CITY OF COSTA MESA OFFICIAL PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that the City Council will hold a public hearing on the following item:

➤ A PROPERTY TAX EXCHANGE AGREEMENT WITH THE COUNTY OF ORANGE AND THE SECOND READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA TO PRE-ZONE TO R-1-6,600 (SINGLE-FAMILY RESIDENTIAL DISTRICT — MINIMUM LOT SIZE 6,600 SQUARE FOOT LOT) IN ASSOCIATION WITH ANNEXATION PROCEEDINGS REGARDING THE SANTA ANA/COLLEEN COUNTY ISLAND IN EASTSIDE COSTA MESA.

The Costa Mesa City Council will hold a public hearing to consider a property tax exchange agreement with the County of Orange and conduct the second reading of an Ordinance of the City Council of the City of Costa Mesa to pre-zone (R-14-02) to amend the Zoning Map to R1 – 6,600 (Single-Family Residential District – Minimum lot size 6,600 square feet). The proposed Rezoning is being considered to pre-zone the property as part of a larger effort to annex the 14-acre County Island through LAFCO. Upon annexation by the City, as proposed, the following breakdown of property taxes will be applied:

- From annexation to FY 2024-25, the City will receive 100% of the base amount of the property tax that is subject to negotiation. This amount excludes the tax increment, which is currently pledged by the County to redevelopment debt repayment.
- Beginning in FY 2024-25, after debt repayment, the property tax split will result in the City receiving 50.9527% and the County receiving 49.0473%.

On June 17, 2014 the City Council introduced Ordinance No. 14-07 for first reading: An Ordinance of the City Council of the City of Costa Mesa, California, granting approval to adopt Rezone R-14-02 for a Rezone (or change) of the zoning classification of the 14-acre County Island commonly known as the Santa Ana/Colleen Annexation area to R1 - 6,600 (Single-Family Residential District - Minimum lot size 6,600 square feet).

On July 15, 2014 the City Council continued the item off calendar to allow time for further community meetings on the issue. The Tax Exchange Agreement and Pre-zoning are scheduled for City Council consideration on September 2, 2014. This Ordinance grants approval to adopt Rezone R-14-02 for a change of the zoning classification to R1 - 6,600. A certified copy of the full text of Ordinance No. 14-07 is posted and may be read in the City Clerk's office, 77 Fair Drive, Costa Mesa.

IF THE AFOREMENTIONED ACTION IS CHALLENGED IN COURT, the challenge may be limited to only those issues raised at the public hearing described in the notice, or in written correspondence delivered to the decision-making body at, or prior to, the public hearing. For detailed project description information, telephone (714) 754-5245, or visit the Planning Division, Second Floor of City Hall, 77 Fair Drive, Costa Mesa, California. The Planning Division is open 8:00 a.m. to 5:00 p.m. Monday through Friday.

THE PUBLIC HEARING WILL BE HELD AS SHOWN BELOW:

CITY COUNCIL PUBLIC HEARING

Date: Tuesday, September 2, 2014

Time: 7:00 p.m. or as soon as possible thereafter

Place: City of Costa Mesa City Hall Council Chambers

77 Fair Drive, Costa Mesa, California

Copies of Staff

Reports Available to Friday, August 29, 2014 after 4:00 p.m. or

Interested Parties: available on the City's Website.