



WHAT IS THE HOUSING INCENTIVE OVERLAY?

The HIOZ is part of the City’s **Housing Game Plan**, a comprehensive and multi-faceted plan to address housing in the City of Fullerton. In line with the General Plan, the City is committed to providing a supply of safe housing ranging in cost and type to meet the needs of all segments of the community.

California cities and counties are required to prepare a Housing Element as part of their General Plan for approval by the State of California. As part of that process, the City of Fullerton is required to demonstrate how we will meet our allocated share of the Regional Housing Need Allocation (RHNA) through various implementation methods. The development of housing in Fullerton, utilizing

the existing Municipal Code and Zoning, has in itself not been sufficient to meet the needs of the community for housing and the city is exploring new policies and methods to implement, such as a Housing Incentive Overlay Zone (HIOZ), to encourage housing construction.

The **Housing Incentive Overlay Zone (HIOZ)** is a zoning tool that would be applied to selected properties that is currently only zoned for commercial or industrial uses. This “overlay” zone would permit the development of housing on the property that incorporates a specified percentage of deed-restricted affordable housing units. The purpose of the HIOZ is to provide optional standards and incentives for the development of a wide variety of housing developments in addition to the base zone.

HOW DOES THE HIOZ BENEFIT THE COMMUNITY?

The HIOZ expands the amount of land made available for new housing citywide and provides an economically feasible framework for property owners to develop market-rate housing and either construct or fund future construction of a certain percentage of affordable housing to address the housing shortage. The HIOZ will be applied to parcels that are most appropriate and feasible for new residential development given their proximity to jobs, transit, and other opportunities. In addition, the HIOZ will include development standards to provide clarity and predictability to the community.

HOW DOES THE HIOZ BENEFIT A PROPERTY OWNER?

The HIOZ adds flexibility and the potential for additional value to a parcel. Currently, a property owner is limited to improving or developing the property as a non-residential use established by current zoning regulations. If the property owner ever wants to develop housing, a lengthy and expensive process to amend the land use designations associated with the property (typically a General Plan and Zoning Amendment) would be required. Under the HIOZ, however, a property owner would be provided the option to develop housing in a more streamlined process. In addition, the HIOZ will include development standards to provide clarity and predictability to the developer.

WHERE ELSE HAVE HIOZS BEEN IMPLEMENTED?

Many jurisdictions across the country have similarly implemented policies, but that go by different names – Affordable Housing Overlay Zones (AHOZ), Housing Overlay Zones (HOZ), etc. In California, many jurisdictions have implemented housing overlay zones, including Anaheim (Residential Opportunity Overlay Zone adopted in 2013), the County of Orange (Housing Opportunity Overlay Zone adopted in 2006), Montebello (Housing Opportunity Overlay Zone adopted in 2020), and a number of others statewide.



WHAT DOES THE HOUSING INCENTIVE OVERLAY ZONE DO OR NOT DO?

HIOZ IS NOT A DEVELOPMENT PROJECT

The HIOZ is a zoning tool that applies to select properties to allow for the future development of housing if a property owner chooses to do so. The HIOZ does not mandate development, now or in the future.

HIOZ DOES NOT MANDATE NEW HOUSING

The HIOZ does not change the existing or underlying zoning classification of a property. Nor does it require the development of housing. Instead, it overlays a additional housing zoning classification on top of the existing zoning classification. The property can continue operating as it does today, or it can be redeveloped or improved within current zoning regulations. Or with HIOZ, it can be redeveloped as housing.

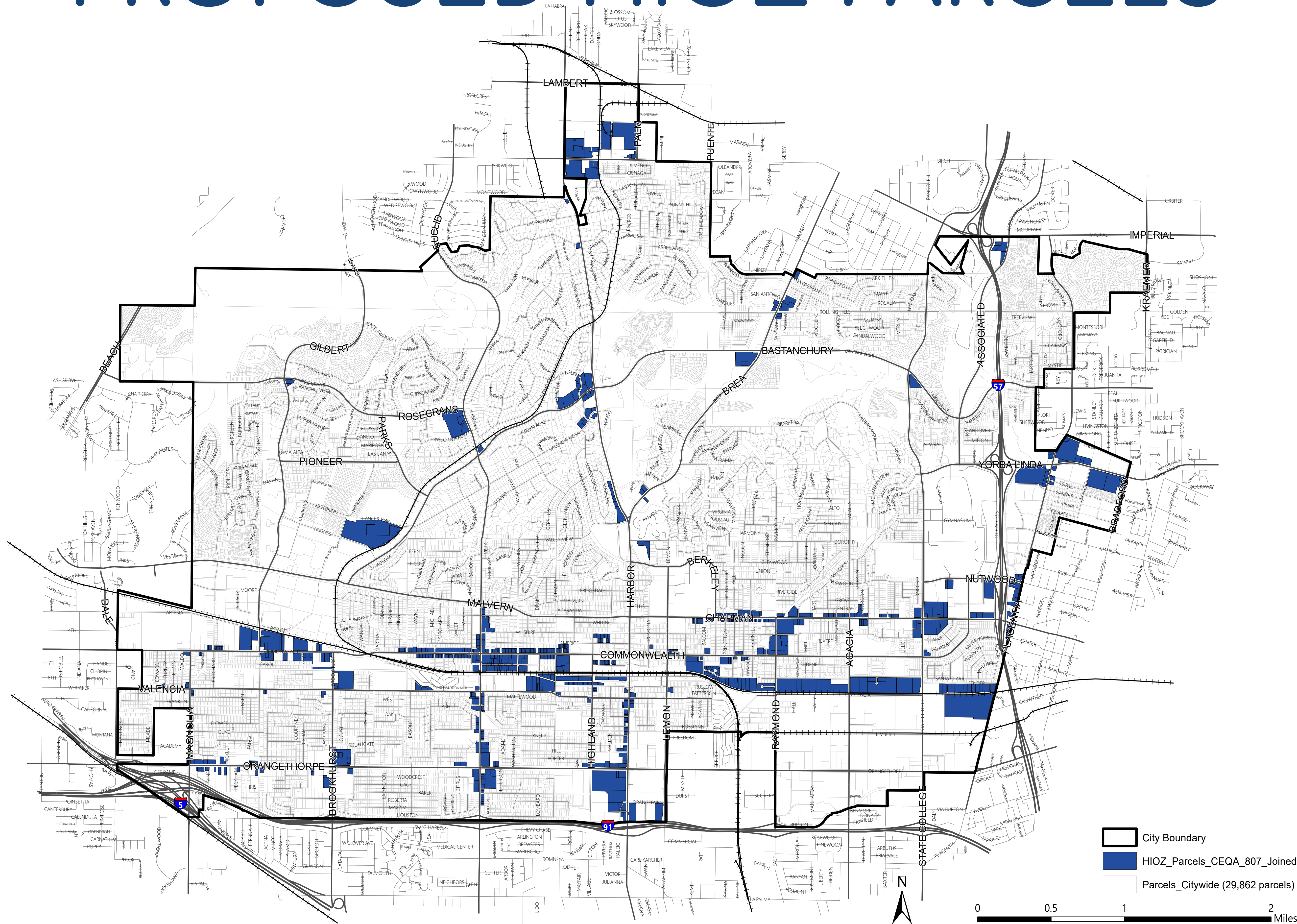
HIOZ DOES NOT APPLY UNIVERSALLY TO ANY NON-RESIDENTIAL PARCELS

Parcels identified for inclusion in the HIOZ represent a subset of all non-residential currently zoned for commercial or industrial use. These have been identified as viable sites based on objective, data-driven criteria as a way to expand the amount of land made available for new housing citywide in locations that offer the greatest socio-economic benefits to current and future residents and the City as a whole.





PROPOSED HIOZ PARCELS



The parcels selected for the HIOZ were identified as being the most appropriate and feasible for new residential development given their proximity to jobs, transit, and other opportunities.

The process to select parcels for the HIOZ consisted of a rigorous screening and scoring methodology that utilized a 4-tiered set of data-based criteria to rank and assign scores to all parcels citywide. Only those parcels with an above-average score were considered for inclusion in the HIOZ.

TIER 4: PHYSICAL DEVELOPMENT FEASIBILITY

To target parcels that are most likely to redevelop given their current underutilization of land.

TIER 3: WITHIN STATE-RECOGNIZED OPPORTUNITY AREAS

To a) end exclusionary housing practices and promote affirmatively furthering fair housing (AFFH) policies set by the state, b) promote smart, sustainable growth by clustering homes within transit-served areas, and c) prevent land use incompatibility.

TIER 2: OUTSIDE OF LOCAL HAZARD ZONES PER THE GENERAL PLAN SAFETY ELEMENT

To discourage development within known local hazard zones, such as flood and fire zones.

TIER 1: ADJACENT TO AMENITIES

To encourage residential development within easy access of community amenities, such as parks and schools.

HOW ARE PARCELS SELECTED FOR INCLUSION IN THE HIOZ?



WHAT KINDS OF BUILDINGS MIGHT ONE SEE IN THE HIOZ?

TOWNHOMES

INDIVIDUAL DWELLING UNITS PLACED SIDE-BY-SIDE.



LIVE-WORK

INDIVIDUAL DWELLING UNITS WITH GROUND FLOOR COMMERCIAL/WORKING FLEX SPACE.



MULTIPLEX

BUILDING WITH 4- TO 8- DWELLING UNITS.





WHAT KINDS OF BUILDINGS MIGHT ONE SEE IN THE HIOZ?

STACKED FLATS WITH STRUCTURED PARKING

BUILDING WITH STACKED DWELLING UNITS AND ATTACHED STRUCTURED PARKING, WHERE GROUND FLOOR MAY BE COMMERCIAL.



STACKED FLATS WITH SURFACE PARKING

BUILDING WITH STACKED DWELLING UNITS AND DETACHED SURFACE PARKING, WHERE GROUND FLOOR MAY BE COMMERCIAL.



GARDEN OR COURTYARD UNITS

INDIVIDUAL DWELLING UNITS ARRANGED AROUND A GARDEN/COURTYARD.





WHAT AMENITIES WOULD YOU LIKE TO SEE IN FUTURE HIOZ DEVELOPMENTS?

RETAIL STORES



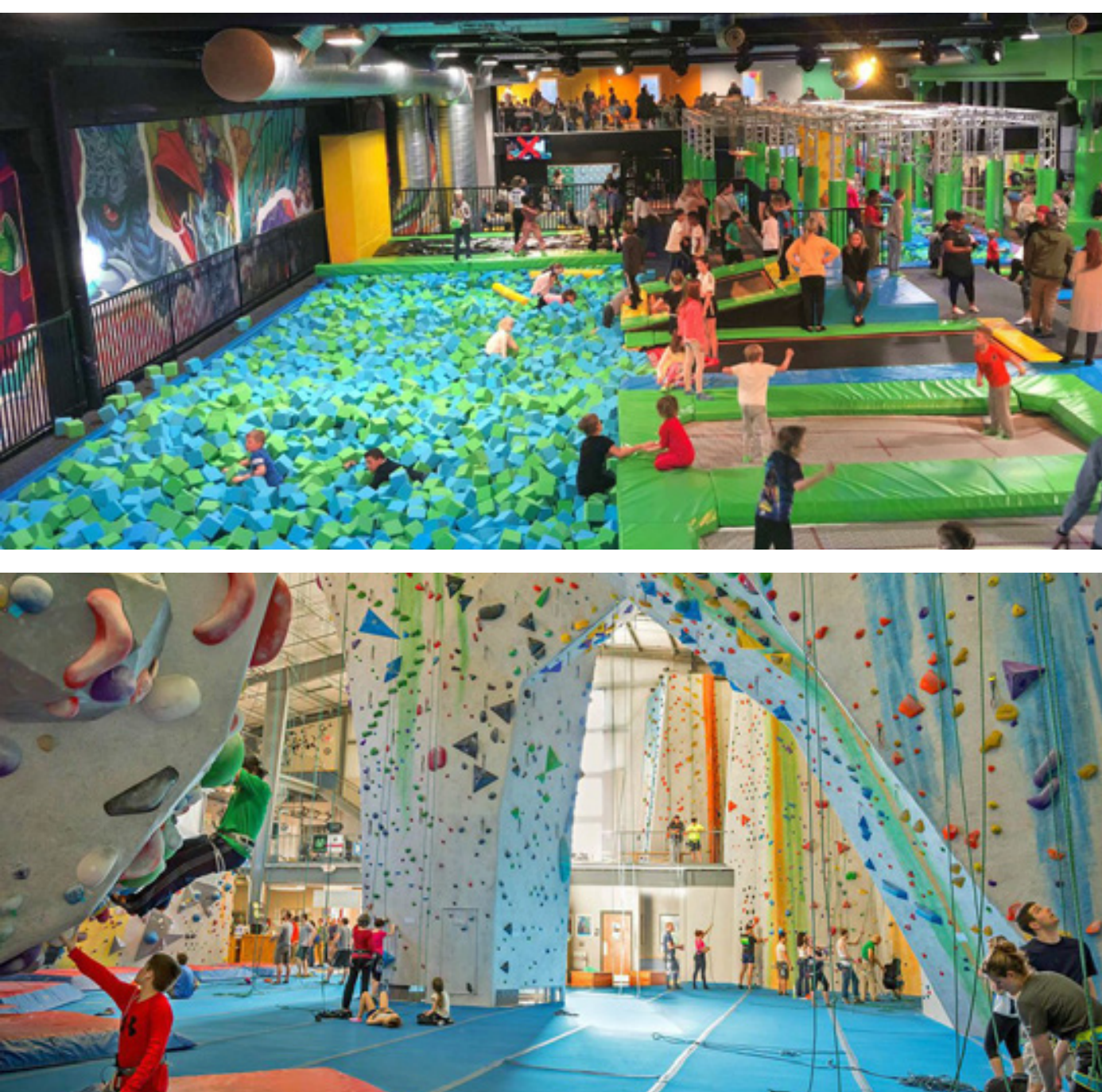
RESTAURANTS & CAFES



HOTELS & EVENTS



ENTERTAINMENT



OPEN SPACE & PARKS



OFFICES





WHAT AMENITIES WOULD YOU LIKE TO SEE IN FUTURE HIOZ DEVELOPMENTS?

RECREATION



CIVIC USES



DAY CARE/EDUCATION FACILITIES



SENIOR CENTERS



LIVE-WORK SPACE





NEXT STEPS

The City is in the process of drafting objective development standards and ordinance for the HIOZ. A public draft will be released for comments in late 2023. In addition, an environmental assessment pursuant to the California Environmental Quality Act (CEQA) will also commence with a scoping meeting in the coming months. The final HIOZ ordinance is scheduled to be presented at public hearings for adoption in early 2024.



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Visit the Housing Game Plan website at: <https://housing-game-plan-fullertoncagis.hub.arcgis.com> or by scanning the attached QR code.

HOW LONG WILL THIS PROCESS TAKE?

