



STAFF REPORT SAN CLEMENTE PLANNING COMMISSION

Date: November 16, 2016

PLANNER: Christopher Wright, Associate Planner *CW*

SUBJECT: General Plan Amendment 16-374, Zoning Amendment 16-375, General Plan and Zoning Cleanup, a request to consider forwarding a recommendation to the City Council on the adoption of City-initiated amendments that clean up and clarify the Centennial General Plan, land use map, Zoning Ordinance, and zoning map.

REQUIRED FINDINGS

The following findings shall be made prior to approval of the proposed project. The draft Resolution (Attachment 1) provides an assessment of the project's compliance with these findings.

General Plan Amendment, Section 17.16.020

1. The proposed amendment is internally consistent with those portions of the General Plan which are not being amended.
2. The proposed amendment will not adversely affect the public health, safety, and welfare.

Zoning Amendment, Section 17.16.040

1. The proposed amendment is consistent with the General Plan.
2. The proposed amendment will not adversely affect the public health, safety and welfare

BACKGROUND

In its adoption of the Strategic Implementation Plan and approval of the Long-term Financial Plan, the City Council initiated and prioritized a work program to clarify the Centennial General Plan and land use map, and update the Zoning Ordinance, Specific Plans, and zoning map for consistency with the General Plan.

On November 3, 2015, the City Council adopted Phase 1 of this project: General Plan Amendment (GPA) 15-049/Zoning Amendment (ZA) 14-456. Phase 1 included several land use changes, clean up and clarification changes, and updates to commercial and mixed use zoning standards and the zoning map. For some properties, land use map updates moved open space zone boundaries on the General Plan and Zoning map to align with recorded easements as closely as possible, based on information from tract maps and assessor parcel maps. See Attachment 5 for a map of properties with known open space easements. The

General Plan and Zoning map changes maintained or added open space area compared to what existed in 2007 when the Measure V voter initiative was adopted by the City Council, and in 2014 when land use maps were adopted with the Centennial General Plan.

On July 5, 2016, in its review of a private development proposal, Raya's Paradise, the City Council directed staff to draft a General Plan amendment that clarifies Growth Management Element policy for In-fill Development.

Noticing

In compliance with public noticing regulations, a 1/8 page ad was posted in the SunPost newspaper and public notices were distributed. Property owners were notified when the project amends standards or map designations of specific properties.

DISCUSSION

The proposed amendments clean up and clarify policy, maps, and standards. No substantive changes are proposed. Below is a general overview of the amendments and discussion of issues they address.

Overview

General Plan Amendment 16-374. These amendments affect the Land Use Element, Growth Management Element, and land use maps. See Attachment 1 for a draft resolution. Exhibit A shows proposed element amendments. Exhibits B and C summarizes and shows proposed map changes. Element amendments are shown in tracked changes on Attachment 3.

Zoning Amendment 16-375. These amendments affect processes and standards for Discretionary Sign Permit applicability (Section 17.16.250), retaining wall height exceptions [17.24.180(D)(4)(a)], affordable housing projects (17.40.010, 17.40.030, 17.56), open space zoning standards (Table 17.44.030). See Attachment 2 for a draft ordinance. Exhibit A shows proposed text amendments, and Exhibit B summarizes and shows proposed map changes. Zoning amendments are shown in tracked changes on Attachment 4.

Amendments for Open Space Easements

Proposed changes

General Plan and Zoning Ordinance amendments are proposed to clarify how open space zone boundaries shall be distinguished when they vary from recorded open space easements. These amendments would:

1. Add a standard "Open Space Easement Boundaries" to Zoning Ordinance Table 17.44.030, Open-Space Zone Development Standards, as follows:

Standards	OS 1, OS S1, OS 2, OS S2, OS 3	OSC
Open Space Easement Boundaries	The more restrictive of the following shall be used to distinguish zoning boundaries on the zoning map when they vary from recorded open space easements: 1) the easement, or 2) land use map effective on Measure V (Ord. 1475) adoption date.	

[See Page 42]

2. Add the following text to the Open Space designations in Table LU-1 of the General Plan Land Use Element that references back to the new zoning standard above:
"Refer to Open Space zoning standards for processes when land use map designation boundaries vary from recorded open space easements."

[See Page 39]

Why is this needed?

Open space easements are recorded to preserve private open space. Properties with known easements have split residential and open space zoning with single-family residences developed along street frontage and open space at the rear of the property. Easement documents are legally relied upon to restrict use of private open space because they are precise and run with the property title. Easements are recorded to a property's title after a land surveyor prepares a legal description and map exhibit of the easement boundaries.

General Plan and Zoning maps define land use boundaries, however, they are drawn based on the best available information and are not as precise as surveyed boundary lines. Since easements are more precise, at a certain scale zoning map boundaries will vary from open space easements. The proposed amendments are needed to provide guidance for distinguishing zoning boundaries on land use maps when they vary from recorded open space easements. This will allow for clear and consistent implementation of policy and regulations.

Map updates planned

In November 2015, the General Plan and Zoning map were amended to align open space zone boundaries as closely as possible, using scaled recorded easements shown on tract maps and assessor parcel maps. Through the review of a building permit recently, staff received surveys that show easements aren't always accurately shown on the tract maps. In some instances, open space easements were changed after land subdivisions. Since some inaccurate tract maps were relied upon to update land use maps, corrections are needed in at least one tract. To fix this, General Plan and Zoning map must be amended to bring boundaries into closer alignment. This work will be completed in the next phase of the work program, with a hearing expected in winter 2017.

General Plan Policy GM-1.03, "New In City Development"

The General Plan amendment clarifies Growth Management Element policies for In-fill Development, in response to City Council direction received at its meeting on July 5, 2016. The amendments involve moving Policy GM-1.03, "New In City Development" from the "Community Edges" section into a new "Infill Development" section. Within the new section, a goal is added and text is provided to clarify the purpose and intent of policy.

[See Page 40]

Affordable Housing Overlay

The Affordable Housing (AH) Overlay is intended to allow affordable housing projects as a permitted use on specific properties in commercial and mixed-use zones. Several amendments are proposed to update the land use tables and maps for consistency with the AH Overlay boundaries. These amendments do not reduce opportunities for affordable housing so they are compatible with goals and policies in the Housing Element. The proposed amendments would:

1. Remove residential lots on land use maps.

As mentioned above, the intent of the AH Overlay is to allow for affordable housing in commercial and mixed-use zones. It is unnecessary to include residential properties in the Overlay because residential zones allow affordable housing. As a result, the amendments remove residential lots from the Affordable Housing Overlay shown on the General Plan land use map, Land Use Element Map LU-1B, and the Zoning Map. These amendments do not reduce opportunities for affordable housing so they are compatible with goals and policies in the Housing Element.

[See Pages 20, 22, 24, 38]

2. Remove inconsistencies in mixed-use zone use tables and zone descriptions.

Affordable housing projects are identified as a permitted use in all mixed-use zones and the AH Overlay is referenced in the description of the MU 3.0 zone. This is inconsistent with the boundaries and intent of the Overlay. The Overlay should make affordable housing projects a permitted use on certain properties in the MU 3.1 zone (Serra workforce housing) and in the Mixed Use 3.2 zone along South El Camino Real, west of Interstate-5. The proposed amendments removes inconsistencies by updating use tables and zone descriptions to match Overlay boundaries.

[See Pages 41-45]

Restore zoning processes and provisions

The project reverses unintended zoning changes that were made by previous ordinances. The proposed amendments would:

1. Restore a required discretionary process for neon signs outside Architectural Overlay.

The ordinance amends Section 17.16.250(C)(5) to require a Discretionary Sign Permit to allow neon signs, regardless of their location. An unintended change in prior

Ordinance No. 1561 (adopted 11/27/2012), has made it so a DSP is no longer required for neon signs proposed outside the Architectural Overlay, which is an unintended change in procedure. [See Page 41]

2. Restore height increase provisions and standards for residential retaining walls.

The ordinance rewords text in Section 17.24.180(D)(4)(a) to restore residential retaining wall height standards and processes. Ordinance No. 1594 (adopted 5/5/2015) made several unintended changes that would be reversed. First, the Ordinance clarifies retaining walls may have a maximum height of six feet in street-side yards, when set back farther than five feet from street-side yard property lines. Second, the Ordinance restores a Minor Exception Permit process that allows an increase in the maximum height of retaining walls from six feet, up to eight feet, six inches, when walls are located in the interior of lots (outside setbacks), within interior side yards, or rear yards (excluding through lots). [See Page 41]

REQUIRED FINDINGS

Staff recommends the Planning Commission support the proposed amendments, concluding they meet required findings, as detailed in Draft Resolution, Attachment 1. The amendments clean up and clarify policy and standards, facilitating General Plan implementation and improving plan consistency.

ENVIRONMENTAL REVIEW/COMPLIANCE (CEQA):

The Planning Division processed and completed an initial environmental assessment for this project in accordance with the California Environmental Quality Act (CEQA). Staff recommends the Planning Commission find the project is exempt from further CEQA review beyond Final Environmental Impact Report (EIR), State Clearinghouse No. 2013041021, certified for the Centennial General Plan on February 13, 2014. The project does not require further review because its within the scope of the program EIR, which adequately describes the project for the purposes of CEQA. The project could have no new effects and no new mitigations are required.

ALTERNATIVES: IMPLICATIONS OF ALTERNATIVES

The Planning Commission may provide staff with alternative direction for the amendments according to the required findings. If the Planning Commission requests staff to research issues or recommend significant revisions, a continuance or tabling of this agenda item may be necessary to make revisions and reassess the project with the CEQA.

CALIFORNIA COASTAL COMMISSION REVIEW

Certain actions contained in the proposed amendments occur entirely or in part within the Coastal Zone. For these areas, all proposals related to the General Plan will be subject to California Coastal Commission review and an amendment to the Coastal Land Use Plan.

RECOMMENDATION

Based on the information in the staff report and subject to the required Findings and Conditions of Approval, staff recommends the Planning Commission:

1. Recommend the City Council find the project is exempt from further review of the California Environmental Quality Act (CEQA) beyond Final Environmental Impact Report (EIR), State Clearinghouse No. 2013041021, certified for the Centennial General Plan on February 13, 2014, pursuant to California Public Resources Code §21083.3, and
2. Adopt Resolution PC 16-029 and forward a recommendation to the City Council that it adopt amendments to the Centennial General Plan and land use map (GPA 16-374), and adopt an ordinance amending San Clemente Municipal Code Title 17 and the Zoning Map (ZA 16-375).

Attachments:

1. Draft Resolution PC 16-029 *[Pages 7-14]*, including,
 - a. Exhibit A: Amendments to General Plan Elements *[Pages 15-16]*
 - b. Exhibit B: Amendments to General Plan land use map *[Pages 18-22]*
 - c. Exhibit C: Amended Figure LU-1B, Overlays *[Page 24]*
2. Draft City Council Ordinance *[Pages 25-30]*, including,
 - a. Exhibit A: Amendments to Title 17 *[Pages 31-34]*
 - b. Exhibit B: Amendments to Zoning Map *[Pages 36-38]*
3. Tracked changes, General Plan Element Amendments *[Pages 39-40]*
4. Tracked changes, Zoning Ordinance Amendments *[Pages 41-45]*
5. Map of known lots with open space easements *[Pages 46-48]*

ATTACHMENT 1

RESOLUTION NO. PC 16-029

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SAN CLEMENTE, CALIFORNIA, RECOMMENDING THE CITY COUNCIL ADOPT GENERAL PLAN AMENDMENT 16-374, GENERAL PLAN LAND USE MAP AMENDMENTS, ZONING AMENDMENT 16-375, AND ZONING MAP AMENDMENTS, TO CLARIFY POLICY INTENT BY FIXING ERRORS, CLARIFYING, REVERSING UNINTENDED CHANGES MADE PREVIOUSLY, AND ADDING STANDARDS TO PROVIDE GUIDANCE ON OPEN SPACE EASEMENTS

WHEREAS, on February 13, 2014, the City Council approved and/or certified the 1) Centennial General Plan, dated February 2014, and 2) Final Environmental Impact Report (FEIR), State Clearinghouse (SCH) No. 2013041021), mitigation monitoring program, and statements of overriding consideration; and

WHEREAS, in the adoption of the Strategic Implementation Plan and approval of the Long-term Financial Plan, the City Council initiated and prioritized a work program that includes amendments to the Centennial General Plan, Zoning Ordinance, Specific Plans, and various maps to make the Centennial General Plan consistent with implementation plans; and

WHEREAS, on November 3, 2015, the City Council approved and adopted General Plan Amendment 15-049 and Zoning Amendment 14-456, Phase 1 of the work program, that addressed clean up items, made clarifications, added and improved General Plan maps, made several land use changes, and updated commercial and mixed use zones and the Zoning Map for consistency with the Centennial General Plan; and

WHEREAS, General Plan Amendment 15-049 and Zoning Amendment 14-456 moved open space zone boundaries on the General Plan and Zoning maps to align with recorded easements as closely as possible. This work was done using tract maps and assessor parcel maps. Through the review of a building permit in October 2016, staff determined easements are not shown on tract maps correctly if easements were modified after a subdivision. With this new information, staff knows of at least one tract where open space zones boundaries are inconsistent with easements, so the General Plan and Zoning map must be corrected. This work will be completed in the next phase of the work program. In the interim, General Plan and Zoning Ordinance amendments are proposed to clarify how open space zone boundaries shall be distinguished when they vary from recorded open space easements; and

WHEREAS, on July 5, 2016, in its review of a private development proposal, Raya's Paradise, the City Council directed staff to draft an amendment to the General Plan for Council consideration to add a new subsection to the Growth Management Element called Infill Development with verbiage provided in the project staff report. The project follows this direction by including such amendments; and

WHEREAS, General Plan Amendment (GPA) 16-374 and Zoning Amendment (ZA) 16-375, ("the project"), is part of the work program to update plans for General Plan consistency. The proposed amendments are timely to facilitate General Plan implementation and development reviews because they clarify policy intent by fixing

errors, clarifying text, and adding standards to provide guidance on open space easements. In summary, the proposed amendments will:

- A. Change the Private Open Space (OS 2) land use designation summary in the Land Use Element of General Plan and add Open Space zoning standards to clarify how open space zone boundaries shall be distinguished when they vary from recorded open space easements
- B. to clarify how to implement the General Plan and Municipal Code on properties with recorded private open space easements. The amendments specify that a recorded private open space easement shall be used to distinguish open space zone boundaries, unless the land use map was more restrictive when the Measure V voter initiative was adopted by the City Council in September 2007. Properties known recorded open space easements are shown on maps attached to the accompanying staff report (Attachment 5);
- C. Move Policy GM-1.03 "New In City Development" in the Growth Management Element of the Centennial General Plan from the "Community Edges" section into a new "Infill Development" section, adding a goal, and clarifying the policy's purpose and intent;
- D. Change the zoning district classification or boundary of properties to reflect the General Plan land use map, and reverse map changes that were unintentionally included in 2014 General Plan update, but not assumed in EIR build-out projections and impact analysis. The outcome of these amendments is to improve the consistency of the General Plan with the EIR certified for plan adoption, which allows for improved monitoring and enforcement of mitigation measures per CEQA objectives and mandates; and
- E. Restore and reverse several Zoning Ordinance amendments made by prior ordinances (Ord. No. 1594, 5-5-2015; and Ord. No. 1561, 11/27/2012) that were unintended. The reversal of the unintended code changes restore regulations consistent with prior CEQA analysis and legislative intent; and
- F. Update the Affordable Housing (AH) Overlay (Section 17.56) and use tables for Mixed Use zones to reflect the boundaries and intent of the Overlay for the allowance of affordable housing consistent with the Housing Element.

WHEREAS, the Planning Division conducted an environmental review in conformance with the California Environmental Quality Act (CEQA) and Guidelines, and determined that the proposed amendments are exempt from further CEQA review beyond the Final Environmental Impact Report (EIR), State Clearinghouse No. 2013041021, certified for the Centennial General Plan on February 13, 2014 pursuant to California Public Resources Code §21083.3, because

- A. The amendments are within the scope of the program EIR and the program EIR adequately describes the activity for the purposes of CEQA. The changes associated with GPA 16-374 and ZA 16-375 are not substantial. The

amendments do not have the potential to cause new environmental effects or require new mitigation measures since the amendments do not intensify development potential or change land uses inconsistent with projections and effects studied and mitigated in the EIR;

- B. The amendments improve the consistency of the General Plan land use map with the certified EIR, which allows for improved monitoring and enforcement of mitigation measures per CEQA objectives and mandates;
- C. The amendments maintain or add open space on properties with a recorded open space easement, compared to land use maps effective when Measure V was adopted, so there is not conflict with General Plan policy, Measure V, and environmental effects studied in the program EIR;
- D. The amendments are consistent with the policy intent of the Affordable Housing Overlay, policies in the Housing Element, and housing impact analysis in the EIR, because the amendments do not eliminate or restrict opportunities for affordable housing projects;
- E. The zoning amendments reverse unintended regulatory changes made by prior ordinances (Ord. No. 1594, 5-5-2015; and Ord. No. 1561, 11/27/2012). The regulations were in the Zoning Ordinance since at least the last comprehensive update in 1996. The reversal of the unintended code changes restore regulations consistent with prior CEQA analysis and legislative intent; and
- F. The project does not require an EIR addendum pursuant to CEQA Guidelines Section 15162 and 15164 because any significant effects of the proposed amendments were previously examined and there is no potential for the project to substantially increase any negative environmental effects beyond what was studied and mitigated in the certified FEIR and subsequent addendum.

WHEREAS, on November 16, 2016, the Planning Commission held a duly noticed public hearing on amendments to the Centennial General Plan, General Plan land use maps, Zoning Ordinance, and Zoning Map of the City of San Clemente, considered evidence presented by City staff, including the attached exhibits, and heard other interested parties and made a recommendation to the City Council to approve and adopt the project; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, the Planning Commission of the City of San Clemente hereby resolves as follows:

Section 1: Incorporation of Recitals.

The Planning Commission hereby specifically finds that all of the facts set forth in the Recitals are true and correct and are hereby incorporated and adopted as findings of the Planning Commission as if fully set forth herein.

Section 2: CEQA Findings.

Based upon its review of the entire record, including the Staff Report, any public comments or testimony presented to the Planning Commission, and the facts outlined below, the Planning Commission hereby recommends the City Council find the project is exempt from further CEQA review beyond the Final Environmental Impact Report (EIR), State Clearinghouse No. 2013041021, certified for the Centennial General Plan on February 13, 2014, because:

- A. The amendments are within the scope of the program EIR and the program EIR adequately describes the activity for the purposes of CEQA. The changes associated with GPA 16-374 and ZA 16-375 are not substantial. The amendments do not have the potential to cause new environmental effects or require new mitigation measures since the amendments do not intensify development potential or change land uses inconsistent with projections and effects studied and mitigated in the EIR;
- B. The amendments improve the consistency of the General Plan land use map with the certified EIR, which allows for improved monitoring and enforcement of mitigation measures per CEQA objectives and mandates;
- C. The amendments maintain or add open space on properties with a recorded open space easement, compared to land use maps effective when Measure V was adopted, so there is not conflict with General Plan policy, Measure V, and environmental effects studied in the program EIR;
- D. The amendments are consistent with the policy intent of the Affordable Housing Overlay, policies in the Housing Element, and housing impact analysis in the EIR, because the amendments do not eliminate or restrict opportunities for affordable housing projects;
- E. The zoning amendments reverse unintended regulatory changes made by prior ordinances (Ord. No. 1594, 5-5-2015; and Ord. No. 1561, 11/27/2012). The regulations were in the Zoning Ordinance since at least the last comprehensive update in 1996. The reversal of the unintended code changes restore regulations consistent with prior CEQA analysis and legislative intent; and
- F. The project does not require an EIR addendum pursuant to CEQA Guidelines Section 15162 and 15164 because any significant effects of the proposed amendments were previously examined and there is no potential for the project to substantially increase any negative environmental effects beyond

what was studied and mitigated in the certified FEIR and subsequent addendum.

Section 3: General Plan Amendment Findings.

The following findings are made regarding the amendments to the Centennial General Plan and General Plan land use map:

- A. The proposed General Plan amendments are internally consistent with those portions of the General Plan, which are not being amended because:
 1. The amendments meets the goals and objectives of the Centennial General Plan because the proposed land use designations encourage the fulfillment of the Centennial General Plan's intent and policies, including:
 - a. Land Use Element Goal No. 1. *"Retain and enhance established residential neighborhoods, commercial and industrial districts, recreational resources, community-activity areas and amenities, and open spaces that improve the community's quality of life, enhance the appeal of our many attractions, maintain our small-town character, and ensure long-term environmental and fiscal health."* The amendments improve the clarity, consistency, and readability of the Centennial General Plan, facilitating goal and policy implementation by fixing clean up items, clarifying policy intent, and reversing unintended map (land use) changes included in the General Plan or subsequent amendments;
 - b. Land Use Element Land Use Plan Primary Goal #6. *"Protect and maintain significant environmental resources."* The amendments clarify the implementation of policy and standards on residential properties with split-zoned private open space designations and recorded open space easements, in which there may be differences between open space areas shown on the land use map and the precise nature of easement documents prepared by licensed surveyors and recorded for the purposes of ensuring portions of such properties are used for open spaces purposes;
 - c. Land Use Element Land Use Plan Primary Goal #9. *"Locate commercial, public services, recreation, transit opportunities and jobs near residents and businesses."* The amendments clarify policy intent with regard to requiring projects to pay their share of costs for increased demand of services and facilities resulting from new development;
 - d. Beaches Parks and Recreation Element Policy BPR-4.09, *Measure V Initiative, "We require voter approval of City Council actions related to changing an Open Space land use designation to a Non-Open Space designation, according to Ordinance 1475"*

- ("Measure V" Voter Initiative), adopted by the City Council in September 2007.."* The amendments clarify the implementation of policy and standards on residential properties with split-zoned private open space designations and recorded open space easements, while ensuring open space is maintained or added on such properties compared to land use maps effective when Measure V was adopted;
- e. Public Services Facilities and Utilities Element Primary Goal *"Provide a diverse range of effective public services, high quality public facilities, and efficient public utilities that meet local needs."* The amendments clarify policy intent with regard to requiring projects to pay their share of costs for increased demand of services and facilities resulting from new development; and
 - f. Growth Management Element Policy GM-1.02, New In-City Development, *"New in-City development shall pay its share of the costs of public facilities and services needed to serve the new residents, unless the community chooses to help pay the costs for a certain development to obtain community-wide benefits."* The amendments clarify policy intent with regard to requiring projects to pay their share of costs for increased demand of services and facilities resulting from new development.
2. The amendments improve the clarity, consistency, and readability of the Centennial General Plan, facilitating implementation, by fixing clean up items, clarifying policy intent, and reversing unintended map (land use) changes included in the General Plan or subsequent amendments, but not reflected in the certified EIR.
 3. The amendments improve the consistency of the General Plan with the certified program EIR, which allows for improved monitoring and enforcement of mitigation measures per CEQA objectives and mandates and consistency with policy intent;
- B. The proposed General Plan amendments will not adversely affect the public health, safety, and welfare, in that the changing of certain land use designations, standards, and policies as proposed will not adversely impact the public health, safety, and welfare since they further the Centennial General Plan objectives of:
1. Meeting community values, needs and conditions;
 2. Guiding long-term public and private land use, transportation, economic development, resource preservation; urban design and other public policy actions; and
 3. Reflecting the City Council's review, direction and independent judgment regarding land use, circulation and transportation, economic

development, environmental protection, recreation, public safety and services, coastal issues, historic preservation, natural resources, urban design, and governance and growth management policies.

Section 4: General Plan Amendment Recommendation. The Planning Commission recommends the City Council approve and adopt General Plan Amendment 16-374, as shown on Exhibit A, and land use map amendments as described and shown on Exhibits B and C.

Section 5: Zoning Amendment Findings.

The following findings are made regarding the amendments to the Zoning Ordinance and Zoning Map:

- A. The proposed Zoning Amendments are consistent with the General Plan, since they are a direct implementation of the Centennial General Plan and subsequent amendments, pursuant to Government Code section 65860(c), by making zoning classifications, boundaries, and standards consistent with the Land Use Element of the Centennial General Plan, as adopted and subsequently amended; and
- B. The rezoning of the areas and the adoption of development standards as proposed will not adversely impact the public health, safety, and welfare since they further the Centennial General Plan objectives of:
 - 1. Meeting community values, needs and conditions;
 - 2. Guiding long-term public and private land use, transportation, economic development, resource preservation, urban design and other public policy actions; and
 - 3. Reflecting the City Council's review, direction and independent judgement regarding land use, circulation and transportation, economic development, environmental protection, recreation, public safety and services, coastal issues, historic preservation, natural resources, urban design, and governance and growth management policies.

Section 5: Zoning Amendment Recommendation.

Based on the entire record before the Planning Commission, all written and oral evidence presented to the Planning Commission, and the findings made and evidence discussed in the staff report and this Resolution, the Planning Commission hereby recommends that the City Council adopt an ordinance entitled: "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, ADOPTING ZONING AMENDMENT 16-375, AMENDING TITLE 17 OF THE SAN CLEMENTE MUNICIPAL CODE AND THE ZONING MAP, TO CLARIFY POLICY INTENT BY FIXING ERRORS, CLARIFYING, REVERSING UNINTENDED CHANGES MADE PREVIOUSLY, AND ADDING STANDARDS TO PROVIDE GUIDANCE ON OPEN SPACE EASEMENTS," which is attached as Attachment 2 to the accompanying staff report and which is

incorporated here by reference.

PASSED AND ADOPTED at a regular meeting of the Planning Commission of the City of San Clemente on November 16, 2016.

Chair

TO WIT:

I **HEREBY CERTIFY** that the foregoing resolution was duly adopted at a regular meeting of the Planning Commission of the City of San Clemente on November 16, 2016, and carried by the following roll call vote:

AYES: COMMISSIONERS:
NOES: COMMISSIONERS:
ABSTAIN: COMMISSIONERS:
ABSENT: COMMISSIONERS:

Secretary of the Planning Commission

Section 1. Land Use Element Table LU-1, “Open Space (OS 1) (Public)” and “Open Space (OS 2) (Private)” designations are hereby amended to read as follows:

Table LU-1 General Plan Land Use Designations Summary Table			
Land Use Designations	Maximum Density/ Intensity (FAR)	Max. No. of Stories/ Building Height¹	Intention
Open Space (OS 1) (Public)	N/A	To be determined on an individual basis.	Publicly owned existing and dedicated parklands, passive open space areas, recreational facilities, and golf courses. Refer to Beaches, Parks, and Recreation Element, and Coastal Element. Refer to Open Space zoning standards for processes when land use map designation boundaries vary from recorded open space easements.
Open Space (OS 2) (Private)	N/A	To be determined on an individual basis.	Privately owned parklands, recreational facilities, passive open space areas and golf courses. Refer to Beaches, Parks, and Recreation Element, and Coastal Element. Refer to Open Space zoning standards for processes when land use map designation boundaries vary from recorded open space easements.

Section 2. Land Use Element Figure “LU-1B, Overlays” is hereby amended as shown in Exhibit C attached to this Resolution.

Section 3. Growth Management Element Policy GM-1.03, “New In City Development”, is hereby moved from the “Community Edges” section into a new “Infill Development” section hereby added to read as follows:

Infill Development

The City is essentially built-out in terms of “greenfield” areas, which are parcels intended for development and vacant with minimal-or-no infrastructure, public services, and facilities. The majority of future City development will be “infill” on vacant or under-used parcels within areas that are largely developed and served by public services and facilities. Before infill development occurs, the City shall ensure projects address impacts and costs to public services and facilities that are needed to support new development.

GOAL:

To be a City that allows new infill development that is compatible with existing land uses, mitigates environmental impacts, and provides funds or mitigation to meet increased resident demands for services and facilities, generated from new development.

POLICIES:

GM-1.01 ***New In-City Development.*** New in-City development shall pay its share of the costs of public facilities and services needed to serve the new residents, unless the community chooses to help pay the costs for a certain development to obtain community-wide benefits.

LINKS TO OTHER GENERAL PLAN CONTENT

- (Placeholder for links)

ADDITIONAL LINKS

- (Placeholder for links)

EXHIBIT B

General Plan Land Use Map Amendments

**General Plan Amendment (GPA)
Summary and map key of land use map changes**

#	Map pages	Existing General Plan land use and Background	Proposed land use and policy changes	Type of change	Comments
1	D2	The land use designation is Residential High Density (RH) with Affordable Housing (AH) Overlay and Coastal Overlay. In 2015, the Affordable Housing Overlay was added with the understanding that it was omitted from the 2014 General Plan update. Since then, staff has determined the Overlay isn't necessary, based on the underlying land use designation, to implement policy.	Remove Affordable Housing Overlay consistent with maps adopted with the 2014 General Plan update and the Housing Element.	Clean up	The AH Overlay is meant to facilitate affordable housing in non-residential zones. The site is residential and affordable housing is allowed in such zones. Therefore, the Overlay isn't needed to meet housing goals and implement the Housing Element. Map clean up reflects policy intent and General Plan Program EIR assumptions
2	F3	The land use map shows the designation is Light Industrial (LI) and Coastal Overlay. In 2015, a mapping error changed the designation from Heavy Industrial (HI).	Restore Heavy Industrial designation shown in 2014 Centennial General Plan.	Clean up	Map clean up reflects policy intent and General Plan Program EIR assumptions. The proposed map change makes the land use consistent with 2014 Centennial General Plan and West Pico Corridor Specific Plan.
3	F3	The land use map shows the designation is Heavy Industrial (HI) and Coastal Overlay. In 2015, a mapping error changed the designation from Light Industrial (LI).	Restore Light Industrial designation shown in 2014 Centennial General Plan.	Clean up	Map clean up reflects policy intent and General Plan Program EIR assumptions. The proposed map change makes the land use consistent with 2014 Centennial General Plan and West Pico Corridor Specific Plan.
4	F3	The land use map shows the designation is Light Industrial (LI) and Coastal Overlay. Prior to the 2014 General Plan update, the land use was Residential Medium (RM) and Coastal Overlay. The 2014 land use map change (from RM to LI) was unintended.	Restore Residential Medium designation that existed prior to the 2014 Centennial General Plan.	Clean up	Map clean up to make land use consistent with the intent of the 2014 Centennial General Plan and supporting environmental analysis.
5	F3	The land use map shows the designation Private Open Space (OS2). Prior to the 2014 General Plan update, the land use was Residential Medium (RM). There is a developed residence on the site. The 2014 land use map change was unintended.	Restore Residential Medium designation that existed prior to the 2014 Centennial General Plan.	Clean up	Map clean up to make land use consistent with the intent of the 2014 Centennial General Plan and supporting environmental analysis.

**General Plan Amendment (GPA)
Summary and map key of land use map changes**

#	Map pages	Existing General Plan land use and Background	Proposed land use and policy changes	Type of change	Comments
6	G4	<p>The land use designation is Residential Medium Density (RM) with Affordable Housing Overlay. In 2015, the Affordable Housing Overlay was added with the understanding that it was omitted from the 2014 General Plan update. Since then, staff has determined the Overlay isn't necessary, based on the underlying land use designation, to implement policy.</p>	<p>Remove Affordable Housing Overlay consistent with maps adopted with the 2014 General Plan update and the Housing Element.</p>	<p>Clean up</p>	<p>Similar comments for change #1. Map clean up to make land use consistent with the intent of the 2014 Centennial General Plan and supporting environmental analysis.</p>



General Plan map Amendments

Legend

- Coastal zone boundary
- Proposed Land Use
- RH - Residential High Density



Index Grid: D2





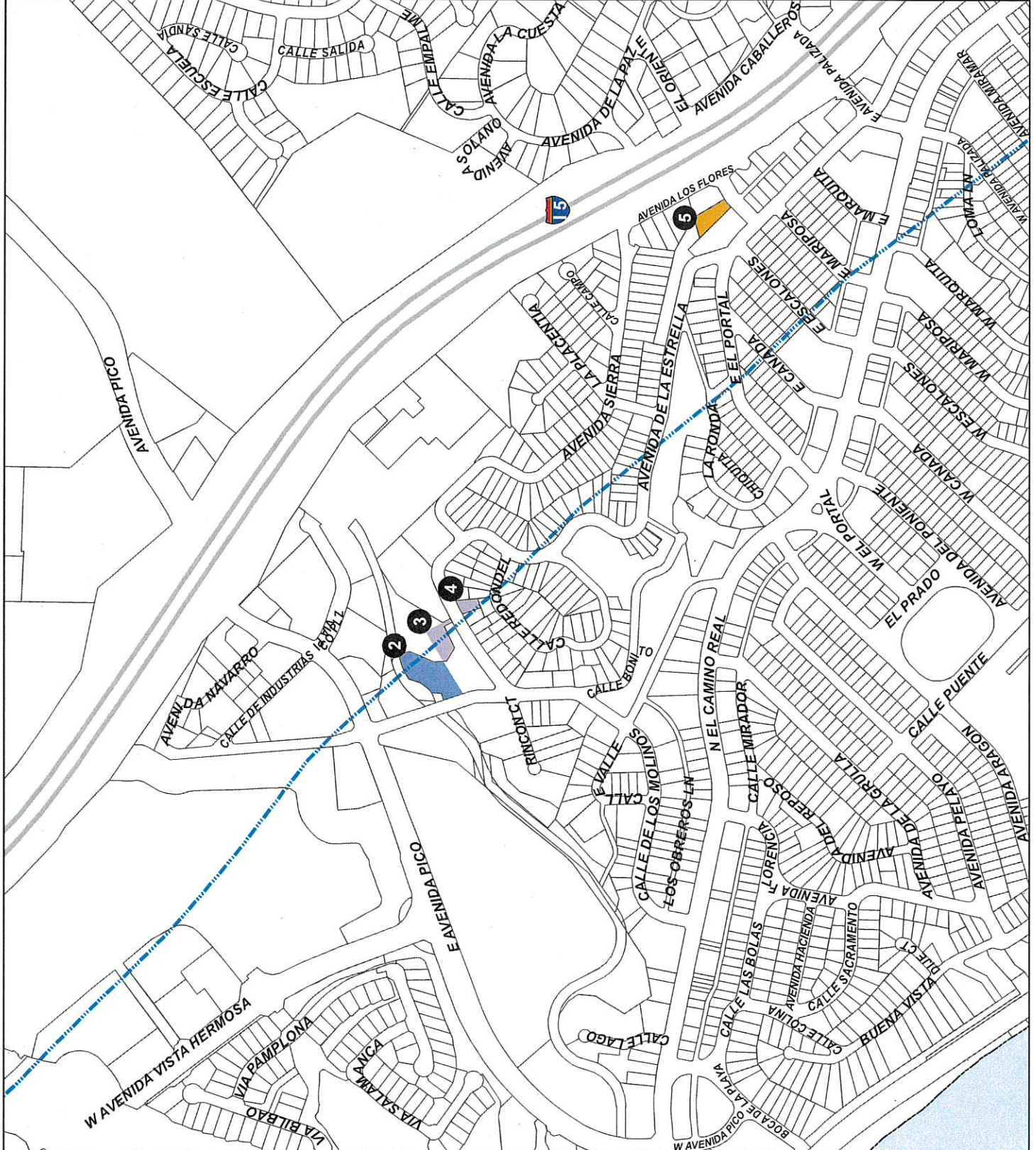
General Plan map Amendments

Legend

- Coastal zone boundary
- Proposed Land Use**
- RM - Residential Medium Density
- LI - Light Industrial
- HI - Heavy Industrial



Index Grid: F3





General Plan map Amendments

Legend

- Coastal zone boundary
- Proposed Land Use
- RM - Residential Medium Density



Index Grid: G4

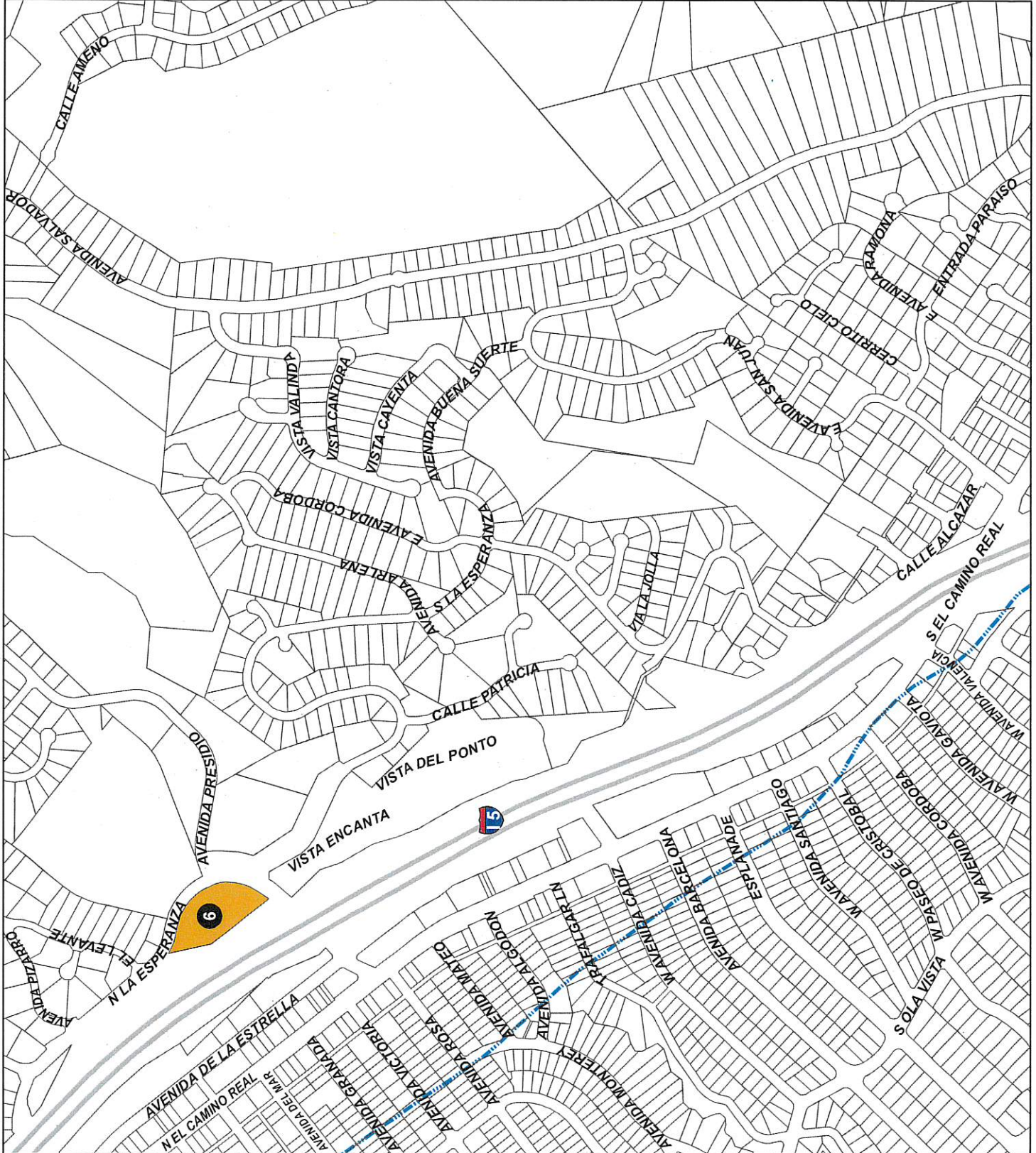


EXHIBIT C

Amended Figure Land Use Element, LU-1B "Overlays"

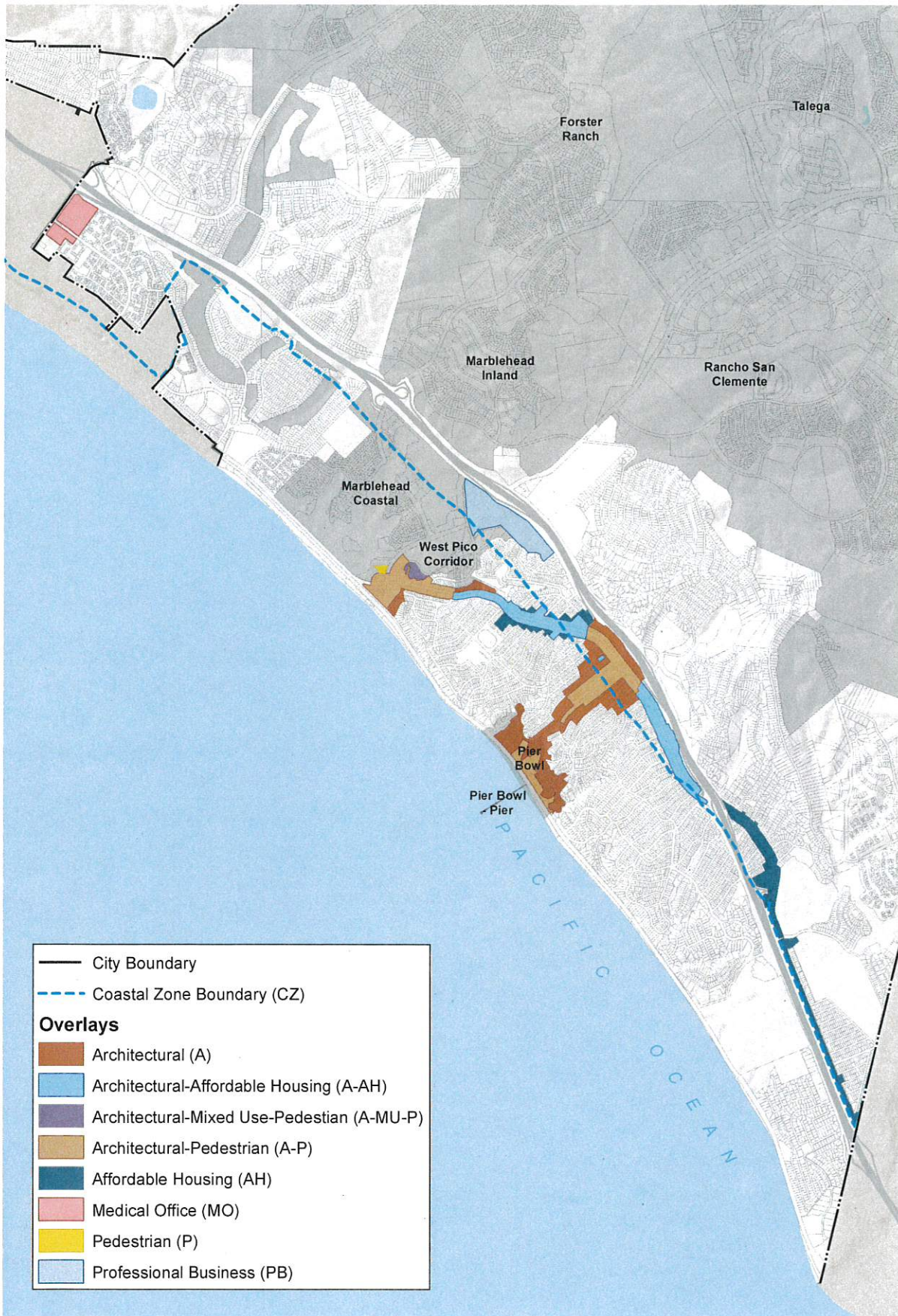
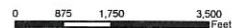


Figure LU-1B
Overlays



11/8/2016

ATTACHMENT 2

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, ADOPTING ZONING AMENDMENT 16-375, AMENDING TITLE 17 OF THE SAN CLEMENTE MUNICIPAL CODE AND THE ZONING MAP, TO CLARIFY POLICY INTENT BY FIXING ERRORS, CLARIFYING, REVERSING UNINTENDED CHANGES MADE PREVIOUSLY, AND ADDING STANDARDS TO PROVIDE GUIDANCE ON OPEN SPACE EASEMENTS

WHEREAS, on February 13, 2014, the City Council approved and/or certified the 1) Centennial General Plan, dated February 2014, and 2) Final Environmental Impact Report (FEIR), State Clearinghouse (SCH) No. 2013041021), mitigation monitoring program, and statements of overriding consideration; and

WHEREAS, in the adoption of the Strategic Implementation Plan and approval of the Long-term Financial Plan, the City Council initiated and prioritized a work program that includes amendments to the Centennial General Plan, Zoning Ordinance, Specific Plans, and various maps to make the Centennial General Plan consistent with implementation plans; and

WHEREAS, on November 3, 2015, the City Council approved and adopted General Plan Amendment 15-049 and Zoning Amendment 14-456, Phase 1 of the work program, that addressed clean up items, made clarifications, added and improved General Plan maps, made several land use changes, and updated commercial and mixed use zones and the Zoning Map for consistency with the Centennial General Plan; and

WHEREAS, General Plan Amendment 15-049 and Zoning Amendment 14-456 moved open space zone boundaries on the General Plan and Zoning maps to align with recorded easements as closely as possible. This work was done using tract maps and assessor parcel maps. Through the review of a building permit in October 2016, staff determined easements are not shown on tract maps correctly if easements were modified after a subdivision. With this new information, staff knows of at least one tract where open space zones boundaries are inconsistent with easements, so the General Plan and Zoning map must be corrected. This work will be completed in the next phase of the work program. In the interim, General Plan and Zoning Ordinance amendments are proposed to clarify how open space zone boundaries shall be distinguished when they vary from recorded open space easements; and

WHEREAS, on July 5, 2016, in its review of a private development proposal, Raya's Paradise, the City Council directed staff to draft an amendment to the General Plan for Council consideration to add a new subsection to the Growth Management Element called

Infill Development with verbiage provided in the project staff report. The project follows this direction by including such amendments; and

WHEREAS, this Ordinance includes amendments to Title 17 of the San Clemente Municipal Code and to the Zoning Map (ZA 16-375), as shown in Exhibits A and B. This ordinance includes zoning amendments that are timely to facilitate General Plan implementation and development reviews because they clarify policy intent by fixing errors, clarifying text, and adding standards to provide guidance on open space easements; and

WHEREAS, the Planning Division conducted an environmental review in conformance with the California Environmental Quality Act (CEQA) and Guidelines, and determined that the proposed amendments are exempt from further CEQA review beyond the Final Environmental Impact Report (EIR), State Clearinghouse No. 2013041021, certified for the Centennial General Plan on February 13, 2014 pursuant to California Public Resources Code §21083.3, because

- A. The amendments are within the scope of the program EIR and the program EIR adequately describes the activity for the purposes of CEQA. The changes associated with ZA 16-375 are not substantial. The amendments do not have the potential to cause new environmental effects or require new mitigation measures since the amendments do not intensify development potential or change land uses inconsistent with projections and effects studied and mitigated in the EIR;
- B. The amendments improve the consistency of the General Plan land use map with the certified EIR, which allows for improved monitoring and enforcement of mitigation measures per CEQA objectives and mandates;
- C. The amendments maintain or add open space on properties with a recorded open space easement, compared to land use maps effective when Measure V was adopted, so there is not conflict with General Plan policy, Measure V, and environmental effects studied in the program EIR;
- D. The amendments are consistent with the policy intent of the Affordable Housing Overlay, policies in the Housing Element, and housing impact analysis in the EIR, because the amendments do not eliminate or restrict opportunities for affordable housing projects;
- E. The zoning amendments reverse unintended regulatory changes made by prior ordinances (Ord. No. 1594, 5-5-2015; and Ord. No. 1561, 11/27/2012). The regulations were in the Zoning Ordinance since at least the last comprehensive update in 1996. The reversal of the unintended code changes restore regulations consistent with prior CEQA analysis and legislative intent; and

- F. The project does not require an EIR addendum pursuant to CEQA Guidelines Section 15162 and 15164 because any significant effects of the proposed amendments were previously examined and there is no potential for the project to substantially increase any negative environmental effects beyond what was studied and mitigated in the certified FEIR and subsequent addendum.

WHEREAS, on November 16, 2016, the Planning Commission recommended the City Council approve and adopt this Ordinance; and

WHEREAS, on [date], the City Council held a duly noticed public hearing on this Ordinance, and considered evidence; and

NOW, THEREFORE, the City Council of the City of San Clemente, California, hereby ordains as follows:

Section 1: Incorporation of Recitals.

The Planning Commission hereby specifically finds that all of the facts set forth in the Recitals are true and correct and are hereby incorporated and adopted as findings of the Planning Commission as if fully set forth herein.

Section 2. Zoning Amendment Findings.

The following findings are made regarding the amendments to the Zoning Ordinance and Zoning Map:

- A. The proposed Zoning Amendments are consistent with the General Plan, since they are a direct implementation of the Centennial General Plan and subsequent amendments, pursuant to Government Code section 65860(c), by making zoning classifications, boundaries, and standards consistent with the Land Use Element of the Centennial General Plan, as adopted and subsequently amended; and
- B. The rezoning of the areas and the adoption of development standards as proposed will not adversely impact the public health, safety, and welfare since they further the Centennial General Plan objectives of:
 - 1. Meeting community values, needs and conditions;
 - 2. Guiding long-term public and private land use, transportation, economic development, resource preservation, urban design and other public policy actions; and
 - 3. Reflecting the City Council's review, direction and independent judgement regarding land use, circulation and transportation, economic

development, environmental protection, recreation, public safety and services, coastal issues, historic preservation, natural resources, urban design, and governance and growth management policies.

Section 2. CEQA Findings.

Based upon its review of the entire record, including the Staff Report, any public comments or testimony presented to the Planning Commission, and the facts outlined below, the Planning Commission hereby recommends the City Council find the project is exempt from further CEQA review beyond the Final Environmental Impact Report (EIR), State Clearinghouse No. 2013041021, certified for the Centennial General Plan on February 13, 2014, because:

- A. The amendments are within the scope of the program EIR and the program EIR adequately describes the activity for the purposes of CEQA. The changes associated with GPA 16-374 and ZA 16-375 are not substantial. The amendments do not have the potential to cause new environmental effects or require new mitigation measures since the amendments do not intensify development potential or change land uses inconsistent with projections and effects studied and mitigated in the EIR;
- B. The amendments improve the consistency of the General Plan land use map with the certified EIR, which allows for improved monitoring and enforcement of mitigation measures per CEQA objectives and mandates;
- C. The amendments maintain or add open space on properties with a recorded open space easement, compared to land use maps effective when Measure V was adopted, so there is not conflict with General Plan policy, Measure V, and environmental effects studied in the program EIR;
- D. The amendments are consistent with the policy intent of the Affordable Housing Overlay, policies in the Housing Element, and housing impact analysis in the EIR, because the amendments do not eliminate or restrict opportunities for affordable housing projects;
- E. The zoning amendments reverse unintended regulatory changes made by prior ordinances (Ord. No. 1594, 5-5-2015; and Ord. No. 1561, 11/27/2012). The regulations were in the Zoning Ordinance since at least the last comprehensive update in 1996. The reversal of the unintended code changes restore regulations consistent with prior CEQA analysis and legislative intent; and
- F. The project does not require an EIR addendum pursuant to CEQA Guidelines Section 15162 and 15164 because any significant effects of the proposed amendments were previously examined and there is no potential for the project to substantially increase any negative environmental effects beyond

what was studied and mitigated in the certified FEIR and subsequent addendum.

Section 3: Title 17 (Zoning Amendments). San Clemente Municipal Code Title 17 is amended as set forth in Exhibit A.

Section 4: Zoning Map Amendments. The San Clemente Zoning Map is amended as set forth in Exhibit B.

Section 5: Custodian of Records.

The documents and materials that constitute the record of proceedings on which this Ordinance is based are located at the City Clerk's office located at 100 Avenida Presidio, San Clemente, CA 92672-3100. The custodian of these records is the City Clerk.

Section 6: Severability.

If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council hereby declares that it would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 7: Effective Date.

This Ordinance takes effect within 30 days after adoption of this Ordinance by the City Council.

Section 8: Publication.

The City Clerk shall certify as to the adoption of this Ordinance and shall cause it to be published within 15 days of the adoption and shall post a certified copy of this Ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with California Government Code Section 36933.

APPROVED AND ADOPTED this ____ day of _____, 2016 .

ATTEST:

City Clerk of the City of
San Clemente, California

Mayor of the City of San
Clemente, California

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF SAN CLEMENTE)

I, **JOANNE BAADE**, City Clerk of the City of San Clemente, California, hereby certify that Ordinance No. _____ having been regularly introduced at the meeting of _____, was again introduced, the reading in full thereof unanimously waived, and duly passed and adopted at a regular meeting of the City Council held on the _____ day of _____, _____, and said ordinance was adopted by the following vote:

AYES:

NOES:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Clemente, California, this _____ day of _____, _____.

CITY CLERK of the City of
San Clemente, California

APPROVED AS TO FORM:

CITY ATTORNEY

Section 1. Section 17.16.250(C)(5) amended to read as follows:

Signs with neon lighting.

Section 2. Section 17.24.180(D)(4)(a) is hereby amended to read as follows:

- a. The following exceptions are allowed with the approval of a Minor Exception Permit.
 - i. An increase in the permitted height of retaining walls up to a maximum height of six feet for walls located in front yards, rear yards (on through lots), or located within five feet of street-side yard property lines.
 - ii. An increase in the permitted height of a retaining wall up to a maximum height of eight feet, six inches for walls not located in front yards, rear yards (on through lots), or street-side yards.

Section 3. Section 17.40.010(C) is hereby amended to read as follows:

- C. **Downtown Mixed-Use (MU 3.0) Zone.** The downtown area (MU 3.0) is defined in the San Clemente General Plan as the symbolic "core" of the City, maintaining its pedestrian-oriented village character. Commercial development—non-residential uses allowed in this zone such as community and tourist-serving retail commercial, entertainment, restaurants, offices, institutional and public uses—and residential uses accompanying commercial development are accommodated within this zone. Along with enhancing the pedestrian nature of downtown, the inclusion of residential uses into commercial development will provide housing opportunities for employees and owners of commercial establishments, as well as others interested in living in the downtown area. As well as the MU 3.0 zoning designation, many of the sites in the downtown area also have an Architectural (-A) Overlay District designation and/or a Central Business (-CB) District overlay designation. The requirements of these overlay districts affect the use, style and physical layout of projects. The overlay districts are described in Chapter 17.56, Overlay Districts and Standards, of this title. (Please refer to the City's Zoning Maps for the location of these overlay districts.)

The location of uses and parking within projects is particularly important to the pedestrian ambiance of this zone. In the -CB Overlay District, pedestrian-oriented uses are to be located along the street and less pedestrian-oriented uses to the rear or above street facing spaces.

Throughout the MU 3.0 zone, residential units are encouraged above the street level of projects to provide housing opportunities for employees, owners of commercial establishments and others interested in living in the downtown area, as well as to make room for more pedestrian-oriented uses on the street level. The City may allow nonresidential uses included in Table 17.40.030, Permitted and Conditional Uses within the Mixed-use Zone, on the same floor as residential uses (above street level) through the appropriate discretionary review process. Buildings are to be located along the street and parking is to be located behind buildings (or to the side of buildings when parking behind buildings is impossible) to maintain and promote an interesting sidewalk scene

for the pedestrian, in accordance with the City's General Plan and Urban Design Guidelines. For specific requirements regarding the location of uses, please refer to Section 17.04.030.2, Special Use Regulations for the Downtown Mixed-Use (MU 3.0) Zone, and Section 17.56.030, Central Business (-CB) Overlay District, of this title, along with the City's General Plan and Urban Design Guidelines. The use of non-residential space in this zone is vital to the pedestrian nature of the area. Non-residential spaces must contain uses that serve clients and patrons that will visit the site. These spaces may not be merely used for storage for other businesses or for adjacent residential uses or be used as spaces that function in the same manner as home occupancy uses.

The scale, architectural style and physical layout of projects in the MU 3.0 zone are important to its pedestrian-oriented village character. In accordance with the General Plan, future development in this area is to be consistent in scale (2—3) stories and character with the prevailing Spanish Colonial Revival buildings. For specific details, please refer to Section 17.56.020, Architectural (-A) Overlay District, of this title, along with the City's General Plan and the Urban Design Guidelines.

Section 4. Table 17.40.030 "Mixed-Use Zone Uses", use entries "Affordable Housing Project", under heading 5. "Residential Uses", and Footnote No. 10, are amended to read as follows:

USE	ZONES							NOTE
	MU 1	MU 2	MU 3.0	MU 3.1	MU 3.2	MU 3.3	MU 5	
Affordable Housing Projects				P			P	10

Table Footnote No. 10:

Affordable housing projects are a permitted use on properties in the Affordable Housing Overlay, pursuant to Section 17.56.090. Also, for projects in the MU 5 zone, refer to Section 17.40.50(A) for other applicable use restrictions.

Section 5. "Open Space Easement boundaries" is hereby added to Table 17.44.030, Open-Space Zone Development Standards, to read as follows:

Standards	OS 1, OS S1, OS 2, OS S2, OS 3	OSC
Open Space Easement Boundaries	The more restrictive of the following shall be used to distinguish zoning boundaries on the zoning map when they vary from recorded open space easements: 1) the easement, or 2) land use map effective on Measure V (Ord. 1475) adoption date.	

Section 6. Section 17.56.090, "Affordable Housing Overlay District" is hereby amended to read as follows:

- A. **Purpose and Intent.** The purpose of this section is to provide for the development of affordable rental and for sale housing in commercial and mixed use zones. The intent is to facilitate the development of affordable housing, enable the City to meet its housing goals, and ensure that affordable developments will be compatible with surrounding land by establishing an overlay district and standards.
- B. **Applicability.** This Section applies to properties in the Affordable Housing [AH] Overlay. Properties are identified on the Zoning Map by a "AH" label after the base zone. For example, NC 2 (AH).
- C. **Project Qualification.** A "Qualified Affordable Housing Development" shall mean a multiple family rental housing project consisting of studio, one-, two-, three-, and/or four-bedroom units, which meets the following requirements:
1. The housing units on site shall provide a minimum of 51 percent of the housing units for households earning no greater than 50 percent of Orange County Median Income by household size, and a maximum of 49 percent of the units may be market rate rental units or sold as market rate condominiums.
 2. The affordable portion of the project must be sold as condominiums to a 501(c)3 non-profit housing development organization. The non-profit organization must rent out the enforceably restricted affordable units to households earning no greater than 50 percent of median income.
 3. The development shall provide a residential density of not less than 20 dwelling units per acre, up to the maximum number of units allowed by the residential zoning standards identified in this Section Item (D) below.
 4. Market rate condominiums must be regulated by a legal homeowners association for the maintenance of the units.
- C. **Review Requirements.** Affordable housing projects are a permitted use in the [AH] Overlay. Refer to use tables in Sections 17.36.030 (Commercial Zone Uses) and 17.40.030 (Mixed-Use Zone Uses). Affordable housing projects in commercial and mixed-use zones require either a Cultural Heritage Permit or Architectural Permit per Section 17.16.100. Depending on the project, other discretionary processes may apply per Chapter 17.16.
- D. **Minimum Standards.** Affordable housing projects shall conform to applicable development standards, with the exception of incentives, concessions and density bonuses as required by Government Code § 65915, and the following exceptions below:
1. Neighborhood Commercial Zones. Affordable housing projects located in Neighborhood Commercial zones shall conform to the same development standards that apply to RM zoning districts (Residential Medium Density)
 2. Mixed-Use Zones (MU 3.1, MU 3.2). Affordable housing projects located in the MU 3.1 and MU 3.2 zones shall conform to development standards for mixed-use projects. Affordable housing projects outside of the Coastal Zone may be located at street level.

- F. Affordable Housing Agreement.** In addition to Section (D) above, the following shall apply to all qualified affordable housing projects proposed within the [AH] Overlay:

A qualified affordable housing project shall have a legally binding agreement between the applicant and the City shall be required to be executed and be recorded against the property on which the Qualified Affordable Housing Development is to be constructed to ensure that the requirements of this chapter are satisfied. The Affordable Housing Agreement shall be recorded against the Development Site prior to issuance of building permits for the Qualified Affordable Housing Development. The Affordable Housing Agreement shall be binding on all future owners and successors in interest.

The Affordable Housing Agreement shall include, but not be limited to, the following:

1. **Term**—A term of a minimum of 30 years or greater, depending upon whether non-City funding sources require a longer affordability term. Where other public financing has a longer terms, the longest term of affordability shall prevail.
2. **Property Management**—A requirement that the owner shall provide for professional property management of the development including the owner's policies and procedures for renting, managing, maintaining and operating the affordable units. Property management shall also monitor the use of parking spaces within the development to assure that the parking spaces are provided, maintained and used in accordance with the terms of the Affordable Housing Agreement;
2. **Occupancy**—A requirement that the occupancy of each unit in the development shall be limited so that it does not exceed more than two persons per bedroom plus one additional person;
4. **Priority of San Clemente residents**—The obligation of the owner to provide first priority to people who live or work in the City to rent the qualified affordable units to the extent - the project is funded with San Clemente Developer's In-lieu fees or other housing funds, as permitted by law.
5. **Definitions of household income**—Means those persons and families whose household income does not exceed the qualifying limits for extremely low, very low and low income families as established and amended from time to time by the Secretary of Housing and Urban Development and defined in Section 5.603(b) of Title 24 of the Code of Federal Regulations and Section 50106 of the California Health and Safety Code. In the event the federal standards are discontinued, the City shall use the definitions set by the California Department of Housing.

EXHIBIT B

Zoning Map Amendments

**Zoning Amendment (ZA)
Summary and map key of proposed zoning map changes**

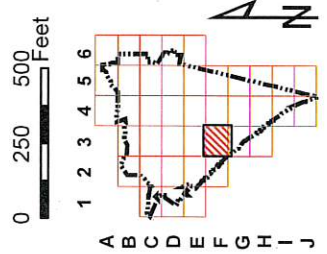
#	Map pages	Existing Zoning and Background	Proposed Zone Changes (to be consistent with General Plan with amendments)	Type of change	Comments
1	D1, D2	The map shows the zoning is Light Industrial (LI) and Coastal Overlay. Prior to the 2014 General Plan update, the land use was Residential Medium (RM) and Coastal Overlay. This land use map change was unintended.	Restore Residential Medium designation that existed prior to the 2014 Centennial General Plan.	Clean-up	Map clean up to reflect policy intent and General Plan Program EIR assumptions
2	D1, I4	The map shows the zoning is Private Open Space (OS2). Prior to the 2014 General Plan update, the land use was Residential Medium (RM). There is a developed residence on the site. The 2014 zoning map change (from RM to LI) was unintended.	Restore Residential Medium designation that existed prior to the 2014 Centennial General Plan.	Clean-up	Map clean up to reflect policy intent and General Plan Program EIR assumptions
3	D1	The map shows the zoning is Residential Medium Density (RM) with Affordable Housing Overlay. In 2015, the Affordable Housing Overlay was added with the understanding that it was omitted from the 2014 General Plan update. Since then, staff has determined the Overlay isn't necessary, based on the underlying land use designation, to implement policy.	Remove Affordable Housing Overlay consistent with maps adopted with the 2014 General Plan update and the Housing Element.	Clean-up	Map clean up to reflect policy intent and General Plan Program EIR assumptions
4	E2, F3, G3	The map shows the zoning is Residential Very Low Density (RVL). This is inconsistent with the General plan designation Residential Low Density (RL)	Change the zoning to Residential Low Density (RL) to be consistent with the General Plan and program EIR.	Clean-up	Map clean up to reflect policy intent and General Plan Program EIR assumptions. Also, consistent with outcome of prior legal proceedings for San Juan Subdivision case.



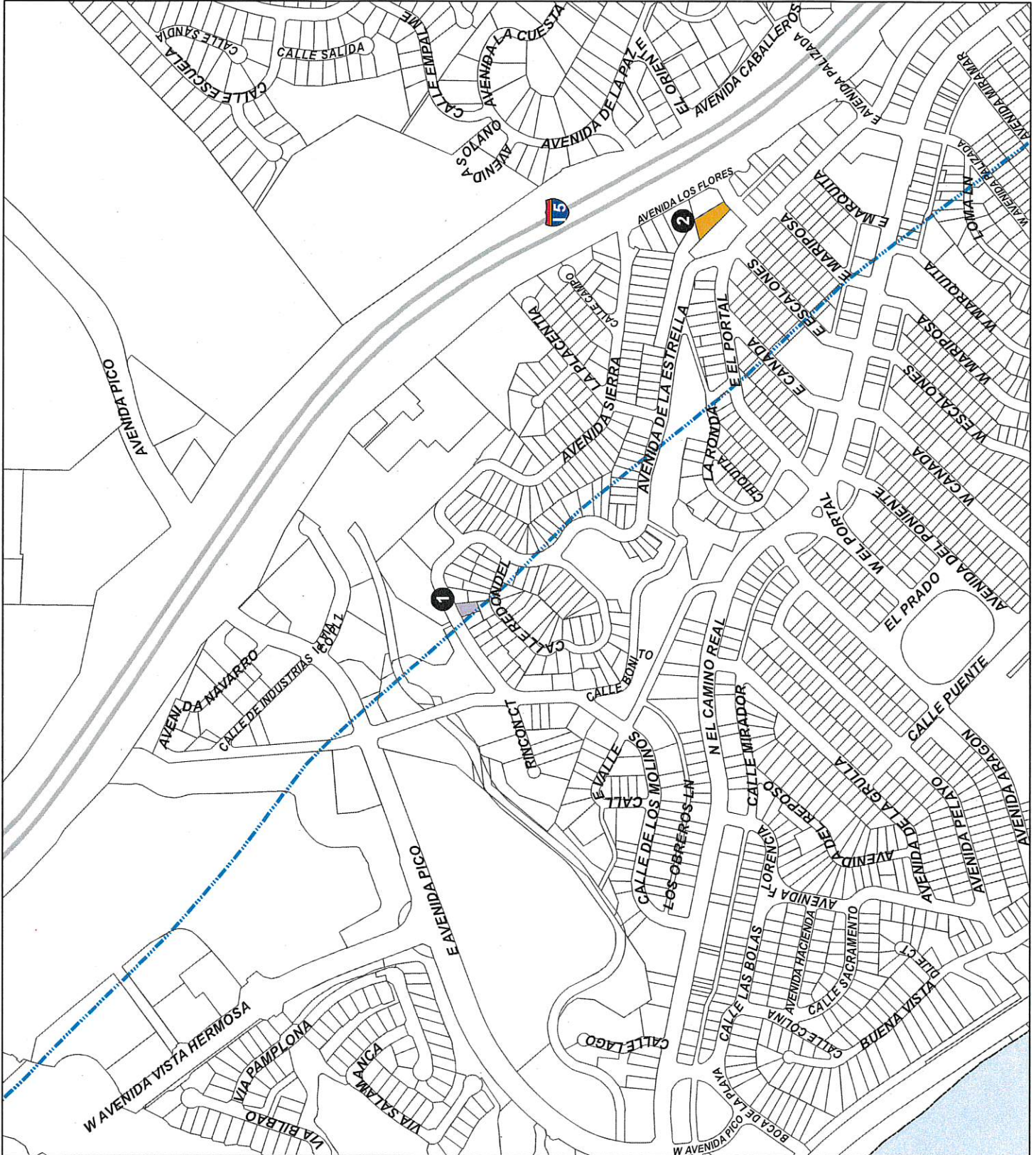
Zoning map Amendments

Legend

- Coastal zone boundary
- Proposed Zoning
- Industrial**
- LI - Light Industrial
- Residential**
- RM - Residential Medium Density



Index Grid: F3

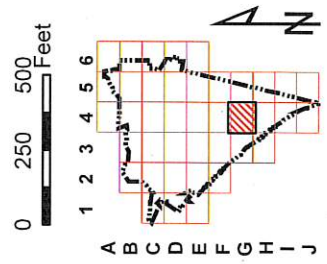




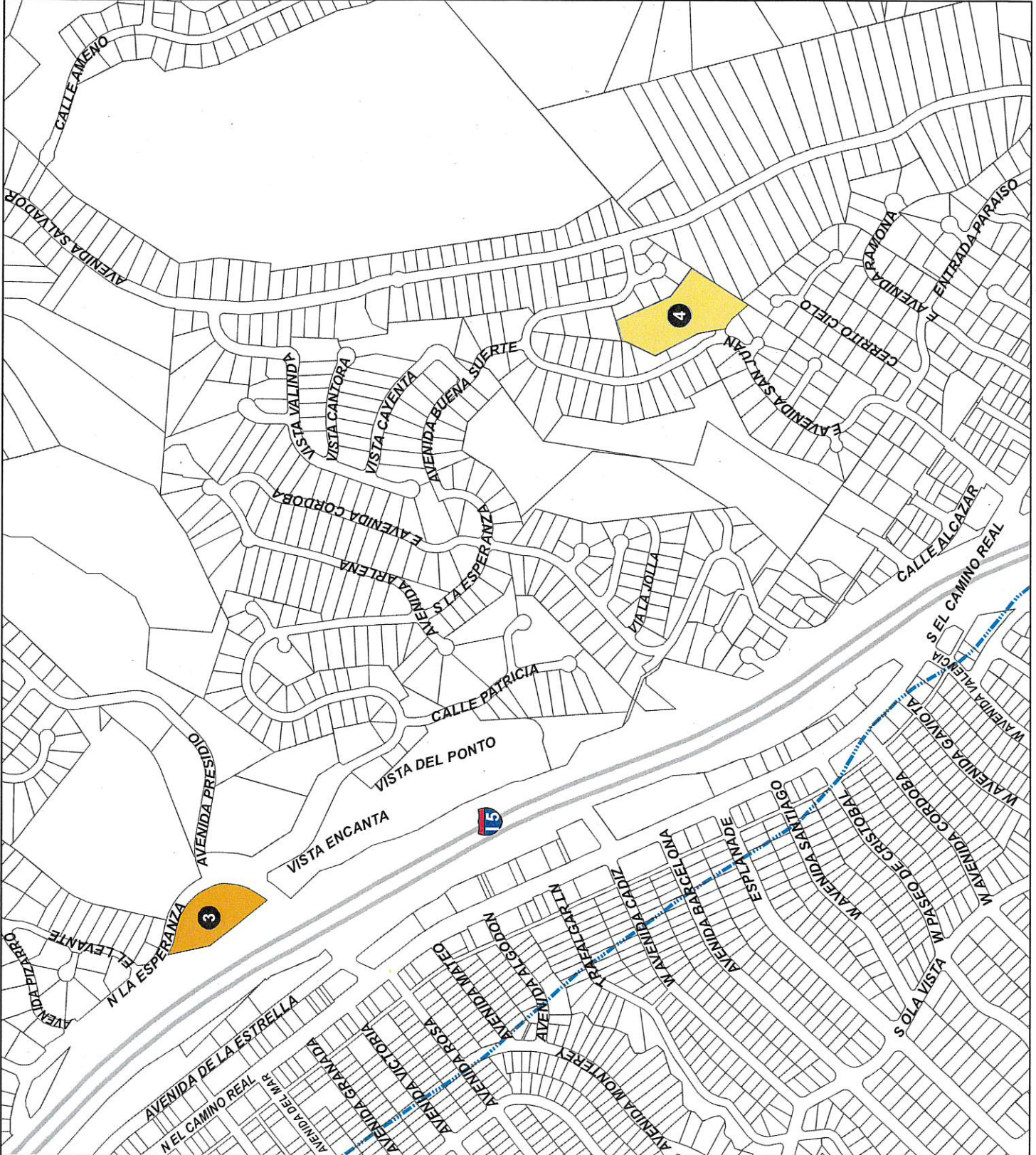
Zoning map Amendments

Legend

- Coastal zone boundary
- Proposed Zoning
- Residential
 - RL - Residential Low Density
 - RM - Residential Medium Density



Index Grid: G4



Section 1. Land Use Element Table LU-1, “Open Space (OS 1) (Public)” and “Open Space (OS 2) (Private)” designations are hereby amended to read as follows:

Table LU-1 General Plan Land Use Designations Summary Table			
Land Use Designations	Maximum Density/ Intensity (FAR)	Max. No. of Stories/ Building Height ¹	Intention
Open Space (OS 1) (Public)	N/A	To be determined on an individual basis.	Publicly owned existing and dedicated parklands, passive open space areas, recreational facilities, and golf courses. Refer to Beaches, Parks, and Recreation Element, and Coastal Element. Refer to Open Space zoning standards for processes when land use map designation boundaries vary from recorded open space easements.
Open Space (OS 2) (Private)	N/A	To be determined on an individual basis.	Privately owned parklands, recreational facilities, passive open space areas and golf courses. Refer to Beaches, Parks, and Recreation Element, and Coastal Element. Refer to Open Space zoning standards for processes when land use map designation boundaries vary from recorded open space easements.

Section 2. Land Use Element Figure “LU-1B, Overlays” is hereby amended as shown in Exhibit C attached to this Resolution.

Section 3. Growth Management Element Policy GM-1.03, “New In City Development”, is hereby moved from the “Community Edges” section into a new “Infill Development” section hereby added to read as follows:

Infill Development

The City is essentially built-out in terms of “greenfield” areas, which are parcels intended for development and vacant with minimal-or-no infrastructure, public services, and facilities. The majority of future City development will be “infill” on vacant or under-used parcels within areas that are largely developed and served by public services and facilities. Before infill development occurs, the City shall ensure projects address impacts and costs to public services and facilities that are needed to support new development.

GOAL:

To be a City that allows new infill development that is compatible with existing land uses, mitigates environmental impacts, and provides funds or mitigation to meet increased resident demands for services and facilities, generated from new development.

POLICIES:

GM-1.~~03~~-01 **New In-City Development.** New in-City development shall pay its share of the costs of public facilities and services needed to serve the new residents, unless the community chooses to help pay the costs for a certain development to obtain community-wide benefits.

LINKS TO OTHER GENERAL PLAN CONTENT

- (Placeholder for links)

ADDITIONAL LINKS

- (Placeholder for links)

Section 1. Section 17.16.250(C)(5) amended to read as follows:

Signs with neon lighting ~~within an Architectural Overlay District per Section 17.84.020(C)(3).~~

Section 2. Section 17.24.180(D)(4)(a) is hereby amended to read as follows:

- a. The following exceptions are allowed with the approval of a Minor Exception Permit.
 - i. An increase in the permitted height of retaining walls ~~in the front and street-side yard setback areas up to six feet;~~ up to a maximum height of six feet for walls located in front yards, rear yards (on through lots), or located within five feet of street-side yard property lines.
 - ii. An increase in the permitted height of a retaining wall ~~not located within the front yard setback, street-side yard setback, and rear yard setback (for through lots);~~ up to a maximum height of eight feet, six inches for walls not located in front yards, rear yards (on through lots), or street-side yards.

Section 3. Section 17.40.010(C) is hereby amended to read as follows:

- C. **Downtown Mixed-Use (MU 3.0) Zone.** The downtown area (MU 3.0) is defined in the San Clemente General Plan as the symbolic "core" of the City, maintaining its pedestrian-oriented village character. Commercial development—non-residential uses allowed in this zone such as community and tourist-serving retail commercial, entertainment, restaurants, offices, institutional and public uses—and residential uses accompanying commercial development are accommodated within this zone. Along with enhancing the pedestrian nature of downtown, the inclusion of residential uses into commercial development will provide housing opportunities for employees and owners of commercial establishments, as well as others interested in living in the downtown area. As well as the MU 3.0 zoning designation, many of the sites in the downtown area also have an Architectural (-A) Overlay District designation and/or a Central Business (-CB) District overlay designation. The requirements of these overlay districts affect the use, style and physical layout of projects. The overlay districts are described in Chapter 17.56, Overlay Districts and Standards, of this title. (Please refer to the City's Zoning Maps for the location of these overlay districts.)

The location of uses and parking within projects is particularly important to the pedestrian ambiance of this zone. In the -CB Overlay District, pedestrian-oriented uses are to be located along the street and less pedestrian-oriented uses to the rear or above street facing spaces.

Throughout the MU 3.0 zone, residential units are encouraged above the street level of projects to provide housing opportunities for employees, owners of commercial establishments and others interested in living in the downtown area, as well as to make room for more pedestrian-oriented uses on the street level. ~~In the AH Overlay Zone, dwellings are allowed by right at the street level to facilitate development of accessible and affordable housing.~~ The City may allow nonresidential uses included in Table 17.40.030, Permitted and Conditional Uses within the Mixed-use Zone, on the same floor

as residential uses (above street level) through the appropriate discretionary review process. Buildings are to be located along the street and parking is to be located behind buildings (or to the side of buildings when parking behind buildings is impossible) to maintain and promote an interesting sidewalk scene for the pedestrian, in accordance with the City's General Plan and Urban Design Guidelines. For specific requirements regarding the location of uses, please refer to Section 17.04.030.2, Special Use Regulations for the Downtown Mixed-Use (MU 3.0) Zone, and Section 17.56.030, Central Business (-CB) Overlay District, of this title, along with the City's General Plan and Urban Design Guidelines. The use of non-residential space in this zone is vital to the pedestrian nature of the area. Non-residential spaces must contain uses that serve clients and patrons that will visit the site. These spaces may not be merely used for storage for other businesses or for adjacent residential uses or be used as spaces that function in the same manner as home occupancy uses.

The scale, architectural style and physical layout of projects in the MU 3.0 zone are important to its pedestrian-oriented village character. In accordance with the General Plan, future development in this area is to be consistent in scale (2—3) stories and character with the prevailing Spanish Colonial Revival buildings. For specific details, please refer to Section 17.56.020, Architectural (-A) Overlay District, of this title, along with the City's General Plan and the Urban Design Guidelines.

Section 4. Table 17.40.030 “Mixed-Use Zone Uses”, use entries “Affordable Housing Project”, under heading 5. “Residential Uses”, and Footnote No. 10, are amended to read as follows:

USE	ZONES							NOTE
	MU 1	MU 2	MU 3.0	MU 3.1	MU 3.2	MU 3.3	MU 5	
Affordable Housing Projects	P	P	P	P	P	P	P	10

Table Footnote No. 10:

~~Refer to Section 17.56.090 Affordable Housing Overlay District in Commercial and Mixed-Use Zones, for special provisions for Affordable Housing Projects.~~

Affordable housing projects are a permitted use on properties in the Affordable Housing Overlay, pursuant to Section 17.56.090. Also, for projects in the MU 5 zone, refer to Section 17.40.50(A) for other applicable use restrictions.

Section 5. “Open Space Easement boundaries” is hereby added to Table 17.44.030, Open-Space Zone Development Standards, to read as follows:

Standards	OS 1, OS S1, OS 2, OS S2, OS 3	OSC
<u>Open Space Easement Boundaries</u>	<u>The more restrictive of the following shall be used to distinguish zoning boundaries on the zoning map when they vary from recorded open space easements: 1) the easement, or 2) land use map effective on Measure V (Ord. 1475) adoption date.</u>	

Section 6. Section 17.56.090, "Affordable Housing Overlay District" is hereby amended to read as follows:

A. **Purpose and Intent.** The purpose of this section is to provide for the development of affordable rental and for sale housing in commercial and mixed use zones. The intent is to facilitate the development of affordable housing, enable the City to meet its housing goals, and ensure that affordable developments will be compatible with surrounding land by establishing an overlay district and standards.

1. ~~Properties to be included in the Affordable Housing Overlay District shall be identified by "AH" zoning applied to a property's base zoning, for example, MU 3-AH.~~

B. **Applicability.** This Section applies to properties in the Affordable Housing [AH] Overlay. Properties are identified on the Zoning Map by a "AH" label after the base zone. For example, NC 2 (AH).

C. **Project Qualification.** A "Qualified Affordable Housing Development" —shall mean a multiple family rental housing project consisting of studio, one-, two-, three-, and/or four-bedroom units, which meets the following requirements:

1. The housing units on site shall provide a minimum of 51 percent of the housing units for households earning no greater than 50 percent of Orange County Median Income by household size, and a maximum of 49 percent of the units may be market rate rental units or sold as market rate condominiums.
2. The affordable portion of the project must be sold as condominiums to a 501(c)3 non-profit housing development organization. The non-profit organization must rent out the enforceably restricted affordable units to households earning no greater than 50 percent of median income.
3. The development shall provide a residential density of not less than 20 dwelling units per acre, up to the maximum number of units allowed by the residential zoning standards identified in this Section Item (D) below.
4. Market rate condominiums must be regulated by a legal homeowners association for the maintenance of the units.

C. **Review Requirements.** ~~Affordable housing projects under this title are Permitted Uses. Please refer to the Uses tables in Chapters 17.36, Commercial Zones and Standards, and 17.40, Mixed-Use Zones and Standards, of this title. Affordable housing projects in commercial and mixed-use zones shall require an Architectural Permit, in accordance with Section 17.16.100, Architectural/Cultural Heritage Permits or Minor Architectural/Cultural Heritage Permits, of this title. A Cultural Heritage Permit shall be required for affordable housing projects in Architectural Overlay districts, in accordance with Section 17.16.100, Architectural/Cultural Heritage Permits and Minor Architectural/Cultural Heritage Permits, of this title.~~ Affordable housing projects are a permitted use in the [AH] Overlay. Refer to use tables in Sections 17.36.030 (Commercial Zone Uses) and 17.40.030 (Mixed-Use Zone Uses). Affordable housing projects in commercial and mixed-use zones require either a Cultural Heritage Permit or Architectural Permit per Section 17.16.100. Depending on the project, other discretionary processes may apply per Chapter 17.16.

- D. ~~Minimum Standards for Specific Zones.~~ Affordable housing projects shall conform to applicable development standards, with the exception of incentives, concessions and density bonuses as required by Government Code § 65915, and the following exceptions below:
1. ~~NC 2 (Neighborhood Commercial) Zone.~~ Neighborhood Commercial Zones. Affordable housing projects located in ~~NC 2 commercial~~ Neighborhood Commercial zones shall conform to the same development standards that apply to as RM zoning districts (Residential Medium Density), ~~with the exception of incentives, concessions and density bonuses as required by Government Code § 65915.~~
 - ~~2. NC 3 (Neighborhood Commercial) Zone.~~ ~~Affordable housing projects located in NC 3 commercial zones shall conform to the same development standards as RM (Residential Medium Density), with the exception of incentives, concessions and density bonuses as required by Government Code § 65915.~~
 23. ~~MU 3 and 5.1 (Mixed Use) Zone~~ Mixed-Use Zones (MU 3.1, MU 3.2). Affordable housing projects located in the ~~MU 3 and MU 5.1 mixed-use zones~~ MU 3.1 and MU 3.2 zones shall conform to ~~the same~~ development standards for mixed-use projects ~~in the MU 3 and 5.1 mixed-use zones, respectively, with the exception of incentives, concessions and density bonuses as required by Government Code § 65915.~~ Affordable housing projects outside of the Coastal Zone may be located at street level.

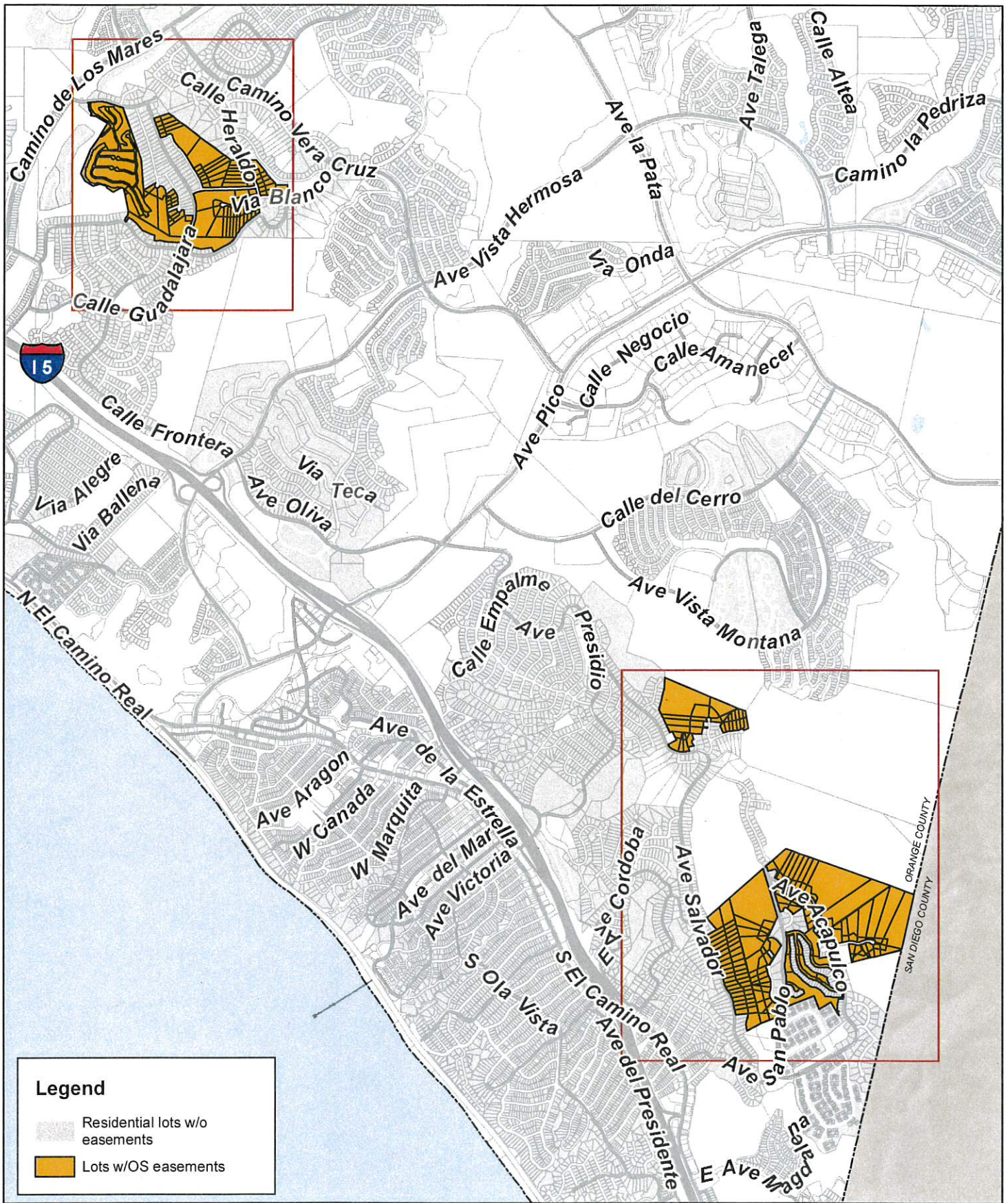
~~E F. Minimum Standards for NC 2, NC 3, MU 3 and MU 5.1 Zones~~ Affordable Housing Agreement. In addition to Section (D) above, the following shall apply to all qualified affordable housing projects proposed within ~~NC 2, NC 3, MU 3 and MU 5.1 zones~~ the [AH] Overlay:

~~Affordable Housing Agreement.~~ A qualified affordable housing project shall have a legally binding agreement between the applicant and the City shall be required to be executed and be recorded against the property on which the Qualified Affordable Housing Development is to be constructed to ensure that the requirements of this chapter are satisfied. The Affordable Housing Agreement shall be recorded against the Development Site prior to issuance of building permits for the Qualified Affordable Housing Development. The Affordable Housing Agreement shall be binding on all future owners and successors in interest.



The Affordable Housing Agreement shall include, but not be limited to, the following:

1. Term—A term of a minimum of 30 years or greater, depending upon whether non-City funding sources require a longer affordability term. Where other public financing has a longer terms, the longest term of affordability shall prevail.
2. Property Management—A requirement that the owner shall provide for professional property management of the development including the owner's policies and procedures for renting, managing, maintaining and operating the affordable units. Property management shall also monitor the use of parking spaces within the development to assure that the parking spaces are provided, maintained and used in accordance with the terms of the Affordable Housing Agreement;

2. **Occupancy**—A requirement that the occupancy of each unit in the development shall be limited so that it does not exceed more than two persons per bedroom plus one additional person;
4. **Priority of San Clemente residents**—The obligation of the owner to provide first priority to people who live or work in the City to rent the qualified affordable units to the extent the project is funded with San Clemente Developer's In-lieu fees or other housing funds, as permitted by law.
5. **Definitions of household income**—Means those persons and families whose household income does not exceed the qualifying limits for extremely low, very low and low income families as established and amended from time to time by the Secretary of Housing and Urban Development and defined in Section 5.603(b) of Title 24 of the Code of Federal Regulations and Section 50106 of the California Health and Safety Code. In the event the federal standards are discontinued, the City shall use the definitions set by the California Department of Housing.

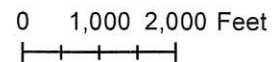


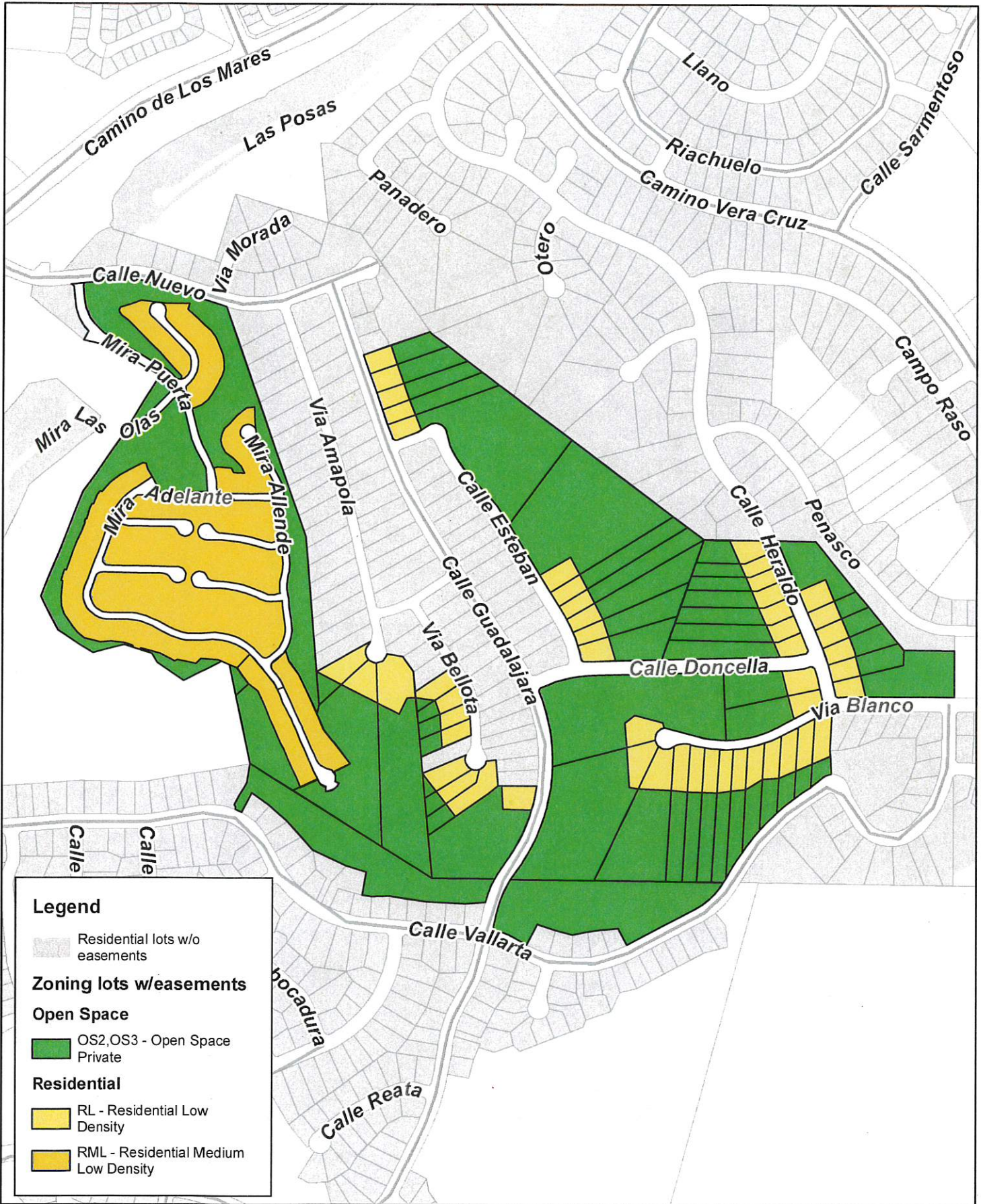
Legend

-  Residential lots w/o easements
-  Lots w/OS easements

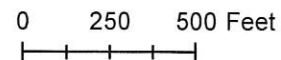


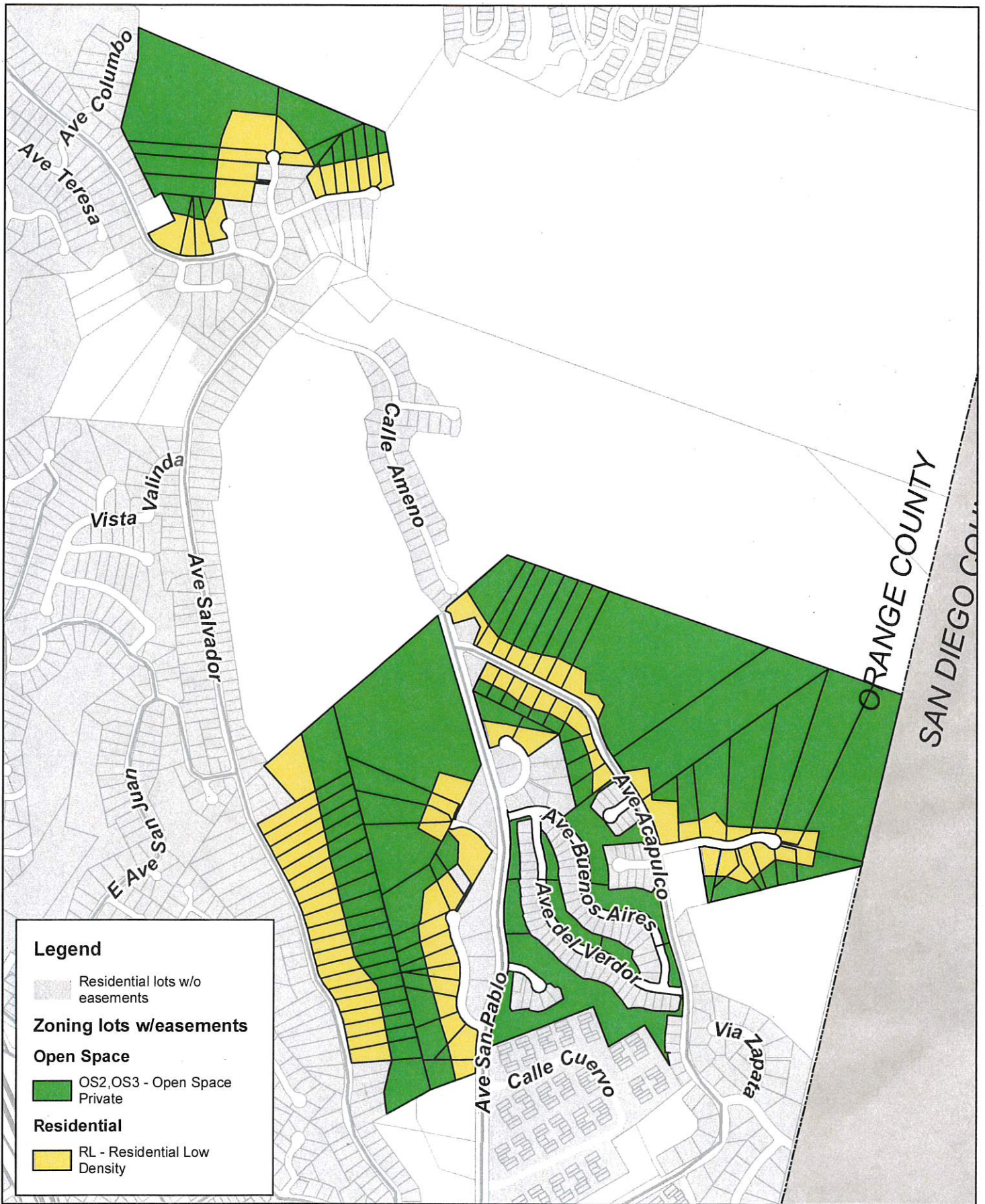
Vicinity map
Lots with known OS easements





Current zoning
Lots with known OS easements





Current zoning
Lots with known OS easements

