

ORDINANCE NO. 2024-05

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, APPROVING DEVELOPMENT AGREEMENT DA-20-02 BETWEEN THE CITY OF COSTA MESA AND COSTA MESA SUNFLOWER, LLC

THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA DOES HEREBY FIND AND DECLARE AS FOLLOWS:

WHEREAS, public hearings were held on April 13, 2020 and May 11, 2020 before the Planning Commission pursuant to the Procedures and Requirements for Consideration of Development Agreements set forth in City Council Resolution No. 88-53, regarding the proposed Development Agreement DA-20-02, attached hereto as Exhibit "A" (hereinafter, the "Agreement"), at which time the Planning Commission considered testimony presented by the public and applicant and the then property owner International Asset Management Holding Group, LLC, predecessor in interest to Costa Mesa Sunflower, LLC (hereinafter, "Developer") and thereafter made recommendations to the City Council;

WHEREAS, a public hearing was subsequently held before the City Council on June 15, 2021 pursuant to the requirements of Resolution No. 88-53, at which time the City Council considered testimony presented by the public and the Developer and the recommendations of the Planning Commission regarding the proposed Agreement; and

WHEREAS, on June 15, 2021, the City Council approved the first reading by a 5-1 vote (Councilmember Harper voting no and Councilmember Harlan recusing);

WHEREAS, on July 20, 2021, the City Council approved the second reading by a 5-1 vote (Councilmember Harper voting no and Councilmember Harlan recusing);

WHEREAS, at the time of City Council approval, the project was subject to a vote of the electorate pursuant to Measure Y, "An Ordinance to give the People of Costa Mesa Control of Their Future" codified in Article 22, Chapter IX of the Zoning Code, such that Ordinance 2021-11 stated that the "Ordinance shall become effective following approval of the Project by the electorate at the regular municipal election or at a special election funded by the applicant";

WHEREAS, on November 8, 2022, "Measure K" was adopted by the Costa Mesa electorate, which amended Article 22 to allow for the development of housing in specific commercial and industrial areas without a vote by the electorate while keeping residential neighborhoods intact and revitalizing commercial corridors;

WHEREAS, the subject project is located at 1683 Sunflower Avenue which is located within the Measure K boundaries and accordingly no longer requires approval by the electorate;

WHEREAS, the applicant and then property owner, International Asset Management Holding Group, LLC, by their authorized agent Brent Stoll with Rose Equities, requested to amend the Ordinances to be consistent with Costa Mesa Zoning Code, Article 22, eliminating the electoral vote requirement;

WHEREAS, Rose Equities also requested amending the timing of payment of impact fees and community benefits fund;

WHEREAS, on May 13, 2024, at a duly noticed public hearing, the Planning Commission, after taking public testimony, recommended that the City Council approve the requested amendments;

WHEREAS, a duly noticed public hearing was held by the City Council on June 4, 2024, with all persons having the opportunity to speak for and against the proposal;

WHEREAS, on June 4, 2024, the City Council approved the first reading by a 6-0-1 vote (Councilmember Harper absent) gave first reading to the Ordinance;

WHEREAS, on June 18, 2024, the City Council voted 6-1 (Councilmember Harper voting no) to adopt Ordinance 2024-05;

WHEREAS, the Agreement is:

- (a) Consistent with the objectives, policies, general land uses and programs specified in the General Plan and with the General Plan as a whole and the North Costa Mesa Specific Plan;
- (b) Compatible with the uses authorized in, and the existing land use regulations prescribed for, the zoning district in which the real property is and will be located; and
- (c) Is in conformity with and will promote public convenience, general welfare, and good land use practice.

WHEREAS, the Agreement will not:

- (a) Be detrimental to the health, safety and general welfare; or
- (b) Adversely affect the orderly development of property or the preservation of property values.

WHEREAS, The Agreement will promote and encourage the development of the proposed project and will ensure the public benefits promised therein, by providing stability and certainty to Developer;

WHEREAS, the approved project included General Plan Amendment GP-20-01, Rezone R-20-01, Specific Plan SP-20-01, Master Plan PA-19-19 and Tentative Tract Map No. 19015 (T-19-01) (the "Project");

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), a Project Environmental Impact Report (EIR) was prepared by the City in accordance with the California Environmental Quality Act (CEQA) and certified by the City Council on May 4, 2021, by Resolution No. 2021-54;

WHEREAS, pursuant to CEQA Guidelines Section 15162 the proposed amendments are in substantial conformance with the Final Environmental Impact Report (EIR) for the One Metro project (State Clearing House No. 2019050014), including a mitigation monitoring program and statement of overriding considerations, which was certified by the City Council on May 4, 2021, and that no further environmental review under CEQA is required.

WHEREAS, all legal prerequisites prior to the adoption of this Ordinance have occurred.

Now, therefore, THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

Section 1: Findings and Declarations. The above stated findings and declarations are true and correct.

Section 2: Approval. The City Council hereby approves, adopts and enters into the Agreement in the form attached hereto and incorporates the Agreement herein by this reference.

Section 3: Recordation. Upon execution of the Agreement by all parties, the City Clerk is directed to record the Amendment pursuant to Resolution No. 88-53.

Section 4: Environmental Compliance. Pursuant to the provisions of CEQA and State CEQA guidelines, a Final EIR, State Clearing House No. 2019050014, including a mitigation monitoring program and statement of overriding consideration, was certified for the Project on May 4, 2021, and the City has determined that this Ordinance itself is not a separate "project" and further, that it is exempt from the provisions of CEQA pursuant to

CEQA Guidelines Section 15061(b)(3) (because it can be seen with certainty that the adoption of this Ordinance itself will not have an effect on the environment) such that no further environmental review under CEQA is required; and

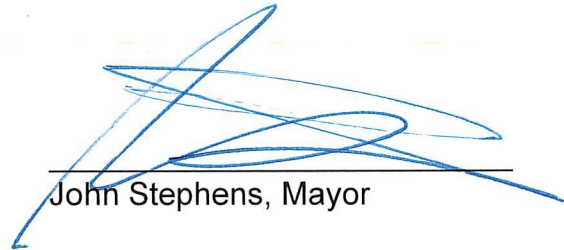
Section 5: Inconsistencies. Any provision of the Costa Mesa Municipal Code or appendices thereto inconsistent with the provisions of this ordinance, to the extent of such inconsistencies and or further, is hereby repealed or modified to the extent necessary to affect the provisions of this ordinance.

Section 6: Severability. If any chapter, article, section, subsection, subdivision, sentence, clause, phrase, word, or portion of this Ordinance, or the application thereof to any person, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this Ordinance or its application to other persons. The City Council hereby declares that it would have adopted this Ordinance and each chapter, article, section, subsection, subdivision, sentence, clause, phrase, word, or portion thereof, irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, phrases, or portions of the application thereof to any person, be declared invalid or unconstitutional. No portion of this Ordinance shall supersede any local, State, or Federal law, regulation, or codes dealing with life safety factors.

Section 7: Effective Date. This Ordinance shall take effect on the 31st day after adoption.

Section 8: Certification. The City Clerk shall certify the passage and adoption of this Ordinance and shall cause the same to be published or posted in the manner as required by law.

PASSED AND ADOPTED this 18th day of June, 2024.



John Stephens, Mayor

ATTEST:

APPROVED AS TO FORM:



Brenda Green, City Clerk



Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing Ordinance No. 2024-05 was duly introduced for first reading at a regular meeting of the City Council held on the 4th day of June, 2024, and that thereafter, said Ordinance was duly passed and adopted at a regular meeting of the City Council held on the 18th day of June, 2024, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS: CHAVEZ, GAMEROS, MARR, REYNOLDS, HARLAN,
AND STEPHENS.

NOES: COUNCIL MEMBERS: HARPER.

ABSENT: COUNCIL MEMBERS: NONE.

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 19th day of June, 2024.



Brenda Green, City Clerk

EXHIBIT A – Revised Development Agreement 20-02