parcel Map 2023-160** is required pursuant to Municipal Code Chapter III Planning Applications, Section 13-28(r) for the proposed subdivision of the existing 2.66-acre property into two parcels. This subdivision will create a legal description for a portion of the property that JHC is to lease from the City, and that can specifically be referenced in other documents where JHC needs to demonstrate “site control” for purposes of obtaining project financing. Notwithstanding a ground lease, ownership of the subject property will remain with the City.
- **Master Plan PMAP-24-0001** is required pursuant to Municipal Code Chapter III Planning Applications, Section 13-28(g) to establish the overall development plan (i.e., site layout, building placement, architecture, floor plans, parking, and landscaping, etc.) for the proposed residential project. In this case, an approved master plan will result in the property’s underlying zoning district regulations being superseded by the 19 West Urban Plan overlay zone provisions.
- **Density Bonus** pursuant to Municipal Code Chapter III Planning Applications, Section 13-28(c) is required to consider any request for incentives to produce lower income and senior housing per State Government Code Section 65915. Given that the proposed property lease constitutes a “direct financial incentive” to the applicant, the proposed project requires the City Council to act as the final project review authority. Pursuant to Density Bonus Law (Government Code Section 65915(b)(1)(G), this project is providing 100 percent of all units in the development, excluding the manager’s unit, for occupancy by lower income households as defined by Section 50079.5 of the Health and Safety Code. Pursuant to Government Code Section 65915(d)(2)(D) this lower income occupancy grants the project five incentives or concessions, including the potential of required parking waivers.
- **Affordable Housing Agreement and Affordable Housing Plan** Because the project has at least 50 for-rent residential units, pursuant to City Council Ordinance 2024-02 (Costa Mesa Municipal Code Section 13-333), the applicant is required to submit a draft affordable housing agreement and affordable housing plan with its planning applications. These documents are normally subject to review by the Director of Economic and Development Services to determine if they are complete and in substantial conformance with applicable requirements. However, this project is unique in that it will occur on land owned by the City, and therefore the Affordable Housing Agreement has been integrated into the Disposition and Development Agreement to be considered by the City Council. The Affordable Housing Plan is included in the project submittal.

- **Draft Disposition and Development Agreement (DDA) / Affordable Housing Agreement (AHA) (including a Regulatory Agreement) and Ground Lease.** The proposed project's location on City property requires City Council approval of a DDA/AHA and Ground Lease. The draft agreements are included collectively as **Exhibit 15** and presented to the Planning Commission to support the aforementioned General Plan Conformity determination. The terms of the DDA / AHA and ground lease are briefly summarized as follows:
  - An affordability term for the project of 99 years, which exceeds the required 55-year minimum
  - A ground lease for 99 years, with a re-opener option at 55 years to consider any changes from either party
  - Sets forth timing requirements to coordinate JHC's development timing with execution of agreements and lease
  - Includes an easement on the underlying proposed parcel (to be ground lease) to retain public access and parking areas
  - Requires the ground lease area to be used as a senior residential project affordable to lower-income seniors
  - Requires JHC to maintain and make necessary repairs to the ground lease area, including the future residential project, grounds, driveways, parking areas, and landscaping.
  - Contemplates coordination of residential programming areas with the Senior Center to allow for special events
  - JHC to use best efforts to provide rental priority to residents of Costa Mesa, including those displaced by City activity, or those who live and/or work in the City.
  - Requires the following to be approved by the City:
    - Property management plan, including tenant selection
    - Social services program
    - Parking management plan

## **DESCRIPTION**

The proposed project includes a 93,972 square-foot (including the first-floor parking area), four-story building with 70 residential units designed over a podium garage. The maximum building height is proposed approximately 57.5 feet. It is designed in a Spanish-revival style that has asymmetrical proportions, useable resident balconies, numerous decorative windows, and utilizes changes in elevation plane to provide for articulation and light. Together, these features create a building that provides visual interest at a scale that is appropriate for West 19<sup>th</sup> Street.

Thirty-five of the proposed housing units must be occupied by low-income (60% to 79% of area median income) senior households for independent living. Thirty-four units are proposed as permanent supportive housing units occupied by very-low income (30% to

59% of the area median income) senior households. One unit will be un-restricted and occupied by an on-site resident manager.

One-bedroom units make up 68 of the project's 70 units. There are three different floor plans for the one-bedroom units ranging in size from 566 square feet to 614 square feet. The two-bedroom units, which includes the on-site manager's unit, are proposed to be 855 square feet.

The proposed ground floor building area screens the podium parking from West 19<sup>th</sup> Street. The proposed ground floor uses include the building's lobby, leasing office, staff administrative rooms, and amenity spaces (flex/group room, community room, and game lounge/media room). The building's public-facing front door, identification signage, and large ground floor windows improve the project's pedestrian scale. The building's second floor provides additional indoor amenities such as a fitness center, library/computer room and pet spa. Outdoor amenities located on the parking podium's roof deck (2<sup>nd</sup> floor) includes a fitness lawn, multi-use lawn, lounge area, patio dining, and a community garden. The second-floor outdoor space is oriented towards and is open to the south (facing Plumer Street) and the building's fourth level steps back thereby allowing natural sunlight to fill this space. Laundry rooms and trash chutes will be provided on the second, third, and fourth floors for resident convenience.

When completed, 133 parking spaces will be available in the podium garage and adjoining surface lot. The site parking will be used by both the Senior Center and the senior affordable housing units. A ground lease between the City and JHC, and parking management plan will be the mechanisms used to establish how parking will be managed to ensure adequate parking is available for both the Senior Center and the residential project.

State Density Bonus law permits 100-percent affordable projects (excluding the manager's unit) to be entitled to five concessions and an unlimited number of waivers. The purpose of a concession and/or waiver is to result in identifiable and actual cost reductions to provide for affordable housing costs. Pursuant to State Law, requested concessions and waivers are to be granted unless the City, who bears the burden of proof per State law, can show that: (1) identifiable and actual cost reductions would not result, or (2) the request would have a specific adverse impact upon public health and safety or on any real property listed in the California Register of Historical Resources and for which there is no feasible mitigation, or (3) the request would be contrary to State or federal law. The applicant is using their available concessions to deviate from standards related to open space, residential open space per unit, front setback, parking stall width adjacent to vertical obstructions, and floor area ratio.

## **ANALYSIS**

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

The proposed tentative parcel map would subdivide the existing 2.66-net acre City-owned property into two separate parcels. Parcel 1 (1.16 acres) generally incorporates the existing Senior Center building and would be at the western portion of the existing property with street frontage along West 19<sup>th</sup> Street, Pomona Avenue, and Plumer Street. Parcel 2 (1.50 acres), which would accommodate the new proposed senior housing project and a majority of the existing parking lot, would be located at the eastern portion of the existing property with street frontage on both West 19<sup>th</sup> Street and Plumer Street. The proposed lots satisfy the 19 West Urban Plan's minimum lot area requirement of one acre. See the attached "*Preliminary Grading Plan and Tentative Parcel Map No. 2023-160*".

The purpose of the proposed subdivision is to facilitate JHC's ability to successfully compete for tax credits that are necessary in financing affordable housing projects. According to JHC, a separate parcel/legal description is a pre-requisite to receive tax credits through the Low-Income Housing Tax Credit (LIHTC) program, which is a federal incentive program that awards tax credits to housing developers and their partners (or investors) in exchange for developing affordable housing. By subdividing the property, JHC will satisfy the legal prerequisite for having a separate parcel/legal description. The separately considered affordable housing agreement and ground lease between the City and JHC will address all other legal relationships and obligations of the parties.

### ***Master Plan***

#### **Site Design**

The location of the residential building is proposed in the northeasterly corner of Parcel 2 (see the below Exhibit 2). The applicant is requesting approval of a density bonus concession to allow the development adjacent to West 19<sup>th</sup> Street to project 14.5-feet into the urban plan's required 15-foot setback. Although this is a significant reduction in required setback, it should be noted that the adjacent West 19<sup>th</sup> Street parkway is 21 feet in total width which includes a four-foot-wide sidewalk and 17 feet of landscaping area. Essentially, based on the significant Parkway width, the building as viewed from West 19<sup>th</sup> Street appears to have a significant setback, and does not create an aesthetic massing impact.

Except for relocating the existing easterly driveway to the west, the existing parkway will remain unchanged. Where the driveway is removed, new sidewalk and landscaping will be installed to match the existing public right-of-way conditions. Because of the new driveway's location, the existing median within 19<sup>th</sup> Street will be extended 10 feet to the east to prevent drivers from attempting a left turn into the site.

The project will provide a 10-foot east side yard setback along the common property line with Mouse Graphics. This setback exceeds the urban plan's allowance for a 0-foot setback along interior property lines. Additionally, there is an existing low block wall separating Mouse Graphics from this site. The plans call for this wall to remain and for the 10-foot setback to be improved as a fenced-in dog run.

To the west, the proposed building is located approximately 100 feet from the Senior Center structure and 150 feet from Pomona Avenue. This distance exceeds the 0-foot setback allowed by the urban plan. This area accommodates open parking and the through drive-aisle that provides direct access to the Senior Center via Plumer Street and West 19<sup>th</sup> Street, as well as access to all parking spaces.

## Exhibit 2 Site Plan



The new residential building will maintain an approximate 66-foot setback to the rear property line adjacent to Plumer Street. This distance far exceeds the urban plan's setback of 10 feet when abutting a public street, and the 20 feet required when directly abutting a residential zone. The site located between the residential building and Plumer Street is proposed to be improved with two rows of surface parking accessed by a two-way drive-aisle. The project proposes to add several new landscape islands in the parking lot. With few exceptions, including the location of the proposed new driveway and the

removal of an existing eucalyptus tree, parkway landscaping along Plumer Street will be protected in place. Removal of the aforementioned tree was recommended by a certified arborist as the root crown decay has significantly affected the tree's structural stability.

**Exhibit 3** Eucalyptus Tree To Be Removed



*Local Circulation and Pedestrian Access*

The site design includes accessible pathways that connect the residential building to both the Senior Center and adjacent public sidewalks. West 19<sup>th</sup> Street is developed with significant walking, transit, and cycling opportunities, which are used in high demand by the local community. A full complement of accessible sidewalks and crosswalks are also present in the area. A bus stop is located immediately in front of the adjacent Senior Center, which accommodates one route providing service between Newport Beach, Costa Mesa, and Santa Ana. West 19<sup>th</sup> Street has also recently been upgraded with active transportation improvements such as high visibility crosswalks, concrete bulb-outs, traffic signals, pedestrian signals, street lighting and includes one travel lane in each direction shared by both cars and cyclists. A bicycle rack is provided with the current project and will supplement the existing bicycle rack located adjacent to the Senior Center.



**Open Space - Development Lot**

The applicant is requesting a State Density Bonus concession for the required 30 percent open space for the development lot pursuant to the 19 West Urban Plan. This open space requirement applies only at the ground floor level and does not include improvements such as driveways, parking lots, and upper floor decks. The project proposes 3,297 square feet of development lot open space, which does not meet the required 19,602 square feet of development lot open space. With approval of the State density bonus law concession, the project would not need to comply with this standard.

**Open Space - Residential Unit**

The applicant is requesting a State Density Bonus concession for the required 200 square feet of residential open space per unit pursuant to the 19 West Urban Plan. The residential open space may be a combination of private and common open space areas. The project proposes 11,857 square feet of residential open space per dwelling unit, which does not meet the required 14,000 square feet of residential open space. With approval of the State density bonus law concession, the project would not need to comply with this standard.

**Floor Area Ratio and Maximum Density**

Instead of regulating a maximum density requirement that is typical of most residential districts located within the City, the 19 West Urban Plan applies floor area ratio (FAR) to

regulate the size of buildings relative to the size of the lot. The maximum allowed FAR is 1.0, which means that on a hypothetical one-acre lot (43,560 square feet), the maximum building size is 43,560 square feet. The project proposes a 93,972 square-foot building (including the first-floor parking area) and exceeds the required 1.0 FAR. However, State Density Bonus Law exempts 100-percent affordable housing projects from compliance with both FAR and density standards when located within one-half mile of a “major transit stop”. Since the project is located within one-half mile of a major transit stop, the proposed development is not subject to the City’s FAR standards.

*Parking*

Pursuant to the 19 West Urban Plan, residential projects are typically subject to a parking ratio requirement of 1.5 parking spaces for each one-bedroom unit, and two parking spaces for each two-bedroom unit. Neither the City’s Parking Ordinance nor the 19 West Urban Plan specifies any exception in required parking for affordable or senior housing projects. Therefore, a 70-unit residential project requires 141 parking spaces (106 tenant spaces and 35 guest spaces). However, the project as proposed is subject to recently adopted State law parking exemptions. Specifically, the project is an applicable development subject to Assembly Bill (AB) 2097, since it is located within one-half mile of two major transit stops. Pursuant to AB 2097, the City is barred from imposing a minimum parking requirement on the project. In addition, as a 100-percent affordable housing project, State Density Bonus Law also entitles the proposed development to be exempted from the requirement of parking.

As proposed, 133 parking spaces will be provided on-site with 59 spaces located within the footprint of the new senior affordable housing project, and 74 parking spaces located in the surface parking lot (see Table 4). All parking spaces are open – that is, there are no gates controlling access to the covered/podium parking spaces, and all drive-aisles are interconnected, which allows any vehicle on the site to freely drive between open and covered/podium parking spaces without constraint.

<b>Exhibit 5 Parking Distribution Summary</b>	
<b><i>Parking Location</i></b>	<b><i>Number of Parking Spaces Provided</i></b>
Covered/Podium	59
Surface (Proposed parcel)	66
Surface (Remaining parcel)	8
<b>Total</b>	<b>133</b>

Although the project is exempted from providing a minimum number of parking spaces, staff and the applicant assessed whether adequate parking will be provided to meet the parking demand of both the residential project and the Senior Center. As such, two



studies were independently prepared to assess the combined parking demand for the proposed senior affordable housing and the Senior Center operations. One study was prepared by the applicant (Linscott, Law & Greenspan (LLG), August 21, 2024), and an independent additional study was contracted directly by the City (LSA, 2024).

Based on empirical parking data from two similar JHC project's (both located in Orange County), the peak parking demand for the residential component was determined by LLG to be 0.57 parking spaces per unit. Therefore, applying this ratio to the project site, the proposed 70-unit residential project is estimated to demand 40 spaces (70 units x 0.57 spaces per unit). In addition, LLG estimated the peak average day parking demand for the Senior Center to be 75 parking spaces. LLG concluded that the Costa Mesa Senior Center and proposed residential project would have a combined parking demand of 115 spaces during a typical weekday which would result in a parking surplus of 18 spaces when compared to the proposed parking supply of 133 spaces. On a "special event" day (i.e. Senior Grocery Days), the Center's peak parking demand increases to 90 parking spaces. According to City Senior Center staff, "special events" occur approximately 10 times per year. During a special event, the Senior Center and proposed residential project would have a peak parking demand of 130 spaces, which leaves a surplus of three parking spaces as compared to the proposed parking supply of 133 spaces.

Since the senior demographic is the fastest growing demographic in the region, LSA, the City's consultant, studied and projected the Senior Center's future parking demand using attendance data from the Senior Center and State population projections. LSA estimates that by 2030, the average parking demand for the Senior Center could increase to 92 spaces, and by 2040, the Center's parking demand could increase to 115 spaces. The LSA analysis concluded that these parking demands would peak between 11 a. m. and 1 p. m. (before and after this window, adequate parking is anticipated to be available on the site) on busy days assuming that behavior then is the same as it is today. Although there may be a small timeframe when parking supply would be impacted in future year scenarios, LSA believes that either operational or programming changes could mitigate this impact, or that the City could encourage ride share or other travel options to reduce the demand for parking. As this is not an immediate impact and operational considerations can adjust demand, the 133 parking spaces are deemed adequate to meet the combined need of the Senior Center and the senior affordable residential project. Community Services staff currently monitors and will continue to monitor attendance at their programs and services, and will adjust as necessary to ensure a balance between parking demand and parking supply.

In addition, the applicant's parking demand analysis included a section devoted to parking management ("Parking Management Plan" or "PMP"). This component of the analysis made recommendations for "objectives" to manage on-site parking between the two uses. According to the applicant's parking analysis, a PMP would be submitted to the City and will include measures to ensure the site parking supply is consistent with the operational demand of the Senior Center and the senior affordable housing units. The PMP will include, but is not limited to, requirements that restricts senior housing tenants from

parking in the surface parking lot, requiring tenants to obtain a residential parking permit (with only a limited number of permits issued based on capacity) and that if additional parking is needed in the future, the senior housing management company will be required to obtain off-site parking or implement a valet assist parking program (other parking mitigation measures may also be considered). The PMP would be a separate document that could be adjusted by the City, as needed, and would be required to be submitted and approved prior to building occupancy.

Lastly, all parking spaces in the surface parking lot have been designed to comply with the City’s minimum parking stall dimensions. However, within the parking podium when a stall is located adjacent to a vertical obstruction, the City’s parking provisions require that the stall be designed one-foot wider to accommodate vehicle door swing. The proposed project includes 38 columns located adjacent to spaces within the covered parking area. These columns are located four feet from the drive-aisle and, in most circumstances would be positioned beyond a car’s rear doors. Nonetheless, because there is the potential for these columns to pose an obstruction, the City requested each of these stalls to be one-foot wider. After evaluating staff’s request, the architect advised that one additional foot of width for every parking space next to a column would result in a net decrease of parking spaces in the project. Therefore, the applicant is applying one of their State density bonus law concessions to allow for an exception for the additional one-foot of parking stall width. The resulting parking stall width dimension complies with the City’s minimum standard, and the location of the column is generally located where the average vehicle’s door swing would not be compromised.

Floor Plan

The proposed building includes 68 one-bedroom units, and two-bedroom units. There are three different one-bedroom floor plans that range in size from 566 square feet to 614 square feet. The two-bedroom units are proposed with an 855 square-foot floor area (see the below Exhibit 6 for a more detailed summary of the proposed units).

**Exhibit 6 Unit Mix Summary**

PLAN	BED/BATH	NET S.F.	NO. OF UNITS	UNIT S.F. TOTAL	UNIT MIX
P1.0	1BED / 1BA	±566	50	28,300	
P1.1	1BED / 1BA	±588	9	5,292	
P1.2	1BED / 1BA	±614	9	5,526	
<i>1 BR SUBTOTAL</i>			68		97%
P2.0	2 BED / 1 BA	±855	2	1,710	
<i>2 BR SUBTOTAL</i>			2		3%
<b>TOTAL</b>			70	40,828	100%

The building's ground-level devotes a portion of the first-level footprint to the building's entry lobby, staff offices, mail room, stairwells and an elevator, restrooms, and amenity spaces such as a flex/group room, community room, game and media lounge.

The second level contains 24 residential units and other amenities such as a laundry room, trash chutes, fitness center, library/computer room, and a pet spa (see Exhibit 7). The second floor also provides access to a number of outdoor amenities located on the roof level of the podium parking deck. These amenities include an outdoor fitness lawn adjacent to the indoor fitness center; a multi-use lawn used for lawn games and yoga or tai chi; a lounge/sitting area for relaxing and socializing; a community garden that will have raised planting beds, work tables and storage, and seating beneath a pergola; and a patio dining area consisting of a barbeque counter and several disbursed dining tables for smaller and larger groups.

The third floor contains 26 residential units, and the fourth floor has a reduced footprint because it is stepped back to allow more natural sunlight into the courtyard below. There are 20 residential units on the fourth floor.

All doors, thresholds, hallways, and restrooms whether in common areas of the building or in private units are designed to be universally accessible pursuant to the Building Code. This includes ensuring that doorways are wide enough to accommodate wheelchairs and mobility devices. Hallways are designed to allow for easy navigation, featuring ample space for turning and maneuvering. Restrooms are equipped with grab bars, accessible sinks, and roll-in showers to enhance safety and convenience for all residents.

Additionally, tactile floor markings and clear signage will guide residents and visitors throughout the facility, further promoting resident independence and ease of movement. These thoughtful design elements not only comply with accessibility regulations but also create a welcoming and safe environment for seniors.

### Elevations

The building is designed in the Spanish-revival architectural style and includes a red-clay tile roof, lighter-colored stucco, decorative red-clay gable tile vents, and radius corners at entryways and forward-projecting ground floor windows. The building is proposed a maximum height of 57' - 6", and therefore complies maximum 60-foot height limit allowed by the 19 West Urban Plan.

The building's mass and bulk is well-proportioned on each elevation through its use of a taller ground-floor plate height, articulated corners, and varied roof heights. Balconies help to delineate each floor level and also add visual interest through the interplay of shadow and light that's created along the building's façade. The rear elevation is open and steps the building back at the fourth floor to allow more natural light into the second level outdoor recreation area. The ground floor is proportionally designed to provide a

“human scale” which enhances the building’s pedestrian-friendly orientation and aesthetic (see Exhibit 8).

**Exhibit 7** Second Floor Plan with Indoor and Outdoor Amenity Spaces



**Exhibit 8** Elevation from West 19<sup>th</sup> Street



Construction Phasing Plan

The applicant indicates that the project will be constructed in two phases spanning a period of 22 months from November 2025 until September of 2027. “Phase 1” involves demolition and site grading, along with the installation of infrastructure, start of public right-of-way improvements, and construction of the building’s podium structure. “Phase 2” will focus on modifications to ingress and egress, completion of right-of-way improvements, and finalization of the building and site work including landscaping.

JHC is committed to ensuring that the project is constructed efficiently and in a timely manner (see the below Exhibit 9), meeting the funding deadlines and expectations of both project lenders and investors. To minimize disruptions, JHC’s management team and construction managers will maintain open communication with City staff and the Senior Center operators.

<b>Exhibit 9 Construction Milestones</b>	
<b><i>Milestone</i></b>	<b><i>Projected Timing</i></b>
Construction Closing	November 2025
Construction Start	November 2025
Construction Completion	September 2027
Lease Up Begins	September 2027
100% Qualified Occupancy	February 2028

Recognizing that construction activity will impact how members utilize the Senior Center during the temporary construction period, JHC has prepared a construction parking management plan. As contemplated by JHC, a various amount of site parking will always be available during construction based on construction activities, and the specific phases of construction. In response to Senior Center parking limitations, JHC is actively engaging with nearby businesses, such as “Smart & Final”, and property owners like “The Lighthouse Church” to explore potential off-site parking solutions during the project’s construction phases. The parking management plan is currently being reviewed by City staff and incorporates the use of vans to shuttle individuals to and from remote parking lot(s) on demand, and the use of free valet. Staff and JHC are analyzing the need to provide a sufficient parking that is secure and ADA-compliant and provides clear wayfinding signage. During construction, the parking situation will also be actively managed by a professional valet service. Staff and JHC have also committed to having regular “check-ins” to evaluate the success or shortcomings of the shuttle system and to make any adjustments immediately in response to the needs of our senior population. JHC is also committed to being a good neighbor and will engage with the Senior Center

and adjacent community prior to commencing construction to share schedules and seek collaborative input on how to resolve potential concerns.

**Density Bonus**

State Density Bonus Law (Government Code Section 65915 et seq.) (collectively, Density Bonus Law or DBL) and Costa Mesa Municipal Code (CMMC) Section 13-152 (Density Bonuses and other Incentives) entitles applicants to project density increases, incentives or concessions, waivers or reductions of development standards, and reduced parking ratios to encourage the construction of affordable housing units.

This project is proposed to be a Density Bonus project. All of the units in the project, excepting the manager’s unit, will be affordable to lower-income households. Because of this, the project is entitled to a maximum 80 percent density bonus over the number of base units in the project. The applicant, JHC, is not proposing to increase the number of dwelling units pursuant to State Density Bonus Law; however, as a qualifying project, they are entitled to five incentives or concession and an unlimited number of waivers that result in identifiable cost reductions to assist in the development of affordable units.

Incentives or concessions are defined in State Density Bonus Law as:

- Reduction in site development standards or a modification of zoning code requirements or architectural design requirements that result in identifiable, financially sufficient, and actual cost reductions;
- Approval of mixed-use zoning; and
- Other regulatory incentives or concessions that result in identifiable, financially sufficient, and actual cost reductions.

JHC is requesting approval of four of its five allowed State Density Bonus Law concessions to the following development standards (see the below Exhibit 10).

<b>Exhibit 10 Concessions from Development Standards</b>		
<b><i>Development Standard</i></b>	<b><i>Urban Plan Standard</i></b>	<b><i>DBL Concession</i></b>
Open Space – Development Lot	30% (19,619 SF)	5.04% (3,297 SF)
Residential Open Space	200 SF (14,000 SF)	169 SF (11,857 SF)
Front Setback along W. 19 <sup>th</sup> St.	15 FT	0 FT 6 IN
Parking Stall Width next to Column	1-foot additional <sup>1</sup>	0 foot

<sup>1</sup> Pursuant to the City of Costa Mesa Parking Design Standard

## ***Affordable Housing Agreement and Affordable Housing Plan***

The City's recently adopted Affordable Housing Ordinance, Costa Mesa Municipal Code Chapter 13-XVII. This ordinance applies to any proposed residential or mixed-use development with 50 or more dwelling units. The proposed project meets this threshold as it contains 70 residential rental units. As such, the project is to provide both an Affordable Housing Agreement and an Affordable Housing Plan for City Council review.

Except for the on-site resident manager's unit, all other units in the project will be affordable. As seen in Exhibit 11 below, the project will be restricted to both 30% and 60% AMI senior affordable housing, with all units guaranteed to remain affordable for a minimum of 55 years.

**Exhibit 11** Affordability Levels

<b><i>AMI</i></b>	<b><i>One Bedroom</i></b>	<b><i>Two Bedroom</i></b>	<b><i>Population Served</i></b>
30% (Very Low-Income)	33	1	Senior Homeless / At Risk of Homelessness ("PSH")
60% (Low Income)	35	-	Senior
Unrestricted	-	1	Manager's Unit

While the ordinance primarily applies to market-rate developers, it equally applies to this 100% affordable senior housing development. As stipulated in the Affordable Housing Ordinance, the Affordable Housing Agreement and Affordable Housing Plan are essential components of the residential project. This project Housing Agreement and Plan addresses the ordinance's requirements by detailing the location, structure, proposed tenure, and size of both market-rate and affordable units, along with calculations for the total number of required affordable units. It includes floor plans and site plans for the affordable units, specifies income level targets, and outlines mechanisms to ensure long-term affordability. Additionally, a marketing plan will facilitate the selection of qualified households for the affordable units, while a construction phasing plan will provide a schedule for anticipated completion and opening dates, ensuring an efficient rollout that aligns with the community's timeline for senior housing availability. In short, the project as proposed is in compliance with the City's affordable Housing Ordinance, and exceeds the City's minimum affordable housing provisions.

## **GENERAL PLAN CONFORMANCE**

The City's 6th Cycle Housing Element has identified the Senior Center parking lot as a potential site for affordable housing to assist in reaching the City's 2021-2029 Regional Housing Needs Allocation (RHNA) requirement. The City's current Housing Element also highlights policies and housing programs targeting the needs of senior populations. The proposed project will provide 35 low-income rental units for seniors, along with 34 very-low income rental units dedicated to permanent senior supportive housing.

Pursuant to Senate Bill 166 [Government Code Section 65863], the "No Net Loss Law" was recently amended to ensure that housing development opportunities remain available throughout the housing element planning period to accommodate a jurisdiction's regional housing needs assessment (RHNA). One key requirement of this legislation states that "If the city approves a development of a parcel identified in its Housing Element sites inventory with fewer units than shown in the Housing Element, it must either make findings that the Housing Element's remaining sites have sufficient capacity to accommodate the remaining unmet RHNA by each income level or identify and make available sufficient sites to accommodate the remaining unmet RHNA for each income category". The subject parcel is identified in the City's Housing Element Sites Inventory List to provide 40 very low-income units and 20 low-income units, totaling 60 units. The project proposes 34 very low-income units, and 35 low-income units, resulting in a site shortfall of six very-low-income units. While the number of very low-income units is slightly reduced and the low-income units are significantly increased based on the City's RHNA requirement, the overall total unit count has risen by 10 residential units, bringing the overall total to 70 affordable units. However, due to the deficiency in very-low income units, as specified in the City Housing Element "Site Analysis", the City is required to make No Net Loss findings pursuant to Government Code Section 65863. The finding can be made as the Housing Element "Site Analysis" includes a planned surplus of very-low-income housing units. This required finding is provided below in the "Findings" section of this report.

Ultimately, this senior affordable housing project at the Senior Center site fulfills the goals, objectives, and policies of the general plan by providing new housing opportunities that meet the needs of the growing senior population and will create new temporary construction employment opportunities within the City. The following analysis further evaluates the proposed project's consistency with specific policies and objectives of the 2015-2035 General Plan.

1. **Policy LU-1.1:** *Provide for the development of a mix and balance of housing opportunities, commercial goods and services and employment opportunities in consideration of the need of the business and residential segments of the community.*

**Consistency:** Approval of the proposed senior affordable housing development would provide a new housing opportunity in Costa Mesa that



would cater to the growing senior community. The development will enhance the community's housing stock and also promote a balanced environment by integrating social services and amenities tailored to senior residents, thereby fostering a supportive living atmosphere. Employment will be created by the temporary construction activities and from the new senior amenities and programs.

2. **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.*

**Consistency:** By providing affordable housing tailored for seniors, the project addresses both the housing needs and specialized requirements of low-income seniors. This development enhances the community's overall housing diversity, ensuring that vulnerable populations have access to safe and supportive living environments.

3. **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.*

**Consistency:** The approval of this project would add a new affordable housing option dedicated for seniors that would enhance the accessibility and stability for this demographic.

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

**Consistency:** In partnership with the City, the developer proposes to develop senior housing on a portion of the Senior Center parcel identified in the City Housing Element candidate housing site analysis.

### **California Government Code Section 65402(a)**

Pursuant to California Government Code Section 65402(a), *"If a general plan or part thereof has been adopted, no real property shall be acquired by dedication or otherwise for street, square, park or other public purposes, and no real property shall be disposed of, no street shall be vacated or abandoned, and no public building or structure shall be constructed or authorized, if the adopted general plan or part thereof applies thereto, until the location, purpose and extent of such acquisition or disposition, such street vacation or abandonment, or such public building or structure have been submitted to and reported upon by the planning agency as to conformity with said adopted general plan or part thereof."* The long-term leasing of real property to a private entity by the City is subject to Section 65402(a). Pursuant to Section 65402(a), staff has provided below, for Planning Commission ("Planning Agency") consideration, an analysis for determining General Plan project conformance in regard to location, purpose and extent:

### Location of the Ground Lease

The proposed property ground lease area is located in the eastside portion of the City's Senior Center parking lot. The proposed ground lease location for the development of affordable senior housing units is compatible with the adjacent Senior Center in that both the existing use and proposed use serve the same populations. In addition, most of the services provided by the City's Senior Center at this location caters to the senior population that would be housed at the proposed affordable senior housing development. There is also another senior housing development ("Towers on 19<sup>th</sup>") located across the street at 678 West 19<sup>th</sup> Street which includes an affordability covenant and Section 8 housing units; therefore, the proposed location of the development is neighborhood compatible. The location of the property ground lease disposition is consistent with numerous General Plan policies regarding affordable housing, and providing for the development of a mix and balance of housing opportunities, in consideration of the need of the business and residential segments of the community. Lastly, the site is identified in the City's General Plan Housing Element as a location to plan for senior housing.

### Purpose of the Ground Lease

The purpose of the ground lease is consistent with the General Plan Housing Element Program 2D regarding development of affordable senior housing on the site specified specifically by the City's Housing Element, and the purpose of numerous Housing Element General Plan policies such as, but not limited to, Housing Element Policy 2.1 which states to "*facilitate the development of housing that meets the needs of all segments of the population including affordable housing and households with specialized needs*", and Housing Element Policy 2-4 which states to "*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*".

### Extent of the Ground Lease

The proposed ground lease is for the use and development of an 1.5 acre portion of the existing 2.66-acre City-owned Senior Center property. The lease area is limited to a portion of the Senior Center parking lot. The extent of the use and lease area would be exclusive for the purposes of providing an affordable senior housing development. The City of Costa Mesa General Plan Housing Element Program 2D specifies to "facilitate development of senior housing options" and specifically identifies the Senior Center as a development option that is to be considered for this use. The City's Housing Element specifies that 60 affordable units shall be provided, and the application provides for more than 60 units and therefore the extent of the ground lease and associated project complies with the General Plan.

## FINDINGS

Pursuant to Title 13, Section 13-29(g)(13), Findings, of the CMMC, in order to approve the project, the Planning Commission must find that the evidence presented in the administrative record substantially meets the following applicable required **Tentative Parcel Map findings**:

- ***The creation of the subdivision and related improvements is consistent with the general plan, any applicable specific plan, and this Zoning Code.***

The creation of the subdivision aligns with the General Plan by promoting residential development that meets the community's housing needs. Additionally, the subdivision complies with the local Zoning Code and State laws by conforming to established development regulations. Overall, this project supports the City's vision for balanced development and affordable senior housing.

- ***The proposed use of the subdivision is compatible with the general plan.***

The proposed development aligns with the General Plan by addressing the critical need for affordable housing options for seniors within the community. Located in the 19 West Urban Plan area, this development promotes the City's goals of increasing residential density while enhancing accessibility to essential services and transportation. Furthermore, the project supports the General Plan's emphasis on creating inclusive neighborhoods, thereby fostering a supportive environment for vulnerable populations and contributing to the overall well-being of the community.

- ***The subject property is physically suitable to accommodate the subdivision in terms of type, design and density of development, and will not result in substantial environmental damage nor public health problems, based on compliance with the Zoning Code and general plan, and consideration of appropriate environmental information.***

The proposed development will be situated in an urbanized area, specifically on a portion of the existing Senior Center's asphalt parking lot. The site meets the minimum lot size requirement and is a typical shaped lot that can accommodate the building and necessary utilities. The soils are consistent with those of the existing Senior Center and nearby apartment building across West 19<sup>th</sup> Street, consisting of soil with no significant differences and/or known contaminants. There are no wildlife habitat or bodies of water on the site or nearby, further ensuring that the development will not result in substantial environmental damage. This strategic location allows for the efficient use of already developed land, minimizing the need for additional site disturbance and preserving green spaces elsewhere in the community. By repurposing this underutilized area, the project will enhance the functionality of the Senior Center while providing much-needed affordable housing for seniors.

- ***The design of the subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities in the subdivision, as required by State Government Code section 66473.1.***

The design of the proposed development thoughtfully considers the orientation of the lot, aligning in a manner that maximizes solar exposure, ensuring natural passive heating during colder months. Additionally, the layout incorporates an outdoor courtyard at the center of the development and green spaces to promote natural airflow and cooling, minimizing the need for artificial heating or air condition. This approach reflects the principals outlined in State Government Code section 66473.1.

- ***The division and development will not unreasonably interfere with the free and complete exercise of the public entity and/or public utility rights-of-way and/or easements within the tract.***

The proposed development has been designed to ensure that all existing public entity and utility rights-of-way and easements within the subdivision remain accessible and unobstructed. Coordination with utility providers and the City will be maintained throughout the development process to avoid any disruptions and ensure that essential services can continue to operate efficiently.

- ***The discharge of sewage from this land division into the public sewer system will not violate the requirements of the State Regional Water Quality Control Board pursuant to Division 7 (commencing with State Water Code section 13000).***

The applicant has submitted a Preliminary Water Quality Management Plan (PQWMB), which demonstrates that the project will implement best management practices to effectively manage wastewater and prevent any violations of water quality standards.

Pursuant to Title 13, Section 13-29(g)(5), Findings, of the CMMC, in order to approve the project, the Planning Commission must find that the evidence presented in the administrative record substantially meets the following applicable required **Master Plan findings**:

- ***The master plan meets the broader goals of the General Plan, any applicable specific plan, and the Zoning Code by exhibiting excellence in design, site planning, integration of uses and structures and protection of the integrity of neighboring development.***

The proposed development is consistent with the broader goals of the General Plan by promoting housing opportunities, as specified in General Plan Land Use Policy LU-1.1, Housing Element Policies HOU-2.1, and Housing Element Policy 2-4. The project is

designed to integrate with the existing Senior Center, enhancing community services and accessibility, which supports the 19 West Urban Plan's emphasis on mixed-use development. Additionally, the design reflects high-quality architectural standards and thoughtful site planning that maintain the character and integrity of the surrounding residential and commercial areas. By prioritizing community amenities, the development fosters a sense of place while contributing to the overall livability of the highly urbanized environment.

- ***Master plan findings for mixed-use development projects in the mixed-use overlay district are identified in Chapter V, Article 11, mixed-use overlay district.***

The proposed development complies with the master plan findings outlined in Chapter V, Article 11 of the Mixed-Use Overlay District, which are further detailed in the following section.

- ***As applicable to affordable multi-family housing developments, the project complies with the maximum density standards allowed pursuant to the general plan and provides affordable housing to low or very-low income households, as defined by the California Department of Housing and Community Development. The project includes long-term affordability covenants in compliance with State law.***

The proposed development of 69 units of affordable senior and permanent supportive housing complies with the General Plan's requirements by providing affordable housing to low and very-low-income households, as defined by the California Department of Housing and Community Development. While the 19 West Urban Plan does not establish specific density standards, the project adheres to the instead required Floor Area Ratio (FAR) guidelines, ensuring efficient use of the site. Of the 69 affordable units, 34 are set aside for seniors experiencing homelessness with incomes at or below 30% of the Area Median Income (AMI), while another 35 units are designated for seniors with incomes at or below 60% of the AMI. Furthermore, all units will be guaranteed to remain affordable for a minimum of 55 years through the associated regulatory agreements.

Additionally, pursuant to Costa Mesa Municipal Code Section 13-83.53(c), Findings, in order to approve the project, the Planning Commission must find that the evidence presented in the administrative record substantially meets the following applicable required **Master Plan findings within a mixed-use overlay district**:

- ***The project is consistent with the general plan, meets the purpose and intent of the mixed-use overlay district, and the stated policies of the urban plan as applicable.***

The proposed development is consistent with the General Plan and meets the purpose and intent of the mixed-use overlay district by integrating residential uses within the context of the existing Senior Center. This project not only provides much-needed housing for seniors but also complements the area's revitalization goals by enhancing the mix of uses, promoting community amenities, and encouraging accessibility to nearby commercial services. Additionally, the development supports the urban plan's policies by maximizing site utilization without exceeding the capacity of the General Plan transportation system, ultimately attracting more residents and fostering a vibrant, mixed-use environment.

- ***The project includes adequate resident-serving amenities in the common open space areas and/or private open space areas in areas including, but not limited to, patios, balconies, roof terraces, walkways, and landscaped areas.***

The proposed development includes a variety of resident-serving amenities within both common and private open space areas. Ground-level amenities facing 19th Street will feature office spaces, a community room, media lounge, and a dog run, while the upper levels will offer an outdoor courtyard, fitness center, laundry room, and library, fostering a sense of community among residents. Although the project does not meet the minimum development open space requirement or the residential open space per dwelling unit, State density bonus law allows concessions, and therefore the project would not need to comply with these standards.,

- ***The project is consistent with the compatibility standards for residential development in that it provides adequate protection for residents from excessive noise, odors, vibration, light and glare, and toxic emanations.***

The project includes STC-rated windows and sound insulation materials to effectively mitigate external noise, ensuring that residential interior noise levels remain within acceptable limits. Additionally, proper ventilation systems and landscaping buffers are incorporated to control odors from nearby commercial areas. Furthermore, the development adheres to environmental regulations that limit exposure to toxic emanations, while lighting design employs shielding and strategic placement to minimize light spill and glare.

- ***The proposed residences have adequate separation and screening from adjacent commercial/industrial uses through site planning considerations, structural features, landscaping, and perimeter walls.***

The project incorporates a minimum setback from adjacent commercial and residential properties, enhancing separation and reducing potential conflicts. Additionally, the design includes landscaping buffers, such as trees and shrubs, that provide natural screening to minimize visual impact and enhance privacy for residents. Structural features, including soundproofing measures walls , further ensure that the residential

environment remains comfortable and secure, effectively mitigating any adverse effects from surrounding uses.

Pursuant to Costa Mesa Municipal Code Section 13-29(g)(3), Findings, in order to approve the project, the Planning Commission must find that the evidence presented in the administrative record substantially meets the following applicable required **Density bonus and concession or incentive findings within a mixed-use overlay district**:

- ***The request is consistent with State Government Code section 65915 et. seq. regarding density bonuses and other incentives, the general plan, any applicable specific plan, and Chapter IX special regulations, Article 4 density bonuses and other incentives.***

The proposed development of affordable senior and permanent supportive housing at 695 West 19th Street qualifies for five incentives and unlimited waivers or reductions of development standards, as it provides a 100-percent affordable housing development and is located within half a mile of a major transit stop. Excluding the manager's unit, 69 of the units will be available to seniors with income levels ranging from 30% to 60% of the Area Median Income (AMI), with 34 units designated for seniors experiencing homelessness and 35 units set aside for those at or below 60% of the AMI. The requested concessions, including a reduction of the open space requirement to approximately 5%, a residential open space reduction to approximately 169 SF per unit, a front setback reduction to 0'-6", and zero additional width for parking spaces adjacent to a column, are necessary to ensure the project's feasibility while providing vital housing for low-income seniors. These concessions align with the goals of the General Plan, and the 19 West Urban Plan, promoting affordable housing development in a highly urbanized area.

- ***The requested density bonus and incentive or concession constitute the minimum amount necessary to provide housing at the target rents or sale prices and/or a child-care facility.***

The requested density bonus and incentives for the proposed development constitutes the minimum necessary to provide affordable housing at target rents, as the project aims to serve a total of 70 units, exceeding the City's Housing Element Sites Inventory capacity for 60 units at the subject site. While the number of very low-income units has been slightly reduced to 34, the number of low-income units has significantly increased to 35. According to the applicant and including State and federal funding sourcing, the concessions will allow the project to feasibly proceed economically without a budgetary loss.

- ***The granting of the incentive or concession is required in order to provide for affordable housing costs, as defined in Health and Safety Code section 50052.5 or for rents for the targeted units.***

The granting of the requested concessions is essential to the feasibility of the proposed 100% affordable senior residential development, as these modifications enable the project to provide critical housing for low-income seniors in Costa Mesa within a project scope and budget that can achieve the minimum and competitive criteria to obtain applicable grant funding. Specifically, the reductions in open space and front setback requirements allow for enhanced amenities and more efficient use of space, ultimately ensuring that the project can deliver affordable rents consistent with Health and Safety Code section 50052.5.

- ***The granting of the incentive or concession and/or the waiver or reduction of development standards does not have a specific, adverse impact, as defined in paragraph (2) of subdivision (d) of Government Code section 65589.5 upon health, safety, or the physical environment, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact.***

The proposed concessions support the community's health, safety, and physical environment by facilitating the addition of residential units in an urbanized area designated for such development, as outlined in the City's Housing Element and the applicable 19 West Urban Plan. These additional units will help achieve a better balance between jobs and housing, leveraging the proximity to schools, parks, retail centers, and employment opportunities. Moreover, the site is already surrounded by existing senior affordable residential apartments and can utilize existing infrastructure, ensuring that the development will not encroach on land reserved for open space.

- ***The granting of the incentive or concession and/or the waiver or reduction of development standards does not have an adverse impact on any real property that is listed in the California Register of Historical Resources.***

The proposed project is located on a site that is not listed in the California Register of Historical Resources and is neither adjacent to any such properties, ensuring that the granting of the requested incentives and concessions will not adversely impact any historically significant real property.

Pursuant to Senate Bill 166 [Government Code Section 65863], the "No Net Loss Law" was amended to ensure that housing development opportunities remain available throughout the housing element planning period to accommodate a jurisdiction's regional housing needs assessment (RHNA). One aspect of this amended legislation requires that "If the city approves a development of a parcel identified in its Housing Element sites inventory with fewer units than shown in the Housing Element, it must either make findings that the Housing Element's remaining sites have sufficient capacity to accommodate the remaining unmet RHNA by each income level [emphasis added] or identify and make available sufficient sites to accommodate the remaining unmet RHNA for each income category".



- The proposed Affordable Senior Housing project includes a total of 70 units, exceeding the City's Housing Element Sites Inventory capacity for 60 units for the subject site. However, according to the City's adopted Housing Element "Sites Analysis" (Appendix B), the Senior Center property is identified with providing 40 very-low-income units and 20 low-income units. The proposed Senior Housing affordable project includes 34 very low-income units and 35 low-income units, and therefore is deficient six very-low-income units. Although the development as proposed would be deficient very-low-income units (as specified in the City Housing Element "Sites Analysis"), the City's Housing Element proposes a 96 unit surplus of very-low income units beyond the required RHNA specified very-low income category and therefore a finding can be made that the City's adopted Housing Element's remaining sites have sufficient capacity to accommodate the remaining unmet RHNA by each income level.

## **ENVIRONMENTAL DETERMINATION**

California Environmental Quality Act (CEQA) - Class 32 exemption applies to in-fill development projects (CEQA Guidelines §15332). A project can qualify for a Class 32 exemption if the proposed project: (1) is consistent with applicable General Plan designation and all general plan policies, as well as with applicable zoning designation and regulations; (2) the proposed development occurs within City limits on a project site of no more than five (5) acres substantially surrounded by urban uses; (3) the project site has no value as habitat for endangered, rare, or threatened species; (4) the approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and (5) the site can be adequately served by all required utilities and public services (CEQA Guidelines §15332). The project is consistent with General Plan policies and regulations. The subject site is situated in a "built-out" urbanized environment and spans 1.5 acres, encompassing a section of the existing developed Senior Center's asphalt parking lot. The subject site does not have any known habitat for endangered, threatened, or rare species of wildlife. Traffic, noise, air quality, and water quality assessments have been conducted to evaluate the potential impacts of the proposed development, and no significant impacts have been identified. In support of this conclusion, several assessments were conducted relative to traffic, air quality, water quality and noise. A summary of those assessments is provided below:

### Traffic

The addition of 70 units represents a net increase in the number of residences in the area. Thus, the City's Transportation Division completed a trip generation analysis to compare the proposed 70-unit project with existing transportation conditions. The City requires a traffic impact analysis (TIA) for all development projects that generate 50 or more net vehicle trips that end during a peak hour. The proposed project does not meet this threshold since the anticipated additional peak AM and PM hours will result in less than 50 vehicle trips (14 and 17.5 peak hour trips, respectively). Therefore, a

TIA is not required. Based on this analysis, the Transportation Division concluded that there will be nominal traffic impacts from the proposed project and that traffic generated by the project can easily be accommodated within Costa Mesa's circulation network.

**Exhibit 12** Trip Generation

<i>Land Use</i>	<i>Units/SF</i>	<i>AM (Peak Hour)</i>	<i>PM (Peak Hour)</i>	<i>Daily Trips</i>
Proposed Senior Housing	70 units	14	17.5	226.8
Existing Senior Center	20,127 SF	38.44	50.32	580.06

### Air Quality

The residential use is also expected to have nominal air quality impacts due to its small-scale. The development will consist primarily of residential units, which typically generate lower emissions compared to larger commercial projects. Therefore, with less than 227 daily trips, the project's daily operational contributions to air quality impacts would be negligible. From a construction standpoint, potential air quality impacts are given more weight when being developed on a project site that is five acres or more (pursuant to the South Coast Air Quality Management District (SCAQMD)). In this case, the development site would be approximately 1.5 acres and it is relatively flat and will not require significant site grading. Because this site is significantly less than the SCAQMD threshold, it is reasonable to conclude that construction-related air quality impacts will be minimal and not raise to a level that would violate any State or local air quality standards. In addition, staff is not aware of any other construction activities off-site that are planned in the vicinity that would contribute to a cumulative air quality impact. Notwithstanding this, the project will be conditioned to incorporate measures to minimize emissions during construction and operation to ensure compliance with standards set by the SCAQMD.

### Water Quality

The applicant has submitted a preliminary water quality management plan (PWQMP), which confirmed that there are no existing contamination plumes on the site or in the surrounding area. This plan also conceptually addresses how the project will filter/clean water originating from the site prior to its downstream release to ensure the project does not contribute to a decreased level of water quality. Because of the measures that will be implemented, the project is not anticipated to have an adverse water quality impact. To ensure compliance with applicable water quality standards, the project will be conditioned to provide a final WQMP for City approval prior to issuance of permits and all WQMP structural and non-structural best management practices will be implemented prior to building permit final.

## Noise

From a noise perspective, the applicant submitted a study demonstrating that it will comply with the requirements of the City's Noise Ordinance. In addition, and although not subject to CEQA compliance, the submitted noise study confirms that future residential interior noise levels will not exceed 45 CNEL when using complete window assemblies (including both glass and frames). Exterior project noise levels will also not exceed the 65 CNEL limit. As a result, community noise is not expected to adversely affect future residents of the project.

Lastly, the Public Works Department and utility companies have reviewed the proposed development and found that it can be adequately served by all required utilities and public services. Consequently, it can be determined that the project can be exempted from further CEQA action under the Class 32 exemption.

## **ALTERNATIVES**

Planning Commission alternative recommendations to the City Council include the following:

1. Recommend approval of the project with modifications. In consideration of any required findings or project use operations, the Planning Commission may suggest specific project changes. If any of the additional requested changes are substantial, the hearing could be continued to a future meeting to allow a redesign or additional analysis. Should significant modifications occur, staff would return with a revised resolution incorporating new findings and/or conditions for consideration by the City Council.
2. Deny the project. If the Planning Commission believes that there are insufficient facts to support the findings for approval, the Planning Commission should recommend denial of the application, provide facts in support of denial, and direct staff to incorporate the findings into a Resolution for City Council denial. If the project is denied, the applicant could not submit substantially the same type of application for six months from the City Council's decision for denial. However, because this project is subject to the Housing Accountability Act (Government Code Section 65589.5), if the City Council denies or directs a reduction in the proposed density of the housing project, and the development is determined to be consistent with applicable, objective general plan, zoning, and subdivision standards and criteria, including design review standards, the City Council must make the following written findings:
  - The housing development project would have a specific, adverse impact upon the public health or safety unless the project is disapproved or approved upon the condition that the project be developed at a lower density; and

- There is no feasible method to satisfactorily mitigate or avoid the adverse impact, other than the disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density. (Feasible means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.)

## **LEGAL REVIEW**

The draft Resolutions and this report have been approved as to form by the City Attorney's Office.

## **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. **Mailed notice.** A public notice was mailed to all property owners and occupants within a 500-foot radius of the project site on Wednesday, November 27, 2024. The required notice radius is measured from the external boundaries of the property.
2. **On-site posting.** A public notice was posted on each street frontage of the project site on Wednesday, November 27, 2024.
3. **Newspaper publication.** A public notice was published once at least 10 days before the Planning Commission meeting in the Daily Pilot newspaper on Thursday, November 28, 2024.

On July 29, 2024, staff received a typed public comment opposing the project, focusing on concerns related to parking and its potential effects on the existing Senior Center. On December 1, 2024, staff received two typed public comments supporting the project, focusing on the need to house local low-income seniors. Any public comments received after the Planning Commission agenda is published but before the December 9, 2024, Planning Commission meeting will be provided to the Commission at the meeting.

## **CONCLUSION**

Approval of the proposed senior affordable and permanent supportive housing project is compatible with the existing nearby commercial and residential uses. In addition, the project is consistent with the General Plan, Zoning Code, State Law and all necessary findings can be made. The 19 West Urban Plan area has adequate infrastructure to serve the existing and proposed infill residential development, and housing has been contemplated at this site since the original development of the Senior Center and throughout several adopted General Plan Housing Element cycles. Therefore, staff recommends that the Planning Commission recommend City Council approval of the proposed project, subject to the conditions of approval outlined in the attached resolution.