



Agenda Item

Planning Commission

Item #:

8/17/2026

File #: 26-0395

TO: Chair and Members of the Planning Commission

THRU: Hayden Beckman, Planning Manager

FROM: Anna Pehoushek, Assistant Community Development Director

1. SUBJECT

Public Hearing to consider an ordinance amending the Orange Municipal Code to replace the content of Chapter 17.17 with new provisions addressing historic and cultural resources and update Chapter 17.08 to establish a new Heritage Commission and associated purview to replace the Design Review Committee, and finding of CEQA exemption.

2. SUMMARY

A draft Historic Preservation Ordinance has been prepared to comprehensively address the management of historic and cultural resources including properties and districts, as well as archaeological and tribal resources. The proposed Ordinance also establishes the structure and responsibilities of a Heritage Commission, the establishment of a City Historic Register and related criteria and processes for resource designation. Content also addresses demolition, relocation, property maintenance, and preservation incentives.

3. RECOMMENDED ACTION

1. Conduct and close the Public Hearing.
2. Adopt Planning Commission Resolution No. PC 17-26 recommending the City Council adopt an Ordinance amending Title 17 of the Orange Municipal Code to replace Chapter 17.17, Historic Districts, in its entirety with a new Chapter 17.17 entitled Historic Preservation and Cultural Resources, and associated definitions, provisions, and procedures to comprehensively address historical, cultural and tribal resources, and amending section 17.08 to replace the Design Review Committee with a Heritage Commission and establish associated purview.
3. Find the ordinance exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15378.

4. PROJECT BACKGROUND

The Orange Municipal Code addresses historic resources in Chapter 17.17, Historic Districts (Attachment 4). The content of this Chapter is limited to the procedures and criteria for establishing historic districts. The Chapter also establishes the applicability of development and design standards for established historic districts including:

- Historic Preservation Design Standards for Old Towne Orange
- Orange Eichler Design Standards

- Secretary of Interior's Standards and Guidelines for Rehabilitation
- Southwest Project Area Design Standards (amended and no longer applicable)

Furthermore, this section of the Code establishes the applicability of the State of California Historic Building Code to the alteration, rehabilitation, preservation, restoration or relocation of a cultural resource or structure within a historic district.

Given the high priority the City and community place on the responsible stewardship of historic resources and high volume of historic preservation activity in the Community Development Department, the present Code falls short in addressing policies and practices related to the full spectrum of topics that warrant attention in order to provide clear guidance to the public and provide staff with an adequate policy tools to effectively administer the program. Among the topics lacking in the existing Code include:

- Establishment of a Historic Register and related criteria
- Process for listing and de-listing
- Process for designating local landmarks
- Expectations and penalties for building maintenance and alterations
- Preservation incentives
- Guidance regarding building relocation
- Guidance regarding archaeological and Native American resources

Importantly, the proposed ordinance has been crafted to satisfy the requirements set forth in the National Historic Preservation Act for the City of Orange to become a Certified Local Government (CLG). CLG status is common among many cities with significant concentrations of historic resources, and provides local government agencies with access to grant funding and technical assistance for preservation projects. While the City Council has contemplated the merits of Orange becoming a CLG, the City has lacked a historic preservation ordinance that meets the necessary components. Should the Council desire to pursue CLG status in the future, the ordinance would position the City for eligibility.

5. PROJECT DESCRIPTION

The proposed Historic Preservation Ordinance replaces the existing content of Chapter 17.17 in its entirety with a comprehensive framework for addressing the City's historic and cultural resource management needs. Specifically, the ordinance addresses the following:

- Establishment of a Heritage Commission
- Establishment of the Orange Register of Historic Resources
- Criteria and procedures for designating local landmarks and historic districts and removal from Register
- Criteria and procedures for establishing Neighborhood Character Areas
- Maintenance of historic resources

- Tiered levels of project review and related criteria and associated Certificate of Appropriateness findings
- Building demolition
- Building relocation
- Buildings older than 45 years not located in a historic district
- Historic preservation incentives
- Economic hardship
- Identification, documentation and management of archaeological and Native American resources
- Application of the State of California Historic Building Code

As a companion to the proposed ordinance, new procedures related to administration of the Mills Act Program have been developed that address:

- Property eligibility
- Application process and schedule
- Application evaluation criteria
- Annual cap on number of contracts
- Limitations on retroactive workplan items
- Interior work
- Reporting requirements
- Contract non-renewal procedures

The proposed ordinance also amends Section 17.08 of the Code to replace the Design Review Committee with a Heritage Commission and establish associated purview.

6. PROJECT ANALYSIS

The proposed ordinance provides a comprehensive set of policies and procedures to address the historic preservation and cultural resource management needs of the City and provides staff and the public with clear guidance related to the range of scenarios encountered with projects affecting historic resources, districts, and neighborhoods. Key content is presented below.

Definitions (17.103)

The proposed ordinance adds new definitions to the Code specific to historic preservation activities. They are intended to provide clarity in Code interpretation and project review.

Heritage Commission (17.104)

The proposed ordinance establishes a Heritage Commission (Commission) that would serve a similar and expanded function of the present Design Review Committee. The authority and responsibilities

of the Commission would go beyond design and demolition review, and encompass:

- Recommendations to the City Council for the inclusion or removal of properties from the Historic Register
- Recommendations to the City Council for the designation and approval of Neighborhood Character Areas
- Review of Mills Act Contract applications
- Participation in, support, and promotion of public education related to historic preservation

With adoption of the proposed ordinance, the Design Review Committee would be re-named the Heritage Commission. Eligibility to serve on the Commission includes:

- Expressed and/or demonstrated interest, experience, or knowledge of the cultural heritage history and/or architecture of the city
- City residents
- Individuals with a relevant professional practice based in/with a location in Orange
- At least three members shall be professionals in the disciplines of architecture, history, historic preservation, anthropology, archeology, landscape architecture, urban planning, land economics, real estate, or a related discipline.

In addition to the new content addressing the Heritage Commission in Chapter 17.17, OMC Section 17.08 will also be amended to address the powers and duties of the Heritage Commission as represented in Attachment 2.

Historic Register (17.106)

The City has traditionally utilized its Historic Resources Inventory, developed through a series of windshield surveys conducted between 1982 and 2010 as its reference for historic properties. The Inventory recognizes all properties identified as “contributors” in the Old Towne Orange National Register of Historic Places record identified as historic resources. A “contributor” means a Historical Resource that is any building, structure, object, site, planning feature, sign, area, place, landscape, or natural feature within a historic district that contributes to the district’s historic, cultural, or architectural significance. The inventory also includes contributing properties located in the locally designated Orange Eichler Historic Districts. Also included in the Inventory are surveyed properties outside of historic districts and others where property owners initiated historic designation for purposes of Mills Act eligibility.

While the Inventory was adopted by City Council Resolution and has traditionally served as the basis for determining whether or not a property has historic architectural merit, it is not technically a “Register” in that there are no defined criteria or procedures for inclusion of a property, nor supporting documentation required.

The proposed ordinance distinguishes between an “inventory” of resources and a “register” and formally establishes the Orange Register of Historical Resources as the City’s authoritative list of properties that have been evaluated and found to meet local, state, and/or national significance criteria for designation, whether individually or as contributors to historic districts. Associated with the Register are criteria and procedures for listing, including formal action by the Heritage Commission. At the inception of the Register, the ordinance proposes that all properties listed in the National Register of Historic Places and the California Register be included, as well as contributors to

designated historic districts and individually designated properties.

Tiered Project Review (17.114)

The proposed ordinance fine-tunes the City's current approach to project review. To provide project review in the context of a Commission public meeting for major alterations, the proposed ordinance offers a streamlined administrative review process for certain types of property alterations as described below.

- Tier 1- Review by Commission: Commission review would be required for Major Alterations including alteration, removal, or obstruction of character-defining architectural features, elevations and spaces, or additions over 120 sq. ft. in size that are visible from the public right-of-way. In the case of properties not visible from the public right-of-way, alterations to character-defining features visible from the front of the property would also be subject to Tier 1 review. Tier 1 review is comparable to the present process for project review for historic property review by the Design Review Committee. Project approval would constitute a Certificate of Appropriateness.
- Tier 2 - Administrative Review: Projects that do not involve and changes to, or removal of, character-defining features, including additions under 120 sq. ft. that are not visible from the public right-of-way would be eligible for Tier 2 administrative review. Tier 2 review is comparable to the present process for Minor Design Review for historic properties, but establishes refined eligibility criteria for administrative review.
- Tier 3: The ordinance eliminates the present need for Minor Design Review related to ordinary maintenance and repair activities that do not involve a change of design, materials, or exterior appearance. Under the proposed ordinance, these activities would be exempt from a formal application review process. Tier 3 review streamlines and simplifies property maintenance activities for property owners and represents a significant reduction of staff time presently associated with the application of a Minor Design Review process for this type of work.

Demolition Review (17.120)

The proposed ordinance provides expanded content and requirements for building demolition including:

- Documentation of imminent hazards
- Current photos of the historic resource
- Documentation regarding the condition of the structure, cost of repair, rehabilitation, or stabilization
- Any other information necessary to evaluate the feasibility of alternatives to demolition

In the case of a historic resource deemed not to be an imminent hazard, the proposed ordinance provides for a 180-day waiting period during which the Commission, Community Development Director, and property owner shall work together to explore alternatives to demolition.

The proposed ordinance also establishes a process for the review of proposed demolitions of structures that are at least 45 years old and may qualify as historic resources but may have not yet been evaluated in a survey.

Economic Hardship (17.123)

The proposed ordinance provides an avenue for allowing alteration or demolition of a historic resource under limited circumstances when denial would impose an undue economic hardship on the owner. Justification in the form of documentation including such information as market value, cost of alteration/demolition, and cost of rehabilitation would serve as the basis for an economic hardship finding.

Incentives (17.126)

The proposed ordinance establishes preservation incentives to encourage the designation, preservation, maintenance and rehabilitation of the City's historic resources. The Mills Act Program continues to be an incentive identified in the ordinance, with Program procedures established as a companion document to be incorporated by reference and adopted by resolution. Draft Program guidelines are provided in Attachment 3.

Other incentives identified in the proposed ordinance include preservation easements, and regulatory incentives including application of the California Historic Building Code, exemption for non-conforming uses, and reduction of commercial parking requirements beyond those accommodated by state law.

Enforcement and Penalties (17.128)

The proposed ordinance establishes strong penalties for Code violations, alteration or demolition without required review and failure to obey an order issued by the City. Specifically, penalties include:

- Up to a 5-year moratorium on the development of a property
- Court-ordered restoration
- Administrative restoration order
- Civil action

Archaeological and Tribal Cultural Resources (17.129)

Given the pre-historic activity associated with Orange County, the known Native American presence in the early history of the city's geographic area, and common knowledge of early settlement activity, sub-surface artifacts are likely to be encountered over time during the course of development activity throughout the City. The proposed ordinance addresses the management and protection of archaeological and Native American resources. It establishes earth disturbance thresholds and considerations for preparation of cultural resource reports, Commission authority for report consideration, requirements for on-site monitoring, and notification of the appropriate tribal representatives and/or cultural resource management agencies when appropriate.

7. 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.

8. PUBLIC NOTICE

On July 29, 2026, a notice was published in the Orange City News newspaper for a public hearing before the Planning Commission on August 17, 2026.

In addition to the required Public Hearing notification, staff conducted a joint study session with the Planning Commission and Design Review Committee on March 16, 2026, followed by a community workshop on March 25, 2026. Staff and the City's consultant also met with representatives of the Old Towne Preservation Association (OTPA) and Orange Legacy Alliance (OLA) on February 17, July 23, and August 13, 2026, to discuss and review the contents of the proposed ordinance.

9. ENVIRONMENTAL REVIEW

The proposed ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15378 (Common Sense Exemption) because it serves to protect historic and cultural resources from potential impacts, thus avoiding 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.

10. ADVISORY BOARD ACTION

Design Review Committee:

The DRC provided review and comment on the proposed ordinance on August 5, 2026. There was no formal action associated with their review and comment. The Design Review Committee provided comments and feedback on the definitions, the need to clarify aspects of the tiered review process and types of activities eligible for the different levels of review, content related to signage, building relocation, landscape features, duties of the Heritage Commission, economic hardship, applicability of the ordinance to resources outside of historic districts, and editorial corrections.

Revisions have been made to the proposed ordinance reflecting input received by the DRC as well as public comments made at the public meeting that largely reflected written comments received from OTPA and OLA. A redline version of the changes made is provided as Attachment 5. The ordinance contained in Attachment 1 represents the clean version of Attachment 5.

11. ATTACHMENTS

- Attachment 1 Planning Commission Resolution No. PC 17-26 including Draft Historic Preservation Ordinance
- Attachment 2 Draft Amendment to Orange Municipal Code Section 17.08 (Redline)
- Attachment 3 Draft Mills Act Program Guidelines
- Attachment 4 Orange Municipal Code Chapter 17.17 Historic Districts
- Attachment 5 Working Draft Historic Preservation Ordinance presented at August 5, 2026 Design Review Committee meeting with redline changes