



# Agenda Item

## Orange City Council

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**Item #:** 8.2.

**9/9/2025**

**File #:** 25-0479

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**TO:** Honorable Mayor and Members of the City Council

**THRU:** Jarad Hildenbrand, City Manager

**FROM:** Russell Bunim, Community Development Director

### 1. SUBJECT

Public Hearing to consider Introduction and First Reading of an ordinance establishing farmworker/employee housing as a permitted land use for certain qualifying properties and finding of California Environmental Quality Act (CEQA) exemption. Ordinance No. 14-25.

### 2. SUMMARY

The proposed ordinance amends the Orange Municipal Code to align with State law by allowing certain types of employee and farmworker housing as permitted 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. Introduce and conduct First Reading of Ordinance No. 14-25. An Ordinance of the City Council of the City of Orange 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.
3. Find the ordinance categorically exempt from the California Environmental Quality Act (CEQA) per State CEQA Guidelines Sections 15061(b)(3).

### 4. FISCAL IMPACT

None.

### 5. STRATEGIC PLAN GOALS

Not Applicable.

### 6. DISCUSSION AND BACKGROUND

The City's Housing Element, includes Housing Policy Action 3C, 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

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.

It should be noted that there are limited locations in the city with agricultural zoning; specifically surrounding Orange Hill Restaurant on East Chapman Avenue, and surrounding the Edison transfer facility in the northeastern portion of the city off of Cannon Street (northwest of Serrano Heights). Maps of each area are provided as Attachment 4.

## Planning Commission

At the July 21, 2025, Planning Commission meeting, the Planning Commission approved a resolution recommending that the City Council approve the draft ordinance with the following modification to Section IV: Section 17.13.040(JJJ)(2).

Original language:

### 2. Employee Housing for Six or Fewer Persons.

In accordance with Health and Safety Code Section 17021.5, employee housing providing accommodations for six or fewer employees shall be considered a residential use of property by a single family.

Suggested language:

### 2. Employee Housing for Six or Fewer Persons.

In accordance with Health and Safety Code Section 17021.5, employee housing providing accommodations for six or fewer employees shall be considered a single-family residential use.

Commissioner Martinez included Commissioner Maldonado's suggested language change in the motion to approve the item.

## 7. ENVIRONMENTAL REVIEW

The proposed project is not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to (1) 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.

## **8. ATTACHMENTS**

- Attachment 1 - Ordinance No. 14-25
- Attachment 2 - Planning Commission Staff Report, July 21, 2025
- Attachment 3 - Planning Commission Meeting Minutes, July 21, 2025
- Attachment 4 - Agriculture Zones on Zoning Map