



Agenda Item

Planning Commission

Item #: 4.1.

7/21/2025

File #: 25-0425

TO: Chair and Members of the Planning Commission

THRU: Hayden Beckman, Planning Manager

FROM: Arlen Beck, Associate Planner

1. SUBJECT

Public Hearing to consider an ordinance establishing farmworker and employee housing as a permitted land use for certain qualifying properties and finding of CEQA exemption.

2. SUMMARY

The proposed ordinance amends the Orange Municipal Code to align with State law by allowing certain types of housing as permitted land uses in applicable residential and agricultural zoning districts. The ordinance ensures consistency with the Employee Housing Act (Health and Safety Code Sections 17000-17062.5) and supports the City's housing goals by facilitating the development and operation of housing for farmworkers and other employees.

3. RECOMMENDED ACTION

1. Conduct and close the Public Hearing.
2. Adopt Planning Commission Resolution No. 08-25 recommending the City Council adopt an Ordinance amending Title 17 of the Orange Municipal Code to comply with the Employee Housing Act (Health and Safety Code Sections 17000-17062.5) regarding farmworker and employee housing as a permitted use in certain zoning districts and related definitions and development standards.
3. Recommend that the City Council find the ordinance categorically exempt from the California Environmental Quality Act (CEQA) per State CEQA Guidelines Sections 15061(b)(3).

4. AUTHORIZING GUIDELINES

Orange Municipal Code 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 General Plan 2021-2029 Housing Element was adopted by the City Council on October 30, 2023, and the California State Department of Housing and Community Development (HCD) found the Housing Element in substantial compliance with State Housing Element Law on January 2, 2024.

The City's Housing Element, includes Housing Policy Action 4I, which commits the City to amend its zoning regulations to comply with the Employee Housing Act.

The California Employee Housing Act requires local jurisdictions to treat certain forms of employee and farmworker housing as a residential use. Specifically:

- Health and Safety Code §17021.5 prohibits jurisdictions from requiring a use permit for employee housing for six or fewer persons in residential zones.
- Health and Safety Code §17021.6 requires farmworker housing of up to 36 beds or 12 units to be treated as an agricultural use in agricultural zones.

6. PROJECT DESCRIPTION

The proposed Ordinance would amend Orange Municipal Code Chapter 17.13.040, Special Use Regulations, to explicitly allow:

- Employee Housing for six or fewer persons as a permitted residential use in all zones allowing single-family uses.
- Farmworker Housing consisting of 36 beds or 12 units as a permitted agricultural use in zones allowing agricultural uses.

In addition, definitions are proposed for “Employee Housing” and “Farmworker Housing” in alignment with State law, and the Ordinance would prohibit standards or requirements beyond those imposed on similar residential dwellings in the same zone.

Consistent with State Law, operators of employee housing must register with HCD annually. The annual registration report includes details about the facility type, number of residents, and facility conditions. Currently, HCD has enforcement authority of employee housing units. However, should a particular development become an issue, the City may assume responsibility for enforcement upon written notice to HCD.

In 2019, American Community Survey (ACS) data reported that within Orange County there were 205 people employed in the farming, fishing, and forestry industries. Because of the low number of people employed in the agriculture and farming industries, the City of Orange has not previously provided specific housing accommodation for this population.

7. DISCUSSION

This ordinance provides compliance with State law while expanding housing options for essential workers, including those in the agricultural sector. Key benefits include:

- Supporting low- and moderate-income workers with affordable housing opportunities.
- Removing local zoning barriers that conflict with State housing laws.
- Strengthening the City’s ability to meet Regional Housing Needs Assessment (RHNA) obligations.

The ordinance is largely technical in nature and brings the City into statutory compliance, ensuring legal defensibility of its zoning ordinance and Housing Element.

8. PUBLIC NOTICE

On June 26, 2025, a notice was published in the Orange City News newspaper for a public hearing before the Planning Commission on July 21, 2025.

9. ENVIRONMENTAL REVIEW

The proposed project is not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the state CEQA Guidelines (Common Sense Exemption) because it can be seen with certainty that there is no possibility that it would have a significant effect on the environment. For this reason, no further CEQA documentation is required.

10. ADVISORY BOARD ACTION

No advisory board review was required for this ordinance.

11. ATTACHMENTS

- Attachment 1 - Planning Commission Resolution No. PC 08-25 with Draft Ordinance