Potential Mixed-Use Sites Inventory Frequently Asked Questions (FAQ's)

August 30, 2021

Q: Why is the City considering changing the zoning on certain properties to allow for mixed-use?

A: Each City in California is required to update its General Plan Housing Element every eight years. During this update, cities must plan for their share of new housing development as determined and allocated by the State Department of Housing and Community Development (HCD) and the Southern California Association of Governments (SCAG) through a process known as the Regional Housing Needs Allocation (RHNA). More information on RHNA can be found here.

Cities are required to plan for the RHNA by ensuring that sufficient land is designated in the local General Plan and Zoning Ordinance to accommodate the number of units assigned. Because the City of Rancho Santa Margarita is a built-out city with no residentially designated vacant properties, some rezoning will be necessary to comply with State Law.

Q: What is a Housing Element Sites Inventory?

A: Each City in California is required to update its General Plan Housing Element every eight years. During this update, cities must plan for their share of new housing development as determined through the RHNA process. The Housing Element update must include a list of properties available for residential development in a "Housing Element Sites Inventory," also known simply as the "Sites Inventory." The Sites Inventory is a list of specific properties, identified by address and assessor parcel number, which could accommodate new housing development. Because the City of Rancho Santa Margarita is a built-out city with no residentially designated vacant properties, some rezoning will be necessary to comply with State Law. Accordingly, the properties listed on the Sites Inventory may currently be developed with other uses.

Q: What sites are currently under consideration to include in the Housing Element Sites Inventory?

A: The sites under consideration are as follows:

- Plaza El Paseo (22205-22245 El Paseo)
- RSM Health Center (22032 El Paseo)
- US Bank (22012 El Paseo)
- BJs (22022 El Paseo)
- Town Center Car Wash (30832 Santa Margarita Parkway)
- Olen Commercial Realty Corp. (22342 Avenida Empresa)
- RSM Office Center (30021 Tomas)

Q: How did the City determine which sites would be used for the Housing Element Sites Inventory?

A: The City conducted public outreach, including surveys, focus groups, and meetings with the Planning Commission and City Council. A full description of the process can be found here.

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Q: What changes are being considered?

A: As noted above, the City is required to plan for 680 new homes. In order to create the opportunity for 680 new housing units, the City plans to rezone certain properties which are currently developed with commercial, office, and business park uses to allow for mixed-use.

Mixed-Use zoning will accommodate a combination of multi-family housing with commercial and office uses. The City does not intend to make any of the current uses on the properties non-conforming – meaning the existing legally established uses may remain in place indefinitely. Additionally, property owners may consider redevelopment to provide residential uses that comply with the Mixed-Use Zoning Designation.

Q: Why were these properties in particular chosen as potential sites to accommodate the housing units?

A: The sites under consideration are located along major arterials with access to transportation, goods and services, and existing infrastructure. Further, none of the sites are located within the Very High Fire Hazard Severity Zone. Finally, Rancho Santa Margarita is a built-out community and placing the opportunity for new housing units in the central portion of the City, along arterials and close to services honors the original intent and vision of the City. Mixed-use zoning in these locations honors the City's Master Plan of "protecting and enhancing well-designed and well-maintained neighborhoods that complement the natural environment. The quality of environmental, open space, scenic resources, and our watershed shall be preserved to enhance the community's distinct setting and natural beauty." And, "As the community matures, residential, commercial, and industrial areas will be revitalized to enhance quality of life and encourage economic development." (Original Vision Statement of Rancho Santa Margarita).

Throughout the public outreach process (surveys, focus groups, public meetings), all possible options to accommodate the RHNA were presented for consideration. Rezoning the few existing buildings mentioned above is ultimately the direction the City is taking.

Q: What changes will happen if properties are rezoned for Mixed-Use?

A: No immediate changes will occur if properties are rezoned for Mixed-Use. Mixed-Use zoning will allow for a variety of multi-family housing, commercial, and office uses. The City does not intend to make any of the current uses on the properties non-conforming and the existing legally-established uses currently occupying the sites may remain in place indefinitely. Rezoning does mean that a property owner could choose to develop residential uses and/or a mix of uses that comply with the Mixed-Use zoning.

Q: Are there any benefits to the property owner when property is rezoned from Commercial or Business Park to Mixed-Use?

A: Rezoning of a property from Commercial or Business Park to Mixed-Use would provide the property owner with options they do not currently have. The City does not intend to make any of the current uses on the properties non-conforming. The Mixed-use designation will allow all existing development to remain in place, and will also allow for the addition of residential uses to these sites.

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Q: Does this mean that the City is going to demolish existing buildings to build housing?

A: The City is required by State law to designate properties to accommodate the RHNA. To meet this requirement, the City is proposing to rezone certain properties which are currently developed and zoned for Commercial General and Business Park uses to allow for Mixed-use. The Mixed-use designation will allow all existing development to remain in place. It will also allow for the addition of residential uses to these sites if the property owner decides this is a viable option for them. The City will not mandate any changes in use. Once a property is rezoned to Mixed-Use, the property owner will decide if, and when, they wish to pursue housing on the property. Any future housing proposals would be site-specific and may or may not result in the demolition of existing buildings.

Q: Why doesn't the City plan for new housing on City-owned property?

A: The City owns a limited amount of property, including the City Hall and Bell Tower Regional Community Center site, the Dog Park, Chiquita Ridge, and Rose Canyon. After careful evaluation of all options, it was determined that significant constraints exist on the City-owned open space properties at Chiquita Ridge and Rose Canyon, including, but not limited to, their location within the high fire hazard zone. Accordingly, the preferred strategy for meeting the City's Housing Element obligation is to rezone certain commercial and office properties to accommodate mixed-use development to add housing to existing developed properties.

Q: Is there an affordable housing component to the 680 housing units?

A: Yes, 680 housing units must be planned for in the following income categories:

Income Category (Area Median Income)	Number of Units	Percent of Total
Very-low Income (<50% AMI)	209	30.6%
Low-Income (50-80% AMI)	120	17.6%
Moderate Income (80-120% AMI)	125	18.3%
Above Moderate-Income (>120% AMI)	226	33.4%
Total	680	100%

Q: I want to bring myself up to speed on what has occurred so far on the Housing Element Update. How can I do that?

A: The City has a dedicated webpage outlining in detail each step of the process. It can be accessed at this link: http://www.cityofrsm.org/622/Housing-Element-Update-2021