



City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: May 5, 2021 Adjourned Regular Meeting

SUBJECT: Regional Housing Needs Assessment (RHNA) and General Plan Housing Element Update

Recommendation

Provide direction to staff.

Background

The Regional Housing Needs Assessment (“RHNA”) is a process mandated by the State of California’s housing laws to determine existing and future housing needs for each city and unincorporated area. Once housing needs are quantified through the RHNA process, cities and counties are required to take certain land use planning actions to allow for the construction of new housing units to meet those needs. For additional information, please refer to Attachment A.

The current 6th Cycle RHNA process (for the period of 10/2021–10/2029) resulted in the following housing needs allocation for the City:

Table 1: City’s Housing Needs Allocation

Income Level	Number of Units
Very-low income	127 units
Low income	136 units
Moderate income	192 units
Above-moderate income	542 units
Total	997 units

Source: Southern California Association of Governments (“SCAG”)

State law requires all cities to update their general plan housing elements on either a five- or eight-year cycle. The City is on an eight-year cycle with its next update due on October 15, 2021. Prior to adopting its updated General Plan Housing Element, the City will be required to demonstrate to the California Department of Housing and Community Development (“HCD”) that the update adequately plans for the City’s housing needs allocation as summarized in Table 1.

Please note that **neither the RHNA nor General Plan Housing Element Update processes require the City or any private property owner to construct housing or discontinue any existing non-housing use.** Frequently asked questions are answered in Attachment A.

Discussion

Today’s meeting is an opportunity for City Council discussion and direction, as well as public input, on the RHNA and General Plan Housing Element Update. Staff anticipates the need for several additional meetings on this topic with today’s meeting focused on an overview of the RHNA and General Plan Housing Element Update processes, and the draft Housing Needs Assessment (Attachment B).

The Housing Needs Assessment is required by state law and examines population and housing stock as a means of better understanding the nature and extent of unmet housing needs. The final Housing Needs Assessment will be among the technical reports appended to the updated General Plan Housing Element.

State law also requires that the updated General Plan Housing Element include an inventory and analysis of land suitable and available for residential development to meet the City’s housing needs allocation (i.e., land that could accommodate the potential future construction of 997 units). Staff anticipates providing a draft Housing Sites Inventory & Analysis for discussion, direction, and public input at the next regular City Council meeting on May 19, 2021.

Fiscal Impact

Sufficient funds to support this project are included in the City’s budget.

Attachments: A – Regional Housing Needs Assessment (RHNA) Frequently Asked Questions
B – Draft Housing Needs Assessment



CITY OF LAGUNA WOODS

Regional Housing Needs Assessment (RHNA)

Frequently Asked Questions

What is the Regional Housing Needs Assessment (RHNA)?

The Regional Housing Needs Assessment (RHNA) is a process mandated by the State of California's housing laws to determine existing and future housing needs for each city and unincorporated area. Once housing needs are quantified through the RHNA process, cities and counties are required to take certain land use planning actions to allow for the construction of new housing units to meet those needs.

Is the RHNA process new?

No. The RHNA process began in 1969 and has occurred on regular "cycles" since then. From 1969 until the City's incorporation in 1999, the County of Orange was responsible for RHNA compliance and land use planning in Laguna Woods. Beginning in 1999, those responsibilities transferred locally to the City.

How does the RHNA process determine housing needs?

The California Department of Housing and Community Development (HCD) is responsible for determining housing needs for each region's "council of governments," which for Laguna Woods is the Southern California Association of Governments (SCAG). The SCAG region encompasses six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura) and 191 cities.

HCD starts with demographic population information from the California Department of Finance and then applies a formula intended to increase housing supply and further other housing-related objectives established by the California State Legislature (see California Government Code Section 65584).

After receiving HCD's housing needs determination, SCAG uses a methodology to allocate HCD's determination between individual cities and unincorporated areas. For the current 6th Cycle RHNA process (10/2021 - 10/2029), SCAG's methodology considered factors including, but not limited to, anticipated household growth, job and transit accessibility, and social equity (the distribution of housing by income categories).

Current RHNA Process	Housing Needs Determination for the SCAG Region	Housing Needs Allocation for Laguna Woods
For the period 10/2021 – 10/2029 (AKA "6th Cycle")	1,341,827 units	997 units

What does the RHNA process require of the City?

Once SCAG has identified the City's housing needs allocation, the City is required to zone sufficient land to allow for the construction of new housing units to meet that allocation. Such land must be "suitable for residential development," which state law generally defines as including vacant land, residential land upon which additional housing units could be constructed, and nonresidential land that could be redeveloped to include new housing units (California Government Code Section 65583.2(a)). Such zoning must be "by right," which means that the City is required to allow new housing construction without requiring conditional use permits or other discretionary approvals that would constitute a "project" under the California Environmental Quality Act (CEQA).

How does the City's General Plan Housing Element relate to the RHNA process?

State law requires that all cities update their general plan housing elements on either a five- or eight-year cycle (California Government Code Section 65588). The City is on an eight-year cycle with its next update due on October 15, 2021. Prior to adopting its updated General Plan Housing Element, the City will be required to demonstrate to HCD that the update adequately plans for the City's housing needs allocation and otherwise complies with state law (California Government Code sections 65583 and 65585).

Does the City have the ability to zone private property?

Yes. State law requires the City to designate "the proposed general distribution and general location and extent of the uses of the land" within city limits, including both "public and private uses of land" (California Government Code Section 65302(a)). All public and private property in Laguna Woods, with the exception of public streets, is presently zoned and has been since the community was first constructed.

Does the RHNA process require the City to construct housing?

No. State law is explicit that the City is not required to "expend local revenues for the construction of housing, housing subsidies, or land acquisition" (California Government Code Section 65589(a)(1)).

Does the RHNA process require property owners to construct housing?

No. While state law requires zoning sufficient to accommodate the City's housing needs allocation, it does not require the use of that property to be limited to the construction of new housing units nor does it require property owners to construct housing or discontinue any existing non-housing uses. If a property owner does not wish to construct housing, zoning that allows such construction only presents an option for the future.

Who makes the decision to construct housing?

Housing construction requires interested property owners and interested developers. No party is obligated to construct housing or discontinue any existing non-housing uses, regardless of how property is zoned.

Does the RHNA process allow the City to permit only senior housing?

No. State law specifies that the RHNA process is intended to address the "housing need of persons at all income levels" with goals including "increasing the housing supply and the mix of housing types, tenure, and affordability" (California Government Code Section 65584). While property owners may choose to construct age-restricted housing, state law does not allow the City to place such a restriction on properties for the purpose of accommodating the City's housing needs allocation.

Does the City receive credit for existing affordable housing units?

No. The RHNA process is focused on future housing needs. For the 6th Cycle RHNA process, credit is only provided for housing units approved, permitted, or built on or after June 30, 2021.

HOUSING NEEDS ASSESSMENT

CITY OF LAGUNA WOODS

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April 2021

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HOUSING NEEDS ASSESSMENT

CITY OF LAGUNA WOODS

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LIST OF ABBREVIATIONS AND ACRONYMS

AB	Assembly Bill
ACS	American Community Survey
AFFH	Affirmatively Furthering Fair Housing
AMI	area median income
CalEnviroScreen	California Communities Environmental Health Screening Tool
CBC	California Building Code
CC	Community Commercial
City	City of Laguna Woods
CoC	Continuum of Care
County	County of Orange
CUP	Conditional Use Permit
DDS	California Department of Developmental Services
FHCOC	Fair Housing Council of Orange County
HCD	Housing and Community Development Department of the State of California
HUD	United States Department of Housing and Urban Development
LIHTC	Low Income Housing Tax Credit
OEHHA	Office of Environmental Health Hazard Assessment
RC	Residential Community
RHNA	Regional Housing Needs Assessment
RMF	Residential Multifamily
SCAG	Southern California Association of Governments

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1.0 HOUSING NEEDS ASSESSMENT

State Housing Element law requires local governments to adequately plan to meet their existing and projected housing needs, including their share of the Regional Housing Needs Assessment (RHNA) allocation. Specifically, Government Code Section 65583(a) requires an assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. This section of the Housing Element examines the characteristics of Laguna Woods' population and housing stock as a means of better understanding the nature and extent of unmet housing needs. The Housing Needs Assessment is comprised of the following components: (1) Demographic Profile; (2) Household Profile; (3) Housing Stock Characteristics; (4) Affirmatively Furthering Fair Housing; and (5) Regional Housing Needs.

1.1 DEMOGRAPHIC PROFILE

Demographic changes such as population growth or changes in age can affect the type and amount of housing needed in a community. This section addresses the population, age, and race and ethnicity of Laguna Woods residents.

1.1.1 Population Growth and Trends

Table 1.A presents population growth trends in Laguna Woods from 1990 to 2020 and compares this growth to neighboring jurisdictions and Orange County. As shown, Orange County experienced the highest level of growth during the 1990s (18 percent). Neighboring jurisdictions experienced their highest level of growth during the 2000 to 2010 period (48 percent in Irvine and almost 32 percent in Lake Forest). However, during the 2000 to 2010 period, Laguna Woods experienced a decrease in its population. As will be discussed in further detail below, Laguna Woods residents are significantly older, on average, than the rest of Orange County. This means that Laguna Woods' population growth due to natural increase (births minus deaths) is slower than other parts of Orange County.

Table 1.A: Regional Population Growth Trends

Jurisdiction	1990	2000	2010	2020	Percent Change		
					1990–2000	2000–2010	2010–2020
Laguna Woods	N/A	17,794	16,273	16,243	N/A	-8.55%	-0.18%
Aliso Viejo	N/A	N/A	47,816	50,044	N/A	N/A	4.66%
Irvine	110,330	143,072	212,375	281,707	29.68%	48.44%	32.65%
Laguna Beach	23,170	23,727	22,723	22,343	2.40%	-4.23%	-1.67%
Laguna Hills	N/A	29,891	30,270	31,508	N/A	1.27%	4.09%
Lake Forest	N/A	58,707	77,395	84,711	N/A	31.83%	9.45%
Orange County	2,410,668	2,846,289	3,010,232	3,194,332	18.07%	5.76%	6.12%

Sources: (1) California Department of Finance, Demographic Research Unit, Report E-5

(2) California Department of Finance, Demographic Research Unit, Report E-8 City/County/State Population and Housing Estimates

(3) California Department of Finance, Demographic Research Unit, E-4 Revised Historical

N/A = Not Applicable

Census data from 2000 to 2010 show that a reduction in the population growth rate for Orange County occurred during the decade. Countywide, population growth dropped to approximately 6 percent, while some local communities, such as Irvine and Lake Forest, experienced robust growth due to the development of new housing. Laguna Woods experienced a population decrease of approximately 9 percent during this period.

While most of the neighboring communities grew modestly between 2010 and 2020, the population of Laguna Woods in 2020 was estimated to be 16,243, approximately less than 1 percent lower than in 2010. The growth rate of Orange County as a whole was 6 percent, more than six times that of Laguna Woods. Of the surrounding communities shown, only Aliso Viejo had a growth rate that was close to that of Orange County. Laguna Woods saw a 0.18 percent population decrease from 2010 to 2020. However, this is much less of a decrease compared to the previous decade.

The Southern California Association of Governments (SCAG) projects that the population of Laguna Woods will grow to 16,500 by 2045. This represents a growth rate of approximately 1.6 percent over the next 25 years. It should be noted that SCAG's growth projection does not reflect potential population growth due to Laguna Woods' RHNA allocation, which is discussed in further detail in Section 1.5, Regional Housing Needs.

1.1.2 Age Characteristics

Table 1.B shows the age distribution and median age of Laguna Woods' population in 2010 and 2018 and compares this with Orange County as a whole. Table 1.B indicates that seniors aged 65 and older were the largest population group in Laguna Woods in 2010 (80 percent) and 2018 (83 percent). The proportion of the population within the younger age groups (under 5 years, 5 to 17 years, and 18 to 24 years) decreased since 2010, while there was an increase in the older adult population. The proportion of seniors (ages 65 and older) increased from 80 percent to 83 percent. However, Laguna Woods' median age decreased from 78 in 2010 to 75 in 2018.

Table 1.B: Age Distribution

Age Group	2010		2018		
	Population	Percent	Population	Percent	Orange County Percent
Under 5 years	33	0.2%	0	0.0%	6.0%
5-17 years	65	0.4%	10	0.1%	17.0%
18-24 years	49	0.3%	23	0.1%	9.5%
25-44 years	179	1.1%	100	0.6%	27.4%
45-64 years	2,982	18.3%	2,666	16.5%	26.6%
65+ years	12,987	79.7%	13,429	82.8%	13.9%
Total	16,295	100.0%	16,228	100.0%	100.0%
Median Age	78		75		38

Sources: (1) 2010 ACS 5-Year Estimates (Table S0101)
(2) 2018 ACS 5-Year Estimates (Table S0101)

Overall, the age distribution for Laguna Woods is skewed toward higher percentages of senior populations compared with Orange County as a whole. As shown in Table 1.B, the percentage of the Laguna Woods' population that is 65 years of age and older (83 percent) is substantially higher than that of Orange County (14 percent). Laguna Woods' median age (75) is also substantially higher than Orange County's median age (38). This reflects the fact that a large percentage of Laguna Woods residents live in Laguna Woods Village, an age-restricted retirement community for residents who are 55 years of age and older that occupies a majority of Laguna Woods' area. The proportion of children (ages 17 and under) and adults aged 18 to 64 are also notably lower in Laguna Woods compared to Orange County.

1.1.3 Race and Ethnicity

Historically, White residents have been the majority racial group within Laguna Woods. Table 1.C displays the racial and ethnic composition of Laguna Woods' population in 2010 and 2018 and compares this with the countywide distribution. While changes since 2010 have generally been slight, Laguna Woods is trending toward a more diverse population. In 2018, White residents made up 78 percent of Laguna Woods' population, representing an 11 percent decrease since 2010. The proportion of White residents in Laguna Woods is also notably higher than that of Orange County as a whole (61 percent countywide).

Table 1.C: Racial and Ethnic Composition (2010 and 2018)

Racial/Ethnic Group	2010		2018		
	Persons	Percent	Persons	Percent	Orange County Percent
White	14,499	89.0%	12,678	78.1%	61.7%
Asian/Pacific Islander	1357	8.3%	3,142	19.4%	20.4%
Black or African American	126	0.8%	73	0.4%	1.7%
American Indian	0	0.0%	8	0.0%	0.5%
Other Race	208	1.3%	172	1.1%	11.7%
Two or More Races	105	0.6%	155	1.0%	4.1%
Total	16,295		16,228		
Hispanic	723	4.4%	821	5.1%	34.1%
Non-Hispanic	15,572	95.6%	15,407	94.9%	65.9%
Total	16,295		16,228		

Sources: (1) 2010 ACS 5-year estimates (Tables C02003 and B03003)

(2) 2018 ACS 5-year estimates (Tables C02003 and B03002)

While only representing 19 percent of the total population in 2018, the number of Asian/Pacific Islander residents has increased by 11 percent since 2010. Laguna Woods' Asian/Pacific Islander population is now on par with Orange County (19 percent compared to 20 percent). Chinese is the predominant Asian ethnicity represented in Laguna Woods, making up approximately 9 percent of Laguna Woods' total population. There are also large populations of Korean and Filipino residents within Laguna Woods.

The Hispanic population increased by approximately 1 percent from 2010 to 2018. The estimated proportion of Hispanic residents in 2018 was 5 percent, still markedly lower than Orange County, which has an estimated 34 percent Hispanic population.

1.1.4 Employment

An evaluation of the types of jobs held by community residents provides insight into potential earning power and the segment of the housing market into which they fall. Information on how a community's employment base is growing and changing can help identify potential housing demand changes in the future.

The State Employment Development Department estimates that 2,900 Laguna Woods residents (or approximately 18 percent of Laguna Woods' population) were in the labor force in January 2021. This reflects the fact that Laguna Woods' housing stock is predominantly age-restricted. Laguna Woods has seen a drastic increase in unemployment since March 2020 due to the onset of the COVID-19 pandemic. In January 2020, Laguna Woods' unemployment rate was at 2.2 percent; however, it rose sharply in the spring and peaked at 11.6 percent in May 2020. As of January 2021, the unemployment rate within Laguna Woods was 5.6 percent. The unemployment rate of Orange County was at 2.9 percent in January 2020 and has seen a similar spike. As of January 2021, unemployment in Orange County as a whole was 7.4 percent. While the region's economy appears to show signs of recovery, the long-term impacts of the COVID-19 pandemic on employment within Laguna Woods and Orange County remain unknown.

Table 1.D presents the occupations of Laguna Woods residents, based on the 2014–2018 American Community Survey (ACS) estimates. The largest proportion of Laguna Woods residents are employed in educational services and health care and social assistance occupations at 22 percent, followed by finance and insurance and real estate, rental, and leasing occupations at 15.6 percent. Approximately 61 percent of employed residents in Laguna Woods commute less than 25 minutes to work, indicating that a majority of working residents hold jobs within Laguna Woods or in immediately adjacent communities.

Table 1.D: Occupation of Residents (2018)

Occupation	Population	Percent
Agriculture, forestry, fishing and hunting, and mining	0	0.0%
Construction	52	1.7%
Manufacturing	285	9.2%
Wholesale trade	123	4.0%
Retail trade	347	11.2%
Transportation and warehousing, and utilities	78	2.5%
Information	42	1.4%
Finance and insurance, and real estate and rental and leasing	484	15.6%
Professional, scientific, and management, and administrative and waste management services	483	15.5%
Educational services, and health care and social assistance	695	22.4%
Arts, entertainment, and recreation, and accommodation and food services	249	8.0%
Other services, except public administration	188	6.0%
Public administration	83	2.7%
Total Civilians Employed	3,109	100.00%

Source: 2018 ACS 5-year estimates (Table S2405)

Laguna Woods itself has a limited employment base. As of 2019, the five largest employers in Laguna Woods were Laguna Woods Village, Professional Community Management of California, Stater Brothers, Rainbow Realty Corporation, and OCB Restaurant Company.

In 2019, the Orange County Business Council updated the results of its Workforce Housing Scorecard. This report provides a comprehensive evaluation of the current and future state of Orange County's housing supply and demand and its impact on the business community. Based on the following criteria, the scorecard rates each jurisdiction's record over the 2016 to 2030 time period in addressing workforce housing needs:

- Total job growth
- Housing as a percent of total Orange County housing
- Jobs-to-housing ratio
- Change in housing density

Based on the above factors, Laguna Woods ranks 33rd of the 34 cities in Orange County. Rankings are weighted toward larger cities and cities experiencing new housing development (Irvine was ranked 1st); therefore, a ranking of 33rd is expected for Laguna Woods, as it is the 31st largest city within Orange County and has not experienced any new housing growth since the development of the San Sebastian Apartments in 2008. It should be noted that Laguna Woods ranked 26th in job growth, indicating a modest need for new housing within Laguna Woods.

1.2 HOUSEHOLD PROFILE

Household type and size, income levels, and the presence of special-needs populations all affect the type of housing needed by residents and are important indicators of where intervention and/or housing programs may be needed. Household income levels are indicators of housing affordability, just as the ratio of owners to renters may impact the stability of the housing market. This section details the various household characteristics affecting housing needs in Laguna Woods.

1.2.1 Household Type

A household is defined as the total number of persons living in a housing unit, whether related or unrelated. The Census Bureau definition of a "family" is a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family. A single person living alone is also a household. "Other" households are unrelated people residing in the same dwelling unit. Group quarters, such as dormitories or convalescent homes, are not considered households.

As shown in Table 1.E, the 2014–2018 ACS estimates there are 11,156 households in Laguna Woods, with an average household size of 1.45 persons and an average family size of 2.07 persons. While the average household size in Laguna Woods saw a 2.8 percent increase from 2010, the average family size decreased by 2.4 percent. Laguna Woods' average household and family size is lower compared to that of Orange County as a whole (3.02 and 3.51, respectively).

Table 1.E: Household Characteristics (2010 and 2018)

Household & Family Type	2010		2018		Percent Change
	Number	Percent	Number	Percent	
Total Population	16,295	100.0%	16,228	100.0%	-0.4%
In Group Quarters	167	1.0%	N/A	N/A	N/A
Total Households	11,470	100.0%	11,156	100.0%	-2.7%
Family Households	3,733	32.5%	4,107	36.8%	10.0%
Married Couple Families	3,215	28.0%	3,645	32.7%	13.4%
Single Parent Households	29	0.3%	0	0.0%	-100.0%
Non-family Households	7,737	67.5%	7,049	63.2%	-8.9%
Householder Living Alone	7,272	63.4%	6,593	59.1%	-9.3%
Householder 65+ (Alone)	6,343	55.3%	5,723	51.3%	-9.8%
Average Household Size	1.41		1.45		2.8%
Average Family Size	2.12		2.07		-2.4%

Sources: (1) 2010 and 2018 ACS 5-year estimates (Table S1101)

(2) 2010 Census (Table PCT38)

N/A = Not Applicable

Nonfamilies constitute the majority of households in Laguna Woods (63 percent). The proportion of single-parent households has also remained steady at approximately 4 percent of all households. Family households constituted about 37 percent of all households in 2018, an increase of 10 percent since 2010. Approximately 90 percent of family households are married-couple households, and this has increased since 2010. The proportion of householders living alone also decreased between 2010 and 2018.

1.2.2 Household Income

Household income is one of the most important factors affecting housing opportunity and determining a household's ability to balance housing costs with other basic necessities of life while avoiding housing problems such as cost burden and overcrowding.

1.2.2.1 Income Definitions

The State and federal governments classify household income into several groupings based upon the relationship to the county area median income (AMI), adjusted for household size. The Housing and Community Development Department of the State of California (HCD) utilizes the income groups presented in Table 1.F. Federal housing programs utilize slightly different income groupings and definitions, with the highest income category generally ending at >95 percent AMI. For purposes of the Housing Element, the State HCD income definitions are used throughout, with the exception of data compiled by the United States Department of Housing and Urban Development (HUD), which is specifically noted.

Table 1.F: HCD Income Categories

Income Category	Percent Annual Median Income (AMI)
Extremely Low	0-30% AMI
Very Low	0-50% AMI
Low	51-80% AMI
Moderate	81-120% AMI
Above Moderate	120%+ AMI

Source: California Department of Housing and Community Development

1.2.2.2 Income Characteristics

The 2014–2018 ACS estimated the median annual income of households in Laguna Woods to be \$41,928. This is an increase of approximately 13 percent from 2010, when the median annual income was \$36,818. Figure 1-1 illustrates the 2018 median household income for Laguna Woods and surrounding communities and compares them to the median income for Orange County. Of the jurisdictions included, Laguna Woods had a significantly lower median household income than the Orange County median of \$85,398.

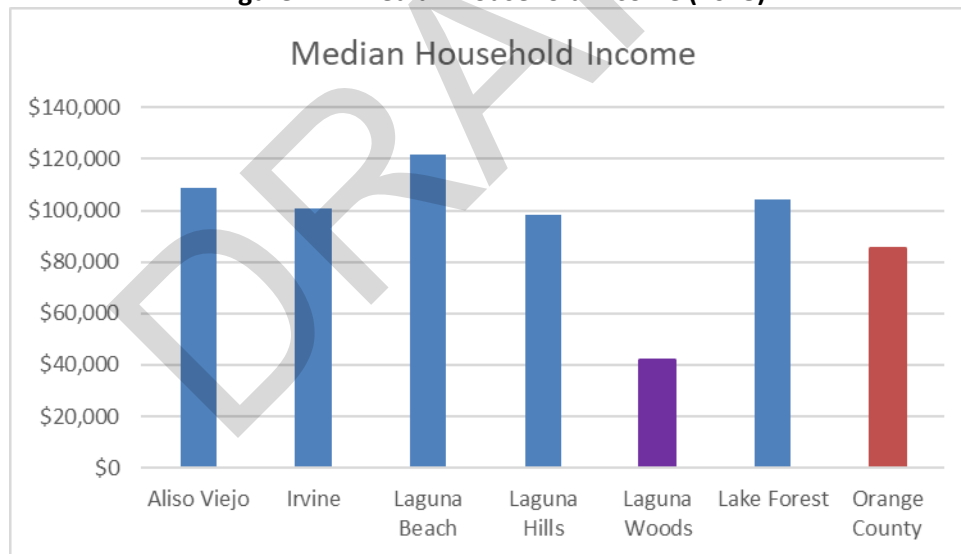
Figure 1-1: Median Household Income (2018)

Table 1.G shows the number of Laguna Woods households living within the HCD income categories described above for 2010 and 2017. The number of households within the very low- and low-income categories has decreased overall since 2010. As of 2017, approximately 69 percent of Laguna Woods households fell within one of the lower income categories. The proportion of households with moderate or above-moderate incomes increased from 30.1 percent in 2010 to 31.1 percent in 2017.

Table 1.G: Household Income Levels (2010–2018)

Income Level	2010		2017		2010–2017 Percent Change
	Households	Percent	Households	Percent	
Extremely Low Income (<30% AMI)	2,870	25.2%	2,880	25.6%	0.3%
Very Low Income (31-50% AMI)	2,650	23.3%	2,455	21.8%	-7.4%
Low Income (51-80% AMI)	2,435	21.4%	2,415	21.5%	-0.8%
Moderate/Above Moderate Income (>80% AMI)	3,420	30.1%	3,500	31.1%	2.3%
Total Households	11,375	100.0%	11,250	100.0%	-1.1%

Source: CHAS Data 2010 and 2017

AMI = Annual Median Income

Table 1.H shows the income level of Laguna Woods households by tenure. A total of 76 percent of renter households were lower income (<80 percent AMI), compared to 67 percent of owner households. 31 percent of renter households were categorized as extremely low income (<30 percent AMI), and 26 percent were very low income households (31 to 50 percent AMI).

Table 1.H: Household Income Levels by Tenure (2017)

Income Level	Renter		Owner	
	Households	Percent	Households	Percent
Extremely Low Income (<30% AMI)	840	31.2%	2,040	23.8%
Very Low Income (31-50% AMI)	685	25.5%	1,770	20.7%
Low Income (51-80% AMI)	505	18.8%	1,910	22.3%
Moderate Income & Above (> 80% AMI)	660	24.5%	2,840	33.2%
Total	2,690	100.0%	8,560	100.0%

Source: CHAS 2017

AMI = Annual Median Income

1.2.2.3 Households in Poverty

The federal government publishes national poverty thresholds that define the minimum income level necessary to obtain the necessities of life. Table 1.I shows the number of households within Laguna Woods living in poverty by household type. A total of 242 households within Laguna Woods are living below the federal poverty threshold, representing approximately 6 percent of all households. Approximately 1 percent of all households in Laguna Woods are female-headed households living below the poverty level. Of these female-headed households living below the poverty level, 9 of the households (or 0.2 percent of all households in Laguna Woods) have children under the age of 18. Another significant group living in poverty are seniors. As shown in Table 1.I, approximately 6 percent of all households in Laguna Woods are senior-headed households living below the poverty level.

Table 1.I: Poverty by Household Type

Household Type	Below Poverty Level	
	Number	Percent
Family Households	242	6.1%
Female-Headed Households	36	0.9%
With Children	9	0.2%
Senior-Headed Households (65+)	230	5.8%

Source: 2019 ACS 5-year estimates

1.2.3 Special-Needs Populations

State law recognizes that certain households have more difficulty in finding adequate and affordable housing due to special circumstances and may also have lower incomes as a result of these circumstances. Special-needs populations include seniors, persons with disabilities, female-headed households, large households, farmworkers, and the homeless. Table 1.J summarizes the special-needs populations in Laguna Woods. Each of these population groups, as well as their housing needs, is described below.

Table 1.J: Special Needs Groups

Special Needs Group	Persons or Households	Renter	Owner	Percent of Total
Households with a Senior Member	9,701	--	--	88.2%
Senior-headed Households	3,495	--	--	26.3%
Seniors Living Alone	5,622	--	--	42.3%
Single-Parent Households	0	--	--	0.0%
Female Single-Parent Households	0	--	--	0.0%
Large Households (5+ members)	13	0	13	0.3%
Agricultural Workers	0	--	--	0.0%
Persons with Disabilities	4,364	--	--	27.3%
Homeless	5	--	--	0.04%

Note: -- = Data not available.

Sources: (1) 2019 ACS 5-year estimates

(2) 2019 homelessness point-in-time counts processed by SCAG.

1.2.3.1 Large Households

Large households consist of five or more persons and are considered a special-needs group due to the limited availability of affordable and adequately sized housing. Large households often live in overcrowded conditions due to both the lack of large-enough units and insufficient income to afford available units of adequate size. In 2018, Laguna Woods had a total of 13 large households, representing 0.3 percent of total households in Laguna Woods. These large households consisted entirely of owner households (Table 1.J). Laguna Woods has a small number of larger homes compared to many communities in the region, with only 100 housing units (0.9 percent of all occupied housing units) containing four or more bedrooms, according to the 2014–2018 ACS. This suggests that Laguna Woods does not have any unmet housing need for large households.

1.2.3.2 Senior Households

Approximately 83 percent of Laguna Woods residents are age 65 or older. This is an increase from 2010, when 80 percent of the population were seniors. Senior-headed households make up a significant proportion (26 percent) of all households in Laguna Woods. Additionally, 42 percent of all households in Laguna Woods are seniors living alone.

Seniors may have a number of special needs including, housing, transportation, health care, and other services. Approximately 30 percent of Laguna Woods' senior population have one or more disability that may need to be taken into consideration when finding appropriate housing. Rising rents are a particular concern due to the fact that most seniors are on fixed incomes.

Laguna Woods is unique in that it predominantly comprises private communities that are age-restricted for adults 55 years and older. Of the housing units in Laguna Woods, the majority are located in the private gated community of Laguna Woods Village, with the remaining units in four separate communities. The various housing options, levels of amenities, and services provided at each of these communities are described below. There is a discrepancy of the total number of housing units located in Laguna Woods between City of Laguna Woods (City) records and the United States Census. It should be noted that the City's records, which reflect the numbers identified below, total 13,386, which is 988 more than what is identified by the United States Census (12,398 housing units).

- **Laguna Woods Village:** Laguna Woods Village contains 12,736 owned condominium and cooperative units. Owners within Laguna Woods Village pay a homeowners' association fee that is used to provide residents with public transportation, patrolled private security, clubhouses with special programs, and recreational activities. Also included within the Laguna Woods Village community are two golf courses for the private use of Laguna Woods Village residents.
- **Las Palmas:** Las Palmas is a licensed residential care community with 184 rental units. Services include the dispensing of medication and assistance with bathing, dressing, and other activities of daily living determined by a care plan tailored to specifically meet the individual needs of the residents. Amenities include meal service, transportation, housekeeping, laundry services, and access to recreational facilities, including a putting green, shuffleboard court, pool, and spa. Activity programs include regular trips to shopping centers and other destinations.
- **The Regency:** The Regency is a licensed residential care community that consists of 192 rental units for seniors and offers both independent and assisted living on a month-to-month basis. Services and amenities include daily meals, housekeeping, laundry services for bed and bath linens, scheduled transportation, group excursions, and social events. The Regency is the only residential community that, under unique circumstances, will accommodate individuals younger than 55 within its assisted living facility.
- **San Sebastian:** San Sebastian contains 134 rental units, including 17 affordable units for lower-income residents. San Sebastian is also an age-restricted independent living apartment facility; therefore, all of the affordable housing units at San Sebastian are reserved for seniors.

- **Whispering Fountains:** Whispering Fountains contains 140 rental units. Although age-restricted, the Fountains operates as an apartment community and does not provide assisted living services, special programs, or amenities.

Several resources for seniors exist in and near Laguna Woods and include the following:

- **Age Well Senior Services:** This nonprofit organization provides health and wellness programs, home delivery of meals, and nonemergency medical transit service to seniors in Laguna Woods. The organization operates the Florence Sylvester Memorial Senior Center in neighboring Laguna Hills, where it provides congregate meals, social services case management, senior activities and classes, information, and referral services.
- **Foundation of Laguna Woods Village:** This nonprofit organization partners with the Laguna Woods Village Social Services Department to provide temporary emergency financial assistance with supermarket cash cards, prescription payments, bill payments for utility services, medical and dental, caregiver and respite care services, taxi vouchers for travel to health care providers in Orange County, and gas cards to qualifying residents of Laguna Woods Village.
- **Helping Hands Senior Foundation:** This nonprofit organization provides social workers who can connect seniors with free or low-cost in-home health care, palliative care, adult day care, medical equipment, food assistance, and financial assistance resources, as well as provide support with navigating health insurance claims and payments.
- **Laguna Woods Village Social Services Department:** This private organization offers social workers who can help Laguna Woods Village residents with short-term counseling, crisis intervention, support groups, educational programs, long-term care planning, and resource referrals.
- **Orange County Housing Authority:** This government agency is responsible for administering federally funded programs that provide monthly rental assistance to qualified tenants, including low-income seniors, in privately owned rental housing in Orange County. The largest such program is referred to as the Housing Choice Voucher Program. Participants who receive a Housing Voucher can use this rental assistance in a variety of rental dwellings and locations with almost any property owner who is willing to participate in the program.

Based on the available resources in the community, there is no unmet need for senior housing.

1.2.3.3 Single-Parent Households

Single-parent households typically have a special need for such services as childcare and health care, among others, and often live with only one income. According to the 2014–2018 ACS, Laguna Woods did not have any single-parent households with young children (under the age of 18) (Table 1.J). Therefore, Laguna Woods does not have any unmet housing need for single-parent households, including female-headed households.

1.2.3.4 Persons with Disabilities

Under the Americans with Disabilities Act (ADA), an individual with a disability is defined as a person who has a physical or mental impairment that substantially limits one or more major life activities, a person who has a history or record of such an impairment, or a person who is perceived by others as having such an impairment.¹ Major life activities include, but are not limited to, caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating, and working.² Disabled persons often have special housing needs related to limited earning capacity, a lack of accessible and affordable housing, and higher health costs associated with a disability. In recognition of the fact that disabilities can affect a range of major life activities, the ACS questionnaire gathers data about six key disability types: hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care disability, and independent living difficulty. Table 1.K shows the number of Laguna Woods residents with a disability as well as the number of Laguna Woods residents 65 years of age or older that have a disability. According to the 2014–2018 ACS, an estimated 27 percent of Laguna Woods residents (4,364 persons) have one or more disabilities. Approximately 30 percent of the senior population have one or more disabilities.

Table 1.K: Disability Status

Disability Type	Persons with Disability	Percent of Total	Persons with Disability, Age 65+	Percent of Total
With a hearing difficulty	1,844	11.5%	1,733	13.1%
With a vision difficulty	705	4.4%	658	5.0%
With a cognitive difficulty	1,058	6.6%	925	7.0%
With an ambulatory difficulty	2,651	16.6%	2,473	18.7%
With a self-care difficulty	1,180	7.4%	1,123	8.5%
With an independent living difficulty	1,774	11.1%	1,650	12.5%
Total Persons with Disabilities	4,364	100.00%	3,972	100.00%

Source: 2019 ACS 5-year estimates (Table S1810)

Disabled individuals have unique housing needs because they may be limited in mobility or in their ability to care for themselves. In addition, the earning power of disabled persons may be limited. Their housing need is also often compounded by design and location requirements, which can drive up housing costs. For example, wheelchair-bound or semi-ambulatory individuals may require ramps, holding bars, special bathroom designs, wider doorways, lower cabinets, and other interior and exterior design features. Affordable housing and housing programs that address accessibility can assist these individuals with their specific housing needs.

¹ United States Department of Justice. 2020. A Guide to Disability Rights Laws. February. Website: <https://www.ada.gov/cguide.htm#anchor62335> (accessed April 23, 2021).

² United States Department of Labor. 2009. ADA Amendments Act of 2008 Frequently Asked Questions. January 1. Website: <https://www.dol.gov/agencies/ofccp/faqs/americans-with-disabilities-act-amendments#:~:text=Major%20life%20activities%20include%2C%20but,thinking%2C%20communicating%2C%20and%20working> (accessed April 23, 2021).

There are a number of housing types appropriate for people living with a disability: rent-subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, Housing Choice vouchers, special programs for home purchase, HUD housing, and group homes. The design of housing accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this needs group. Incorporating barrier-free design in all new multifamily housing (as required by California and federal fair housing laws) is especially important to provide the widest range of choices for disabled residents. Special consideration should also be given to the affordability of housing, as people with disabilities may be living on a fixed income.

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (that is, modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments.

The City does not require special building codes or onerous project review to construct, improve, or convert housing for persons with disabilities. Community care facilities with six or fewer persons are permitted by right in all residential zoning districts. Community care facilities with seven or more persons are permitted in all residential zoning districts, subject to Conditional Use Permit (CUP) approval. In addition, several housing types for persons with disabilities require a CUP that is no more stringent than those for other conditional uses:

- Congregate care facilities are permitted with an approved use permit in all residential zones and the Community Commercial (CC) zone.
- Family Day Care for 14 or fewer persons is also permitted in the Residential Multifamily (RMF) and Residential Community (RC) zones.

The City has adopted the 2019 California Building Code (CBC). Standards within the CBC include provisions to ensure accessibility for persons with disabilities. These standards are consistent with the Americans with Disabilities Act. No local amendments that would constrain accessibility or increase the cost of housing for persons with disabilities have been adopted.

As discussed previously, Laguna Woods has two residential care facilities that are licensed by the State Community Care Licensing Division of the California Department of Social Services: Las Palmas and the Regency.

1.2.3.5 Developmentally Disabled

According to California Welfare and Institutions Code Section 4512, a developmental disability means “a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. As defined by the Director of Developmental Services, in consultation with the Superintendent of Public Instruction, this term shall include intellectual disability, cerebral palsy, epilepsy, and autism. This

term shall also include disabling conditions found to be closely related to intellectual disability or to require treatment similar to that required for individuals with an intellectual disability, but shall not include other handicapping conditions that are solely physical in nature.”

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person’s living situation as a child to an appropriate level of independence as an adult.

The California Department of Developmental Services (DDS) estimates that 30 persons with developmental disabilities were residing in Laguna Woods as of December 2020. All of the individuals with developmental disabilities residing in Laguna Woods were over the age of 18, and the majority of the developmentally disabled individuals in Laguna Woods live in the home of their parent, family, or guardian.

The Regional Center of Orange County is one of 21 regional centers in the State that provides point of entry to services for people with developmental disabilities. The center is a private, nonprofit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

The most obvious housing need for persons with disabilities is housing that is adapted to their needs. Most single-family homes are inaccessible to people with mobility and sensory limitations. Housing may not be adaptable to widened doorways and hallways, access ramps, larger bathrooms, lowered countertops, and other features necessary for accessibility. Location of housing is also an important factor for many persons with disabilities, as they often rely upon public transportation to travel to necessary services and shops. “Barrier free design” housing, accessibility modifications, proximity to services and transit, and group living opportunities are important in serving this group.

Within Laguna Woods, there are services currently in place tailored to mobility-impaired individuals including private bus services and subsidized taxi service that supplement public transportation options. The City has also adopted a reasonable-accommodations ordinance designed to reduce barriers for special-needs populations.

1.2.3.6 Homelessness

In collaboration with other nonprofit organizations, the Orange County Department of Community Resources is responsible for the countywide biennial point-in-time homeless count. For the purpose of the point-in-time count, the definition of homelessness includes unsheltered individuals and families “with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground.” The count of sheltered homeless individuals and families includes those “living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate

shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals)” on the night designated for the count.

Based upon the 2019 point-in-time count, there were a total of 6,860 homeless individuals residing within Orange County, with 5 individuals counted in Laguna Woods. All of the homeless individuals within Laguna Woods were unsheltered, as there are no homeless shelters located within Laguna Woods. Since 2013, the homeless population in Orange County has steadily increased, with the largest increase occurring between 2017 and 2019 (43 percent increase). The 2019 Count indicated that all five of those counted within Laguna Woods were individuals and not part of a family unit experiencing homelessness.

People experiencing homelessness include families and individuals representing every race, age group, and community in Orange County. As the cost of living in Orange County and in all of Southern California continues to rise, and as unemployment remains high, homelessness has become more prevalent.

In the past, several factors have contributed to homelessness, including difficulty in obtaining employment, lack of ongoing care for the mentally ill, substance abuse, and inadequate education. In recent years, however, a shortage of affordable housing opportunities coincident with a growing population of low-income renters has added to the problem.

Residential care facilities, which are facilities for individuals who require 24-hour supervision but who do not generally need medical care beyond routine health checks and medication monitoring, are permitted in Laguna Woods in any district, planned community, or specific plan area zoned for residential uses. The State of California is the authority for licensing, inspection, and enforcement for community care facilities throughout California. The State has preempted local controls over certain types of residential care facilities.

The County of Orange coordinates a comprehensive regional Continuum of Care (CoC) system to address homelessness in Orange County. The CoC is a housing and service delivery system for the homeless and is designed to do the following:

- Promote communitywide commitment to the goal of ending homelessness through regional coordination and collaboration.
- Advocate for funding and resources to end homelessness and provide funding for proven efforts by nonprofit providers, states, and local governments to quickly rehouse people experiencing homelessness, while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness.
- Promote access to and effective utilization of mainstream programs by homeless individuals and families.
- Promote implementation of best practices and evidence-based approaches to homeless programming and services.

Other organizations and facilities in nearby or surrounding communities that may provide shelter and services to people experiencing homelessness in Laguna Woods are listed in Table 1.L. It should be noted that some of these facilities prioritize their services to people experiencing homelessness who have a relationship to the cities in which they are located.

Table 1.L: Local Facilities for Persons Experiencing Homelessness

Organization/Facility	Beds and/or Services Provided
Alternative Sleeping Location Emergency Shelter (operated by Friendship Shelter) 20652 Laguna Canyon Rd Laguna Beach, CA 92651 (949) 494-6928	Provides emergency night shelter for up to 45 people, a 30-day rapid housing program, as well as a drop-in day program between the hours of 10:00 a.m. and 1:00 p.m. This organization prioritizes services to those people experiencing homelessness who have a relationship to Laguna Beach.
Bridge Housing Program (operated by Friendship Shelter) PO Box 4252 Laguna Beach, CA 92652 (949) 494-6928	Provides dormitory-style housing for up to 32 people at a time, with all meals, case management, and an array of support services provided. Serves 120-140 individuals annually. This organization also provides a permanent supportive housing program intended for clients who are chronically homeless and are unable to work due to a disability, including physical or mental health conditions. Clients are housed in scattered-site apartments and receive ongoing supportive services from Friendship Shelter staff. This organization prioritizes services to those people experiencing homelessness who have a relationship to Laguna Beach.
Human Options 5540 Trabuco Road Irvine, CA 92620 (949) 737-5242	Provides emergency shelter for individuals or families in domestic violence situations seeking shelter. Serves approximately 350 adults and children annually. Services include individual and group counseling, case management, legal advocacy, and children's programs. Also provides a transitional housing program.
Laura's House 999 Corporate Drive, Suite 225 Ladera Ranch, CA 92694 (949) 361-3775	Provides emergency shelter (52 beds) for up to 45 days for individuals or families in domestic violence situations seeking shelter. Services include individual and group counseling, life skills classes, case management, legal advocacy, and children's programs. Also provides transitional housing for 5-7 families at a time for 3-6 months.
Orange County Rescue Mission One Hope Drive Tustin, CA 92782 (714) 247-4379	Provides transitional, recuperative, and emergency housing for up to 262 homeless men, women, and children. Services include medical and dental care, meals, job training, case management, substance abuse treatment, parent training, anger management training, mental health care assessment and treatment, housing assistance and placement, and life skills training.

Note: Compiled in 2021 by LSA based on information from <https://www.homelesshelterdirectory.org/> and the individual websites for each service provider.

1.2.3.7 Farmworkers

Farmworkers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural work. Farmworkers have special housing needs because they earn lower incomes than many other workers and move throughout the season from one harvest to the next. The 2015–2019 ACS estimates that there are no Laguna Woods residents who hold farming, fishing, or forestry occupations. There is no agriculturally designated land within Laguna Woods. Because

farmworkers make up no percentage of Laguna Woods' total population, no specific programs for this special-needs group are necessary.

1.3 HOUSING STOCK CHARACTERISTICS

This section identifies the characteristics of Laguna Woods' physical housing stock. This includes an analysis of housing growth trends, housing conditions, housing prices and rents, and housing affordability.

1.3.1 Housing Growth

Table 1.M shows housing production in Laguna Woods, compared to neighboring cities and Orange County as a whole. According to the California Department of Finance, Laguna Woods experienced a slight reduction in housing units between 2000 and 2010. This is in contrast to Orange County, which saw an almost 8 percent increase in housing stock over the same decade. The surrounding communities of Irvine and Lake Forest saw large amounts of new housing construction in the early 2000s.

Table 1.M: Regional Housing Growth Trends

Jurisdiction	Total Housing Units			Percent Change	
	2000	2010	2020	2000–2010	2010–2020
Laguna Woods	13,629	13,079	13,079	-4.0%	0.0%
Aliso Viejo	N/A	18,861	20,192	N/A	7.1%
Irvine	53,711	81,110	108,822	51.0%	34.2%
Laguna Beach	12,965	12,923	13,027	-0.3%	0.8%
Laguna Hills	10,324	10,989	11,298	6.4%	2.8%
Lake Forest	20,486	27,161	30,244	32.6%	11.4%
Orange County	969,484	1,046,118	1,111,421	7.9%	6.2%

Sources: (1) CA Dept. of Finance E-8 Historical Population and Housing Estimates, 2010.

(2) CA Dept. of Finance E-5 Population and Housing Unit Estimates, 2020.

N/A = Not Applicable

The California Department of Finance estimates that in 2020 there were 13,079 housing units within Laguna Woods. This has remained consistent since 2010. The increase in housing stock in Orange County was notably higher at 6 percent. As Laguna Woods is a maturing suburban community with primarily small site and infill development, it is expected that the increase in the housing stock in Laguna Woods would be modest and lower than the countywide rate.

1.3.2 Housing Type and Tenure

Table 1.N presents the mix of housing types in Laguna Woods. The California Department of Finance estimates that of the 13,079 units in Laguna Woods, 4,639 are single-family units (36 percent). Approximately 65 percent of Laguna Woods' housing stock is multifamily units. Laguna Woods also has no mobile home parks within its local housing stock. The composition of Laguna Woods' housing stock has remained relatively unchanged over the last two decades.

Table 1.N: Housing Units by Type (2000–2020)

Unit Type	2000		2010		2020	
	Units	Percent	Units	Percent	Units	Percent
Single-Family (SF) Detached	675	5.3%	918	7.0%	918	7.0%
SF Attached	3,726	29.4%	3,721	28.5%	3,721	28.5%
Total SF	4,401	34.8%	4,639	35.5%	4,639	35.5%
2 to 4 Units	2,298	18.2%	2,237	17.1%	2,237	17.1%
5 or more units	5,934	46.9%	6,203	47.4%	6,203	47.4%
Total Multi-Family	8,232	65.0%	8,440	64.5%	8,440	64.5%
Mobile Homes & Other	15	0.1%	0	0.0%	0	0.0%
Total Housing Units	12,657	100.0%	13,079	100.0%	13,079	100.0%
Vacancy Rate	7.52%	--	11.7%	--	10.8%	--

Sources: (1) U.S. Census Bureau, 2000 and 2010 Census

(2) CA Dept. of Finance E-5 Population and Housing Unit Estimates, 2020.

Housing tenure refers to whether a housing unit is owned, is rented, or is vacant. Tenure is an important indicator of the housing climate of a community, reflecting the relative cost of housing opportunities and the ability of residents to afford housing. Tenure also influences residential mobility, with owner units generally evidencing lower turnover rates than rental housing. Table 1.O indicates the total number of renter-occupied and owner-occupied housing units in Laguna Woods in 2010 and 2018. The ownership rate within Laguna Woods has declined slightly from 78 percent in 2010 to 74 percent in 2018. However, the homeownership rate continues to be higher than the countywide homeownership rate of 57 percent.

Table 1.O: Housing Tenure (2010 and 2018)

Occupied Housing Units	2010		2018	
	Households	Percent	Households	Percent
Renter	2,523	22.0%	2,851	25.6%
Owner	8,947	78.0%	8,305	74.4%
TOTAL	11,470	100%	11,156	100%

Source: 2010 and 2018 ACS 5-year estimates

1.3.3 Vacancy Rate

A vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. A vacancy rate of 5 percent for rental housing and 2 percent for ownership housing is generally considered healthy and suggests that there is a balance between the demand and supply of housing. A lower vacancy rate may indicate that households are having difficulty in finding housing that is affordable, leading to overcrowding or households having to pay more than they can afford. A low vacancy rate or a particularly tight housing market may also lead to high competition for units, raising rental and housing prices substantially.

The 2014–2018 ACS estimated that the vacancy rate for owner-occupied units was 2.3 percent, and the rental vacancy rate was 5.9 percent. These vacancy rates suggest a relatively healthy housing market for both residents looking to purchase a home and renters.

1.3.4 Housing Age and Condition

The age of a community's housing stock can provide an indicator of overall housing conditions. Typically, housing over 30 years in age is likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work, and other repairs. Table 1.P displays the age of occupied housing stock by tenure as of 2018. Over two-thirds of Laguna Woods' housing stock was built between 1960 and 1979. Of Laguna Woods' current housing stock, approximately 98 percent will be over 30 years old by the end of the 2021 to 2029 planning cycle. As a built-out community, Laguna Woods has a low proportion of newer units, with less than 0.8 percent built since 2000.

Table 1.P: Age of Housing Stock (2019)

Year Structure Built	Renter-Occupied Units		Owner-Occupied Units		Total Occupied Units	
	Number	Percent	Number	Percent	Number	Percent
2010 or later	12	0.4%	0	0.0%	12	0.1%
2000-2009	58	2.0%	14	0.2%	72	0.7%
1980-1999	377	12.9%	391	4.8%	768	7.0%
1960-1979	2,229	76.1%	6,874	85.1%	9,103	82.7%
1940-1959	254	8.7%	718	8.9%	972	8.8%
1939 or earlier	0	0.0%	76	0.9%	76	0.7%
Total	2,930	100.0%	8,073	100.0%	11,003	100.0%

Source: 2019 ACS 5-year estimates

A greater proportion of rental housing (12.9 percent) was constructed between 1980 and 1999, when compared to owner-occupied housing (4.8 percent). Conversely, a greater proportion of owner-occupied housing was constructed between 1960 and 1979 (85 percent), compared to renter-occupied housing (82 percent).

The City's code enforcement services provider indicated that the City opened 88 cases in 2019 and 123 cases in 2020, the majority of which related to commercial properties (87.5 percent in 2019 and 86.9 percent in 2020). Laguna Woods is a generally well-maintained community. Most of the City's housing stock is located within actively managed communities with boards or associations that ensure adequate maintenance. Consequently, there are few violations or complaints related to residential properties that require City intervention. Due to the City's relative lack of substandard housing and health and safety code violations, the City does not require any specialized code enforcement programs (e.g., occupancy inspection, rental inspection, or neighborhood enhancement).

1.3.5 Housing Costs and Affordability

The cost of housing is directly related to the extent of housing problems in a community. If housing costs are relatively high in comparison to household income, there will be a higher prevalence of overpayment and overcrowding. This section summarizes the cost and affordability of the housing stock to Laguna Woods residents.

1.3.5.1 Rental Housing Market

According to the 2014–2018 ACS, the rental vacancy rate in Laguna Woods was 5.9 percent, indicating a tight rental market in Laguna Woods. A point-in-time survey of available rental units within Laguna Woods listed on Zillow and Apartments.com was conducted in early April 2021. While not comprehensive, it provides a snapshot of the types of units available, as well as typical market rents. Table 1.Q includes the results of the survey by number of bedrooms.

**Table 1.Q: Median and Average Market Rents by Number of Bedrooms
(April 2021)**

Number of Bedrooms	Units Advertised	Rent Range	Average Rent	Median Rent
0	2	\$2,320-\$2,520	\$2,420	\$2,420
1	16	\$1,550-\$2,700	\$2,039	\$1,825
2	58	\$2,150-\$3,950	\$2,378	\$2,200
3	5	\$2,400-\$3,950	\$2,964	\$2,895
All Units	81	\$1,550-\$3,950	\$2,349	\$2,200

Source: Zillow.com and Apartments.com, accessed April 9, 2021.

A total of 81 units were listed for rent, with a median rent of \$2,200. Two-bedroom units were the most prevalently available in Laguna Woods, with rents ranging from \$2,150 to \$3,950 and a median rent of \$2,200.

1.3.5.2 Homeownership Market

Table 1.R shows median home sale prices over 2 years for Laguna Woods and nearby communities. The February 2021 median home sales price in Laguna Woods represented a 14.5 percent decrease from February 2020. In contrast, Orange County as a whole experienced an increase in median sales prices during that time period, and many neighboring jurisdictions also saw only slight to moderate increases. With the exception of Laguna Woods, all of the communities listed experienced an increase in home sale prices between February 2020 and February 2021, with Aliso Viejo and Laguna Beach seeing double-digit increases. In February 2021, the median home sales price for Laguna Woods was \$325,000, representing a decrease of over 14 percent from February 2020. Given that this price decline is somewhat anomalous in comparison to other nearby cities, it may be tied to the severe impacts that the COVID-19 pandemic has had on the senior population.

Table 1.R: Annual Median Home Prices (2020–2021)

Jurisdiction	February 2020 Median Sales Price	February 2021 Median Sales Price	Percent Change 2020-2021
Laguna Woods	\$380,000	\$325,000	-14.5%
Aliso Viejo	\$545,000	\$675,000	23.9%
Irvine	\$871,500	\$900,000	3.3%
Laguna Beach	\$1,972,500	\$2,230,000	13.1%
Laguna Hills	\$785,000	\$813,000	3.6%
Lake Forest	\$742,000	\$789,000	6.3%
Orange County	\$748,500	\$820,000	9.6%

Source: Corelogic.com, California Home Sale Activity by City, February 2021.

1.3.5.3 Housing Affordability

The affordability of housing in Laguna Woods can be assessed by comparing market rents and sales prices with the amount that households of different income levels can afford to pay for housing. Compared together, this information can reveal who can afford what size and type of housing as well as indicate the type of households that would most likely experience overcrowding or overpayment.

Table 1.S provides estimates of affordable rents and home prices based on HCD's 2020 income limits for Orange County; current mortgage rates (i.e., 3.0 percent for a 30-year fixed-rate mortgage); and cost assumptions for utilities, taxes and insurance.

Based on the housing costs presented earlier in Table 1.R, Laguna Woods residents with lower incomes are unable to afford purchasing a home in Laguna Woods. Additionally, based on the overall median rent presented in Table 1.Q, affordable rentals for lower-income households are difficult to find in Laguna Woods.

Extremely Low-Income Households. Extremely low-income households earn 30 percent or less of the AMI. Based on the assumptions utilized for Table 1.S, the affordable home price for an extremely low-income household ranges from \$83,263 for a one-person household to \$90,972 for a five-person household; therefore, homeownership is out of reach for Laguna Woods residents within this income category. Affordable rents for extremely low-income households range from \$475 to \$582 per month. Based on the median rents presented in Table 1.Q, even one-bedroom units are unaffordable for all extremely low-income households. Severe overpayment or overcrowding may occur as a result of the gap between market costs and affordability.

Very Low-Income Households. Very low-income households earn between 30 percent and 50 percent of the AMI. Very low-income households can afford between \$922 and \$1,273 on monthly rent, depending on household size. However, based on the market rents presented in Table 1.Q, rental units of any size in Laguna Woods would require a very low-income household to pay over the affordability threshold of 30 percent. Home ownership is also unaffordable for very low-income households in Laguna Woods, with affordable home prices for this income category ranging from \$159,922 to \$209,386, well below Laguna Woods' median home sales price of \$325,000 in February 2021.

Table 1.S: Estimated Affordable Housing Price by Income and Household Size (2020)

	Annual Income Limits	Affordable Monthly Housing Cost	Utility Allowance (2020)	Taxes, Insurance and HOA	Affordable Home Price	Affordable Rent
Extremely Low Income (0-30% AMI)						
1-Person (studio)	\$26,950	\$674	\$199	\$236	\$83,263	\$475
2-Person (1 bedroom)	\$30,800	\$770	\$222	\$270	\$88,682	\$548
3-Person (2 bedroom)	\$34,650	\$866	\$293	\$303	\$92,520	\$573
4 Person (3 bedroom)	\$38,450	\$961	\$372	\$336	\$92,982	\$589
5 Person (4 bedroom)	\$41,550	\$1,039	\$457	\$364	\$90,972	\$582
Very Low Income (30-50% AMI)						
1-Person	\$44,850	\$1,121	\$199	\$392	\$159,922	\$922
2-Person	\$51,250	\$1,281	\$222	\$448	\$176,261	\$1,059
3-Person	\$57,650	\$1,441	\$293	\$504	\$191,020	\$1,148
4 Person	\$64,050	\$1,601	\$372	\$560	\$202,616	\$1,229
5 Person	\$69,200	\$1,730	\$457	\$606	\$209,386	\$1,273
Low Income (50-80% AMI)						
1-Person	\$71,750	\$1,794	\$199	\$628	\$275,123	\$1,595
2-Person	\$82,000	\$2,050	\$222	\$718	\$307,951	\$1,828
3-Person	\$92,250	\$2,306	\$293	\$807	\$339,197	\$2,013
4 Person	\$102,450	\$2,561	\$372	\$896	\$367,067	\$2,189
5 Person	\$110,650	\$2,766	\$457	\$968	\$386,899	\$2,309
Median Income (80-100% AMI)						
1-Person	\$72,100	\$1,803	\$199	\$631	\$276,622	\$1,604
2-Person	\$82,400	\$2,060	\$222	\$721	\$309,664	\$1,838
3-Person	\$92,700	\$2,318	\$293	\$811	\$341,124	\$2,025
4 Person	\$103,000	\$2,575	\$372	\$901	\$369,422	\$2,203
5 Person	\$111,250	\$2,781	\$457	\$973	\$389,468	\$2,324
Moderate Income (100-120% AMI)						
1-Person	\$86,500	\$2,163	\$199	\$757	\$338,291	\$1,964
2-Person	\$98,900	\$2,473	\$222	\$865	\$380,327	\$2,251
3-Person	\$111,250	\$2,781	\$293	\$973	\$420,566	\$2,488
4 Person	\$123,600	\$3,090	\$372	\$1,082	\$457,644	\$2,718
5 Person	\$133,500	\$3,338	\$457	\$1,168	\$484,756	\$2,881

Sources: (1) HCD, 2020

(2) Orange County Housing and Community Development Utility Allowance Schedule, December 2020

(3) LSA Associates, Inc., 2021

Assumptions: 2020 HCD income limits; 30.0% gross household income as affordable housing cost; 35.0% of monthly affordable cost for taxes and insurance, 10% down payment; and 3.0% interest rate for a 30-year fixed-rate mortgage loan. Utilities based on Orange County Housing and Community Development Utility Allowance Schedule.

AMI = Annual Median Income

HOA = Homeowners Association

Low-Income Households. Low-income households earn between 50 and 80 percent of the AMI. Depending on household size, a low-income household can afford monthly rent between \$1,595 and \$2,309. Based on the market rents in listed Table 1.Q, low-income households would generally be able to afford one-bedroom units in Laguna Woods. However, larger rental units are still unaffordable for this income category, which may result in overpayment or overcrowding due to larger families renting smaller units. Based on Table 1.S, low-income households can afford home sale prices between \$275,123 and \$386,899. Therefore, homeownership remains largely out of

reach for this income group when compared with Laguna Woods' median home sales price as low-income households may only be able to afford the purchase of a small home.

Median-Income Households. Median-income households earn between 80 and 100 percent of the AMI. Median-income households can afford purchase a home with a purchase price ranging from \$276,622 to \$389,468. With Laguna Woods' median home sales price at \$325,000 in February 2021, homeownership is affordable for median-income households seeking a smaller home. Median-income households can afford a monthly rent payment ranging from \$1,604 for a one-person household to \$2,324 for a five-person household. Based on median market rents within Laguna Woods, median-income households can generally afford one- and two-bedroom rental units, and larger households may be able to afford some lower-priced three-bedroom units. However, four- and five-person households may be overcrowded into smaller units or overpay to afford an appropriately sized unit.

Moderate-Income Households. Moderate-income households earn 100 to 120 percent of the AMI. Moderate-income households can afford a home sales price ranging from \$338,291 to \$484,756. Therefore, with the median home sales price in Laguna Woods at \$325,000 in February 2021, homeownership is affordable to households with moderate incomes. Moderate-income households can afford monthly rent from \$1,964 for a one-person household to \$2,881 for a five-person household. Based on the market rents presented in Table 1.Q, moderate-income households can generally afford one-, two-, and three-bedroom units within Laguna Woods.

1.3.6 Assisted Housing at Risk of Conversion

State Housing Element law requires an analysis of the potential for currently rent-restricted low-income housing units to convert to market rate housing and to propose programs to preserve or replace any units "at risk" of conversion. This section presents an inventory of all assisted rental housing in Laguna Woods and evaluates those units at risk of conversion during the 8-year 2021 to 2029 planning period.

1.3.6.1 Assisted Housing Inventory

Laguna Woods contains one development of assisted multifamily rental housing with 17 affordable units, as presented in Table 1.T. This inventory includes all multifamily rental units assisted under federal, State, and local programs, including HUD, State/local bond programs, density bonus, inclusionary, and local direct assistance programs. As no units within Laguna Woods are at risk of conversion to market rate units in 10 years or less, an analysis has not been conducted to evaluate the replacement value, qualified entities to manage such a project, or potential funding sources for at-risk units.

Table 1.T: Inventory of Subsidized Rental Housing for Lower Income Households

Project Name	Tenant Type	Total Units	Affordable Units	Applicable Programs	Potential Conversion Date
Not At-Risk					
San Sebastian	Senior	134	17	Density Bonus	October 16, 2054
Total		134	17		

1.3.7 Existing Housing Needs

1.3.7.1 Overpayment

Overpayment remains a critical issue for many Laguna Woods residents, particularly renters and lower-income households. Affordability problems occur when housing costs become so high in relation to income that households have to pay an excessive proportion of their income for housing. According to the metric utilized by HUD, a household is cost burdened if housing costs (including utilities) exceed 30 percent of gross household income. Severe cost burden occurs when housing costs exceed 50 percent of gross income.

Table 1.U indicates the number of cost-burdened households within Laguna Woods by tenure. As shown in Table 1.U, overpayment impacts 70 percent of renter households and nearly 41 percent of owner households. More renter households are also impacted by severe cost burden (45 percent), compared to owner households (22 percent).

Table 1.U: Cost Burden by Tenure

	Renter Households		Owner Households		Total Households	
	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total
With Cost Burden >30%	1,885	70.1%	3,475	40.6%	5,360	47.6%
With Cost Burden >50%	1,210	45.0%	1,875	21.9%	3,085	27.4%
Total	2,690	100.0%	8,560	100.0%	11,250	100.0%

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2017 ACS 5-year estimates

ACS = American Community Survey

HUD = United States Department of Housing and Urban Development

Table 1.V provides more detailed information on cost burden by income group, tenure, and household type. Overall, cost burden tends to impact proportionately more senior renters than senior homeowners, with the exception of low-income senior renters. Rates of overpayment for small families who rent were 100 percent in the very low and low-income categories. Extremely low-income small-family households who own their own homes are also heavily impacted, with 97 percent experiencing a cost burden and 83 percent experiencing a severe cost burden. As described earlier, Laguna Woods has very few large-family households. Of the few large-family households in Laguna Woods, none are affected by a high cost burden.

Table 1.V: Cost Burden by Income Level, Tenure, and Household Type

Income Group	Cost Burden	Seniors			Small Family			Large Family		
		>30%	>50%	Total	>30%	>50%	Total	>30%	>50%	Total
Extremely Low (≤ 30% HAMFI ²)	Owner	79%	69%	1865	97%	83%	30	0%	0%	0
	Renter	87%	86%	800	0%	0%	0	0%	0%	0
Very Low (31-50% HAMFI)	Owner	52%	16%	1750	0%	0%	0	0%	0%	0
	Renter	77%	57%	635	100%	100%	4	0%	0%	0
Low (51-80% HAMFI)	Owner	25%	6%	1780	0%	0%	50	0%	0%	0
	Renter	85%	19%	455	100%	0%	20	0%	0%	0
Moderate (81-100% HAMFI)	Owner	15%	3%	965	13%	0%	75	0%	0%	0
	Renter	65%	0%	200	0%	0%	15	0%	0%	0
Above Moderate (>100% HAMFI)	Owner	3%	0%	1580	0%	0%	105	0%	0%	0
	Renter	3%	0%	375	0%	0%	15	0%	0%	0

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2017 ACS 5-year estimates

¹ Data presented in this table are based on special tabulations from the ACS data. Due to the small sample size, the margins for error can be significant. Interpretations of these data should focus on the proportion of households in need of assistance rather than on precise numbers.

² HAMFI = HUD Area Median Family Income

ACS = American Community Survey

HUD = United States Department of Housing and Urban Development

1.3.7.2 Overcrowding

The United States Census defines overcrowding as an average of more than one person per room in a housing unit, including the living and dining room but excluding kitchens, bathrooms, and hallways. Severe overcrowding occurs when a unit is occupied by more than 1.5 persons per room. The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units. Overcrowding can also occur when housing costs are high in relation to income and families are forced to live together in order to pool income to pay the rent or mortgage. Table 1.W shows the incidence of overcrowding in Laguna Woods by tenure, as estimated by the 2014–2018 ACS.

As shown in Table 1.W, an estimated total of 13 households experienced overcrowding in Laguna Woods in 2018, representing just under 0.1 percent of all households in Laguna Woods. Countywide, approximately 9 percent of households experienced overcrowded conditions. All 13 of the households in Laguna Woods that experience overcrowding are in the severe overcrowding category.

Table 1.W: Overcrowding by Tenure

Overcrowding	Laguna Woods		Orange County	
	Number	Percent of Total	Number	Percent of Total
Owner Occupied Units	8,305	100.0%	592,269	100.0%
Not Overcrowded (1.00 or Less Occupants/Room)	8,292	99.8%	570,469	96.3%
Overcrowded				
1.01 to 1.50 Occupants/Room	0	0.0%	15,731	2.7%
1.51 or More Occupants/Room	13	0.2%	6,069	1.0%
Renter Occupied Units	2,851	100.0%	440,104	100.0%
Not Overcrowded (1.00 or Less Occupants/Room)	2,851	100.0%	370,391	84.2%
Overcrowded				
1.01 to 1.50 Occupants/Room	0	0.0%	43,900	10.0%
1.51 or More Occupants/Room	0	0.0%	25,813	5.9%
Total Overcrowded	13	0.1%	91,513	8.9%

Source: 2018 ACS 5-year estimates

1.4 AFFIRMATIVELY FURTHERING FAIR HOUSING

In January 2019, Assembly Bill (AB) 686 introduced an obligation to affirmatively further fair housing (AFFH) into California state law. AB 686 defined “affirmatively further fair housing” to mean “taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity” for persons of color, persons with disabilities, and other protected classes. AB 686 added an assessment of fair housing to the Housing Element that includes the following components: a summary of fair housing issues and assessment of local fair housing enforcement and outreach capacity, an analysis of segregation patterns and disparities in access to opportunities, an assessment of contributing factors, and an identification of fair housing goals and actions.

To assist in this analysis, HCD and the California Tax Credit Allocation Committee (TCAC) convened the California Fair Housing Task Force to “provide research, evidence-based policy recommendations, and other strategic recommendations to HCD and other related state agencies/departments to further the fair housing goals (as defined by HCD).” The California Fair Housing Task Force has created Opportunity Maps to identify resource levels across the state “to accompany new policies aimed at increasing access to high opportunity areas for families with children in housing financed with 9% Low Income Housing Tax Credits (LIHTCs).” These opportunity maps are made from composite scores of four different domains made up of a set of indicators. Table 1.X shows the full list of indicators.

Table 1.X: Domains and Lists of Indicators for Opportunity Maps

Domain	Indicator
Economic	<ul style="list-style-type: none"> • Poverty • Adult education • Employment • Job proximity • Median home value
Environmental	<ul style="list-style-type: none"> • CalEnviroScreen 3.0 pollution Indicators and values
Education	<ul style="list-style-type: none"> • Math proficiency • Reading proficiency • High School graduation rates • Student poverty rates
Poverty and Racial Segregation	<ul style="list-style-type: none"> • Poverty: tracts with at least 30% of population under federal poverty line • Racial Segregation: Tracts with location quotient higher than 1.25 for Blacks, Hispanics, Asians, or all people of color in comparison to the County

Source: California Fair Housing Task Force, Methodology for the 2020 TCAC/HCD Opportunity Maps, June 2020

1.4.1 Fair Housing Issues

1.4.1.1 Discrimination

The Fair Housing Council of Orange County (FHCOC) works to ensure equal access to housing opportunities and elimination of housing discrimination by providing services throughout Orange County including community education, individual counseling, mediation, and low-cost advocacy. Questions received by the City regarding potential housing discrimination are referred to the FHCOC. The City does not have a record of the number of issues or complaints within Laguna Woods that the FHCOC has addressed.

1.4.1.2 Patterns of Segregation and Minority Concentrations

Ethnic and racial composition of a region is useful in analyzing housing demand and any related fair housing concerns, as it tends to demonstrate a relationship with other characteristics such as household size, locational preferences, and mobility. According to the California Fair Housing Task Force Opportunity Maps, none of the census tracts within Laguna Woods are designated as areas with high segregation and poverty.

1.4.1.3 Access to Opportunities

Table 1.Y shows the California Fair Housing Task Force Opportunity Map composite scores, domain scores, and categorization for all eight of the census tracts that are partially or entirely within Laguna Woods. The majority of the census tracts within Laguna Woods are categorized as Low Resource areas. There are three census tracts within Laguna Woods that are categorized as Moderate Resource areas (of these, two are “Rapidly Changing”) and one census tract (Census Tract 626.49) is categorized as a High Resource area. Census Tract 626.49 is located in the westernmost portion of Laguna Woods (west of Avenida Sosiega) adjacent to the Woods End Wilderness Preserve.

Table 1.Y: Opportunity Map Scores and Categorization (2020)

Census Tract	Economic Domain Score	Environmental Domain Score	Education Domain Score	Composite Index Score	Final Category
626.21	0.74	0.516	0.38	0.029	Moderate Resource (Rapidly Changing)
626.22	0.005	0.542	0.203	-0.63	Low Resource
626.25	0.132	0.787	0.503	-0.064	Moderate Resource
626.41	0.598	0.821	0.442	0.144	Moderate Resource (Rapidly Changing)
626.46	0.021	0.799	0.291	-0.423	Low Resource
626.47	0.127	0.511	0.343	-0.335	Low Resource
626.48	0.002	0.925	0.388	-0.439	Low Resource
626.49	0.34	0.882	0.7	0.283	High Resource

Source: California Fair Housing Task Force, TCAC/HCD Opportunity Maps, 2020 Statewide Summary Table

Access to high-quality public transportation can also be looked at as an indicator of access to opportunities. AllTransit is a database created by the Center for Neighborhood Technology to explore metrics that reveal the social and economic impact of transit, specifically looking at connectivity, access to jobs, and frequency of service. AllTransit's overall evaluation was that Laguna Woods had a low combination of trips per week and number of accessible jobs, enabling few people to take transit to work. Specifically, while the vast majority of jobs within Laguna Woods are located within 0.5 mile of transit and Laguna Woods residents can access over 90,000 jobs within a 30-minute transit commute, the transit quality within Laguna Woods is low. There are only four transit routes within Laguna Woods, and none of them offer high-frequency service as defined by AllTransit, making commuting by means of public transportation difficult.

The California Office of Environmental Health Hazard Assessment (OEHHA) developed a screening methodology to help identify California communities disproportionately burdened by multiple sources of pollution, called the California Communities Environmental Health Screening Tool (CalEnviroScreen). High-scoring communities tend to be more burdened by pollution from multiple sources and most vulnerable to its effects, taking into account their socioeconomic characteristics and underlying health status. Scores for census tracts within Laguna Woods are listed in Table 1.Z. Scores for Laguna Woods range between 4.81 and 28.08, which are relatively low. The highest-scoring area within Laguna Woods is the census tract on the southeast side of Laguna Woods near Interstate 5 (Census Tract 626.47).

Table 1.Z: CalEnviroScreen Scores by Census Tract (2020)

Census Tract	CalEnviroScreen Score	CalEnviroScreen Percentile
626.21	6.37	21
626.22	15.18	37
626.25	12.47	37
626.41	4.81	18
626.46	18.9	44
626.47	28.08	54
626.48	10.56	32
626.49	6.30	22

Source: CA Office of Environmental Health Hazard Assessment (OEHHA), CalEnviroScreen 4.0 Draft

1.5 REGIONAL HOUSING NEEDS

State law requires all regional councils of governments to determine the existing and projected housing need for its region and determine the portion allocated to each jurisdiction. This is known as the RHNA process. State Housing Element law requires that each city and county develop local housing programs to meet its “fair share” of existing and future housing needs for all income groups, as determined by the jurisdiction’s Council of Governments. This fair-share allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs not only of its resident population but also for the jurisdiction’s projected share of regional housing growth across all income categories. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units that would have to be added to compensate for anticipated demolitions and changes to achieve an “ideal” vacancy rate.

In the six-county Southern California region, which includes Laguna Woods, the agency responsible for assigning these regional housing needs to each jurisdiction is SCAG. The regional growth allocation process begins with the California Department of Finance’s projection of statewide housing demand for a 5-year planning period, which is then apportioned by HCD among each of the State’s official regions. SCAG has determined the projected housing need for its region for the 2021 to 2029 Housing Element cycle and has allocated this housing need to each jurisdiction by income category through the RHNA process. The RHNA represents the minimum number of housing units each community is required to provide “adequate sites” for through zoning, and is one of the primary threshold criteria necessary to achieve HCD certification of the Housing Element.

In allocating the region’s future housing needs to jurisdictions, SCAG is required to take the following factors into consideration:

- Market demand for housing
- Employment opportunities
- Availability of suitable sites and public facilities
- Commuting patterns
- Type and tenure of housing
- Loss of units in assisted housing developments
- Overconcentration of lower-income households
- Geological and topographical constraints

As defined by the RHNA process, Laguna Woods’ new construction need for the 2021 to 2029 planning period has been established at 997 new units, distributed among the four income categories as shown in Table 1.AA. The City will continue to provide sites for a mix of single-family, multifamily and mixed-use housing, supported by a variety of programs to enhance affordability, to accommodate its RHNA and contribute toward addressing the growing demand for housing in the Southern California region.

Table 1.AA: Regional Housing Needs Assessment, 2021–2029

Income Level	Number of Units	Percent of Total RHNA
Very Low* (<50% of AMI)	127	12.7%
Low (50-80% of AMI)	136	13.6%
Moderate (80-120% of AMI)	192	19.3%
Above Moderate (>120% of AMI)	542	54.4%
Total	997	100%

AMI = Annual Median Income

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