



ITEM #1

**DATE:** May 8, 2024  
**TO:** Orange County Planning Commission  
**FROM:** OC Development Services/Planning  
**SUBJECT:** Public Hearing for General Plan Amendment LU 24-01 (Land Use Element), Zoning Code Amendment CA 24-01 (Multifamily development standards), and Zone Change ZC 24-01 (Specific Commercial and Multifamily Residential Sites)  
**PROPOSAL:** Recommend for adoption by the Board of Supervisors the proposed General Plan Amendment to the Land Use Element, Zoning Code Amendment to revise existing multifamily residential development standards, and Zone Change on specific commercial and residential parcels. The proposed Amendments will ensure compliance with existing State housing law, recent State mandates related to housing, and provide a pathway for approval of the County's Housing Element.  
**GENERAL/ZONING PLAN:** County of Orange Land Use Element and Comprehensive Zoning Code Sections 7-9-22, 7-9-23, 7-9-25, 7-9-32, 7-9-33, 7-9-34, 7-9-36, 7-9-44, 7-9-45, 7-9-51, 7-9-61, 7-9-66, 7-9-70, 7-9-87, 7-9-88, 7-9-114, 7-9-116, 7-9-117, 7-9-124, 7-9-125, 7-9-135  
**LOCATION:** Unincorporated Areas of Orange County  
**APPLICANT:** OC Development Services/Planning  
**STAFF CONTACT:** Yuritzzy Randle, Associate Planner  
(714) 667-8816  
[Yuritzzy.Randle@ocpw.ocgov.com](mailto:Yuritzzy.Randle@ocpw.ocgov.com)  
Cindy Salazar, Planning Division Manager  
(714) 667-8870  
[Cindy.Salazar@ocpw.ocgov.com](mailto:Cindy.Salazar@ocpw.ocgov.com)

**RECOMMENDED ACTION:**

OC Development Services/Planning recommends the Planning Commission:

- a. Receive staff report.
- b. Conduct public hearing.

- c. Adopt Planning Commission Resolution No. 2024-01 (Attachment 1) recommending the Board of Supervisors:
  - (1) Find that Final Negative Declaration No. IP 22-0133 and Addendum No. 1 to Negative Declaration No. IP 22-0133 prepared for Housing-Related Updates to the County of Orange General Plan and Comprehensive Zoning Code, adequately address the effects of the Housing Related Updates, reflect the independent judgment of the County of Orange as lead agency and are approved for the proposed project based on the additional findings that the circumstances of the project are substantially the same and Negative Declaration No. IP 22-0133 and Addendum No. 1 to Negative Declaration No. IP 22-0133 adequately address the effects of the proposed project; no substantial changes have been made in the project; no substantial changes have occurred in the circumstances under which the project is being undertaken; and no new information of substantial importance to the project which was not known or could not have been known when the Negative Declaration No. IP 23-0133 and Addendum No. 1 to Negative Declaration No. IP 22-0133 were adopted has become known; therefore no further environmental review is required.
  - (2) Adopt amendment LU 24-01 to the County of Orange Land Use Element to revise language to be consistent with the proposed revisions to the commercial and multifamily residential zoning districts.
  - (3) Adopt Zoning Code amendment CA 24-01 to the Orange County Comprehensive Zoning Code to modify multifamily residential development standards, revise Housing Opportunities Overlay Zone regulations, and make technical modifications.
  - (4) Adopt Zone Change ZC 24-01 to change the zoning applied to specific commercial and multifamily residential parcels.

**BACKGROUND:**

The County of Orange (“County”) is in the process of completing its Housing Element (HE) Update for the 6<sup>th</sup> Housing Element Update Cycle, as mandated by State law. The HE provides goals, policies, and objectives the County will pursue to meet its existing and projected housing needs for the eight-year planning period (2021-2029), including its allocation of the Regional Housing Needs Assessment (RHNA) assigned by Southern California Association of Governments (SCAG). The County’s RHNA allocation for this 6<sup>th</sup> Cycle Housing Element is 10,406 units. Though the County is required to identify areas with adequate zoning to accommodate this future growth, the County is not required to develop these housing units.

On September 28, 2023, OC Development Services and County Counsel received the third round of comments (Attachment 2) on the revised HE Update from HCD.

Since receiving the September 2023 Comment Letter, OC Development Services and County Counsel have been revising the HE Update to address HCD comments from their September 2023

letter and to account for new and updated legal requirements, specifically portions of Government Code Section 65583.2. The greatest challenges have been identifying adequate sites for the Land Use Inventory to meet the RHNA and calculating realistic unit capacity for those sites, which must be supported by evidence that achieving the claimed densities can be accomplished within the planning period.

To meet the RHNA, the County will be required to rezone commercial and residential professional zoned properties to “Mixed Use” and amend the minimum densities for multifamily residentially zoned properties if the properties are: (1) currently nonvacant; and/or (2) planned to be used to meet our lower income RHNA obligations. These rezonings are required to demonstrate to HCD that the County has realistic capacity to meet our RHNA and to comply with the minimum densities now required by Government Code Section 65583.2. Minimum densities for both rezoned Mixed Use and Multifamily properties must be at 30 dwelling units per acre (du/ac) pursuant to Government Code Section 65583.2.

## **DISCUSSION:**

As noted in HCD’s September 2023 Comment Letter, Government Code Section 65583.2, subdivisions (c) and (h), requires that **base** zoning (not an overlay) must be residential, and the density set to the minimum required by Section 65583.2 (for the County, as a metropolitan jurisdiction, 30 dwelling units/acre [du/ac]) even if an applicable overlay allows for densities higher than the base zoning. Additionally, Subdivision (h) of Government Code Section 65583.2, requires that “[a]t least 50 percent of the very low and low-income housing need shall be accommodated on sites designated for residential use and for which nonresidential uses or mixed uses are not permitted, except that a city or county may accommodate all of the very low and low-income housing need on sites designated for mixed use if those sites allow 100 percent residential use and require that residential use occupy 50 percent of the total floor area of a mixed-use project.”

Based on Government Code Section 65583.2(h), OC Development Services and County Counsel recommend a zoning code amendment to change the minimum density to 30 du/ac and a zone change to rezone commercial and residential professional zoning designations to “Mixed-Use.” A list of the proposed changes to both the General Plan and Zoning Code are summarized below.

The “Mixed-Use” Zoning District (MX) will facilitate the vertical and horizontal mixing of retail, office, and multifamily residential uses and the development of mixed-use buildings accommodating both high-density residential and employment activities. The Mixed-Use district will allow the development of commercial uses with a minimum of 50 percent multifamily residential or the development of 100 percent multifamily residential.

To gain certification of the HE and comply with recent statutory and caselaw requirements, OC Development Services is proposing the following amendments and changes summarized below:

*Proposed General Plan Amendment, Zoning Code Amendment, and Zone Changes*

- **General Plan Amendment – Land Use Element (Attachment 3)**

- Revise language to be consistent with the proposed rezone of commercial zoning districts to mixed-use zoning districts.
- Revise language to be consistent with the proposed changes to the Housing Opportunities Overlay District Regulations.
- **Zoning Code Amendments (Attachment 4)**
  - Amend development standards for sites zoned Multifamily Dwellings (R2), Apartment (R3), and Suburban Multifamily Residential (R4) to require a minimum density of 30 du/ac and maximum density of 43.5 du/ac.
    - For purposes of the HE Land Use Inventory and accommodating our RHNA, R2, R3, R4, sites within high quality transit areas and with a higher potential of utilizing the HOO will be assumed to have a realistic capacity of 55 du/acre.
  - Amend HOO to apply Mixed Use Zoning District
  - Amend requirement for Site Development Permit for affordable sites and allow by-right approval, “Affordable Housing Permit” to meet “by-right approval” state-mandated requirement.
  - Technical revisions and updates to comply with State Law
- **Zone Changes (Attachment 5)**
  - All Commercially Zoned (Local Business (C1), General Business (C2), Commercial Community (CC), Commercial Highway (CH), and Commercial Neighborhood (CN) zoning designations sites will be rezoned to Mixed Use with the minimum density of 30 du/acre. Apartment (R3) development standards for residential projects will apply to 100% residential projects. The regulations for Mixed Use will require that 100% residential or at least 50% residential be allowed on these sites pursuant to Section 65583.2(h).
  - All Residential Professional (RP) zoned sites will be rezoned to Mixed Use with a minimum of 50% residential required. Apartment (R3) development standards for residential projects will apply to 100% residential projects.
  - All Two Family Residential (R2D) zoned sites will be rezoned to Multifamily Dwellings (R2) (for areas in Stanton/ Anaheim) or Suburban Multifamily Residential (R4) (for areas in El Modena).
  - Rezone 8 parcels making up the La Purisima Church in El Modena to Suburban Multifamily Residential (R4).

With the adoption of these Amendments, the County can meet the RHNA for all income categories. The goal is to complete the rezonings and amendments, make all necessary revisions to the HE, and re-submit to HCD no later than the end of September 2024.

**PUBLIC ENGAGEMENT:**

- On March 19, 2024, the County mailed approximately 2,300 letters to the owners of the properties that will be affected by either the proposed Zoning Code Amendment CA 24-01

or Zone Change ZC 24-01. The letter contained information regarding these proposed amendments and an invitation to attend the Planning Commission Study Session held on April 10, 2024, for more information.

- The County website was updated to include information regarding these proposed amendments. It includes information regarding the need for the proposed changes and provides a list and maps of the affected parcels (Attachment 5). Here is the link to this webpage:

<https://ocds.ocpublicworks.com/page/zone-change-andor-zoning-code-amendment-notification>


- On April 10, 2024, your Commission held a study session at which over 20 persons were in attendance. Staff provided a presentation regarding the proposed General Plan and Zoning Code amendments and the proposed changes to Zoning for over 2,300 parcels in the unincorporated areas. Your Commission then heard approximately 6 comments and questions from attendees.

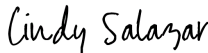
#### **COMPLIANCE WITH CEQA:**

Find the circumstances of this project are substantially the same as Initial Study/Negative Declaration (IS/ND) No. IP 22-0133 (Attachment 6) approved by the Board of Supervisors on September 27, 2022, and Addendum No. 1 to Initial Study/Negative Declaration (IS/ND) No. IP 22-0133 (Attachment 7) includes minor changes or additions necessary, and both documents adequately address the effects of the proposed Project. No substantial changes have been made in the Project, no substantial changes have occurred in the circumstances under which the Project is being undertaken, and no new information of substantial importance to the Project which was not known or could not have been known when Initial Study/Negative Declaration (IS/ND) No. IP 22-0133, and Addendum No. 1 to Initial Study/Negative Declaration (IS/ND) No. IP 22-0133, were adopted have become known; therefore, no further environmental review is required.

Submitted by:

Concurred by:

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Yuritzzy Randle, Associate Planner  
OC Development Services/Planning

Cindy Salazar, Planning Division Manager  
OC Public Works/Development Services

**ATTACHMENTS:**

1. Planning Commission Resolution No. 2024-01
2. State HCD comment letter received on September 28, 2023
3. Proposed General Plan Amendment LU 24-01 (Land Use Element) – Strikethrough Version
4. Proposed Zoning Code Amendment CA 24-01 – Strikethrough Version
5. Proposed Zone Change ZC 24-01 (List of Parcels and Maps)
6. Initial Study/Negative Declaration (IS/ND) No. IP 22-0133
7. Addendum No. 1 to Initial Study/Negative Declaration (IS/ND) No. IP 22-01