

SD-84/Transit Zoning Code (TZC) Moratorium and Ordinance Amendment Frequently Asked Questions

This document provides information about the Specific Development No. 84 (SD-84) zoning district, otherwise known as the Transit Zoning Code (TZC), moratorium and the proposed ordinance amendment. Please note, the information provided in this FAQ is for general informational purposes only. Interested parties should review the proposed Moratorium text and the Ordinance text for detailed information and applicability.

1. When does the moratorium expire? The Transit Zoning Code (TZC/ SD-84) is a special zoning district in central Santa Ana designed to create a pedestrian-friendly, transit-oriented community while protecting existing neighborhoods. TZC industrial moratorium began with Ordinance No. NS-3063 on April 16, 2024, as a 45-day urgency measure. The City Council then adopted Ordinance No. NS-3064 on May 21, 2024, extending the moratorium for an additional ten months and fifteen days. The current moratorium will expire on April 15, 2025.

2. Why was the moratorium adopted? The City Council adopted the TZC industrial moratorium on April 16, 2024 to immediately protect public health, safety, and welfare from industrial uses causing significant pollution burden to adjacent residential neighborhoods within the TZC district. The action addressed historical land use conflicts in the Logan and Lacy neighborhoods, where industrial uses have remained, changed ownership, expanded, or intensified despite the area's 2010 transit-oriented zoning designation. CalEnviroScreen 4.0 data confirms these neighborhoods rank at 90 percent or above among California's most pollution-burdened communities, with documented exposure to various environmental hazards. The existing Industrial Overlay Zone (I-OZ) created inconsistencies with the General Plan's mixed-use designations and allowed industrial uses to continue operating near residential areas.

3. What impact does the moratorium have on business permits and future development? The moratorium prohibits the establishment of new, or expansion or intensification of existing, industrial businesses within the TZC. Existing industrial businesses can obtain permits for work that is for routine maintenance, or of a similar nature, that does not result in new, expanded or intensified use. The moratorium does not impact residential, commercial, or mixed-use development in the TZC plan area.

4. How does the proposed permanent ordinance to amend the TZC propose to regulate industrial intensification within the plan area? The ordinance would remove the industrial overlay and remove industrial type uses from the permitted uses table in the TZC. The removal of the overlay and of industrial type uses from the permitted uses table would render all existing industrial businesses within the plan area as nonconforming, thereby prohibiting the expansion of the existing industrial businesses and the establishment of new industrial businesses in the plan area. Moreover, the ordinance would prohibit intensification of nonconforming industrial uses, meaning the businesses would be prohibited from expanding operations that result in more potential impacts.

5. Does this impact commercial businesses or residential uses? The proposed amendments primarily address industrial uses within the TZC district. Commercial businesses that are

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compatible with mixed-use and transit-oriented development will continue to be permitted uses in the TZC. The amendments aim to enhance the compatibility between residential areas and neighboring businesses by removing industrial uses that create environmental and health impacts. These changes support the original 2010 TZC vision of creating a transit-supportive, pedestrian-oriented development framework that strengthens the area's mixed-use character while protecting existing residential neighborhoods. The amendments focus on safeguarding the residential communities in the area from industrial impacts while maintaining appropriate commercial activities that serve neighborhood needs.

6. How does this ordinance compare to similar policies in other cities? Most cities, including the City of Santa Ana, regulate nonconforming uses and structures. Several cities also include abatement or amortization processes to further regulate and terminate nonconforming uses and structures to advance overall land use policy direction. A few cities target termination of specific nonconformities, such as adult entertainment, industrial uses, and billboards or other types of signage, or certain types of buildings or structures. The City of National City has a well-established industrial amortization program, reviewing and ranking various businesses to be prioritized for amortization.

7. What are the differences between the M1 and M2 overlay, and how does it impact businesses within each zone? The Industrial Overlay (I-OZ) Zone is currently applied to areas that were zoned M1 (Light Industrial) or M2 (Heavy Industrial) and occupied with an industrial use when the TZC was originally adopted in 2010. As written, this overlay allows the type of land use activity and development permitted by the M1 and M2 zoning districts to continue until such time that the owner chooses to develop to the standards in the new residential and mixed-use zones that were applied to all of the properties within the plan area when the TZC was originally adopted. In order to determine if the M1 or M2 land use activity and development apply to a particular parcel, the I-OZ was further identified on the regulating plan (map) as I-OZ-M1 or I-OZ-M2.

8. Why is the City considering permitting residential on industrial properties? All of the properties within the TZC were assigned zones that permit residential and/or mixed-use development in 2010, when the plan was originally adopted. The proposed ordinance would not change or affect the zones that are already applicable to the properties within the boundary of the TZC. Rather, the proposed ordinance would simply remove the industrial overlay that was applied to certain properties within the plan area that had existing industrial businesses when the plan was adopted in 2010.

9. Why does the proposed ordinance prohibit the conversion of residential land uses or buildings to non-residential uses in the UN-1 and UN-2 zones of the TZC? UN-1 and UN-2 zones are applied to primarily residential areas intended to accommodate a variety of housing types, with some opportunities for live-work, neighborhood serving retail and cafes. The proposed ordinance would prohibit the conversion of residential uses/building to non-residential uses in these areas to strengthen and stabilize the low intensity residential nature of these

neighborhoods, while still allowing some limited neighborhood-serving commercial uses on properties that are already non-residential in nature.

10. How will this ordinance affect businesses that want to sell or transfer ownership to future owners? As proposed, the ordinance will not affect the transferability of nonconforming industrial uses, as defined in the ordinance, to future owners. However, the nonconforming status of a business that meets the definition of a Noxious Use, as defined in the TZC, would lose its nonconforming status when the business ownership changes or if it meets the code enforcement thresholds established in the proposed ordinance.

11. How does the City determine when a business has transferred to new ownership? All businesses operating in commercial locations must obtain a Certificate of Occupancy (COO) from the Planning Division before receiving a business license, while those in residential areas must secure a Home Occupation Permit. A new COO is required whenever a business changes its use, changes ownership, changes location, expands, or changes its name. Businesses that do not apply and obtain a COO may face code enforcement action.

12. What is a nonconforming use? A nonconforming use is a use that was lawful when established but became unlawful due to new or amended ordinances. These uses are sometimes referred to as "grandfathered" uses and are typically allowed to continue without expansion or intensification. The SAMC defines "nonconforming uses" generally as uses initiated before July 20, 1960, or those that were compliant with applicable provisions when established but later became nonconforming due to code changes or public agency property acquisition.

13. What is amortization? Amortization is a tool that provides a reasonable transition period for owners to phase out a nonconforming use. This "grace period" allows owners to recoup their investments before the use must cease, and serves as a lawful equivalent to "just compensation." Under the proposed ordinance, the City may consider amortizing certain nonconforming industrial uses based on factors enumerated in the ordinance. If the City elects to eliminate a use through amortization, a reasonable amortization period would be determined by an independent hearing officer be based on an individualized assessment.

14. The proposed ordinance references the use of a Hearing Officer for determining amortization periods in cases where the City elects to pursue elimination of a business/use through that mechanism. Who serves as hearing officer and what educational/professional background do they have? Hearing officers typically possess a background in law, urban planning, public administration, or a related field, and are already on retainer by the City of Santa Ana to adjudicate certain code enforcement appeals and other matters. Cities often utilize hearing officers to provide a neutral and impartial forum for dispute resolution, thereby increasing procedural fairness and public trust. Additionally, hearing officers often bring specialized expertise in navigating complex regulatory frameworks, which can streamline the hearing process and lead to more informed decision-making. The proposed ordinance requires that any hearing officer retained for the purposes of administering the amortization provisions must possess land use and legal background.

15. What industrial businesses would be considered nonconforming if the ordinance were adopted as proposed? The proposed ordinance defines nonconforming industrial use as a use established on any parcel or within any building located within the boundaries of the TZC that is listed in the uses permitted or uses permitted subject to a conditional use permit of the M1 (Light Industrial) or M2 (Heavy Industrial) zoning districts but that are no longer permissible through the proposed amendment. As such, all industrial businesses would be considered nonconforming if the ordinance were adopted as proposed.

16. What are the differences between a nonconforming industrial use and a noxious use? A nonconforming industrial use is a use established on any parcel or within any building located within the boundaries of TZC that is listed in the uses permitted or uses permitted subject to a conditional use permit of the M1 (Light Industrial) or M2 (Heavy Industrial) zoning districts but that are no longer permissible through the proposed amendment. A noxious use, as the term is defined and used in the proposed ordinance, is a nonconforming industrial use that is located within one thousand (1,000) linear feet of a public park, school (K-12) as defined by Section 11362.768 of the Health and Safety Code, or property used or zoned for residential purposes whose primary business operations involve any two or more of the following: 1) Emitting, generating, or discharging of particulate materials; exhausting emissions; or handling, storing emitting or discharging regulated compounds, hazardous materials, chemicals, or substances; 2) Operations that are regulated by and require a permit from a federal, state, or regional agency; 3) Storing, processing, or disposing of listed or hazardous waste; or 4) Operations that are not contained within a fully enclosed building. If an existing industrial business does not meet the criteria included in the definition of a noxious use, then it is considered a nonconforming industrial use. However, if the nonconforming industrial use meets the criteria of noxious use, then the business is also considered a noxious use.

17. How is *artisan/craft product – limited production* defined in the proposed ordinance? Artisan/craft product - limited production is defined as a specialized commercial facility with a retail-facing operation open to the public. Products are typically made by hand or with a restricted level of automation demonstrating an artistic skill. On-site production of artisan/craft product activities include design, production, processing, printing, assembly, treatment, testing, repair, and packaging, as well as any incidental storage. Typical artisan/craft products include, but are not limited to, electronics, food products, furniture-making, beverages, leather products, clocks and watches, jewelry, clothing/apparel, metal work, furniture and fine woodworking, glass, ceramics, paper and paper products, soaps, perfumes, and lotions, together with ancillary training and/or educational program activities.

18. What adjustments can be made to operational business hours to mitigate noise concerns? The proposed ordinance does not include language modifying noise standards. However, the proposed ordinance does include hours of operation that would apply to nonconforming industrial uses, which would limit noise impacts experienced by residents of the area. The TZC currently requires approval of a conditional use permit (CUP) for any business operating between 12:00 a.m. (midnight) and 7:00 a.m. During the CUP consideration process, the Planning

Commission may approve specific conditions of approval to address individual noise concerns on a per-application basis.

19. Can the City require a CUP and conditions of approval for noise regulation to existing nonconforming industrial businesses as done for late-night establishments? A CUP and conditions of approval cannot be applied retroactively. The TZC currently requires a conditional use permit for late-night operations, and through Planning Commission approval of conditions of approval, noise-generating activities can be addressed on a per-application basis.

20. How were noise level limits determined, and do they align with City standards? There are no proposed modifications to the TZC's existing noise standards.

21. What standards are proposed to mitigate air contaminants from industrial businesses? The proposed TZC amendments require all operations to be conducted within enclosed buildings, with measures to prevent dust, smoke, and other air contaminants. While businesses must comply with South Coast Air Quality Management District (SCAQMD) permit requirements, it's important to note that regulatory agencies rely on self-reported emissions data rather than independent measurements. The City's standards require enclosed operations, proper materials handling, and controlled loading activities. For specific requirements, please refer to Section 41-2009 of the proposed ordinance regarding Operational Standards for Nonconforming Industrial Uses.

22. How does truck idling impact the environment, and how can it be controlled? Truck idling releases high levels of nitrogen oxides (NOx) and particulate matter (PM 2.5), contributing to respiratory diseases, cardiovascular illnesses, and increased cancer risks, in accordance with the Environmental Protection Agency (EPA, 2023) and California Air Resources Board (CARB, 2023). While anti-idling laws exist, enforcement by South Coast Air Quality Management District (SCAQMD) is limited due to resource constraints and the requirement for in-person violation confirmation, making stricter enforcement and alternative mitigation strategies essential (SCAQMD, 2024).

23. What role do external agencies play in regulating businesses in this area? Several agencies regulate air and water quality to protect public health and the environment. The Environmental Protection Agency (EPA) sets national air quality standards under the Clean Air Act (CAA), while California Air Resources Board (CARB) enforces statewide pollution and emissions regulations. South Coast Air Quality Management District (SCAQMD) oversees regional air quality compliance in Southern California through permitting, monitoring, and enforcement programs. Additionally, the California State Water Resources Control Board (CSWRCB) and its regional boards regulate industrial wastewater discharge and water pollution under the Clean Water Act (CWA) and Porter-Cologne Water Quality Control Act to safeguard water resources.

24. Are these agencies issuing and enforcing permits for air quality and other regulations? Yes, businesses must obtain emissions permits under the Clean Air Act (CAA) and CARB regulations, with periodic reporting required to maintain compliance. However, the City's experience with these outside agencies shows that enforcement is often limited, as violations must be witnessed

in real time by an inspector, who may take up to three hours to respond, with restricted weekend availability. Additionally, video evidence of violations is not accepted under current policies, making enforcement more challenging.

25. Is there ongoing air quality testing in the TZC? Yes. Air quality monitoring in this area is conducted through multiple agencies. The South Coast Air Quality Management District (SCAQMD) provides regular monitoring and responds to community complaints. The CalEnviroScreen 4.0 data tracks ongoing pollution measurements, confirming these neighborhoods rank in the 90th percentile for pollution burden. The Environmental Protection Agency's (EPA) environmental justice mapping provides additional air quality monitoring data.

26. How are violations currently tracked, and what code enforcement reports exist? City staff have an internal process established which tracks and monitors incoming notice of compliance and notice of violations given to a particular business/operator from federal, state, or regional regulatory agencies. However, this process is dependent on the collaborative communication with external regulatory agencies' reports and enforcement, which has been limited.

27. What measurable environmental impacts justify this ordinance? Data from CalEnviroScreen 4.0 ranks the TZC plan area among the top 90 percent of California's most pollution-impacted areas, with high emissions from toxic releases, traffic, and diesel particulate matter. According to the EPA and CDC, prolonged exposure to these pollutants has led to 58 percent of children suffering from asthma, 84 percent of newborns having low birth weight, and 49 percent of residents experiencing cardiovascular diseases. Additionally, asthma-related emergency room visits in TZC are 117 percent higher than in the nearby city of Tustin (CDHHS, 2019), underscoring the urgent need for stricter air quality regulations.

28. Can the City address environmental concerns in the area without displacing or forcing businesses to relocate/close? The proposed ordinance aims to address the quality-of-life issues experienced by residents in the area through adoption of operating and development standards that would be applicable to industrial businesses, and by establishing a framework for amortization that the City may use for businesses that meet certain factors. Nonconforming industrial uses that comply with all applicable standards, would be permitted to remain in their current location and would not be forced to relocate or close.

29. What programs or alternative solutions exist for impacted businesses? Impacted businesses can continue to operate in their current locations, provided they comply with all applicable operating and development standards.

30. How does this ordinance affect financial factors such as jobs, tax revenue, economic growth? The proposed ordinance amendments do not require any immediate closure of businesses within the affected area. Should individual business owners and property owners elect to modify business operations, cease operations, or redevelop properties with new uses, financial factors would be evaluated on a per-application basis. Therefore, estimating any financial impacts of the proposed ordinance would be speculative.

31. What steps have been taken to ensure effective community engagement? The City has implemented a community engagement strategy that includes multiple formats and opportunities for participation. Since April 16, 2024, engagement efforts have included a community information meeting at the Santa Ana Train Station; regular in-person meetings at City Hall with business stakeholders and residents, together, with opportunities for discussion; field visits to affected neighborhoods have allowed for direct observation and community input in context; and tours of industrial businesses. The Planning Commission Study Session and subsequent public hearings have and will also offer formal venues for community feedback. Additionally, the City maintains a dedicated project webpage (www.santa-ana.org/transit-zoning-code-update/) that provides regular updates, meeting materials, and upcoming engagement opportunities, as well as contact information for project staff. Additional outreach has included neighborhood-specific sessions with Lacy and Logan residents, one-on-one consultations, direct email communications, phone calls, and coordination through the Environmental Justice Action Committee.

32. How does this ordinance promote common ground among stakeholders? The City ensured business owners and residents were informed about the meetings through door-to-door canvassing by City staff, as well as announcements on the City's website, NextDoor, Neighborhood Initiatives and Environmental Services' (NIES) Mailer, and the NIES Newsletter. These efforts facilitated open communication and engagement, fostering collaboration among stakeholders.

33. How can the public be involved in the process? The public can participate through multiple channels. Community members can attend public hearings and Planning Commission meetings, visit the project webpage at www.santa-ana.org/transit-zoning-code-update/ for current information and updates, and contact the Planning Division directly with questions or concerns. The City continues to hold focused community meetings and maintains open communication with residents, business owners, and stakeholders throughout this process.

34. What additional outreach efforts should be made before implementation? The City has established robust interdepartmental and interagency coordination to support implementation. The City maintain active collaboration with Orange County Fire Authority (OCFA) regarding safety compliance and emergency response planning, and the South Coast Air Quality Management District (SCAQMD) for technical guidance on air quality monitoring and compliance. Internal coordination continues between City departments including the Planning Division, Code Enforcement Division, Santa Ana Police Department, and the Public Works Agency to ensure comprehensive implementation oversight. The City's Neighborhood Initiatives and Environmental Services team coordinates with federal and state agencies including CalEPA's Environmental Justice Team and the Centers for Disease Control (CDC) to identify additional resources and support for affected communities. The Environmental Justice Action Committee, comprising residents, community organizations, and agency representatives, helps guide implementation priorities. Given these established partnerships and communication channels, the City is prepared to move forward with implementation while maintaining these collaborative relationships to ensure effective oversight and responsive community support.

35. How does the TZO compare to the West Santa Ana Boulevard Focus Area? The TZO area and West Santa Ana Boulevard Focus Area have fundamentally different General Plan land use designations and regulatory frameworks. The TZO was established in 2010 with mixed-use General Plan designations throughout, but retained an Industrial Overlay Zone (I-OZ) that allowed industrial uses to continue, creating inconsistencies. The West Santa Ana Boulevard Focus Area has its own distinct General Plan designations and does not have an industrial overlay. The proposed ordinance would remove the TZO's Industrial Overlay Zone, bringing its zoning into alignment with its mixed-use General Plan designations and supporting the area's intended transit-oriented, pedestrian-friendly development pattern.

36. Will this process be applied to other parts of the City? The proposed ordinance amendments will only affect the area zoned as the Transit Zoning Code (SD-84). The City is also underway with a comprehensive Zoning Code Update, which is a separate and ongoing effort to update and modernize the City's Zoning Code to reflect the goals and values of the General Plan Update from 2022.

37. What type of environmental document pursuant to the California Environmental Quality Act (CEQA) will be prepared for this project? The City, as the Lead Agency, has determined that the proposed ordinance and map amendment are subject to CEQA guidelines and regulations (Public Resources Code (PRC) Sections 21000-21177). An Addendum to the Transit Zoning Code Environmental Impact Report (EIR) (State Clearing House (SCH) No. 2006071100) has been prepared by the City to evaluate the impacts of the proposed ordinance amendments.