

Planning Commission Agenda Item

April 15, 2013

TO: Chair Steiner and

Members of the Planning Commission

THRU: Leslie Roseberry

Planning Manager

FROM: Jennifer Le

Senior Planner/Environmental Review Coordinator

SUBJECT

PUBLIC HEARING: An Ordinance amending Title 17 (Zoning) of the Orange Municipal Code to allow for "transitional housing" and "supportive housing" in Single-Family Residential, Duplex Residential, Multi-Family Residential, Old Towne Mixed Use, and Public Institution zoning districts either as a "permitted" or "conditionally permitted" use, pursuant to State law.

SUMMARY

The California Legislature passed Senate Bill (SB) 2 (effective January 1, 2008) modifying State law to require cities to amend local zoning regulations to allow "transitional housing" and "supportive housing" in zoning districts where similar housing types are already allowed. The proposed Ordinance Amendment satisfies State law by allowing transitional and supportive housing either as a "permitted" or "conditionally permitted" use (depending on the number of residents) in Single-Family Residential, Duplex Residential, Multi-Family Residential, Old Towne Mixed Use, and Public Institution zoning districts. The proposed Ordinance also assigns parking standards for transitional and supportive housing, and makes certain accommodations for existing transitional and supportive housing in the Old Towne Mixed Use zones.

RECOMMENDED ACTION

Adopt Planning Commission Resolution No. 06-13 entitled:

A RESOLUTION OF THE PLANNING COMMISSION RECOMMENDING THAT THE CITY COUNCIL APPROVE AN ORDINANCE AMENDING TITLE 17 (ZONING) OF THE ORANGE MUNICIPAL CODE TO ALLOW FOR TRANSITIONAL HOUSING AND SUPPORTIVE HOUSING IN SINGLE FAMILY RESIDENTIAL, DUPLEX RESIDENTIAL, MULTI-FAMILY RESIDENTIAL, OLD TOWNE MIXED USE.

AND PUBLIC INSTITUTION ZONING DISTRICTS EITHER AS A PERMITTED OR CONDITIONALLY PERMITTED USE PURSUANT TO STATE LAW; TO ASSIGN PARKING **STANDARDS FOR** TRANSITIONAL HOUSING SUPPORTIVE HOUSING; AND TO RECOGNIZE EXISTING TRANSITIONAL HOUSING AND SUPPORTIVE HOUSING LOCATED IN THE OLD TOWNE MIXED USE ZONES AS A USE" "PERMITTED **ALLOWING SUCH USES** RENOVATE, RECONSTRUCT, OR EXPAND, SUBJECT TO COMPLIANCE WITH DEVELOPMENT STANDARDS

AUTHORIZATION/GUIDELINES

Orange Municipal Code (OMC) Section 17.08.020 authorizes the Planning Commission to review and make recommendations to the City Council on Zoning Ordinance amendments. The Planning Commission action is advisory to the City Council. The City Council is the final decision making body.

PUBLIC NOTICE

On January 24, 2013, a Public Hearing Notice was published in the Orange City News for the February 4, 2013 Planning Commission hearing, as required per the OMC. At the February 4, 2013 Planning Commission hearing, the item was continued without discussion to the March 4, 2013 Planning Commission hearing. The item was heard at the March 4, 2013 hearing, and continued again to April 15, 2013. No additional public notice is required.

ENVIRONMENTAL REVIEW

Categorical Exemption: The proposed project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per State CEQA Guidelines Section 15305 (Class 5 – Minor Alterations to Land Use Limitations). This exemption applies to projects involving minor alterations to land use limitations, which do not result in changes in land use or density. The proposed Ordinance Amendment falls under a Class 5 categorical exemption because it involves a minor amendment to the Zoning Code that adds definitions for transitional and supportive housing and establishes land use regulations allowing those uses in zoning districts where similar housing types are already allowed. Therefore, it does not change land use or density. It also does not propose or require physical changes to any specific property.

PROJECT BACKGROUND

This item was continued from the March 4, 2013 Planning Commission hearing. At the March 4, 2013 hearing, individuals representing two of the City's homeless services stakeholders raised concerns that the Ordinance as originally written would prevent existing transitional and supportive housing in the OTMU zoning districts from expanding in the future. (This was a particular concern

for Casa Teresa's transitional housing facility located on Pine Street and Chapman Avenue). Concerns were also raised as to the appropriateness of applying multi-family parking standards to transitional and supportive housing. Lastly, concerns were raised that the proposal to allow transitional and supportive housing in the Public Institution (PI) zone ancillary to an institutional use (such as a church or hospital) would restrict non-profit organizations not associated with such institutions from locating in the PI zone. These issues are discussed in the "Analysis/Statement of the Issues" section of this report.

PROJECT DESCRIPTION

The proposed Ordinance Amendment would allow "transitional housing" and "supportive housing" accommodating 6 or fewer persons as a "permitted use" in the Single Family Residential (R-1), Duplex Residential (R-2), Multi-Family Residential (R-3), Multi-Family Residential Maximum (R-4) and Old Towne Mixed Use (OTMU-15S, OTMU-15, and OTMU-24) zoning districts. "Transitional housing" and "supportive housing" accommodating 7 or more persons would be allowed with a Conditional Use Permit (CUP) in the R-3 and R-4 zoning districts. "Transitional housing" and "supportive housing" (regardless of size) would be a "permitted use" in the Public Institution (PI) zoning district, so long as the housing is ancillary to and administered by an institutional use such as a church, hospital or other permitted institutional use. In addition, the Ordinance assigns parking standards for "transitional housing" and "supportive housing". The Ordinance also recognizes existing transitional and supportive housing located within the OTMU zones (which were legally established prior to the effective date of the subject Ordinance) as a "permitted use" and allows for their renovation, reconstruction or expansion, subject to compliance with development standards.

APPLICATION(S) REQUESTED/ REQUIRED FINDINGS

Zoning Ordinance Amendment: The request involves a Zoning Ordinance Amendment.

Required Findings: There are no required findings for a Zoning Ordinance Amendment since it is considered a legislative action. However, OMC Section 17.10.020 requires that when the Planning Commission makes a recommendation to the City Council, the Planning Commission include in its decision: 1) the reasons for the recommendation; 2) the relationship of the proposed amendment to the General Plan and applicable Specific Plans; and 3) the environmental determination. These three items are addressed in the Planning Commission Resolution. By adopting the Resolution, the Planning Commission will have complied with this Code provision.

ANALYSIS/STATEMENT OF THE ISSUES

Issue 1: Options for existing Transitional and Supportive Housing in the OTMU zones

Concerns were raised that the originally proposed Ordinance would prevent existing transitional and supportive housing in the OTMU zoning districts from expanding. The Commission requested staff

bring forward options for allowing existing transitional and supportive housing in the OTMU zones to expand.

Resolution:

Two potential options for addressing this issue were discussed at the March 4, 2013 hearing:

• Option 1: Revise the Ordinance to recognize existing transitional and supportive housing located in the OTMU zones as a "permitted use" and allow such uses to renovate, reconstruct or expand their existing facilities, so long as they comply with applicable development standards.

Staff's suggested text implementing Option 1 is included as part of the proposed Ordinance (Attachment 1).

• Option 2: Revise the Ordinance to allow transitional and supportive housing (7 or more persons) with a Conditional Use Permit in the OTMU zones.

Staff's suggested text implementing Option 2 is included as Attachment 2 to this report. If the Commission desires to include this option in the Ordinance instead of Option 1, the Commission may provide that direction to staff when making their recommendation.

Issue 2: Parking Standards

Concerns were raised at the March 4, 2013 hearing as to the appropriateness of applying multi-family parking standards to transitional and supportive housing.

Resolution:

Staff originally proposed including a parking standard for transitional and supportive housing that reflects the existing parking standards applied to single family, duplex and multi-family dwellings (as applicable). This was proposed because it "treats them the same" as other similar residential uses (as required by State law) and because it is the most conservative approach (considering the range of services that can be associated with the use). (Note that this approach does not address transitional housing configured as "group quarters" where bed(s) in individual rooms are provided but kitchen and/or bathroom facilities are shared.)

Some Stakeholders have commented that this standard is an unnecessary barrier to development and is not an appropriate standard because residents of transitional housing are homeless and likely do not have cars. Casa Teresa in particular has submitted information to the City indicating that none of their residents have vehicles. City staff also visited the Hope House on South Lemon Street, and noted that the majority of women at this facility have vehicles. Therefore, parking demand for transitional housing facilities appears to depend greatly on the specific characteristics of the program and its clients. Staffing levels also appear to vary greatly by program. Staff also observed that enclosed parking spaces at transitional housing facilities are typically used for something other than parking, and unenclosed spaces and street parking are used by staff and residents alike.

Past Practice

In the past, because transitional and supportive housing was not identified as a separate and distinct land use type in the Code, the Code granted the Community Development Director with the discretion to first determine whether the use was allowed in a particular zoning district (based on similar uses allowed by Code), and second, to identify a parking standard to apply (based on the parking standard for the use that seemed to be most similar). As a result, past transitional housing projects in Orange were parked using a variety of parking standards including those for boardinghouses (1 space/rentable room), convalescent hospitals (1 space/four beds), and single-family/multi-family dwellings (ranging from a two car garage for a single family dwelling up to 2.4 spaces per dwelling unit (plus guest parking) for multi-family dwellings). As such, parking standards applied have not been consistent over time.

Revised Parking Standards

Considering Stakeholder feedback, literature review and staff observations, staff has modified the parking standard in the originally proposed Ordinance for transitional and supportive housing to allow for some flexibility, based on the specific operational characteristics of the use. Staff has retained the original approach of relying on existing parking standards applied to single family, duplex and multi-family dwellings (as applicable), and staff has added an additional standard for transitional and supportive housing configured as "group quarters". The standard established by the proposed Ordinance for such facilities is 1 parking space per client bed, plus one space per onsite staff person during the shift that has maximum staffing. This ratio is roughly equivalent to the current standard in the Code for a boardinghouse, which is one space per rentable room. Required parking may be enclosed or unenclosed, but is encouraged to be unenclosed.

In addition to this minimum standard, the Ordinance adds a process to the Code by which an alternative parking standard for transitional and supportive housing may be accepted subject to approval by the Zoning Administrator based on certain findings. Because staffing levels and operational characteristics for transitional and supportive housing vary greatly, this process provides staff and Applicants with the consistency afforded by identifying a conservative parking standard for the use, while also providing the City with the flexibility to accept a lesser standard, if warranted based on the specific operational characteristics for the use.

Issue 3: PI Zone

Concerns were raised at the March 4, 2013 hearing that the proposal to allow transitional and supportive housing in the PI zone ancillary to an institutional use (such as a church or hospital) would restrict non-profit organizations not associated with such institutions from locating in the PI zone.

Resolution:

The PI zone is intended for public and quasi-public institutions. Permitted uses in the zone are limited to uses such as civic centers; government office buildings; police, fire, and utility buildings;

churches; cemeteries; hospitals; and universities. The only housing currently allowed for in this zone is "housing related to a church, hospital or college" and it is only allowed as an "accessory use" to an institution, provided the housing is administered by the institution involved. It was staff's intent to follow along these same lines and allow for transitional or supportive housing as a permitted accessory use to any institution allowed in the zone. Since non-profit agency facilities are not explicitly permitted in the zone, staff believes it is not appropriate to allow for housing administered by a non-profit agency (which is not also associated with an allowed institutional use). Staff acknowledges that this provision limits the types of transitional and supportive housing that can locate in this zone. However, the Ordinance provides other options for non-profit agency-administered transitional and supportive housing including the R-1, R-2, R-3, R-4 and OTMU zones.

ADVISORY BOARD RECOMMENDATION

Staff Review Committee: The Staff Review Committee did not review the subject project, since it is an Ordinance Amendment.

Design Review Committee: The Design Review Committee did not review the subject project, since it is an Ordinance Amendment. The Community Development Director is advisory to the Planning Commission for Ordinance Amendments. The Planning Commission is a reviewing body, while the City Council has final approval authority.

ATTACHMENTS/EXHIBITS

Attachments to Report:

- 1. Planning Commission Resolution No. 06-13
 - A. Draft Ordinance
- 2. Optional text for the Draft Ordinance, allowing Transitional and Supportive Housing (7 or more persons) in the OTMU zones as a "conditionally permitted" use
- 3. March 4, 2013 Planning Commission Meeting Minutes
- 4. March 4, 2013 Planning Commission Staff Report