

RESOLUTION NO. 2025-18

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SANTA ANA APPROVING ONE (1) CONCESSION PURSUANT TO STATE DENSITY BONUS LAW TO BE MEMORIALIZED IN DENSITY BONUS AGREEMENT NO. 2025-01 TO ALLOW AN EIGHTY-SIX UNIT MULTI-FAMILY DEVELOPMENT FOR THE PROPERTY LOCATED AT 2020 EAST FIRST STREET (APN: 402-191-03)

BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF SANTA ANA AS FOLLOWS:

Section 1. The Planning Commission of the City of Santa Ana hereby finds, determines and declares as follows:

- A. Louisa Feletto, with MLC Holdings, Inc./Meritage Homes ("Applicant"), representing property owner Paul Miskowicz with 2020 E First, LLC ("Property Owner"), is requesting approval of Vesting Tentative Tract Map No. 2025-01 (VTTM-2025-01), Density Bonus Application No. 2025-01 (DBA-2025-01), and Site Plan Review Application No. 2025-01 (SP-2025-01) to facilitate the construction of a multi-family residential development, including eighty townhome units and six duplexes (eighty-six total units), for the property located at 2020 East First Street ("Project").
- B. California Senate Bill 330, the Housing Crisis Act of 2019 (HCA), amending the Permit Streamlining Act and the Housing Accountability Act, became effective on January 1, 2020, and established a statewide "housing emergency" until January 1, 2025.
- C. On January 1, 2022, the HCA was extended until January 1, 2030, with the passage of Senate Bill 8.
- D. The proposed development is being submitted as a Senate Bill No. 330 (SB 330) application.
- E. The Project site is located within the General Commercial (C2) zoning district and within the Metro East Mixed-Use Overlay Zone (MEMU). The MEMU was adopted in 2007 to encourage mixed-use residential and commercial development. The overlay district was later expanded in 2018. The regulating plan, which establishes land uses and development standards, allows a variety of housing projects, including multi-family and mixed-use residential communities, as well as live/work units.

- F. The proposed Project conforms to a majority of the development standards of the Active Urban (AU) district of the MEMU with the exception of publicly accessible open space. Section 4.5 of the MEMU requires the Project to provide 24,020 square feet of publicly accessible open space but the Project is only designed with 9,767 square feet (six percent of the site) for which they are seeking a concession pursuant to Section 65915 of the California Government Code (Density Bonuses and Other Incentives).
- G. The California Density Bonus law, contained at Government Code Section 65915 allows developers to seek increases in base density, concessions or incentives, and waivers or reductions in development standards for providing on-site housing units in exchange for providing affordable units on site. To help make constructing on-site affordable units feasible, the California Density Bonus law allows developers to seek incentives/concessions or waivers or reductions of development standards.
- H. The Applicant's request has been evaluated by the City's Development Review Committee (DRC) through Development Project No. 2024-14. Through this review, the DRC has considered the subject site, proposed development, and the Applicant's request for a concession pursuant to the State's Density Bonus Law.
- I. On March 24, 2025, the Planning Commission of the City of Santa Ana held a duly noticed public hearing and at that time considered all testimony, written and oral.
- J. Section 41-1607 of the Santa Ana Municipal Code (SAMC) requires that deviations (incentives/concessions and/or waivers or reductions) be approved by the Planning Commission.
- K. The Planning Commission determined that the following findings, which must be established in order to grant a deviation pursuant to SAMC Section 41-1607 have been established for Density Bonus Agreement No. 2025-01 to allow construction of the proposed Project:
 - 1. That the proposed development will materially assist in accomplishing the goal of providing affordable housing opportunities in economically balanced communities throughout the city.

The proposed development will consist of eighty-six townhomes, with five units designated for very low-income households. This Project will not only expand the City's ownership housing stock but also address the needs of diverse and underserved populations, helping to create a more inclusive and accessible housing market. By integrating affordable housing within a larger market-rate development, the Project contributes to an economically balanced

community, ensuring that individuals and families across different income levels and demographics have access to quality housing. Additionally, its strategic location within an area rich in employment opportunities, commercial developments, and existing market-rate housing further enhances its role in fostering a well-rounded, sustainable, and thriving urban environment.

2. That the development will not be inconsistent with the purpose of the underlying zone or applicable designation in the general plan land use element.

The proposed Project will not be inconsistent with the AU zoning designation and the respective General Plan designation, as the vision for the underlying General Plan designation of District Center Medium High (DC-3) is to establish distinctly urban retail, residential mixed-use, and employment centers that are well connected to public transportation. This includes townhome projects with ground-floor spaces intended for office use, as proposed in this Project. Additionally, DC-3 allows for a density of 90 dwelling units per acre and a floor area ratio (FAR) of 3.0. The proposed Project density/intensity meets these standards, ensuring consistency with the General Plan. Regarding the site, the Project can accommodate the proposed improvements. With the exception of the publicly accessible open space, for which the Applicant has requested a concession, the Project conforms to the development standards of the zone.

3. That the deviation is necessary to make it economically feasible for the Applicant to utilize a density bonus authorized for the development pursuant to section 41-1603.

The Project is consistent with the applicable land use designation, as it proposes a permissible building type and frontage within the allowable density. It also incorporates both common open space, in the form of a courtyard, and private open spaces, such as balconies and decks. Furthermore, the building complies with the required setbacks and separation standards. While the site lacks the entirety of the required publicly accessible open space, the Applicant has designed the Project to include a public courtyard along the right-of-way, which connects to the rest of the site via a paseo leading to the common open space area. However, the site cannot accommodate the additional nine percent open space required by the AU district without rendering the Project

financially infeasible, as this would likely result in fewer units, reduced unit sizes along First Street, or a narrower drive aisle. This, in turn, would create a ripple effect, ultimately reducing the size of Buildings 10, 11, and 12. The units have been designed to strike a balance between common areas and bedroom space, and any further reduction in unit size may compromise livability for future owners. Additionally, if the Project becomes financially unviable for the Applicant, it could result in the loss of the five affordable townhouse units.

Section 2. Pursuant to the California Environmental Quality Act (CEQA) and CEQA Guidelines, the proposed Project is exempt from further environmental review under Section 15168 (Program EIR). This exemption applies when a previously certified Program Environmental Impact Report (Program EIR) has adequately analyzed the environmental effects of an activity, and no new significant impacts would result from the proposed project. If the proposed Project remains within the scope of the Program EIR and does not require a subsequent Environmental Impact Report (EIR), no additional environmental documentation is required.

A CEQA Section 15168 Consistency Memorandum was prepared by First Carbon Solutions, the applicant's environmental consultant. The purpose of the memorandum was to determine whether the proposed project was exempt from further review, pursuant to the relevant 2007 MEMU Program EIR, certified in 2007, and the MEMU Subsequent EIR, certified in 2018. This memorandum was reviewed by City staff and City's environmental consultant, Ardurra Consulting. Upon review, it was determined that the Project does not introduce new or more severe environmental effects beyond those previously identified. Additionally, there are no substantial changes in environmental circumstances that would necessitate further review. Moreover, as required under CEQA Guidelines Section 15168(c)(3), all applicable mitigation measures from the MEMU EIR and SEIR will be incorporated into the project. Based on this analysis, the project qualifies for an exemption under CEQA, and no further environmental documentation is necessary. Therefore, Notice of Exemption, Environmental Review No. 2024-53, will be filed for the project.


Section 3. The Applicant shall indemnify, protect, defend and hold the City and/or any of its officials, officers, employees, agents, departments, agencies, authorized volunteers, and instrumentalities thereof, harmless from any and all claims, demands, lawsuits, writs of mandamus, referendum, and other proceedings (whether legal, equitable, declaratory, administrative or adjudicatory in nature), and alternative dispute resolution procedures (including, but not limited to arbitrations, mediations, and such other procedures), judgments, orders, and decisions (collectively "Actions"), brought against the City and/or any of its officials, officers, employees, agents, departments, agencies, and instrumentalities thereof, that challenge, attack, or seek to modify, set aside, void, or annul, any action of, or any permit or approval issued by the City and/or any of its officials, officers, employees, agents, departments, agencies, and instrumentalities thereof (including actions approved by the voters of the City) for or concerning the project, whether such Actions are brought under the Ralph M. Brown Act,

California Environmental Quality Act, the Planning and Zoning Law, the Subdivision Map Act, Code of Civil Procedure sections 1085 or 1094.5, or any other federal, state or local constitution, statute, law, ordinance, charter, rule, regulation, or any decision of a court of competent jurisdiction. It is expressly agreed that the City shall have the right to approve the legal counsel providing the City's defense, and that Applicant shall reimburse the City for any costs and expenses directly and necessarily incurred by the City in the course of the defense. City shall promptly notify the Applicant of any Action brought and City shall cooperate with Applicant in the defense of the Action.

Section 4. The Planning Commission of the City of Santa Ana, after conducting the public hearing, hereby approves that certain concession(deviation), as described in this Resolution and in the City's Staff Report and as memorialized in Density Bonus Agreement No. 2025-01 in Exhibit A attached hereto and incorporated as though fully set forth herein, based on the findings contained in Section 1. This decision is based upon the evidence submitted at the above said hearing, which includes, but is not limited to: the Request for Planning Commission Action dated March 24, 2025, and exhibits attached thereto; and the public testimony, written and oral, all of which are incorporated herein by this reference.


ADOPTED this 24th day of March 2025, by the following vote:

AYES:	Commissioners:	Carl Benninger, Manuel J. Escamilla, Jennifer Oliva, Bao Pham, Isuri Ramos, Alan Woo (6)
NOES:	Commissioners:	
ABSENT:	Commissioners:	Chris Leo (1)
ABSTENTIONS:	Commissioners:	



Jennifer Oliva
Chairperson

APPROVED AS TO FORM:
Sonia R. Carvalho, City Attorney

By: 

Melissa M. Crosthwaite
Senior Assistant City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, NUVIA OCAMPO, Recording Secretary, do hereby attest to and certify the attached Resolution No. 2025-18 to be the original resolution adopted by the Planning Commission of the City of Santa Ana on March 24, 2025.

Date: 3/24/2025

Nuvia Ocampo
Nuvia Ocampo
Recording Secretary
City of Santa Ana

EXHIBIT A
Conditions for Approval for Density Bonus Agreement Application No. 2025-01

The concession (deviation) as memorialized in the Density Bonus Agreement prepared in conjunction with Density Bonus Agreement Application No. 2025-01 are approved subject to compliance, to the reasonable satisfaction of the Planning Manager, with applicable sections of the Santa Ana Municipal Code, the California Administrative Code, the California Building Standards Code, and all other applicable regulations. In addition, it shall meet the following conditions of approval:

The Applicant must comply with each and every condition listed below prior to exercising the rights conferred by the Density Bonus Agreement.

The Applicant must remain in compliance with all conditions listed below throughout the life of the development project.

1. All proposed site improvements must conform to the Development Project (DP) approval of DP No. 2024-14 and the plans presented to the Planning Commission on the date of public hearing and project approval.
2. Any proposed amendment to the DP No. 2024-14, including modifications to approved materials, finishes, architecture, site plan, landscaping, unit count, mix, and square footages must be submitted to the Planning Division for review. At that time, staff will determine if administrative relief is available or if the Development Project Review must be amended.
3. The project shall comply with all applicable mitigation measures as identified by the Mitigation Monitoring and Reporting Program of the 2007 Environmental Impact Report (EIR) and 2018 Subsequent EIR (SCH No. 2006031041).
4. The Project shall comply with any and all recommendations contained with the technical studies and reports prepared for the Project. All studies and reports shall be finalized by the Applicant and approved by the City of Santa Ana prior to the issuance of any building permits.
5. Exterior building and exterior parking structure materials, finishes and colors for the Project shall comply with the approved materials board submitted for the Project and as approved by the Planning and Building Agency. Any changes to the materials, finishes and colors shall be approved by the Planning and Building Agency. All trash enclosures and similar ancillary structures shall match the texture, material and color of the primary building.
6. The Applicant shall work with Planning Division staff to redesign the storefront of the six (6) proposed duplex units, to provide a storefront design that is more consistent with the goals and objectives of the Metro East Mixed-Use Overlay Zone ("MEMU"). ***Added by the Planning Commission on March 24, 2025.***

7. The Applicant shall provide good faith effort and work with staff to explore the feasibility of incorporating additional affordable units and/or incorporating a deeper affordability rate at extremely low-income, as defined by the California Department of Housing and Community Development (HCD). ***Added by the Planning Commission on March 24, 2025.***
8. Walls and Fencing.
 - a. The Applicant shall construct a minimum six-foot (6') tall solid perimeter wall, as measured from nearest adjacent finished sidewalk, surrounding the Project site. The perimeter wall shall conform to all applicable Citywide Design Guidelines, including a split-face or painted design with regularly-spaced pilasters and decorative cap. The Applicant is responsible for coordination with any adjacent property owners to avoid double-walls or gaps between walls where possible.
 - b. Climbing vines shall be planted at regularly-spaced intervals along all exposed walls and wrought-iron fencing to deter graffiti. All solid walls shall be finished with anti-graffiti coating.
9. All mechanical equipment shall be screened from view from public and courtyard areas.
10. All balconies shall be designed and constructed with adequate drainage systems to prevent water accumulation and ensure proper runoff, subject to review and approval by the Planning Division prior to issuance of building permits.
11. The following parking management practices shall be incorporated into the final, recorded CC&Rs and shall apply through the life of the Project:
 - a. Requiring onsite parking permits (such as stickers or hang-tags) for any parking in the surface guest parking spaces;
 - b. Policies for maximum time vehicles may be parked in the surface guest spaces;
 - c. Policies for towing unauthorized vehicles; vehicles parked in unauthorized locations, such as fire lanes; vehicles parking in surface guest parking without a sticker, hang-tag, or other identifiers; and vehicles parked longer than any maximum guest parking timeframes allowed; and
 - d. Routine garage inspections to ensure garages are available for vehicle parking.
12. Prior to issuance of building permits, the Applicant shall submit a construction schedule and staging plan to the Planning Division for review and approval. The plan shall include construction hours, staging areas, parking and site security/screening during project construction.

13. A final detailed amenity plan must be reviewed and approved prior to issuance of any building permits. The plan shall include details on the hardscape design, lighting concepts and outdoor furniture for amenity, plaza, or courtyard areas as well as an installation plan. The exact specifications for these items are subject to the review and approval by the Planning Division.
14. Before submitting a landscape review application, the Applicant shall meet with Planning Division staff to evaluate the proposed plant species, sizes, quantities, and placement of trees, shrubs, and groundcover to ensure they maximize onsite landscaping in compliance with established landscape standards. The final landscape plan shall include a diverse selection of shade-producing canopy trees from the City's approved street tree list, ensuring the maximum possible number is incorporated.
15. Prior to installation of landscaping, the Applicant shall submit photos and specifications of all trees to be installed on the Project site for review and approval by the Planning Division. Specifications shall include, at a minimum, the species, box size (24 inches minimum), brown trunk height (10-foot minimum), and name and location of the supplier.
16. The Applicant shall install enhanced lighting within the publicly accessible open space, spanning south from First Street towards the project's common open space, between Buildings 14 and 15, as shown on the approved site plan. The enhanced lighting shall include pedestrian-scaled lighting along all walkways and where appropriate, wall-mounted lighting to be architecturally compatible and pedestrian scaled. The lighting levels shall be sufficient to create a perceived sense of security and safety, and for sidewalk and street illumination.
17. After Project occupancy, landscaping and hardscape materials must be maintained as shown on the approved landscape plans.
18. The publicly accessible open space areas as shown on the plans shall remain accessible to the public during daylight hours as per plans approved by the Planning and Building Agency.
19. Subject to review and applicability by the Planning and Building Agency, the Community Development Agency, the Public Works Agency, and the City Attorney, to ensure that the property and all improvements located thereupon are properly maintained, Applicant (and the owner of the property upon which the authorized use and/or authorized improvements are located if different from the Applicant) shall execute a property management agreement, and incorporate the form of this condition within the Project's CC&R's. The agreement shall be recorded against the property by the City and shall be in a form reasonably satisfactory to the City Attorney. The executed agreement must be submitted to the Planning Division by the Applicant within 90 days of the approval of this

Resolution. The agreement shall contain covenants, conditions and restrictions relating to the following:

- a. Compliance with operational conditions applicable during any period(s) of construction or major repair (e.g., proper screening and securing of the construction site; implementation of proper erosion control, dust control and noise mitigation measure; adherence to approved project phasing etc.);
- b. Compliance with ongoing operational conditions, requirements and restrictions, as applicable (including, but not limited to, hours of operation, security requirements, the proper storage and disposal of trash and debris, enforcement of the parking management plan, and/or restrictions on certain uses);
- c. Ongoing compliance with approved design and construction parameters, signage parameters and restrictions as well as landscape designs, as applicable;
- d. Ongoing maintenance, repair and upkeep of the property and all improvements located thereupon (including, but not limited to, controls on the proliferation of trash and debris about the property; the proper and timely removal of graffiti; the timely maintenance, repair and upkeep of damaged, vandalized and/or weathered buildings, structures and/or improvements; the timely maintenance, repair and upkeep of exterior paint, parking striping, lighting and irrigation fixtures, walls and fencing, publicly accessible bathrooms and bathroom fixtures, landscaping and related landscape improvements and the like, as applicable);
- e. If Applicant and the owner of the property are different (e.g., if the Applicant is a tenant or licensee of the property or any portion thereof), both the Applicant and the owner of the property shall be signatories to the maintenance agreement and both shall be jointly and severally liable for compliance with its terms.
- f. The agreement shall further provide that any party responsible for complying with its terms shall not assign its ownership interest in the property or any interest in any lease, sublease, license or sublicense, unless the prospective assignee agrees in writing to assume all of the duties and obligations and responsibilities set forth under the agreement.
- g. The agreement shall contain provisions relating to the enforcement of its conditions by the City and shall also contain provisions authorizing the City to recover costs and expenses which the City may incur arising out of any enforcement and/or remediation efforts which the City may undertake in order to cure any deficiency in maintenance, repair or upkeep or to enforce any restrictions or conditions upon the use of the property. The agreement

shall further provide that any unreimbursed costs and/or expenses incurred by the City to cure a deficiency in maintenance or to enforce use restrictions shall become a lien upon the property in an amount equivalent to the actual costs and/or expense incurred by the City.

- h. The execution and recordation of the agreement shall be a condition precedent to the final map being recorded.