

AGENDA

Planning Commission

May 06, 2024

DAVID VAZQUEZ Chair

> ALISON VEJAR Vice Chair

DAVE SIMPSON Commissioner

RICK MARTINEZ Commissioner

SHANNON TUCKER Commissioner

RUBY MALDONADO Commissioner

TIM McCORMACK

Commissioner

Anna Pehoushek **Assistant Community Development Director**

Melissa Crosthwaite Sr. Assistant City Attorney

Jessica Garcia Administrative Assistant 5:30 PM Regular Session

City Council Chamber 300 E. Chapman Avenue Orange, CA 92866

Welcome to the Planning Commission meeting. Regular meetings of the City of Orange Planning Commission are held the first and third Monday of each month at 5:30 p.m.

Agenda Information

The agenda contains a brief general description of each item to be considered. Written materials relating to an item on the agenda that are provided to the Planning Commission after agenda packet distribution and within 72 hours before it is to consider the item will be made available for public inspection in the City Clerk's Office located at 300 E. Chapman Avenue, Orange, during normal business hours; at the Planning Commission meeting; and made available on the City's website.

Public Participation

Planning Commission meetings may be viewed on Spectrum Cable Channel 3 and AT&T U-verse Channel 99 or streamed live and on-demand on the City's website at www.cityoforange.org.

Pursuant to Government Code Section 54954.3, members of the public may address the Planning Commission on any agenda items or matters within the jurisdiction of the governing body by using any of the following methods:

1) In-person

To speak on an item on the agenda, complete a speaker card indicating your name, address, and identify the agenda item number or subject matter you wish to address. The card should be given to City staff prior to the start of the meeting. General comments are made during the "Public Comments" section at the beginning of the meeting. Public Comments are limited to three (3) minutes per speaker unless a different time limit is announced. It is requested that you state your name for the record, then proceed to address the Commission. All speakers shall observe civility, decorum, and good behavior.

(Continued on page 2)

2) Written Public Comments via eComment

Members of the public can submit their written comments electronically for Planning Commission consideration by using the eComment feature on the Agenda page of the City's website at www.cityoforange.org. To ensure distribution to the Planning Commission prior to consideration of the agenda, we encourage the public to submit written comments by 3:00 p.m. the day of the meeting. All written comments will be provided to the Commissioners for consideration and posted on the City's website after the meeting.

3) Public Comments via recorded voicemail message

Finally, the public can record their comments by calling (714) 744-7271 no later than 4:00 p.m. the day of the meeting. Recorded messages will not be played at the meeting, but will be provided to the Planning Commission and the caller's position will be summarized in the minutes.

Please contact the City Clerk's Office at (714) 744-5500 with any questions.

ADA Requirements: In compliance with the Americans with Disabilities Act, if you need accommodations to participate in this meeting, contact the Clerk's office at (714) 744-5500. Notification at least 48 hours in advance of meeting will enable the City to make arrangements to assure accessibility to this meeting.

REMINDER: Please silence all electronic devices while Planning Commission is in session.

APPEAL PROCEDURE

Any final determination by the Planning Commission may be appealed, and such appeal must be filed within 15 calendar days after the Planning Commission action. This appeal shall be made in written form to the Community Development Department, accompanied by an initial appeal deposit of \$1,000.00.

The City Clerk, upon filing of said appeal, will set petition for public hearing before the City Council at the earliest date. All owners of property located within 300 feet of the project site will be notified by the City Clerk of said hearing. For additional information, please call (714) 744-7220.

If you challenge any City of Orange decision in court, you may be limited to raising only those issues you or someone else raised at the public hearing described on this agenda or in written correspondence delivered to the Planning Commission at, or prior to, the public hearing.

1. OPENING/CALL TO ORDER

1.1 PLEDGE OF ALLEGIANCE

Commissioner Dave Simpson

1.2 ROLL CALL

2. PUBLIC COMMENTS

At this time, members of the public may address the Commission on matters not listed on the Agenda which are within the subject matter jurisdiction of the Commission, provided that NO action may be taken on off-agenda items unless authorized by law. Public Comments are limited to three (3) minutes per speaker.

3. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine by the Planning Commission and will be enacted by one motion. There will be no separate discussion of said items unless members of the Planning Commission, staff or the public request specific items removed from the Consent Calendar for separate action.

3.1. Approval of meeting minutes of the City of Orange Planning Commission Regular Meeting held on April 15, 2024.

Recommended Action:

Approve minutes as presented.

Attachments: Staff Report

April 15, 2024, Regular Meeting minutes

4. OLD BUSINESS

4.1. Accessory Dwelling Unit Ordinance Update (Continued from April 15, 2024).

Recommended Action:

Adopt Planning Commission Resolution No. PC 14-24 entitled:

A Resolution of the Planning Commission of the City of Orange recommending that the City Council adopt an ordinance updating accessory dwelling unit provisions of the Orange Municipal Code in response to changes in state law and guidance from the Department of Housing and Community Development.

Attachments: Staff Report

Attachment 1 Planning Commission Resolution No. PC 14-24 with

proposed ADU Ordinance (Clean Copy)

Attachment 2 Proposed ADU Ordinance - Redlined Copy

Attachment 3 Govt Code Sections 66310-66339

Attachment 4 City Council Ordinance No. 03-21 - Existing ADU

Ordinance

Attachment 5 Major Transit Stop Half Mile Buffer Map

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).

Recommended Action:

Adopt Planning Commission Resolution No. 11-24 entitled:

A Resolution of the Planning Commission recommending that the City Council approve an ordinance of the City Council of the City of Orange amending Chapter 17.44 of the Orange Municipal Code adding a new Section 17.44.210 to establish a mechanism for the transfer of development rights for purposes creating opportunities for housing, open space, and trails.

Attachments: Staff Report

Attachment 1 Planning Commission Resolution No. PC 11-24

(including Draft Ordinance).

Attachment 2 Sending and Receiving Area Maps.

5. ADJOURNMENT

The next Regular Planning Commission Meeting will be held on Monday, May 20, 2024 at 5:30 p.m., in the Council Chamber.

I, Jessica Garcia, Administrative Assistant for the City of Orange, hereby declare, under penalty of perjury, that a full and correct copy of this agenda was posted pursuant to Government Code Section 54950 et. seq., at the following locations: Orange Civic Center kiosk and Orange City Clerk's Office at 300 E. Chapman Avenue, Police facility at 1107 N. Batavia, Orange Main Public Library at 407 E. Chapman Avenue, and uploaded to the City's website www.cityoforange.org.

Date posted: 5/2/2024



Agenda Item

Planning Commission

Item #: 3.1. 5/6/2024 File #: 24-0302

TO: Chair and Members of the Planning Commission

THRU: Anna Pehoushek, Assistant Community Development Director

FROM: Jessica Garcia, Administrative Assistant

1. SUBJECT

Approval of meeting minutes of the City of Orange Planning Commission Regular Meeting held on April 15, 2024.

2. SUMMARY

Submitted for your consideration and approval are the minutes of the above meeting(s).

3. RECOMMENDED ACTION

Approve minutes as presented.

4. ATTACHMENTS

April 15, 2024 Regular Meeting minutes



Agenda Item

Planning Commission

Item #: 3.1. 5/6/2024 File #: 24-0302

TO: Chair and Members of the Planning Commission

THRU: Anna Pehoushek, Assistant Community Development Director

FROM: Jessica Garcia, Administrative Assistant

1. SUBJECT

Approval of meeting minutes of the City of Orange Planning Commission Regular Meeting held on April 15, 2024.

2. SUMMARY

Submitted for your consideration and approval are the minutes of the above meeting(s).

3. RECOMMENDED ACTION

Approve minutes as presented.

4. ATTACHMENTS

April 15, 2024 Regular Meeting minutes

MINUTES - DRAFT

City of Orange

Planning Commission

April 15, 2024

The Planning Commission of the City of Orange, California convened April 15, 2024, at 5:30 p.m. in a Regular Meeting in the Council Chamber, 300 E. Chapman Avenue, Orange, California.

1. OPENING/CALL TO ORDER

Chair Vazguez called the meeting to order at 5:34 p.m.

1.1 PLEDGE OF ALLEGIANCE

Commissioner Maldonado led the flag salute.

1.2 ROLL CALL

Present: Martinez, Simpson, Vejar, Maldonado, Tucker, and Vazquez

Absent: McCormack

2. PUBLIC COMMENTS

None.

3. CONSENT CALENDAR

3.1. Approval of meeting minutes of the City of Orange Planning Commission Regular Meeting held on March 18 and April 1, 2024.

Note: Chair Vazquez abstained from voting on the March 18 and April 1, 2024 meeting minutes, as he was not present at those meetings. Commissioner Simpson abstained from voting on the April 1, 2024 meeting minutes, as he was not present at that meeting.

ACTION: Approved minutes as presented.

Approval of the Consent Calendar

A motion was made by Vice Chair Martinez, seconded by Commissioner Tucker, to approve the Consent Calendar as presented. The motion carried by the following vote:

Ayes: Martinez, Simpson, Vejar, Maldonado, and Tucker

Noes: None
Absent: McCormack
Abstain: Vazquez

4. NEW BUSINESS

4.1. Public Hearing to consider a request to serve beer, wine, and distilled spirits for on-site consumption in association with a Buffalo Wild Wings expansion, located at 20 City Boulevard West, Suite 901A and finding of CEQA exemption (Conditional Use Permit No. 3214-23).

Chair Vazquez opened the public hearing at 5:44 p.m.

Public Speakers:

Michael Cho, Applicant, spoke on behalf of the project.

Chair Vazquez closed the public hearing at 5:44 p.m.

A motion was made by Vice Chair Vejar, seconded by Commissioner Simpson, to:

- 1) Adopt Planning Commission Resolution No. 15-24. A Resolution of the Planning Commission of the City of Orange approving Conditional Use Permit No. 3214-23, allowing the sale of beer, wine, and distilled spirits for on-site consumption in conjunction with a State of California Department of Alcoholic Beverage Control Type 47 license (On-Sale General Eating Place) within an expanded restaurant, located at 20 City Boulevard West, Suite 901.
- 2) Find that the proposed project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per State CEQA Guidelines 15301 (Class 1 Existing Facilities).

Ayes: Martinez, Simpson, Vejar, Maldonado, Tucker, and Vazquez

Noes: None McCormack

4.2. Public Hearing to consider a request to allow the sale of alcohol at an existing convenience store located at 1190 N. Glassell Street, Suite A (Conditional Use Permit No. 3145-21).

Chair Vazquez opened the public hearing at 5:49 p.m.

Public Speakers:

Melvin R (Dick) Evitt, Applicant, Tony Aljiryes, Landlord, spoke on behalf of the project.

Chair Vazquez closed the public hearing at 5:57 p.m.

A motion was made by Commissioner Martinez, seconded by Commissioner Maldonado, to adopt Planning Commission Resolution No. PC 13-24.

Resolution No. 13-24. A Resolution of the Planning Commission of the City of Orange denying Conditional Use Permit No. 3145-21, a request to allow for a full range of alcoholic beverage sales for off-site consumption in conjunction with a new State of California Department of Alcoholic Beverage Control Type 21 license (Off-Sale General) at an existing convenience store located at 1190 N. Glassell Street, Suite A.

Aves: Martinez, Vejar, Maldonado, Tucker, and Vazquez

Noes: Simpson
Absent: McCormack

4.3. Public Hearing to consider a request to add the sale of distilled spirits to the sale of beer and wine at an existing convenience store located at 1095 N. Glassell Street and finding of CEQA Exemption (Conditional Use Permit No. 3217-24).

A motion was made by Chair Vazquez, seconded by Commissioner Tucker, to continue Item 4.3. to a date uncertain to allow time for the applicant to provide additional information.

Aves: Martinez, Simpson, Vejar, Maldonado, Tucker, and Vazquez

Noes: None

Absent: McCormack

(Items 4.4 and 4.5 were voted on concurrently.)

4.4. 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.

Staff requested a continuance of Item 4.4 for further refinement.

4.5. Public Hearing to consider an ordinance amending Chapter 17.29 of the Orange Municipal Code pertaining to Accessory Dwelling Unit regulations.

Staff requested a continuance of Item 4.5 for further refinement.

A motion was made by Commissioner Maldonado, seconded by Commissioner Vejar, to continue Items 4.4 and 4.5 to the May 6, 2024, Regular Planning Commission meeting. The motion carried by the following vote:

Ayes: Martinez, Simpson, Vejar, Maldonado, Tucker, and Vazquez

Noes: None

Absent: McCormack

5. ADJOURNMENT

There being no further business, the meeting was adjourned at 6:04 p.m.

The next Regular Planning Commission meeting will be held on May 6, 2024 at 5:30 p.m., in the Council Chamber, 300 E. Chapman Avenue, Orange California 92866.

Anna Pehoushek, FAICP

Assistant Community Development Director



Agenda Item

Planning Commission

Item #: 4.1. 5/6/2024 **File #:** 24-0287

TO: Chair and Members of the Planning Commission

THRU: Anna Pehoushek, Assistant Community Development Director

FROM: Arlen Beck, Associate Planner

1. SUBJECT

Accessory Dwelling Unit Ordinance Update (Continued from April 15, 2024).

2. SUMMARY

An update to the City's existing Accessory Dwelling Unit Ordinance in response to changes in state law and guidance from the Department of Housing and Community Development, and a finding of CEQA exemption.

3. RECOMMENDED ACTION

Adopt Planning Commission Resolution No. PC 14-24 entitled:

A Resolution of the Planning Commission of the City of Orange recommending that the City Council adopt an ordinance updating accessory dwelling unit provisions of the Orange Municipal Code in response to changes in state law and guidance from the Department of Housing and Community Development.

4. AUTHORIZING GUIDELINES

Orange Municipal Code (OMC) Section 17.08.020 authorizes the Planning Commission to review and make advisory recommendations to the City Council on Zoning Ordinance Amendments.

5. PROJECT BACKGROUND

The City of Orange has regulated accessory dwelling units (ADUs), previously known as "granny flats" or "second units" for thirty years. The law has evolved in order to increase the number of ADUs available in the housing market. The City has made numerous changes to its ADU ordinance over the years, summarized below:

In May 2003, in response to changes in state law, the City Council adopted Ordinance No. 8-03 to allow ministerial approval of an ADU of a minimum of 450 sq. ft. and a maximum of 640 sq. ft. in residential zoning districts provided that the lot was occupied by only a single-family residence.

In 2016, state ADU law was again amended to streamline the ADU approval process. The following year, in February 2017 the City Council adopted Ordinance No. 02-17 to again meet the requirements of state law. Key OMC updates at that time included: providing for efficiency units, adding restrictions pertaining to fire safety, adding water connection fee restrictions, clarifying OMC

provisions pertaining to setbacks and separation requirements, and adding more parking exemptions.

On April 13, 2021, the City Council adopted Ordinance No. 03-21, further amending and making clarifying changes to the OMC related to ADUs, to comply with updates to state law. Key OMC updates at that time included: allowing both an ADU and a Junior Accessory Dwelling Unit (JADU), allowing garage conversions, allowing ADUs in existing buildings, and allowing up to 1,000 sq. ft. ADUs.

On January 1, 2023, new laws became effective which required updates to the City's Municipal Code. Additionally, in the process of reviewing the City's Housing Element, the State of California Department of Housing and Community Development (HCD) provided comments on the City's ADU ordinance.

The 2023 state laws primarily changed the following:

- Allow for additional height for some ADUs
- Allow for ADU construction in front yard setbacks

HCD's comments on the City's ADU ordinance include the following:

- OMC Section 17.29.040.A.3.a. requires existing regulations pertaining to the sink, cooking appliance and refrigeration facilities to be removed.
- OMC Section 17.29.110 A. cannot restrict number of bedrooms.
- OMC Section 17.29.110 B. may not apply local design guidelines like a common living area requirement to units created.

6. PROJECT DESCRIPTION

The proposed ordinance brings the OMC into compliance with state law, while retaining those regulations allowed by the law. It also makes further clarifications consistent with state law to provide protections for neighborhood character and quality of life in Orange.

Current State law Compared with Proposed Ordinance

The following chart shows the mandatory provisions of the 2023 state law.

ADU	New Regulation Under State ADU Law as Enacted		
Criteria			
Location of	ADUs are allowed in front yard setbacks. Front setback requirements		
	cannot be used to prohibit ADU construction where there is no other alternative to allow for construction of an 800 square foot ADU that meets height limits and complies with the four-foot side and rear yard setback requirements.		

Height	An attached ADU may be up to 25 feet tall or the maximum height of the
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	primary dwelling allowed under the underlying zoning designation, but not
	to exceed two stories. A detached ADU may be up to 18 feet tall if
	located within a half-mile of a major transit stop or high quality transit
	corridor as defined by state law, or up to 20 feet high if necessary to
	match the roof pitch of the ADU to that of the primary unit. Detached
	ADU up to 18 feet tall is allowed on lots with an existing or proposed Multi-
	family, multi-story residence.

Implementation of HCD Required Amendments

The proposed ordinance also amends the City's existing ordinance to implement HCD's comment pertaining to removal of references to sinks, cooking appliances, refrigeration facilities, number of bedrooms, and common living area.

In addition to amendments required by state law and the guidance from HCD, the deed restriction requirement for ADUs has been removed because the prohibition of the separate sale of an ADU from the primary unit is contained in state law. A deed restriction for JADUs is still in place restricting the maximum size, and separate sale of the JADU from the primary unit, as specified in state law.

Clarifications

Finally, the draft ADU ordinance also clarifies allowable requirements pertaining to certain historic structures, reiterating current state law. For example, the City may apply design standards on ADUs to prevent adverse impacts on any real property that is listed in the California Register of Historical Resources. The City may also apply, and has only applied, objective design and development standards to ADUs and JADUs. For purposes of further clarification, the proposed ordinance lists certain objective design standards explicitly from other provisions of the Municipal Code. A redlined copy of the proposed Ordinance is provided in Attachment 2.

7. ANALYSIS AND STATEMENT OF THE ISSUES

Issue 1: Preemption by State law

Local ordinance deviations are highly limited by state law. The changes made by this update to the ADU ordinance will implement changes required by state law and guidance from HCD. However, the ADU ordinance will continue to regulate ADU size, setback, height, and objective design review criteria, as allowed under the law.

Issue 2: ADUs Allowed in the Front Yard Setback Area

A front yard setback requirement cannot preclude an ADU of 800 square feet or less from being built. However, in historic districts, ADUs will not be allowed in front yard setbacks if it would cause adverse impacts on any real property that is listed in the California Register of Historical Resources.

Issue 3: ADU Height

As stated in the project description, state law now allows any attached ADU of 800 square feet or less to have a height of up 25 feet or the same height as the underlying zoning designation, whichever is less, and no taller than two stories. Additionally, detached ADUs within one-half mile of a

major transit stop or transit corridor as defined by state law may now be up to 18 feet tall or 20 feet tall if needing to match the roof pitch of the principal residence. A major transit stop includes rail stations or bus routes with 15 minute or less bus stop intervals. Attachment 5 depicts areas qualifying for the additional detached ADU height.

8. PUBLIC NOTICE

On April 4, 2024, the City published notice of the Planning Commission public hearing in the Orange City News newspaper. Notification was also posted at City Hall and on the City website on that same date.

9. ENVIRONMENTAL REVIEW

Statutory Exemption: This ordinance is statutorily exempt under the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080.17 and Title 14, California Code of Regulations Section 15282(h) which exempts adoption of an ordinance regarding second units to implement provisions of Sections 66310, et. seq. of the Government Code.

10. ADVISORY BOARD ACTION

No advisory board action was necessary for this ordinance. Staff recommends that the Planning Commission adopt Resolution No. PC 14-24.

11. ATTACHMENTS

- Attachment 1 Planning Commission Resolution No. PC 14-24 with proposed ADU Ordinance (Clean Copy)
- Attachment 2 Proposed ADU Ordinance Redlined Copy
- Attachment 3 Government Code Section 66310 66339
- Attachment 4 City Council Ordinance No. 03-21 Existing ADU Ordinance
- Attachment 5 Major Transit Stop Half Mile Buffer Map



Agenda Item

Planning Commission

Item #: 4.1. 5/6/2024 **File #:** 24-0287

TO: Chair and Members of the Planning Commission

THRU: Anna Pehoushek, Assistant Community Development Director

FROM: Arlen Beck, Associate Planner

1. SUBJECT

Accessory Dwelling Unit Ordinance Update (Continued from April 15, 2024).

2. SUMMARY

An update to the City's existing Accessory Dwelling Unit Ordinance in response to changes in state law and guidance from the Department of Housing and Community Development, and a finding of CEQA exemption.

3. RECOMMENDED ACTION

Adopt Planning Commission Resolution No. PC 14-24 entitled:

A Resolution of the Planning Commission of the City of Orange recommending that the City Council adopt an ordinance updating accessory dwelling unit provisions of the Orange Municipal Code in response to changes in state law and guidance from the Department of Housing and Community Development.

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Orange Municipal Code (OMC) Section 17.08.020 authorizes the Planning Commission to review and make advisory recommendations to the City Council on Zoning Ordinance Amendments.

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The City of Orange has regulated accessory dwelling units (ADUs), previously known as "granny flats" or "second units" for thirty years. The law has evolved in order to increase the number of ADUs available in the housing market. The City has made numerous changes to its ADU ordinance over the years, summarized below:

In May 2003, in response to changes in state law, the City Council adopted Ordinance No. 8-03 to allow ministerial approval of an ADU of a minimum of 450 sq. ft. and a maximum of 640 sq. ft. in residential zoning districts provided that the lot was occupied by only a single-family residence.

In 2016, state ADU law was again amended to streamline the ADU approval process. The following year, in February 2017 the City Council adopted Ordinance No. 02-17 to again meet the requirements of state law. Key OMC updates at that time included: providing for efficiency units, adding restrictions pertaining to fire safety, adding water connection fee restrictions, clarifying OMC

provisions pertaining to setbacks and separation requirements, and adding more parking exemptions.

On April 13, 2021, the City Council adopted Ordinance No. 03-21, further amending and making clarifying changes to the OMC related to ADUs, to comply with updates to state law. Key OMC updates at that time included: allowing both an ADU and a Junior Accessory Dwelling Unit (JADU), allowing garage conversions, allowing ADUs in existing buildings, and allowing up to 1,000 sq. ft. ADUs.

On January 1, 2023, new laws became effective which required updates to the City's Municipal Code. Additionally, in the process of reviewing the City's Housing Element, the State of California Department of Housing and Community Development (HCD) provided comments on the City's ADU ordinance.

The 2023 state laws primarily changed the following:

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6. PROJECT DESCRIPTION

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Height	An attached ADU may be up to 25 feet tall or the maximum height of the		
	primary dwelling allowed under the underlying zoning designation, but not		
	to exceed two stories. A detached ADU may be up to 18 feet tall if		
located within a half-mile of a major transit stop or high quality trans corridor as defined by state law, or up to 20 feet high if necessary to			
	ADU up to 18 feet tall is allowed on lots with an existing or proposed Multi-		
	family, multi-story residence.		

Implementation of HCD Required Amendments

The proposed ordinance also amends the City's existing ordinance to implement HCD's comment pertaining to removal of references to sinks, cooking appliances, refrigeration facilities, number of bedrooms, and common living area.

In addition to amendments required by state law and the guidance from HCD, the deed restriction requirement for ADUs has been removed because the prohibition of the separate sale of an ADU from the primary unit is contained in state law. A deed restriction for JADUs is still in place restricting the maximum size, and separate sale of the JADU from the primary unit, as specified in state law.

Clarifications

Finally, the draft ADU ordinance also clarifies allowable requirements pertaining to certain historic structures, reiterating current state law. For example, the City may apply design standards on ADUs to prevent adverse impacts on any real property that is listed in the California Register of Historical Resources. The City may also apply, and has only applied, objective design and development standards to ADUs and JADUs. For purposes of further clarification, the proposed ordinance lists certain objective design standards explicitly from other provisions of the Municipal Code. A redlined copy of the proposed Ordinance is provided in Attachment 2.

7. ANALYSIS AND STATEMENT OF THE ISSUES

Issue 1: Preemption by State law

Local ordinance deviations are highly limited by state law. The changes made by this update to the ADU ordinance will implement changes required by state law and guidance from HCD. However, the ADU ordinance will continue to regulate ADU size, setback, height, and objective design review criteria, as allowed under the law.

Issue 2: ADUs Allowed in the Front Yard Setback Area

A front yard setback requirement cannot preclude an ADU of 800 square feet or less from being built. However, in historic districts, ADUs will not be allowed in front yard setbacks if it would cause adverse impacts on any real property that is listed in the California Register of Historical Resources.

Issue 3: ADU Height

As stated in the project description, state law now allows any attached ADU of 800 square feet or less to have a height of up 25 feet or the same height as the underlying zoning designation, whichever is less, and no taller than two stories. Additionally, detached ADUs within one-half mile of a

major transit stop or transit corridor as defined by state law may now be up to 18 feet tall or 20 feet tall if needing to match the roof pitch of the principal residence. A major transit stop includes rail stations or bus routes with 15 minute or less bus stop intervals. Attachment 5 depicts areas qualifying for the additional detached ADU height.

8. PUBLIC NOTICE

On April 4, 2024, the City published notice of the Planning Commission public hearing in the Orange City News newspaper. Notification was also posted at City Hall and on the City website on that same date.

9. ENVIRONMENTAL REVIEW

Statutory Exemption: This ordinance is statutorily exempt under the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080.17 and Title 14, California Code of Regulations Section 15282(h) which exempts adoption of an ordinance regarding second units to implement provisions of Sections 66310, et. seq. of the Government Code.

10. ADVISORY BOARD ACTION

No advisory board action was necessary for this ordinance. Staff recommends that the Planning Commission adopt Resolution No. PC 14-24.

11. ATTACHMENTS

- Attachment 1 Planning Commission Resolution No. PC 14-24 with proposed ADU Ordinance (Clean Copy)
- Attachment 2 Proposed ADU Ordinance Redlined Copy
- Attachment 3 Government Code Section 66310 66339
- Attachment 4 City Council Ordinance No. 03-21 Existing ADU Ordinance
- Attachment 5 Major Transit Stop Half Mile Buffer Map

RESOLUTION NO. PC 14-24

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ORANGE RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCE NO. XX-24 UPDATING ACCESSORY DWELLING UNIT PROVISIONS OF THE ORANGE MUNICIPAL CODE IN RESPONSE TO CHANGES IN STATE LAW AND GUIDANCE FROM THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

APPLICANT: CITY OF ORANGE

WHEREAS, in 2019, the State Legislature enacted new laws related to Accessory Dwelling Units ("ADUs") and Junior Accessory Dwelling Units ("JADUs"), formerly known as "second units" or "granny flats, including Assembly Bills ("AB") 68, 881, 587, 670 and Senate Bill ("SB") 13; and

WHEREAS, in enacting new laws, the Legislature aimed to address barriers to the development of ADUs and JADUs that may occur under existing local ordinances and establish certain minimum standards for approving such dwelling units, and

WHEREAS, on or about April 13, 2021, the City adopted Ordinance No. 03-21 codifying rules and regulations pertaining to ADUs and JADUs in accordance with State law mandates at that time and in efforts to address California's continuing housing crisis; and

WHEREAS, since 2020, the Legislature has made numerous changes to ADU law, as contained in, but not limited to, AB 671, 976, AB 897, 1332, 1033, which have made both substantive and non-substantive changes to the ADU and JADU laws; and

WHEREAS, the State Legislature also recently re-codified ADU laws from Government Code Sections 65852.2, *et. seq.* to Government Code Section 66310, *et. seq.*; and

WHEREAS, the City now desires to revise the Orange Municipal Code's Chapter 17.29 to be consistent with the most recent changes to State law regarding ADUs and JADUs, and Housing and Community Development Department ("HCD") guidance, and to make further clarifications consistent with State law in order to ensure the City's continued compliance with the letter and spirit of ADU laws; and

WHEREAS, at the regularly scheduled Planning Commission meeting on April 15, 2024, the Planning Commission moved to continue the item to the next regularly scheduled Planning Commission meeting on May 6, 2024; and

WHEREAS, the Planning Commission, having considered the proposed revisions to the OMC at a public hearing held on May 6, 2024, including review of the staff report, and having

Resolution No. PC 14-24 Page 2 of 12

received public testimony on the item, has determined the proposed ordinance complies with state law and recommends approval thereof.

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission recommends that the City Council approve the subject ordinance, attached hereto as Attachment A, based on the following:

SECTION 1- FINDINGS

The proposed Ordinance No. XX-24 amends existing provisions of the OMC to achieve compliance with state law.

1. The proposed Ordinance No. XX-24 supports the objectives and policies outlined in the General Plan Housing Element. Specifically, the Ordinance will assist in providing housing to meet the needs of low-and moderate income households, remove governmental constraints, promote housing opportunities for all persons, maximize future residential development potential, provide senior housing opportunities, facilitate infill construction and, provide workforce housing. The ordinance also incorporates provisions intended to preserve and protect the quality of life in established neighborhoods.

SECTION 2-ENVIRONMENTAL REVIEW

The proposed ordinance is statutorily exempt under the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080.17 and Title 14, California Code of Regulations Section 15282(h) which exempts adoption of an ordinance regarding second units to implement provisions of Sections 66310 of the Government Code.

ADOPTED this 6^{th} day of May 2024.

David Vazquez
Planning Commission Chair

I hereby certify that the foregoing Resolution was adopted by the Planning Commission of the City of Orange at a regular meeting thereof held on the 6th day of May 2024, by the following vote:

AYES:
NOES:
ABSENT:

Resolution No. PC 14-24 Page 3 of 12

Anna Pehoushek, FAICP Assistant Community Development Director

EXHIBIT A RESOLUTION NO. PC 14-24

ZONE CHANGE NO. 1315-24 ADU ORDINANCE UPDATE

ORDINANCE NO. XX-24

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ORANGE AMENDING TITLE 17 OF THE ORANGE MUNICIPAL CODE UPDATING ACCESSORY DWELLING UNIT PROVISIONS OF THE ORANGE MUNICIPAL CODE IN RESPONSE TO CHANGES IN STATE LAW AND GUIDANCE FROM THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

WHEREAS, in 2019, the State Legislature enacted new laws related to Accessory Dwelling Units ("ADUs") and Junior Accessory Dwelling Units ("JADUs"), formerly known as "second units" or "granny flats, including Assembly Bills ("AB") 68, 881, 587, 670 and Senate Bill ("SB") 13; and

WHEREAS, in enacting new laws, the Legislature aimed to address barriers to the development of ADUs and JADUs that may occur under existing local ordinances and establish certain minimum standards for approving such dwelling units, and

WHEREAS, on or about April 13, 2021, the City adopted Ordinance No. 03-21 codifying rules and regulations pertaining to ADUs and JADUs in accordance with State law mandates at that time and in efforts to address California's continuing housing crisis; and

WHEREAS, since 2020, the Legislature has made numerous changes to ADU law, as contained in, but not limited to, AB 671, 976, AB 897, 1332, 1033, which have made both substantive and non-substantive changes to the ADU and JADU laws; and

WHEREAS, the State Legislature also recently re-codified ADU laws from Government Code Sections 65852.2, *et. seq.* to Government Code Section 66310, et. seq.; and

WHEREAS, the City now desires to revise the Orange Municipal Code's Chapter 17.29 to be consistent with the most recent changes to State law regarding ADUs and JADUs and Housing and Community Development Department ("HCD") guidance and to make further clarifications consistent with State law in order to ensure the City's continued compliance with the letter and spirit of ADU laws.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ORANGE DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I:

Section 17.29.030(H) is hereby added to read:

Resolution No. PC 14-24 Page 6 of 12

H. A deed restriction shall only be required for JADUs, in accordance with Section 17.29.200, and shall not be required for ADUs.

SECTION II:

Subsection A of Section 17.29.040 (Location and Number of ADUs and JADUs Permitted) shall be amended to read as follows:

- A. Allowable Location and Number of JADUs.
 - 1. JADUs are allowed only within the livable area of an existing or proposed single-family dwelling, or existing attached garage of a single-family dwelling.
 - 2. One JADU is permitted per lot, if all of the following apply:
 - a. No expansion of the single-family dwelling or garage footprint shall occur to facilitate JADU construction.
 - b. The JADU shall comply with the requirements of Government Code Section 66333, Health and Safety Code Section 17958.1, and the California Building Code including:
 - i. Prior to occupancy, the JADU shall have a recorded deed restriction, satisfactory to the City and be filed with the City, that prohibits the sale of the JADU separate from the sale of the single-family residence except as provided by Government Code Section 66333 and shall include a statement that the deed restriction may be enforced against future purchasers and shall run with the land.
 - ii. The JADU shall be restricted to the size and attributes shown on plans approved with the building permit.
 - iii. JADU occupancy shall be limited to no more than two persons consistent with California Health and Safety Code Section 17958.1.
 - iv. The JADU shall be constructed entirely within the walls of the proposed or existing single family residence and may be located within an attached garage but may not be in any other accessory structure.
 - v. The JADU shall include exterior access separate from the main entrance to the proposed or existing single-family residence.
 - 3. The JADU shall, at a minimum, include all the following:
 - a. An efficiency kitchen with a cooking facility and appliances.

Resolution No. PC 14-24 Page 7 of 12

- b. A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the JADU.
- c. A separate closet.
- d. Light and ventilation conforming to the California Building Code.
- e. Either a separate bathroom containing a water closet, lavatory, and bathtub or shower or direct access to such facilities in the existing single-family residence.

SECTION III:

Section 17.29.055 is hereby added to read:

17.29.055 ADUs and Historic Preservation

- A. The City may apply design standards on ADUs to prevent adverse impacts on any real property that is listed in the California Register of Historical Resources.
- B. ADUs in a historic district, and individually listed historic properties outside of a historic overlay district, are subject only to the applicable design standards for that property or district to the extent permitted by State law and any other appropriate objective design standards contained in this Code.
- C. Garage doors on contributing structures in the historic districts and on individually listed historic resources shall be preserved in place but finished so that they are inoperable. Non-contributing garages and accessory structures with non-historic doors, including garage doors, may be replaced with a compatible door style or infilled in the original opening, provided that a historical assessment acceptable to the Community Development Director confirms that the garage or accessory structure is not eligible for listing as a contributing structure.

SECTION IV:

Subsection B of Section 17.29.080 (ADU Setbacks) shall be amended to read as follows:

- B. ADUs of 800 Square Feet or Less.
 - 1. Setbacks of no more than four feet from the side and rear lot lines shall be required for an ADU that is not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.
 - 2. Front setbacks shall be pursuant to the setback for the zoning district, except that setback requirements will not be applied to prohibit ADU construction where there is no

Resolution No. PC 14-24 Page 8 of 12

other feasible alternative to allow for construction of an 800 square feet ADU that meets height limits and complies with the four-foot side and rear yard setback requirements.

3. An Administrative Adjustment may not be granted to lessen required setbacks.

SECTION V:

Section 17.29.090 (ADU and JADU Design Standards) shall be amended to read as follows:

17.29.090 ADU and JADU Design Standards

- A. The City may impose standards, including, but not limited to, design and development standards, on ADUs, to the extent permitted by State law.
- B. No provisions applied to ADUs, including, but not limited to, design and development standards, shall be so arbitrary, excessive, or burdensome so as to unreasonably restrict the ability of a homeowner to create accessory dwelling units in zones in which they are authorized.
- C. An ADU or JADU that complies with the requirements of State law shall be subject only to objective design and development standards contained in or referenced by this Code, including, but not limited to, the following:
 - 1. Design elements and detailing shall be continued completely around the structure. Such design elements shall include window treatments, trim detailing, exterior wall materials, and color palette. Firewalls are not exempt from the required design elements.
 - 2. At least two (2) building materials shall be used on any building frontage (excluding roof and foundation) in addition to glazing and railings. Any one material shall comprise at least 20% of the building frontage.
 - 3. At least two (2) exterior colors shall be used. Elements that count toward this requirement include cladding material, trim/accent colors, and visually significant colors for doors, and similar elements. Primary colors shall be used as accent colors only.
 - 4. Trash receptacles locations shall be identified on project plans and shall demonstrate screening from public view via equivalent-height landscaping or a solid wall or fence.
 - 5. Linear streetscape appearance in the building facade shall be avoided by providing variations in horizontal plane in a minimum of 50% of the building front and street side elevations. Variations shall include indentations, recesses, or projections of two (2) feet or greater. Vertical architectural elements (pilasters, columns, piers, other

structural elements) shall vertically project a minimum of eight (8) feet in height and project a minimum of eight (8) inches from the building face.

- 6. Units shall include a minimum three (3) element(s) from the following list to add visual variety and interest to building facades and enhance the connection between public and private realms: eaves, cornices, trellises, overhangs, exposed structural elements such as rafters, recessed windows, columns, bay windows. Other elements may be approved if they provide equivalent visual variety and interest.
- 7. Trim surrounds shall be provided at all exterior window and door openings. Trim shall be substantial, visible, and at least two (2) inches in depth.
- 8. Classical window proportions shall be provided such as 2:1, 3:2, or 4:3.
- 9. No building facade may extend in a continuous plane for more than 20 feet without a window, door, variation in horizontal plane, or vertical architectural element.
- 10. For all new construction ADUs, roof forms and pitch shall match the principal residence, except that, if the roof pitch cannot match the principal residence, the pitch shall be constructed and maintained consistent with the architectural style of the primary residence.

SECTION VI:

A new Section 17.29.095 (Height Limits) is hereby added to read as follows:

17.29.095 Height Limits

- A. 16 feet for detached ADUs.
- B. 18 feet for detached ADUs on a lot within one-half mile of a major transit stop or transit corridor as defined by State law. An allowance of two additional feet may be allowed to accommodate a roof pitch that is aligned with the principal residence.
- C. 18 feet for detached ADUs on a lot with an existing or proposed multi-family, multi-story residence.
- D. 25 feet or the height limit for the underlying zone classification, whichever is lower, for ADUs that will be attached to the principal residence. The ADU shall not exceed two stories in height.

SECTION VII:

Resolution No. PC 14-24 Page 10 of 12

Section 17.29.110 (Number of Bedrooms) is hereby deleted.

SECTION VIII:

Subsection E to Section 17.29.130 is hereby added as follows:

C. The foregoing parking standards are not intended to prohibit ADUs on the same lots that new single- and/or multi-family dwelling units are being proposed, provided that the ADU meets all other specified requirements.

SECTION IX:

Section 17.29.150 is hereby deleted.

SECTION X:

17.29.200 Deed Restriction Required for JADU.

Recordation of a deed restriction, approved as to form by the City Attorney, shall be required for a JADU and shall:

- A. Run with the land.
- B. Be filed with the City after recording.
- C. Prohibit the sale of the ADU or JADU separate from the sale of the primary dwelling.
- D. Include a statement that the deed restriction may be enforced against future purchasers.
- E. Deed restrictions for JADUs shall restrict the size and attributes as stated in the permit.

SECTION VIX:

To the extent required to implement the provisions of this Ordinance, City staff is directed to modify any Administrative Policies in conflict herewith and return to the City Council for any City Council approvals deemed necessary.

SECTION XIII:

If any section, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subdivision, paragraph, sentence, clause and phrase

Resolution No. PC 14-24 Page 11 of 12

thereof, irrespective of the fact that any one (or more) section, subdivision, paragraph, sentence, clause or phrase had been declared invalid or unconstitutional.

SECTION XIV:

The City Clerk is h	ereby directed	to certify the adoption of this Ordinance and cause	a
summary of the same to be	published as a	required by law. This Ordinance shall take effect thirt	y
(30) days from and after the	date of its fin	al passage.	
ADOPTED this	day of	, 2024.	

Daniel R. Slater, Mayor, City of Orange

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Pamela Coleman, City Clerk, City of Orange

APPROVED AS TO FORM:

Mike Vigliotta, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF ORANGE)

I, PAMELA COLEMAN, City Clerk of the City of Orange, California, do hereby certify that the foregoing Ordinance was introduced at the regular meeting of the City Council held on the ____ day of ______, 2024, and thereafter at the regular meeting of said City Council duly held on the ____ day of ______, 2024 was duly passed and adopted by the following vote, to wit:

AYES: COUNCILMEMBERS: NOES: COUNCILMEMBERS: ABSENT: COUNCILMEMBERS: ABSTAIN: COUNCILMEMBERS:

Pamela Coleman, City Clerk, City of Orange

ORDINANCE NO. XX-24

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ORANGE AMENDING TITLE 17 OF THE ORANGE MUNICIPAL CODE UPDATING ACCESSORY DWELLING UNIT PROVISIONS OF THE ORANGE MUNICIPAL CODE IN RESPONSE TO CHANGES IN STATE LAW AND GUIDANCE FROM THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

WHEREAS, in 2019, the State Legislature enacted new laws related to Accessory Dwelling Units ("ADUs") and Junior Accessory Dwelling Units ("JADUs"), formerly known as "second units" or "granny flats, including Assembly Bills ("AB") 68, 881, 587, 670 and Senate Bill ("SB") 13; and

WHEREAS, in enacting new laws, the Legislature aimed to address barriers to the development of ADUs and JADUs that may occur under existing local ordinances and establish certain minimum standards for approving such dwelling units, and

WHEREAS, on or about April 13, 2021, the City adopted Ordinance No. 03-21 codifying rules and regulations pertaining to ADUs and JADUs in accordance with State law mandates at that time and in efforts to address California's continuing housing crisis; and

WHEREAS, since 2020, the Legislature has made numerous changes to ADU law, as contained in, but not limited to, AB 671, 976, AB 897, 1332, 1033, which have made both substantive and non-substantive changes to the ADU and JADU laws; and

WHEREAS, the State Legislature also recently re-codified ADU laws from Government Code Sections 65852.2, *et. seq.* to Government Code Section 66310, et. seq.; and

WHEREAS, the City now desires to revise the Orange Municipal Code's Chapter 17.29 to be consistent with the most recent changes to State law regarding ADUs and JADUs and Housing and Community Development Department ("HCD") guidance and to make further clarifications consistent with State law in order to ensure the City's continued compliance with the letter and spirit of ADU laws.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ORANGE DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I:

Section 17.29.030(H) is hereby added to read:

H. A deed restriction shall only be required for JADUs, in accordance with Section 17.29.200, and shall not be required for ADUs.

SECTION II:

Subsection A of Section 17.29.040 (Location and Number of ADUs and JADUs Permitted) shall be amended to read as follows:

- A. Allowable Location and Number of JADUs.
 - 1. JADUs are allowed only within the livable area of an existing or proposed single-family dwelling, or existing attached garage of a single-family dwelling.
 - 2. One JADU is permitted per lot, if all of the following apply:
 - a. No expansion of the single-family dwelling or garage footprint shall occur to facilitate JADU construction.
 - b. The JADU shall comply with the requirements of Government Code Section 65822.22 66333, Health and Safety Code Section 17958.1, and the California Building Code including:
 - i. Prior to occupancy, the JADU shall have a recorded deed restriction, satisfactory to the City and be filed with the City, that prohibits the sale of the JADU separate from the sale of the single-family residence except as provided by Government Code Section 66333 and shall include a statement that the deed restriction may be enforced against future purchasers and shall run with the land.
 - ii. The JADU shall be restricted to the size and attributes shown on plans approved with the building permit.
 - iii. JADU occupancy shall be limited to no more than two persons consistent with California Health and Safety Code Section 17958.1.
 - iv. The JADU shall be constructed entirely within the walls of the proposed or existing single family residence and may be located within an attached garage but may not be in any other accessory structure.
 - v. The JADU shall include exterior access separate from the main entrance to the proposed or existing single-family residence.
 - 3. The JADU shall, at a minimum, include all the following:
 - a. An efficiency kitchen with a cooking facility and appliances. This includes a kitchen sink, cooking appliance and refrigeration facilities.
 - b. A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the JADU.
 - A separate closet.

- d. Light and ventilation conforming to the California Building Code.
- e. Either a separate bathroom containing a water closet, lavatory, and bathtub or shower or direct access to such facilities in the existing single-family residence.

SECTION III:

Section 17.29.055 is hereby added to read:

17.29.055 ADUs and Historic Preservation

- A. The City may apply design standards on ADUs to prevent adverse impacts on any real property that is listed in the California Register of Historical Resources.
- B. ADUs in a historic district, and individually listed historic properties outside of a historic overlay district, are subject only to the applicable design standards for that property or district to the extent permitted by State law and any other appropriate objective design standards contained in this Code.
- C. Garage doors on contributing structures in the historic districts and on individually listed historic resources shall be preserved in place but finished so that they are inoperable. Non-contributing garages and accessory structures with non-historic doors, including garage doors, may be replaced with a compatible door style or infilled in the original opening, provided that a historical assessment acceptable to the Community Development Director confirms that the garage or accessory structure is not eligible for listing as a contributing structure.

SECTION IV:

Subsection B of Section 17.29.080 (ADU Setbacks) shall be amended to read as follows:

- B. ADUs of 800 Square Feet or Less.
 - 1. Setbacks of no more than four feet from the side and rear lot lines shall be required for an ADU that is not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.
 - 2. Front setbacks shall be pursuant to the setback for the zoning district, except that setback requirements will not be applied to prohibit ADU construction where there is no other feasible alternative to allow for construction of an 800 square feet ADU that meets height limits and complies with the four-foot side and rear yard setback requirements.
 - 3. An Administrative Adjustment may not be granted to lessen required setbacks.

SECTION V:

Section 17.29.090 (ADU and JADU Design Standards) shall be amended to read as follows:

17.29.090 ADU and JADU Design Standards

- A. The City may apply design standards on ADUs to prevent adverse impacts on any real property that is listed in the California Register of Historic Resources.
- A. The City may impose standards, including, but not limited to, design and development standards, on ADUs, to the extent permitted by State law.
- B. No provisions applied to ADUs, including, but not limited to, design and development standards, shall be so arbitrary, excessive, or burdensome so as to unreasonably restrict the ability of a homeowner to create accessory dwelling units in zones in which they are authorized.
- C. An ADU or JADU that complies with the requirements of State law shall be subject only to objective design and development standards contained in or referenced by this Code, including, but not limited to, the following:
 - 1. Design elements and detailing shall be continued completely around the structure. Such design elements shall include window treatments, trim detailing, exterior wall materials, and color palette. Firewalls are not exempt from the required design elements.
 - 2. At least two (2) building materials shall be used on any building frontage (excluding roof and foundation) in addition to glazing and railings. Any one material shall comprise at least 20% of the building frontage.
 - 3. At least two (2) exterior colors shall be used. Elements that count toward this requirement include cladding material, trim/accent colors, and visually significant colors for doors, and similar elements. Primary colors shall be used as accent colors only.
 - 4. Trash receptacles locations shall be identified on project plans and shall demonstrate screening from public view via equivalent-height landscaping or a solid wall or fence.
 - 5. Linear streetscape appearance in the building facade shall be avoided by providing variations in horizontal plane in a minimum of 50% of the building front and street side elevations. Variations shall include indentations, recesses, or projections of two (2) feet or greater. Vertical architectural elements (pilasters, columns, piers, other structural elements) shall vertically project a minimum of eight (8) feet in height and project a minimum of eight (8) inches from the building face.
 - 6. Units shall include a minimum three (3) element(s) from the following list to add visual variety and interest to building facades and enhance the connection between public and private realms: eaves, cornices, trellises, overhangs, exposed structural elements such as rafters, recessed windows, columns, bay windows. Other elements may be approved if they provide equivalent visual variety and interest.

- 7. Trim surrounds shall be provided at all exterior window and door openings. Trim shall be substantial, visible, and at least two (2) inches in depth.
- 8. Classical window proportions shall be provided such as 2:1, 3:2, or 4:3.
- 9. No building facade may extend in a continuous plane for more than 20 feet without a window, door, variation in horizontal plane, or vertical architectural element.
- 10. For all new construction ADUs, roof forms and pitch shall match the principal residence, except that, if the roof pitch cannot match the principal residence, the pitch shall be constructed and maintained consistent with the architectural style of the primary residence.

SECTION VI:

A new Section 17.29.095 (Height Limits) is hereby added to read as follows:

17.29.095 Height Limits

- A. 16 feet for detached ADUs.
- B. 18 feet for detached ADUs on a lot within one-half mile of a major transit stop or transit corridor as defined by State law. An allowance of two additional feet may be allowed to accommodate a roof pitch that is aligned with the principal residence.
- C. 18 feet for detached ADUs on a lot with an existing or proposed multi-family, multi-story residence.
- D. 25 feet or the height limit for the underlying zone classification, whichever is lower, for ADUs that will be attached to the principal residence. The ADU shall not exceed two stories in height.

SECTION VII:

Section 17.29.110 (Number of Bedrooms) is hereby deleted.

SECTION VIII:

Subsection E to Section 17.29.130 is hereby added as follows:

C. The foregoing parking standards are not intended to prohibit ADUs on the same lots that new single- and/or multi-family dwelling units are being proposed, provided that the ADU meets all other specified requirements.

SECTION IX:

Section 17.29.150 is hereby deleted.

SECTION X:

17.29.200 Deed Restriction Required for JADU.

Recordation of a deed restriction, approved as to form by the City Attorney, shall be required for any ADU or a JADU and shall:

- A. Run with the land.
- B. Be filed with the City after recording.
- C. Prohibit the sale of the ADU or JADU separate from the sale of the primary dwelling.
- D. Include a statement that the deed restriction may be enforced against future purchasers.
- E. Deed restrictions for JADUs shall restrict the size and attributes as stated in the permit.

SECTION VIX:

To the extent required to implement the provisions of this Ordinance, City staff is directed to modify any Administrative Policies in conflict herewith and return to the City Council for any City Council approvals deemed necessary.

SECTION XIII:

If any section, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subdivision, paragraph, sentence, clause and phrase thereof, irrespective of the fact that any one (or more) section, subdivision, paragraph, sentence, clause or phrase had been declared invalid or unconstitutional.

SECTION XIV:

The City Clerk is hereby directed to certify the adoption of this Ordinance and cause a summary of the same to be published as required by law. This Ordinance shall take effect thirty (30) days from and after the date of its final passage.

ADOPTED	this	day of	,	2024.
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Daniel R	Clater	Mayor	City of Orange
Daniel IX.	Diam,	mayor,	City of Orange

ATTEST:	
Pamela Coleman, City Clerk, City of Oran	ge
APPROVED AS TO FORM:	
Mike Vigliotta, City Attorney	
STATE OF CALIFORNIA) COUNTY OF ORANGE) CITY OF ORANGE)	
that the foregoing Ordinance was introduce day of, 2024, and the	rk of the City of Orange, California, do hereby certified at the regular meeting of the City Council held on the reafter at the regular meeting of said City Council duly was duly passed and adopted by the following vote
AYES: COUNCILMEMBERS: NOES: COUNCILMEMBERS: ABSENT: COUNCILMEMBERS: ABSTAIN: COUNCILMEMBERS:	
	Pamela Coleman, City Clerk, City of Orange

SEC. 20.

Chapter 13 (commencing with Section 66310) is added to Division 1 of Title 7 of the Government Code, to read:

CHAPTER 13. Accessory Dwelling Units Article 1. General Provisions 66310.

The Legislature finds and declares all of the following:

- (a) Accessory dwelling units are a valuable form of housing in California.
- (b) Accessory dwelling units provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others, at below market prices within existing neighborhoods.
- (c) Homeowners who create accessory dwelling units benefit from added income, and an increased sense of security.
- (d) Allowing accessory dwelling units in single-family or multifamily residential zones provides additional rental housing stock in California.
- (e) California faces a severe housing crisis.
- (f) The state is falling far short of meeting current and future housing demand with serious consequences for the state's economy, our ability to build green infill consistent with state greenhouse gas reduction goals, and the well-being of our citizens, particularly lower and middle-income earners.
- (g) Accessory dwelling units offer lower cost housing to meet the needs of existing and future residents within existing neighborhoods, while respecting architectural character.
- (h) Accessory dwelling units are, therefore, an essential component of California's housing supply.

66311.

It is the intent of the Legislature that an accessory dwelling unit ordinance adopted by a local agency has the effect of providing for the creation of accessory dwelling units and that provisions in this ordinance relating to matters including unit size, parking, fees, and other requirements, are not so arbitrary, excessive, or burdensome so as to unreasonably restrict the ability of homeowners to create accessory dwelling units in zones in which they are authorized by local ordinance.

66312.

Notwithstanding Section 65803, this chapter shall also apply to a charter city.

66313.

For purposes of this chapter:

- (a) "Accessory dwelling unit" means an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated. An accessory dwelling unit also includes the following:
- (1) An efficiency unit.
- (2) A manufactured home, as defined in Section 18007 of the Health and Safety Code.
- (b) "Accessory structure" means a structure that is accessory and incidental to a dwelling located on the same lot.
- (c) "Efficiency unit" has the same meaning as defined in Section 17958.1 of the Health and Safety Code.
- (d) "Junior accessory dwelling unit" means a unit that is no more than 500 square feet in size and contained entirely within a single-family residence. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure.
- (e) "Living area" means the interior habitable area of a dwelling unit, including basements and attics, but does not include a garage or any accessory structure.
- (f) "Local agency" means a city, county, or city and county, whether general law or chartered.
- (g) "Nonconforming zoning condition" means a physical improvement on a property that does not conform to current zoning standards.

- (h) "Objective standards" means standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal.
- (i) "Passageway" means a pathway that is unobstructed clear to the sky and extends from a street to one entrance of the accessory dwelling unit.
- (j) "Permitting agency" means any entity that is involved in the review of a permit for an accessory dwelling unit or junior accessory dwelling unit and for which there is no substitute, including, but not limited to, applicable planning departments, building departments, utilities, and special districts.
- (k) "Proposed dwelling" means a dwelling that is the subject of a permit application and that meets the requirements for permitting.
- (I) "Public transit" means a location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.
- (m) "Tandem parking" means that two or more automobiles are parked on a driveway or in any other location on a lot, lined up behind one another.

Article 2. Accessory Dwelling Unit Approvals 66314.

A local agency may, by ordinance, provide for the creation of accessory dwelling units in areas zoned to allow single-family or multifamily dwelling residential use. The ordinance shall do all of the following: (a) Designate areas within the jurisdiction of the local agency where accessory dwelling units may be permitted. The designation of areas may be based on the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety. A local agency that does not provide water or sewer services shall consult with the local water or sewer service provider regarding the adequacy of water and sewer services before designating an area where accessory dwelling units may be permitted.

- (b) (1) Impose objective standards on accessory dwelling units that include, but are not limited to, parking, height, setback, landscape, architectural review, maximum size of a unit, and standards that prevent adverse impacts on any real property that is listed in the California Register of Historical Resources. These standards shall not include requirements on minimum lot size.
- (2) Notwithstanding paragraph (1), a local agency may reduce or eliminate parking requirements for any accessory dwelling unit located within its jurisdiction.
- (c) Provide that accessory dwelling units do not exceed the allowable density for the lot upon which the accessory dwelling unit is located, and that accessory dwelling units are a residential use that is consistent with the existing general plan and zoning designation for the lot.
- (d) Require the accessory dwelling units to comply with all of the following:
- (1) Except as provided in Article 4 (commencing with Section 66340), the accessory dwelling unit may be rented separate from the primary residence, but shall not be sold or otherwise conveyed separate from the primary residence.
- (2) The lot is zoned to allow single-family or multifamily dwelling residential use and includes a proposed or existing dwelling.
- (3) The accessory dwelling unit is either attached to, or located within, the proposed or existing primary dwelling, including attached garages, storage areas or similar uses, or an accessory structure or detached from the proposed or existing primary dwelling and located on the same lot as the proposed or existing primary dwelling, including detached garages.
- (4) If there is an existing primary dwelling, the total floor area of an attached accessory dwelling unit shall not exceed 50 percent of the existing primary dwelling.

- (5) The total floor area for a detached accessory dwelling unit shall not exceed 1,200 square feet.
- (6) No passageway shall be required in conjunction with the construction of an accessory dwelling unit.
- (7) No setback shall be required for an existing living area or accessory structure or a structure constructed in the same location and to the same dimensions as an existing structure that is converted to an accessory dwelling unit or to a portion of an accessory dwelling unit, and a setback of no more than four feet from the side and rear lot lines shall be required for an accessory dwelling unit that is not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.
- (8) Local building code requirements that apply to detached dwellings, except that the construction of an accessory dwelling unit shall not constitute a Group R occupancy change under the local building code, as described in Section 310 of the California Building Code (Title 24 of the California Code of Regulations), unless the building official or enforcement agency of the local agency makes a written finding based on substantial evidence in the record that the construction of the accessory dwelling unit could have a specific, adverse impact on public health and safety. Nothing in this paragraph shall be interpreted to prevent a local agency from changing the occupancy code of a space that was unhabitable space or was only permitted for nonresidential use and was subsequently converted for residential use pursuant to this article.
- (9) Approval by the local health officer where a private sewage disposal system is being used, if required. (10) (A) Parking requirements for accessory dwelling units shall not exceed one parking space per accessory dwelling unit or per bedroom, whichever is less. These spaces may be provided as tandem parking on a driveway.
- (B) Offstreet parking shall be permitted in setback areas in locations determined by the local agency or through tandem parking, unless specific findings are made that parking in setback areas or tandem parking is not feasible based upon specific site or regional topographical or fire and life safety conditions.
- (C) This subparagraph shall not apply to an accessory dwelling unit that is described in Section 66322.
- (11) When a garage, carport, or covered parking structure is demolished in conjunction with the construction of an accessory dwelling unit or converted to an accessory dwelling unit, the local agency shall not require that those offstreet parking spaces be replaced.
- (12) Accessory dwelling units shall not be required to provide fire sprinklers if they are not required for the primary residence. The construction of an accessory dwelling unit shall not trigger a requirement for fire sprinklers to be installed in the existing primary dwelling.
- (e) Require that a demolition permit for a detached garage that is to be replaced with an accessory dwelling unit be reviewed with the application for the accessory dwelling unit and issued at the same time.
- (f) An accessory dwelling unit ordinance shall not require, and the applicant shall not be otherwise required, to provide written notice or post a placard for the demolition of a detached garage that is to be replaced with an accessory dwelling unit, unless the property is located within an architecturally and historically significant historic district.

66315.

Section 66314 establishes the maximum standards that a local agency shall use to evaluate a proposed accessory dwelling unit on a lot that includes a proposed or existing single-family dwelling. No additional standards, other than those provided in Section 66314, shall be used or imposed, including an owner-occupant requirement, except that a local agency may require that the property may be used for rentals of terms 30 days or longer.

66316.

An existing accessory dwelling unit ordinance governing the creation of an accessory dwelling unit by a local agency or an accessory dwelling ordinance adopted by a local agency shall provide an approval process that includes only ministerial provisions for the approval of accessory dwelling units and shall not include any discretionary processes, provisions, or requirements for those units, except as otherwise

provided in this article. If a local agency has an existing accessory dwelling unit ordinance that fails to meet the requirements of this article, that ordinance shall be null and void and that agency shall thereafter apply the standards established in this article for the approval of accessory dwelling units, unless and until the agency adopts an ordinance that complies with this article.

66317.

- (a) A permit application for an accessory dwelling unit or a junior accessory dwelling unit shall be considered and approved ministerially without discretionary review or a hearing, notwithstanding Section 65901 or 65906 or any local ordinance regulating the issuance of variances or special use permits. The permitting agency shall either approve or deny the application to create or serve an accessory dwelling unit or a junior accessory dwelling unit within 60 days from the date the permitting agency receives a completed application if there is an existing single-family or multifamily dwelling on the lot. If the permit application to create or serve an accessory dwelling unit or a junior accessory dwelling unit is submitted with a permit application to create a new single-family or multifamily dwelling on the lot, the permitting agency may delay approving or denying the permit application for the accessory dwelling unit or the junior accessory dwelling unit until the permitting agency approves or denies the permit application to create the new single-family or multifamily dwelling, but the application to create or serve the accessory dwelling unit or junior accessory dwelling unit shall be considered without discretionary review or hearing. If the applicant requests a delay, the 60-day time period shall be tolled for the period of the delay. If the local agency has not approved or denied the completed application within 60 days, the application shall be deemed approved. A local agency may charge a fee to reimburse it for costs incurred to implement this section, including the costs of adopting or amending any ordinance that provides for the creation of an accessory dwelling unit.
- (b) If a permitting agency denies an application for an accessory dwelling unit or junior accessory dwelling unit pursuant to subdivision (a), the permitting agency shall, within the time period described in subdivision (a), return in writing a full set of comments to the applicant with a list of items that are defective or deficient and a description of how the application can be remedied by the applicant.
- (c) No local ordinance, policy, or regulation, other than an accessory dwelling unit ordinance consistent with this article shall be the basis for the delay or denial of a building permit or a use permit under this section.

66318.

- (a) A local agency may amend its zoning ordinance or general plan to incorporate the policies, procedures, or other provisions applicable to the creation of an accessory dwelling unit if these provisions are consistent with the limitations of this article.
- (b) An accessory dwelling unit ordinance shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.

66319.

An accessory dwelling unit that conforms to Section 66314 shall be deemed to be an accessory use or an accessory building and shall not be considered to exceed the allowable density for the lot upon which it is located, and shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot. The accessory dwelling unit shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.

66320.

(a) When a local agency that has not adopted an ordinance governing accessory dwelling units in accordance with Section 66314 receives an application for a permit to create or serve an accessory dwelling unit pursuant to this article, the local agency shall approve or disapprove the application ministerially without discretionary review pursuant to Section 66317. The permitting agency shall either approve or deny the application to create or serve an accessory dwelling unit or a junior accessory dwelling unit within 60 days from the date the permitting agency receives a completed application if there is an existing single-family or multifamily dwelling on the lot. If the permit application to create or serve an accessory dwelling unit or a junior accessory dwelling unit is submitted with a permit

application to create or serve a new single-family or multifamily dwelling on the lot, the permitting agency may delay approving or denying the permit application for the accessory dwelling unit or the junior accessory dwelling unit until the permitting agency approves or denies the permit application to create or serve the new single-family or multifamily dwelling, but the application to create or serve the accessory dwelling unit or junior accessory dwelling unit shall still be considered ministerially without discretionary review or a hearing. If the applicant requests a delay, the 60-day time period shall be tolled for the period of the delay. If the local agency has not approved or denied the completed application within 60 days, the application shall be deemed approved.

(b) If a permitting agency denies an application for an accessory dwelling unit or junior accessory dwelling unit pursuant to subdivision (a), the permitting agency shall, within the time period described in subdivision (a), return in writing a full set of comments to the applicant with a list of items that are defective or deficient and a description of how the application can be remedied by the applicant.

66321.

- (a) Subject to subdivision (b), a local agency may establish minimum and maximum unit size requirements for both attached and detached accessory dwelling units.
- (b) Notwithstanding subdivision (a), a local agency shall not establish by ordinance any of the following:
- (1) A minimum square footage requirement for either an attached or detached accessory dwelling unit that prohibits an efficiency unit.
- (2) A maximum square footage requirement for either an attached or detached accessory dwelling unit that is less than either of the following:
- (A) Eight hundred fifty square feet.
- (B) One thousand square feet for an accessory dwelling unit that provides more than one bedroom.
- (3) Any requirement for a zoning clearance or separate zoning review or any other minimum or maximum size for an accessory dwelling unit, size based upon a percentage of the proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open space, front setbacks, and minimum lot size, for either attached or detached dwellings that does not permit at least an 800 square foot accessory dwelling unit with four-foot side and rear yard setbacks to be constructed in compliance with all other local development standards.
- (4) Any height limitation that does not allow at least the following, as applicable:
- (A) A height of 16 feet for a detached accessory dwelling unit on a lot with an existing or proposed single family or multifamily dwelling unit.
- (B) A height of 18 feet for a detached accessory dwelling unit on a lot with an existing or proposed single family or multifamily dwelling unit that is within one-half of one mile walking distance of a major transit stop or a high-quality transit corridor, as those terms are defined in Section 21155 of the Public Resources Code. A local agency shall also allow an additional two feet in height to accommodate a roof pitch on the accessory dwelling unit that is aligned with the roof pitch of the primary dwelling unit.
- (C) A height of 18 feet for a detached accessory dwelling unit on a lot with an existing or proposed multifamily, multistory dwelling.
- (D) A height of 25 feet or the height limitation in the local zoning ordinance that applies to the primary dwelling, whichever is lower, for an accessory dwelling unit that is attached to a primary dwelling. This subparagraph shall not require a local agency to allow an accessory dwelling unit to exceed two stories. **66322.**

Notwithstanding any other law, and whether or not the local agency has adopted an ordinance governing accessory dwelling units in accordance with Section 66314, all of the following shall apply: (a) A local agency shall not impose any parking standards for an accessory dwelling unit in any of the following instances:

- (1) Where the accessory dwelling unit is located within one-half of one mile walking distance of public transit.
- (2) Where the accessory dwelling unit is located within an architecturally and historically significant historic district.

- (3) Where the accessory dwelling unit is part of the proposed or existing primary residence or an accessory structure.
- (4) When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit.
- (5) When there is a car share vehicle located within one block of the accessory dwelling unit.
- (6) When a permit application for an accessory dwelling unit is submitted with a permit application to create a new single-family dwelling or a new multifamily dwelling on the same lot, provided that the accessory dwelling unit or the parcel satisfies any other criteria listed in this subdivision.
- (b) The local agency shall not deny an application for a permit to create an accessory dwelling unit due to the correction of nonconforming zoning conditions, building code violations, or unpermitted structures that do not present a threat to public health and safety and are not affected by the construction of the accessory dwelling unit.

66323.

- (a) Notwithstanding Sections 66314 to 66322, inclusive, a local agency shall ministerially approve an application for a building permit within a residential or mixed-use zone to create any of the following:
- (1) One accessory dwelling unit and one junior accessory dwelling unit per lot with a proposed or existing single-family dwelling if all of the following apply:
- (A) The accessory dwelling unit or junior accessory dwelling unit is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure and may include an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress.
- (B) The space has exterior access from the proposed or existing single-family dwelling.
- (C) The side and rear setbacks are sufficient for fire and safety.
- (D) The junior accessory dwelling unit complies with the requirements of Article 3 (commencing with Section 66333).
- (2) One detached, new construction, accessory dwelling unit that does not exceed four-foot side and rear yard setbacks for a lot with a proposed or existing single-family dwelling. The accessory dwelling unit may be combined with a junior accessory dwelling unit described in paragraph (1). A local agency may impose the following conditions on the accessory dwelling unit:
- (A) A total floor area limitation of not more than 800 square feet.
- (B) A height limitation as provided in subparagraph (A), (B), or (C) of paragraph (4) of subdivision (b) of Section 66321, as applicable.
- (3) (A) Multiple accessory dwelling units within the portions of existing multifamily dwelling structures that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings.
- (B) A local agency shall allow at least one accessory dwelling unit within an existing multifamily dwelling and shall allow up to 25 percent of the existing multifamily dwelling units.
- (4) (A) Not more than two accessory dwelling units that are located on a lot that has an existing or proposed multifamily dwelling, but are detached from that multifamily dwelling and are subject to a height limitation in subparagraph (A), (B), or (C) of paragraph (4) of subdivision (b) of Section 66321, as applicable, and rear yard and side setbacks of no more than four feet.
- (B) If the existing multifamily dwelling has a rear or side setback of less than four feet, the local agency shall not require any modification of the existing multifamily dwelling as a condition of approving the application to construct an accessory dwelling unit that satisfies the requirements of this paragraph.
- (b) A local agency shall not require, as a condition for ministerial approval of a permit application for the creation of an accessory dwelling unit or a junior accessory dwelling unit, the correction of nonconforming zoning conditions.

- (c) The installation of fire sprinklers shall not be required in an accessory dwelling unit if sprinklers are not required for the primary residence. The construction of an accessory dwelling unit shall not trigger a requirement for fire sprinklers to be installed in the existing multifamily dwelling.
- (d) A local agency shall require that a rental of the accessory dwelling unit created pursuant to this section be for a term longer than 30 days.
- (e) A local agency may require, as part of the application for a permit to create an accessory dwelling unit connected to an onsite wastewater treatment system, a percolation test completed within the last five years, or, if the percolation test has been recertified, within the last 10 years.
- (f) Notwithstanding Section 66321 and subdivision (a) a local agency that has adopted an ordinance by July 1, 2018, providing for the approval of accessory dwelling units in multifamily dwelling structures shall ministerially consider a permit application to construct an accessory dwelling unit that is described in subdivision (a), and may impose objective standards including, but not limited to, design, development, and historic standards on said accessory dwelling units. These standards shall not include requirements on minimum lot size.

66324.

- (a) Fees charged for the construction of accessory dwelling units shall be determined in accordance with Chapter 5 (commencing with Section 66000) and Chapter 7 (commencing with Section 66012).
- (b) An accessory dwelling unit shall not be considered by a local agency, special district, or water corporation to be a new residential use for purposes of calculating connection fees or capacity charges for utilities, including water and sewer service, unless the accessory dwelling unit was constructed with a new single-family dwelling.
- (c) (1) A local agency, special district, or water corporation shall not impose any impact fee upon the development of an accessory dwelling unit less than 750 square feet. Any impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit.
- (2) For purposes of this subdivision, "impact fee" has the same meaning as the term "fee" is defined in subdivision (b) of Section 66000, except that it also includes fees specified in Section 66477. "Impact fee" does not include any connection fee or capacity charge charged by a local agency, special district, or water corporation.
- (d) For an accessory dwelling unit described in paragraph (1) of subdivision (a) of Section 66323, a local agency, special district, or water corporation shall not require the applicant to install a new or separate utility connection directly between the accessory dwelling unit and the utility or impose a related connection fee or capacity charge, unless the accessory dwelling unit was constructed with a new single-family dwelling, or upon separate conveyance of the accessory dwelling unit pursuant to Section 66342. (e) For an accessory dwelling unit that is not described in paragraph (1) of subdivision (a) of Section 66323, a local agency, special district, or water corporation may require a new or separate utility connection directly between the accessory dwelling unit and the utility. Consistent with Section 66013, the connection may be subject to a connection fee or capacity charge that shall be proportionate to the burden of the proposed accessory dwelling unit, based upon either its square feet or the number of its drainage fixture unit (DFU) values, as defined in the Uniform Plumbing Code adopted and published by the International Association of Plumbing and Mechanical Officials, upon the water or sewer system. This fee or charge shall not exceed the reasonable cost of providing this service.

66325.

- (a) Except as provided in subdivision (b), this article shall supersede a conflicting local ordinance.
- (b) This article does not limit the authority of local agencies to adopt less restrictive requirements for the creation of an accessory dwelling unit.

66326.

(a) A local agency shall submit a copy of the ordinance adopted pursuant to Section 66314 to the Department of Housing and Community Development within 60 days after adoption. After adoption of

an ordinance, the department may submit written findings to the local agency as to whether the ordinance complies with this article.

- (b) (1) If the department finds that the local agency's ordinance does not comply with this article, the department shall notify the local agency and shall provide the local agency with a reasonable time, no longer than 30 days, to respond to the findings before taking any other action authorized by this article. (2) The local agency shall consider the findings made by the department pursuant to paragraph (1) and shall do one of the following:
- (A) Amend the ordinance to comply with this article.
- (B) Adopt the ordinance without changes. The local agency shall include findings in its resolution adopting the ordinance that explain the reasons the local agency believes that the ordinance complies with this article despite the findings of the department.
- (c) (1) If the local agency does not amend its ordinance in response to the department's findings or does not adopt a resolution with findings explaining the reason the ordinance complies with this article and addressing the department's findings, the department shall notify the local agency and may notify the Attorney General that the local agency is in violation of state law.
- (2) Before notifying the Attorney General that the local agency is in violation of state law, the department may consider whether a local agency adopted an ordinance in compliance with this article between January 1, 2017, and January 1, 2020.

66327.

The department may review, adopt, amend, or repeal guidelines to implement uniform standards or criteria that supplement or clarify the terms, references, and standards set forth in this article. The guidelines adopted pursuant to this section are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2.

66328.

A local agency shall not issue a certificate of occupancy for an accessory dwelling unit before the local agency issues a certificate of occupancy for the primary dwelling.

66329.

Nothing in this article shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code), except that the local government shall not be required to hold public hearings for coastal development permit applications for accessory dwelling units.

66330.

A local agency may count an accessory dwelling unit for purposes of identifying adequate sites for housing, as specified in subdivision (a) of Section 65583.1, subject to authorization by the department and compliance with this division.

66331.

In enforcing building standards pursuant to Article 1 (commencing with Section 17960) of Chapter 5 of Part 1.5 of Division 13 of the Health and Safety Code for an accessory dwelling unit described in subdivision (a) or (b), a local agency, upon request of an owner of an accessory dwelling unit for a delay in enforcement, shall delay enforcement of a building standard, subject to compliance with Section 17980.12 of the Health and Safety Code:

- (a) The accessory dwelling unit was built before January 1, 2020.
- (b) The accessory dwelling unit was built on or after January 1, 2020, in a local jurisdiction that, at the time the accessory dwelling unit was built, had a noncompliant accessory dwelling unit ordinance, but the ordinance is compliant at the time the request is made.

66332.

(a) Notwithstanding any other law, and except as otherwise provided in subdivision (b), a local agency shall not deny a permit for an unpermitted accessory dwelling unit that was constructed before January 1, 2018, due to either of the following:

- (1) The accessory dwelling unit is in violation of building standards pursuant to Article 1 (commencing with Section 17960) of Chapter 5 of Part 1.5 of Division 13 of the Health and Safety Code.
- (2) The accessory dwelling unit does not comply with this article or any local ordinance regulating accessory dwelling units.
- (b) Notwithstanding subdivision (a), a local agency may deny a permit for an accessory dwelling unit subject to subdivision (a) if the local agency makes a finding that correcting the violation is necessary to protect the health and safety of the public or occupants of the structure.
- (c) This section shall not apply to a building that is deemed substandard pursuant to Section 17920.3 of the Health and Safety Code.

Article 3. Junior Accessory Dwelling Units 66333.

Notwithstanding Article 2 (commencing with Section 66314), a local agency may, by ordinance, provide for the creation of junior accessory dwelling units in single-family residential zones. The ordinance may require a permit to be obtained for the creation of a junior accessory dwelling unit, and shall do all of the following:

- (a) Limit the number of junior accessory dwelling units to one per residential lot zoned for single-family residences with a single-family residence built, or proposed to be built, on the lot.
- (b) Require owner-occupancy in the single family residence in which the junior accessory dwelling unit will be permitted. The owner may reside in either the remaining portion of the structure or the newly created junior accessory dwelling unit. Owner-occupancy shall not be required if the owner is another governmental agency, land trust, or housing organization.
- (c) Require the recordation of a deed restriction, which shall run with the land, shall be filed with the permitting agency, and shall include both of the following:
- (1) A prohibition on the sale of the junior accessory dwelling unit separate from the sale of the single-family residence, including a statement that the deed restriction may be enforced against future purchasers.
- (2) A restriction on the size and attributes of the junior accessory dwelling unit that conforms with this article.
- (d) Require a permitted junior accessory dwelling unit to be constructed within the walls of the proposed or existing single-family residence. For purposes of this subdivision, enclosed uses within the residence, such as attached garages, are considered a part of the proposed or existing single-family residence.
- (e) (1) Require a permitted junior accessory dwelling unit to include a separate entrance from the main entrance to the proposed or existing single-family residence.
- (2) If a permitted junior accessory dwelling unit does not include a separate bathroom, the permitted junior accessory dwelling unit shall include a separate entrance from the main entrance to the structure, with an interior entry to the main living area.
- (f) Require the permitted junior accessory dwelling unit to include an efficiency kitchen, which shall include all of the following:
- (1) A cooking facility with appliances.
- (2) A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling unit.

66334.

- (a) A junior accessory dwelling unit ordinance adopted pursuant to Section 66333 shall not require additional parking as a condition to grant a permit.
- (b) This article shall not be interpreted to prohibit the requirement of an inspection, including the imposition of a fee for that inspection, to determine if the junior accessory dwelling unit complies with applicable building standards.

66335.

- (a) (1) An application for a permit pursuant to this article shall, notwithstanding Section 65901 or 65906 or any local ordinance regulating the issuance of variances or special use permits, be considered ministerially, without discretionary review or a hearing.
- (2) The permitting agency shall either approve or deny the application to create or serve a junior accessory dwelling unit within 60 days from the date the local agency receives a completed application if there is an existing single-family dwelling on the lot.
- (3) If the permit application to create or serve a junior accessory dwelling unit is submitted with a permit application to create or serve a new single-family dwelling on the lot, the permitting agency may delay approving or denying the permit application for the junior accessory dwelling unit until the permitting agency approves or denies the permit application to create or serve the new single-family dwelling, but the application to create or serve the junior accessory dwelling unit shall still be considered ministerially without discretionary review or a hearing.
- (4) If the applicant requests a delay, the 60-day time period shall be tolled for the period of the delay.
- (b) If a permitting agency denies an application for a junior accessory dwelling unit pursuant to subdivision (a), the permitting agency shall, within the time period described in subdivision (a), return in writing a full set of comments to the applicant with a list of items that are defective or deficient and a description of how the application can be remedied by the applicant.
- (c) A local agency may charge a fee to reimburse the local agency for costs incurred in connection with the issuance of a permit pursuant to this article.

66336.

A local agency shall not deny an application for a permit to create a junior accessory dwelling unit pursuant to this article due to the correction of nonconforming zoning conditions, building code violations, or unpermitted structures that do not present a threat to public health and safety and that are not affected by the construction of the junior accessory dwelling unit.

66337.

- (a) For purposes of any fire or life protection ordinance or regulation, a junior accessory dwelling unit shall not be considered a separate or new dwelling unit.
- (b) This article shall not be construed to prohibit a city, county, city and county, or other local public entity from adopting an ordinance or regulation relating to fire and life protection requirements within a single-family residence that contains a junior accessory dwelling unit so long as the ordinance or regulation applies uniformly to all single-family residences within the zone regardless of whether the single-family residence includes a junior accessory dwelling unit or not.

66338.

- (a) For purposes of providing service for water, sewer, or power, including a connection fee, a junior accessory dwelling unit shall not be considered a separate or new dwelling unit.
- (b) This section shall not be construed to prohibit a local agency from adopting an ordinance or regulation related to a service or a connection fee for water, sewer, or power, that applies to a single-family residence that contains a junior accessory dwelling unit, so long as that ordinance or regulation applies uniformly to all single-family residences regardless of whether the single-family residence includes a junior accessory dwelling unit.

66339.

If a local agency has not adopted a local ordinance pursuant to this article, the local agency shall ministerially approve a permit to construct a junior accessory dwelling unit that satisfies the requirements set forth in paragraph (1) of subdivision (a) of Section 66323 and the requirements of this article.

ORDINANCE NO. 03-21

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ORANGE AMENDING TITLE 17 OF THE ORANGE MUNICIPAL CODE TO ADD DEFINITIONS, REVISE PROCEDURES FOR REVIEW, AND ESTABLISH STANDARDS FOR PROCESSING APPLICATIONS FOR ACCESSORY DWELLING UNITS

WHEREAS, on January 1, 2020, AB 68, AB 881, SB 13, AB 587, AB 670 and AB 671 became effective, addressing barriers to the development of accessory dwelling units and junior accessory dwelling units that may occur under existing local ordinances and establishing certain minimum standards for approving such dwelling units; and

WHEREAS, the City desires to revise the Orange Municipal Code to comply with state law.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ORANGE DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I:

This ordinance is statutorily exempt under the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080.17 and Title 14, California Code of Regulations Section 15282(h) which exempts adoption of an ordinance regarding second units to implement provisions of Sections 65852.2 and 65852.22 of the Government Code. Additionally, this ordinance is categorically exempt pursuant to Sections 15303 (New Construction or Conversion of Small Structures) and 15305 (Minor Alterations in Land Use/Limitations). Similarly, the ministerial approval of accessory dwelling units and junior accessory dwelling units is not a "project" for CEQA purposes, and environmental review is not required.

SECTION II:

Orange Municipal Code Section 17.04.020, "A" Definitions, is hereby amended to revise the following definitions in their entirety:

ACCESSORY DWELLING UNIT (ADU)— An attached or detached permanent residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. An ADU shall be accessory to the primary residence. It shall include permanent provisions for living, sleeping, eating, cooking and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated and shall include a common living area. The kitchen and common living area shall be of sufficient size to accommodate at least one person per bedroom. An ADU has the attributes of a private residence and not a boarding house or dormitory, e.g. shall not have microwaves, sinks and/or refrigerators in each bedroom; shall not have exterior access to each

bedroom; shall not advertise individual rooms. An accessory dwelling unit also includes the following:

- (1) An efficiency unit, as provided under Health and Safety Code Section 17958.1; and
- (2) A manufactured home, as provided under Health and Safety Code Section 18007.

ACCESSORY STRUCTURE – A structure that is accessory and incidental to a dwelling located on the same lot.

ACCESSORY STRUCTURE, HABITABLE - An accessory structure constructed in accordance with the Uniform Building Code criteria for habitable space, which may include a bathroom or similar plumbing facilities, does not include a kitchen as defined by this code, and is located on a parcel developed with one or more existing dwelling units. Habitable accessory structures shall be functionally related to the principal residence. A habitable accessory structure is not a junior accessory dwelling unit or accessory dwelling unit and shall not have a separate utility meter or address.

SECTION III:

Orange Municipal Code Section 17.04.020, "A" Definitions, is hereby amended to add the following definitions:

ACCESSORY – Existing in a minor way. Subordinate and incidental both in size and in intensity of use to the primary use and structure.

ACCESSORY DWELLING UNIT, JUNIOR (JADU) – A unit that is no more than 500 square feet in size and contained entirely within a single-family residence. A JADU shall have independent cooking facilities, and may include separate sanitation facilities (toilet and bathing facilities), or may share sanitation facilities with the existing structure.

ACCESSORY DWELLING UNIT PASSAGEWAY – A pathway that is unobstructed clear to the sky and extends from a street to one entrance of the accessory dwelling unit.

SECTION IV:

Orange Municipal Code Section 17.04.020, "A" Definitions, is hereby amended to delete the following definition:

ACCESSORY SECOND HOUSING UNIT.

SECTION V:

Orange Municipal Code Section 17.04.021, "B" Definitions, is hereby amended to revise the following definitions in their entirety:

BEDROOM – Any habitable room in a dwelling unit other than a bathroom, kitchen, dining room or living room with the following features: an interior door that can be closed or an opening

into the room in which an interior door or double door can be easily installed; a window; and a closet or room for a wardrobe in addition to a bed. In general, a bedroom may not contain a door directly to the outside, facilities for a sink, refrigerator or microwave, e.g., a wet bar, a kitchenette, or infrastructure that can be easily converted to a wet bar or kitchenette, e.g., GFCI outlets.

SECTION VI:

Orange Municipal Code Section 17.04.026, "G" Definitions, is hereby amended to delete the following definition:

"GRANNY" HOUSING

SECTION VII:

Orange Municipal Code Section 17.04.035, "P" Definitions, is hereby amended to add the following definitions:

PRIMARY RESIDENCE or PRIMARY DWELLING – A residence located on a lot zoned for a residential dwelling(s) and consisting of at least 50% greater floor space than any other dwelling on the lot. A primary residence has direct utility connections, is typically the first residence constructed on a lot, and is the largest unit when an accessory dwelling unit is constructed concurrently. Multi-family structures are a conglomerate of two or more dwelling units that together form the primary residence. Accessory Dwelling Units are not primary residences.

PRINCIPAL BUILDING, - RESIDENTIAL - An existing or proposed legal single-family, duplex, or multiple-family dwelling unit, as contrasted with an accessory structure. An attached garage shall not be considered part of the residential principal building except as specifically stated in this title.

SECTION VIII:

Orange Municipal Code Section 17.10.060.C, "Site Plan Review – When Site Plan Review is Required," is hereby amended in its entirety to read as follows:

C. When Site Plan Review is Required. Site plan review shall apply to any new use of previously vacant land, new construction, or rehabilitation or expansion of existing structures in all zones. Exception: Site plan review shall not be required for construction of a new single-family residence, ADU or JADU unit that otherwise complies with Government Code section 65852.2, or rehabilitation of an existing single-family residential structure in zoning districts permitting such use. Expansion of an existing single-family residence is also exempt from site plan review.

SECTION IX:

Orange Municipal Code 17.13.030 - Permitted Uses, Table 17.13.030, is hereby amended in pertinent part to read as follows:

Zoning R1-5 LAND USE Housing – Include (key terms) that in	R1-6 to	R1-R	R2-8					CP/ C1			4		- Includes	OTMU-15	ontified in	24 NMU-24 California Bu	UMU	code de	M2	is tha	RO S	H Pl	with main	P-2 SO
Accessory Dwelling A*	A*	A*	A*	A*	A*	-	A*	A*	A*	A*	A*	-	A*	A*	A*	A*	A*	_	-	A*		-	-	-
Unit			<u>.</u>							A*	 A*		A*		A*	A*	A*			A*			_	_

SECTION X:

Orange Municipal Code Section 17.13.040.A, "Special Use Regulations – Accessory Dwelling Unit," is hereby revised to delete Sections 17.13.040.A.1 through 17.13.040.A.15 in their entirety, and to revise Section 17.13.040.A in its entirety to read as follows:

A. Accessory Dwelling Unit, Including Junior Accessory Dwelling Unit. Accessory Dwelling Units and Junior Accessory Dwelling Units shall comply with Chapter 17.29.

SECTION XI:

Orange Municipal Code Table 17.14.120, "Required Distances Between Buildings," is hereby revised in its entirety to read as follows:

Table 17.14.120 REQUIRED DISTANCES BETWEEN STRUCTURES

Minimum Required Distance Between Structures on the Same Lot

Principal Struc	Accessory Structures (b)		
Number of StructuresFront/Any Other Building WallAll Other Configurations		Minimum Distance Between Structures	
One	N/A	N/A	6 feet
Two to Four	15 feet	8 feet	6 feet
Five or More	structure to facing w	lowing windows in one indows in any adjacent num between solid facing	
I IVE OI WIOIC		s are located on only one	

NOTES:

- (a) For obliquely aligned buildings, the required distance between two principal structures may be decreased by up to five feet if the distance at the opposite corner is increased by an equal or greater distance.
- (b) Excludes patio covers, eaves, canopies, and breezeways.

SECTION XII:

Orange Municipal Code Section 17.14.130, "Minimum Floor Area in R-3 and R-4 Districts," is hereby revised in its entirety to read as follows:

The minimum floor area for primary residences shall be as follows:

A. Studio Units. 550 square feet.

- B. Bachelor and One Bedroom Units. 600 square feet.
- C. Units Having More Than One Bedroom. 600 square feet plus 150 square feet for each additional bedroom.

SECTION XIII:

Orange Municipal Code Section 17.14.160.B, "Accessory Structures, Garages, and Accessory Dwelling Units – Principal Structure Required," is hereby revised in its entirety to read as follows:

B. Principal Structure Required. Accessory structures or garages shall only be permitted on a lot developed with an existing legal single-family dwelling unit, duplex dwelling unit, or multiple-family dwelling units under the same ownership. ADUs and JADUs shall only be permitted as authorized in Chapter 17.29. For purposes of this section the term accessory structure shall mean either habitable or non-habitable accessory structures.

SECTION XIV:

Orange Municipal Code Section 17.14.160.C, "Accessory Structures, Garages, and Accessory Dwelling Units – Attached Accessory Structures, Garages, or Accessory Dwelling Units," is hereby revised in its entirety to read as follows:

C. Attached Accessory Structures, Garages, or Accessory Dwelling Units. Where a garage, accessory structure, or ADU is attached to and made a part of the principal structure, at least fifty percent (50%) of the length of one of the walls of the accessory structure, garage, or ADU shall be an integral part of the principal structure, and the garage or accessory structure shall comply in all respects with the requirements of this title applicable to a principal structure. ADUs shall comply with requirements of Chapter 17.29.

SECTION XV:

Orange Municipal Code Section 17.14.160.D, "Accessory Structures, Garages, and Accessory Dwelling Units – Detached Accessory Structure, Garages, or Accessory Dwelling Units," is hereby revised in its entirety to read as follows:

D. Detached Accessory Structure, Garages, or Accessory Dwelling Units. Where a garage, accessory structure, or ADU is detached from the principal structure, the setback requirements outlined in Table 17.14.160.D shall apply. Setback requirements in Table 17.14.160.D shall not apply to that portion of an ADU converted from an existing permitted dwelling unit area or, that portion of an ADU converted from an existing permitted accessory structure, or to ADUs qualifying for a lesser setback pursuant to Chapter 17.29.

SECTION XVI:

Orange Municipal Code Table 17.14.160.A is hereby renumbered as Table 17.14.160.D, "Setback Requirements," and is amended in its entirety to read as follows:

Table 17.14.160.D SETBACK REQUIREMENTS

Detached Accessory Structures, Garages, and Accessory Dwelling Units Greater than 800 Square Feet

Zone	Minimum Distance from Principal Structure (in feet)	Minimum Front Yard Setback (in feet) (a)	Minimum Interior Side Yard Setback (in feet)	Minimum Street Side Yard Setback of Corner or Reverse Corner Lot (in feet) (a)	Minimum Rear Yard Setback (in feet) (a)
R1-6 through R1-R	6	20	0 (c,d,e,f)	10	0 (b,c,d,e,f)
R2 through R2-8	6	20	0 (c,d,e,f)	10	0 (b,c,d,e,f)
R-3 and R-4	6	20	0 (c,d,e,f)	10	0 (b,c,d,e,f)

NOTES:

- (a) In all cases, detached garages and carports which open onto an abutting street shall be set back a minimum of twenty (20) feet from the property line.
- (b) The accessory structure may abut the rear lot line only if it is not intended for habitation (interior is unfinished, such as a garage, workshop, storage shed, etc.) and the accessory structure and permitted extensions of the primary structure do not cover more than forty percent (40%) of the required rear yard area. Also, a minimum five-foot rear yard setback is required for a corner or reverse corner lot.
- (c) No eave, projection or overhang shall extend over a property line.
- (d) Precautionary measures shall be taken to ensure runoff is deflected away from side and rear property lines.
- (e) Building height shall not exceed ten feet for that portion of the accessory structure or ADU that occurs within the side or rear setback areas, as defined for principal structures.
- (f) Any accessory structure intended for habitation (having a finished interior, insulated ceiling and/or walls, and which can be temperature controlled, such as a guest room, recreation room, office, etc.) or ADU greater than 800 square feet shall conform to the setback requirements for a principal building, unless otherwise authorized by Chapter 17.29, or as required by state law.

SECTION XVII:

Orange Municipal Code Section 17.14.160.E, "Accessory Structures, Garages, and Accessory Dwelling Units – Square Footage Limitation," is hereby revised in its entirety to read as follows:

- E. Square Footage Limitation. The total aggregate square footage of all attached or detached accessory structures on a lot shall not exceed fifty percent (50%) of the square footage of the principal structure, provided that one ADU of 800 or fewer square feet shall be allowed in the event the aggregate is exceeded.
- 1. Habitable accessory structures greater than 450 gross aggregate square feet are allowed subject to the approval of a conditional use permit by the Zoning Administrator in accordance with Section 17.10.030.E.1.d.
- 2. Attached and detached garages shall not be considered as living area square footage of the principal structure.

SECTION XVIII:

Orange Municipal Code Section 17.14.160.F, "Accessory Structures, Garages, and Accessory Dwelling Units – Interior Plumbing," is hereby revised in its entirety to read as follows:

- F. Interior Plumbing. Interior sanitation facilities are required for all ADUs. Interior plumbing facilities are permitted in all other accessory structures as follows:
- 1. Any non-habitable accessory structure, such as a workshop or garage, may contain a utility sink, washer and dryer, and/or water heater or other accessory plumbing facilities deemed similar by the Community Development Director. In the case of residential garages, such facilities are allowed provided that the garage remains available for parking.
- 2. A conditional use permit is required for plumbing facilities in habitable accessory structures of any size on lots less than 20,000 square feet.
- 3. No conditional use permit is required for plumbing facilities in habitable accessory structures of less than 450 gross square feet on lots larger than 20,000 square feet.
- 4. A conditional use permit is required for plumbing facilities in habitable accessory structures of 450 gross square feet or greater on lots larger than 20,000 square feet.

SECTION XIX:

Orange Municipal Code Table 17.14.160.B is hereby renumbered as Table 17.14.160.F, "Plumbing in Accessory Structures," and is amended in its entirety to read as follows:

Table 17.14.160.F PLUMBING IN ACCESSORY STRUCTURES

	Lot Size <20,000 sq. ft.	Lot Size >20,000 sq. ft.
Non-habitable of any size with washing machine, water heater, utility sink, or other facilities deemed similar by the Community Development Director	1	P
Habitable, less than 450 gross aggregate square feet with plumbing facilities	CUP	P
Habitable, more than 450 gross aggregate square feet with or without plumbing facilities	CUP	CUP
Accessory Dwelling Unit	Per Chapter	17.29

P - Permitted

CUP - Conditional Use Permit (Zoning Administrator)

SECTION XX:

Orange Municipal Code Chapter 17.29, "Accessory Dwelling Units and Junior Accessory Dwelling Units," is hereby added to read as follows:

Chapter 17.29 – ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS

17.29.010 - Purpose and Intent.

The purpose of this chapter is to comply with state law pertaining to Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU) and further the implementation of the General Plan.

17.29.020 - Permitted Uses.

- A. Table 17.13.030 indicates all zones where ADUs and JADUs may be permitted subject to the regulations in this chapter.
- B. ADUs are limited to properties zoned to allow single-family or multifamily dwellings when the property includes a proposed or existing primary residence in the form of a single-family or multifamily dwelling. Properties zoned to allow residential uses exclusively as an accessory use, or as a use that is not permanent long-term housing, shall not be eligible for an ADU or JADU unless the property is exclusively developed with a primary, legal-nonconforming, long-term, permanent residential use.

- C. JADUs are limited to properties zoned to allow single-family dwellings when the property includes a proposed or existing primary residence in the form of a single-family dwelling.
 - D. ADUs and JADUs shall be an accessory use only, as defined herein.
- E. ADUs may be located in an accessory structure. JADUs shall be located in a portion of a proposed or existing primary residence in the form of a single-family dwelling.

17.29.030 – Applications for ADUs or JADUs

- A. Application Form Required. A completed Community Development Department Accessory Dwelling Unit Application (ADU Application) provided by the Planning Division of the Community Development Department is required for an ADU or JADU.
- B. Application Fee. A fee commensurate to the fee schedule cost for Administrative Design Review shall be charged for review and ministerial approval of a completed application.
- C. Contents of Applications. The completed ADU Application shall include the application and all required application materials specified in the application packet.
- D. Acceptance of Applications. A Community Development Department ADU Application shall be accepted and deemed complete upon receipt by the City of all information and submittal materials required in the application submittal checklist, including review fees.
- E. Ministerial Approval of Applications. An ADU Application shall be considered without discretionary review or a hearing and approved ministerially if it meets the requirements of this chapter.
- F. Processing Time. The City shall act on the ADU Application to create an ADU or a JADU within 60 days from the date an application is deemed complete.
- 1. If the ADU Application is submitted with a permit application to create a new single-family dwelling on the lot, the City may delay acting on the ADU Application until the City permits the new single-family dwelling, but the ADU Application shall be considered without discretionary review or hearing.
- 2. If the applicant requests a processing delay, the 60-day time period shall be tolled for the period of the delay.
- G. Building Permit Required. Subsequent to an approved ADU Application, a building permit application shall be submitted with required plans for plan check and shall be processed subject to requirements and timelines equal to plan checks with commensurate floor area and building type.

17.29.040 – Location and Number of ADUs and JADUs Permitted.

- A. Allowable Location and Number of JADUs.
- 1. JADUs are allowed only within the livable area of an existing or proposed single-family dwelling, or existing attached garage of a single-family dwelling.
 - 2. One JADU is permitted per lot, if all of the following apply:
- a. No expansion of the single-family dwelling or garage footprint shall occur to facilitate JADU construction.
- b. The JADU shall comply with the requirements of Government Code Section 65852.22, Health and Safety Code Section 17958.1, and the California Building Code including:
- (1) Prior to occupancy, the JADU shall have a recorded deed restriction, satisfactory to the City, that prohibits the sale of the JADU separate from the sale of the single-family residence and shall include a statement that the deed restriction may be enforced against future purchasers and shall run with the land.
- (2) The JADU shall be restricted to the size and attributes shown on plans approved with the building permit.
- (3) JADU occupancy shall be limited to no more than two persons consistent with California Health and Safety Code Section 17958.1.
- (4) The JADU shall be constructed entirely within the walls of the proposed or existing single family residence and may be located within an attached garage but may not be in any other accessory structure.
- (5) The JADU shall include exterior access separate from the main entrance to the proposed or existing single-family residence.
 - 3. The JADU shall, at a minimum, include all the following:
- a. An efficiency kitchen with a kitchen sink, cooking appliance and refrigeration facilities, each having a clear working space of not less than 30 inches in front.
- b. Storage cabinets that are of reasonable size in relation to the size of the JADU.
 - c. A separate closet.
 - d. Light and ventilation conforming to the California Building Code.

e. Either a separate bathroom containing a water closet, lavatory, and bathtub or shower or direct access to such facilities in the existing single-family residence.

B. Allowable Location and Number of ADUs.

- 1. Pursuant to the regulations of this chapter, ADUs shall be either attached to, or located within, the proposed or existing primary dwelling, including attached garages, storage areas or similar uses, or an accessory structure, or detached from the proposed or existing primary dwelling and located on the same lot as the proposed or existing primary dwelling.
- 2. One ADU is permitted on a lot with a proposed or existing single-family dwelling.
- 3. Attached ADUs are allowed within the proposed or existing living area of a single-family dwelling, or within existing non-habitable space attached to a single-family dwelling, including attached garages. New construction ADUs attached to an existing single-family dwelling are allowed as follows:
- a. One attached ADU is permitted per lot, where no detached ADU exists. An existing JADU may be converted to an attached ADU permitted by this subsection if no attached or detached ADU exists.
- b. In addition to meeting all requirements of this chapter, the following shall apply:
- (1) Expansions of existing non-habitable accessory structures attached to the primary single-family dwelling or expansions of existing living area for the creation of an ADU, including attached garages, shall not exceed the following:
- i. That square footage needed to bring the total square footage of the ADU up to 850 square feet for a one bedroom unit or 1000 square feet for a two or more bedroom unit, when zoning district setbacks are maintained.
- ii. 800 square feet where setbacks less than zoning district standards but not less than four-feet can be maintained.
- iii. No more than 150 square feet beyond the same physical dimensions of the converted space, only if needed to accommodate ingress and egress, which may occur in side or rear setbacks if acceptable for fire and safety.
- (2) The ADU shall have exterior access separate from the main entrance of the proposed or existing single-family dwelling.
- 4. Detached, new construction or repurposed existing accessory structure conversion ADUs on a lot with a proposed or existing single-family dwelling are allowed as follows:

- a. One detached, new construction, or repurposed existing accessory structure conversion ADU is permitted per lot with a proposed or existing single-family dwelling where no attached ADU exists.
- b. In addition to meeting all requirements of this chapter, distances between buildings shall be provided pursuant to Table 17.14.120, unless legal nonconformity of a repurposed building exists pursuant to Chapter 17.38.
- 5. ADUs within portions of existing multifamily dwelling structures are allowed as follows:
- a. A minimum of one ADU and a maximum of up to 25 percent of the number of existing multifamily dwelling units are permitted within existing multifamily dwelling structures. The ADUs must be within the portions the existing multifamily dwelling structure that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings.
- b. In addition to meeting all requirements of this chapter, the following shall apply:
- (1) All calculations resulting in fractional units shall be rounded down to the nearest whole number.
- (2) An ADU greater than 800 square feet shall not exceed fifty percent (50%) of the square footage of the largest multifamily dwelling unit.
- (3) Addition of another principal dwelling unit to a lot is not permitted as long as an ADU is present.
- 6. Detached ADUs on lots with an existing multifamily dwelling are allowed as follows:
 - a. Not more than two detached ADUs are permitted.
- b. In addition to meeting all requirements of this chapter, the following shall apply:
- (1) Distances between buildings shall be provided pursuant to Table 17.14.120
- (2) Addition of another principal dwelling unit to a lot is not permitted as long as an ADU is present.

17.29.050 – JADU and ADU Maximum Size.

- A. Junior Accessory Dwelling Units.
- 1. A JADU may not be smaller than the minimum efficiency unit size established in Health and Safety Code Section 17958.1, currently set at 150 square feet.
 - 2. A JADU may not exceed 500 square feet.
 - B. Accessory Dwelling Units.
- 1. No ADU with fewer than two bedrooms may exceed 850 square feet except for ADUs constructed within the living area of an existing single-family dwelling or existing floor area of a detached accessory structure.
- 2. No ADU with two or more bedrooms may exceed 1,000 square feet, except for ADUs constructed within the living area of an existing single-family dwelling or existing floor area of a detached accessory structure.
- 3. When an ADU is constructed solely through the conversion of an existing building or structure or in the same location and to the same dimensions as an existing structure, it shall be limited in size to the existing square footage of the building or structure converted or replaced, except that the existing building or structure may be expanded up to 150 sq. ft. for the purposes of ingress and egress to the ADU only.
- 17.29.060 Ratio of ADU to Primary Dwelling Size.
- A. Single-Family Dwellings. The total floor area of either an attached or detached ADU shall not exceed fifty percent (50%) of the existing primary single-family dwelling, provided that an ADU of at least 800 square feet is permitted.
- B. Multi-Family Dwellings. An ADU greater than 800 square feet shall not exceed fifty percent (50%) of the square footage of the largest existing multifamily dwelling unit, provided that an ADU of at least 800 square feet is permitted.
- 17.29.070 ADUs and JADUs in Density Calculations.
- A. ADUs and JADUs shall not be considered to exceed the allowable density for the lot upon which they are located.
- B. Although ADUs and JADUs are not considered as exceeding allowable density for the lot, the square footage of all the structures on a lot, including existing ADUs and JADUs, and both habitable and non-habitable accessory structures are to be included in calculations toward maximum floor area ratio or lot coverage for additions to the primary dwelling unit, including JADUs, and for the construction of any subsequent accessory structures.

17.29.080 – ADU Setbacks.

- A. Any Size ADU Within Existing Building Area. No setback shall be required for an existing living area or accessory structure or a structure constructed in the same location and to the same dimensions as an existing structure that is converted to an ADU or to a portion of an ADU. Portions of the ADU constructed outside of the existing structure shall comply with the setbacks of the zoning district.
 - B. ADUs of 800 Square Feet or Less.
- 1. Setbacks of no more than four feet from the side and rear lot lines shall be required for an ADU that is not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.
 - 2. Front setbacks shall be pursuant to the setback for the zoning district.
- 3. An Administrative Adjustment may not be granted to lessen required setbacks.
 - C. ADUs greater than 800 Square Feet.
- 1. Side and rear setbacks of no more than four feet shall be required for any ADU in excess of 800 square feet.
 - 2. Front setbacks shall be pursuant to the setback for the zoning district.
- D. Fire and Safety Setbacks. Setbacks in all instances shall be sufficient for fire and safety, as determined by City fire and safety personnel.

17.29.090 - ADU and JADU Design Standards.

- A. The City may apply design standards on ADUs to prevent adverse impacts on any real property that is listed in the California Register of Historic Resources.
- B. The City may impose standards including, but not limited to, design, development, and historic district design standards on ADUs. ADUs in a historic district shall adhere to the Historic Preservation Design Standards for that district.
- C. For all new construction ADUs, roof forms and pitch shall match the principal residence.
- D. Any garage door(s) shall be removed from a garage or other accessory structure that is converted to an ADU or JADU, and the opening shall be treated and finished to match the building.

E. Exception. An ADU or JADU that complies with the requirements of Government Code section 65852.2(e) shall not be subject to design and development standards unless otherwise provided herein.

17.29.100 - Lot Size.

There shall be no minimum lot size in order to construct an ADU or JADU.

17.29.110 - Number of Bedrooms.

To ensure the accessory status of ADUs, to provide for reasonable livability, and to accommodate differing bedroom counts to fulfill diverse living needs in the community, the number of bedrooms in an ADU or JADU shall be proportionate to the square feet of living area for the ADU or JADU as follows:

- A. ADUs or JADUs 150 to 500 square feet shall be limited to one bedroom.
- B. ADUs 501 to 1,000 square feet shall be limited to two bedrooms.
- C. ADUs created from repurposed accessory structures having more than 1,000 square feet may have one additional bedroom for each 500 square foot increment of living area.
- 17.29.120 Rental, Occupancy, and Conveyance.
- A. An ADU may be rented separate from the primary residence, but may not be sold or otherwise conveyed separate from the primary residence.
- B. Owner occupancy is not required for an ADU or primary residence until after January 1, 2025, at which time owner occupancy shall be required for new ADUs if the applicable provision of state law is not extended.
- C. Owner-occupancy is required for a single-family dwelling with a JADU. The owner may reside in either the remaining portion of the single-family dwelling or in the JADU. Owner-occupancy shall not be required if the owner is another governmental agency, land trust, or housing organization.
- D. ADU and JADU rentals shall be for a term longer than 30 days and shall not be eligible as a short term rental.

17.29.130 - Parking.

- A. No additional parking shall be required in association with the creation of a JADU. However, any required parking for the primary residence that is eliminated for the creation of a JADU shall be replaced on-site in conformance with all requirements of Chapter 17.14.
- B. Except as specified in Section 17.29.130.D, an ADU requires one additional parking space per ADU or per bedroom, whichever is less.
- 1. Required parking spaces may be provided as tandem parking on a driveway only if the required parking space is not within the setback established for the zoning district.
- 2. Required parking spaces may also be provided in a tandem configuration within a carport or garage meeting the setback requirements of the zoning district.
- 3. Each parking space must maintain 20 feet deep by 10 feet wide interior clear dimensions.
- 4. In the event that required ADU parking is unable to be provided pursuant to subsections 1 or 2 above, and the parking area meeting the dimensions of subsection 3 can be accommodated on-site within required setbacks, an alternate parking location shall be determined by the Community Development Director.
- C. When a garage, carport, or covered parking structure is demolished in conjunction with the construction of an ADU or converted to an ADU, those off street parking spaces are not required to be replaced. Only those portions of garage, carport, or covered parking structure necessary to accommodate the ADU are authorized for demolition. Any remaining area with interior dimensions of at least 18 feet long by 9 feet wide shall remain as parking when required for the primary residence.
 - D. No parking is required for an ADU in any of the following instances:
- 1. The ADU is located within one-half mile walking distance of public transit as defined by the Department of Housing and Community Development.
- 2. The ADU is located within an architecturally and historically significant historic district.
- 3. The ADU is part of the proposed or existing primary residence or an accessory structure.
- 4. In the event on-street parking permits are required but not offered to the occupant of the ADU.
- 5. When there is a permanently reserved parking space or parking facility specifically for a car share vehicle located within one block of the accessory dwelling unit.

17.29.140 - Open Space.

Open space requirements of Sections 17.14.110 and 17.19.090 are not applicable for the construction of an ADU up to 800 square feet but shall apply for an ADU greater than 800 square feet.

17.29.150 – ADU and JADU Height.

ADUs and JADUs may not exceed the greater of 16 feet in height or the height of existing space being converted.

17.29.160 - Nonconformities.

- A. The correction of nonconforming zoning conditions shall not be required for the creation of an ADU or JADU. However, all space for occupancy and all newly permitted construction must meet fire and building and safety codes.
- B. A single-family residentially designated property with an existing legal or legally non-conforming accessory dwelling unit shall not be considered a multiple-family property and the existing, subsequently constructed, dwelling unit shall be considered an ADU, regardless of size, location, or configuration.

17.29.170 - Fire Sprinklers.

The installation of fire sprinklers shall not be required in an ADU if sprinklers are not required for the primary residence. Construction of an ADU may impose fire sprinkler requirements for the primary residence and ADU.

17.29.180 – Impact Fees.

No impact fees shall be imposed upon the development of an ADU less than 750 square feet. Impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit.

17.29.190 – Prohibited Dwelling Units.

- A. The following ADUs and JADUs proposed or created after adoption of this ordinance are prohibited:
 - 1. Any ADU or JADU with no primary dwelling existing or proposed on-site.
- 2. An attached or detached ADU greater than 1,000 square feet except for an ADU constructed within the floor area of an existing single-family dwelling or existing detached accessory structure.

- 3. An ADU with one or fewer bedrooms and greater than 850 square feet except for an ADU constructed within the floor area of an existing single-family dwelling or existing detached accessory structure.
- 4. An ADU on property not zoned for single-family residential, duplex residential, multi-family, or mixed use. An exception shall be for properties developed with an existing legal single-family residence, continually used as a residence, as the sole use of the property and the property is legally nonconforming only due to non-residential zoning.
- 5. A JADU on any property that does not consist of a single-family residence as the primary use.
 - 6. A JADU over 500 square feet.
 - 7. Any ADU or JADU that does not meet the requirements of this chapter.
- B. The following are not an ADU or JADU and may not be occupied as a permanent dwelling unit in any residential zoning district nor may permanent utility connections be provided for them:
 - 1. Park trailers as defined in Health and Safety Code Section 18009.3.
 - 2. Recreational vehicles as defined in Health and Safety Code Section 18010.
 - 3. Trailer coaches as defined in Vehicle Code Section 635.

17.29.200 - Deed Restriction Required

Recordation of a deed restriction, approved as to form by the City Attorney, shall be required for any ADU or JADU and shall:

- A. Run with the land.
- B. Be filed with the City after recording.
- C. Prohibit the sale of the ADU or JADU separate from the sale of the primary dwelling.
- D. Include a statement that the deed restriction may be enforced against future purchasers.
- E. Deed restrictions for JADUs shall restrict the size and attributes as stated in the permit.

17.29.210 - General ADU requirements

- A. No passageway shall be required in conjunction with construction of an ADU.
- B. An ADU shall have an individual numeric address provided on-site in a location visible from the public right-of-way. Numbers shall be assigned by the Department of Public Works.
- C. No fencing that separates an ADU from the existing or proposed primary single family dwelling is permitted.
- D. The occupants of a JADU or ADU shall be permitted egress over all areas of the property that are not covered with a structure.
- E. If ambiguity arises concerning the application of any provisions of this chapter, the Community Development Director shall provide an interpretation in furtherance of state law for the provision of housing.

SECTION XXI:

Orange Municipal Code Table 17.34.060.A, "Off-Street Parking and Loading – Required Number of Parking Spaces for Residential Uses," is hereby amended in its entirety to read as follows:

Table 17.34.060.A
REQUIRED NUMBER OF PARKING SPACES FOR RESIDENTIAL USES

USE	REQUIRED NUMBER OF SPACES
Accessory Dwelling Unit	Parking shall be provided as specified in Chapter 17.29.
Single-family Dwelling	2 enclosed garage spaces/unit up to 4 bedrooms accessed by a 12 foot wide 20 foot long driveway. For 5 or more bedrooms, 1 additional enclosed space. For bedroom additions to homes built prior to the effective date of Ordinance 17-08, refer to Section 17.34.020.A. Enclosed or covered spaces demolished or converted by creation of an ADU shall not require replacement.
	For PUDs, units with 3 or more bedrooms shall provide an additional 1.5 guest parking spaces per dwelling unit. Of this requirement, 1 open parking space may be provided at the residence subject to compliance with Section 17.16.060.

Duplex, Dup	olex Residential	2 parking spaces per unit, one of which shall be in an enclose garage. Enclosed or covered spaces demolished or converted by creation of an ADU shall not require replacement.					
	Development Size—	3 units to 50 units	Development Size—	51+ Units			
	If unenclosed resident parking is provided (e.g. parking structure, surface parking lots, carports):	If enclosed resident parking is provided:	If unenclosed resident parking is provided (e.g. parking structure(s), surface parking lots, carports):	If enclosed resident parking is provided:			
	Studio—1.3 spaces/unit	Studio—1.4 spaces/unit	Studio—1.2 spaces/unit	Studio—1.4 spaces/unit One Bedroom—1.9 spaces/unit Two Bedroom—2.3 spaces/unit			
	One Bedroom—1.8 spaces/unit	One Bedroom—1.9 spaces/unit	One Bedroom—1.7 spaces/unit				
	Two Bedroom—2.3 spaces/unit	Two Bedroom—2.3 spaces/unit	Two Bedroom—2.0 spaces/unit				
Multifamily Residential	Three Bedrooms— 2.6 spaces/unit	Three Bedrooms— 2.6 spaces/unit	Three Bedrooms—2.4 spaces/unit	Three Bedrooms— 2.6 spaces/unit			
(3 units or more)	Each additional bedroom above three—0.4 three—0.5 spaces/bedroom/unit spaces/bedroom/unit bedroom/unit spaces/bedroom/unit spa						
 Of the above requirements a minimum of one space per unit shall be covered. minimum of 0.2 spaces per unit shall (with a minimum of two guest spaces in multifamily development) be provided as easily accessible and distinguishal guest parking in addition to the required parking for each unit. For multifamily residential units without driveways that are at least 18 feet in leng a minimum of 0.3 spaces per unit shall (with a minimum of two guest spaces in multifamily residential development) be provided as easily accessible a distinguishable guest parking in addition to the required parking for each unit. If a space that would otherwise meet the definition of a room or bedroom omits of four encompassing walls, that room shall not be counted as a bedroom purposes of calculating required number of parking spaces. Enclosed or covered spaces demolished or converted by creation of an ADU sh not require replacement. 							

SECTION XXII:

To the extent required to implement the provisions of this Ordinance, City staff is directed to modify any Administrative Policies in conflict herewith and return to the City Council for any City Council approvals deemed necessary.

SECTION XXIII:

If any section, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subdivision, paragraph, sentence, clause and phrase thereof, irrespective of the fact that any one (or more) section, subdivision, paragraph, sentence, clause or phrase had been declared invalid or unconstitutional.

SECTION XXIV:

The City Clerk is hereby directed to certify the adoption of this Ordinance and cause a summary of the same to be published as required by law. This Ordinance shall take effect thirty (30) days from and after the date of its final passage.

ADOPTED this 13th day of April, 20	021.	1
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	Mark A. Murphy, May	or, City of Grange

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	Pamela Coleman, City Cler	rk, City	of Orange
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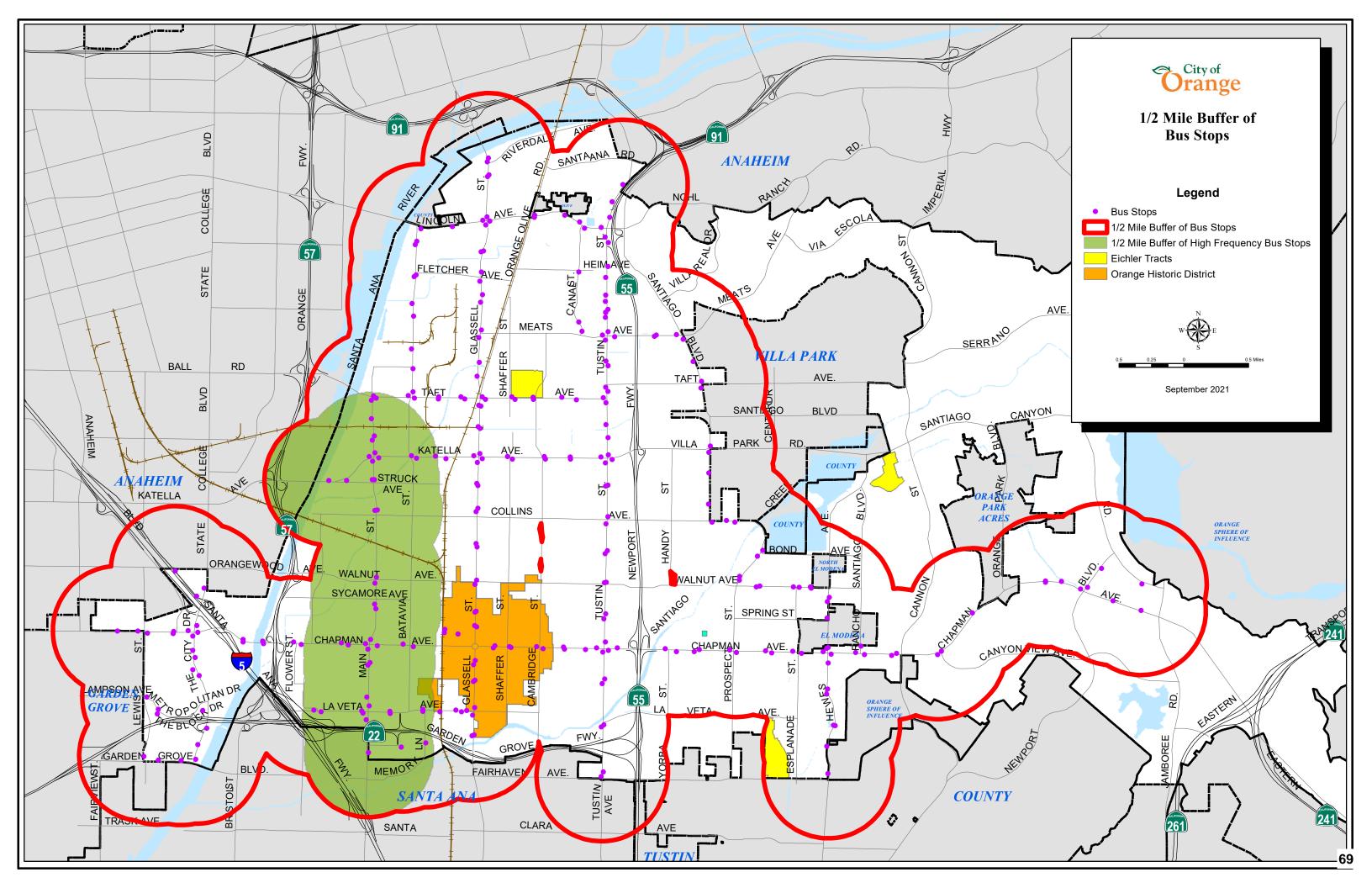
STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF ORANGE)

I, PAMELA COLEMAN, City Clerk of the City of Orange, California, do hereby certify that the foregoing Ordinance was introduced at the regular meeting of the City Council held on the 9th day of March, 2021, and thereafter at the regular meeting of said City Council duly held on the 13th day of April, 2021 was duly passed and adopted by the following vote, to wit:

AYES: COUNCILMEMBERS: Murphy, Nichols, Monaco, Barrios, Dumitru, Gutierrez

NOES: COUNCILMEMBERS: None ABSENT: COUNCILMEMBERS: None ABSTAIN: COUNCILMEMBERS: None

Pamela Coleman, City Clerk, City of Orange





Agenda Item

Planning Commission

Item #: 4.2. 5/6/2024 File #: 24-0186

TO: Chair and Members of the Planning Commission

FROM: Anna Pehoushek, Assistant Community Development Director

1. SUBJECT

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).

2. SUMMARY

The proposed ordinance establishes provisions in the Orange Municipal Code for the transfer of development rights to sites with Urban Mixed Use zoning for purposes of creating open space and increasing housing supply in certain areas to serve the growing residential population in these zones. Additionally, the ordinance provides a mechanism for the transfer of development rights to Urban Mixed Use sites from private residentially zoned abandoned railroad right-of-way property identified in the City's General Plan Circulation Element as a future recreational trail.

3. RECOMMENDED ACTION

Adopt Planning Commission Resolution No. 11-24 entitled:

A Resolution of the Planning Commission recommending that the City Council approve an ordinance of the City Council of the City of Orange amending Chapter 17.44 of the Orange Municipal Code adding a new Section 17.44.210 to establish a mechanism for the transfer of development rights for purposes creating opportunities for housing, open space, and trails.

4. AUTHORIZING GUIDELINES

Orange Municipal Code (OMC) Section 17.08.020 authorizes the Planning Commission to review and make a recommendation to the City Council on Zoning Ordinance amendments.

5. PROJECT BACKGROUND

As a largely built-out community with constrained resources, Orange has limited opportunities to bring forward new parks, trails, and housing to address a long-standing community parkland deficiency, interest in recreational trails, and housing needs identified by the State of California. The General Plan Land Use, Circulation and Mobility, Natural Resources, Economic Development, and Housing Elements include goals, policies, and narratives that express the high priority the community places on the protection and creation of open space and trails, and meeting the housing needs of the community and local business employment base. One of the actions identified in the General Plan Implementation Plan (Implementation Program I-5) as a creative option for pursuing these priorities is the development of a transfer of development rights (TDR) program. The city's 2021-2029 Housing

Element also identifies development of a TDR ordinance as Policy Action Item 2E.

TDR programs offer a mechanism by which the un-used development potential of one property, a "sending site" (as established by General Plan land use designation) can be transferred to a "receiver site" in another location in order to preserve the characteristics of the sending site in exchange for granting additional development potential to the receiver site than would otherwise be allowed under its General Plan land use designation. The future development potential of the sending site is limited in perpetuity by a recorded deed restriction or dedication. There are a number of California cities, and cities across the nation, that have established TDR programs for purposes of open space preservation, historic preservation, housing, and economic development. Each program tends to be tailored to community-specific circumstances and priorities. In the case of Orange, a TDR program is envisioned to accommodate intensified housing development and parkland in areas of the city where land uses are planned to intensify over time, while relieve development pressure and expectations from undeveloped areas of the city that interface with wildlands and the Santiago Creek corridor. These areas often also interface with established neighborhoods and have both a sensitive environmental and development context.

In Orange, without a formal TDR ordinance in place, TDR was used in 2017 to support property reinvestment and housing integration on West Katella Avenue, through a Development Agreement development rights were transferred from a city water well property to the Garrison Apartments development to provide the density needed to make the project financially viable.

Formalizing a TDR program satisfies a portion of Housing Element Policy Action 2E and provides the city with a tool in its land use, recreation, housing, and circulation policy and program toolkit to incentivize and realize new parks, open space, housing development, and recreational trails. A TDR program enables the city to establish a clear framework for when, where, and how the transferring of development rights should occur, as well as a means for leveraging community benefits.

6. PROJECT DESCRIPTION

The proposed ordinance is intended to provide a mechanism within the Orange Municipal Code to incentivize housing production and the creation of community open space and trails in targeted areas of the community through the transfer of development rights to areas of Orange where intensified development is already planned for. Property owner participation in the program would be optional and the transferring of rights would be subject to approval by the City Council on a case-by-case basis in conjunction with a development agreement as a means of leveraging other public benefits.

The objectives of the Ordinance are to:

- Incentivize residential development that complements commercial and employment hubs in Uptown Orange and along the West Katella corridor.
- Offer a pathway for the ultimate transition of privately held property that is the subject of community interest to becoming permanent public open space or a recreational trail.
- Provide a mechanism for the creation of meaningful and useable urban open space in areas of the City where future housing opportunities are concentrated.

Ordinance Framework

The proposed TDR Ordinance is structured around the following concepts:

- Properties in areas of the City with the Urban Mixed Use (UMU) Zoning Districts are established "Receiving Areas" for development rights being transferred from "Sending Area" parcels.
- The transfer of development rights could achieve a maximum 25% increase in the base density established by the General Plan (60 dwelling units/acre + 25% = 75 dwelling units/acre).
- Properties established as "Sending Areas" are those that are:
 - Zoned UMU.
 - Zoned Open Space but are under private ownership, and of interest to the community for transition to long-term public open space.
 - Linear parcels between Fairhaven Avenue and Chapman Avenue under private ownership that are associated with the former railroad right-of-way, constrained by the Kinder Morgan pipeline, and envisioned in the Master Plan of Trails as the future Tustin Branch Trail alignment.
- UMU properties have dual status as both Sending and Receiving Areas in order to enable the
 development potential of one site to be transferred to another site for purposes of providing
 the opportunity to intensify housing on a receiving site and create useable urban park space to
 offer recreational space for the anticipated future residential population of the area.
- For non-Open Space designated sites, property owners enter into private negotiations with potential buyers to work out a mutually agreed upon sales price with the property rights transferring at a 1 to 1 ratio with the exception of the parcels involved with the Tustin Branch Trail alignment, which would be addressed by the process described in the bullet point below.
- For Open Space designated sites, there is no building intensity identified in either the General Plan or Zoning Ordinance. In order to incentivize the transition of the property to permanent open space, the ordinance would provide a mechanism for the City to grant development rights <u>only</u> for purposes of a TDR to a Receiving Area, and <u>only</u> in exchange for the Sending Area site being dedicated by the property owner as open space.

In these instances, the abutting residential General Plan land use designation would be used as a reference point for a baseline density scenario for purposes of establishing a theoretical development potential. For example, in the case of a 5-acre parcel of privately owned open space abutting a neighborhood with a Low Density Residential (LDR) (2-6 du/acre) General Plan designation the maximum density would be applied to the Open Space parcel and yield a development potential of 60 dwelling units. To further incentivize the transfer of development rights, a transfer ratio of 2 to 1 would be available. As with non-Open Space designated sites, the seller and buyer would be responsible for arriving at a mutually agreed upon price for the development rights.

A figure depicting Sending and Receiving Areas is provided in Attachment 2 of this report.

Development Agreement and Deed Restriction Required

The proposed ordinance requires execution of a City Council approved Development Agreement for any TDR project. The City Council would have the ability to approve or deny any Development Agreement application for a TDR. A Development Agreement would enable the City to leverage other community benefits in exchange for the TDR. Additionally, in the case of Open Space-dedicated properties the City could, for example, include provisions for the care and maintenance of the open space over time as part of the dedication.

The Development Agreement for the TDR would require a deed restriction to be recorded on the "sending site" to document the development restriction. The City would maintain a record of the properties involved in these transactions.

7. ANALYSIS AND STATEMENT OF THE ISSUES

Issue 1: Properties Designated Resource Area

As drafted, the proposed ordinance identifies privately owned properties zoned Recreation Open Space and Single-Family Residential as qualified Sending Areas. Other undeveloped properties along Santiago Creek that may lend themselves to open space preservation are those zoned Sand and Gravel and designated as Resource Area in the General Plan. As an option, staff is seeking feedback from the Planning Commission on whether these properties should also be afforded Sending Area status in the proposed ordinance.

8. PUBLIC NOTICE

On April 4, 2024 a notice was published in the Anaheim Bulletin newspaper for a public hearing before the Planning Commission on April 15, 2024. On April 15, the Planning Commission continued the public hearing to a date certain of May 6, 2024.

9. ENVIRONMENTAL REVIEW

Categorical Exemption: This action is exempt from the California Environmental Quality Act (CEQA) pursuant to, but not limited to, State CEQA Guidelines Section 15308 (Actions by Regulatory Agencies for Protection of the Environment) because it establishes a mechanism that relieves development pressure on privately owned property designated for open space and residential development. For this reason, no further CEQA documentation is required.

10. ADVISORY BOARD ACTION

None required.

11. ATTACHMENTS

- Attachment 1 Planning Commission Resolution No. PC 11-24 (including Draft Ordinance)
- Attachment 2 Sending and Receiving Area Maps



Agenda Item

Planning Commission

Item #: 4.2. 5/6/2024 File #: 24-0186

TO: Chair and Members of the Planning Commission

FROM: Anna Pehoushek, Assistant Community Development Director

1. SUBJECT

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).

2. SUMMARY

The proposed ordinance establishes provisions in the Orange Municipal Code for the transfer of development rights to sites with Urban Mixed Use zoning for purposes of creating open space and increasing housing supply in certain areas to serve the growing residential population in these zones. Additionally, the ordinance provides a mechanism for the transfer of development rights to Urban Mixed Use sites from private residentially zoned abandoned railroad right-of-way property identified in the City's General Plan Circulation Element as a future recreational trail.

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5. PROJECT BACKGROUND

As a largely built-out community with constrained resources, Orange has limited opportunities to bring forward new parks, trails, and housing to address a long-standing community parkland deficiency, interest in recreational trails, and housing needs identified by the State of California. The General Plan Land Use, Circulation and Mobility, Natural Resources, Economic Development, and Housing Elements include goals, policies, and narratives that express the high priority the community places on the protection and creation of open space and trails, and meeting the housing needs of the community and local business employment base. One of the actions identified in the General Plan Implementation Plan (Implementation Program I-5) as a creative option for pursuing these priorities is the development of a transfer of development rights (TDR) program. The city's 2021-2029 Housing

Element also identifies development of a TDR ordinance as Policy Action Item 2E.

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6. PROJECT DESCRIPTION

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The objectives of the Ordinance are to:

- Incentivize residential development that complements commercial and employment hubs in Uptown Orange and along the West Katella corridor.
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- Provide a mechanism for the creation of meaningful and useable urban open space in areas of the City where future housing opportunities are concentrated.

Ordinance Framework

The proposed TDR Ordinance is structured around the following concepts:

- Properties in areas of the City with the Urban Mixed Use (UMU) Zoning Districts are established "Receiving Areas" for development rights being transferred from "Sending Area" parcels.
- The transfer of development rights could achieve a maximum 25% increase in the base density established by the General Plan (60 dwelling units/acre + 25% = 75 dwelling units/acre).
- Properties established as "Sending Areas" are those that are:
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 the opportunity to intensify housing on a receiving site and create useable urban park space to
 offer recreational space for the anticipated future residential population of the area.
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- For Open Space designated sites, there is no building intensity identified in either the General Plan or Zoning Ordinance. In order to incentivize the transition of the property to permanent open space, the ordinance would provide a mechanism for the City to grant development rights <u>only</u> for purposes of a TDR to a Receiving Area, and <u>only</u> in exchange for the Sending Area site being dedicated by the property owner as open space.

In these instances, the abutting residential General Plan land use designation would be used as a reference point for a baseline density scenario for purposes of establishing a theoretical development potential. For example, in the case of a 5-acre parcel of privately owned open space abutting a neighborhood with a Low Density Residential (LDR) (2-6 du/acre) General Plan designation the maximum density would be applied to the Open Space parcel and yield a development potential of 60 dwelling units. To further incentivize the transfer of development rights, a transfer ratio of 2 to 1 would be available. As with non-Open Space designated sites, the seller and buyer would be responsible for arriving at a mutually agreed upon price for the development rights.

A figure depicting Sending and Receiving Areas is provided in Attachment 2 of this report.

Development Agreement and Deed Restriction Required

The proposed ordinance requires execution of a City Council approved Development Agreement for any TDR project. The City Council would have the ability to approve or deny any Development Agreement application for a TDR. A Development Agreement would enable the City to leverage other community benefits in exchange for the TDR. Additionally, in the case of Open Space-dedicated properties the City could, for example, include provisions for the care and maintenance of the open space over time as part of the dedication.

The Development Agreement for the TDR would require a deed restriction to be recorded on the "sending site" to document the development restriction. The City would maintain a record of the properties involved in these transactions.

7. ANALYSIS AND STATEMENT OF THE ISSUES

<u>Issue 1: Properties Designated Resource Area</u>

As drafted, the proposed ordinance identifies privately owned properties zoned Recreation Open Space and Single-Family Residential as qualified Sending Areas. Other undeveloped properties along Santiago Creek that may lend themselves to open space preservation are those zoned Sand and Gravel and designated as Resource Area in the General Plan. As an option, staff is seeking feedback from the Planning Commission on whether these properties should also be afforded Sending Area status in the proposed ordinance.

8. PUBLIC NOTICE

On April 4, 2024 a notice was published in the Anaheim Bulletin newspaper for a public hearing before the Planning Commission on April 15, 2024. On April 15, the Planning Commission continued the public hearing to a date certain of May 6, 2024.

9. ENVIRONMENTAL REVIEW

Categorical Exemption: This action is exempt from the California Environmental Quality Act (CEQA) pursuant to, but not limited to, State CEQA Guidelines Section 15308 (Actions by Regulatory Agencies for Protection of the Environment) because it establishes a mechanism that relieves development pressure on privately owned property designated for open space and residential development. For this reason, no further CEQA documentation is required.

10. ADVISORY BOARD ACTION

None required.

11. ATTACHMENTS

- Attachment 1 Planning Commission Resolution No. PC 11-24 (including Draft Ordinance)
- Attachment 2 Sending and Receiving Area Maps

TRANSFER OF DEVELOPMENT RIGHTS ORDINANCE

RESOLUTION NO. PC 11-24

A RESOLUTION OF THE PLANNING COMMISSION RECOMMENDING THE CITY COUNCIL APPROVE AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ORANGE AMENDING CHAPTER 17.44 OF THE ORANGE MUNICIPAL CODE ADDING A NEW SECTION 17.44.210 TO ESTABLISH A MECHANISM FOR THE TRANSFER OF DEVELOPMENT RIGHTS TO CREATE OPPORTUNITIES FOR HOUSING, OPEN SPACE, AND TRAILS

APPLICANT: CITY OF ORANGE

WHEREAS, as a largely built-out community with constrained resources, Orange has limited opportunities to bring forward new parks, trails, and housing to address a long-standing community parkland deficiency, interest in recreational trails, and housing needs identified by the State of California; and

WHEREAS, the General Plan Land Use, Circulation and Mobility, Natural Resources, Economic Development, and Housing Elements include goals, policies, and narratives that express the high priority the community places on the protection and creation of open space and trails, and meeting the housing needs of the community and local business employment base; and

WHEREAS, the subject Transfer of Development Rights Ordinance provides the city with a mechanism to achieve the goals and policies of the General Plan Land Use, Housing, Natural Resources, Circulation and Mobility, and Economic Development Elements, and implement General Plan Implementation Program I-5 and Housing Element Policy Action 2E which identify a transfer of development rights ordinance as a mechanism for purposes of creating opportunities for housing and open space in portions of the city with Urban Mixed Use zoning; and

WHEREAS, the Planning Commission, having considered the proposed Ordinance at a public hearing held on May 6, 2024, including review of the staff report and having received public testimony on the item, has determined the proposed amendment is justified and recommends approval thereof.

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission recommends the City Council approve the subject Ordinance included as Attachment A to this Resolution, attached hereto, based on the following findings:

SECTION 1- FINDINGS

- 1. The Transfer of Development Rights Ordinance implements General Plan Implementation Program I-5 and Housing Element Policy Action Item 2E by providing a mechanism for the creation of new parks, trails, and housing to address a long-standing community parkland deficiency, interest in recreational trails, and housing needs identified by the State of California. The General Plan Land Use, Circulation and Mobility, Natural Resources, Economic Development, and Housing Elements include goals, policies, and narratives that express the high priority the community places on the protection and creation of open space and trails, and meeting the housing needs of the community and local business employment base.
- 2. The subject Ordinance supports the development of housing and open space in areas of the city that have concentrations of employment and transit, and are presently urbanized with limited parkland, and also supports the protection of undeveloped privately owned property adjacent to Santiago Creek which provides ecological and recreational benefits to the community in support of the goals and policies of the General Plan Natural Resources Element.

SECTION 2-ENVIRONMENTAL REVIEW

The subject Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to, but not limited to, State CEQA Guidelines Section 15308 (Actions by Regulatory Agencies for Protection of the Environment) because it establishes a mechanism that relieves development pressure on privately owned property designated for open space and residential development. For this reason, no further CEQA documentation is required.

ADOPTED this 6 th day of May 2024.	
	David Vazquez Planning Commission Chair

Resolution No. PC 11-24 Page 3 of 3

I hereby certify that the foregoing Resolution was adopted by the Planning Commission of the City of Orange at a regular meeting thereof held on the 6^{th} day of May 2024, by the following vote:

AYES: NOES:

RECUSED:

ABSENT:

Anna Pehoushek

Assistant Community Development Director

EXHIBIT A RESOLUTION NO. PC 11-24

DRAFT
TRANSFER OF DEVELOPMENT RIGHTS
ORDINANCE

ORDINANCE NO. ##-24

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ORANGE AMENDING CHAPTER 17.44 OF THE ORANGE MUNICIPAL CODE ADDING A NEW SECTION 17.44.210 TO ESTABLISH A MECHANISM FOR THE TRANSFER OF DEVELOPMENT RIGHTS TO CREATE OPPORTUNITIES FOR HOUSING, OPEN SPACE, AND TRAILS

WHEREAS, as a largely built-out community with constrained resources, Orange has limited opportunities to bring forward new parks, trails, and housing to address a long-standing community parkland deficiency, interest in recreational trails, and housing needs identified by the State of California; and

WHEREAS, the General Plan Land Use, Circulation and Mobility, Natural Resources, Economic Development, and Housing Elements include goals, policies, and narratives that express the high priority the community places on the protection and creation of open space and trails, and meeting the housing needs of the community and local business employment base; and

WHEREAS, Ordinance No. ##-24 provides the city with a mechanism to achieve the goals and policies of the General Plan Land Use, Housing, Natural Resources, Circulation and Mobility, and Economic Development Elements, and implement General Plan Implementation Program I-5 and Housing Element Policy Action 2E which identify a transfer of development rights ordinance as a means of creating opportunities for housing and open space in portions of the city with Urban Mixed Use zoning; and

WHEREAS, at a public hearing held on May 6, 2024, the City of Orange Planning Commission considered Ordinance No. ##-24 and recommended approval of said Ordinance to the City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ORANGE DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I:

This Ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to, but not limited to, State CEQA Guidelines Section 15308 (Actions by Regulatory Agencies for Protection of the Environment) because it establishes a mechanism that relieves development pressure on privately owned property designated for open space and residential development. Therefore, no further CEQA documentation is required.

SECTION II:

Section 17.44.210 is hereby added to Chapter 17.44 of the Orange Municipal Code as follows:

17.44.210 Transfer of Development Rights.

A development agreement entered into pursuant to this Chapter 17.44 of the Zoning Ordinance may include provisions for the Transfer of Development Rights as set forth below.

Transfer of development rights (TDR) allows the owner of property in a Sending Area, as defined, to voluntarily sell and transfer certain rights to develop to the owner of property in a Receiving Area, as defined. The intent of the TDR process is to provide a mechanism to facilitate housing development in certain areas of the community while preserving certain undeveloped property to facilitate the development of parks and recreational trails.

The transfer/elimination of development rights from the Sending Area shall be separately recorded as a deed restriction on the property at issue prohibiting future development based on the same rights that were transferred to the Sending Area property in perpetuity. The TDR to the Receiving Area property will be memorialized in the development agreement.

A. TDR Sending Areas

In accordance with the requirements in this Section, development rights may be severed and sold from properties located in the following TDR Sending Areas:

- 1. Privately-Owned Open Space Sending Area. To preserve their habitat and other environmental benefits as undeveloped open space, property in this Sending Area that are located fully within the Recreation Open Space, R-O, zoning district, are eligible for TDR as a Sending Area property, except properties reserved as "open space" in conjunction with the approval of a tentative tract map.
- 2. Former Rail Right-of-Way Sending Area. To preserve land for public trails, the portion of property that were formerly in the rail right-of-way are eligible for TDR as a Sending Area property.

B. TDR Receiving Areas

In accordance with the requirements in this Section, development rights may be used to increase the allowable residential density for properties located in the following TDR Receiving Areas:

- 1. Katella Avenue Sending/Receiving Area: Property located fully within the Urban Mixed Use (UMU) zoning district are eligible for TDR as a Receiving property.
- 2. Rampart Street Sending/Receiving Area: Property located fully within the Urban Mixed Use (UMU) zoning district are eligible for TDR as a Receiving property.

- 3. The City Drive Sending/Receiving Area: Property located fully within the Urban Mixed Use (UMU) zoning district are eligible for TDR as a Receiving property.
- 4. Town and Country Drive Sending and Receiving Area: Property located fully within the Urban Mixed Use (UMU) zoning district are eligible for TDR as a Receiving property.

C. TDR Sending/Receiving Areas

In accordance with the requirements in this Section, development rights may be transferred within the following Urban Mixed Use Zone areas, which shall be both Sending and Receiving Areas:

- 1. Katella Avenue Sending/Receiving Area: Property located fully within the Urban Mixed Use (UMU) zoning district is eligible for TDR as a Sending/Receiving Area property.
- 2. Rampart Street Sending/Receiving Area: Property located fully within the Urban Mixed Use (UMU) zoning district is eligible for TDR as a Sending/Receiving Area property.
- 3. The City Drive Sending/Receiving Area: Property located fully within the Urban Mixed Use (UMU) zoning district is eligible for TDR as a Sending/Receiving Area property.
- 4. Town and Country Drive Sending and Receiving Area: Property located fully within the Urban Mixed Use (UMU) zoning district is eligible for TDR as a Sending/Receiving Area property.

D. TDR Credits

Development rights are expressed as a TDR credit, where one credit is equal to one residential dwelling unit. The use of TDR by an applicant is completely voluntary, and the price of the development rights is individually negotiated on a case-by-case basis between two willing property owners. The City shall maintain a publicly available ledger that records TDR credits certified by the City, development rights severed by Sending Area property owners, and TDR credits retired and used to increase the density of development by Receiving Area property owners.

E. TDR Certification

Upon request of a Sending Area property owner and in conjunction with a completed application and payment of a fee that the City Council may adopt or amend, from time to time, by resolution of the City Council, the Director of Community Development may certify the number of TDR credits which a property in a Sending Area can sever and sell, in accordance with the following:

1. Application for TDR Certification

The application for TDR certification shall include, at a minimum, the following:

a. A copy of the deed to the lot or parcel;

- A title search completed within the six months prior to the application establishing whether the lot or parcel is subject to a deed restriction, or any other condition, covenant, or restriction that would prohibit or limit development on the lot or parcel;
- c. A conceptual property plan showing the development capacity of the lot or parcel and demonstrating compliance with setbacks, parking requirements, and all other applicable development standards;
- d. The address of the property owner or agent thereof to which the City may send correspondence regarding TDR certification, renewal, expiration, and any intended retirement of development rights pursuant to a development agreement that the City intends to execute; and
- e. Any other information deemed necessary by the Community Development Director.

2. Residentially or Mixed-Use Zoned Sending Properties

For eligible Sending Area properties located in a residential zoning district or in an Urban Mixed Use (UMU) zoning district, the number of TDR credits shall equal the maximum number of residential dwelling units that the General Plan land use designation or the zoning district classification, whichever is higher, would allow to be constructed after accounting for any restrictions that would prohibit or limit residential development, less the number of residential dwelling units existing on the lot or parcel at the time of the application for TDR certification. The number of TDR credits shall be rounded down to the nearest one-tenth unit. The Community Development Director shall have sole discretion in making the determination as to the number of TDR credits, with appeal rights as set forth in Section 17.08.050.

For eligible properties located in the former rail right-of-way Sending Area and located in a residential zoning district, only the portion of the property that was formerly within the rail right-of-way shall be used to determine the number of TDR credits. Each such property shall have a minimum development right of one-tenth of a dwelling unit solely for the purpose of calculating TDR credits that can be severed and sold. The City may certify twice the number of TDR credits if the Sending Area property owner grants a public easement to use the portion of the property that was formerly in the rail right-of-way as a public trail.

3. Recreation Open Space Zoned Sending Properties

For eligible Sending Area properties located in the Recreation Open Space (R-OS) zoning district, the development rights shall be expressed as equivalent dwelling units based on the maximum allowable density under the abutting residential land use district. Should there be more than one abutting residential land use district, the district with the higher density shall serve as the reference. The number of TDR credits shall equal the property

area, measured in square feet, after accounting for any restrictions that would restrict or limit development, divided by the theoretical maximum density. The number of TDR credits shall be rounded down to the nearest one-tenth unit. The City may certify twice the number of TDR credits if the Sending Area property owner grants a public easement to use the property for public parks and open space.

4. Expiration of TDR Certification

Any TDR certification issued by the City shall be valid for one calendar year from the date of issuance and may be renewed for up to two one-year periods upon submission of an application for extension and the payment of any fee that the City Council may adopt and amend , from time and time, by resolution of the City Council, for both application and renewal of the TDR certification. The initial certification and any renewals granted by the City shall be recorded in the TDR Ledger. When a TDR certification has expired, the property owner may reapply for a new certification.

5. Eligibility

Properties eligible for TDR as part of a Sending Area or Receiving Area must have been zoned as an eligible classification on the effective date of this Ordinance, except that properties zoned Commercial Recreation as of the effective date of this Ordinance that are re-zoned to Urban Mixed Use (UMU) to achieve General Plan consistency shall be eligible for TDR.

F. Sale of TDR Development Rights

1. Sales

TDR credits may be sold at the discretion of the owner of an eligible Sending Area property, as defined in Section A, only after the TDR credits have been certified by the City in accordance with Section D.

2. Purchases

TDR credits may only be transferred to and retired by the owner of an eligible Receiving Area property, as defined in Section B, pursuant to a development agreement in accordance with Section H.

3. City Sales and Purchases

The requirements of Section E.2 notwithstanding, the City of Orange may purchase and hold TDR credits and may sell TDR credits to owners of eligible Receiving Area properties when, in the sole discretion of the City, the sales and purchases of such TDR credits would improve the market for development rights and further implement the General Plan.

- a. Any and all City purchases of TDR credits shall be with the voluntary consent of the Sending Area property owner. The City may use a reverse auction to ensure that it pays the lowest available price for TDR credits.
- b. Any and all City sales of TDR credits shall be with the voluntary consent of the Receiving Area property owner. The City may use an auction to ensure that it receives the highest acceptable price for TDR credits.

4. Development Agreement Required for Transfer

TDR development rights may only be transferred in conjunction with the adoption and execution of a development agreement in accordance with Section H and any other applicable provisions of this Municipal Code.

G. Use of TDR Credits

1. Use of TDR Credits

Pursuant to an executed development agreement, the City may allow each TDR credit purchased from a Sending Area property to be used on an eligible Receiving Area property to construct one residential dwelling unit in excess of the maximum density permitted under the General Plan designation or zoning classification, whichever is greater. Fractional TDR credits may only be used when bundled with other fractional TDR credits to yield one full TDR credit.

2. Maximum Density

The use of TDR credits may increase the density up to 25 percent of the maximum density permitted under the General Plan designation or zoning district classification for the eligible Receiving Area property.

3. Compliance with Development Standards

The use of TDR credits on an eligible Receiving Area property allows only for an increase in the maximum density. All other legal requirements such as development standards, fire, building and other Codes, allowable uses, and other requirements applicable to the zoning district remain in force, including but not limited to, height limitations, setbacks and yard requirements, parking standards, and open space requirements.

4. Density Bonus

The owner of an eligible Receiving Area property may use TDR credits to exceed the maximum allowable density for a property's General Plan land use designation and also may use the density bonus provision for affordable housing included in Chapter 17.15, Density Bonus. When a property owner intends to use both TDR credits and the affordable housing density bonus, the calculation of the allowable affordable housing density bonus shall be calculated before the application of TDR credits.

H. Development Agreements for Transfer of Development Rights

The application for a development agreement for the TDR, the development agreement, the review and approval process, and recordation, shall comply with the requirements of this Section. The following additional requirements shall also apply:

- 1. The application for a development agreement for the TDR shall include:
 - a. A title search completed within the six months prior to the application establishing whether the Sending Area property is subject to a deed restriction, or any other condition, covenant, or restriction that would prohibit or limit development on the property;
 - b. A copy of the TDR certification;
 - c. An agreement executed by the Sending Area property owner in favor of the City of Orange, in a form acceptable to the City Attorney, to be recorded as a deed restricting future residential development on the Sending Area property from which development rights are being severed;
 - d. An agreement executed by the Sending Area property owner in favor of the City of Orange, in a form acceptable to the City Attorney, to be recorded to grant a public easement for a public trail or for a public park and open space, if any of the development rights are derived from the grant of such a public easement, pursuant to Section D.2 or D.3 above;
 - e. A project description identifying the number of residential dwelling units allowed by the General Plan land use designation and the zoning district classification of the Receiving Area lot(s) or parcel(s) and the resulting density, the number of TDR credits being applied to and retired for the proposed project, and the total number of residential dwelling units in the proposed project and the resulting density; and
 - f. Any other information deemed necessary by the Community Development Director
- 2. The development agreement shall identify the number and source of all development rights being used by the proposed Receiving Area property and shall indicate that the recording of the development agreement shall act to sever the development rights from the Sending Area property and vest them in the Receiving Area property.
- 3. In addition to recording the development agreement in accordance with Section 17.44.150, the City Clerk shall record with the County Recorder any related deed restrictions limiting or prohibiting development on the Sending Area property, deeds conveying public easements, and deeds conveying land for public parks and open space, no later than 10 days after the City enters into the development agreement.

4. Recording of the development agreement shall vest the development rights with the Receiving Area property. The provisions of Section 17.44.160 notwithstanding, no amendment or cancellation of the development agreement shall remove the development rights vested in the Receiving or Sending Area property. The only recourse to reallocate the development rights is to commence a new process to sever and sell the development rights and transfer them to an eligible Receiving Area property

SECTION III:

If any section, subdivision, paragraph, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subdivision, paragraph, sentence, clause and phrase thereof, irrespective of the fac that any one (or more) section, subdivision, paragraph, sentence, clause or phrase had been declared invalid or unconstitutional.

SECTION IV:

The City Clerk is hereby directed to certify the adoption of this Ordinance and cause a summary of the same to be published as required by law. This Ordinance shall take effect thirty (30) days from and after the date of its final passage.

APPROVED this day of	, 2024.
	Daniel R. Slater, Mayor, City of Orange

ATTEST:		
Pamela Cole	man, City Clerk, City of Orar	nge
STATE OF COUNTY O	CALIFORNIA) F ORANGE)	
CITY OF OF	RANGE)	
that the foreg	oing Ordinance was introduc, 2024, and the	erk of the City of Orange, California, do hereby certify ed at the regular meeting of the City Council held on the creafter at the regular meeting of said City Council duly 24 was duly passed and adopted by the following vote,
AYES:	COUNCILMEMBERS:	
NOES:	COUNCILMEMBERS:	
ABSENT:	COUNCILMEMBERS:	
ABSTAIN:	COUNCILMEMBERS:	
		Pamela Coleman, City Clerk, City of Orange

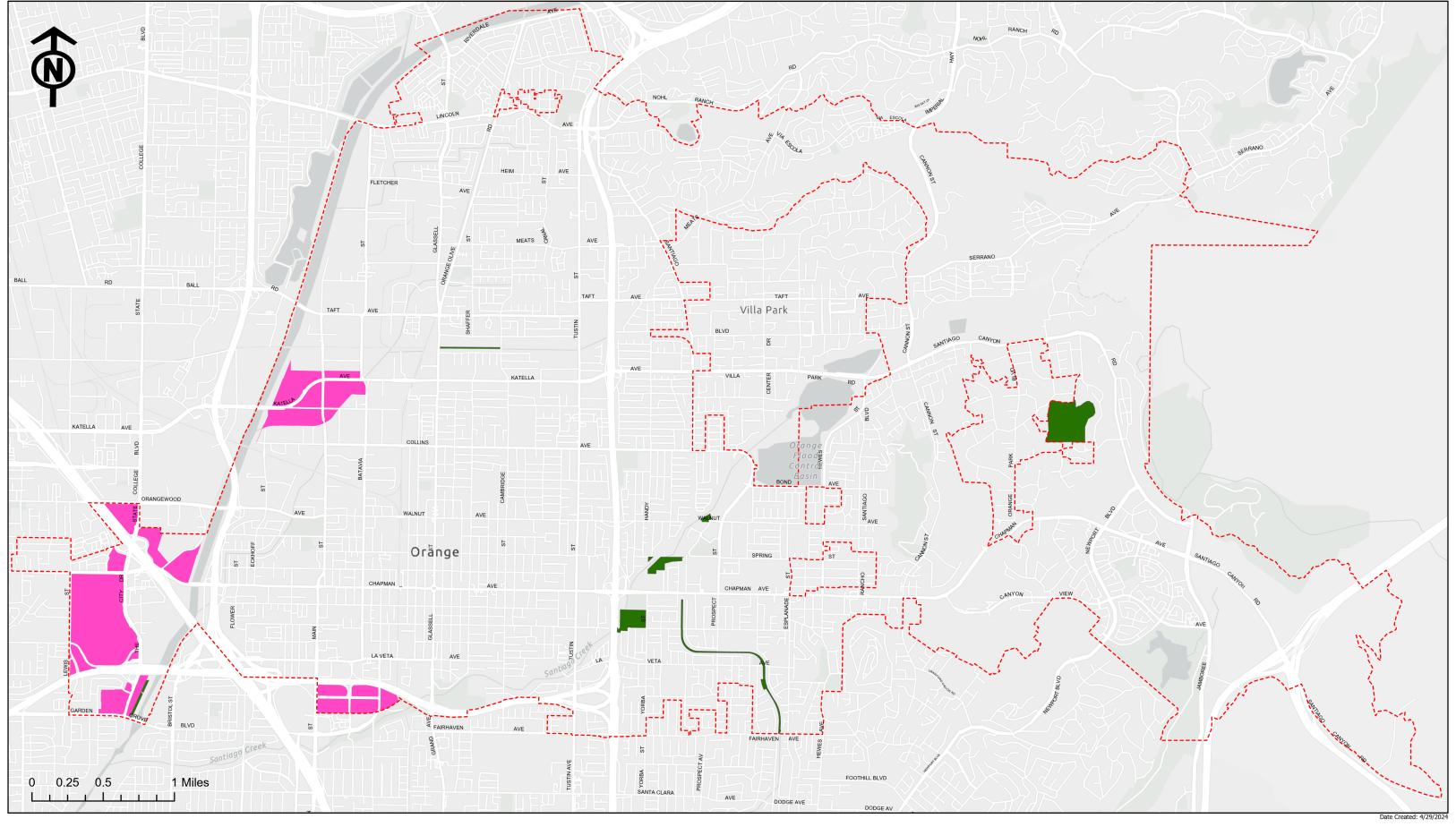


Exhibit 1 | TDR Ordinance - Sending and Receiving Areas

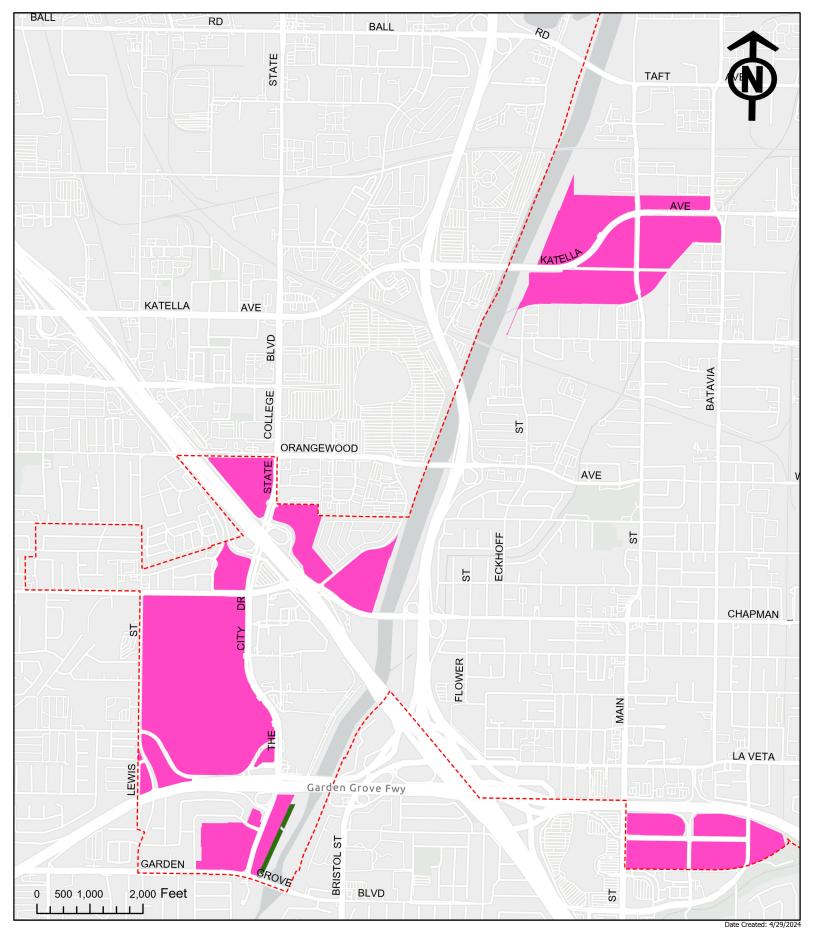


Exhibit 2 | TDR Ordinance - Sending and Receiving Areas Outlets / W. Katella Ave

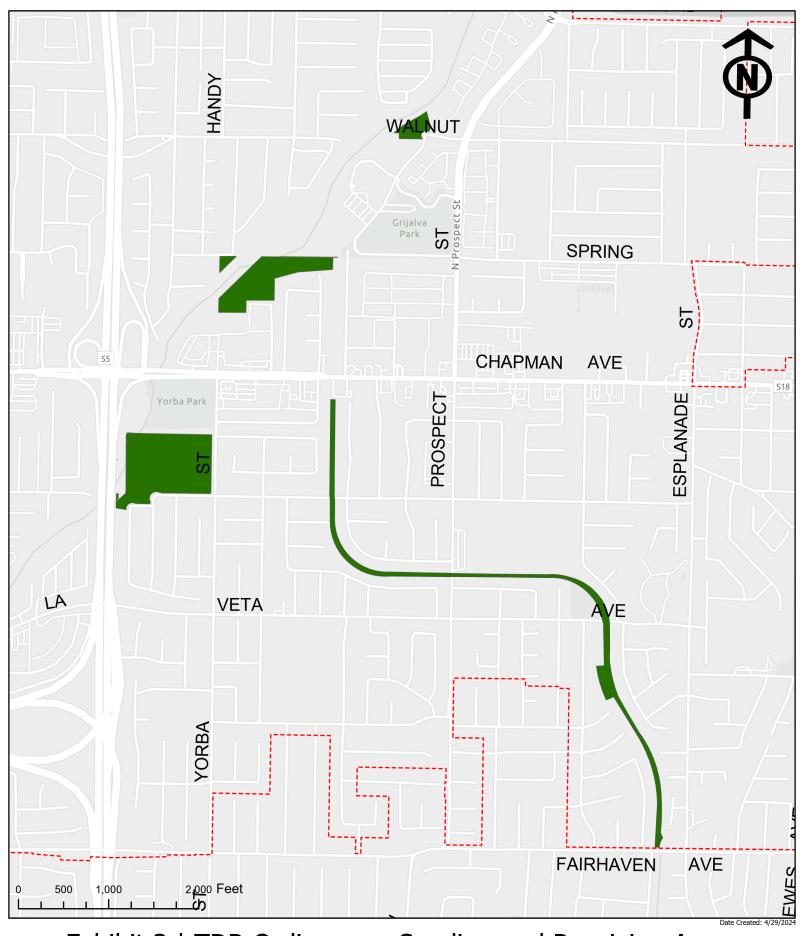


Exhibit 3 | TDR Ordinance - Sending and Receiving Areas Chapman La Veta RR ROW

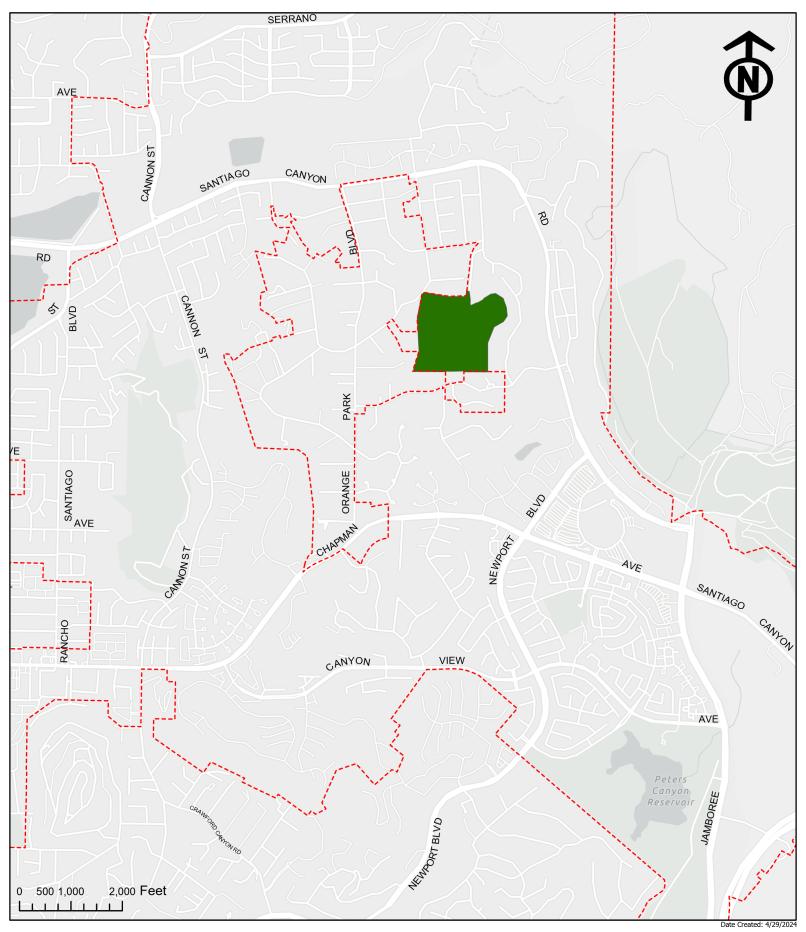


Exhibit 4 | TDR Ordinance - Sending and Receiving Areas East Orange