

# Agenda Item

# City Council

TO: Honorable Mayor and Members of the City Council

THRU: Thomas R. Hatch, Interim City Manager

FROM: Susan Galvan, Interim Community Development Director

## 1. SUBJECT

Continued Public Hearing to consider an ordinance amending Titles 16 and 17 of the Orange Municipal Code to establish development standards and streamlined subdivision and entitlement procedures for small lot subdivisions in multi-family residential and neighborhood mixed use zones. (Continued from September 14, 2021)

#### 2. SUMMARY

The City of Orange has prepared a Small Lot Subdivision Ordinance and associated guidelines to provide more flexible development standards and streamlined procedures for the development of contextually compatible single-family residential housing units on infill sites with multi-family and mixed use zoning.

#### 3. RECOMMENDED ACTION

- 1. Introduce and conduct First Reading of Ordinance No. 15-21. An Ordinance of the City Council of the City of Orange amending Title 16 and Title 17 of the Orange Municipal Code relating to regulation of small lot subdivisions.
- 2. Adopt Resolution No. 11354. A Resolution of the City Council of the City of Orange approving Small Lot Subdivision Guidelines.

#### 4. FISCAL IMPACT

None.

#### 5. STRATEGIC PLAN GOALS

Goal 3. Enhance and promote quality of life in the community.

c. Support and enhance attractive, diverse living environments.

#### 6. DISCUSSION AND BACKGROUND

With growing frequency, the Planning Division receives inquiries about site redevelopment involving compact arrangements of detached, for sale, single-family housing units. In most cases, the zoning for the sites is multi-family residential. The desired small lot development format and single-family product type are not easily accommodated by the current development standards in the Zoning Ordinance. As a result, representative projects that experienced a lengthy entitlement process in Orange include the MBK Homes/Irving House and Cohen Residential projects at Orange-Olive Road and Grove Avenue.

The purpose of the subject ordinance is to provide development standards to accommodate compact single-family neighborhood formats and to streamline the entitlement process for projects on small parcels in multi-family residential and mixed-use zones. The ordinance was crafted to facilitate development and provide pragmatic, context-sensitive standards. Staff solicited input and "lessons learned" from stakeholders representing the development community that have been important aspects of informing the work effort.

The Small Lot Subdivision Ordinance (Attachment 1) amends Title 16 and Title 17 of the Orange Municipal Code and includes the following key features:

- Applies only to properties located in Multi-Family Residential zones (R-3 and R-4) and the Neighborhood Mixed Use-24 zone (NMU-24) where the underlying General Plan land use designations are intended to accommodate multi-family residential development at a maximum density of 24 units per acre.
- Streamlines the entitlement process to authorize Planning Commission approval of tentative tract maps (five or more lots) rather than City Council approval for projects that do not require preparation of an EIR.
- Provides development standards to accommodate small lot homes for infill developments related to:
  - Building setbacks
  - Building height
  - Lot coverage
  - Open space
  - Parking
  - Wall height

A comparison of existing and proposed development standard highlights, and detailed review of the Ordinance is provided in Attachment 6.

#### Relationship to SB 9

Senate Bill (SB) 9 that takes effect in January 2022 will not apply to properties developed as small lot subdivisions under the provisions of the proposed ordinance. SB 9 applies only to properties with single-family (R-1) zoning. The proposed Small Lot Subdivision Ordinance applies only to properties with multi-family (R-3 or R-4) and mixed use zoning (NMU-24). While the housing type created through a small lot subdivision is a single-family detached product, the zoning remains multi-family or mixed-use therefore these properties would not be subject to SB9 development standards.

#### **Affected Areas and Context**

Properties with R-3 and R-4 zoning are distributed through much of the north, south, west, and central portions of the city. NMU-24 properties are concentrated along the South Main Street corridor between Almond and La Veta Avenues. Sites are largely developed, with only a limited number of scattered vacant parcels throughout the City falling under the three zoning districts. Developed properties range in age and condition. In some instances, properties may be developed with long-

standing commercial uses despite the residential zoning or general plan designations. Therefore, it is difficult to anticipate which properties are most likely to be identified as candidates for redevelopment using the proposed Small Lot Subdivision Ordinance and Guidelines. It is now common for staff to receive inquiries about redevelopment of sites where no change has been anticipated. The previously referenced MBK Homes/Irving House and Cohen Residential projects are examples of this.

Properties that would be eligible to take advantage of the proposed ordinance are generally surrounded by established development ranging from single-family, multi-family to commercial uses. Therefore, the ordinance and related guidelines have been crafted to provide staff with the "tools" needed to achieve a site plan and building design that result in a project that is integrated with, and appropriate for, its surroundings. The proposed ordinance and guidelines strive to produce a new neighborhood "component" rather than a housing tract that is isolated and walled off from its surroundings. Application of typical multi-family zoning generally results in a housing product with an internal orientation that is distinctly separated from surrounding properties. The Small Lot Subdivision Ordinance and Guidelines provide an option for an alternative development format. A representative comparison of a traditional multi-family apartment vs. small lot subdivision site plan is provided in Attachment 8.

It should be noted that some of the R-3 and R-4 zoned parcels are located within the Old Towne Historic District. Any projects that may come forward in Old Towne would continue to be subject to the City's Historic Preservation Design Standards. The type of product envisioned in the context of Old Towne would be a modern-day bungalow court.

#### **Small Lot Subdivision Guidelines**

The Small Lot Subdivision Guidelines (Attachment 3) are intended to guide the site layout and building design in order to ensure that the new small lot subdivisions are compatible with existing adjacent neighborhoods. Key content that is intended to address contextual compatibility includes:

- Scale and massing
- Building orientation
- Building articulation
- Roof forms
- Stepped upper stories
- Access and connectivity to established neighborhood

A detailed discussion of the Guidelines is provided in Attachment 6.

#### **Planning Commission Review**

At its July 19, 2021, meeting the Planning Commission unanimously recommended that the City Council adopt Ordinance No. 15-21 and the Small Lot Subdivision Guidelines.

## 7. ATTACHMENTS

- Attachment 1 Ordinance No. 15-21
- Attachment 2 Ordinance No. 15-21 (Redlined)
- Attachment 3 Resolution No. 11354 (Including Small Lot Subdivision Guidelines)
- Attachment 4 Planning Commission Resolution No. PC 17-21
- Attachment 5 Planning Commission Resolution No. PC 18-21
- Attachment 6 Planning Commission Staff Report July 19, 2021
- Attachment 7 Planning Commission Minutes July 19, 2021
- Attachment 8 Comparative Representative Site Plans