RESOLUTION NO. PC 16-24

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ORANGE RECOMMENDING THAT THE CITY COUNCIL ADOPT AN ORDINANCE AMENDING TITLE 17 OF THE ORANGE MUNICIPAL CODE TO ALLOW SINGLE-ROOM OCCUPANCY HOUSING AS A PERMITTED USE IN CERTAIN ZONING DISTRICTS AND RELATED DEFINITIONS AND DEVELOPMENT STANDARDS

APPLICANT: CITY OF ORANGE

WHEREAS, the City recognizes the opportunity for Single Room Occupancy (SRO) units to meet housing needs of the community, especially Extremely-Low, Very-Low and Low-Income households; and

WHEREAS, the subject Ordinance has been prepared to accommodate Single-Room Occupancy housing units in appropriate zoning districts, in accordance with California Government Code Section 65583(c)(1); and

WHEREAS, there are a number of under-utilized small scale office buildings and small-scale motels that lend themselves to adaptive re-use for affordable housing given their proximity to transit, goods, services, and employment; and

WHEREAS, single-room occupancy units can provide affordable housing options for single persons living alone, young professionals, persons looking to transition into permanent housing or seniors looking to age in place in the community; and

WHEREAS, conversion of underutilized small scale office buildings and small-scale motels to single-room occupancy units provides an opportunity to implement standards, provisions, and limitations governing the permitting, development, siting, and management of properties where no such standards exist; and

WHERAS, the City of Orange 2021-2029 Housing Element includes Housing Policy Action 4H that calls for the City to allow Single-Room Occupancy housing units.

WHEREAS, this proposed Ordinance has been crafted to include implementing standards, provisions and limitations governing the permitting, development, siting, and management of Single-Room Occupancy units to ensure the orderly management and operation of such properties;

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

- 1. The proposed Ordinance amends existing provisions of the OMC to achieve compliance with California Government Code Section 65583(c)(1).
- 2. The proposed Ordinance implements the City's 2021-2029 General Plan Housing Element. Specifically, the Ordinance will assist in providing housing to meet the needs of low- and very-low-income households, remove governmental constraints, promote housing opportunities for all persons, maximize future residential development potential, 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 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.

ADOPTED this 21st day of April 2025.

Alison Vejar

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 21st day of April 2025, by the following vote:

AYES:

Vejar, Leslie, Martinez, Maldonado, McCormack

NOES:

None

ABSENT:

Vazquez and Tucker

Chad Ortlieb, Principal Planner

EXHIBIT A RESOLUTION NO. PC 16-24

SRO ORDINANCE

ORDINANCE NO. XX-25

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ORANGE AMENDING TITLE 17 (ZONING) OF THE ORANGE MUNICIPAL CODE TO MAKE SINGLE-ROOM OCCUPANCY (SRO) A PERMITTED USE IN CERTAIN ZONING DISTRICTS AND BY ADDING DEFINITIONS AND DEVELOPMENT STANDARDS RELATED TO SRO DEVELOPMENT.

WHEREAS, the City of Orange (City) recognizes the opportunity for Single Room Occupancy (SRO) units to meet housing needs of the community, especially extremely-low, very-low and low-income households; and

WHEREAS, The City seeks to fulfill our Regional Housing Needs Assessment (RHNA) allocation, which includes 1,067 units affordable to very-low-income households and, 604 units affordable to low-income households; and

WHEREAS, the City is updating the Orange Municipal Code to permit Single-Room Occupancy units in appropriate zoning districts, subject to requirements of State Law (Proposed Ordinance); and

WHEREAS, these requirements include implementing standards, provisions and limitations governing the permitting, development, siting, and management of Single-Room Occupancy units; and

WHEREAS, the Planning Commission, having considered the proposed changes to the OMC at a public hearing held on April 21, 2025 and having received public testimony on the item, determined the Proposed Ordinance serves the City's best interests and furthers the public health, safety and general welfare; and

WHEREAS, the City Council, having now considered the proposed changes to the OMC at a public hearing held on _____, including review of the staff report, and having received public testimony on the item, desires to adopt the Proposed Ordinance.

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

SECTION I:

That the recitals and findings contained herein are true and correct, incorporated herein, and with the public record, form the basis for this Ordinance.

SECTION II:

Section 17.04.038 of the Orange Municipal Code, "Zoning – Definitions – "S" Definitions," is hereby amended to read as follows:

"Single Room Occupancy" means a single room that is the primary residence of its occupant or occupants. The unit must contain either food preparation or sanitary facilities, and may contain both. If the units do not contain sanitary facilities or food preparation facilities, the building must contain food preparation and/or sanitary facilities that are shared by tenants. Single Room Occupancy is different from and, does not include, uses defined in Title 17 as "dormitory," or "dormitory-style housing," or "student housing."

SECTION II:

Section 17.04.020 of the Orange Municipal Code, "Zoning – Definitions – "A" Definitions," is hereby amended to include the following definition, in alphabetical order:

"Adaptive Reuse" means reusing an existing building for a purpose other than which it was originally built or designed for.

SECTION III:

Section 17.18.140 of the Orange Municipal Code, "Zoning – Commercial Districts Single Room Occupancy Housing is hereby added to read as follows:

17.18.140 Single Room Occupancy Housing Development Standards.

- A. Purpose. The purpose of these provisions is to allow the development of reduced-size dwelling units, defined as single room occupancy (SRO) units, which provide additional options for affordable housing opportunities. These SRO regulations establish development and operational standards for single-room occupancy units and are considered to be in addition to the regulations of the underlying zoning districts where SRO development is permitted.
- B. Affordability. All units within SRO projects shall be deed restricted, via an affordable housing agreement with the City, for occupancy by very-low and low-income individuals as defined by the City's housing element, with the exception of a 24-hour manager unit.
- D. Applicability. The standards contained in this section shall apply to all SRO units.
- E. Development and Operational Standards.
- 1. Occupancy. A SRO unit shall be occupied by not more than two persons. Occupancy of SRO units may be restricted to seniors.
 - 2. Tenancy. Tenancy of SRO units shall be offered for a minimum of 30 days or longer.
- 3. Unit Size. The minimum size of a SRO unit shall be 150 square feet and the maximum size shall be 375 square feet.

4. Management. A SRO management plan shall be submitted to, reviewed, approved, and enforced by the Community Development Director or designee. The management plan shall be approved before issuance of a certificate of occupancy. The management plan shall contain management policies, operations, emergency procedures, overnight guest policy, security program including video cameras monitoring building access points at every floor, rental procedures and proposed rates, maintenance plans, staffing needs, and tenant mix, selection and regulations. An on-site 24-hour manager is required in every SRO project. A manager's unit shall be provided which shall be designed as a complete residential unit and be a minimum of 300 square feet in size, and a maximum of 1,000 square feet in size.

Each SRO project may be subject to review at any time by the City, which includes, but is not limited to, the review of management services, property maintenance, or property operations. Income levels shall be verified by a third party and submitted to the City annually on the anniversary date of the project's certificate of occupancy or final inspection, whichever is last. The SRO management plan shall define third party verification criteria. The SRO project owner shall be responsible for filing an annual report with the Community Development Department, which includes the range of monthly rents, the monthly income of residents, occupancy rates, and the number of vehicles owned by residents.

- 5. Entrances. All SRO units shall be independently accessible from a single main entry, excluding emergency and other service support exits, which shall be situated adjacent to and in full view of the manager's desk.
- 6. Cooking Facilities. Cooking facilities shall be provided either in individual units or in a community kitchen. Where cooking is in individual SRO units, each unit shall have a sink with hot and cold water, with a garbage disposal, a countertop measuring a minimum of 18 inches wide by 24 inches deep, with dedicated electrical outlets and a microwave oven or properly engineered cook top unit pursuant to Building Code requirements, and a refrigerator. A complete kitchen facility available for residents shall be provided on each floor of the structure, if each individual unit is not provided with a minimum of a refrigerator and a microwave oven.
- 7. Bathroom facilities. A SRO unit is not required to, but may contain, partial or full restroom facilities. A partial restroom facility shall have a toilet and sink in an enclosed compartment with a door. This compartment shall be a minimum of 15 square feet. A full restroom facility shall have a toilet, sink, and bathtub, shower, or bathtub/shower combination. If a full bathroom facility is not provided, common bathroom facilities shall be provided in accordance with the California Building Code for congregate residences with at least one full bathroom per floor on the same floor as the units it is intended to serve and shall be accessible from a common area or hallway and one full bathroom per four units. Each shared shower or bathtub facility shall be provided with an interior lockable door.
- 8. Closet. Each SRO unit shall have a separate enclosed closet. The closet shall be at least 120 cubic feet with a minimum four-foot horizontal dimension along one plane.

- 9. Common Area. A minimum of ten square feet for each unit or 250 square feet, whichever is greater, shall be provided for a common area within the building and shall be accessible to all residents at all times. All common areas shall be within the building occupied by SRO units. Dining rooms, meeting rooms, recreational rooms, or other similar areas approved by the city shall be considered common areas. Shared bathrooms, shared kitchens, janitorial storage, laundry facilities, utility rooms, secured office area, and common hallways shall not be considered as common areas. Common area shall be provided on the ground floor adjacent to the entry area, managers unit, and office. The common area shall provide a central focus for tenant social interaction and meetings.
- 11. Office. A secured office area shall be incorporated in the facility for the storage of confidential resident records and security office personnel.
- 12. Mailboxes. Mailboxes shall be provided for each unit, located near the lobby in plain view of the entry desk.
- 13. Laundry Facilities. Laundry facilities shall be provided in the building, in a separate room, at the ratio of one washer and dryer for every 10 units, with at least one washer and dryer per floor.
- 14. Janitorial Storage. A cleaning supply room or utility closet with a wash tub with hot and cold running water shall be provided on each floor of the SRO facility.
- 15. Parking. See Chapter 17.34.060 (Off-Street Parking and Loading Required Number of Parking Spaces).

SECTION VI:

The Single-family Dwelling Use provisions of Table 17.34.060.A of the Orange Municipal Code, "Zoning – Off-Street Parking and Loading – Required Number of Parking Spaces for Residential Uses," is hereby amended to read as follows:

Table 17.34.060.A

REQUIRED NUMBER OF PARKING SPACES FOR RESIDENTIAL USES

THE	THE THE THE THE THE TENTE OF TH
	REQUIRED NUMBER OF SPACES
Single Room	No additional off-street parking spaces are required than what was existing at the time of
Occupancy	conversion to SRO.
(SRO)	

SECTION VII:

Table 17.13.030 of the Orange Municipal Code, "Zoning – Master Land Use Table – Permitted Uses," is hereby amended to add the following:

ZONIN G	RESIDENTIAL								COMMERCIAL						MIXED USE					INDUSTR IAL		AGRICULTU RAL OPEN SPACE			P OVERL AY		ERL	SAND & GRAV EL
LAN D USE	R1-5	to R-15	R1-6	R1-20 to R-140 & R1-R	R2-6 to R2-8	R-3	R-4	HM	OP	CP/C1	CTR	C2	СЗ	CR	OTMU-15S	OTMU-15	OTMU-24	NMU-24	UMU	M1	M2	A1	RO	SH	PI	FP-1	FP-2	SG
Califor	nia]	Build	ing	all struc Code de gregate,	finitio	ns th	at a	re p	rece	ded	with	n ma	in e	ntry	wor	ds (key	terms	s) tha	t inc	lude	one of	the	follo	wing:	Dw	ellin	g, ui	nit,
Single Room Occup ancy	-	-		-	-	-	-	-	-	P *	P *	P *	-	-	-	-	-	-	-	-	-	-	_	-	-	-	-	-

SECTION VIII:

Section 17.13.040 of the Orange Municipal Code, "Zoning – Master Land Use Table – Special Use Regulations," is hereby amended to add the following:

HHH. Single Room Occupancy Housing (SRO).

- 1. Adaptive Reuse of the following existing structures that meet the following criteria only.
 - a. Motel/Hotel with 30 guest rooms or less.
 - b. Office Buildings with a total gross floor area of 5,000 square feet or less.
- 2. Only those buildings that meet the criteria of 17.13.040 (HHH)(1) that are existing at the time of adoption of this ordinance shall be eligible for conversion to SRO. No buildings constructed after the adoption of this ordinance are eligible for SRO conversion.
- 3. If any building that is eligible for conversion to SRO at the time of the adoption of this ordinance is demolished or partially destroyed by fire, explosion, act of God, act of a public enemy, collapse, or any other casualty or calamity, beyond 75% of the appraised value (as defined by this section) is no longer eligible for conversion to SRO.

In determining the appraised value of a structure eligible for SRO conversion, the cost of land or any factors other than those concerning the affected structure itself shall not be considered.

Appraised value, for the purpose of this section, shall mean the market value of the structure as reported by the owner, based upon the market value of comparable structures in the City. Where the City and owner do not agree upon the appraised value based on said comparable, appraised value shall mean the value reported by a qualified appraiser, approved by the City, hired by the owner to determine the value of the structure

4. Any conversion of existing buildings to SRO must be done for the entire site. No partial conversions to SRO are allowed.

SECTION IX:

Section 17.10.060.D.1.l of the Orange Municipal Code, "Zoning – Specific Administrative Procedures – Site Plan Review – Minor Site Plan Review - Criteria," is hereby amended to read as follows:

l. Adaptive reuse of an existing building, specified in OMC 17.13.040 HHH., to provide single room occupancy housing pursuant to OMC 17.18.140.

SECTION X:

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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 (1) it can be seen with certainty that there is no possibility that it would have a significant effect on the environment; and (2) Section 15378 because it will not have a direct or reasonably foreseeable indirect physical change on the environment and is not a "project." For this reason, no further CEQA documentation is required.

SECTION XI:

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 interim Ordinance. The City Council hereby declares that it would have passed this interim 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.

ADOPTED this day or	f, 2025.
	Daniel R. Slater, Mayor, City of Orange
ATTEST:	
Pamela Coleman, City Clerk, City C	of Orange
STATE OF CALIFORNIA) COUNTY OF ORANGE) CITY OF ORANGE)	
that the foregoing extension of an i	City Clerk of the City of Orange, California, do hereby certifunterim Ordinance was duly passed and adopted at the regulation the day of, 2025 by the following vote, t

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

Pamela Coleman, City Clerk, City of Orange