

May 6, 2024

Planning Commission
Meeting

Written Public Comments

Item 4.2

Public Hearing to consider an ordinance amending Chapter 17.44 of the Orange Municipal Code providing a mechanism for the transfer of development rights, and finding of CEQA exemption. (Continued from April 15, 2024).

May 6, 2024

Honorable Chairman Vazquez
Orange Planning Commission
City of Orange
300 E. Chapman Ave
Orange, CA 92866

RE: Comments on Agenda Item 4.2: Ordinance Amending Chapter 17.44 of the Orange Municipal Code providing a mechanism for the transfer of development rights.

To The Honorable Chairman David Vazquez and Planning Commission members,

The Kennedy Commission (the Commission) is a broad-based coalition of residents and community organizations that advocates for the production of homes affordable for families earning less than \$30,000 annually in Orange County. Formed in 2001, the Commission has been successful in partnering and working with Orange County jurisdictions to create effective housing and land-use policies that have led to the new construction of homes affordable to lower-income working families.

Thank you for the opportunity to review and comment on the ordinance amending Chapter 17.44 of the Orange Municipal Code, providing a mechanism for the transfer of development rights. The staff report indicates that the Transfer of Development Rights will intensify housing on identified development zones established by the ordinance. The Transfer of Development Rights will be negotiated through a development agreement in exchange for community benefit.

The Commission is in opposition to the City creating the proposed Transfer of Development Rights Ordinance, unless the City incorporates a minimum requirement of 15% affordable units for low, very low and extremely low in residential developments that benefit from the Transfer of Development Rights.

Ensuring that affordable housing is developed as part of the Transfer of Development Rights is essential as a policy that can promote equitable housing development. The sites identified for intensified housing transfer rights under the proposed ordinance are in the UMU zones. These same UMU zone sites have been identified as opportunity sites for lower income in the City's approved Housing Element. As analyzed as part of the Housing Element, UMU zones sites are to be available for lower income RHNA based solely on densities of above 30 dwelling units to the acre. No additional incentives or programs have been included in the Housing Element to facilitate affordable housing development on these sites. This strategy of offering higher density

sites in the UMU zone to produce affordable housing was the same in the 5th cycle and it was unsuccessful, no lower income units have been produced in the UMU zone.

As a result of the lack of production of affordable housing with this strategy, the City committed to add a policy action, “to consider adopting an Inclusionary Housing Ordinance if existing incentives fail to result in affordable housing at levels identified in the RHNA” (HCD Letter, Sep. 29, 2023).

The current proposed Transfer of Development Rights Ordinance simply provides more intense housing development that will be higher density in UMU zones at market rate and no affordable housing units. The Commission recommends developments that take advantage of the Transfer of Development Rights for residential need to include a minimum 15% of the total proposed development as affordable at low and very low and extremely low as a community benefit to help meet lower income RHNA and Housing Element commitments.

The City of Orange has a total RHNA of 3,936 units, which comprises 1,067 very low units and 604 low income units. The City’s 2021-2029 Housing Element states that, “all of the City’s lower income RHNA needs is anticipated to be accommodated within the UMU zone, which can accommodate development at up to 60 dwelling units per acre” (P. 3-54). Therefore, the Transfer of Development Rights creates a situation where additional density is given to development without requiring affordable housing units in exchange for that additional benefit.

The proposed Transfer of Development Rights ordinance creates more greater incentives for market rate housing development and does not incorporate a policy or incentive to create affordable housing on these lower income opportunity sites. In addition, the proposal will allow the city and developers to circumvent State Density Bonus Law by simply giving additional residential intensity, density and incentives without capturing affordable housing in exchange for these benefits.

Additionally, The City’s 2021-2029 Housing Element specifies, “The City of Orange is able to accommodate all of its moderate and above moderate income RHNA need through available land with existing zoning classifications that permit residential as a primary use, as well as through the anticipated development of accessory dwelling units.” The city already has the existing tools and capacity to fulfill their RHNA goals for moderate and above moderate, it is imperative for the City to shift their focus to fulfilling their RHNA goal for low and very low income households with the Transfer of Development Rights ordinance.

The City can take the opportunity to establish a Transfer of Development Rights program for purposes of open space preservation, historic preservation, housing, and economic development would have a great impact on producing more affordable housing if the requires benefiting

developments to incorporate a minimum of 15% of units to very low and low income in exchange for the intensified development opportunities.

We look forward to working with the City of Orange to encourage effective housing policies that will help create balanced housing development and create much-needed affordable housing in our local communities. If you have any questions, please feel free to contact me at

Sincerely,

A handwritten signature in dark ink, appearing to read 'Cesar', followed by a long, horizontal, slightly wavy line that extends to the right.

Cesar Covarrubias
Executive Director



CITY OF ORANGE
CITY CLERK
2024 MAY -6 PM 2:18

May 6, 2024

Mr. David Vasquez, Chairman
Orange City Planning Commission
300 East Chapman Avenue
Orange Ca 92866

Re: Ordinance #24 – Amending Chapter 17.44 of the Orange Municipal Code

Dear Mr. Chairman,

On behalf of "Chapman Yorba VIII" the owner of the property identified in the Staff Report dated April 22, 2024. Staff has made no effort to consult with Chapman Yorba VIII regarding the proposed ordinance at all, and Chapman Yorba VIII objects to the characterization of its property in the Staff Report. The property is not open space, but rather is a recognized "holding zone" for private development by prior City Council resolutions. Chapman Yorba VIII's property is also the subject of a presently pending and vested application to be developed as a mixed-use project comprised of 138 apartments, twenty percent of which will be reserved for low-income households, and a self-storage facility. Chapman Yorba VIII's application is subject to approval by the City pursuant to State Builder's Remedy law and State Density bonus law. Chapman Yorba VIII intends to develop its property as proposed in its presently pending applications, and any action taken by the Planning Commission should be fully cognizant of and informed by that intention.

Thank you,

A handwritten signature in blue ink, appearing to read "Robert Pack", is written over a blue oval stamp.

Robert Pack – Project Manager
Stonefield Development

Cc: Allan Abshez, Esq., Loeb & Loeb LLP
Neil D. Morrison, P.E, NDM Engineering
Philip E. Becker, Sovereign Properties Group, Ltd., its manager