

**Special Planning Commission Meeting
City Council Chambers
18747 Clarkdale Avenue
Artesia, CA 90701
(562) 865-6262**

**Tuesday, January, 13, 2026
7:00 p.m.**

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PUBLIC COMMENTS

This is the portion of the meeting set aside to invite public comments regarding any matter within the subject matter jurisdiction of the Planning Commission. Public comments may also be submitted by email at publiccomments@cityofartesia.us before 12:00 p.m. on the date of the meeting. Public comments are limited to no more than three minutes each. If comments relate to a specific agenda item, those comments will be taken following the staff report for that item and prior to the Planning Commission vote. Under the provisions of the Brown Act, the Planning Commission is prohibited from taking action on items that are not listed on the agenda, but may refer the matter to staff or to a subsequent meeting. Those wishing to speak are asked to add your information at the digital public kiosk located at the entrance of the Council Chamber.

4.A. Public Comments

5. CONSENT CALENDAR

5.A. General Plan Consistency Determination for the Acquisition of 11820 168th St. for Housing Authority Purchase

General Plan Conformity Finding Per Government Code Section 65402(a) for the Purchase and Sale Agreement for Acquisition of Real Property for the Housing Authority of City of Artesia

— Recommendation: Find that the acquisition of the property located at 11820 168th Street conforms to the adopted General Plan.

6. NEW BUSINESS - NON-PUBLIC HEARING

7. NEW BUSINESS - PUBLIC HEARING

7.A. Case No. 2025-31: Zoning Code Amendment, Pertaining to the Mixed Use Overlay

— Recommendation: Adopt Resolution No. 26-01P, Recommending City Council Approve a Proposed Zoning Code Amendment to Amend the Mixed-Use Overlay (MU-O) Zone (Case No. 2025-32) and Find the Ordinance Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3)

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8. DISCUSSION / REPORT ITEMS FROM STAFF

9. COMMUNITY DEVELOPMENT DIRECTOR UPDATES

10. COMMISSIONER COMMENTS

11. ADJOURNMENT

The City of Artesia complies with the Americans with Disabilities Act of 1990. If you require special assistance to attend or participate in this meeting, please call the City Clerk's office at 562-865-6262 at least 72 hours prior to the meeting. Copies of Staff Reports are on file in the Office of the City Clerk and are available for inspection.

Date Posted: January 9, 2026



CITY COUNCIL AGENDA REPORT

MEETING DATE: January 13, 2026

ITEM NO: 5A.

TO: Honorable Chairperson and Members of the Planning Commission

SUBJECT: General Plan Consistency Determination for the Acquisition of 11820 168th St. for Housing Authority Purchase

FROM: Steven Valdez, Acting Planning Manager

REVIEWED AND APPROVED BY:

Nick Papajohn, Deputy City Attorney
Paul Bollier, Community Development Director

RECOMMENDATION:

Staff recommends that the Planning Commission find that the acquisition of the property located at 11820 168th Street (APN 7011004076) in the City of Artesia for a total purchase price of \$630,000, plus relocation costs not to exceed \$29,800, and \$6,500 in closing costs, and the Loan Agreement with the City of Artesia for \$666,300 conforms to the adopted General Plan and direct City staff to report these findings to the City Council.

INTRODUCTION:

In accordance with Government Code Section 65402(a), it is necessary for the Planning Commission to make a General Plan consistency finding with respect to the acquisition and/or disposition of certain properties. City Staff has determined that the contemplated property acquisition is consistent with the adopted General Plan and is recommending that the Planning Commission make a finding of consistency.

POLICY CONSIDERATION:

The Planning Commission must answer the following question:

- Is the proposed use of the property to be acquired consistent with the General Plan land use designation?

BACKGROUND:

Government Code Section, § 65402(a) states no real property shall be acquired by dedication or otherwise for ... public purposes, ... until the location, purpose and extent of such acquisition ... [has] been submitted to and reported upon by the planning agency. In this case, the planning agency is deemed to be the Planning Commission. Accordingly, the Planning Commission is asked to make a finding of conformity

In June of 2025, the owner of the property located at 11820 168th Street contacted staff through his real estate agent offering to sell the property to the City. The property located at 11820 168th Street is adjacent to Housing Authority owned property. The City asked OPC, the City's property acquisition consultant, to secure an appraisal of the property and begin negotiations with the owner of a potential sale to the Housing Authority.

OPC secured an appraisal for the City which valued the property at \$610,000 and the City made an offer to purchase it for the appraised value. The owner then sought an independent appraisal which valued the property at \$630,000. The City then offered to purchase the property at the newly appraised value. The owner placed his property on the open market for a few months and ultimately accepted the City's offer to purchase the property for \$630,000.

ANALYSIS:

The Housing Authority currently owns properties on the north and south sides of 168th Street, including APNs 7011-005-900, 7011-005-901, 7011-005-902, and 7011-005-903 (north side) and 7011-004-902 and 7011-004-903 (south side) for a total of approximately 1.1 acres (please see attached map). If purchased, the property located at 11820 168th Street (APN 7011004076), together with the existing six parcels of Housing Authority property adjacent to it, will make a larger, more squared total property area that will ultimately be easier to develop. Therefore, Staff is recommending the Housing Authority purchase the property.

GENERAL PLAN CONSISTENCY FINDINGS

Government Code Section 65402 requires the purchase of property by the Housing Authority to be consistent with the City's General Plan. Because both 11820 168th Street and the Housing Authority owned property are located in the Mixed Use Overlay zone, staff finds that the proposed acquisition of property to expand the Housing Authority owned parcel and square it off are consistent with the following goals:

Community Planning Principle LU-1: The Artesia General Plan 2030 will focus on enhancing areas that will allow the development of mixed use. This type of development involves a greater utilization of uses that blends residential, commercial industrial or civic institutional. By combining complementary uses, mixed use developments bring energy and vitality to areas during both daytime and nighttime, and can benefit both residents and the businesses operating with them. In addition, mixed use allows the advantage of flexibility of design to take full advantage of market shifts and land use trends.

Community Planning Principle LU-1.1: Identify appropriate locations for residential and non residential development to accommodate growth through the year 2030 on the General Plan Land Use diagram.

RECOMMENDED ACTION:

Staff recommends that the Planning Commission find that the acquisition of the property located at 11820 168th Street (APN 7011004076) in the City of Artesia for a total purchase price of \$630,000, plus relocation costs not to exceed \$29,800, and \$6,500 in closing costs, and the Loan Agreement with the City of Artesia for \$666,300 conforms to the adopted General Plan and direct City staff to report these findings to the City Council.

Attachments

[11820 168th St Map.pdf](#)

11820 168th St. (APN 7011004076) and Artesia Housing Authority Property



*Highlighted property is Housing Authority owned.



CITY COUNCIL AGENDA REPORT

MEETING DATE: January 13, 2026

ITEM NO: 7A.

TO: Honorable Chairperson and Members of the Planning Commission

SUBJECT: Case No. 2025-31: Zoning Code Amendment, Pertaining to the Mixed Use Overlay

FROM: Steven Valdez, Acting Planning Manager
Paul Bollier, Community Development Director

REVIEWED AND APPROVED BY:

Nick Papajohn, Deputy City Attorney
Paul Bollier, Community Development Director

RECOMMENDATION:

Staff is recommending that the Planning Commission:

1. Adopt Resolution No. 26-01P recommending that the City Council adopt Ordinance No. 26-980 to modify various sections of Article 48 (Mixed-Use Overlay Zone (MU-O) of Title 9 (Planning and Zoning) of the Artesia Municipal Code and find the ordinance to be exempt from review under the California Environmental Quality Act (CEQA) Pursuant to CEQA Guidelines Section 15061(b)(3)

BACKGROUND:

On May 20, 2025, the Planning Commission held a public hearing and adopted Resolution No. 2025-06P, recommending that the City Council adopt an ordinance establishing the Mixed-Use Overlay (MU-O) zone. On June 9, 2025, the City Council conducted a public hearing, considered the proposed MU-O zone, and approved Ordinance No. 25-970 establishing the MU-O zone (Article 48). The primary purpose of the MU-O is to implement the City of Artesia's 6th Cycle Housing Element of the Artesia General Plan, to encourage and to incentivize new mixed-use infill residential, retail, and commercial development to facilitate affordable multifamily housing. The MU-O's function is to provide sufficient density allowance for the City to accommodate its share of the Regional Housing Needs Allocation (RHNA) as determined by the Southern California Association of Governments (SCAG), and as directed by California housing law (Ca. Gov. Code Section 65580 et seq.). Unlike standard zoning, an "overlay" zone is applied over an existing zone, allowing a property owner or developer to develop a property in accordance with the existing underlying zone or the Overlay zone. Attachment #5 is a copy of the June 9, 2025, City Council staff report, which provides an analysis of the MU-O Zone, should the Commission desire to read the background and the details of the MU-O Zone.

While the City of Artesia was working closely with the California State Department of Housing and Community Development to update its Housing Element, a recent court case (New Commune DTLA LLC v. City of Redondo Beach (2025)) required the City to amend the MU-O Zone it had recently adopted. The court's ruling invalidated Redondo Beach's housing plan, finding its use of residential overlay zones to be insufficient to meet state housing law requirements because the underlying zoning still allowed non-housing development. Since Overlay zoning is an elective option, when the underlying zoning is non-residential (e.g., General Commercial) and allows non-housing development, there is no assurance that the needed housing development will occur.

ANALYSIS:

The proposed amendments of the MU-O involve the following components:

1. Residential or Mixed-Use Development to be mandatory

To demonstrate that jurisdictions have the proper zoning and density allowances to accommodate their share of RHNA, Housing Elements discuss and demonstrate their zoning capacity. If it's shown that a jurisdiction's zoning capacity cannot accommodate its share of RHNA, Housing Elements must identify sites that need to be rezoned to ensure sufficient capacity (plus a 15 to 30% buffer) to accommodate RHNA. The draft Housing Element has identified hundreds of parcels that can accommodate RHNA through the MU-O Zone. To be consistent with the court ruling, the proposed amendment eliminates the elective overlay zone option for parcels within the MU-O if they are identified as an Opportunity Site/Parcel in the Housing Element (Attachment No. 4 shows the Opportunity Sites/Parcels within the MU-O Zone). Any new development on the Opportunity Sites/Parcels can only be a residential or Mixed-Use project.

2. Reduction of minimum density

The other key amendment to the MU-O concerns its minimum density standard. The adopted MU-O sets maximum density limits of 70 and 100 dwelling units per acre, depending on location (Attachment No. 4). The adopted MU-O also set a minimum density of 70 dwelling units per acre. The State Department of Housing and Community Development (HCD) instructed the City to modify this standard, as it felt the minimum density was too high and could discourage housing projects. HCD agreed that a minimum density of 40 dwelling units per acre was acceptable. In addition to establishing a lower density limit, the amendment includes a provision allowing the City to consider densities lower than 40 dwelling units per acre, subject to legislative action and discretionary review. Instead of outright prohibiting projects that may be appropriate but fall just below the 40-unit threshold, HCD directed staff to modify the ordinance to allow lower density on a case-by-case basis, subject to legislative action and discretionary review.

3. Other changes

Other aspects of the amendment to the MU-O involve non-substantive changes that clarify various aspects of the MU-O, including definitions of specialized terms.

Attachment No. 2 contains Exhibit A of the proposed Ordinance, which shows the proposed language (underlined) and the language to be removed in strike through.

Environmental Analysis

Pursuant to the California Environmental Quality Act (" CEQA"), the Community Development Department has determined that the proposed amendments to the previously adopted Mixed-Use Overlay Zone is exempt from environmental review under the California Environmental Quality Act, (California Public Resources Code §§ 21000, et seq., ("CEQA") and the CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.) because the amendments consist of revisions to the minimum density standard and definitions of terms. The amendments do not change the existing allowable maximum densities and allowable uses, which were previously analyzed as part of an Environmental Impact Report for the Housing Element and the Mixed-Use Overlay Zone when it was first introduced and adopted. The amendment, therefore, is exempt from the requirements of CEQA under CEQA Guidelines Section 15061 (b)(3), because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

PUBLIC NOTICE

Notice of the public hearing was published on December 19, 2025, in the Los Cerritos Community News.

ATTACHMENTS:

1. Resolution No. 2026-01P (Amendment of Article 48)
2. Proposed Ordinance with Exhibit A
3. Ordinance No.25-970 (Current Mixed-Use Overlay Zone)
4. Map of Mixed-Use Overlay with Opportunity Sites/Parcels
5. City Council June 9, 2025 staff report on Mixed Use -Overlay
6. Public Hearing Notice

Attachments

[PC Resolution No 2026-01P.pdf](#)

[CC Ord No.26-980](#)

[Exhibit A to Ord No.26-980](#)

**CITY OF ARTESIA
PLANNING COMMISSION**

RESOLUTION NO. 2026-01P

**A RESOLUTION OF THE PLANNING COMMISSION OF
THE CITY OF ARTESIA RECOMMENDING THAT THE CITY
COUNCIL AMEND SECTIONS OF TITLE 48 (MIXED-USE
OVERLAY ZONE) OF THE ARTESIA MUNICIPAL CODE
AND FIND THE AMENDMENT TO BE EXEMPT FROM THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**THE PLANNING COMMISSION OF THE CITY OF ARTESIA DOES HEREBY
FIND, ORDER AND RESOLVE AS FOLLOWS:**

SECTION 1. The Artesia City Council, on July 14, 2025, adopted Ordinance No. 25-970 establishing a Mixed-Use Overlay (MU-O) Zone to accommodate new mixed-use infill residential, retail, and commercial development within the City, and to facilitate affordable multi-family housing for lower-income households.

SECTION 2. The adoption of the MU-O Zone fulfilled General Plan Land Use Policy Action LU 1.4.1, directs the City to amend the Zoning Code to implement mixed-use zoning districts that provide development standards for mixed-use development and is necessary to implement the City of Artesia's 6th Cycle Housing Element to ensure sufficient density allowance for the city to accommodate its share of the Regional Housing Needs allocation (RHNA) as determined by the Southern California Association of Governments (SCAG).

SECTION 3. Since the adoption of the MU-O Zone, a recent court case (*New Commune DTLA LLC v. City of Redondo Beach (2025)*) has necessitated the City to amend the MU-O Zone, as residential overlay zones are insufficient to meet state housing law requirements when underlying zoning allows non-housing development.

SECTION 4. The proposed amendments, in response to the Court Case, mandate that new development on parcels identified as a shortfall site (Opportunity Sites/Parcels) in the Housing Element must be residential or mixed-use.

SECTION 5. Government Code Section 65353 provides that an amendment to a zoning ordinance, which amendment modifies any regulations listed in Section 65850 theretofore imposed (e.g., the use of properties), must be adopted in the manner set forth in Government Code Sections 65854 to 65857, inclusive. Government Code Section 65854 provides that the Planning Commission must hold a noticed public hearing on a proposed amendment to a zoning ordinance. Government Code Section 65855 provides that after the hearing, the Planning Commission must render its decision in the form of a written recommendation to the legislative body. The recommendation must include (1)

the reasons for the recommendation, (2) the relationship of the proposed amendment to applicable general and specific plans.

SECTION 6. On January 13, 2026, the Planning Commission conducted a duly noticed public hearing to consider the proposed amendments to Article 48 (Mixed-Use Overlay Zone (MU-O) of Title 9 (Planning and Zoning) of the Artesia Municipal Code and closed the public hearing.

SECTION 7. In accordance with the California Environmental Quality Act (Public Resources Code, §§ 21000 et seq., "CEQA"), the proposed amendments to the previously adopted Mixed-Use Overlay Zone are exempt from environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., ("CEQA") and the CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.) because the amendments consist of revisions to the minimum density standard and definitions of terms. The amendments do not change the existing allowable maximum densities and allowable uses, which were previously analyzed as part of an Environmental Impact Report for the Housing Element and the Mixed-Use Overlay Zone when it was first introduced and adopted. The Planning Commission hereby recommends that the City Council find that the amendment, therefore, is exempt from the requirements of CEQA under CEQA Guidelines Section 15061(b)(3), because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 8. The Planning Commission hereby recommends that the City Council find that the proposed amendments are consistent with the goals and policies of the City's General Plan 2030. The proposed Zoning Code Amendment amends sections of Article 48 (Mixed-Use Overlay Zone (MU-O) of Title 9 (Planning and Zoning) of the Artesia Municipal Code. The proposed Zoning Code Amendment has been designed to be consistent with State Housing Law, the City's 6th Cycle Housing Element, and the City's General Plan 2030. The proposed Zoning Code Amendment implements General Plan Community Development and Design Element, Land Use Sub-Element, Community Planning Principle LU 1, and Policy Vicinity Action LU 1.4.1. The proposed Zoning Code Amendment will not adversely affect or be detrimental to adjacent properties, as the standards of the Mixed Use Overlay Ordinance ensure the protection and enhancement of adjacent and future development. The proposed Zoning Code Amendment implements the following goals and policies contained in the City's General Plan 2030 Community Policy Program:

- A. Community Policy LU 1.1 and Policy Action LU 1.1.1, which encourage the identification of appropriate locations for residential and non-residential development to accommodate growth through the year 2030 by evaluating amendments to the General Plan Land Use Map to consider the effect that such amendments will have on the City's ability to achieve its goals of a well planned community.
- B. Community Policy LU 1.2 and Policy Action LU 1.2.1, which encourage a wide variety of commercial services in appropriate locations by analyzing the current

inventory of developed and undeveloped commercial sites in the City in order to assess which are economically viable commercial developments that can be supported

- C. Community Policy LU 1.3 and Policy Action LU 1.3.1, which encourages active and inviting pedestrian-friendly street environments that include a variety of uses within commercial and mixed-use areas by enhancing access, safety and the streetscape experience for pedestrians, bicyclists, and transit riders; and focus improvements in areas with the highest need.
- D. Community Policy LU 1.4 and Policy Action LU 1.4.1 and 1.4.2, which ensures mixed use developments are integrated with surrounding uses to become part of the neighborhood by utilizing cohesive architecture, lively streetscapes, interesting urban spaces, and attractive landscaping.

SECTION 9. Based on the findings contained in Sections 1 through 8 above, and all other evidence in the record, the Planning Commission hereby recommends that the City Council adopt Ordinance No. 26-980 (attached hereto as Exhibit "A" and incorporated herein by reference).

SECTION 10. The Community Development Director shall certify to the adoption of this Resolution and shall forward a copy of it to the City Clerk and to the City Council.

PASSED, APPROVED AND ADOPTED this 13th day of January 2026.

Victor Manalo, Chairperson

ATTEST:

Paul Bollier, Community Development Director

ROLL CALL VOTE:

AYES: COMMISSIONERS:
NOES: COMMISSIONERS:
ABSENT: COMMISSIONERS:
ABSTAIN: COMMISSIONERS:

EXHIBIT "A"

**DRAFT ORDINANCE NO. 26-980 AMENDMENTS TO
ARTICLE 48 (MIXED-USE OVERLAY ZONE) OF TITLE 9
(PLANNING AND ZONING) OF THE ARTESIA MUNICIPAL
CODE**

ORDINANCE NO. 26-980

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARTESIA, CALIFORNIA, AMENDING SECTIONS OF TITLE 48 (MIXED-USE OVERLAY ZONE) OF CHAPTER 2 (ZONING) OF TITLE 9 (PLANNING AND ZONING) OF THE ARTESIA MUNICIPAL CODE AND FINDING THE ORDINANCE EXEMPT FROM CEQA PURSUANT TO STATE CEQA GUIDELINES SECTION 15061(b)(3)

THE CITY COUNCIL OF THE CITY OF ARTESIA DOES ORDAIN AS FOLLOWS:

SECTION 1. Recitals.

- A. The Artesia City Council, on July 14, 2025, adopted Ordinance No. 25-970 establishing a Mixed-Use Overlay (MU-O) Zone to accommodate new mixed-use infill residential, retail, and commercial development within the City, and to facilitate affordable multi-family housing for lower-income households.
- B. The adoption of the MU-O Zone fulfilled General Plan Land Use Policy Action LU 1.4.1, directs the City to amend the Zoning Code to implement mixed-use zoning districts that provide development standards for mixed-use development and is necessary to implement the City of Artesia's 6th Cycle Housing Element to ensure sufficient density allowance for the city to accommodate its share of the Regional Housing Needs allocation (RHNA) as determined by the Southern California Association of Governments (SCAG).
- C. Since the adoption of the MU-O Zone, a recent court case (*New Commune DTLA LLC v. City of Redondo Beach (2025)*) has necessitated the City to amend the MU-O Zone, as residential overlay zones are insufficient to meet state housing law requirements when underlying zoning allows non-housing development.
- D. The proposed amendments, in response to the Court Case, mandate that new development on parcels identified as a shortfall site (Opportunity Sites/Parcels) in the Housing Element must be residential or mixed-use.
- E. Government Code Section 65353 provides that an amendment to a zoning ordinance, which amendment modifies any regulations listed in Section 65850 theretofore imposed (e.g., the use of properties), must be adopted in the manner set forth in Government Code Sections 65854 to 65857, inclusive. Government Code Section 65854 provides that the Planning Commission must hold a noticed public hearing on a proposed amendment

to a zoning ordinance. Government Code Section 65855 provides that after the hearing, the Planning Commission must render its decision in the form of a written recommendation to the legislative body. The recommendation must include (1) the reasons for the recommendation, (2) the relationship of the proposed amendment to applicable general and specific plans.

- F. On January 13, 2026, the Planning Commission conducted a duly noticed public hearing to consider the proposed amendments to Article 48 (Mixed-Use Overlay Zone (MU-O) of Title 9 (Planning and Zoning) of the Artesia Municipal Code, and following receipt of all public testimony, closed the public hearing on that date and adopted Resolution No. 2026-01P.
- G. The City Council conducted a properly noticed public hearing on January 26, 2026, at which members of the public were afforded an opportunity to comment on this Ordinance, the recommendations of the Planning Commission and staff, and other public testimony.
- H. All legal preconditions to the adoption of this Ordinance have occurred.

SECTION 2. Incorporation of Recitals. The City Council hereby finds that the foregoing recitals are true and correct and incorporated herein as substantive findings of this Ordinance.

SECTION 3. CEQA. In accordance with the California Environmental Quality Act (Public Resources Code, §§ 21000 et seq., "CEQA"), the proposed amendments to the previously adopted Mixed-Use Overlay Zone are exempt from environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., ("CEQA") and the CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.) because the amendments consist of revisions to the minimum density standard and definitions of terms. The amendments do not change the existing allowable maximum densities and allowable uses, which were previously analyzed as part of an Environmental Impact Report for the Housing Element and the Mixed-Use Overlay Zone when it was first introduced and adopted. The amendment, therefore, is exempt from the requirements of CEQA under CEQA Guidelines Section 15061(b)(3), because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 4. Findings. Government Code section 65860 requires a city's ordinance to be consistent with the general plan. Based on all evidence in the record, the City Council finds as follows:

- A. The proposed amendments are consistent with the goals and policies of the City's General Plan 2030. The proposed Zoning Code Amendment amends sections of Article 48 (Mixed-Use Overlay Zone (MU-O) of Title 9 (Planning and Zoning) of the Artesia Municipal Code. The proposed Zoning Code Amendment has been designed to be consistent with State Housing Law, the City's 6th Cycle Housing Element, and the City's General Plan 2030. The proposed Zoning Code

Amendment implements General Plan Community Development and Design Element, Land Use Sub-Element, Community Planning Principle LU 1, and Policy Vicinity Action LU 1.4.1. The proposed Zoning Code Amendment will not adversely affect or be detrimental to adjacent properties, as the standards of the Mixed Use Overlay Ordinance ensure the protection and enhancement of adjacent and future development. The proposed Zoning Code Amendment implements the following goals and policies contained in the City's General Plan 2030 Community Policy Program:

1. Community Policy LU 1.1 and Policy Action LU 1.1.1, which encourage the identification of appropriate locations for residential and non-residential development to accommodate growth through the year 2030 by evaluating amendments to the General Plan Land Use Map to consider the effect that such amendments will have on the City's ability to achieve its goals of a well planned community.
2. Community Policy LU 1.2 and Policy Action LU 1.2.1, which encourage a wide variety of commercial services in appropriate locations by analyzing the current inventory of developed and undeveloped commercial sites in the City in order to assess which are economically viable commercial developments that can be supported.
3. Community Policy LU 1.3 and Policy Action LU 1.3.1, which encourages active and inviting pedestrian-friendly street environments that include a variety of uses within commercial and mixed-use areas by enhancing access, safety and the streetscape experience for pedestrians, bicyclists, and transit riders; and focus improvements in areas with the highest need.
4. Community Policy LU 1.4 and Policy Action LU 1.4.1 and 1.4.2, which ensures mixed use developments are integrated with surrounding uses to become part of the neighborhood by utilizing cohesive architecture, lively streetscapes, interesting urban spaces, and attractive landscaping.

SECTION 5. Amendment. Sections of Article 48 (Mixed-Use Overlay Zone) of Chapter 2 (Zoning) of Title 9 (Planning and Zoning) is amended as shown in Exhibit A of this Ordinance.

SECTION 6. Effective Date. This Ordinance shall become effective 30 days after the City Council adopts this Ordinance.

SECTION 7. Severability. Should any provision of this Ordinance, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable, or otherwise void, that determination shall have

no effect on any other provision of this Ordinance or the application of this Ordinance to any other person or circumstance, and, to that end, the provisions hereof are severable. The City Council of the City of Artesia declares that it would have adopted all the provisions of this Ordinance that remain valid if any provisions of this ordinance are declared invalid.

SECTION 8. Adoption, Certification, and Publication. The City Clerk of the City of Artesia shall certify the passage and adoption of this Ordinance and shall cause the same, or a summary thereof, to be published and/or posted in the manner required by law.

SECTION 9. Record of Proceedings. The documents and materials associated with this ordinance that constitute the record of proceedings on which these findings are based are located at 18747 Clarkdale Ave, Artesia, CA 90701. The City Clerk is the custodian of the record of proceedings.

SECTION 10. The Community Development Director shall certify to the adoption of this Resolution and shall forward a copy of it to the City Clerk and to the City Council.

PASSED, APPROVED AND ADOPTED this ___ day of _____ 2026.

ALI SAJJAD TAJ, MAYOR

ATTEST:

JENNIFER ALDERETE, CITY CLERK

APPROVED TO FORM:

BEST BEST & KRIEGER, CITY ATTORNEY

I, Jennifer Alderete, City Clerk of the City of Artesia, do hereby certify that the foregoing Ordinance was adopted at the _____ City Council Meeting held on the ____ day of _____ 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

JENNIFER ALDERETE, CITY CLERK

EXHIBIT "A"

**AMENDMENTS TO ARTICLE 48 (MIXED-USE OVERLAY
ZONE) OF TITLE 9 (PLANNING AND ZONING) OF THE
ARTESIA MUNICIPAL CODE**

Exhibit A

Article 48 Mixed-Use Overlay Zone (MU-O)

Key:

Normal Text = Existing unmodified language in the Code

~~Strikethrough Text~~ = Existing language proposed to be removed from the Code

Underlined Text = Proposed language to be added to the Code

§ 9-2.4801. Intent and Purpose (MU-O).

- (a) The Mixed-Use Overlay (MU-O) Zone is enacted to implement, in part, the City of Artesia 6th Cycle Housing Element of the Artesia General Plan, to encourage and incentivize new mixed-use infill residential, retail, and commercial development within the City, and to facilitate affordable multi-family housing for very-low and low-income classifications. This article further establishes a Community Benefit Program as set forth in Section 9-2.4809. Except as otherwise provided in Section 9-2.4802(b), ~~this article is not intended to alter development rights or standards applicable to the underlying zoning.~~
- (b) Specific goals of this article include:
- (1) Accomplishing the housing needs of the City per the current Regional Housing Needs Assessment (RHNA) as issued by the Gateway Cities Council of Governments and the State of California;
 - (2) Affirmatively furthering fair housing for all income levels;
 - (3) Incentivizing affordable housing for lower-income and special-needs households;
 - (4) Incentivizing socially and economically inclusive housing;
 - (5) Increasing the opportunities for a variety of housing types;
 - (6) Facilitating walkable development with multi-modal transportation options;
 - (7) Creating new patterns for socially-and economically-inclusive housing that reduce, segregated living patterns and work towards truly integrated and balanced living patterns;
 - (8) Facilitating increased employment and multi-modal access to jobs in high-resource areas.

§ 9-2.4802. Applicability.

- (a) The MU-O Zone may be applied to all properties identified on Map A, which follows the text of this article. If a property is not identified on Map A, the MU-O Zone shall not be applied to that property unless a map amendment and overlay zone change are approved by the Artesia City Council.
- (b) At an applicant's election, properties within the MU-O Zone may be developed either in accordance with: (1) this article; or (2) the standards of the underlying

zoning district or Specific Plan, except development proposals on any of the Opportunity Sites/Parcels within any of the nine Opportunity Areas listed in the Housing Element must be developed in accordance with the MU-O Zone and minimum density of 40 du/ac. Projects proposing less than 40 du/ac on these parcels require a legislative approval subject to discretionary review.

- (c) Once an applicant elects to develop a property under the MU-O Zone or the underlying zoning district or Specific Plan, that choice governs all subsequent development and approvals.

§ 9-2.4803. Definitions.

- (a) *Affordable housing.* "Affordable housing" for the purposes of this article means housing available and deed-restricted for low-income and very-low-income households.
- (b) The term "low-income ~~families~~ households" has the same meaning as provided in Section 50079.5 of the California Health and Safety Code. "Lower income households" include very low income and extremely low income households, defined in Section 3(b)(2)(A) of the Housing Act of 1937 as amended (42 U.S.C.1437a(b)(2)(A)).
- (c) The term "very-low-income ~~families~~ households" has the same meaning as provided in Section 50105 of the California Health and Safety Code. defined in Section 3(b)(2)(B) of the Housing Act of 1937 as amended (42 U.S.C.1437a(b)(2)(B)).
- (d) The term "extremely low-income ~~families~~ households " has the same meaning as provided in Section 50106 of the California Health and Safety Code. defined in Section 3(b)(2)(C) of the Housing Act of 1937 as amended (42 U.S.C.1437a(b)(2)(C)).
- (e) The term "Moderate income households" has the same meaning as provided in Section 50093 of the California Health and Safety Code. means income greater than the area median income (AMI) but not exceeding 120% of the AMI, as established by the California Department of Housing and Community Development, pursuant to California Health & Safety Code Section 50093.
- ~~(f)~~ The term "lower income households" includes households of very low, low and moderate income families.
- ~~(f)(g)~~ *Mixed-Use.* "Mixed-use" means for purposes of this article a combination of commercial- retail, institutional, or office uses in the same structure as a multiple-family residential development.

§ 9-2.4804. Principal Uses Permitted.

- (a) The following uses are allowed as principally permitted uses where the MU-O Zone applies, if the project or proposed use complies with all development standards of Section 9-2.4807:
 - (1) Multiple-Family Residential Development. Except as provided in Section 9-2.4807(b) below, multiple-family residential development that is limited to residential uses and is not "mixed use" pursuant to Section 9-2.4803~~(f)(g)~~ is permitted where the underlying zone is residential, or the underlying Specific

Plan permits stand-alone residential uses. Multiple-family development may consist of rental apartment units or condominium units;

- (2) Mixed-Use Development. Commercial or office uses may occupy the first story in a multi-story structure but shall not exceed 50% of the total usable floor area of the structure;
- (3) 100% affordable-housing development;
 - (4) Supportive housing;
 - (5) Employee housing;
 - (6) Transitional housing as defined in Government Code Section 65582(q);
 - (7) Single-room occupancy unit where the underlying zone is commercial or industrial, or if not commercial or industrial, the site abuts the underlying commercial or industrial zone within the Mixed-Use Overlay boundary;
 - (8) Emergency shelters as defined in Section 9-2.406, "E" Words and Phrases, of Title 9 of the Artesia Municipal Code where the underlying zone is commercial or industrial, or if not commercial or industrial, the site abuts the underlying commercial or industrial zone within the Mixed-Use Overlay boundary;
 - (9) Low-barrier navigation centers, in accordance with Government Code Sections 65660 et seq.;
 - (10) Restaurants, where the underlying zone is commercial or in conjunction with Mixed Use development and that do not both; (i) serve alcohol; and (ii) provide outdoor dining except on any of the Opportunity Sites/Parcels within the nine Opportunity Areas identified in the Housing Element, new construction must be part of a mixed-use development subject to the mixed-use development standards;
 - (11) All service and professional uses that are allowed as principal uses under Section 9- 2.3002 where the underlying zone is commercial or in conjunction with Mixed Use development or an approved Specific Plan, except on any of the Opportunity Sites/Parcels within the nine Opportunity Areas identified in the Housing Element, net new commercial construction must be part of a mixed-use development subject to the mixed-use development standards.

§ 9-2.4805. Conditionally Permitted Uses.

- (a) The following uses are allowed as Conditionally Permitted uses in the MU-O Zone, if the project or proposed use complies with all development standards of Section 9-2.4807 where the underlying zone is commercial or if not commercial, the site abuts the underlying commercial zone:
 - (1) Hotels and motels;
 - (2) Bars and cocktail lounges;
 - (3) Restaurants that serve alcohol and that provide outdoor dining.

§ 9-2.4806. Temporary Uses.

Under the MU-O Zone, the property may be used for temporary uses as set forth in

Section 9-2.4002 of Article 40 of this chapter subject to approval of a temporary use permit in accordance with Article 40 of this chapter.

§ 9-2.4807. Development Requirements and Standards.

Projects seeking approval under this article shall be subject to the following development requirements and standards:

(a) *All Projects:*

- (1) Property development within the MU-O Zone is subject to the Community Benefit Program and in-lieu fees (Section 9-2.4809) whether it is developed under MU-O standards or according to the underlying zoning.
- (2) At least 10% of the residential units, or one unit, whichever is greater, in each project developed under this article shall be reserved for households earning no more than 80% of Los Angeles County area median income adjusted for family size appropriate to the unit. The units shall be rented or sold at an affordable housing cost, as defined in Sections 50052.5 and 50053 of the California Health and Safety Code. The units shall be rented or sold in accordance with California Government Code Section 65915.
- (3) A 100 percent residential development will be permitted as a use by-right if the development satisfies all of the following: (1) When a the property (i) is identified in the current Housing Element as an Opportunity Site/Parcel that was rezoned to accommodate RHNA for lower income households subject to a shortfall site (subject to Government Code Sections 65583.2(h) and (i)); and (ii) (2) the project includes at least 20 percent affordable units in accordance with subsection (a)(4) below; has a site capacity for 16 dwelling units or more at the minimum density of 70 dwelling units per acre, 100% residential development is permitted by right consistent with Government Code Sections 65583.2(h) and (3) the site (inclusive of lot consolidations) has a capacity for 16 dwelling units. To qualify for by-right review and approval, the (i) Residential projects must shall be constructed to a minimum density of 4070 dwelling units per acre or the current MU-O minimum density as set forth in Section 9-2.4807, whichever is greater. For purposes of this subsection (a)(3), "use by right" has the same meaning as provided in Government Code section 65583.2(i).
- (4) Affordability. To qualify for by-right review approval under subsection (a)(3) above, At least 20% of the project's total dwelling units shortfall sites must be designated as affordable to lower-income households as in Section 9-2.4803.
- (5) Mixed-use developments that combine residential and commercial uses are permitted on Opportunity Sites/Parcels that were rezoned to accommodate lower income RHNA HE shortfall sites as follows:
 - (i) Residential uses must occupy a minimum of 50% of the total floor area of the project.
 - (ii) A minimum of 2030% of the total dwelling units shall be reserved for lower- income households on Opportunity Sites/Parcels HE shortfall sites.

(b) *Mixed-Use Developments:*

- (1) Commercial uses shall occupy at least 50% of the ground-floor area of mixed-use developments; however, if a project comprises 100% low or very low income units or a combination thereof then the ground-floor commercial requirement is waived. The ground-floor commercial requirement is also waived on properties that are required to be re-zoned to conform to Housing Element requirements.
- (2) Where low to very-low-income units are incorporated in a proposed mixed-use development, the minimum required commercial floor area may be decreased by 10%.

(c) *Multi-Family Developments:*

- (1) The Condominium Development Standards contained in Article 36 of Chapter 2 of Title 9 of the Artesia Municipal Code do not apply to multi-family developments developed under the MU-O Zone. This provision does not prohibit condominium development in the MU-O Zone.
- (2) Density. All residential uses within the MU-O Zone shall be developed at a minimum residential density of ~~40~~ 70 dwelling units per acre. Housing developments with less than 40 dwelling units per acre require legislative approval subject to discretionary review. The maximum residential density shall be as follows:
 - (i) Where the maximum allowable building height is five stories or more, including applicable Artesia Density Bonus stories, the maximum density is 100 dwelling units per acre.
 - (ii) Where maximum allowable building height is four stories or fewer, including applicable Artesia Density Bonus stories, the maximum density is 70 dwelling units per acre.
 - (iii) Where the underlying zoning or Specific Plan permits a residential density greater than the maximum allowed under subsections (i) and (ii), the greater density applies.
 - (iv) California Density Bonus provisions for additional increased density with varying proportions of affordable units (Government Code Sections 65915 et seq.) may be applied to any proposed multi-family development.
- (3) Artesia Density Bonus. The Artesia Density Bonus increases the maximum number of stories for multiple-family or mixed-use projects that incorporate a minimum percentage of affordable units. Projects are eligible for one additional story such that where the maximum building height is five stories, the Artesia Density Bonus permits six stories; where the maximum building height is four stories, the Artesia Density Bonus permits five stories; and where the maximum building height is three stories, the Artesia Density Bonus permits four stories. Projects are eligible for the Artesia Density Bonus if they incorporate low to moderate-income units as follows:
 - (i) 35% or greater of low to very-low income housing.
 - (ii) 45% or greater of moderate-income housing.
 - (iii) Projects proposing 100% market-rate units are not eligible for the Artesia

Density Bonus.

Note: See Map A for height and density designations.

- (4). Private outdoor living space. Each unit shall have private outdoor living space of at least 100 square feet. The outdoor living space may include rooftop decks, balconies, or patios and shall have a minimum dimension of 5 feet in every direction.
 - (4) Communal Open Space and Recreation Facilities. A minimum of 50 square feet per dwelling unit, with a total minimum area of 600 square feet, of communal open space and recreation facilities, shall be provided for exclusive use by multi-family or mixed-use development residents and their guests. This requirement may be satisfied by various facilities in separate locations within the residential or mixed-use building (for example, gym, garden, rooftop deck, plaza, forecourt); however, no single facility may be less than 500 square feet in area with minimum dimensions of 10 feet in every direction. Non-enclosed communal open space may be provided in setback areas.
 - (5) Distribution/Location of Low-Income Units. Units designated as affordable shall be reasonably dispersed throughout the development, shall contain on average the same number of bedrooms as the market-rate units, and shall be comparable with the market-rate units in terms of appearance, finish quality, and materials.
- (d) *Yards.* Except as otherwise provided in Article 9 of this chapter, the following yard requirements apply:
- (1) Front Yards. Front yards are not required.
 - (2) Side Yards.
 - (i) Each lot or parcel of land that has a side lot line adjoining property in a residential or agriculture zone shall have a side yard not less than 10 feet in width on the side adjoining such residential or agricultural lot or parcel of land.
 - (ii) Where a side lot line abuts a property not within the MU-O Zone that is developed with a residential use, the minimum setback for the first and second stories is 10 feet, and the minimum setback for the third and fourth stories is 15 feet. Additional stories above the fourth story that are granted pursuant to the City of Artesia Density Bonus Ordinance as affordable housing development concessions shall be subject to a minimum setback of 20 feet. Buildings may be stepped to achieve these setback requirements, or the developer may choose to set back the entire building to meet the largest setback requirement.
 - (iii) Where the side lot line of any lot or parcel of land adjoins property that is not within the MU-O Zone or that is not zoned for residential use, the side yard shall conform to the underlying zone of that lot or parcel.
 - (3) Rear Yards.
 - (i) Each lot or parcel of land which has a rear lot line adjoining property in a residential or agricultural zone shall have a rear yard not less than 10 feet

in depth.

- (ii) Where a rear setback abuts a residentially-zoned property not within the MU-O Zone, the minimum setback for the first and second stories is 10 feet, and the minimum setback for the third and fourth stories is 15 feet.
- (e) *Privacy.* Where a property abuts a residentially-zoned property that is not within the MU-O Zone:
- (1) Private open spaces and communal open spaces that face residentially-zoned property shall include screening that is at least six feet above floor level. Screening is not to be considered part of the building for the purposes of measuring building height.
 - (2) All parts of windows on stories above ground level that face residentially-zoned property shall be at least six feet above the floor level in that story or shall be constructed with non-transparent material to obscure views into adjacent private yards (e.g., frosted or textured glass, or other solution to the satisfaction of the Community Development Director).
- (f) *Height Limits.* Height limits are established by the number of stories per parcel as shown on Map A, except that additional stories added pursuant to Section 9-2.4807(c)(3), Artesia Density Bonus, are allowed.
- (g) *Design Standards.*
- (1) *Facade Articulation.* The facade of any building shall not have a single, unarticulated plane of more than 30 linear feet. Articulation of the facade shall be of a depth not less than two feet.
 - (2) *Building Entrance.* A building entrance or entrances shall be set back or projected forward from the main facade of the building by not less than six feet.
 - (3) *Additional Design Criteria.* Except where detailed in Subsections (g)(1) and (g)(2), above, development shall meet the objective design criteria applicable to the underlying zoning or Specific Plan except where the underlying zoning is a residential zone. If the underlying zoning is a residential zone, then the design standards applicable to the Commercial General (C-G) Zone apply.
 - (4) *Shade and Shadow Analysis.* New development projects shall not cast shadows with durations of more than three hours during the spring and fall equinoxes, or more than four hours during the winter and summer solstices. Evidence of shadow duration may be demonstrated by a project-specific shade and shadow computer analysis, a structural model, or other means acceptable to the Community Development Director or designee. Reducing a structure's shadow potential may require reducing some or all of a structure's height, regardless of the maximum height permitted in the MU-O Zone area.
- (h) *Off-Street Parking.* Each lot or parcel of land shall comply with the following parking location requirements:
- (1) *Location.* The required parking facilities set forth in Subsection 3(i)(c) of this section shall be located entirely behind or within the building. Vehicle parking may not be located along any street frontage of the property. For the purposes of Subsection 3(i)(a) an alley is not a street.

- (2) Additional requirements for above-grade parking:
 - (i) Parking garage facades shall have decorative elements as follows:
 - (ii) Where a property has a depth of 120 feet or longer as measured from the property street frontage, the parking garage portion of the development shall incorporate on the building's street frontage developable space to accommodate retail, office, or other permitted uses along the street frontage and to screen the parking garage from the street.
 - (iii) Where a property has a depth of less than 120 feet as measured from the property street frontage, the parking garage facade shall incorporate screening elements, window displays, vertical landscaping, or a combination of one or more of these.
 - (3) Parking garages shall have a street-accessible pedestrian entry/exit door. Access from the street shall be controlled by an electronic locking mechanism to prevent unauthorized entry.
- (i) *Parking Spaces Required.*
- (1) The following parking requirements apply:
 - (i) Two standard spaces per each residential unit with two or more bedrooms.
 - (ii) One standard space per each residential unit with one or fewer bedrooms (e.g., studio units);
 - (iii) One quarter (1/4) space per each multi-family unit for guest parking. Multi-family guest parking shall be identified as such and kept separate from retail and commercial parking areas;
 - (iv) For all commercial uses, including restaurants, retail, and service uses, parking requirements are one space per 250 square feet of floor area.
 - (v) For all developments that include five or more affordable units, parking space requirements shall be reduced by 10%, excluding ADA parking space requirements. The number of parking spaces for such projects may be further reduced upon application to the Community Development Director.
 - (vi) For residential uses exclusively accommodating senior housing, supportive or transitional housing, SROs, or other housing for individuals with physical or developmental disabilities, parking-space requirements shall be reduced by 20%, excluding ADA parking space requirements. The number of parking spaces for these uses may be further reduced upon application to the Community Development Director.
 - (vii) Hotels are subject to the parking requirements in Article 11.
 - (j) *Bicycle Parking.*
 - (1) For residential uses with ten or more units, one bicycle space for every four residential units or four total spaces, whichever is more, shall be provided in a secured location for exclusive use by residents and their guests.
 - (2) For commercial uses, one bicycle space per 1,000 square feet of retail or service use floor space shall be provided in a location accessible to the public.

- (k) *Signs*. All signage shall comply with Title 9, Ch. 2 of Article 12 of the Artesia Municipal Code.
- (l) *Landscaping*. Except as modified by this article, landscaping shall comply with Article 15 of this chapter.
 - (1) Landscaping other than turfgrass (lawns) may be provided in any manner, including, but not limited to, ornamental planting at grade, including trees, shrubs, annual plants, decorative groundcover, etc., and ornamental planting in raised planters. Turfgrass shall not be used as a decorative groundcover or other non-functional application. Turfgrass may be used in common areas, but shall be subject to City or State water-conservation regulations. Landscaping may be included in rear and side setback areas.
 - (2) Article 15, Section 9-2.1502, Required Area, does not apply to properties developed according to the Mixed-Use Overlay.
- (m) *Trash Containers*. Trash enclosures shall comply with the trash enclosure standards applicable to the underlying zone or Specific Plan.
- (n) *Air Conditioning Units*. Exterior air conditioning unit locations shall comply with the Air Conditioning Unit standards applicable to the underlying zone or Specific Plan. If no standards are established by the underlying zone or Specific Plan, exterior air conditioning units shall be screened according to the development standards set forth in Artesia Municipal Code Title 9, Planning and Zoning, Article 29 Multiple Residential (M-R), Section 9-2.2904(k).
- (o) *Lighting*. All outdoor parking lot, security, and ornamental landscape lighting, except for ornamental landscape uplights designed to illuminate tree canopies, shall be shielded and directed downwards. Lamps shall be shielded such that their illumination does not exceed 0.5 foot-candle at any property boundary.
- (p) *Emissions Analysis*. Prior to issuance of building permits, project applicants shall estimate development projects' construction and operational emissions using the CalEEMod® Emissions Estimator or equivalent modeling tool, and shall incorporate emissions-reduction measures so that estimated construction and operational emissions do not exceed applicable regional and localized thresholds.

- (q) *Energy Efficiency.* Prior to issuance of building permits, project applicants shall demonstrate in their Title 24 energy calculations that Title 24 minimum requirements will be exceeded by 10%. Projects incorporating 100% affordable residential units are exempt from this requirement.
- (r) *Noise and Vibration Analysis.* Prior to issuance of building permits for any proposed construction activity requiring a building permit where pile drivers, pavement breakers, jack-hammers, compaction equipment such as vibratory rollers, or other equipment typically causing ground-borne vibration will be used, applicants shall evaluate the potential of construction equipment to cause vibration that would adversely affect people or structures. If the anticipated vibration would exceed 0.5 PPV, then vibration-dampening measures are required to reduce vibration to less than 0.5 PPV.

§ 9-2.4808. Design Review.

- (a) *Applicability.* Projects meeting the following criteria are subject to discretionary Design Review approval in accordance with Article 20 of this chapter:
 - (1) Any proposed development in the MU-O Zone without a housing component;
 - (2) Any proposed residential or mixed-use (commercial-residential) project that does not contain very-low-income, low income, or moderate-income units;
 - (3) All other projects except as enumerated in Section 9-2.4808(b) below.
 - (4) Residential or mixed-use projects that achieve a density less than 40 dwelling units per acre, require legislative approval subject to discretionary review and No Net Loss Law as outlined in Government Code section 65863.
- (b) *Exemptions.* The following development project categories are exempt from discretionary Design Review:
 - (1) Any proposed residential development in the MU-O Zone that is subject to ministerial review;
 - (2) Residential development incorporating four or fewer market-rate residential units;
 - (3) Multi-Family residential projects of five or more residential units that include affordable housing;
 - (4) Mixed-use development that are described by Government Code Section 65589.5(h)(2)(B) and that includes affordable housing;
 - (5) Residential projects comprising 100% low or very low income units or a combination thereof;
 - (6) Single room occupancy residential facilities;
 - (7) Emergency shelters;
 - (8) Employee housing;
 - (9) Transitional housing;

- (10) Supportive housing;
- (11) Residential projects designed to accommodate seniors (65+) or people with disabilities.

§ 9-2.4809. Community Benefit Program.

- (a) *Community Benefit Program.* The Community Benefit Program is intended to balance development goals with community housing needs to take meaningful action to affirmatively further fair housing. The program features two Community Benefits, the Artesia Density Bonus, and the Affordable Housing In Lieu fee program. The Artesia Density Bonus permits increased residential height limits in exchange for affordable housing, and the "in-lieu" fee program permits market-rate development in exchange for contributing to developing affordable housing elsewhere in the City. All sites within the MU-O boundary are subject to the City's Community Benefit Program for Affordable Housing, as follows:
 - (1) Except as set forth below, projects that are entirely non-residential are exempt from providing affordable housing pursuant to this section.
 - (2) Applicability. The provisions of this section shall be applicable to all development projects within the MU-O Zone.
- (b) *Artesia Density Bonus.* The Artesia Density Bonus as set forth in Section 9-2.4807(c)(3) may be utilized by all projects within the MU-O zone and is intended to facilitate the development of affordable housing in the City.
- (c) *Affordable Housing In Lieu Fee.* The Affordable Housing In-Lieu fee shall be applied to development projects within the MU-O as set forth below.
 - (1) Application:
 - (i) Projects proposing a minimum of 15% very-low-income units, 15% low-income units, or 25% moderate-income units, or combination thereof, (calculated from base density) shall be exempt from the in-lieu fee;
 - (ii) Projects proposing less than the affordability percentages in Section 9-2.4808(c)(1)(i) shall be subject to the corresponding proportional amount of the in-lieu fee as follows:
 - (A) Projects proposing less than 5% of very-low or low-income units, or less than 10% of moderate income units, shall be subject to 75% of the fee;
 - (B) Projects proposing between 5% and 10% of very-low or low-income units, or between 10% and 20% of moderate-income units, shall be subject to 50% of the fee;

- (C) Projects proposing between 10% and 15% of very-low-income or low-income units, or between 20% and 25% of moderate-income units, shall be subject to 25% of the fee.
- (iii) Projects not proposing any affordable housing units shall be subject to 100% of the in-lieu fee.
- (2) Amount of Fee. The amount of the in-lieu fee shall be set by resolution of the City Council.
- (3) Timing of Payment. The fee required by this section shall be paid before issuance of a certificate of occupancy or final inspection.
- (4) Basis for Fee. The fee shall be calculated according to the results of a City-initiated development fee study, and shall be increased periodically according to the Consumer Price Index or similar time-based escalator. There is a reasonable relationship to requiring properties that could otherwise include affordable residential units to offset the lack of affordable units in each project with the fee because the fee serves the important public purpose of facilitating affordable housing.
- (5) Affordable Housing Trust Fund. Fees paid to fulfill the requirements of this chapter shall be placed in the City's Affordable Housing Trust Fund. The funds shall be used exclusively for projects that have a minimum of 60% of the dwelling units affordable to low-and moderate-income households, with at least 30% of the units available to low-income households. Only tax-exempt nonprofit corporations seeking to create or to preserve the housing in the city shall be eligible to apply to the Council for funding. The funds may, at the discretion of the Council, be used for pre-development costs, land or air rights acquisition, administrative costs, gap financing, or to lower the interest rate of construction loans or permanent financing. In a project that includes market-rate units, trust fund monies shall only be provided to assist in the acquisition or construction of those units affordable to lower- and moderate-income households.
- (d) *Affordable Housing Regulatory Agreement.* A legally binding agreement, in a form approved by the City Attorney, shall be executed and recorded against the property to ensure that the property complies with all of the requirements of state law and of this article, including, but not limited to, the requirement that affordable units be deed-restricted in accordance with state law requirements. If affordable units are not subject to a durational requirement imposed by state law, then such affordable units must be deed restricted for a period of not less than 35 years. The property owner shall record the regulatory agreement prior to recording any final map for the property, or prior to the issuance of any building permit for the project, whichever comes first. The regulatory agreement shall bind all future owners and successors in interests of the project.

Figure 1 City of Artesia Mixed -Use Overlay, Map A

