



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
February 15, 2022

TOPIC: Second Reading of Zoning Ordinance Amendment No. 2021-03

AGENDA TITLE:

Adopt Ordinance No. NS-XXXX – ZONING ORDINANCE AMENDMENT NO. 2021-03
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA ANA REPEALING
AND REENACTING IN ITS ENTIRETY ARTICLE XVIII.I. OF CHAPTER 41 OF THE
SANTA ANA MUNICIPAL CODE REGARDING THE HOUSING OPPORTUNITY
ORDINANCE

RECOMMENDED ACTION

Place Ordinance on second reading and adopt.

DISCUSSION

The City Council conducted the first reading of the Ordinance on November 16, 2021. As part of the first reading of the Ordinance, the majority members of the City Council discussed, articulated, and directed staff to make conforming revisions to the Ordinance reflecting the following refinements for the second reading of the Ordinance:

- Omit new priorities that do not directly relate to the production of new affordable housing units.
- Reduce to 5% inclusionary for for-sale units.
- Include a provision to vest entitled projects and make the necessary conforming changes to the Ordinance, and include a vested project list as an exhibit to the Ordinance.
- Require and phase in the use of a local skilled and trained workforce only for new projects proposing 20 or more residential lots or units exercising the in-lieu fee option to satisfy the inclusionary requirements of the Ordinance, and clarify that the provision is not applicable to projects receiving funding from the inclusionary housing fund. The implementation of this provision shall be phased as follows:

11/17/2021 – 12/31/2025	1/1/2026 thereafter
\$15 – No requirements	\$15 – 30% STW & 35% local hire
\$10 – 30% STW + 2 trades & 20% local hire	\$10 – 60% STW & 35% local hire
\$ 5 – 60% STW + 3 trades & 20% local hire	\$ 5 – 90% STW & 35% local hire

- Require an affirmative vote by 5 members of the City Council in order to modify the in-lieu fee structure and the local skilled and train workforce provision.
- Incorporate a local density bonus provision for for-sale units only.

For ease of review, a redline version of the adopted Ordinance presented at the first reading on November 16, 2021 is attached (Exhibit 1) reflecting the necessary changes and conforming modifications. The clean version of this Ordinance is attached as Exhibit 2.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action. It is recommended that the City Council finds and determines that this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the State CEQA Guidelines because it will not result in a direct or reasonably foreseeable indirect physical change in the environment, as there is no possibility it will have a significant effect on the environment and it is not a "project", as defined in Section 15378 of the CEQA Guidelines. Furthermore, even if the proposed Ordinance is considered a project, it falls within the "common sense" CEQA exemption set forth in CEQA Guidelines Section 15061(b)(3), excluding projects where "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." Adoption of this Ordinance will not have a significant effect on the environment because the proposed changes will only modernize, update, and clarify existing affordable and inclusionary housing requirements responding to the current economic and housing trends in the City and will not cause a physical change in the environment.

FISCAL IMPACT

There is no fiscal impact associated with this action.

EXHIBIT(S)

1. Redline of Ordinance adopting Zoning Ordinance Amendment No. 2021-03 without Exhibit
2. Ordinance adopting Zoning Ordinance Amendment No. 2021-03 and Exhibit A

Submitted By: Minh Thai, Executive Director of Planning and Building Agency

Approved By: Kristine Ridge, City Manager