



## INTRODUCTION

California Government Code Section 65300 requires each city to adopt a comprehensive, long-term general plan to guide physical development. The Laguna Woods General Plan reflects the City of Laguna Woods' intentions about land use and its relationship to circulation, conservation, housing, noise, open space, and safety. This element identifies priority housing issues in Laguna Woods and sets forth goals and policies to achieve balance between the needs of the community and future development.

## PURPOSE AND SCOPE

State law requires that general plans include a housing element, as follows:

**California Government Code Section 65302(c):** [The general plan must include] a housing element as provided in [California Government Code] Article 10.6 (commencing with Section 65580).

**California Government Code Section 65583:** The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobile-homes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community.

California Government Code Section 65583(a)(3) specifically requires that housing elements include “an inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality’s housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites.” For the purpose of that requirement, “housing needs for a designated income level” are quantified through the Regional Housing Needs Assessment (RHNA), which is discussed further in this element.

Additional statutory requirements related to the development and adoption



of housing elements are contained in California Government Code sections 65580 through 65589.

This element addresses the following priority issues:

- Housing development
- Housing conservation
- Affirmatively furthering fair housing
- Housing element implementation

## REGIONAL HOUSING NEEDS ASSESSMENT

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, including updating of housing elements.

The RHNA process is foundational to this element and, as such, the following information is provided to promote clarity and a common understanding of both the RHNA process and the City's associated obligations.

### FREQUENTLY ASKED QUESTIONS

*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 on March 24, 1999, the County of Orange was responsible for RHNA compliance and land use planning in Laguna Woods. Beginning on March 24, 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 allocates HCD's determination between individual cities and unincorporated areas. For the current 6th Cycle RHNA process (10/2021 - 10/2029 planning period), SCAG's allocation 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).

**Table H-1** summarizes the City's current housing needs allocation.

**Table H-1: 6th Cycle RHNA Housing Needs Allocation**

| Income Level          | Number of Units |
|-----------------------|-----------------|
| Very-low income       | 127             |
| Low income            | 136             |
| Moderate income       | 192             |
| Above-moderate income | 542             |
| <b>Total</b>          | <b>997</b>      |

*What does the RHNA process require of the City?*

The City is required to zone sufficient land to allow for the construction of new housing units to meet its housing needs 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 most recent update due on October 15, 2021. Prior to adopting an updated General Plan Housing Element, the City is required to demonstrate to HCD that the update adequately plans for the City’s housing needs allocation and otherwise complies with applicable 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 roads, 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 private 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 was only provided for housing units approved, permitted, or built on or after June 30, 2021.

## **AFFIRMATIVELY FURTHERING FAIR HOUSING**

California Assembly Bill 686 (2018) chaptered into law an obligation for cities and other public agencies to “administer [...] programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and take no action that is materially inconsistent with its obligation to affirmatively further fair housing.” California Government Code Section 8899.50(a)(1) defines “affirmatively furthering fair housing” as “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 based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining



compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency's activities and programs relating to housing and community development."

## GOALS, POLICY OBJECTIVES, AND PROGRAMS

This element is organized to be consistent with the other elements of the Laguna Woods General Plan. Goals and policy objectives provide declarative statements that set forth the City's approach to each of the priority issues.

**Goals:** General statements of desired outcomes.

**Policy Objectives:** Specific commitments to support decisions and actions consistent with a stated goal. Policy objectives provide guidance to the City Council, City advisory committees, and City staff when reviewing development applications and making other decisions that affect growth, conservation, and development.

As required by California Government Code Section 65583(c), this element also identifies programs that the City is undertaking or intends to undertake to implement the policy objectives and achieve the goals and policy objectives of the housing element during the planning period (10/2021 - 10/2029).

### Priority Issue 1. HOUSING DEVELOPMENT.

*Goal H-1. Enable the development of housing necessary to accommodate current and projected housing needs, including for lower-income households and other special needs populations.*

*Policy Objective H-1.1. Make sites available to accommodate current and projected housing needs for groups at all income levels, in accordance with California Government Code Section 65583(c)(1).*

*Program H-1.1.1. Rezone the 17 potential housing sites identified in the Housing Sites Inventory and Analysis (Exhibit C) to accommodate the City's housing needs allocation (Table H-1).*

Primary Responsibility: Planning & Environmental Services Department



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Anticipated Timeline: Calendar Year 2022  
Anticipated Funding: California Senate Bill 2 (2017) Planning Grant  
Quantified Objectives: See Table ~~F~~G in Exhibit C

Note: The rezoning process will ~~also~~ include the creation of four new overlay zoning districts and the adoption of minimum density and development standards for each. Specific commitments in the rezoning process include, but are not limited to, (1) permitting housing projects by right as required by state law, (2) permitting owner-occupied and rental multifamily uses by right for housing projects in which 20% or more of the housing units are affordable for lower-income households, (3) establishing densities for each potential housing site as specified in Table G in Exhibit C, and (4) allowing the development of housing projects as standalone uses on each potential housing site.

*Policy Objective H-1.2.* Assist in the development of adequate housing to meet the needs of extremely low, very low, low-, and moderate-income households.

*Program H-1.2.1.* Prepare and maintain a webpage with information related to the 17 potential housing sites identified in the Housing Sites Inventory and Analysis (Exhibit C), including a Geographic Information System (GIS) map layer with geospatial information.

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2022  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Webpage and GIS Map Layer

*Program H-1.2.2.* Conduct a market study and then amend the existing inclusionary housing ordinance to modify the minimum percentages of new housing units that must be deed-restricted for extremely low, very low, and low-income households, as feasible and advantageous to promote the development of affordable housing.

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2022  
Anticipated Funding: General Fund  
Quantified Objectives: Market Study and Conforming Ordinance



Note: In accordance with HCD's "Housing Element Site Inventory Guidebook Government Code Section 65583.2" memorandum dated June 10, 2020, amendment of the ordinance will follow consultation with both for-profit and nonprofit developers to determine an appropriate mix of incomes that make development feasible in Laguna Woods. The City will also consult with housing advocates. When applied to rental housing, the ordinance will include options for the developer to meet the inclusionary requirements other than exclusively requiring building affordable units on site.

*Program H-1.2.3.* Adopt an ordinance creating an expedited and fee-reduced lot consolidation process for consolidations involving any one or more of the 17 potential housing sites identified in the Housing Sites Inventory and Analysis (Exhibit C) for the purpose of developing housing projects in which at least 5% of housing units are affordable for extremely low income households; at least 10% of housing units are affordable for very low or low-income households; or, at least 50% of housing units are affordable for moderate-income households. To be eligible, the housing units shall be subject to an affordability covenant for at least 55 years.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year 2022

Anticipated Funding: General Fund

Quantified Objectives: Conforming Ordinance

*Program H-1.2.4.* Adopt an ordinance waiving or reducing City building permit fees for housing projects in which at least 5% of housing units are affordable for extremely low income households; at least 10% of housing units are affordable for very low or low-income households; or, at least 50% of housing units are affordable for moderate-income households. To be eligible, the housing units shall be subject to an affordability covenant for at least 55 years.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year 2022

Anticipated Funding: General Fund

Quantified Objectives: Conforming Ordinance

*Program H-1.2.5.* ~~Amend the existing affordable housing density bonus~~



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~~ordinance for consistency with Assembly Bill 2345 (2020). Amend various, existing housing-related provisions of the Laguna Woods Municipal Code to promote regulatory clarity.~~

- ~~• Section 13.23.030(a)(2)c. Delete “private living space.”~~

~~Note: The language identified for deletion is duplicative within Laguna Woods Municipal Code Chapter 13.23 and is not intended to constrain the development of emergency shelters in a manner that would conflict with Assembly Bill 139 (2019).~~

- ~~• Section TBD. Explicitly identify that low-barrier navigation centers are permitted by right in zoning districts where multifamily and mixed uses are permitted, including nonresidential zoning districts permitting multifamily uses pursuant to California Government Code Section 65660.~~

~~Note: The City is required to comply with California Government Code Section 65660 irrespective of whether explicit language is adopted as part of the Laguna Woods Municipal Code.~~

- ~~• Section TBD. Explicitly identify that zoning is consistent with the Employee Housing Act (California Health and Safety Code Section 17000 et seq.), specifically sections 17021.5 and 17021.6.~~

~~Note: The City is required to comply with the Employee Housing Act irrespective of whether explicit language is adopted as part of the Laguna Woods Municipal Code.~~

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year 2021-2022

Anticipated Funding: General Fund

Quantified Objectives: Conforming Ordinance

~~Note: The City is required to comply with Assembly Bill 2345 (2020) regardless of whether its existing affordable housing density bonus ordinance is amended for consistency. Amending the ordinance will promote regulatory clarity.~~

Program H-1.2.6. Continue to maintain website information regarding fees, exactions, and affordability requirements imposed by the City that are applicable to housing development projects, in accordance with California Government Code Section 65940.1.



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Primary Responsibility:    Planning & Environmental Services Department

Anticipated Timeline:    Ongoing

Anticipated Funding:    General Fund

Quantified Objectives:    Conforming Website Information

*Policy Objective H-1.3.* Provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities.

*Program H-1.3.1.* Continue to consider transitional housing a residential use of property, subject only to those restrictions that apply to other residential dwellings of the same type in the same zoning district.

Primary Responsibility:    Planning & Environmental Services Department

Anticipated Timeline:    Ongoing

Anticipated Funding:    General Fund

Quantified Objectives:    Conforming Ordinance

*Program H-1.3.2.* Continue to consider supportive housing a residential use of property, subject only to those restrictions that apply to other residential dwellings of the same type in the same zoning district.

Primary Responsibility:    Planning & Environmental Services Department

Anticipated Timeline:    Ongoing

Anticipated Funding:    General Fund

Quantified Objectives:    Conforming Ordinance

*Program H-1.3.3.* Continue to allow supportive housing, as defined by California Government Code Section 65650, as a use permitted by right in all zoning districts where multifamily and mixed uses are permitted, as provided in California Government Code Article 11 (commencing with Section 65650).

Primary Responsibility:    Planning & Environmental Services Department

Anticipated Timeline:    Ongoing

Anticipated Funding:    General Fund



Quantified Objectives: Conforming Ordinance

Program H-1.3.4. Amend various, existing housing-related provisions of the Laguna Woods Municipal Code to conform to state law.

- Section 13.26.070. Remove the conditional use permit requirement for community care facilities serving seven to 12 persons located in areas where residential uses are permitted.
- Section 13.06.010(d)(395). Revise the zoning definition of “family” to address inconsistencies with state law related to the occupants of community care facilities.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year 2022

Anticipated Funding: General Fund

Quantified Objectives: Conforming Ordinance

*Policy Objective H-1.4.* Incentivize and promote the creation of accessory dwelling units that can be offered at affordable rent for very low, low-, or moderate-income households.

*Program H-1.4.1.* Continue to maintain an ordinance that conforms to the provisions of California Government Code Section 65852.2 related to accessory dwelling units and junior accessory dwelling units, including amending the ordinance as necessary.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Ongoing

Anticipated Funding: General Fund

Quantified Objectives: Conforming Ordinance

*Program H-1.4.2.* Prepare and maintain a webpage with information related to Laguna Woods Municipal Code requirements, processing procedures, and incentives pertaining to the development of accessory dwelling units and junior accessory dwelling units. Prepare and maintain a flyer with related information.

Primary Responsibility: Planning & Environmental Services Department



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Anticipated Timeline: Calendar Year 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Webpage and Flyer

Program H-1.4.3. Designate and maintain a “specialist” to assist with the processing and approval of applications to develop accessory dwelling units and junior accessory dwelling units.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year 2022

Anticipated Funding: General Fund

Quantified Objectives: Designated Specialist

*Policy Objective H-1.5. Make sites available to accommodate emergency housing needs for homeless persons and families, in accordance with California Government Code Section 65583(a)(7).*

*Program H-1.5.1. Continue to maintain an ordinance that conforms to the provisions of California Government Code Section 65583(a)(4) related to emergency shelters, including amending the ordinance as necessary.*

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Ongoing  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Ordinance

## Priority Issue 2. HOUSING CONSERVATION.

*Goal H-2. Support the conservation of housing necessary to accommodate current and projected housing needs, including for lower-income households and other special needs populations.*

*Policy Objective H-2.1. Conserve and improve the condition of the existing affordable housing stock.*

*Program H-2.1.1. Prepare and maintain a webpage with information on*



home improvement-related financial assistance opportunities available to extremely low, very low, and low-income households. Train City staff to make referrals using the webpage.

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Webpage and Evidence of Training

*Program H-2.1.2.* Investigate potential incentives for property owners to extend existing affordability covenants beyond the planned expiration date. If feasible and economical, adopt such incentives.

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2024 for Investigation  
Anticipated Funding: General Fund  
Quantified Objectives: Report Regarding Investigation;  
Adopted Incentives (if applicable)

*Policy Objective H-2.2.* Promote accessible and accommodating housing options for persons with special needs.

*Program H-2.2.1.* Prepare and maintain a webpage with information on home improvement-related financial assistance opportunities available to persons with special needs. Train City staff to make referrals using the webpage.

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Webpage and Evidence of Training

*Program H-2.2.2.* Adopt an ordinance waiving or reducing City building permit fees for improvements to the home of a person at least 60 years of age with a qualifying disability that are made to accommodate that disability, as provided for by California Health and Safety Code Section



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17951.7. Consider including provisions allowing for similar building permit fee waivers or reductions for improvements to the home of a person with a qualifying disability that are made to accommodate that disability, regardless of age. Prepare and maintain a flyer with related information.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year 2022

Anticipated Funding: General Fund

Quantified Objectives: Conforming Ordinance and Flyer

*Program H-2.2.3.* Provide opportunities for reimbursements, grants, or other forms of financial assistance to support home improvements that increase accessibility or functionality for persons with special needs.

Primary Responsibility: Engineering & Infrastructure Services Department

Anticipated Timeline: Calendar Year 2022 (as funding permits)

Anticipated Funding: State Permanent Local Housing Allocation monies

Quantified Objectives: Financial Assistance Opportunities

*Policy Objective H-2.3.* Promote housing conservation and revitalization.

*Program H-2.3.1.* Formalize a proactive code enforcement program that focuses on housing-related rehabilitation needs, results in repairs, and seeks to mitigate potential cost, displacement, and relocation impacts on residents.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year 2025

Anticipated Funding: General Fund

Quantified Objectives: Conforming Code Enforcement Policies

### Priority Issue 3. AFFIRMATIVELY FURTHERING FAIR HOUSING.

*Goal H-3. Administer housing and community development programs and activities in a manner to affirmatively further fair housing.*





*Policy Objective H-3.1. Enhance access to housing.*

*Program H-3.1.1. Improve pedestrian accessibility on sidewalks, curb ramps, crosswalks, and other public property connecting housing with transit stops, public buildings, and businesses.*

Primary Responsibility: Engineering & Infrastructure Services Department  
Anticipated Timeline: Ongoing (as funding permits)  
Anticipated Funding: Community Development Block Grants (CDBG)  
Quantified Objectives: Ongoing Effort

*Program H-3.1.2. Pursue partnerships and seek funding to provide Laguna Woods-based housing mobility counseling services. If feasible and economical, implement such services.*

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Biennial Process to Identify Interested and Qualified Service Providers; Beginning in Calendar Year 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Service Provider Identification Processes; Implemented Services (if applicable)

*Policy Objective H-3.2. Protect existing residents from displacement.*

*Program H-3.2.1. Prepare and maintain a webpage with information on housing mediation, foreclosure assistance, and multilingual tenant legal counseling services. Train City staff to make referrals using the webpage.*

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Webpage and Evidence of Training

*Program H-3.2.2. Pursue partnerships and seek funding to provide Laguna Woods-based housing mediation, foreclosure assistance, and multilingual tenant legal counseling services. If feasible and economical, implement such services.*



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|                         |  |
|-------------------------|--|
| Primary Responsibility: | Planning & Environmental Services Department   |
| Anticipated Timeline:   | <u>Biennial Process to Identify Interested and Qualified Service Providers; Beginning in Calendar Year 2023</u> <del>Ongoing</del> |
| Anticipated Funding:    | General Fund   |
| Quantified Objectives:  | <del>Ongoing—Effort</del> <u>Service Provider Identification Processes;</u><br><u>Implemented Services (if applicable)</u>         |

*Program H-3.2.3.* Investigate potential hazard mitigation measures that would reduce or eliminate the long-term risk of residential displacement as a result of future disasters. If feasible and economical, implement such hazard mitigation measures.

|                         |   |
|-------------------------|---|
| Primary Responsibility: | Public Safety Services Department                                       |
| Anticipated Timeline:   | Calendar Year <del>2025</del> <u>2024</u> for Investigation             |
| Anticipated Funding:    | General Fund  |
| Quantified Objectives:  | Report Regarding Investigation;<br>Implemented Measures (if applicable) |

Note: The investigation called for in this program is a necessary precursor to the potential identification of implementable measures and associated timelines. The report regarding investigation will provide greater specificity including, as applicable, clear commitments and milestones, and measurable outcomes.

Note: Programs H-1.2.2 (pertaining to inclusionary housing), H-2.2.2 (pertaining to fee waivers or reductions for disability-related improvements), and H-2.2.3 (pertaining to financial assistance for home accessibility improvements) relate to affirmatively furthering fair housing by promoting housing supply, choices, and affordability, but are included under other priority issues in this element due to the manner in which this element is structured. Similarly, Program H-2.1.2 (pertaining to potential incentives for extended affordability covenants) relates to affirmatively furthering fair housing by protecting existing residents from displacement and Program H-2.3.1 (pertaining to proactive code enforcement) relates to affirmatively furthering fair housing by using place-based strategies to encourage community conservation and revitalization.



Priority Issue 4. HOUSING ELEMENT IMPLEMENTATION.

*Goal H-4. Provide for analysis related to housing element implementation.*

*Policy Objective H-4.1. Conduct annual monitoring of ~~this~~the housing element.*

Program H-4.1.1. Host an annual public forum to:

- Provide public education related to the purpose and scope of the housing element, as well as progress in its implementation; and
- Solicit public input on the implementation of the housing element, existing and projected housing needs for all economic segments, and resources and constraints relevant to meeting housing needs.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Annually; Beginning in Calendar Year 2023

Anticipated Funding: General Fund

Quantified Objectives: Public Forums

Program H-~~14.41.12~~. Prepare and submit an annual report to the City Council, California Governor's Office of Planning and Research, and HCD describing with:

- ~~The status of the housing element and progress in its implementation, in accordance with information required by California Government Code Section 65400(a)(2), in the form and manner specified; and~~
- A statement regarding the general plan's internal consistency and, if necessary, the identification of corrective actions that will be taken to resolve any internal inconsistency.-

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Annually; Prior to April 1

Anticipated Funding: General Fund

Quantified Objectives: Conforming Reports and Public Meetings

Note: Pursuant to California Government Code Section 65400(a)(2)(B)(ii), the



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annual report information required by California Government Code Section 65400(a)(2) shall be considered at an annual public meeting before the City Council where members of the public are allowed to provide oral testimony and written comments. This program requires certain other information to be included in the annual report, which will also then be subject to consideration at the annual public meeting.

*Policy Objective H-4.2.* Coordinate implementation of this housing element with the water and sewer agency.

*Program H-4.2.1.* Deliver each adopted housing element (including amendments thereto) to the El Toro Water District, in accordance with California Government Code Section 65589.7(a).

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Immediately Following Each Adoption

Anticipated Funding: General Fund

Quantified Objectives: Conforming Deliveries

Note: California Government Code Section 65589.7(a) generally requires the El Toro Water District to grant a priority for the provision of water and sewer services to housing projects that include housing units affordable to lower-income households.

## EXHIBITS

The following exhibits are attached hereto and incorporated by reference:

- Exhibit A – Housing Needs Assessment
- Exhibit B – Constraints Analysis
- Exhibit C – Housing Sites Inventory and Analysis
- Exhibit D – Housing Element Performance Assessment
- Exhibit ~~D-E~~ – Public Participation Efforts

**EXHIBIT A**

**HOUSING NEEDS ASSESSMENT**

**CITY OF LAGUNA WOODS**

DRAFT

**LSA**

~~July~~January 2021

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# HOUSING NEEDS ASSESSMENT

## CITY OF LAGUNA WOODS

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~~July~~January 202~~21~~

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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 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 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 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 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 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%                 |
| <b>Total</b>  | <b>16,295</b> | <b>100.0%</b> | <b>16,228</b> | <b>100.0%</b> | <b>100.0%</b>         |
| 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 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 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 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%                  |
| <b>Total</b>              | <b>16,295</b> |         | <b>16,228</b> |         |                       |
| Hispanic                  | 723           | 4.4%    | 821           | 5.1%    | 34.1%                 |
| Non-Hispanic              | 15,572        | 95.6%   | 15,407        | 94.9%   | 65.9%                 |
| <b>Total</b>              | <b>16,295</b> |         | <b>16,228</b> |         |                       |

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 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 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%           |
| <b>Total Civilians Employed</b>  | <b>3,109</b> | <b>100.00%</b> |

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 33<sup>rd</sup> of the 34 cities in Orange County. Rankings are weighted toward larger cities and cities experiencing new housing development (Irvine was ranked 1<sup>st</sup>); therefore, a ranking of 33<sup>rd</sup> is expected for Laguna Woods, as it is the 31<sup>st</sup> 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 26<sup>th</sup> 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 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 E: Household Characteristics (2010 and 2018)**

| Household & Family Type  | 2010          |         | 2018          |         | Percent Change |
|--------------------------|---------------|---------|---------------|---------|----------------|
|                          | Number        | Percent | Number        | Percent |                |
| <b>Total Population</b>  | <b>16,295</b> | 100.0%  | <b>16,228</b> | 100.0%  | -0.4%          |
| In Group Quarters        | 167           | 1.0%    | N/A           | N/A     | N/A            |
| <b>Total Households</b>  | <b>11,470</b> | 100.0%  | <b>11,156</b> | 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 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 F: HCD Income Categories**

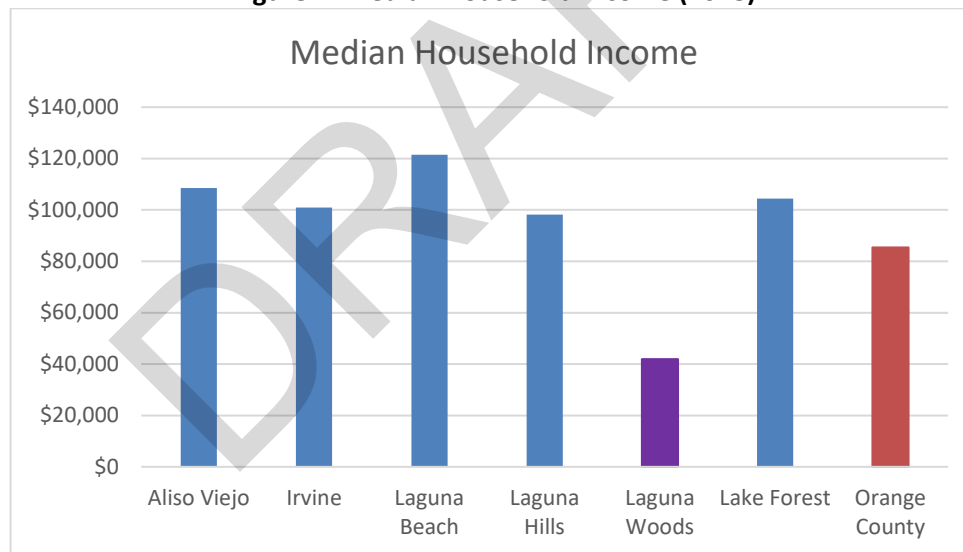
| Income Category | Percent Annual Median Income (AMI) |
|-----------------|------------------------------------|
| Extremely Low   | 0-30% AMI                          |
| Very Low        | 0-50% AMI                          |
| Low             | 51-80% AMI                         |
| Moderate        | 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 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: Median Household Income (2018)**



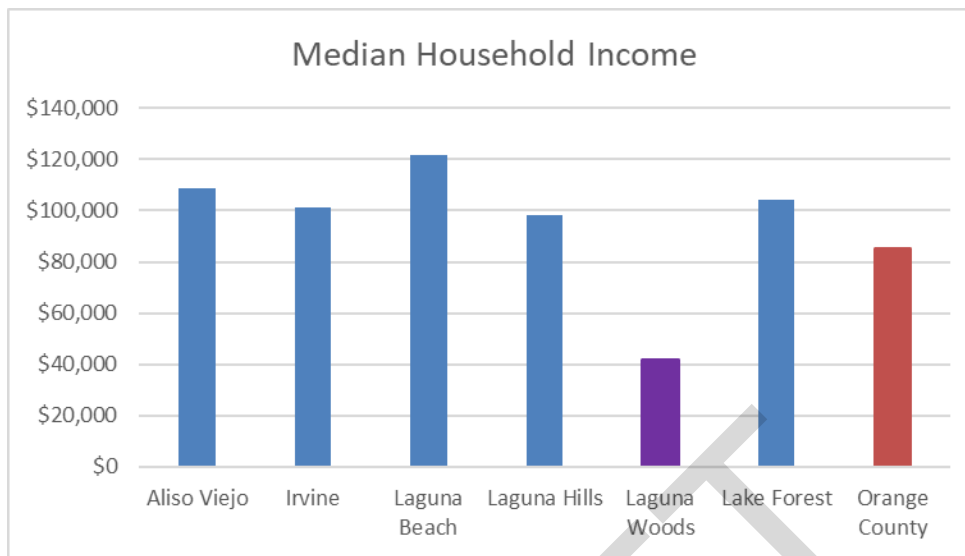


Table G shows the number of Laguna Woods households living within the HCD income categories described above for 2010 and 2017. The number of households within the very low- and low-income categories has decreased overall since 2010. As of 2017, approximately 69 percent of Laguna Woods households fell 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 G: Household Income Levels (2010–2018)**

| Income Level                              | 2010          |               | 2017          |               | 2010–2017<br>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%                        |
| <b>Total Households</b>                   | <b>11,375</b> | <b>100.0%</b> | <b>11,250</b> | <b>100.0%</b> | <b>-1.1%</b>                |

Source: CHAS Data, 2010 and 2017.  
AMI = Annual Median Income

Table 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 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 Data, 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 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 I, approximately 6 percent of all households in Laguna Woods are senior-headed households living below the poverty level.

**Table 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 J summarizes the special-needs populations in Laguna Woods. Each of these population groups, as well as their housing needs, is described below.

**Table 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.

-- = Data not available.

### 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 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~~has 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 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.<sup>1</sup> 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.<sup>2</sup> 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 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 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%             |

<sup>1</sup> 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).

<sup>2</sup> 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-amendmentsamendments#:~:text=Major%20life%20activities%20include%2C%20but,thinking%2C%20communicating%2C%20and%20and%20working> (accessed April 23, 2021).

|  |              |                |              |                |
|--|--------------|----------------|--------------|----------------|
| With an independent living difficulty  | 1,774        | 11.1%          | 1,650        | 12.5%          |
| <b>Total Persons with Disabilities</b> | <b>4,364</b> | <b>100.00%</b> | <b>3,972</b> | <b>100.00%</b> |

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.

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~~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 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 L: Local Facilities for Persons Experiencing Homelessness**

| Organization/Facility   | Beds and/or Services Provided   |
|---|---|
| Alternative Sleeping Location Emergency Shelter<br>(operated by Friendship Shelter)<br>20652 Laguna Canyon Rd<br>Laguna Beach, CA 92651<br>(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<br>(operated by Friendship Shelter)<br>PO Box 4252<br>Laguna Beach, CA 92652<br>(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.<br><br>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<br>5540 Trabuco Road<br>Irvine, CA 92620<br>(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<br>999 Corporate Drive, Suite 225<br>Ladera Ranch, CA 92694<br>(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<br>One Hope Drive<br>Tustin, CA 92782<br>(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, 2021, B based on information from <https://www.homelessshelterdirectory.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.

The United States Department of Agriculture National Agriculture Statistics provide state- and county-level data on hired farm labor across the United States. Within Orange County, a total of 99 farms reportedly hired 1,772 workers in 2017. Permanent workers, those who work 150 days or more, represent the largest category of workers with 1,106 workers (62 percent). A total of 666 workers (38 percent) are considered seasonal and work less than 150 days. Orange County

reported 340 migrant workers (19 percent) with full-time hired labor and 176 unpaid workers in 2017.

Although there are no farmworkers identified within Laguna Woods, the median annual salary for the agriculture, forestry, fishing, hunting, and mining industry in Orange County in 2019 was \$24,592, which is 29 percent of the Orange County median income (\$85,398) and is considered a very low income (2019). Because farmworkers make up no percentage of Laguna Woods' total population, no specific programs for this special-needs group are necessary. Given the limited need to provide for farmworker housing in Orange County, the City's efforts to provide housing at affordable prices to very-low income households should address the needs of permanent and seasonal farmworker populations.

### 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 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 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 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 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%         |
| <b>Total SF</b>             | <b>4,401</b>  | <b>34.8%</b>  | <b>4,639</b>  | <b>35.5%</b>  | <b>4,639</b>  | <b>35.5%</b>  |
| 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%         |
| <b>Total Multi-Family</b>   | <b>8,232</b>  | <b>65.0%</b>  | <b>8,440</b>  | <b>64.5%</b>  | <b>8,440</b>  | <b>64.5%</b>  |
| Mobile Homes & Other        | 15            | 0.1%          | 0             | 0.0%          | 0             | 0.0%          |
| <b>Total Housing Units</b>  | <b>12,657</b> | <b>100.0%</b> | <b>13,079</b> | <b>100.0%</b> | <b>13,079</b> | <b>100.0%</b> |
| 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 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 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%       |
| <b>TOTAL</b>           | <b>11,470</b> | <b>100%</b> | <b>11,156</b> | <b>100%</b> |

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 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 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%          |
| <b>Total</b>         | <b>2,930</b>          | <b>100.0%</b> | <b>8,073</b>         | <b>100.0%</b> | <b>11,003</b>        | <b>100.0%</b> |

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). The City’s code enforcement services provider conducted a windshield survey in early October 2021 of all residential units within Laguna Woods to identify housing units with visible signs of damage or disrepair (e.g., deteriorated roofs, stucco damage, and broken or deteriorated windows) in an effort to estimate the number of housing units that are in need of rehabilitation and replacement. The windshield survey identified only five locations with minor maintenance issues, including minor wood rot, minor water damage on an exterior wall, and a crack at the top of a window. Given the small number of code enforcement cases and limited extent of the issues identified in the windshield survey, it is reasonable to conclude that 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 and on-site property management that ensure adequate maintenance. Consequently, there are few violations or complaints related to residential properties that require City intervention.

Due to the City's Laguna Woods' 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). Nevertheless, the Housing Element includes a program for the City to formalize a proactive code enforcement program that focuses on housing-related rehabilitation needs, results in repairs, and seeks to mitigate potential cost, displacement, and relocation impacts on residents. As the name suggests, this effort is meant to be proactive to help promote the good condition and upkeep of Laguna Woods' housing stock.

### 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 Q includes the results of the survey by number of bedrooms.

**Table 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        |
| <b>All Units</b>   | <b>81</b>        | <b>\$1,550-\$3,950</b> | <b>\$2,349</b> | <b>\$2,200</b> |

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 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 R: Annual Median Home Prices (2020–2021)**

| Jurisdiction  | February 2020<br>Median Sales Price | February 2021<br>Median Sales Price | Percent Change<br>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 ~~typetypes~~ of households that would most likely experience overcrowding or overpayment.

Table S provides estimates of affordable rents and home prices based on HCD's 2021 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 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 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 S, the affordable home price for an extremely low-income household ranges from \$66,158 for a five-person household to \$79,721 for a two-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 \$507 to \$637 per month. ~~Based on the median rents presented in Table 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 \$979 and \$1,359 on monthly rent, depending on household size. However, based on the market rents presented in Table 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 \$149,297 to \$190,607, well below Laguna Woods' median home sales price of \$325,000 in February 2021.~~

**Table S: Estimated Affordable Housing Price by Income and Household Size (2021)**

|   | Annual<br>Income Limits | Affordable<br>Monthly<br>Housing Cost | Utility<br>Allowance<br>(2020) | Taxes, Insurance<br>and HOA | Affordable<br>Home Price | Affordable<br>Rent |
|---|-------------------------|---------------------------------------|--------------------------------|-----------------------------|--------------------------|--------------------|
| <b>Extremely Low Income (0–30% AMI)</b> |                         |                                       |                                |                             |                          |                    |
| 1-Person (studio)                       | \$28,250                | \$706                                 | \$199                          | \$247                       | \$68,591                 | \$507              |
| 2-Person (1 bedroom)                    | \$32,300                | \$808                                 | \$222                          | \$283                       | \$79,721                 | \$586              |
| 3-Person (2 bedroom)                    | \$36,350                | \$909                                 | \$293                          | \$318                       | \$78,471                 | \$616              |
| 4 Person (3 bedroom)                    | \$40,350                | \$1,009                               | \$372                          | \$353                       | \$74,783                 | \$637              |
| 5 Person (4 bedroom)                    | \$43,600                | \$1,090                               | \$457                          | \$382                       | \$66,158                 | \$633              |
| <b>Very Low Income (30–50% AMI)</b>     |                         |                                       |                                |                             |                          |                    |
| 1-Person                                | \$47,100                | \$1,178                               | \$199                          | \$412                       | \$149,297                | \$979              |
| 2-Person                                | \$53,800                | \$1,345                               | \$222                          | \$471                       | \$171,829                | \$1,123            |
| 3-Person                                | \$60,550                | \$1,514                               | \$293                          | \$530                       | \$182,043                | \$1,221            |
| 4 Person                                | \$67,250                | \$1,681                               | \$372                          | \$588                       | \$190,080                | \$1,309            |
| 5 Person                                | \$72,650                | \$1,816                               | \$457                          | \$636                       | \$190,607                | \$1,359            |
| <b>Low Income (50–80% AMI)</b>          |                         |                                       |                                |                             |                          |                    |
| 1-Person                                | \$75,300                | \$1,883                               | \$199                          | \$659                       | \$270,000                | \$1,684            |
| 2-Person                                | \$86,050                | \$2,151                               | \$222                          | \$753                       | \$309,992                | \$1,929            |
| 3-Person                                | \$96,800                | \$2,420                               | \$293                          | \$847                       | \$337,335                | \$2,127            |
| 4 Person                                | \$107,550               | \$2,689                               | \$372                          | \$941                       | \$362,569                | \$2,317            |
| 5 Person                                | \$116,200               | \$2,905                               | \$457                          | \$1,017                     | \$377,130                | \$2,448            |
| <b>Median Income (80–100% AMI)</b>      |                         |                                       |                                |                             |                          |                    |
| 1-Person                                | \$74,700                | \$1,868                               | \$199                          | \$654                       | \$267,365                | \$1,669            |
| 2-Person                                | \$85,350                | \$2,134                               | \$222                          | \$747                       | \$306,962                | \$1,912            |
| 3-Person                                | \$96,050                | \$2,401                               | \$293                          | \$840                       | \$334,238                | \$2,108            |
| 4 Person                                | \$106,700               | \$2,668                               | \$372                          | \$934                       | \$358,814                | \$2,296            |
| 5 Person                                | \$115,250               | \$2,881                               | \$457                          | \$1,008                     | \$373,243                | \$2,424            |
| <b>Moderate Income (100–120% AMI)</b>   |                         |                                       |                                |                             |                          |                    |
| 1-Person                                | \$89,650                | \$2,241                               | \$199                          | \$784                       | \$331,604                | \$2,042            |
| 2-Person                                | \$102,450               | \$2,561                               | \$222                          | \$896                       | \$380,359                | \$2,339            |
| 3-Person                                | \$115,250               | \$2,881                               | \$293                          | \$1,008                     | \$416,465                | \$2,588            |
| 4 Person                                | \$128,050               | \$3,201                               | \$372                          | \$1,120                     | \$450,462                | \$2,829            |
| 5 Person                                | \$138,300               | \$3,458                               | \$457                          | \$1,210                     | \$471,875                | \$3,001            |

Sources: (1) HCD, 2021.

(2) Orange County Housing Authority Utility Allowance Schedule, December 2020.

(3) LSA Associates, Inc., 2021.

Assumptions: 2021 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

per month. Based on the median rents presented in Table 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 \$979 and \$1,359 on monthly rent, depending on household size. However, based on the market rents presented in Table 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 \$149,297 to \$190,607, well below Laguna Woods' median home sales price of \$325,000 in February 2021.

**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 \$1,684 and \$2,448. Based on the market rents in listed Table Q, low-income households would generally be able to afford some 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 S, low-income households can afford home sale prices between \$270,000 and \$377,130. 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 to purchase a home with a purchase price ranging from \$267,365 to \$373,243. 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 \$1,669 for a one-person household to \$2,424 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 \$331,604 to \$471,875. 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 \$2,042 for a one-person household to \$3,001 for a five-person household. Based on the market rents presented in Table 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 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 T: Inventory of Subsidized Rental Housing for Lower Income Households**

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

### 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 U indicates the number of cost-burdened households within Laguna Woods by tenure. As shown in Table 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 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%            |
| <b>Total</b>          | <b>2,690</b>      | <b>100.0%</b>    | <b>8,560</b>     | <b>100.0%</b>    | <b>11,250</b>    | <b>100.0%</b>    |

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 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.

### 1.3.7.21.1.1.1 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 W shows the incidence of overcrowding in Laguna Woods by tenure, as estimated by the 2014-2018 ACS.

**Table 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 <sup>2</sup> ) | 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.

<sup>1</sup> 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.

<sup>2</sup> 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 W shows the incidence of overcrowding in Laguna Woods by tenure, as estimated by the 2014–2018 ACS.

**Table 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%             |
| <b>Total Overcrowded</b>                      | <b>13</b>    | <b>0.1%</b>      | <b>91,513</b> | <b>8.9%</b>      |

Source: 2018 ACS 5-year estimates.

As shown in Table 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.

### 1.3.7.3 Displacement and Disproportionate Housing Needs

Using the Urban Displacement Project's Gentrification and Displacement maps, the westernmost areas of Laguna Woods fall into the following displacement typologies:<sup>3</sup>

- Stable/advanced exclusive (with risk factors of being susceptible to rent change);
- Stable moderate/mixed-income (with risk factors of being located in an area that is susceptible to rent change, has a rent gap, and is a hot market); and
- Low-income/susceptible to displacement (with risk factors of being mostly low income, being located in an area that is susceptible to rent change, has a rent gap, and is a hot market).

<sup>3</sup> Los Angeles – Gentrification and Displacement. *Urban Displacement Project*. Website: <https://www.urbandisplacement.org/maps/los-angeles-gentrification-and-displacement/> (accessed October 1, 2021).

The eastern and southernmost areas fall into the following displacement typologies:

- At risk of becoming exclusive (with risk factors of being located in an area that is susceptible to rent change and that has a rent gap, and is a hot market);
- Low-income/susceptible to displacement (with risk factors of being mostly low income, being located in an area that is susceptible to rent change, has a rent gap, and is a hot market); and
- Ongoing displacement (with risk factors of being mostly low income, being located in an area that is susceptible to rent change, has a rent gap, and is a hot market).

Job displacement risk varies throughout Laguna Woods, with the lowest rate being 5.2 percent in central Laguna Woods, and the highest rate being 23.8 percent in the easternmost part of Laguna Woods.

In summary, although the majority of Laguna Woods has a low risk of displacement, certain sections of Laguna Woods, particularly the eastern and southernmost areas, and specifically Census Tract 626.46, are either susceptible to displacement or experiencing ongoing displacement, as well as at risk for job displacement.

#### 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~~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~~State agencies/~~departments~~departments to further the fair housing goals (as defined by HCD).” The California Fair Housing Task Force has created ~~Opportunity Maps~~opportunity maps to identify resource levels across the ~~state~~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 X shows the full list of indicators.

**Table X: Domains and Lists of Indicators for Opportunity Maps**

| Domain   | Indicator  |
|----------|--|
| Economic | <ul style="list-style-type: none"> <li>• Poverty</li> <li>• Adult education</li> <li>• Employment</li> </ul> |

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

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.

According to HUD's Fair Housing Enforcement and Outreach (FHEO) Inquiries by City data (found in the Fair Housing Enforcement and Outreach Capacity data layer on HCD's AFFH Data Viewer), Laguna Woods had 0.24 inquiries per 1,000 people between 2013 and 2021. This ratio is slightly higher than the adjacent cities of Laguna Beach (0.17), and Laguna Hills (0.16), but lower than the cities of Irvine (0.28) and Aliso Viejo (0.37). Of the four complaints during this period, two were found to have no valid basis or issue and two were not resolved due to a failure to respond. None of the complaints appear to be associated with discrimination due to disability, race, familial status, national origin, religion, sex, or color.

#### 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.

According to HUD, the definition of a racially/ethnically concentrated area of poverty (R/ECAP) involves a racial/ethnic concentration threshold and a poverty test. The racial/ethnic concentration threshold states that R/ECAPs must have a non-white population of 50 percent or more, and the poverty threshold states that a neighborhood can be identified as a R/ECAP if it has a poverty rate that exceeds 40 percent or is three or more times the average poverty rate for the various census tracts in the metropolitan/micropolitan area, whichever threshold is lower.

As Table F in Exhibit C depicts, Laguna Woods does not include any neighborhoods that meet the poverty test because the percentage of residents living below the federal poverty threshold is 15.7



percent or lower in each of Laguna Woods' census tracts. Table Y provides data regarding race, ethnicity, and median household income in Orange County, Laguna Woods, and each of the eight census tracts that are partially or entirely within Laguna Woods.

**Table Y: Racial/Ethnic Concentrations and Income Levels**

| <u>Jurisdiction</u>        | <u>White<sup>1</sup></u> | <u>Black or African American<sup>1</sup></u> | <u>American Indian and Alaska Native<sup>1</sup></u> | <u>Asian<sup>1</sup></u> | <u>Native Hawaiian and Pacific Islander<sup>1</sup></u> | <u>Some other Race<sup>1</sup></u> | <u>Hispanic or Latino (of any race)<sup>1</sup></u> | <u>Median Household Income<sup>2</sup></u> |
|----------------------------|--------------------------|--|--|--------------------------|---|------------------------------------|---|--|
| <u>Orange County</u>       | <u>64.5%</u>             | <u>2.4%</u>                                  | <u>1.1%</u>  | <u>22.8%</u>             | <u>0.7%</u>   | <u>12.8%</u>                       | <u>34.1%</u>  | <u>\$90,234</u>                            |
| <u>Laguna Woods</u>        | <u>77.4%</u>             | <u>0.7%</u>                                  | <u>0.5%</u>  | <u>20.6%</u>             | <u>0.1%</u>   | <u>2.0%</u>                        | <u>5.8%</u>   | <u>\$44,020</u>                            |
| <u>Census Tract 626.21</u> | <u>66.7%</u>             | <u>3.1%</u>                                  | <u>0.3%</u>  | <u>33.3%</u>             | <u>0.0%</u>   | <u>2.2%</u>                        | <u>12.6%</u>  | <u>\$111,425</u>                           |
| <u>Census Tract 626.22</u> | <u>79.0%</u>             | <u>0.4%</u>                                  | <u>0.0%</u>  | <u>20.0%</u>             | <u>0.4%</u>   | <u>1.6%</u>                        | <u>7.9%</u>   | <u>\$44,119</u>                            |
| <u>Census Tract 626.25</u> | <u>67.4%</u>             | <u>1.1%</u>                                  | <u>0.3%</u>  | <u>16.4%</u>             | <u>0.5%</u>   | <u>19.2%</u>                       | <u>32.5%</u>  | <u>\$45,214</u>                            |
| <u>Census Tract 626.41</u> | <u>68.1%</u>             | <u>1.7%</u>                                  | <u>2.6%</u>  | <u>20.7%</u>             | <u>0.0%</u>   | <u>12.1%</u>                       | <u>22.0%</u>  | <u>\$88,986</u>                            |
| <u>Census Tract 626.46</u> | <u>74.3%</u>             | <u>2.9%</u>                                  | <u>0.5%</u>  | <u>20.1%</u>             | <u>0.0%</u>   | <u>3.6%</u>                        | <u>7.0%</u>   | <u>\$41,875</u>                            |
| <u>Census Tract 626.47</u> | <u>67.7%</u>             | <u>3.7%</u>                                  | <u>0.3%</u>  | <u>17.3%</u>             | <u>0.0%</u>   | <u>11.2%</u>                       | <u>21.8%</u>  | <u>\$54,327</u>                            |
| <u>Census Tract 626.48</u> | <u>76.8%</u>             | <u>0.0%</u>                                  | <u>1.6%</u>  | <u>20.4%</u>             | <u>0.0%</u>   | <u>3.1%</u>                        | <u>4.2%</u>   | <u>\$45,000</u>                            |
| <u>Census Tract 626.49</u> | <u>81.0%</u>             | <u>0.0%</u>                                  | <u>0.0%</u>  | <u>18.9%</u>             | <u>0.0%</u>   | <u>1.7%</u>                        | <u>11.8%</u>  | <u>\$60,254</u>                            |

<sup>1</sup> American Community Survey, 2019 5-Year Estimates. Table DP05.

<sup>2</sup> American Community Survey, 2019 5-Year Estimates. Table S1901.

As Table Y indicates, the White population is the largest race/ethnic group in each of the census tracts in Laguna Woods. There is also a large Asian population that is uniformly present in each of Laguna Woods' eight census tracts, with a slightly larger percentage of Asians (33.3 percent) present in Census Tract 626.21. As shown in Table Y, the median household income in Census Tract 626.21 (\$111,425) is substantially higher than Laguna Woods overall. The only census tracts with slightly outlying ethnic compositions are Census Tracts 626.41 and 626.47, where 22.0 percent and 21.8 percent of the population is Hispanic or Latino (of any race), respectively. However, it should be noted that the median household income in these two census tracts is higher than Laguna Woods overall, suggesting that these areas are slightly more affluent than others. This information points to the absence of R/ECAPs in Laguna Woods.

#### 1.4.1.3 Access to Opportunities

Table YZ 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 YZ: 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 ZAA. 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 ZAA: 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 AA-AB. Of the 127 Very Low Income units included in the City’s RHNA, approximately 50 percent (or 63 units) should be made available to Extremely Low Income households. 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 AAAB: 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%                 |
| <b>Total</b>                  | <b>997</b>      | <b>100%</b>           |

\* Based on current household income data presented in Table G, the City estimates that 63 (or approximately 50 percent) of the 127 units included in its Very Low Income allocation should be made available to Extremely Low Income households.

AMI = Annual Median Income

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**EXHIBIT B**

**CONSTRAINTS ANALYSIS**

**CITY OF LAGUNA WOODS**

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**LSA**

~~July~~January 2021

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# CONSTRAINTS ANALYSIS

## CITY OF LAGUNA WOODS

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~~July~~ January 2021

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## LIST OF ABBREVIATIONS AND ACRONYMS

|               |   |
|---------------|---|
| AB            | Assembly Bill                                     |
| ADA           | Americans with Disabilities Act                   |
| ADU           | accessory dwelling unit                           |
| CBC           | California Building Code                          |
| CC            | Community Commercial                              |
| CEQA          | California Environmental Quality Act              |
| CF-P          | Community Facilities—Private                      |
| CF-PI         | Community Facilities—Public/Institutional         |
| CIP           | Capital Improvement Program                       |
| City          | City of Laguna Woods                              |
| CUP           | Conditional Use Permit                            |
| ETWD          | El Toro Water District                            |
| FAR           | floor area ratio                                  |
| FEMA          | Federal Emergency Management Agency               |
| FIRM          | Flood Insurance Rate Maps                         |
| ft            | foot/feet   |
| HMDA          | Home Mortgage Disclosure Act                      |
| Lanterman Act | Lanterman Developmental Disabilities Services Act |
| mi            | mile(s)   |
| OCTA          | Orange County Transportation Authority            |
| RC            | Residential Community                             |
| RT            | Residential Towers                                |
| SB            | Senate Bill                                       |
| sf            | square foot/feet                                  |
| SFHA          | Special Flood Hazard Area                         |
| SRO           | Single Room Occupancy                             |
| UWMP          | Urban Water Management Plan                       |
| WRP           | Water Recycling Plant                             |

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## 1.0 HOUSING CONSTRAINTS

The City of Laguna Woods' (City) Housing Element seeks to ensure the provision of adequate housing to meet the existing and projected needs of all economic segments of the community. Many factors, including market mechanisms, government regulations and policies, and infrastructure and environmental constraints, can constrain the development, maintenance, and improvement of housing. This Constraints Analysis addresses the potential and actual governmental constraints upon the development, maintenance, or improvement of housing that may affect the supply and cost of housing in Laguna Woods, as required by Government Code Section 65583(a).<sup>1</sup>

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<sup>1</sup> California Department of Housing and Community Development. 2021. Codes and Enforcement of Onsite/ Offsite Improvement Standards. Website: <https://www.hcd.ca.gov/community-development/building-blocks/constraints/codes-and-enforcement-on-offsite-improvement-standards.shtml> (accessed June 11, 2021).

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## 2.0 GOVERNMENTAL CONSTRAINTS

Actions or policies of governmental agencies, whether involved directly or indirectly in the housing market, can impact the ability of the development community to provide adequate housing to meet consumer demands. For example, the impact of federal monetary policies and the budgeting and funding policies of governmental agencies can either stimulate or depress various aspects of the housing industry. State and local government compliance, and the enactment of sanctions for noncompliance, with federal laws may also have an impact on the housing industry.

State and local government compliance with State laws can complicate the development of housing. Statutes such as the California Environmental Quality Act (CEQA) and rezoning and General Plan amendment procedures required by the Government Code can prolong the review and approval of development proposals by local governments. In many instances, compliance with such mandates includes time constraints that cannot be altered by local governments.

City policies can also impact the price and availability of housing. Land use controls, site improvement requirements, building codes, fees, and other local programs to improve the overall quality of housing may serve as constraints to housing development.

### 2.1 LAND USE CONTROLS

The City's General Plan and Zoning Code provide for a range of residential land use designations and zoning districts. The City's Zoning Map is included as Figure 1. Land use designations that allow for residential development are presented in Table A.

**Table A: Residential Land Use Designations**

| General Plan Land Use Designation | Max. Density   | Description  |
|-----------------------------------|--|--|
| Low Density Residential           | <10 du/ac  | Includes all dwelling units equipped for independent living (i.e., kitchen, bathroom, and sleeping quarters). Facilities intended for transient living, such as hotels and motels and hospitals and skilled nursing units, are not typically included.   |
| Medium Density Residential        | 10–12 du/ac  |  |
| High Density Residential          | 13–35 du/ac  |  |
| Residential Community             | <10 du/ac<br>or<br>10–12 du/ac<br>depending on<br>location | Encompasses nearly all of the Laguna Woods Village planned residential community with the exception of Rossmoor Towers. Integrates a mix of single-family detached, single-family attached, two family, and multi-family residential, with supporting country clubs, parks, community services, local-serving noncommercial services, and open spaces. Common areas are managed by private nonprofit community associations. |

Source: Land Use Element (City of Laguna Woods 2017).

~~du/ac~~ = ~~acre(s)~~

~~du~~ = dwelling unit(s) per acre

max. = maximum

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**Figure 1: Zoning Map**

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## 2.2 RESIDENTIAL DEVELOPMENT STANDARDS

The City's Zoning Code contains development standards for each zoning district consistent with the land use designations of the General Plan. The Zoning Code establishes development standards for each zoning district to ensure quality development and reduce the potential for land use conflicts. Residential development standards are summarized in Table B.

**Table B: Residential Development Standards**

| Development Standard                       | Residential Multifamily (RMF) | Residential Community (RC) | Residential Towers (RT) |
|--|-------------------------------|----------------------------|-------------------------|
| Maximum Building Height (ft)               | 65                            | 40                         | None                    |
| Minimum Building Site Area (sf)            | 7,200                         | None                       | None                    |
| Minimum Area per Unit (sf)                 | 1,000 <sup>1</sup>            | None <sup>2</sup>          | None <sup>2</sup>       |
| Minimum Setback (ft)                       |                               |                            |                         |
| Front Yard                                 | 20                            | None <sup>3</sup>          | None                    |
| Side Yard from ROW                         | 5                             | None <sup>3</sup>          | None                    |
| Rear Yard from ROW                         | 25                            | None <sup>3</sup>          | None                    |
| Side Yard not abutting ROW                 | 5                             | None <sup>3</sup>          | None                    |
| Rear Yard not abutting ROW                 | 25 <sup>4</sup>               | None <sup>3</sup>          | None                    |
| Distance between Principal Structures (ft) | 10                            | None <sup>3</sup>          | None                    |
| Maximum Building Site Coverage             | 50%                           | 50% <sup>5</sup>           | None <sup>2</sup>       |

Source: Zoning Ordinance (City of Laguna Woods 2020).

- <sup>1</sup> The minimum per dwelling unit is based on the net land area.
- <sup>2</sup> There shall be no minimum lot size. The total number of residential units permitted within the planning unit shall not be exceeded, as was shown on the statistical analysis for the original planned community, as amended. The dwelling densities as categorized in the City's General Plan as low-density, medium-density, and high-density shall not be exceeded. The limitations contained within the General Plan shall take precedence over any discrepancies that may exist as compared to the statistical analysis for the planning units.
- <sup>3</sup> Required yards and distances between building structures are waived.
- <sup>4</sup> In computing the depth of a rear setback from any building where such setback opens on an alley, private street, or public park, one-half of the width of such alley, street, or park may be deemed to be a portion of the rear setback, except that under this provision, no rear setback shall be less than 15 ft.
- <sup>5</sup> The building site coverage shall not exceed 50 percent of the land area contained within each recorded tract, exclusive of dedicated ROW. Swimming pool coverage shall not be considered as building site coverage.

City = City of Laguna Woods

ft = foot/feet

ROW = right-of-way

sf = square foot/feet

The cumulative effect of the City's residential development standards does not constrain the expansion of housing opportunities. Density standards are consistent with the densities established for General Plan land use categories. The setback requirements provide minimal light and air for development, are typical in the region, and do not unreasonably constrain housing opportunities.

All residential uses are currently required to provide the number of parking spaces as outlined in Table C. Developers of affordable and senior housing who are eligible for a density bonus pursuant to Government Code Sections 65919 through 65918 are eligible to use parking standards established by State law. Density bonus provisions are discussed in more detail later in this section.

**Table C: Residential Parking Requirements**

| Use  | Parking Requirement   |
|--|---|
| Attached or detached single-family dwellings             | <ul style="list-style-type: none"> <li>2 covered parking spaces for each dwelling unit.</li> </ul>  |
| Two or more dwelling units on one building site.         | <ul style="list-style-type: none"> <li>Studio to 1-bedroom: 1.5 parking spaces for each dwelling unit</li> <li>2-bedroom: 2 parking spaces for each dwelling unit</li> <li>3-bedroom and up: 2.5 parking spaces for each dwelling unit plus 0.5 parking space for each bedroom in excess.</li> </ul>  |
| Multifamily dwelling units (five or more dwelling units) | <ul style="list-style-type: none"> <li>Each dwelling unit shall be assigned at least one standard-size parking space.</li> <li>Additional unassigned parking spaces shall be provided using the following formula, which is based on the size of each unit: <ul style="list-style-type: none"> <li>&lt;700 sf: 0</li> <li>701–800 sf: +0.17</li> <li>801–900 sf: +0.34</li> <li>901–1,000 sf: +0.50</li> <li>1,001–1,100 sf: +0.67</li> <li>1,101–1,200 sf: +0.84</li> <li>1,201–1,300 sf: +1.0</li> <li>1,301–1,400 sf: +1.18</li> <li>1,401–1,500 sf: +1.34</li> <li>&gt;1,500 sf: +1.5</li> </ul> </li> <li>1 guest parking space per every 4 dwelling units, rounded up to the next nearest whole number, shall be provided.</li> </ul> |

Source: Zoning Code (City of Laguna Woods 2020).  
sf = square ~~foot~~/feet

The City monitors its development standards and their impact on development. Periodically, the City will amend the Zoning Code to ensure that development standards respond to market trends. The City has adopted other provisions in the Zoning Code that facilitate a range of residential development types and encourage affordable housing, as discussed below.

### 2.2.1 Affordable Housing Density Bonus

Section 13.26.040 of the City's Zoning Code provides the details of the residential density bonus provision, which is intended to provide incentives for the production of housing for very low-income, lower-income, or senior households in accordance with California Government Code Sections 65915 and 65917. On September 16, 2020, the City amended its Density Bonus Ordinance to ensure compliance with the current State law in effect at that time. Assembly Bill (AB) 1763 made a number of changes to density bonus requirements for affordable projects. The bill requires a density bonus to be granted for projects that include 100 percent lower-income units, but allows up to 20 percent of total units in a project that qualifies for a density bonus to be for moderate-income households. Under the revised law, density bonus projects must be allowed four incentives or concessions, and for developments within 0.5 mile of a major transit stop, a height increase of up to three additional stories or 33 feet (ft). A density bonus of 80 percent is required for most projects, with no limitations on density placed on projects within 0.5 mile of a major transit stop. The bill also allows developers to request the elimination of minimum parking requirements for rental units affordable to lower-income families that are either supportive housing or special-needs housing, as defined. AB 2345, which was signed in September 2020, further incentivizes the production of affordable housing. The City Council adopted updated ~~Housing Element is expected to include a~~

~~program to amend the City's Zoning Code to ensure the affordable housing residential density bonus standards regulations conform to current State law in December 2021.~~

In 2008, the San Sebastian senior apartments were completed with 17 units affordable to low-income residents. The development utilized a density bonus, and, as a result, the affordable units are subject to deed restrictions, which will ensure continued affordability through October 16, 2054.

### 2.2.2 Small-Lot Development

The City has not established any zoning districts that are intended to specifically facilitate small-lot residential development; however, the City's Zoning Code does not require minimum lot sizes in the Residential Community (RC) and Residential Tower (RT) zoning districts.

### 2.2.3 Special-Purpose Zoning Districts

Special-purpose zoning districts permit design and development standards to be established that are tailor-made for planned project areas with unique attributes. The City's Zoning Code includes the RC zoning district, which provides for the development and preservation of planned unit developments with a mixture of single-family attached and detached homes and multifamily homes. Neighborhoods in the RC district are characterized by controlled physical access and specialized recreation facilities. Setbacks and other development standards are to be tailored specifically to each project by means of a precise development plan that is approved with the project.

## 2.3 PROVISION FOR A VARIETY OF HOUSING TYPES

State Housing Element law specifies that local governments must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population, including multifamily residential housing, factory-built housing, emergency shelters, transitional housing, and supportive housing. Table D summarizes the housing types permitted in each of the City's zoning districts.

### 2.3.1 Single-Family Housing

Single-family housing is permitted by right in the Residential Multifamily (RMF) and RC districts. As outlined in the City's Zoning Code, standard development in the RC district shall be predominantly of multiunit, multistoried structures and single-family, one-story structures in an arrangement of attached or detached dwellings and their accessory structures.

### 2.3.2 Multifamily Housing

Multifamily housing is permitted by right in the RMF, RC, and RT districts. The RMF zoning district is intended to provide for the development and preservation of high-density multifamily residential neighborhoods with a moderate amount of open space. Care is taken to ensure that uses approved in the RMF zoning district are compatible with surrounding residential neighborhoods. RMF-zoned properties are located in three areas of Laguna Woods off major roadways. The RC district was created to provide for the development and preservation of planned unit developments with a mixture of single-family attached and detached homes, as well as multifamily homes.

**Table D: Housing Types Per Zoning Code**

| Land Use Types                              | Zoning District               |                            |                         |
|---|-------------------------------|----------------------------|-------------------------|
|   | Residential Multifamily (RMF) | Residential Community (RC) | Residential Towers (RT) |
| Accessory Building/Use                      | A                             | A                          | A                       |
| Accessory Dwelling Unit                     | P                             | P                          | P                       |
| Condominiums/Stock Cooperatives             | U                             | U                          | U                       |
| Community Apartment Projects                | U                             | U                          | U                       |
| Community Care Facilities (<6 persons)      | P                             | P                          | P                       |
| Congregate Care Facility                    | U                             | U                          | U                       |
| Duplex                                      | P                             | U                          | X                       |
| Dwelling, Multiple-Family                   | P                             | P                          | P                       |
| Dwelling, Single-Family                     | P                             | P                          | X                       |
| Emergency and Transitional Housing Shelters | X                             | X                          | X                       |
| Guesthouse                                  | X                             | A                          | X                       |
| Junior Accessory Dwelling Unit              | P                             | P                          | P                       |
| Mobile Home                                 | P                             | P                          | X                       |
| Mobile Home Development                     | U                             | U                          | X                       |
| Planned Unit Development                    | U                             | U                          | U                       |
| Residential Tract Sales & Rentals           | T/SE                          | T/SE                       | T/SE                    |
| Supportive Housing                          | P                             | P                          | P                       |
| Transitional Housing                        | P                             | P                          | P                       |

Source: Zoning Code (City of Laguna Woods 2020).

A = Permitted only as an accessory to a Principal Use

P = Permitted as a Principal Use

T/SE = Permitted with an approved Temporary Use/Special Event permit

U = Permitted with an approved use permit

X = Prohibited

RC-zoned properties encompass most of the land within Laguna Woods, reflecting its planned community heritage. The RT district was established to provide for the development and preservation of high-rise multifamily structures. RT-zoned properties exist in one small area in the western portion of Laguna Woods. Additional development standards are applicable to multifamily housing with more than five dwelling units on site, including standards related to circulation, lighting, waste disposal, and infrastructure.

### **1. ~~Mixed Use~~**

~~Mixed-use projects combine both nonresidential and residential uses on the same site. Mixed-use development can help reduce the effects of housing cost burden by increasing density and offering opportunities for reduced vehicular trips by walking, bicycling, or taking public transportation. Although the City's Zoning Code does not currently include any zoning districts that allow mixed-used development, the updated Housing Element is expected to include a program to amend the Zoning Code to include one or more mixed-use overlay zoning districts that would allow the development of commercial and residential uses on the same parcel.~~

### **2.3.3 Live/Work Units**

The City's Zoning Code does not currently include any zoning districts that allow for live/work units.

### 2.3.4 Senior Housing

Section 13.06.010 of the City's Zoning Code defines senior citizen housing as "a residential development consisting of at least 35 dwelling units which is developed for, or substantially rehabilitated or renovated for, senior citizens." Additionally, California Civil Code Section 51.3 defines "senior citizen" as a person 62 years of age or older, or 55 years of age or older, in a senior citizen housing development, and "senior citizen development" as a residential development developed, substantially rehabilitated, or substantially renovated for senior citizens that has at least 35 dwelling units.

Section 13.26.030 of the City's Zoning Code, which provides details about housing incentive use permits for affordable or senior citizen housing, states that in any zoning district that permits residential uses, a housing incentive use permit application to permit more dwelling units than allowed by zoning, and/or establish special site development standards, may be approved for the purposes of facilitating affordable and/or senior citizen housing developments.

### 2.3.5 Manufactured Housing and Mobile Homes

Manufactured housing and mobile homes offer an affordable housing option for many low- and moderate-income households. Manufactured housing is permitted by right in all zoning districts that permit single-family dwelling units, as required by State law. Mobile homes are permitted in the RMF and RC districts, and mobile home parks are permitted in those same zoning districts with an approved use permit. Mobile home developments are subject to additional development standards not related to the use; instead, the standards relate to landscape screening and design. According to California Department of Finance estimates, there were no mobile homes in Laguna Woods as of January 2020.<sup>2</sup>

According to the National Manufactured Home Construction and Safety Act of 1974, a manufactured home built and certified after June 15, 1976 and constructed on a permanent foundation may be located in any residential zoning district where a conventional single-family detached dwelling is permitted subject to the same restrictions on density and to the same property development regulations. Manufactured homes are currently allowed in all residential zoning districts, subject to foundational regulations found in Government Code Section 65852.3. Manufactured housing is treated the same as single-family dwellings and is subject to the same property development standards and permitting process. The City's Zoning Code requires manufactured housing to be architecturally compatible (roofing overhangs, roofing materials, exterior siding, stucco, etc.) with single-family dwellings.

### 2.3.6 Accessory Dwelling Units

Per Government Code Section 65852.2, an "accessory dwelling unit" (ADU) is defined as "an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It

<sup>2</sup> California Department of Finance. 2020. E-5 Population and Housing Unit Estimates. Website: <https://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-5/> (accessed June 11, 2021).

shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated.” ADUs may be an alternative source of affordable housing for lower-income households and seniors.

The City has updated its Zoning Code to permit ADUs by right if they are contained within the space of a proposed or existing single-family dwelling or accessory structure, or existing multifamily dwelling. This update to the City’s Zoning Code was made to comply with State requirements, with Government Code Section 65852.2 used as a baseline for the amendments.

Recent State legislation, including AB 68, AB 587, AB 881, and Senate Bill (SB) 13, addresses standards and regulations for ADUs. The bills modified the fees, application process, and development standards for ADUs, with the goal of lowering barriers to ADU development and increasing overall numbers of ADUs. Key provisions include the following:

- Prohibiting standards related to lot coverage standards, lot size, floor area ratio (FAR), or open space that have the effect of limiting ADU development
- Allowing ADUs within or attached to attached garages, storage areas, or accessory structures
- Removing requirements to replace parking when a garage or carport is demolished to develop an ADU
- Prohibiting maximum sizes for ADUs that are less than 850 square feet (sf) (1,000 sf for units with two or more bedrooms)

The City last updated its Zoning Code with regard to ADUs in 2020 to address the requirements of AB 68, AB 587, AB 881, and SB 13.

### **2.3.7 Residential Care Facilities**

The Lanterman Developmental Disabilities Services Act (Lanterman Act) is a State law that sets out the rights of persons with developmental disabilities. The Lanterman Act impacts local zoning ordinances by requiring the use of property for the care of six or fewer disabled persons to be classified as a residential use, permitted by right, under zoning provisions. More specifically, a state-authorized, certified, or licensed family care home, foster home, or a group home serving six or fewer disabled persons or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is to be permitted in all residential zoning districts. No local government can impose stricter zoning or building and safety standards on these homes. Due to the unique characteristics of larger (more than six persons) residential care facilities, most local governments require a discretionary use permit to ensure neighborhood compatibility in the siting of these facilities.

The City’s Zoning Code accommodates both large and small residential care facilities. The City facilitates and encourages the development of residential care facilities by treating licensed facilities that serve six or fewer persons as standard residential uses, consistent with State law. As such, community care facilities are permitted by right in all residential zoning districts. Additionally,



community care facilities serving seven to 12 persons, except for large family day care homes, are permitted in any district, planned community, or specific plan area zoned for residential use, subject to the issuance of a use permit. The use permit is intended to ensure that the development is consistent with applicable zoning. In a supportive housing development, housing can be coupled with social services such as job training, alcohol and drug abuse programs, and case management for populations in need of assistance, such as the homeless, those suffering from mental illness or substance abuse problems, and the elderly or medically frail. Because supportive housing is a residential use, it would be treated as such in the development process whether the supportive housing development consisted of single-family detached units or apartment buildings. Similar to other multifamily developments, the required use permit process is intended to establish appropriate and unique development standards for residential development in the RC and RT zoning districts, as the zoning regulations contain few standards. This allows for greater specificity in development standards.

Review of the California State Community Care Licensing Division inventory of community care facilities identifies two residential care facilities in Laguna Woods. These facilities are for individuals who require 24-hour supervision but who do not generally need medical care beyond routine health checks and medication monitoring. Las Palmas is a licensed residential care community with 184 rental units, and the Regency is a licensed residential care community that consists of 192 rental units and offers both independent and assisted living on a month-to-month basis. The Regency is the only residential community that, under unique circumstances, will accommodate individuals younger than 55 within its assisted living facility.

### 2.3.8 Single Room Occupancy

Single Room Occupancy (SRO) facilities are small, one-room units occupied by a single individual and may either have shared or private kitchen and bathroom facilities. SROs are rented on a monthly basis typically without rental deposit and can provide an entry point into the housing market for extremely low-income individuals, formerly homeless persons, and disabled persons.

The City has adopted provisions in its Zoning Code (Section 13.26.170) to accommodate and regulate the establishment of SRO uses. These provisions include the following requirements:

- In the absence of findings as set forth in alternatives to off-street parking requirements, provision of one-half parking space for each guest unit, plus one space for each employee
- Submittal of a management plan outlining management policies, operations, emergency procedures, a security program, rental procedures, maintenance plans, and staffing as part of the use permit application
- Provision of an on-site manager on a 24-hour basis
- Provision of a single manager's unit, which shall be designed as a complete residential unit and be a minimum of 225 sf in size.

SRO uses are permitted in any zoning district or specific plan area zoned for hotels, subject to the approval of a use permit. Furthermore, the City's Zoning Code states that SROs will be treated as nonresidential uses.

### 2.3.9 Emergency Shelters and Low Barrier Navigation Centers

An emergency shelter is a facility that provides shelter to homeless families and/or homeless individuals on a limited short-term basis. According to the 2019 Point-in-Time Count for Orange County,<sup>3</sup> there were five unsheltered people living in homelessness in Laguna Woods. State law requires emergency shelters to be permitted by right in at least one zoning district where adequate capacity is available to accommodate at least one year-round shelter. The City's Zoning Code was amended in 2011 to include regulations pursuant to State law for emergency and transitional housing.

The City's Zoning Code Section 13.23.010 was also amended in 2018 to permit emergency shelters in the Community Facilities – Public/Institutional (CF-P/I) and Community Facilities – Private (CF-P) zoning districts as a by-right use.

Table E provides the development standards that apply to the CF-P and CF-P/I zoning districts.

**Table E: Development Standards for the Community Facilities  
Zoning Districts**

| <u>Development Standard</u>                 | <u>CF-P</u>                           | <u>CF-P/I</u> |
|---|---------------------------------------|---------------|
| <u>Maximum Building Height (ft)</u>         | <u>40</u>                             | <u>40</u>     |
| <u>Minimum Building Site Area (sq ft)</u>   | <u>—</u>                              | <u>—</u>      |
| <u>Minimum Building Site Width (ft)</u>     | <u>—</u>                              | <u>—</u>      |
| <u>Minimum Perimeter Setback (ft)</u>       |                                       |               |
| <u>From Street ROW</u>                      | <u>20</u>                             | <u>20</u>     |
| <u>From Alley</u>                           | <u>10</u>                             | <u>0</u>      |
| <u>From Residential Districts</u>           | <u>10</u>                             | <u>10</u>     |
| <u>From Nonresidential Districts</u>        | <u>0</u>                              | <u>0</u>      |
| <u>Maximum FAR</u>                          | <u>0.3</u>                            | <u>0.3</u>    |
| <u>Maximum Building Site Coverage</u>       | <u>None</u>                           | <u>None</u>   |
| <u>Parking</u>                              | <u>See Code Section 13.16.300-400</u> |               |
| <u>Landscaping</u>                          | <u>See Code Section 13.16.250</u>     |               |
| <u>Screening</u>                            | <u>See Code Section 13.16.240</u>     |               |
| <u>Signs</u>                                | <u>See Code Section 13.16.410-530</u> |               |
| <u>Waste Management/Hazardous Materials</u> | <u>See Code Section 13.20.200</u>     |               |

Source: Laguna Woods Municipal Code Section 13.13.030.

FAR = floor area ratio

<sup>3</sup> United to End Homelessness. Point-In Time Count. 2019. Website: <https://www.unitedtoendhomelessness.org/2019-point-in-time-count> (accessed April 29, 2021).

**Table E: Development Standards for the Community Facilities  
Zoning Districts**

| <u>Development Standard</u> | <u>CF-P</u> | <u>CF-P/I</u> |
|-----------------------------|-------------|---------------|
|-----------------------------|-------------|---------------|

ft = foot/feet

ROW = right-of-way

sq ft = square foot/feet

In addition to application of the CF-P/I and CF-P district development standards, pursuant to Government Code Section 65583, the City can also specify written, objective standards to regulate the following aspects of emergency shelters to enhance compatibility:

- 1. Location and Separation:** Emergency shelters shall be situated more than 300 ft from another emergency shelter.
- 2. Physical Characteristics:**
  - a. The maximum number of beds for emergency shelters shall be 20 unless a larger number is approved through a conditional use permit.
  - b. The maximum number of beds does not apply in situations of citywide or statewide designated disasters or catastrophic conditions as determined by the City Council or City Manager.
  - c. Emergency shelters shall have adequate private living space, shower and toilet facilities, and secure storage areas for its intended clients.
  - d. All on-site waiting and client intake areas shall be located in the interior of the emergency shelter and shall be of sufficient size to prevent any such activities from occurring in the exterior of the emergency shelter.

The CF-P/I and CF-P zoning districts have high access to public transit services. The Orange County Transportation Authority has two local routes, Routes 90 and 89, which provide regional access along the public streets located immediately adjacent to the CF-P/I and CF-P zoning districts.

The City provides adequate and accessible sidewalks, vehicular access, and bicycle access to the CF-P/I and CF-P zoning districts.

The CF-P/I and CF-P zoning districts are surrounded by residential, open space, and/or community commercial land uses, and are therefore not located in close proximity to any uses that would create hazardous conditions or conditions inappropriate for human habitability.

The City's Zoning Code requires the following conditions to be met for emergency shelters in order to ensure "adequate" private living space requirements.

- 1. Operational Standards.**

(1) If an emergency shelter includes a drug or alcohol abuse counseling component, appropriate state and/or federal licensing shall be required.

(2) Emergency shelters shall limit occupancy by each client to no more than 180 days in a 365-day period.

(3) Emergency shelters shall conduct all on-site waiting and client intake activities in the interior of the emergency shelter and prevent any such activities from occurring in the exterior of the emergency shelter.

(4) Emergency shelters shall provide on-site security during all hours of operation, including a minimum of one security guard licensed by the State of California for each 20 clients, unless alternate security arrangements are approved through a conditional use permit.

(5) Emergency shelters shall provide on-site management during all hours of operation, including a minimum of one supervisor per emergency shelter and a minimum of one additional attendant for each 20 clients, unless alternate on-site management arrangements are approved through a conditional use permit.

AB 139 requires that emergency shelters provide parking to accommodate all staff, "provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone." The City's Zoning Code does not contain unique parking standards for emergency shelters.

AB 101 requires cities to allow a Low Barrier Navigation Center development by right in areas zoned for mixed uses and nonresidential zoning districts permitting multifamily uses if it meets specified requirements. A "Low Barrier Navigation Center" is defined as "a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing." Low Barrier Navigation Centers may include options such as allowing pets, permitting partners to share living space, and providing storage for residents' possessions. AB 101 also sets a timeline for jurisdictions to act on applications for Low Barrier Navigation Center developments. The requirements of this bill are effective through the end of 2026, at which point they are repealed.

### **2.3.10 Transitional Housing and Supportive Housing**

Health and Safety Code Section 50675.2 defines "transitional housing" and "transitional housing development" as buildings configured as rental housing developments but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. Residents of transitional housing are usually connected to supportive services designed to assist the homeless in achieving greater economic independence and a permanent, stable living situation. Transitional housing can take several forms, including group quarters with

beds, single-family homes, and multifamily apartments, and typically offers case management and support services to help return people to independent living (often in six months to two years).

Government Code Section 65582 defines supportive housing as housing with no limits on the length of stay that is occupied by a “target population” and links this population with the provision of housing and social services. “Target population” means persons with low incomes who have one or more disabilities, including mental illness, HIV/AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Act (Division 4.5 [commencing with Section 4500] of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people (Government Code Sections 65582(f) and (g)).

State law requires transitional and supportive housing to be defined as a residential use and subject only to the same regulations as comparable residential uses. The City currently permits emergency shelters by right in the Community Facilities - Public/Institutional (CF-P/I) and Community Facilities - Private (CF-P) zoning districts with the intent to provide adequate development and operational standards for such uses to ensure that the appropriate housing and services for special needs populations are met.

AB 2162 requires supportive housing projects of 50 units or fewer to be permitted by right in zoning districts where multifamily and mixed-use developments are permitted, when the development meets certain conditions. The City may choose to allow larger supportive housing projects by right in those zoning districts. The bill also prohibits minimum parking requirements for supportive housing within 0.5 mile of a public transit stop.

### 2.3.11 ~~Farm~~-Employee Housing

The City has no land zoned for agriculture and does not contain any agricultural land uses. Further, the 2015–2019 American Community Survey estimates there are no residents who hold farming, fishing, or forestry occupations. Therefore, there is no need for ~~farm-worker~~farmworker housing.

Further, because the City has not adopted any ordinances relating to employee housing, it does not anticipate that any other facilities or employers would provide housing for their employees.

## 2.4 HOUSING FOR PERSONS WITH DISABILITIES

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 (i.e., 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.

The City has conducted a review of zoning and building code requirements and permitting procedures to identify potential constraints for housing for persons with disabilities. The City’s policies and regulations regarding housing for persons with disabilities are described below.

### 2.4.1 Zoning and Land Use

Restrictive land use policies and zoning provisions can constrain the development of housing for persons with disabilities.

#### 2.4.1.1 Definition of Family

Local governments may restrict access to housing for households failing to qualify as a “family” by the definition specified in the Zoning Code. Specifically, a restrictive definition of “family” that limits the number of and differentiates between related and unrelated individuals living together may illegally limit the development and siting of group homes for persons with disabilities, but not for housing families that are similarly sized or situated.<sup>4</sup>

The City Section 13.06.010(de)(395) of the Zoning Code defines “family” to mean one as “One or more persons occupying one dwelling unit. The term “family” includes the occupants of community care facilities serving six or fewer persons that are permitted or licensed by the State. The term “family” does not include occupants of a fraternity, sorority, boardinghouse, ~~lodging house~~lodginghouse, club, or motel.” To accommodate disabled persons in public facilities, the City defers to the California Access Compliance Reference Manual from the Department of General Services, Division of the State Architect.

The Housing Element includes a program to amend the Zoning Code’s definition of “family” to resolve inconsistencies between the current definition and applicable state law.

#### 2.4.1.2 Residential Care Facilities

Under the Lanterman Act, small licensed residential care facilities for six or fewer persons must be treated as regular residential uses and permitted by right in all residential zoning districts. The City permits small licensed residential care facilities in all residential zoning districts and does not have additional development standards for these facilities and is, therefore, in compliance with the Lanterman Act.

The Housing Element includes a program to amend the Zoning Code to remove the requirement for residential care facilities for seven to 12 persons to obtain a conditional use permit.

#### 2.4.1.3 Parking Standards

Development in the City is required to meet parking standards for people with disabilities, as required by State law, including requirements for the number and design of disabled parking spaces.

<sup>4</sup> California court cases (City of Santa Barbara v. Adamson, 1980 and City of Chula Vista v. Pagard, 1981, etc.) have ruled an ordinance as invalid if it defines a “family” as: (a) an individual; (b) two or more persons related by blood, marriage, or adoption; or (c) a group of not more than a specific number of unrelated persons as a single housekeeping unit. These cases have explained that defining a family in a manner that distinguishes between blood-related and non-blood related individuals does not serve any legitimate or useful objective or purpose recognized under the zoning and land use planning powers of a municipality, and therefore violates rights of privacy under the California Constitution.

#### 2.4.1.4 Reasonable Accommodation

The Fair Housing Act requires that local governments provide reasonable accommodation to rules, policies, practices, and procedures where such accommodation may be necessary to afford individuals with disabilities equal opportunity to housing. To create a process for making requests for reasonable accommodation to land use and zoning decisions and procedures regulating the siting, funding, development and use of housing for people with disabilities, the City has adopted a Reasonable Accommodations Ordinance in accordance with State law (Section 13.15.010 of the City's Zoning Code). The Reasonable Accommodations Ordinance provides for flexibility in the City's development standards to accommodate persons with disabilities.

The following findings are required to approve reasonable accommodation requests:

1. The requested accommodation is requested by or on the behalf of one or more individuals with a disability protected under the fair housing laws;
2. The requested accommodation is necessary to provide one or more individuals with a disability an equal opportunity to use and enjoy a dwelling;
3. The requested accommodation will not impose an undue financial or administrative burden on the city;
4. The requested accommodation will not result in a fundamental alteration in the nature of a city program or law, including but not limited to land use or zoning; and
5. The requested accommodation will not, under the specific facts of the case, result in a direct threat to the health and safety of other individuals or substantial physical damage to the property of others.

#### 2.4.2 Building Codes

The City enforces the California Building Code (CBC), including Chapters 11A (Housing Accessibility) and 11B (Accessibility to Public Buildings, Public Accommodations, Commercial Buildings and Publicly Funded Housing), which regulate the access and adaptability of buildings to accommodate persons with disabilities. Furthermore, Government Code Section 12955.1 requires that 10 percent of the total dwelling units in multi-family buildings without elevators consisting of three or more rental units or four or more condominium units are subject to the following building standards for persons with disabilities:

- The primary entry to the dwelling unit shall be on an accessible route unless exempted by site impracticality tests.
- The public and common areas shall be readily accessible to and usable by persons with disabilities.
- All the doors designed to allow passage into and within all premises shall be sufficiently wide to allow passage by persons in wheelchairs.

- All premises within covered multifamily dwelling units shall contain the following features of adaptable design:
  - An accessible route into and through the covered dwelling unit.
  - Light switches, electrical outlets, thermostats, and other environmental controls in accessible locations.
  - Reinforcements in bathroom walls to allow later installation of grab bars around the toilet, tub, shower stall, and shower seat, where those facilities are provided.
  - Useable kitchens and bathrooms so that an individual in a wheelchair can maneuver about the space.

Compliance with the CBC, Government Code, and federal Americans with Disabilities Act (ADA) is assessed and enforced by the Building Division as a part of the building permit process. The City has not adopted any amendments to the CBC that diminish the ability to accommodate persons with disabilities.

#### **2.4.3 Conclusion**

The City has not adopted unique restrictions that constrain the development of housing for persons with disabilities nor has it adopted regulations inconsistent with applicable federal or State law. There are no City-initiated constraints on housing for persons with disabilities caused or controlled by the City. In addition, the City has adopted formalized criteria and processing procedures for reasonable accommodation applications within its Zoning Code.

### **2.5 SITE IMPROVEMENTS**

Developers of single-family residential tracts in the City are required to install arterial and local streets; sewer and water lines; storm drainage; curbs, gutters, and sidewalks; street lighting; underground utilities; and landscaping in the public right-of-way within and adjacent to a tract, if such facilities do not already exist. In most cases, these facilities are dedicated to the City or other agencies that are responsible for ongoing maintenance. Requirements for site improvements are at a level necessary to meet the City's costs and are necessary to protect health, safety, and welfare.

The cost of required off-site improvements vary with the sales price of each dwelling unit depending on the nature of development (i.e., level of improvements required). The City may also impose development impact fees on future housing developments in order to recover costs of installing off-site improvements including upgrading the circulation system and other urban service systems to serve increased density. The developed portions of Laguna Woods have the majority of necessary infrastructure, such as streets, electrical and water facilities, already in place. However, due to the age of the existing infrastructure, many areas where infill housing development is expected to occur may require infrastructure improvements to ensure sufficient capacity at build-out.

The City's Zoning Code includes minimum street width standards. Private streets serving four or less parcels as access to a public street are required to provide for a minimum pavement width of 16 feet within a minimum 20 ft wide right-of-way. Private streets serving five parcels or more as access



to a public street are required to provide for a minimum pavement width of 28 ft within a minimum 40 ft wide right-of-way. Sidewalks are required to not be less than 6 ft in width. Streets in residential districts requiring a building site area of 15,000 sf or more and where no sidewalks are to be installed, are required to have a right-of-way that will provide a parkway width of at least 4 ~~feet~~ft.

## 2.6 DEVELOPMENT FEES

The City collects various fees from developers to cover the costs of processing permits, including fees for planning approvals, subdivision map act approvals, environmental review, public works and plan check services, and building permits, among others. In addition to these service fees associated with development processing, the City also charges several impact fees to offset the future impact of development on parks and traffic circulation.

Table ~~EF~~ lists residential development processing fees, based off the fee schedule that is effective July 19, 2021. Prior to this update, the City's fees were last updated in 2020. There were no significant increases to planning/development and building fees.

**Table ~~E-F~~: Current Residential Development Processing Fees**

| Development Fees  | Initial Deposit |
|---|-----------------|
| Conditional Use Permit  | \$4,000         |
| Development Agreement   | \$10,000        |
| Environmental Impact Report                                       | \$10,000        |
| General Plan Amendment  | \$10,000        |
| Zoning Code Amendment   | \$10,000        |
| Initial Study/Negative Declaration/Mitigated Negative Declaration | \$5,000         |
| Sign Program  | \$2,500         |
| Site Development Permit   | \$4,000         |
| Specific Plan   | \$10,000        |
| Variance  | \$3,500         |
| Zone Change   | \$10,000        |

Sources: City of Laguna Woods (2021).

Note: Unless otherwise noted, all fees are the minimum fee for the service. The final fee is based on actual costs, which may exceed the minimum fee.

Table G provides a comparison of the City's fees with other cities in the region. As shown, the City's fees are generally comparable to other cities.

~~Table F provides a comparison of the City's fees with other cities in the region. As shown, fees for the cities of Laguna Woods, Laguna Niguel, and Lake Forest were generally within the same range.~~ **Table FG: Comparison of Processing Fees**

| Fee Type               | Laguna Woods | Laguna Niguel | Laguna Hills | Lake Forest   |
|------------------------|--------------|---------------|--------------|---------------|
| Conditional Use Permit | \$4,000      | \$3,800       | \$8,148.07   | \$2,400-5,000 |
| Variance               | \$3,500      | \$3,800       | \$6,293.38   | \$5,000       |
| Zone Change            | \$10,000     | \$5,000       | \$10,522.43  | \$10,000      |

**Table F provides a comparison of the City's fees with other cities in the region. As shown, fees for the cities of Laguna Woods, Laguna Niguel, and Lake Forest were generally within the same range. Table FG: Comparison of Processing Fees**

| Fee Type               | Laguna Woods | Laguna Niguel   | Laguna Hills | Lake Forest |
|------------------------|--------------|---|--------------|-------------|
| General Plan Amendment | \$10,000     | \$5,000   | \$7,547.86   | \$10,000    |
| Tentative Tract Map    | Varies       | <ul style="list-style-type: none"> <li>● Preliminary Screencheck: \$1,425 (Flat)</li> <li>● Filing: \$2,925 + \$25/each lot (Deposit)</li> <li>● Added Lots to Filed Map: \$36/each lot (Flat)</li> <li>● Changed Map: \$370 (Flat)</li> <li>● Appeal to City Council: \$585 (Flat)</li> <li>● Amendment to Conditions: \$155 (Flat)</li> <li>● Amend Approved Map: \$1,000 + \$36/each numbered lot (Deposit)</li> </ul> | \$9,182.99   | \$10,000    |
| Tentative Parcel Map   | Varies       | <ul style="list-style-type: none"> <li>● Preliminary Screencheck: \$980 (Flat)</li> <li>● Filing: \$2,080 (Deposit)</li> <li>● Appeal to City Council: \$235 (Flat)</li> <li>● Amendment to Conditions: \$155 (Flat)</li> <li>● Amend Approved Map: \$1,000 + \$36/each numbered lot (Deposit)</li> </ul>   | \$9,182.99   | \$7,500     |

Sources: City of Laguna Woods (2020); City of Laguna Niguel (2020); City of Laguna Hills (2020); City of Lake Forest (2020).

Note: The fees listed above are generally approximated base fees or deposits; if the cost of providing the service exceeds the base fee or deposit, the balance is collected from the applicant.

In general, fees can be a constraint on housing development and compromise affordability because the additional cost borne by developers contributes to overall increased housing unit cost. However, the City's fees are necessary to maintain adequate planning services and other public services and facilities.

As noted elsewhere in this Constraints Analysis, the City has not processed a residential development application since the San Sebastian Apartments in the mid-2000s. Since that date, the City has evaluated the adequacy and rationality of its fees, and made changes to recover its reasonable costs of providing services, as allowed by state law. While some building fees have increased as a result of this evaluation, others have been eliminated. For example, the City no longer collects parkland dedication (Quimby Act) fees nor library development fees on behalf of the Orange County Library District. In addition, the County of Orange intends to end the Moulton Parkway-Laguna Niguel Road Fee Program as early as June 30, 2022, thereby eliminating those fees. Therefore, there is a strong likelihood that current development fees for a similar residential project would actually be the same or lower than what was assessed for the San Sebastian Apartments project. Due to the City's current fee structure, this would particularly be true if several of the requisite building inspections were consolidated.

The City's development fees do not appear to represent a constraint on housing development.

## 2.7 LOCAL PROCESSING AND PERMIT PROCEDURES

Development review and permit processing procedures are necessary steps to ensure that residential construction proceeds in an orderly manner.

Table GH outlines the development review processing times and approval procedures for residential developments. Depending on the type of discretionary approval that is required, a one or two-level decision-making process may be required. The City's process is somewhat more streamlined than many other cities in that the City Council also serves as the Planning Commission.

**Table GH: Typical Permit Processing Timelines**

| Action/Request                               | Processing Time | Comments  |
|--|-----------------|---|
| Environmental Impact Report                  | 9-12 months     | Processing and review time limits controlled through CEQA. Adopted by the City Council.   |
| Initial Study/Mitigated Negative Declaration | 6-9 months      | Processing time can be extended if the project has a longer review and approval period. Adopted by the City Council.  |
| General Plan Amendment                       | 10-12 months    | Government Code Section 65358 limits the number of times any element of the General Plan can be amended each calendar year. Requires a public hearing for the City Council. |
| Zone Change                                  | 8-12 months     | Certain procedures and time limits established by Gov. Code Sections 65854-65857. Approved by the City Council.   |
| Tentative Parcel Map                         | 45-60 days      | Approved by the City Council.   |
| Tentative Tract Map                          | 6-8 months      | Approved by the City Council.   |
| Variance                                     | 3-4 months      | Approved by the City Council.   |
| Conditional Use Permits                      | 3-4 months      | Approved by the City Council.   |

CEQA = California Environmental Quality Act

### 2.7.1 Conditional Use Permit

Conditional Use Permits (CUPs) are required for some multi-family development, senior housing projects, ~~mixed-use projects~~, and large residential care facilities, dependent upon the underlying zoning district. As shown in Table GH, the processing time for a CUP is typically 90 to 120 days.

The City's Zoning Code establishes the same required findings for the approval of all CUP applications, regardless of proposed use:

1. The proposed location of the conditional use is consistent with the requirements of the general plan and the zoning district in which the site is located;
2. The proposed location of the conditional use and the conditions under which it would be operated or maintained would not be detrimental to the public health, safety, or general welfare, nor would be materially injurious to properties or improvements in the vicinity; and
3. The proposed conditional use would comply with all applicable provisions of this zoning ordinance.

It should be noted that the City's CUP requirement only applies to condominiums and apartments in existing residential zones and would not apply to the "by-right" overlay zoning districts to be created through the Housing Element's rezoning program. Although the CUP requirement does not affect the City's housing supply, it could affect affordability but, again, not within the "by right" overlay zoning districts to be created through the Housing Element's rezoning program.

## 2.7.2 Conclusion

Although the City has not processed an application for a residential development project since the San Sebastian Apartments in the mid-2000s, it is committed to working closely with developers to approve residential projects in a timely manner and minimize any potential time constraints on development. For a typical project, the developer would meet with Planning Division staff to discuss the project and then would submit plans for a preliminary review. Plans would then be submitted to the Building Division for plan check and building permit issuance. Projects requiring a CUP would be evaluated based on the criteria listed above and reviewed by the City Council prior to plans being submitted for plan check. The City does offer concurrent processing of planning and building plans if so desired by the applicant. Throughout construction, the Building Division would perform inspections to monitor the progress of the project. This process is comparable to that of many cities in the region; therefore, processing times would be typical for the region.

## 2.8 BUILDING CODES

As required of all local governments in California, the City enforces the CBC. The CBC establishes construction standards necessary to protect public health, safety, and welfare and all new constructions and renovations must conform to the standards of the CBC.

Based on recommendations from the Orange County Fire Authority (OCFA), the City has adopted several amendments to the CBC, which revised the following chapters:

- Scope and administration;
- Definitions;
- General requirements;
- Emergency planning and preparedness;
- Fire service features;
- Fire protection and life safety systems;
- Construction requirements for existing buildings;
- Energy systems;
- Fruit and crop ripening;
- Fumigation and insecticidal fogging;
- Lumber yards and agro-industrial, solid biomass and woodworking facilities;
- Requirements for wildland-urban interface fire areas;
- Hazardous materials;
- Explosives and fireworks;
- Flammable and combustible liquids;
- Flammable gases and flammable cryogenic fluids;
- Referenced standards; and

- The various appendices.

More information on these changes can be found in the City's Municipal Code. Compliance with the CBC, and the City's locally adopted amendments to the CBC, should not significantly add to the cost of construction since the CBC is mandated to be enforced statewide and costs should be relatively uniform statewide. Costs associated with the CBC In addition, because the OCFA serves as a regional fire protection agency, the County of Orange and 22 other member cities have adopted substantially similar amendments, which means that the cost of complying with the City's amendments to the CBC is substantially similar to most of the other cities in Orange County. Costs associated with the CBC and any locally adopted amendments are necessary to protect the health safety and welfare of the citizens. Compliance ensures that all new or renovated buildings are structurally sound, have proper exiting, and are equipped with necessary fire protection features. In addition, the CBC mandates energy efficiency as well as provisions for access for persons with disabilities.

## 2.9 FEDERAL AND STATE REGULATIONS

Federal and State requirements may act as a barrier to the development or rehabilitation of housing, and affordable housing in particular. These include State prevailing wage requirements and environmental review requirements.

### 2.9.1 State Prevailing Wage Requirements

Labor Code Section 1720, which applies prevailing wage rates to public works of over \$1,000, defines public works to mean construction, alteration, installation, demolition, or repair work done under contract and paid for in whole or in part out of public funds. For example, public transfer of an asset for less than fair market value, such as a land write-down, would be construed to be paid for in part out of public funds and trigger prevailing wage requirements.

While the cost differential in prevailing and standard wages varies based on the skill level of the occupation, prevailing wages tend to add to the overall cost of development. In the case of affordable housing projects, prevailing wage requirements could effectively reduce the number of affordable units that can be achieved with public subsidies. However, State law does allow a number of exceptions for single-family homes and for projects intended to support affordable housing, such as the construction or expansion of emergency shelters or construction of some types of affordable housing units.

### 2.9.2 Environmental Protection

Federal and State regulations require environmental review of proposed discretionary projects (e.g., subdivision maps, conditional use permits, etc.). Costs resulting from the environmental review process, such as costs related to the preparation of environmental analyses, increase the cost of housing and may be passed on to the consumer. Environmental review can also impact the processing time for project review due to mandated public review periods. However, the presence of these regulations helps preserve the environment and ensure environmental safety. Recent State laws have established exemptions from CEQA for infill and affordable housing projects. Due to the City's predominantly built-out nature, it is anticipated that the majority of proposed projects would be in-fill and likely exempt from environmental review as urban infill projects. -

### **2.9.3 State Transparency Requirements**

AB 1483 requires the City to provide on its website a current schedule of fees, exactions, and affordability requirements imposed by the City applicable to a proposed housing development project, all zoning ordinances and development standards, and annual fee reports or annual financial reports, as specified. AB 1483 also requires the City to provide on its website an archive of impact fee nexus studies, cost of service studies, or equivalent, as specified.

The information provided on the City's website complies with AB 1483.

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### 3.0 MARKET CONSTRAINTS

#### 3.1 AVAILABILITY OF FINANCING

The availability of financing in a community depends on a number of factors, including the type of lending institutions active in the community, lending practices, rates and fees charged, laws and regulations governing financial institutions, and equal access to those institutions.

Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications and the income, gender, and race of loan applicants. A total of 1,112 households applied for mortgage loans for homes in the seven census tracts that include residential areas in Laguna Woods in 2019 (Table HJ). Overall, 62 percent of these applications were approved, 15 percent were denied, and 23 percent were either withdrawn or closed for incompleteness. Conventional financing involves market-rate loans provided by private lending institutions such as banks, mortgage companies, savings and loans, and thrift institutions. Of the 453 applications for conventional purchase loans, 70 percent were approved. The approval rate for government-backed loans was slightly higher at 72 percent, while the approval rate for refinance applications was 58 percent. Home improvement loan applications had the lowest approval rating, with 37 percent of applications being approved and 44 percent being denied.

**Table HJ: Disposition of Home Purchase and Improvement Loan Applications (2019)**

| Loan Type                  | Total Applications | Approved   | Denied     | Other      |
|----------------------------|--------------------|------------|------------|------------|
| Government-Backed Purchase | 39                 | 72%        | 8%         | 20%        |
| Conventional Purchase      | 453                | 70%        | 10%        | 20%        |
| Refinance                  | 545                | 58%        | 16%        | 26%        |
| Home Improvement           | 75                 | 37%        | 44%        | 19%        |
| <b>Total</b>               | <b>1,112</b>       | <b>62%</b> | <b>15%</b> | <b>23%</b> |

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act Data Publication. (2019).

Note: "Other" includes files closed for incompleteness and applications withdrawn. Data covers the seven census tracts that include residential areas in Laguna Woods (Census Tracts 626.22, 626.25, 626.41, 626.46, 626.47, 626.48, and 626.49).

#### 3.2 FORECLOSURES

Foreclosure occurs when households fall behind on one or more scheduled mortgage payments. The foreclosure process can be halted if the homeowner is able to bring their mortgage payments current. If payments cannot be resumed or the debt cannot be resolved, the lender can legally use the foreclosure process to repossess (take over) the home. When this happens, the homeowners must move out of the property. If the home is worth less than the total amount owed on the mortgage loan, a deficiency judgment could be pursued. If that happens, the homeowner would lose their home and also would owe the home lender an additional amount.

Between 2000 and 2005, with low interest rates, "creative" financing (e.g., zero down, interest only, adjustable loans), and predatory lending practices (e.g., aggressive marketing, hidden fees, negative



amortization), many households purchased homes that were beyond their financial means. Under the false assumptions that refinancing to lower interest rates would always be an option and home prices would continue to rise at double-digit rates, many households were unprepared for the hikes in interest rates, expiration of short-term fixed rates, and decline in sales prices that set off in 2006. Suddenly faced with significantly inflated mortgage payments, and “upside-down” mortgage loans (that are larger than the worth of the homes), many had to resort to foreclosing their homes.

However, since the Great Recession, foreclosure rates have come down significantly. As of June 2021, there was only one home in Laguna Woods in some stage of foreclosure. The foreclosure rate was less than 0.01 percent for Laguna Woods as well as for Orange County as a whole.<sup>5</sup>

### 3.3 DEVELOPMENT COSTS

#### 3.3.1 Land Availability and Cost

The availability and price of land represents a significant market constraint to housing production throughout most of Southern California. This constraint is particularly acute in communities, such as Laguna Woods, where there is very little residentially designated vacant land. In June 2021, based on a survey of online real estate listings, there were no vacant properties listed for sale within Laguna Woods. Due to limited land availability, most new residential development in Laguna Woods will involve redeveloping properties with existing uses, which tends to add to the cost of land.

Density bonuses are available for projects that include affordable housing. Developers of affordable housing may also be granted regulatory concessions or development incentives. Density bonuses, together with the incentives and/or concessions, result in a lower average cost of land per dwelling unit thereby making the provision of affordable housing more feasible.

#### 3.3.2 Cost of Construction

The cost of labor and building materials has a significant impact on the overall cost of new housing and can, therefore, be a constraint to affordable housing development. According to the National Association of Home Builders Construction Cost Survey, construction costs (including labor and materials) account for over 55 percent of the sales price of a new single family home. The Construction Cost Survey found that the average construction cost for a single family home in 2017 was \$237,760. It should be noted that the Construction Cost Survey is a national survey and may not be completely representative of Laguna Woods or Orange County; however, it does illustrate that construction costs comprise a significant proportion of the ultimate sales price of residential development. While significant, construction costs are consistent throughout the region and therefore would not specifically constrain housing development in Laguna Woods when compared to other cities in the region.

A reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) can result in lower development costs. As part of the City’s density bonus and inclusionary housing programs, the City allows affordable units to be

<sup>5</sup> Realtytrac.com (accessed June 2021).

smaller in size (maintaining the same number of bedrooms), and could also consider allowing less costly features and interior finishes, provided all project units were comparable in construction quality and exterior design.

Another factor related to construction costs is the number of units built at one time. As that number increases, overall costs generally decrease as builders are able to take advantage of the benefits of economies of scale.

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## 4.0 INFRASTRUCTURE CONSTRAINTS

The availability of public infrastructure and services for residential development is another potential constraint to the development of housing. The majority of Laguna Woods is highly urbanized and built-out with most of the necessary infrastructure, streets, electrical lines, and water distribution already in place. This section provides an overview of potential utility service constraints.

### 4.1 WATER

Laguna Woods is served by the El Toro Water District (ETWD), a public water service agency. Water provided in the El Toro Water District is nearly entirely dependent on imported water. Imported water is transported via a blend of water from the Colorado River and the Sacramento Bay Delta via the State Water Project. Both sources of import water are transported from hundreds of miles through a series of tunnels, aqueducts and pipelines to reach Orange County, and are distributed by the Metropolitan Water District (MWD) of Southern California, the region's wholesale water provider. ETWD purchases this imported water from the MWD through the Municipal Water District of Orange County. ETWD has taken a leading role in improving local water supply reliability for south Orange County. Together with the Santa Margarita Water District and the Moulton Niguel Water District, ETWD maintains and operates a large covered drinking water reservoir with a capacity of 275 million gallons. In the event of an emergency or unplanned interruption of water service, the reservoir could provide a 14-day supply of water to ETWD customers.

According to ETWD's Draft 2020 Urban Water Management Plan (UWMP), water use within its service area was 7,167 acre-feet of potable water and 1,270 acre-feet of recycled water for landscape irrigation in 2019. A stable trend is expected because ETWD's service area is predominantly built-out and the rate of population growth is small (about 0.23 percent per year). Water conservation efforts also kept per capita water use down. The total service demand was expected to increase to 8,737 acre-feet by 2025 and projected to increase to 9,156 acre-feet by 2045. According to the UWMP, ETWD's system is expected to have the ability to supply 9,156 acre-feet of water in 2045, meeting the projected demands. ETWD's demand projections consider such factors as current and future demographics, future water use efficiency measures, and long-term weather variability, and specifically take into account the additional housing units that each of the cities within its service area must plan for as part of the RHNA requirements. Therefore, adequate water supply is available to accommodate the RHNA during the Housing Element planning period.

SB 1087 requires that water providers develop written policies that grant priority to proposed development that includes housing affordable to lower-income households. The legislation also prohibits water providers from denying or conditioning the approval of development that includes housing affordable to lower income households, unless specific written findings are made. The City will provide a copy of the adopted Housing Element to ETWD after adoption and will continue to coordinate with ETWD to ensure priority service provision to affordable housing developments.

### 4.2 WASTEWATER

Wastewater in Laguna Woods is collected, treated, and disposed of by ETWD's Wastewater Treatment Plant (WTP), which has a maximum capacity of 6 million gallons per day. In addition,

ETWD operates a Water Recycling Plant (WRP), which allows it to reuse much of its wastewater effluent as recycled water by applying a tertiary treatment process. The WTP and WRP serve portions of the cities of Laguna Hills, Mission Viejo, Aliso Viejo, Lake Forest and all of Laguna Woods. ETWD has been able to meet its water demands from a combination of water resources and technology that optimally promote use of water conservation practices, water importation and recycled water treatment and delivery. In 2012, ETWD began a Recycled Water Expansion Project to increase the treatment and delivery of recycled water through a new tertiary treatment facility. The tertiary treatment plant is designed to produce as much as 3.7 million gallons of recycled water per day with a peak hour pumping capacity of over 5,000 gallons per minute. The WRP expansion was designed with the ability to expand capacity up to the expected maximum amount of raw wastewater entering the plant. Simultaneously, ETWD built a new recycled water distribution system that includes 140,000 ft of recycled water pipelines beneath the roadways in portions of Laguna Woods and the northwest portion of Laguna Hills. Therefore, there are no constraints on the availability of wastewater disposal or treatment.

-SB 1087 mandates priority sewage collection and treatment service to housing developments providing units affordable to lower-income households. The City will provide a copy of the adopted Housing Element to ETWD after adoption. The City will continue to coordinate with ETWD to ensure priority service provision to affordable housing developments.

#### 4.3 TRANSPORTATION INFRASTRUCTURE

In 1990, Orange County voters approved Measure M, the Revised Traffic Improvement and Growth Management Ordinance, which provides funding to Orange County for needed transportation improvements over a 20-year period through the imposition of a one-half cent retail transaction and use tax. In 2006, voters extended the tax through 2041 (Measure M2). Cities such as Laguna Woods can qualify for Measure M funds if they comply with the Countywide Growth Management Program component requirements and have an established policy framework for that program. As part of complying with the Countywide Growth Management Program component requirements, Laguna Woods implemented a development mitigation program that established a fee structure for requiring new development to pay its proportionate share funding of impacts to the regional roadway system.

In order to assist with the long-term development of funding for major capital improvement projects on public property, the City Council adopts a minimum 7-year Capital Improvement Program (CIP) on an annual basis. The CIP and the minimum 7-year period to which it applies is also a requirement for receiving funding from Measure M2.

In addition, the City is within the San Joaquin Hills Transportation Corridor (SJHTC) fee assessment area. The payment of development impact fees is required as a condition of approval of a final parcel or tract map or as a condition of issuing a building permit on any properties within the fee assessment area, as authorized by Government Code Section 66484.3. These development impact fees are collected for the purpose of repaying the indebtedness incurred to construct the San Joaquin Hills Transportation Corridor (State Route 73) that has already been built, as well as to pay the cost of future anticipated improvements and ongoing planning and environmental requirements.

Fees are collected on new residential dwellings and new non-residential square footage in areas identified as the area of benefit surrounding the corridor. While most of Laguna Woods is within Area of Benefit Zone A for the SJHTC, the northern portions of the City are within Area of Benefit Zone B. Table ~~U~~ provides a summary of the current (2021) development impact fees assessed within those areas. In 1997, the San Joaquin Hills Transportation Corridor Agency (SJHTCA) Board of Directors adopted a set rate of increase for the fees. Each July 1, rates for the SJHTCA increase by 2.667 percent.

**Table ~~U~~: San Joaquin Hills Transportation Corridor  
Development Impact Fees (2021)**

|                           | <b>Zone A</b> | <b>Zone B</b> |
|---------------------------|---------------|---------------|
| Single Family Residential | \$5,893/unit  | \$4,567/unit  |
| Multi-Family Residential  | \$3,432/unit  | \$2,664/unit  |

Source: Transportation Corridor Agencies (2021~~U~~).

Note: In 1997, the San Joaquin Hills Transportation Corridor Agency Board of Directors adopted a set rate of increase for the fees. Each July 1, rates increase by 2.667 percent.

While the traffic mitigation fees described above may present a constraint to housing development, they are necessary to facilitate the ongoing maintenance of transportation infrastructure.

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## 5.0 ENVIRONMENTAL CONSTRAINTS

A wide range of environmental factors may constrain the development of new housing. Areas of special environmental significance, potential safety hazards, and development constraints have influenced and will continue to influence land use policy. The City's Safety Element identifies areas subject to a number of environmental constraints, including flooding, seismic hazards, hazardous and toxic materials, and urban fires. The City's General Plan recognizes those hazards and identifies programs to minimize them.

### 5.1 FLOODING

The Federal Emergency Management Agency (FEMA) publishes maps that identify areas of the City subject to flooding in the event of a major storm. Those Flood Insurance Rate Maps (FIRMs) indicate areas that may be inundated in the event of a 100-year or a 500-year storm. In addition, the maps indicate the base flood elevations at selected intervals of the floodway. The flood map contained in the City's Safety Element indicates that very few areas are within 100-year flood event inundation areas. Areas are limited to the small reservoir southeast of the intersection of Moulton Parkway and Ridge Route Drive, the 9 Hole Par 3 Golf Course in Laguna Woods Village, and Aliso Creek in the southeastern portion of Laguna Woods. The projected 500-year flood would most significantly affect low-lying areas along Aliso Creek.

Additional flood hazards include the four reservoirs with a total maximum capacity of 10 million gallons of potable water distributed throughout Laguna Woods. Two of these reservoirs are located at a high point northwest of the intersection of El Toro Road and Moulton Parkway, and two are located in Laguna Woods Village (one at the south end of Calle Sonora Este and another on the west side of Bahia Blanca West). The dam/reservoir located southeast of the intersection of Moulton Parkway and Ridge Route Drive (Rossmoor #2) is located in a 100-year floodplain, but is not subject to State dam inundation mapping regulations. The Veeh Reservoir located nearby in the City of Laguna Hills is also within a 100-year floodplain. According to the City's Safety Element, failure of any of the previously mentioned ETWD infrastructure could cause localized flooding.

The Moulton Niguel Water District owns and operates a water tank in the City of Aliso Viejo just south of the intersection of El Toro Road and Aliso Creek Road. Failure of that water tank could cause flooding on El Toro Road and in the lower portions of Woods End Wilderness Preserve.

The failure of the bridge along Avenida Sevilla that crosses Aliso Creek could impede movement and cause localized flooding on property in Laguna Woods Village. Flood hazards in Laguna Woods pose a moderate risk. Areas designated for future residential development will be evaluated on an individual basis regarding their potential flood hazard.

### 5.2 SEISMIC AND GEOLOGIC HAZARDS

As stated in the City's Safety Element, the entirety of Laguna Woods—as well as all of Southern California—is located within a seismically active region that has been subject to major earthquakes in the past. There are no known faults in Laguna Woods. However, the Newport-Inglewood, Whittier-Elsinore, Glen Ivy Elsinore, and Temecula-Elsinore faults are located within close proximity



to Laguna Woods. The closest fault—Newport-Inglewood—traverses approximately 7-8 miles southwest of Laguna Woods. The San Andreas and San Jacinto faults are located much further away from Laguna Woods (the San Jacinto Fault crosses the region approximately 40 miles northeast of Laguna Woods and the San Andreas Fault is even farther away [approximately 50 miles northeast]). Although farther away, those faults have the potential to deliver larger magnitude earthquakes than the other five faults mentioned above. Other major faults may be buried under alluvium, or fault traces may have been obliterated due to natural weathering.

Liquefaction is another hazard associated with intense ground shaking, in which the soil can destabilize and if sufficient water is present in the soil, the soil and water can mix. The City's Safety Element includes a map that identifies liquefaction hazard zones. Most of the approximately 256 acres that are within the identified liquefaction hazard zones are in the southeastern portion of Laguna Woods; however, small areas that are subject to liquefaction hazards also exist in the northern and western part of Laguna Woods. Areas within these hazard zones may experience liquefaction during extreme ground shaking.

Landslides, which can occur as a result of seismic activity or as an independent event, have the potential to cause loss of life, personal injury, economic loss, and property damage in Laguna Woods. The City's Safety Element includes a map that shows the locations of the approximately 77 acres that are prone to earthquake-induced landslides. Most of the areas that are subject to landslides are in the western half of Laguna Woods.

### 5.3 WILDFIRES

According to the City's Safety Element, wildfires in the open space and wildland-urban interface area that borders the westernmost edge of Laguna Woods could cause loss of life, personal injury, and extensive property damage, including damage to open space resources. Consequently, fires are considered to pose a very significant risk. In 2012, the City Council designated three fire hazard severity zones (very high, high, and moderate) within the wildland-urban interface area shown in the Safety Element. The Very High Fire Hazard Severity Zone was identified by the California Department of Forestry and Fire Protection (CAL FIRE), while the High and Moderate Fire Hazard Severity Zones were identified by OCFA based on an assessment of vegetation, slope, fire history, weather patterns, and impact of flames, heat, and flying embers. Collectively, those zones and the 2,564 residential dwelling units within them face the highest risk of wildfire impacts. However, OCFA has developed a number of resources that are intended to mitigate fire risk through vegetation management, including technical guidelines for developing fuel modification plans for new construction projects and maintaining and managing vegetation on properties within fire hazard areas.

### 5.4 NOISE

Noise generated from mobile sources such as traffic on City streets and Interstate 5 (I-5) and aircraft flyovers will continue to have the greatest potential impact on the City's land use decisions. The City's Noise Element describes the existing noise environment using maps that identify several areas with high levels of noise. The Noise Element also identifies noise sources and contains goals and policies that will be useful in reducing the effects of noise, if not the actual intensity of noise. Land

use policy discourages the placement of noise-sensitive land uses in areas that are subject to high noise levels. The City requires new housing developments to provide an acoustic analysis and provide necessary mitigation, such as barriers or additional sound insulation, for projects located within the 65 CNEL noise contour zones identified in the Noise Element. According to the Noise Element, areas adjacent to the following road segments are either already within the 65 CNEL noise contour or are projected to be in future General Plan build-out:

- El Toro Road (Aliso Creek Road to Paseo de Valencia)
- Moulton Parkway (Gate 12 south to City limits)
- Santa Maria Avenue (Avenida Sosiega to Santa Vittoria Drive)

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## EXHIBIT C

# HOUSING SITES INVENTORY AND ANALYSIS

CITY OF LAGUNA WOODS

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LSA

~~July~~ January 202~~2~~<sub>1</sub>

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# HOUSING SITES INVENTORY AND ANALYSIS

## CITY OF LAGUNA WOODS

Submitted to:

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# LSA

~~July~~January 2021

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## LIST OF ABBREVIATIONS AND ACRONYMS

|                        |  |
|------------------------|--|
| AB                     | Assembly Bill  |
| AFFH                   | Affirmatively Furthering Fair Housing                      |
| APN                    | Assessor's Parcel Number                                   |
| CDC                    | Centers for Disease Control and Prevention                 |
| CF-P                   | Community Facilities—Private                               |
| City                   | City of Laguna Woods                                       |
| ETWD                   | El Toro Water District                                     |
| FHEO                   | Fair Housing Enforcement and Outreach                      |
| Golden Rain Foundation | Golden Rain Foundation of Laguna Woods                     |
| HCD                    | California Department of Housing and Community Development |
| HPI                    | Healthy Places Index                                       |
| HUD                    | United States Department of Housing and Urban Development  |
| LIHTC                  | Low Income Housing Tax Credit                              |
| MFI                    | median family income                                       |
| OCTA                   | Orange County Transportation Authority                     |
| PA                     | Professional and Administrative Office                     |
| PHASC                  | Public Health Alliance of Southern California              |
| RHNA                   | Regional Housing Needs Assessment                          |
| SB                     | Senate Bill  |
| SCAG                   | Southern California Association of Governments             |
| SCE                    | Southern California Edison                                 |
| SVI                    | Social Vulnerability Index                                 |
| SVUSD                  | Saddleback Valley Unified School District                  |
| TCAC                   | Tax Credit Allocation Committee                            |
| UWMP                   | Urban Water Management Plan                                |

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## 1.0 INTRODUCTION

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. Government Code Section 65583(a)(3) requires local governments to prepare an inventory of land suitable for residential development, which is used to identify sites that can be developed for housing within the planning period. This report has been prepared to satisfy Government Code Section 65583(a)(3).

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## 2.0 STATE REGULATIONS

State law recognizes the vital role local governments play in the availability, adequacy, and affordability of housing. Every city and county in California is required to adopt a long-range General Plan to guide its physical development; the Housing Element is one of the seven mandated elements of the General Plan. State Housing Element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law recognizes that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for (and do not unduly constrain) housing production. Housing Element statutes also require the California Department of Housing and Community Development (HCD) to review local housing elements for compliance with state law and to report its findings to the local government.

State Housing Element law requires that each local government develop local housing programs to meet its “fair share” of existing and future housing needs for all income groups. The Southern California Association of Governments (SCAG) is responsible for developing and assigning these regional needs, via the RHNA process, to Southern California jurisdictions including the City.

Government Code Section 65583(a)(3) requires that local governments prepare an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to those sites. This parcel-level inventory of sites with near-term residential development potential has been prepared in support of the City’s efforts to update its Housing Element.

The City’s fair share for the planning period between October 2021 and October 2029 was established by SCAG at 997 units divided into four income groups as shown in Table A. That housing needs allocation was based on projected household growth and the resulting need for construction of additional housing units allocated over an 8-year planning period (2021–2029).

**Table A: City of Laguna Woods Housing Needs Allocation (2021–2029)**

| Income Level   | Percent of Area MFI | No. of Units |
|----------------|---------------------|--------------|
| Very Low       | 0–50%               | 127          |
| Low            | 51–80%              | 136          |
| Moderate       | 81–120%             | 192          |
| Above Moderate | >120%               | 542          |
| Total          |                     | 997          |

Source: SCAG 6<sup>th</sup> Cycle Final RHNA Allocation Plan (approved by HCD on March 22, 2021).

HCD = California Department of Housing and Community Development

MFI = median family income

RHNA = Regional Housing Needs Assessment

SCAG = Southern California Association of Governments

It should be noted that the City’s housing needs allocation for the 2021–2019 planning period (997 units) is substantially higher than its allocation during the previous planning period (2 units).

## 2.1 ASSEMBLY BILL 1397

Pursuant to Assembly Bill (AB) 1397, cities must determine if more than 50 percent of the lower-income RHNA would be accommodated on nonvacant sites. When a city relies on nonvacant sites to accommodate 50 percent or more of its housing need for lower-income households, the methodology used to determine additional development potential must demonstrate that the existing use identified does not constitute an impediment to additional residential development during the period covered by the Housing Element. An existing use is presumed to impede additional residential development, absent findings based on substantial evidence that the use is likely to be discontinued during the planning period (Government Code Section 65583.2(g)(2)).

## 2.2 ASSEMBLY BILL 686

Pursuant to AB 686, for Housing Elements due on or after January 1, 2021, sites must be identified throughout the community in a manner that affirmatively furthers fair housing opportunities (Government Code Section 65583(c)(10)). According to Government Code Section 8899.50(a)(1), affirmatively furthering fair housing means “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 based on protected characteristics.” Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity; replacing segregated living patterns with truly integrated and balanced living patterns; transforming racially and ethnically concentrated areas of poverty into areas of opportunity; and fostering and maintaining compliance with civil rights and fair housing laws. For purposes of this Housing Sites Inventory and Analysis, this means that the sites identified to accommodate the lower-income need must not be concentrated in low-resourced areas (areas that lack access to high-performing schools, are not close to jobs, and/or are disproportionately exposed to pollution or other health impacts) or areas of segregation and concentrations of poverty. Instead, the sites identified to accommodate the lower-income need must be distributed throughout the community in a manner that affirmatively furthers fair housing.

### 3.0 OVERVIEW OF POTENTIAL HOUSING SITES

The City has identified 17 potential sites that appear to be viable for near-term housing development that would help the City meet its RHNA requirements. Table B provides a brief description of each site and its corresponding Assessor's Parcel Numbers (APNs), along with a description of the existing uses on each site, the surrounding land uses, the parcel size, and the existing General Plan land use and zoning designations on each site. The 17 sites are distributed throughout the community as shown in Figure 1, Housing Sites Key Map.

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**Table B: Site Descriptions**

| Site | Description/APN  | Existing Uses/Background Information   | Surrounding Uses   | Vacant? | Parcel Size | Current General Plan Land Use Designation | Current Zoning                       |
|------|--|--|--|---------|-------------|---|--------------------------------------|
| 1    | Town Centre Vacant Lot<br>(APN 616-012-29)                   | <ul style="list-style-type: none"> <li>Undeveloped.</li> <li>Site slopes downward from north to south, with most of the developable area on this parcel being 30 to 50 feet above El Toro Road.</li> </ul> | <b>North:</b> El Toro Water District facility—water well property (one-story structures and water tanks)<br><b>East:</b> Laguna Hills Animal Hospital and Laguna Woods Self Storage (one- and two-story structures)<br><b>South:</b> Laguna Woods Village water detention basin—vacant property<br><b>West:</b> Medical office building within Town Centre (three-story structure) | Yes     | 1.8 ac      | Commercial                                | Community Commercial                 |
| 2    | Pacific Hills Calvary Chapel Parking Lot<br>(APN 621-131-38) | Currently developed as a surface parking lot for the adjacent Pacific Hills Calvary Chapel in neighboring Aliso Viejo.   | <b>North:</b> vacant land, Laguna Country United Methodist Church (one-story structures)<br><b>East:</b> Laguna Country United Methodist Church, Pacific Hills Calvary Chapel (in Aliso Viejo) (all one-story structures)<br><b>South:</b> vacant land, Pacific Hills Calvary Chapel (in Aliso Viejo) (all one-story structures)<br><b>West:</b> vacant land                       | No      | 0.696 ac    | Commercial                                | Professional & Administrative Office |



**Table B: Site Descriptions**

| Site | Description/APN                            | Existing Uses/Background Information  | Surrounding Uses   | Vacant? | Parcel Size | Current General Plan Land Use Designation | Current Zoning       |
|------|--|---|--|---------|-------------|---|----------------------|
| 3    | Rossmoor Electric (APN 621-131-21)         | Currently developed as a commercial use with a small number of office and storage uses.                               | <b>North:</b> grocery and commercial (one- and two-story structures)<br><b>East:</b> Saddleback Golf Cars (one-story structures)<br><b>South:</b> Laguna Woods Village community garden center<br><b>West:</b> Equestrian Center (one- and two-story structures) | No      | 1.232 ac    | Commercial                                | Community Commercial |
| 4    | Saddleback Golf Cars (APN 621-131-26)      | Currently developed as a commercial use with neighborhood electric vehicle and golf cart sales and repair.            | <b>North:</b> grocery and commercial (one- and two-story structures)<br><b>East:</b> vacant land<br><b>South:</b> vacant land<br><b>West:</b> Rossmoor Electric (one-story structures)   | No      | 1.235 ac    | Commercial                                | Community Commercial |
| 5    | Laguna Woods Self Storage (APN 616-012-19) | Currently developed as a commercial use with approximately eight single story structures used for individual storage. | <b>North:</b> Laguna Woods Village golf course<br><b>East:</b> Animal Hospital and commercial center (one-and-two-story structures)<br><b>South:</b> water storage<br><b>West:</b> City Center Park  | No      | 5.249 ac    | Commercial                                | Community Commercial |
| 6    | Animal Hospital (APN 616-012-03)           | Currently developed as a commercial use with an animal hospital.  | <b>North:</b> Laguna Woods Self Storage (one-story structures)<br><b>East:</b> gas station (one-and-two-story structures)<br><b>South:</b> Equestrian Center (one- and two-story structures)<br><b>West:</b> vacant land   | No      | 0.76 ac     | Commercial                                | Community Commercial |

**Table B: Site Descriptions**

| Site | Description/APN  | Existing Uses/Background Information  | Surrounding Uses  | Vacant? | Parcel Size | Current General Plan Land Use Designation | Current Zoning       |
|------|--|---|---|---------|-------------|---|----------------------|
| 7    | PS Business Park (excludes Jack in the Box) (APN 616-021-30) | Currently developed as a commercial use with a self-storage facility and small shopping center. | <b>North:</b> open space (in Lake Forest)<br><b>East:</b> Laguna Woods Village golf course<br><b>South:</b> Laguna Woods Village golf course<br><b>West:</b> fast-food restaurant (one-story structure)   | No      | 2.867 ac    | Commercial                                | Community Commercial |
| 8    | Smart Parke (APN 621-211-09)                                 | Currently developed as a commercial use with a pet boarding facility.                           | <b>North:</b> grocery and commercial (one-and-two story structures)<br><b>East:</b> Home Depot center (one-and two-story structures)<br><b>South:</b> Laguna Woods Village golf course<br><b>West:</b> The Regency Apartment Homes (one-to-three-story structures)    | No      | 2.373 ac    | Commercial                                | Community Commercial |
| 9    | McCormick & Son Mortuary (APN 621-091-016)                   | Currently developed as a commercial use with a mortuary facility.                               | <b>North:</b> medical offices (three-story structures)<br><b>East:</b> single family residences (one- and two-story structures)<br><b>South:</b> residential (four-story structures)<br><b>West:</b> multifamily residential (in Aliso Viejo) (four-story structures) | No      | 1.411 ac    | Commercial                                | Community Commercial |

**Table B: Site Descriptions**

| Site | Description/APN   | Existing Uses/Background Information                                   | Surrounding Uses  | Vacant? | Parcel Size           | Current General Plan Land Use Designation | Current Zoning                              |
|------|---|--|---|---------|-----------------------|---|---|
| 10   | Lutheran Church of the Cross (APN 616-041-01)             | Currently developed as a church.                                       | <b>North:</b> Laguna Woods Village residences (three-story structures)<br><b>East:</b> Laguna Woods Village residences (one- and two-story structures)<br><b>South:</b> Saint Nicholas Catholic Church (one- and two-story structures)<br><b>West:</b> Laguna Woods Village Golf Course   | No      | 3.028 ac              | Community Facilities                      | Community Facilities—Private                |
| 11   | Geneva Presbyterian Church (APNs 616-191-05 & 616-191-06) | <del>Currently</del> Both parcels are currently developed as a church. | <b>North:</b> Laguna Woods Village residences (one-story structures)<br><b>East:</b> Calle Sonora/office building within Town Centre (three-story structure)<br><b>South:</b> Whispering Fountains Apartments and residences (in Aliso Viejo) (one-, two-, and three-story structures)<br><b>West:</b> Laguna Woods Village residences (one-story structures) | No      | 3.955 ac <sup>1</sup> | Community Facilities (both parcels)       | Community Facilities—Private (both parcels) |
| 12   | Saint Nicholas Catholic Church (APN 621-121-11)           | Currently developed as a church.                                       | <b>North:</b> Lutheran Church of the Cross (one- and two-story structures)<br><b>East:</b> Laguna Woods Village residences (one- and two-story structures)<br><b>South:</b> Laguna Woods Village residences (one-story structures)<br><b>West:</b> Willow Tree Center and Laguna Woods Village residences (one- and two-story structures)                     | No      | 4.596 ac              | Community Facilities                      | Community Facilities—Private                |

**Table B: Site Descriptions**

| Site | Description/APN  | Existing Uses/Background Information | Surrounding Uses  | Vacant? | Parcel Size | Current General Plan Land Use Designation | Current Zoning               |
|------|--|--------------------------------------|---|---------|-------------|---|------------------------------|
| 13   | Temple Judea<br>(APN 621-121-18)                           | Currently developed as a temple.     | <b>North:</b> Laguna Country United Methodist Church and Laguna Woods Village residences (one-story structures)<br><b>East:</b> Laguna Woods Village residences (one-story structures)<br><b>South:</b> Laguna Woods Village residences and various churches (in Aliso Viejo) (one-story structures)<br><b>West:</b> Laguna Country United Methodist Church and various churches (in Aliso Viejo) (one-story structures)                                  | No      | 1.757 ac    | Community Facilities                      | Community Facilities—Private |
| 14   | Laguna Country United Methodist Church<br>(APN 621-121-23) | Currently developed as a church.     | <b>North:</b> Willow Tree Center and Laguna Woods Village residences (one-story structures)<br><b>East:</b> Temple Judea and Laguna Woods Village residences (one-story structures)<br><b>South:</b> Temple Judea and various churches (in Aliso Viejo) (one-story structures)<br><b>West:</b> parking lot for Pacific Hills Calvary Chapel, Laguna Woods Village vacant land, Willow Tree Center, Laguna Woods Village residences (one-story structures) | No      | 3.899 ac    | Community Facilities                      | Community Facilities—Private |

**Table B: Site Descriptions**

| Site | Description/APN  | Existing Uses/Background Information   | Surrounding Uses   | Vacant? | Parcel Size | Current General Plan Land Use Designation | Current Zoning                       |
|------|--|--|--|---------|-------------|---|--------------------------------------|
| 15   | Medical Building <del>at</del> in Town Centre (APN 616-012-24) | Currently developed as a commercial use with office uses.  | <b>North:</b> Town Center (three-story structure)<br><b>East:</b> vacant land<br><b>South:</b> Home Depot shopping center and Laguna Woods Village water detention basin (one-story structures)<br><b>West:</b> Town Centre (one- and three-story structures)  | No      | 2.69 ac     | Commercial                                | Professional & Administrative Office |
| 16   | Willow Tree Center East (APN 621-121-30)                       | Currently developed as a commercial use with retail, a restaurant, and an adult day services facility. | <b>North:</b> Laguna Woods Village Golf Course<br><b>East:</b> medical buildings (four-story structures)<br><b>South:</b> Residential Community (one- and two-story structures)<br><b>West:</b> Community Commercial (Town Centre) (one- and two-story structures)                                     | No      | 3.095 ac    | Commercial                                | Community Commercial                 |
| 17   | Helm <del>Medical</del> Center (APN 621-091-15)                | Currently developed as a commercial use with office uses.  | <b>North:</b> Laguna Woods Village residences (one- and two-story structures)<br><b>East:</b> Laguna Woods Village residences (one- and two-story structures)<br><b>South:</b> McCormick & Son Mortuary (one-story structures)<br><b>West:</b> The Wellington (in Aliso Viejo) (four-story structures) | No      | 0.65 ac     | Commercial                                | Professional & Administrative Office |

<sup>1</sup> APN 616-191-05 is 0.5 acre and APN 616-191-06 is 3.455 acres. The total acreage of both parcels is 3.955.

ac = acre(s)

APN = Assessor's Parcel Number

County = County of Orange

**Figure 1: Housing Sites Key Map**

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## 4.0 METHODOLOGY USED TO IDENTIFY SITES

Given the predominantly built-out nature of Laguna Woods, there is very little undeveloped land that is able to accommodate new development. The majority of Laguna Woods is comprised of private communities that are restricted to adults aged 55 and older. Most of the limited amount of vacant land that exists within Laguna Woods consists of publicly owned open space properties that are subject to conservation easements or deed restrictions that prohibit housing development.

Properties presently designated as open space were excluded from consideration when the presence of deed restrictions preclude potential future housing development. The Laguna Laurel property at the western end of Santa Maria Avenue is subject to a conservation easement that expressly prohibits the construction of housing. Woods End Wilderness Preserve is subject to a deed restriction that prohibits use inconsistent with “nonvehicular public access into the Laguna Coast Wilderness Park and natural resource protection and restoration.” Woods End Wilderness Preserve is also leased to the County of Orange for inclusion in the Laguna Coast Wilderness Park through February 28, 2047.

City-owned sites were screened for potential inclusion in this analysis; however, due to the City’s extremely limited property ownership, none were included. The City Hall/Public Library site was excluded due to the impending construction of a new library building and expanded outdoor gathering and activity spaces. Both the City Centre Park and Woods End Wilderness Preserve sites are subject to state grant-related deed restrictions. The property at Santa Vittoria Drive/San Remo Drive is 0.32 acre, which is presumed inadequate to accommodate lower income housing per HCD.

Approximately 2.7 square miles of Laguna Woods’ overall 3.3 square miles is occupied by Laguna Woods Village (formerly known as Leisure World), a private gated community for people aged 55 and older. Figure 1, Housing Sites Key Map, shows the portions of Laguna Woods that are within Laguna Woods Village. Over 15,000 residents live in the 12,736 units within Laguna Woods Village, which include condominiums, cooperatives (“co-ops”), and single-family homes. While there are several properties that are perceived as vacant within Laguna Woods Village, none of those properties meet HCD’s definition of a vacant property as set forth in the “Housing Element Site Inventory Guidebook Government Code Section 65583.2” memorandum, dated June 10, 2020, and the production of new housing within Laguna Woods Village faces several challenges. There are income requirements and age restrictions for residents to become members of and live within the community, and the ability to build housing on, or unilaterally sell/lease, any land held in trust by the Golden Rain Foundation for the benefit of the residents of Laguna Woods Village is restricted by applicable governing documents. Each of the perceived vacant sites within Laguna Woods Village was also redesignated/rezoned in 2015 as open space at the request of the property owner (Golden Rain Foundation); prior to that action, those sites were designated/zoned for residential and commercial use. The City has discussed its new housing needs allocation and the Housing Element update process with Laguna Woods Village management staff (Village Management Services, Inc.) and has received no indication that the Golden Rain Foundation or any other Laguna Woods Village governing board is interested in pursuing new housing development. Due to a lack of evidence indicating a likelihood of redevelopment, properties located within, or owned by parties exclusively affiliated with Laguna Woods Village, were excluded from consideration.



Sites were included in this analysis because they met one or more of the following criteria:

- Sites where interest in housing development has been previously expressed were included. In 2014, the property owner's agent expressed interest in redeveloping the Willow Tree Center East property (Site 16). In 2017, the property owner and a housing developer expressed interest in the Laguna Country United Methodist Church property (Site 14).
- Based, in part, on previous interest in the Laguna Country United Methodist Church site (Site 14), parcel sizes, proximity to public transit, mission compatibility<sup>1</sup>, and membership-related trends, other sites presently used as places of worship were included.
- Based, in part, on previous interest in the Willow Tree Center East site, parcel sizes, and proximity to public transit, other commercial sites were included. An emphasis was placed on identifying commercial sites with:
  - Frequent or long-term vacancies
    - As ~~evident~~evidenced by real estate marketing.
    - Indicates that demand for commercial uses at that location is low, signaling a potential for redevelopment.
  - Less established tenants
    - According to the United States Bureau of Labor Statistics, approximately 20 percent of small businesses fail in the first year, 50 percent fail by the end of the fifth year, and 66 percent fail by the end of the tenth year.<sup>2</sup>
    - Indicates that the property may become available during the RHNA cycle.
  - Single tenants
    - Redeveloping such properties has fewer lease implications.
  - Viable adjacent sites
    - Presents an opportunity for lot consolidation, potentially making redevelopment at an economic scale more viable.

The list of nonvacant properties that met the criteria described above were further screened to exclude any properties that host businesses that provide essential goods or services to the community and are, therefore, not likely to vacate their current locations. Such businesses included grocery stores, banks, and pharmacies.

<sup>1</sup> California State Senator Scott Wiener. 2020. "Senator Wiener Introduces Housing Legislation to Allow Churches and Other Charitable Institutions to Build Affordable Housing on Their Property." Website: <https://sd11.senate.ca.gov/news/20200306-senator-wiener-introduces-housing-legislation-allow-churches-and-other-charitable#:~:text=Churches%20and%20other%20religious%20and,in%20order%20to%20do%20so.%E2%80%9D> (accessed July 11, 2021).

<sup>2</sup> United States Bureau of Labor Statistics. 2020. Survival of private sector establishments by opening year. March. Website: [https://www.bls.gov/bdm/us\\_age\\_naics\\_00\\_table7.txt](https://www.bls.gov/bdm/us_age_naics_00_table7.txt) (accessed July 1, 2021).

The properties upon which Home Depot is located were also removed from further consideration, consistent with HCD's Site Inventory Guidebook (May 2020) that references an "active Home Depot" as an example of an existing use that is "unlikely to be available for residential development within the planning period."

The analysis in this report focuses on the suitability of housing development on each site by examining site conditions and various development constraints (e.g., environmental hazards or inadequate infrastructure). The report also identifies those sites that are most likely to redevelop at density levels that can facilitate affordable housing. The goal of this analysis is to confirm that the 17 potential housing sites are able to accommodate the City's housing needs allocation.

This analysis also takes into consideration whether each site is vacant or nonvacant, as defined by HCD, and whether existing uses on the nonvacant sites would serve as an impediment to additional housing development during the Housing Element planning period.

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## 5.0 ENVIRONMENTAL CONSTRAINTS AND ADEQUATE INFRASTRUCTURE

Government Code Section 65583.2(b)(4) requires that the City provide a general description of any environmental constraints to the development of housing within its jurisdiction. Government Code Section 65583.2(b)(5) requires that the City provide a description of existing or planned water, sewer, and other dry utilities supply, including the availability and access to distribution facilities.

### 5.1 ENVIRONMENTAL CONSTRAINTS

Table C summarizes any environmental site constraints that affect each of the 17 housing sites, with an emphasis on grading, slope hazards, access issues, and surrounding uses. As described in Table C, it appears that vehicular access to each of the 17 housing sites is viable. Table C also indicates that many of the sites have no environmental constraints. With respect to the sites with potential environmental constraints, there are feasible engineering and design solutions that are likely to reduce the environmental impacts associated with these constraints to less than significant levels. Although the total development capacity of several of the sites (Sites 8, 11, 12, 13, 14, 16, and 17) would be constrained by slope hazards or the need to be sensitive to neighboring residents, none of the sites have physical impediments that would render them undevelopable.

### 5.2 INFRASTRUCTURE CONSTRAINTS

Laguna Woods is a predominantly built-out urban community that has adequate infrastructure to provide water, sewer, electricity, natural gas, and telecommunications services to its residents. As shown in Figure 1, all 17 of the potential housing sites are adjacent to either El Toro Road or Moulton Parkway and are either already developed or surrounded by existing development.

Water service is provided to Laguna Woods, including to the existing uses on each of the nonvacant sites (Sites 2–17) and the existing commercial land uses adjacent to the vacant site (Site 1), by the El Toro Water District (ETWD). The existing water mains along El Toro Road and Moulton Parkway could sufficiently support housing development on all of the sites. As an urban water supplier, ETWD is required to prepare an Urban Water Management Plan (UWMP) every 5 years. The UWMP supports ETWD's long-term resource planning to ensure that adequate water supplies are available to meet existing and future water needs. ETWD is currently in the process of preparing an update to its UWMP, which is anticipated to evaluate the reliability of its water supplies through at least 2040.

The City will be working with ETWD to ensure that planned land uses, including future housing envisioned under the City's RHNA allocation, are included in future UWMPs so that sufficient water supplies are available.

Sewer service is provided to Laguna Woods by ETWD. Because sewer service is currently provided to the existing uses on each of the nonvacant sites (Sites 2–17) and the existing commercial land uses adjacent to the vacant site (Site 1), the existing sewer facilities could sufficiently support housing development on all of the sites.

**Table C: Environmental and Site Constraints**

| Site | Name  | Description of Constraint  |
|------|---|--|
| 1    | Town Centre Vacant Lot                      | <ul style="list-style-type: none"> <li>Site slopes downward from north to south toward El Toro Road.</li> <li>Heavy grading, with a substantial amount of soil export, would be required to accommodate new housing on this site; in addition, it is likely that tiebacks and/or retaining walls would be required to stabilize the site.</li> <li>Vehicle access through the Town Centre project to the west appears viable.</li> <li>A small portion of the site is located in a landslide hazard zone. Inclusion in such a zone does not preclude housing development.</li> </ul> |
| 2    | Pacific Hills Calvary Chapel Parking Lot    | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the northeast.</li> <li>Vehicle access to Moulton Parkway appears viable via the existing driveway on the adjacent property.</li> <li>No environmental constraints affect this site.</li> </ul>   |
| 3    | Rossmoor Electric                           | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the east.</li> <li>Vehicle access to Moulton Parkway appears viable via the existing driveway.</li> <li>No environmental constraints affect this site.</li> </ul>   |
| 4    | Saddleback Golf Cars                        | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the east.</li> <li>Vehicle access to Moulton Parkway appears viable via the existing driveway.</li> <li>No environmental constraints affect this site.</li> </ul>   |
| 5    | Laguna Woods Self Storage                   | <ul style="list-style-type: none"> <li>Site is sloped to the northeast and south; site appears to drain toward the southeast.</li> <li>Vehicle access to Moulton Parkway appears viable via the existing driveway.</li> <li>A small portion of the site is located in a landslide hazard zone. Inclusion in such a zone does not preclude housing development.</li> </ul>  |
| 6    | Animal Hospital                             | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the south.</li> <li>Vehicle access to El Toro Road appears viable via the existing driveway.</li> <li>No environmental constraints affect this site.</li> </ul>   |
| 7    | PS Business Park (excludes Jack in the Box) | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the north.</li> <li>Vehicle access to Moulton Parkway appears viable via the existing driveway.</li> <li>No environmental constraints affect this site.</li> </ul>  |
| 8    | Smart Parke                                 | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the south.</li> <li>Vehicle access to El Toro Road appears viable via the existing driveway.</li> <li>A portion of the site is located in a landslide hazard zone. Inclusion in such a zone does not preclude housing development.</li> <li>The western portion of the site was affected by a landslide in 2004 when the slope below Calle Sonora failed due to excessive soil saturation, causing significant private property damage.</li> </ul>  |
| 9    | McCormick & Son Mortuary                    | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the north.</li> <li>Vehicle access to Moulton Parkway appears viable via the existing driveway.</li> <li>No environmental constraints affect this site.</li> </ul>  |
| 10   | Lutheran Church of the Cross                | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the southeast.</li> <li>Vehicle access to El Toro Road appears viable via the existing driveways on the site.</li> <li>No environmental constraints affect this site.</li> </ul>  |
| 11   | Geneva Presbyterian Church                  | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the southeast.</li> <li>The northern and western portions of the site are adjacent to residential uses; therefore, any housing development on those portions of the site will need to be sensitive to neighboring residents.</li> <li>Vehicle access to El Toro Road and Calle Sonora appears viable via the existing driveways on the site.</li> </ul>   |

**Table C: Environmental and Site Constraints**

| Site | Name                                   | Description of Constraint   |
|------|--|---|
| 12   | Saint Nicholas Catholic Church         | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the northwest.</li> <li>The southern portion of the site is adjacent to residential uses; therefore, any housing development on that portion of the site will need to be sensitive to neighboring residents.</li> <li>Vehicle access to El Toro Road appears viable via the existing driveways on the site.</li> </ul>   |
| 13   | Temple Judea                           | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the northeast.</li> <li>The northern and eastern portions of the site are adjacent to residential uses; therefore, any housing development on those portions of the site will need to be sensitive to neighboring residents.</li> <li>Vehicle access to Moulton Parkway appears viable via the existing driveway on the site, which is shared with the owner of an adjacent site.</li> </ul> |
| 14   | Laguna Country United Methodist Church | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the northeast.</li> <li>The northern and eastern portions of the site are adjacent to residential uses; therefore, any housing development on those portions of the site will need to be sensitive to neighboring residents.</li> <li>Vehicle access to Moulton Parkway appears viable via the existing driveway on the site, which is shared with the owner of an adjacent site.</li> </ul> |
| 15   | Medical Building at<br>Town Centre     | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the southeast.</li> <li>Vehicle access to El Toro Road appears viable via the existing driveway west of the site.</li> <li>No environmental constraints affect this site.</li> </ul>   |
| 16   | Willow Tree Center East                | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the southeast.</li> <li>Vehicle access to El Toro Road appears viable via the existing driveway west of the site.</li> <li>The southern portion of the site is near residential communities; therefore, any housing development on that portion of the site will need to be sensitive to neighboring residents.</li> </ul>   |
| 17   | Helm Medical Center                    | <ul style="list-style-type: none"> <li>Site is relatively flat and appears to drain toward the southeast.</li> <li>The eastern portion of the site is adjacent to residential uses; therefore, any housing development on that portion of the site will need to be sensitive to neighboring residents.</li> <li>Vehicle access to Moulton Parkway appears viable via the existing driveways on the site.</li> </ul>   |

Southern California Edison (SCE) provides electrical service to Laguna Woods. Because electrical service is currently provided to the existing uses on each of the nonvacant sites (Sites 2–17) and the existing commercial land uses adjacent to the vacant site (Site 1), the existing electrical facilities could sufficiently support housing development on all of the sites.

The Southern California Gas Company provides natural gas service to Laguna Woods and each of the nonvacant sites (Sites 2–17) via existing gas mains in Ridge Route Drive, Moulton Parkway, and El Toro Road. Gas lines could be extended from El Toro Road into the vacant site (Site 1) to sufficiently support housing development.

Telecommunication services including landline and cell phone service, television, and internet are available throughout Laguna Woods. These services could be provided to all of the sites to sufficiently support housing development.

### 5.3 GENERAL LAND USE CONSIDERATIONS

The City will include a rezoning program in its Housing Element to apply an appropriate residential overlay zoning district to each of the 17 potential housing sites. Such overlay zoning districts would allow new housing units to be developed on the nonvacant sites while also allowing the existing uses to continue operating. City staff has identified ~~five~~four potential overlay ~~zones~~zoning districts, which are described in Table D below. A full General Plan consistency review will be completed when the City implements the Housing Element rezoning program; however, a subsequent update of the General Plan Land Use Element will be required to establish the new overlay zoning districts. To remain consistent with the General Plan Circulation Element, a traffic impact analysis will be required.

**Table D: Potential Overlay Zoning Districts**

| Overlay Zone  | Density Range                      | Notes   |
|---|------------------------------------|---|
| Residential High Density                            | 30–50 du/ac                        | <ul style="list-style-type: none"> <li>• Able to accommodate the development of lower-income units, consistent with HCD's standard threshold</li> </ul>   |
| Residential Medium Density                          | 20–30 du/ac                        | <ul style="list-style-type: none"> <li>• Able to accommodate the development of moderate-income units</li> </ul>  |
| Residential <u>Medium</u> -Low Density              | 15–20 du/ac                        | <ul style="list-style-type: none"> <li>• Appropriate for sites adjacent to existing lower-density residential uses</li> <li>• Able to accommodate the development of moderate-income units</li> </ul>       |
| <del>Mixed-Use High Density</del>                   | <del>30–50 du/ac</del>             | <ul style="list-style-type: none"> <li>• <del>Able to accommodate the development of lower-income units, consistent with HCD's standard threshold</del></li> </ul>  |
| <del>Mixed-Use</del> <u>Residential</u> Low Density | <del>15–20</del> <u>8–10</u> du/ac | <ul style="list-style-type: none"> <li>• <u>Appropriate for sites adjacent to existing single-story residential uses</u></li> <li>• Able to accommodate the development of moderate-income units</li> </ul> |

du/ac = dwelling unit(s) per acre

HCD = Department of Housing and Community Development

### 5.4 ACCESS TO COMMUNITY RESOURCES

Although locations vary, in general, each of the 17 potential housing sites appears to enjoy good access to community resources based on the following factors:

- Good access to grocery stores and other retail outlets (e.g., ALDI Food Market, Mother's Market & Kitchen, and Stater Bros.), which may also serve as employment centers
- Good transit access (each site is within a 0.25-mile walk of an Orange County Transportation Authority [OCTA] bus stop.)
- Close to employment centers (e.g., Laguna Hills Mall and shopping centers)
- Close to a medical facility (Saddleback Medical Center)

- Good access to quality schools (Based on the Saddleback Valley Unified School District [SVUSD] School Locator map, each of the sites would be assigned to the following schools, which are described below.)
  - **San Joaquin Elementary School** (Kindergarten–Grade 6) has the following:<sup>1</sup>
    - A 70.3 percent enrollment rate comprising socioeconomically disadvantaged students
    - An overall “Exemplary” rating of the school’s state of repair
    - A full cohort of administrative and teaching staff members, which provides adequate student-teacher ratios
  - **Los Alisos Intermediate School** (Grades 7 and 8) has the following :<sup>2</sup>
    - A 57 percent enrollment rate comprising socioeconomically disadvantaged students
    - An overall “Good” rating of the school’s state of repair
    - A full cohort of administrative and teaching staff members, which provides adequate student-teacher ratios
  - **Laguna Hills High School** (Grades 9–12) has the following :<sup>3</sup>
    - A 38.9 percent enrollment rate comprising socioeconomically disadvantaged students
    - An overall “Exemplary” rating of the school’s state of repair
    - A full cohort of administrative and teaching staff members, which provides adequate student-teacher ratios
- SVUSD’s website states that families may request interdistrict transfers based on changes in ~~child-care~~childcare needs (Kindergarten–Grade 6 only), parent employment, and student enrollment in specialized programs. Proper documentation must be provided to SVUSD in order for an interdistrict transfer to be considered.

<sup>1</sup> Saddleback Valley Unified School District. 2020. San Joaquin Elementary School 2019–20 School Accountability Report Card. Website: <https://www.doc-tracking.com/screenshots/Serve/844/2020/English/SanJoaquinElementarySchool.pdf> (accessed July 1, 2021).

<sup>2</sup> Saddleback Valley Unified School District. 2020. Los Alisos Intermediate School 2019–20 School Accountability Report Card. Website: <https://www.doc-tracking.com/screenshots/Serve/844/2020/English/LosAlisosIntermediateSchool.pdf> (accessed July 1, 2021).

<sup>3</sup> Saddleback Valley Unified School District. 2020. Laguna Hills High School 2019–20 School Accountability Report Card. Website: <https://www.doc-tracking.com/screenshots/Serve/844/2020/English/LagunaHillsHighSchool.pdf> (accessed July 1, 2021).

## 5.5 ENERGY CONSERVATION OPPORTUNITIES

Planning to maximize energy efficiency and the incorporation of energy conservation and green building features can contribute to reduced housing costs for residents in Laguna Woods, in addition to promoting sustainable community design and reduced dependence on vehicles. Such planning and development standards can also significantly contribute to reducing greenhouse gases. The City's Municipal Code references recently adopted regulations that are intended to conserve energy and provide opportunities for residents to live in decent, safe, and affordable housing.

### 5.5.1 City Efforts

#### 5.5.1.1 Laguna Woods Municipal Code

**California Green Building Standards Code.** The California Green Building Standards Code, 2019 Edition (California Code of Regulations, Title 24, Part 11; CALGreen),<sup>1</sup> was adopted and incorporated by reference as the City's Green Building Standards Code. CALGreen regulates the planning, design, operation, construction, use, and occupancy of every newly constructed building or structure, unless otherwise indicated.

The scope of CALGreen extends to include all new buildings, this includes newly constructed residential structures, including apartment buildings, condominiums, one and two-story dwellings, homeless shelters, and other types of dwellings containing sleeping accommodations; therefore, it applies to affordable housing units.

**California Energy Code.** The California Energy Code, 2019 Edition (California Code of Regulations, Title 24, Part 6),<sup>2</sup> was adopted and incorporated by reference as the City's Energy Code. The Energy Code regulates the construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, maintenance, removal, and demolition of every building or structure or any appurtenances connected or attached to such buildings or structures.

The Energy Code promotes efficient building energy use to protect people and the environment. Once rooftop solar electricity generation is factored in, homes built under the 2019 standards will use about 53 percent less energy than those under the 2016 standards. This is expected to reduce greenhouse gas emissions in California by 700,000 metric tons over three years, equivalent to taking 115,000 fossil fuel cars off the road.<sup>3</sup>

**Construction and Demolition Materials Management.** Chapter 4.24, Construction and Demolition Materials Management, of the City's Municipal Code increases the amount of construction and

<sup>1</sup> City of Laguna Woods. Municipal Code. Website: [https://library.municode.com/ca/laguna\\_woods/codes/code\\_of\\_ordinances?nodeId=TIT10BUCO\\_CH10.24CAGRBUSTCO](https://library.municode.com/ca/laguna_woods/codes/code_of_ordinances?nodeId=TIT10BUCO_CH10.24CAGRBUSTCO) (accessed September 16, 2021).

<sup>2</sup> City of Laguna Woods. Municipal Code. Website: [https://library.municode.com/ca/laguna\\_woods/codes/code\\_of\\_ordinances?nodeId=TIT10BUCO\\_CH10.28CAENCO](https://library.municode.com/ca/laguna_woods/codes/code_of_ordinances?nodeId=TIT10BUCO_CH10.28CAENCO) (accessed September 16, 2021).

<sup>3</sup> 2019 Building Energy Efficiency Standards FAQs. *The California Energy Commission - Efficiency Division*. Website: [https://www.energy.ca.gov/sites/default/files/2020-03/Title\\_24\\_2019\\_Building\\_Standards\\_FAQ\\_ada.pdf](https://www.energy.ca.gov/sites/default/files/2020-03/Title_24_2019_Building_Standards_FAQ_ada.pdf) (accessed September 17, 2021).



demolition waste diverted from landfills by requiring minimum levels of reuse or recycling of waste generated by certain types of projects.

**Water Efficient Landscapes.** Chapter 10.03, Water Efficient Landscapes, of the City's Municipal Code encourages efficient and conservation-oriented use of water in new and rehabilitated landscapes by limiting the amount of water able to be applied and requiring compliance with El Toro Water District regulations.

#### 5.5.1.2 City of Laguna Woods General Plan Conservation Element

The General Plan Conservation Element addresses emergent issues and existing conditions in order to form a comprehensive approach to resource conservation. This element presents existing conditions relative to natural resource conservation within Laguna Woods and is organized to address the following eight priority issues: air resources; biological resources; cultural resources; energy resources; land resources; water resources; greenhouse gas emissions; and waste and recycling.

Implementation actions associated with the following General Plan Conservation Element policy objectives would provide opportunities for energy conservation in residential development:

- CO-4.1. Maintain energy reliability and affordability through conservation, efficiency, and independence.
- CO-4.2. Demonstrate sustainable energy resource leadership.
- CO-6.2. Maintain water reliability and affordability through conservation, efficiency, and independence.
- CO-6.3. Demonstrate sustainable water resource leadership.
- CO-8.1. Control sources of greenhouse gas emissions.
- CO-8.2. Demonstrate climate change leadership.
- CO-9.1. Adopt and enforce regulations promoting waste and recycling goals.
- CO-9.2. Expand opportunities for recycling and reuse of waste.

#### **5.5.2 Other Resources**

##### 5.5.2.1 Southern California Edison Programs

For households requiring assistance with the payment of routine energy bills, Southern California Edison offers the following programs:

- California Alternate Rates for Energy (CARE) reduces energy bills for eligible customers by about 30 percent.

- Family Electric Rate Assistance (FERA) reduces electric bills for qualified households by 18 percent.

#### 5.5.2.2 Foundation of Laguna Woods Village Payment Assistance

The Foundation of Laguna Woods Village is a nonprofit corporation that raises and distributes monies to assist residents of the private gated community of Laguna Woods Village. The Foundation of Laguna Woods Village offers temporary financial assistance with the payment of utility and energy bills.

## 6.0 FAIR HOUSING ISSUES

HCD updated its guidance for implementing Affirmatively Furthering Fair Housing (AFFH) in April 2021. The updated guidance was published to assist public agencies and local governments with meeting their AB 686 requirements. In April 2021, HCD also released an interactive AFFH Data Viewer, which provides several map layers with data related to key AFFH factors including the following: Fair Housing Enforcement Outreach Capacity, Community Segregation and Integration, Disparities in Access to Opportunities, Disproportionate Housing Needs & Displacement Risks, and Racially and Ethnically Concentrated Areas of Poverty and Affluence. Per HCD's AFFH implementation guidance, the 17 potential housing sites were analyzed for any potential patterns and trends of disparate housing needs and disproportionate access to opportunities. Using those criteria, housing sites were then evaluated on several map layers available from the AFFH Data Viewer to confirm that they would comply with AFFH policy. Figures 2 through 6, which are described in further detail below, show the locations of the potential housing sites and their proximity to the different classifications provided in the AFFH Data Viewer.

### 6.1 POVERTY STATUS

Figure 2, Poverty Status, identifies the percentage of the population in each Laguna Woods census tract whose income in the past 12 months was below the poverty level, based on the 2015–2019 American Community Survey estimates. Figure 2 also identifies the locations of the 17 potential housing sites. As shown in Figure 2, between 10 and 20 percent of the population in the portions of Laguna Woods east of Moulton Parkway and west of Moulton Parkway between El Toro Road and Santa Maria Avenue are living below the poverty level.

Of the 17 sites, four (Sites 2, 3, 4, and 8) are located in areas of Laguna Woods in which less than 10 percent of the population's income is below the poverty level, and 13 (Sites 1, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, and 17) are located in areas in which between 10 and 20 percent of the population's income is below the poverty level.

While no areas in Laguna Woods are within a census tract in which a majority of the population's income is below the poverty level, this analysis suggests that the development of new affordable housing on Sites 1, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, and 17 would be more desirable in order to affirmatively further fair housing. This is due to their slightly higher percentages of poverty levels relative to the Laguna Woods average.

## 6.2 DIVERSITY INDEX

Figure 3, Diversity Index, identifies the diversity levels in each of the Laguna Woods census tracts based on Esri's 2018 Diversity Index, which analyzes United States Census Population Estimates data. Figure 3 also identifies the locations of the 17 potential housing sites. The Diversity Index ranges from 0 (no diversity) to 100 (complete diversity). Esri's definition of diversity is two-dimensional and combines racial diversity with ethnic diversity. The measure evaluates the likelihood that two persons, chosen at random from the same area, belong to different races or **ethnic groups**. If an area's entire population belongs to one race group and one ethnic group, then an area has zero diversity.

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**Figure 2: Poverty Status**

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**Figure 3: Diversity Index**

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~~ethnic groups. If an area's entire population belongs to one race group and one ethnic group, then an area has zero diversity.~~ In theory, the Diversity Index ranges from 0 (no diversity) to 100 (complete diversity). The Diversity Index is a continuum from 0 to 100, where an area's Diversity Index tends toward 100 when the population is more evenly divided across race and ethnic groups. If an area's entire population is divided evenly into two race groups and one ethnic group, then the Diversity Index equals 50. As more race groups are evenly represented in the population, the Diversity Index increases. As shown in Figure 3, the Diversity Index varies substantially among the Laguna Woods census tracts.

Of the 17 sites, five (Sites 1, 5, 6, 11, and 15) are located in areas of Laguna Woods that score lower on the Diversity Index. Seven of the sites (Sites 7, 9, 10, 12, 13, 14, and 16) are located in areas that score higher on the Diversity Index, with scores that are less than or equal to the 40–55<sup>th</sup> percentile. Four of the sites (Sites 2, 3, 4, and 8) are located in areas that scored within the 70–85<sup>th</sup> percentile.

This analysis suggests that Sites 2, 3, 4, 7, 8, 9, 10, 12, 13, 14, and 16 would be stronger candidates for developing affordable housing due to their higher Diversity Index scores. Developing affordable housing at these sites would comply with AFFH policies and affirmatively further fair housing.

### 6.3 HEALTHY PLACES

Figure 4, Healthy Places Index, shows the Laguna Woods census tracts and their scores on the Public Health Alliance of Southern California (PHASC) 2021 Healthy Places Index (HPI). The HPI was developed to assist in exploring local factors that predict life expectancy and provides overall scores and detailed data on specific policy action areas that shape health. Higher HPI scores represent communities where economic, education, transportation, social, neighborhood, clean environment, housing, and healthcare access indicators suggest that conditions that are conducive to healthy living are present. Figure 4 also identifies the locations of the 17 potential housing sites. As shown in Figure 4, the HPI varies substantially among the Laguna Woods census tracts.

Of the 17 sites, six of the sites (Sites 9, 12, 13, 14, 16, and 17) are located in areas that scored between the 20<sup>th</sup> and 40<sup>th</sup> percentile on the HPI. Five of the sites (Sites 1, 5, 6, 11, and 15) are located in areas that scored between the 40<sup>th</sup> and 60<sup>th</sup> percentile, followed by Sites 7 and 8, which are located in areas that scored between the 60<sup>th</sup> and 80<sup>th</sup> percentile on the HPI.

Based on this analysis, Sites 1, 5, 6, 7, 8, 11, and 15 are preferable for affordable housing development due to their higher HPI scores, which would affirmatively further fair housing.

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~~Figure 4: Healthy Places Index~~

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## 6.4 SOCIAL VULNERABILITY

Figure 5, Social Vulnerability Index, identifies the census tracts throughout Laguna Woods and their scores on the Centers for Disease Control and Prevention (CDC) 2018 Social Vulnerability Index (SVI). “Social vulnerability” refers to the potential negative effects on communities caused by external stresses on human health. Such stresses can include natural or human-caused disasters, or disease outbreaks. The SVI uses 15 different United States Census variables to help local officials identify communities that may need support before, during, or after disasters. Figure 5 also identifies the locations of the 17 potential housing sites.

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**Figure 4: Healthy Places Index**

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**Figure 5: Social Vulnerability Index**

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There is one census tract within Laguna Woods that is identified as having a “higher vulnerability” per AFFH data. None of the 17 sites are located in that census tract. All of the sites are located in census tracts with a “moderate vulnerability” based on the SVI.

Despite the fact that the potential housing sites are located in areas subject to moderate levels of social vulnerability, they remain good candidates for affordable housing to affirmatively further fair housing.

## 6.5 TAX CREDIT ALLOCATION COMMITTEE OPPORTUNITY AREAS

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 fair housing goals (as defined by HCD). The California Fair Housing Task Force has compiled data 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 percent Low Income Housing Tax Credits (LIHTCs). The data reflect composite scores of four different domains made up of a set of indicators. Table E shows the full list of these domains and indicators.

**Table E: Domains and Lists of Indicators for Opportunity Maps**

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

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

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~~Figure 5: Social Vulnerability Index~~

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Figure 6, TCAC Opportunity Areas, shows the Laguna Woods census tracts and their categorization based on their composite scores. Areas with higher composite scores are those areas that have the highest number of resources. Areas with lower composite scores have a comparatively lower number of resources. Figure 6 also identifies the locations of the 17 potential housing sites. As shown in Figure 6, the composite scores vary substantially among the Laguna Woods census tracts.

Of the 17 sites, 13 of the sites (Sites 1, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, and 17) are located in “Low Resource” areas. Four of the sites (Sites 2, 3, 4, and 8) are located in portions of Laguna Woods that are categorized as being “Moderate Resource—Rapidly Changing” areas.

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**Figure 6: TCAC Opportunity Areas**

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Based on this analysis, Sites 2, 3, 4, and 8 are preferable for affordable housing development due to their locations in higher resource areas relative to what is available in Laguna Woods, which would affirmatively further fair housing.

## **6.6 — CONCLUDING ANALYSIS**

### **6.6 REGIONAL OPPORTUNITY INDEX**

The UC Davis Center for Regional Change and Rabobank partnered to develop the Regional Opportunity Index (ROI) tool, which is intended to help communities understand local social and economic opportunities. The ROI tool incorporates both “People” and “Place” components, integrating economic, infrastructure, environmental, and social indicators into a comprehensive assessment of the factors driving opportunity.

The People component of the ROI is a relative measure of *people’s* assets in education, the economy, housing, mobility/transportation, health/environment, and civic life. According to the ROI, Laguna Woods ranks moderate to high in the People component.

The Place component of the ROI is a relative measure of an *area’s* assets in education, the economy, housing, mobility/transportation, health/environment, and civic life. According to the ROI, most areas in Laguna Woods rank in the highest level while the westernmost portion of Laguna Woods ranks in the low level of opportunity.

In general, the ROI for Laguna Woods is relatively high when compared against the rest of Orange County. The lowest access to opportunity is concentrated in the northwestern portion of Orange County, while the highest access to opportunity is concentrated in the coastal and southern areas of Orange County, which is where Laguna Woods is located.

### **6.7 DISABILITY, FAMILY STATUS, AND INCOME**

Table F provides data compiled by the U.S. Census Bureau related to disability, poverty status, median household income, and household type for Orange County, Laguna Woods, and the eight census tracts that are partially or entirely within Laguna Woods.

Table F indicates that seven of the eight census tracts in Laguna Woods have a higher percentage of their population with a disability than Orange County. Overall, 27.3 percent of Laguna Woods’ population has some form of disability, a figure that is higher than each of the individual census tracts within Laguna Woods. Census Tract 626.21 reports the lowest population percentage with a disability (7.2 percent). All 17 of the potential housing sites are located in census tracts with a higher percentage of disabled residents than Orange County.

As described in Table F, 11.5 percent of Laguna Woods’ residents are living below the federal poverty threshold, which is slightly higher than Orange County overall (10.9 percent). Of the eight census tracts in Laguna Woods, five have a higher percentage of residents living below the poverty threshold than Orange County. Seven of the 17 potential housing sites are located in census tracts with a higher percentage of residents living below the poverty threshold than Orange County.

**Table F: Disability, Family Status, and Income**

| <u>Jurisdiction</u> | <u>Population with Disability (%)<sup>3</sup></u> | <u>Population Below Poverty (%)<sup>2</sup></u> | <u>Median Household Income<sup>1</sup></u> | <u>Married-Couple Family<sup>4</sup></u> | <u>Male Householder<sup>4</sup></u> | <u>Female Householder<sup>4</sup></u> | <u>Nonfamily Household<sup>4</sup></u> |
|---------------------|---|---|--|--|-------------------------------------|---------------------------------------|--|
| Orange County       | 8.5   | 10.9  | \$90,234                                   | 569,260                                  | 55,032                              | 119,719                               | 293,481                                |
| Laguna Woods        | 27.3  | 11.5  | \$44,020                                   | 3,590                                    | 83                                  | 309                                   | 7,021                                  |
| Census Tract 626.21 | 7.2   | 7.7   | \$111,425                                  | 2,355                                    | 297                                 | 361                                   | 1,610                                  |
| Census Tract 626.22 | 22.6  | 13.7  | \$44,119                                   | 951                                      | 0                                   | 47                                    | 1,537                                  |
| Census Tract 626.25 | 14.1  | 12.4  | \$45,214                                   | 831                                      | 46                                  | 131                                   | 952                                    |
| Census Tract 626.41 | 13.8  | 3.3   | \$88,986                                   | 1,034                                    | 5                                   | 147                                   | 838                                    |
| Census Tract 626.46 | 25.4  | 10.6  | \$41,875                                   | 762                                      | 48                                  | 0                                     | 1,555                                  |
| Census Tract 626.47 | 16.9  | 15.7  | \$54,327                                   | 543                                      | 143                                 | 217                                   | 1,448                                  |
| Census Tract 626.48 | 26.4  | 12.9  | \$45,000                                   | 470                                      | 8                                   | 84                                    | 1,300                                  |
| Census Tract 626.49 | 24.5  | 11.1  | \$60,254                                   | 711                                      | 28                                  | 33                                    | 1,094                                  |

<sup>1</sup> American Community Survey 2019 5-Year Estimates. Table S1901.

<sup>2</sup> American Community Survey 2019 5-Year Estimates. Table S1701.

<sup>3</sup> American Community Survey 2019 5-Year Estimates. Table S1810.

<sup>4</sup> American Community Survey 2019 5-Year Estimates. Table S1101.

Table F also shows that Laguna Woods has a substantially lower median household income (\$44,020) than Orange County (\$90,234). Of the eight census tracts in Laguna Woods, only Census Tract 626.21 has a higher median household income (\$111,425) than Orange County. All 17 of the potential housing sites are located in census tracts with a lower median household income than Orange County.

Additionally, six of the eight census tracts in Laguna Woods, and Laguna Woods as a whole, have a higher number of nonfamily households than family, male householder, or female householder households, which reflects Laguna Woods' character as being home to a large senior population, many of whom do not live in family households. By comparison, Orange County has a much larger number of married-couple families than nonfamily, male householder, or female householder families. In total, 11 of the 17 potential housing sites are located in census tracts with a larger number of nonfamily households than married-couple family households.

## 6.8 AGE AND INCOME RESTRICTIONS

As described in Section 4.0 above, the majority of Laguna Woods is comprised of private communities that are both income-restricted and age-restricted to adults aged 55 and older. Consequently, most of the City's housing stock is subject to income and age restrictions, which has impeded housing choices for lower-income and younger residents interested in relocating to Laguna Woods.

## 6.9 CONCLUDING ANALYSIS

Each of the 17 potential housing sites were also analyzed against three additional AFFH data layer maps: (1) areas that are defined by either the TCAC or HCD Opportunity Maps as being an area of "High Segregation and Poverty" or by the United States Department of Housing and Urban Development (HUD) as a "Racially or Ethnically Concentrated Area of Poverty"; (2) areas identified as

State Bill (SB) 535-defined “Disadvantaged Communities”; and (3) locations of cases throughout Laguna Woods that were filed with HUD’s Fair Housing Enforcement and Outreach (FHEO) branch in 2020.

Analysis of these data sets showed that Laguna Woods does not contain any areas defined by either the TCAC or HCD Opportunity Maps as being an area of High Segregation and Poverty or by HUD as a Racially or Ethnically Concentrated Area of Poverty. Although HCD’s guidance for implementing AFFH states that affordable housing should aim to be developed in those areas in order to further fair housing, no such areas exist within Laguna Woods. Furthermore, Laguna Woods does not contain any SB 535-defined Disadvantaged Communities, and, as such, none of Laguna Woods’ potential housing sites are located in a SB 535-defined Disadvantaged Community. Additionally, the entirety of Laguna Woods is located in an area that had less than .01 percent of complaints filed with FHEO in 2020, which means that few to no housing discrimination complaints have been filed in Laguna Woods and that housing discrimination is not currently seen as a major issue within Laguna Woods.

Using the various data available from HCD’s AFFH Data Viewer, each of the 17 sites is situated within a census tract that is desirable from an AFFH standpoint for at least one of the categories described above. Therefore, each of the sites would affirmatively further fair housing opportunities.

Further, all 17 of the potential housing sites are located in census tracts with a higher percentage of disabled residents and a lower median household income than Orange County. In addition, seven of the 17 potential housing sites are located in census tracts with a higher percentage of residents living below the poverty threshold than Orange County, and 11 of the 17 potential housing sites are located in census tracts with a larger number of nonfamily households than married-couple family households. This indicates that the proposed housing sites are not concentrated in an area of elevated poverty, which suggests that the development of new affordable housing units on these sites would facilitate the integration of lower-income households into the community in a way that would affirmatively further fair housing opportunities.

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**Figure 6: TCAC Opportunity Areas**

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## 7.0 REALISTIC DEVELOPMENT CAPACITY

Government Code Section 65583.2(c) requires that the City demonstrate that the projected residential development capacity of the sites can realistically be achieved. The number of estimated units should be adjusted, as necessary, based on land use controls and site improvement requirements; the realistic development capacity for the site; typical densities of existing or approved residential developments at a similar affordability level in the surrounding area; and the current or planned availability and accessibility of sufficient water, sewer, and dry utilities.

The following assumptions were incorporated into the realistic development capacity estimates:

- None of the sites are constrained by the availability or accessibility of sufficient water, sewer, and dry utilities. Therefore, no adjustments were made.
- The net developable area on each site was adjusted to 95 percent of the parcel area to reflect the need to construct on-site improvements, including sidewalks and utility easements, and other land use controls.
- ~~The development capacity of the potential mixed-use sites (Sites 15 and 16) was adjusted to 55 percent based on regional development trends and the fact that, while mixed-use residential/commercial projects are now relatively common in surrounding jurisdictions, the concept is still relatively new to Laguna Woods.~~
- The developable area on Site 8 was adjusted to approximately 60 percent of the parcel due to slope hazard constraints on the western third of the site.
- The development capacity on ~~four~~three of the five sites that are currently developed with places of worship (Sites 10–~~13~~12) and Sites 9 and 17 was limited to 15–20 units per acre to reflect the fact that those sites are adjacent to existing lower-density residential uses.
- The development capacity at each of the sites was adjusted to 95 percent of the maximum density, and the number of units was rounded down to the nearest whole number, to reflect that not every housing project is built out to maximum density.

Table FG estimates the number of new housing units that can realistically be built on each of the 17 potential housing sites based on the assumptions provided above. As shown in Table FG, the total future housing construction potential on the 17 sites, based on realistic capacities, is 1,175,196 units. This includes an excess, or overzoning, of 178,199 units, or ~~17.85~~approximately 20 percent more than the 997 units included in the City's housing needs allocation. Overzoning helps to ensure that sufficient adequate sites will remain available at all times to meet the remaining unmet housing needs for each income category, per Government Code Section 65863 ("No Net Loss Law").

Table FG: Potential Housing Unit Production

| Site  | Name   | Vacant/<br>Nonvac<br>ant Site | Parcel<br>Size<br>(ac) | Proposed<br>Zoning Overlay<br>District      | Densities<br>(du/ac)                  | Development Capacity             |                                  |                   |                   | Total                 | Suitable for<br>Lower-Income<br>Households<br>(Density &<br>Parcel Size) | Financially<br>Feasible for<br>Federal &<br>State<br>Funding | Consolidation<br>Potential due to<br>Adjacency of<br>Other Candidate<br>Site |
|---|--|-------------------------------|------------------------|---|---------------------------------------|----------------------------------|----------------------------------|-------------------|-------------------|-----------------------|--|--|--|
|   |  |                               |                        |   |                                       | Income Level                     |                                  |                   |                   |                       |  |  |  |
|   |  |                               |                        |   |                                       | Very<br>Low                      | Low                              | Moderate          | Above<br>Moderate |                       |  |  |  |
| 1   | Town Centre Vacant Lot                           | V                             | 1.8                    | Residential HD                              | 30 to 50                              | <del>1310</del>                  | <del>1411</del>                  | 0                 | <del>5460</del>   | 81                    | Yes  | Yes  | Yes  |
| 2   | Pacific Hills Calvary Chapel<br>Parking Lot      | NV                            | 0.696                  | Residential HD                              | 30 to 50                              | <del>52</del>                    | <del>52</del>                    | 0                 | <del>2127</del>   | 31                    | Yes  | No   | No   |
| 3   | Rossmoor Electric                                | NV                            | 1.232                  | Residential HD                              | 30 to 50                              | <del>95</del>                    | <del>106</del>                   | 0                 | <del>3644</del>   | 55                    | Yes  | Yes  | No   |
| 4   | Saddleback Golf Cars                             | NV                            | 1.235                  | Residential HD                              | 30 to 50                              | <del>95</del>                    | <del>106</del>                   | 0                 | <del>3644</del>   | 55                    | Yes  | Yes  | No   |
| 5   | Laguna Woods Self Storage                        | NV                            | 5.249                  | Residential HD                              | 30 to 50                              | <del>3976</del>                  | <del>4279</del>                  | 0                 | <del>15581</del>  | 236                   | Yes  | No   | Yes  |
| 6   | Animal Hospital                                  | NV                            | 0.76                   | Residential HD                              | 30 to 50                              | <del>62</del>                    | <del>63</del>                    | 0                 | <del>2229</del>   | 34                    | Yes  | No   | Yes  |
| 7   | PS Business Park (excludes Jack<br>in the Box)   | NV                            | 2.867                  | Residential HD                              | 30 to 50                              | <del>2124</del>                  | <del>2326</del>                  | 0                 | <del>8579</del>   | 129                   | Yes  | Yes  | No   |
| 8   | Smart Parke                                      | NV                            | 2.373                  | Residential HD                              | 30 to 50                              | <del>116</del>                   | <del>117</del>                   | 0                 | <del>4150</del>   | 63                    | Yes  | Yes  | No   |
| 9   | McCormick & Son Mortuary                         | NV                            | 1.411                  | Residential<br><del>MD</del> MLD            | <del>2015</del> to<br><del>3020</del> | <del>60</del>                    | <del>70</del>                    | 0                 | 25                | <del>3825</del>       | <del>Yes</del> No  | No   | Yes  |
| 10  | Lutheran Church of the Cross                     | NV                            | 3.028                  | Residential<br><del>LD</del> MLD            | 15 to 20                              | 0                                | 0                                | <del>4635</del>   | <del>819</del>    | 54                    | No   | Yes  | No   |
| 11  | Geneva Presbyterian Church                       | NV                            | 3.955                  | Residential<br><del>LD</del> MLD            | 15 to 20                              | 0                                | 0                                | <del>6049</del>   | <del>1122</del>   | 71                    | No   | Yes  | No   |
| 12  | Saint Nicholas Catholic Church                   | NV                            | 4.596                  | Residential<br><del>LD</del> MLD            | 15 to 20                              | 0                                | 0                                | <del>7061</del>   | <del>1322</del>   | 83                    | No   | Yes  | Yes  |
| 13  | Temple Judea                                     | NV                            | 1.757                  | Residential LD                              | <del>158</del> to<br><del>2010</del>  | 0                                | 0                                | <del>260</del>    | <del>515</del>    | <del>3115</del>       | No   | No   | Yes  |
| 14  | Laguna Country United<br>Methodist Church        | NV                            | 3.899                  | <del>Mixed-Use</del><br>HDResidential<br>MD | 20 to 30                              | <del>170</del>                   | <del>180</del>                   | <del>085</del>    | <del>7020</del>   | 105                   | Yes  | Yes  | Yes  |
| 15  | Medical Building <del>at</del> in Town<br>Centre | NV                            | 2.69                   | Residential HD                              | 30 to 50                              | <del>1122</del>                  | <del>1123</del>                  | 0                 | <del>4176</del>   | <del>63121</del>      | Yes  | Yes  | Yes  |
| 16  | Willow Tree Center East                          | NV                            | 3.095                  | <del>Mixed-Use</del><br>Residential<br>LD   | <del>158</del> to<br><del>2010</del>  | 0                                | 0                                | <del>240</del>    | <del>527</del>    | <del>2927</del>       | No   | No   | Yes  |
| 17  | Helm <del>Medical</del> Center                   | NV                            | 0.65                   | Residential<br><del>MD</del> MLD            | <del>2015</del> to<br><del>3020</del> | <del>30</del>                    | <del>30</del>                    | 0                 | 11                | <del>1711</del>       | <del>Yes</del> No  | No   | Yes  |
| Subtotal (units on nonvacant sites only)/ <del>9293</del> % of Lower Income Units |  |                               |                        |   |                                       | <del>13714</del><br><del>2</del> | <del>14615</del><br><del>2</del> | <del>226230</del> | <del>585591</del> | 1,094<br>115          | -  | -  | -  |
| Subtotal (including all sites)  |  |                               |                        |   |                                       | <del>15015</del><br><del>2</del> | <del>16016</del><br><del>3</del> | <del>226230</del> | <del>639651</del> | 1,175<br>196          | <del>907935</del>  | <del>759817</del>  | <del>717738</del>  |
| City's 2021–2029 RHNA Allocation  |  |                               |                        |   |                                       | 127                              | 136                              | 192               | 542               | 997                   |  |  |  |
| Surplus/(Deficiency)  |  |                               |                        |   |                                       | <del>2325</del>                  | <del>2427</del>                  | <del>3438</del>   | <del>97109</del>  | <del>17819</del><br>9 |  |  |  |

Table FG: Potential Housing Unit Production

| Site                           | Name | Vacant/<br>Nonvac<br>ant Site | Parcel<br>Size<br>(ac) | Proposed<br>Zoning Overlay<br>District | Densities<br>(du/ac) | Development Capacity |     |          |                   |       | Suitable for<br>Lower-Income<br>Households<br>(Density &<br>Parcel Size) | Financially<br>Feasible for<br>Federal &<br>State<br>Funding | Consolidation<br>Potential due to<br>Adjacency of<br>Other Candidate<br>Site |
|--------------------------------|------|-------------------------------|------------------------|--|----------------------|----------------------|-----|----------|-------------------|-------|--|--|--|
|                                |      |                               |                        |  |                      | Income Level         |     |          |                   | Total |  |  |  |
|                                |      |                               |                        |  |                      | Very<br>Low          | Low | Moderate | Above<br>Moderate |       |  |  |  |
| Unmet Need (Only Deficiencies) |      |                               |                        |  |                      | -                    | -   | -        | -                 | -     |  |  |  |

Source: Compiled by LSA Associates, Inc. (~~July~~October 2021).

ac = acre(s)

City = City of Laguna Woods

du/ac = dwelling units per acre

~~Mixed-Use HD = Mixed-Use High Density~~

~~Mixed-Use LD = Mixed-Use Low Density~~

NV = nonvacant

~~Residential HD = Residential High Density~~

~~Residential LD = Residential Low Density~~

~~Residential MD = Residential Medium Density~~

~~Residential MLD = Residential Medium-Low Density~~

~~RHNA = Regional Housing Needs Assessment~~

~~V = vacant~~

~~Residential HD = Residential High Density~~  
~~Residential LD = Residential Low Density~~  
~~Residential MD = Residential Medium Density~~  
~~RHNA = Regional Housing Needs Assessment~~  
~~V = vacant~~

Table ~~FG~~ also indicates that the 17 sites have the capacity to accommodate at least ~~310~~312 lower-income units, which is ~~4749~~ units, or ~~17.87~~18.6 percent more than the 263 lower-income units included in the City's housing needs allocation. In addition, the sites have the capacity to accommodate at least ~~226~~211 moderate-income units, which is ~~3419~~ units, or approximately ~~17.719.9~~ percent more than the 192 moderate income units included in the City's housing needs allocation. ~~Twelve~~Nine of the sites include maximum densities at or above HCD's standard threshold for accommodating lower-income units (30 units per acre) on properties 0.5 to 10 acres in size. ~~Ten~~In total, 11 of the sites could produce a sufficient number of units that would fall within the generally accepted range of financial feasibility for federal- or State-funded projects (50–150 units per project). ~~40~~Ten of the sites are adjacent to at least one other site, which provides opportunities for lot consolidation, thereby improving viability for development/redevelopment.

Of the ~~907~~315 lower-income units identified in Table ~~F, 27G, 22~~ units on Site 1 are viewed as realistic for development on vacant land, which represents approximately ~~38~~ percent of the City's housing needs allocation for lower-income households. Although the City intends to rely on nonvacant sites to accommodate more than 50 percent of its housing needs allocation for lower-income households, the City has determined that it would not be feasible to develop housing on any other vacant land that is within its jurisdiction. This is due to the fact that, as described in further detail in Section 4.0 of this Housing Sites Inventory and Analysis, most of the limited amount of vacant land that exists within Laguna Woods consists of publicly owned open space properties that are subject to conservation easements or deed restrictions that prohibit future development.

## 8.0 QUANTIFIED OBJECTIVES

Government Code Section 65583(b)(1) and (2) require that the City establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame. Table H summarizes the City's quantified objectives with regard to construction, rehabilitation, and preservation of housing over a five-year time period. These objectives have been established based on the City's available resources and ability to satisfy housing needs within the context of the General Plan requirements set forth in state law.

**Table H: Summary of Quantified Objectives**

| <u>Income Level</u>                     | <u>Number of Units</u> | <u>Rehabilitation</u> | <u>Conservation/Preservation<sup>1</sup></u> |
|---|------------------------|-----------------------|--|
| <u>Very Low* (&lt;50% of AMI)</u>       | <u>127</u>             | <u>5</u>              | <u>N/A</u>                                   |
| <u>Low (50–80% of AMI)</u>              | <u>136</u>             | <u>5</u>              | <u>N/A</u>                                   |
| <u>Moderate (80–120% of AMI)</u>        | <u>192</u>             | <u>5</u>              | <u>N/A</u>                                   |
| <u>Above Moderate (&gt;120% of AMI)</u> | <u>542</u>             | <u>5</u>              | <u>N/A</u>                                   |
| <b>Total</b>                            | <b>997</b>             | <b>20</b>             | <b>N/A</b>                                   |

<sup>1</sup> As described in the City's Housing Needs Assessment, none of the 17 affordable units within Laguna Woods is at risk of conversion to market rate units in the next 10 years; therefore, none of the units is in need of conservation or preservation.

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EXHIBIT D was not included in the  
previous draft. All content is new.

## EXHIBIT D

# HOUSING ELEMENT PERFORMANCE ASSESSMENT

CITY OF LAGUNA WOODS

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LSA

January 2022

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**EXHIBIT D**

**HOUSING ELEMENT PERFORMANCE  
ASSESSMENT**

**CITY OF LAGUNA WOODS**

Submitted to:

City of Laguna Woods  
24264 El Toro Road  
Laguna Woods, California 92637

Prepared by:

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(949) 553-0666

Project No. LWD2101

**LSA**

January 2022

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## 1.0 PROGRESS IN IMPLEMENTATION

Pursuant to Government Code Section 65588, each local government shall review its housing element as frequently as appropriate to evaluate all of the following: (1) the appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal, (2) the effectiveness of the housing element in attainment of the community's housing goals and objectives, (3) the progress of the city, county, or city and county in implementation of the housing element, and (4) the effectiveness of goals, policies, and related actions to meet the community's special housing needs.

State law requires that each Housing Element include a review of the progress made toward achieving the affordable housing goals of the previous Housing Element, and of the effectiveness and appropriateness of those previously adopted objectives. These results should be quantified where possible, but may be qualitative where necessary.

The City of Laguna Wood's (City) last Housing Element was adopted in 2014, and set forth a series of implementation measures with related objectives and policies for the following issue areas: maintain and improve residential neighborhoods and support quality housing for all residents; promote and encourage the development of housing opportunities to accommodate current and projected housing need; encourage and facilitate the development of affordable housing for all economic segments of the community, especially extremely- and low-income residents; and facilitate housing, transportation, and physical accommodations to aid persons with disabilities. This section reviews the continued appropriateness of these programs, the effectiveness of the current 2014–2021 Housing Element, and the progress in its implementation since 2014.

Table A, below, summarizes the City's progress for each implementation measure identified in the current Housing Element.

**Table A: Review of the City of Laguna Wood's General Plan 2014–2021 Housing Element**

| Housing Element   | Implementation Status   | Continue/Modify/Delete  |
|---|---|---|
| <b>Objective 1: Maintain and improve residential neighborhoods and support quality housing for all residents</b>  |   |   |
| <b>Policy 1.A: Work towards full implementation of the 2014–2021 Housing Element objectives, policies, and programs in the Housing element.</b>   |   |   |
| <b>Program 1.A.1:</b> Provide a progress report on the 2014–2021 Housing Element programs and quantified objectives as part of the annual General Plan status reports to the State.   | <b>Ongoing:</b> This is the City's normal practice. The City submitted annual progress reports to the Department of Housing and Community Development (HCD) each year during the 2014–2021 Housing Element period.  | The City will <u>delete</u> the program and replace it with Program H-4.1.2.  |
| <b>Policy 1.B: Promote, encourage, and facilitate efforts to preserve the City's housing stock.</b>   |   |   |
| <b>Program 1.B.1:</b> Continue to promote on-going building maintenance activities. To promote building maintenance, the City will: <ul style="list-style-type: none"> <li>Identify available funds for building maintenance activities and energy efficiency upgrades.</li> <li>Disseminate public information on available housing programs, such as the energy efficient equipment retrofit program (CDBG) at public counters and the City's website.</li> <li>Assist property owners and property managers in their efforts to identify and mitigate housing maintenance issues.</li> </ul> | <b>Ongoing:</b> In 2010, the City obtained a California Energy Commission grant using federal funds to retrofit City Hall with dual-pane, low-E windows and energy efficient lighting and heating, ventilation, and air conditioning equipment. The project modeled energy efficiency retrofits to property owners and property managers. Through June 2017, the City offered a CDBG funded Residential Energy Efficiency Improvement Program. The City provides resources and assistance daily regarding housing maintenance at the building counter and via building inspections. | The City will <u>delete</u> the program and replace it with programs H-2.1.1, 2.2.1, and 2.2.3.   |
| <b>Objective 2: Promote and encourage the development of housing opportunities to accommodate current and projected housing need.</b>   |   |   |
| <b>Policy 2.A: Promote construction of units consistent with the new construction needs identified in the Regional Housing Needs Assessment (RHNA).</b>   |   |   |
| <b>Program 2.A.1:</b> Work with property owners in the development of Specific Plans to guide the development of Urban Activities Center parcels to include residential development.  | <b>Abandoned:</b> In 2017, after receiving an application from the property owner, the City amended the Land Use Element of the City's General Plan to delete the Urban Activities Center land use designation. All properties formerly designated as Urban Activities Center have been re-designated and rezoned.  | The City will <u>delete</u> the program as the City has deleted the Urban Activities Center land use designation from the General Plan. |
| <b>Program 2.A.2:</b> Work with commercial property owners to establish residential/commercial mixed use development standards for the City's Commercial land use district.   | <b>Not yet Implemented:</b> Sufficient housing opportunities to accommodate the City's 2014–2021 RHNA allocation exist without the establishment of mixed use development standards.  | The City will <u>delete</u> the program and replace it with a new rezoning program. See Program H-1.1.1.                                |

**Table A: Review of the City of Laguna Wood's General Plan 2014–2021 Housing Element**

| Housing Element  | Implementation Status   | Continue/Modify/Delete   |
|--|---|--|
| <b>Policy 2.B: Mitigate governmental constraints to the accommodation of special needs residents.</b>  |   |  |
| <b>Program 2.B.1:</b> Participate in the County of Orange Consolidated Plan program and in the Continuum of Care to provide housing for special needs populations, particularly extremely and very low income persons. Participation will include assigning a representative to participate in meetings and events sponsored by these programs. In addition, the Resource Guide for Orange County Homeless and other publications that support the program goals will be distributed from City Hall.   | <b>Ongoing:</b> The City participated in the development of the County of Orange's Consolidated Plan for the years 2010 to 2015, and 2015 to 2019. In 2015, the City hosted one of the County of Orange's Consolidated Plan Community Workshops at City Hall. Various homeless resources, including County of Orange-produced resources, are available from City Hall.  | The City will <u>delete</u> the program and replace it with other programs to address the needs of the specified populations.                |
| <b>Program 2.B.2:</b> Revise the Laguna Woods Zoning Ordinance to identify zones that will allow the development of transitional housing [and] facilitate transitional housing and supportive housing developments that serve extremely and very low income households, consistent with Government Code Section 65583(c)(1). Because transitional and supportive housing can be configured in different ways – either as regular multi-family housing or as group quarters – the Zoning Ordinance amendment will ensure that transitional and supportive housing that function as a residential use will be treated as residential uses and only subject to those restrictions that apply to other residential uses of the same type in the same zone. | <b>Implemented:</b> Chapter 13.23 of the Laguna Woods Municipal Code, adopted in 2011. Laguna Woods Municipal Code amended in 2018, see Ordinance No. 18-05.  | The City will <u>delete</u> the program and replace it with programs H-1.3.1, 1.3.2, and 1.3.3.  |
| <b>Program 2.B.3:</b> Review and revise the Laguna Woods Zoning Ordinance 13.23 in regards to emergency homeless shelters to ensure compliance with Government Code Section 65583(a)(4).   | <b>Implemented:</b> Chapter 13.23 of the Laguna Woods Municipal Code, adopted in 2011, was amended in 2018.   | The City will <u>delete</u> the program and replace it with Program 1.5.1.   |
| <b>Objective 3: Encourage and facilitate the development of affordable housing for all economic segments of the community, especially extremely- and low-income residents.</b>   |   |  |
| <b>Policy 3.A: Recognize the City's leadership role in the maintenance, preservation, improvement, and development of affordable housing.</b>  |   |  |
| <b>Program 3.A.1:</b> Encourage and facilitate the development of affordable housing by: <ul style="list-style-type: none"> <li>Supporting non-profit organizations that address housing issues.</li> <li>Serving as an intermediary between non-profit organizations and interested residential developers.</li> <li>Assisting in application preparation and other efforts to secure funding sources for development of housing for extremely low-, very low-, low- and</li> </ul>   | <b>Ongoing:</b> The City encourages the development of affordable housing as required by State law. Resources, information, and assistance for developers and other interested parties are available from City Hall. Seventeen (17) specifically designated affordable housing units are located in Laguna Woods. From 2014 to 2020, the City received no applications for any new housing development projects | The City will <u>delete</u> the program as the Housing Element includes various programs to assist in the development of affordable housing. |

**Table A: Review of the City of Laguna Wood's General Plan 2014–2021 Housing Element**

| Housing Element  | Implementation Status   | Continue/Modify/Delete  |
|--|---|---|
| <p>moderate-income residents.</p> <ul style="list-style-type: none"> <li>• Making available regional and local housing program information to residents, and assisting residents in contacting housing assistance organizations.</li> <li>• Inform interested developers about the range of housing allowed in areas outside of Laguna Woods Village, including housing for families.</li> <li>• Inform interested developers about the State density bonus program incentives available for development of affordable housing.</li> </ul>   | (affordable as well as market rate housing developments).   |   |
| <b>Program 3.A.2:</b> Continue to encourage and facilitate the use of the City's density bonus provisions to provide affordable housing opportunities. Revise the density bonus provisions as necessary in the City's Municipal Code to be consistent with State density bonus law.  | <b>Ongoing:</b> Section 13.26.040 of the Laguna Woods Municipal Code, adopted in 2013; Laguna Woods Municipal Code amended in 2018; see Ordinance No. 18-03 and amended in 2020; see Ordinance No. 20-02.   | The City will <u>delete</u> the program as the City's residential density bonus standards are consistent with state law.          |
| <b>Program 3.A.3:</b> Encourage residents to apply, when available, for the Section 8 rental assistance program (through County of Orange Housing Authority) for extremely and very low-income rental households. Inform local rental property owners and eligible residents of Section 8 assistance and Section 8 waitlist openings through flyers and the City's website. Provide technical assistance during the application process to interested residents. While the City endeavors to maintain the current level of assistance through the Section 8 (72 vouchers) program, the City has no jurisdiction over the funding and operation of the Section 8 voucher program. | <b>Ongoing:</b> The City receives information and application forms for Section 8 housing through the County of Orange and makes them available to residents from City Hall.  | The City will <u>delete</u> the program as the City provides referrals to the OC Housing Authority as a normal business practice. |
| <b>Program 3.A.4:</b> Continue to use CDBG funds to fund projects that improve and maintain the quality of the City's housing stock and residential infrastructure. While the City endeavors to maintain the current level of assistance through the CDBG program, the City has no jurisdiction over the funding and operation of the CDBG program.  | <b>Ongoing:</b> Through June 2017, the City offered a CDBG-funded Residential Energy Efficiency Improvement Program. Uncertainty surrounding the future availability of CDBG funds, as well as the impact of increasing compliance requirements and law enforcement costs on City resources, resulted in the end of the program. Staff continues to evaluate other potential, future uses of CDBG housing rehabilitation funds. | The City will <u>delete</u> the program. See programs H-2.1.1, 2.2.1, and 2.2.3.  |



**Table A: Review of the City of Laguna Wood's General Plan 2014–2021 Housing Element**

| Housing Element   | Implementation Status   | Continue/Modify/Delete   |
|---|---|--|
| <b>Program 3.A.5:</b> The City has received no complaints regarding any discriminatory actions and will continue to enforce all fair housing laws. The City Manager is responsible for addressing and/or referring fair housing complaints and questions to the Fair Housing Council of Orange and/or HUD. The City will provide information on fair housing rights and responsibilities, and seek to remedy known acts of discrimination within the community. The City will disseminate fair housing information at City Hall and throughout Laguna Woods in a variety of community places. | <b>Ongoing:</b> Fair housing assistance, resources, and information is available from City Hall, through the City's code enforcement operation, and upon request.                                       | The City will <u>delete</u> the program and replace it with Priority Issue 3.  |
| <b>Program 3.A.6:</b> Review city processes and procedures as they pertain to the establishment of new housing, including market rate and all forms of affordable housing to remove undue constraints which hinder the development of new housing opportunities.  | <b>Ongoing:</b> City staff has identified no undue constraints which hinder the development of new housing opportunities.   | The City will <u>delete</u> the program as the Housing Element includes various programs related to updating City processes and procedures.  |
| <b>Program 3.A.7:</b> Research potential funding sources (grants, loans, and other funds) which can be used towards the planning and development of affordable housing.   | <b>Ongoing:</b> City staff continues to explore sources of funding to assist with affordable housing development.   | The City will <u>delete</u> the program as the Housing Element includes various programs to assist in the development of affordable housing. |
| <b>Objective 4: Facilitate housing, transportation and physical accommodations to aid persons with disabilities.</b>  |   |  |
| <b>Policy 4.A: Maintain zoning/development standards that guide development of affordable housing near public transportation, and promote project designs that are accessible and accommodating to the disabled.</b>  |   |  |
| <b>Program 4.A.1:</b> Partner with property owners to identify and accomplish the retrofit of dwelling units and common facilities for handicapped accessibility. The City will participate at board meetings of the housing mutuals and the Golden Rain Foundation, the principal property owner in the City, to encourage retrofitting.   | <b>Not yet Implemented:</b> While City officials often meet with the representatives of major property owners, a mutual approach to promoting retrofitting within the community is yet to be developed. | The City will <u>delete</u> the program and replace it with programs H-2.2.1 and 2.2.3.  |

CDBG = Community Development Block Grant

City = City of Laguna Woods

HCD = California Department of Housing and Community Development

HUD = United States Department of Housing and Urban Development

## 2.0 EFFECTIVENESS OF THE ELEMENT/SPECIAL NEEDS POPULATIONS

The 2014–2021 Housing Element resulted in changes to the Laguna Woods Zoning Ordinance that resulted in compliance of emergency homeless shelters with State law, as well as identification of zones that allow the development of transitional housing and facilitation of transitional housing and supportive housing developments that serve extremely- and very-low income households in those zones. For the reasons set forth in Table A, the City was unable to complete certain programs included in the 2014–2021 Housing Element, such as the creation of the two new housing units set by the Regional Housing Needs Assessment (RHNA) for the 5th Housing Element Cycle; working with property owners in the development of Specific Plans to guide the development of Urban Activities Center parcels to include residential development; the establishment of residential/commercial mixed use development standards for the City's Commercial land use district; and the retrofit of dwelling units and common facilities for handicapped accessibility. Overall, the 2014–2021 Housing Element was effective in providing fair housing assistance, resources, and information to residents participating in the County of Orange Consolidated Program to provide housing for special needs populations, particularly extremely and very-low income persons, and continuing to maintain and improve residential neighborhoods.

Refer to Table A in the previous section for a discussion of whether the programs included in the 2014–2021 Housing Element should be continued, modified, or deleted based on their effectiveness. Table A also addresses various programs related to the housing needs of special needs populations (Programs 2.B.1, 2.B.2, 2.B.3, 3.A.1, and 4.A.1).

### 3.0 APPROPRIATENESS OF GOALS, OBJECTIVES, POLICIES, AND PROGRAMS

The 2014–2021 Housing Element established a comprehensive and firm basis for the City to move forward towards the achievement of the goals, policies, and programs in the document. As a result, Table A shows that many of the programs were achieved or implemented. Some major amendments included in the 2021–2029 Housing Element incorporate what has been learned from the results of the 2014–2021 Housing Element, including:

- Inclusion of a frequently asked questions (FAQs) section for the RHNA process to promote clarity and a common understanding of both the RHNA process and the City’s associated obligations.
- Inclusion of “goals” in addition to “policy objectives” to provide declarative statements that set forth the City’s approach to each of the priority issues.
- Objective 2 in the 2014–2021 Housing Element evolved into Policy Objective H-1.1 in the 2021–2029 Housing Element, which includes making sites available to accommodate current and projected housing needs for groups of all income levels in accordance with California Government Code Section 65583(c)(1). For implementation of Policy Objective H-1.1, the following program was added:
  - Rezone the 17 potential housing sites identified in the Housing Sites Inventory and Analysis to accommodate the City’s housing needs allocation.
- Objective 3 in the 2014–2021 Housing Element evolved into Policy Objective H-1.2 in the 2021–2029 Housing Element, which states that the City should assist in developing adequate housing to meeting the needs of extremely low, very low- low, and moderate-income households. For implementation of Policy Objective H-1.2, the following programs were added:
  - Prepare and maintain a webpage with information related to the 17 potential housing sites identified in the Housing Sites Inventory and Analysis, including a Geographic Information System (GIS) map layer with geospatial information.
  - Conduct a market study and then amend the existing inclusionary housing ordinance to modify the minimum percentages of new housing units that must be deed-restricted for extremely low, very low, and low-income households, as feasible and advantageous to promote the development of affordable housing.
  - Adopt an ordinance creating an expedited and fee-reduced lot consolidation process for consolidations involving any one or more of the 17 potential housing sites identified in the Housing Sites Inventory and Analysis for the purpose of developing housing projects in which at least 5% of housing units are affordable for extremely low income households; at least 10% of housing units are affordable for very low or low-income households; or, at least 50% of housing units are affordable for moderate-income households. To be eligible, the housing units shall be subject to an affordability covenant for at least 55 years.

- Adopt an ordinance waiving or reducing City building permit fees for housing projects in which at least 5% of housing units are affordable for extremely low income households; at least 10% of housing units are affordable for very low or low-income households; or, at least 50% of housing units are affordable for moderate-income households. To be eligible, the housing units shall be subject to an affordability covenant for at least 55 years.
- Amend various, existing housing-related provisions of the Laguna Woods Municipal Code to promote regulatory clarity.
- Continue to maintain website information regarding fees, exactions, and affordability requirements imposed by the City that are applicable to housing development projects, in accordance with California Government Code Section 65940.1.
- Objective 4 in the 2014–2021 Housing Element evolved into Policy Objective H-1.3 in the 2021–2029 Housing Element, which effectively changes the wording to provide reasonable accommodations for housing that is not only designed for persons with disabilities, but also intended for occupancy by or with supportive services for persons with disabilities. For implementation of Policy Objective H-1.3, the following programs were added:
  - Continue to consider transitional housing a residential use of property, subject only to those restrictions that apply to other residential dwellings of the same type in the same zoning district.
  - Continue to consider supportive housing a residential use of property, subject only to those restrictions that apply to other residential dwellings of the same type in the same zoning district.
  - Continue to allow supportive housing, as defined by California Government Code Section 65650, as a use permitted by right in all zoning districts where multifamily and mixed uses are permitted, as provided in California Government Code Article 11 (commencing with Section 65650).
  - Amend various, existing housing-related provisions of the Laguna Woods Municipal Code to conform to state law.
- The creation of a new objective, Policy Objective H-1.4, which incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent for very low, low-, or moderate-income households.
- The creation of a new objective, Policy Objective H-1.5, which makes sites available to accommodate emergency housing needs for homeless persons and families.
- Objective 1 in the 2014–2021 Housing Element evolved into Policy Objective H-2.1, Policy Objective H-2.2, and Policy Objective H-2.3, which add promotion of accessible and accommodating housing options for persons with special needs and promotion of housing

conservation and revitalization. For implementation of Policy Objectives H-2.1, H-2.2, and H-2.3, the following programs were added:

- Prepare and maintain a webpage with information on home improvement-related financial assistance opportunities available to extremely low, very low, and low-income households. Train City staff to make referrals using the webpage.
  - Investigate potential incentives for property owners to extend existing affordability covenants beyond the planned expiration date. If feasible and economical, adopt such incentives.
  - Prepare and maintain a webpage with information on home improvement-related financial assistance opportunities available to persons with special needs. Train City staff to make referrals using the webpage.
  - Adopt an ordinance waiving or reducing City building permit fees for improvements to the home of a person at least 60 years of age with a qualifying disability that are made to accommodate that disability, as provided for by California Health and Safety Code Section 17951.7. Consider including provisions allowing for similar building permit fee waivers or reductions for improvements to the home of a person with a qualifying disability that are made to accommodate that disability, regardless of age. Prepare and maintain a flyer with related information.
  - Provide opportunities for reimbursements, grants, or other forms of financial assistance to support home improvements that increase accessibility or functionality for persons with special needs.
  - Formalize a proactive code enforcement program that focuses on housing-related rehabilitation needs, results in repairs, and seeks to mitigate potential cost, displacement, and relocation impacts on residents.
- Program 3.A.5 in the 2014–2021 Housing Element was expanded to Goal H-3 in the 2021–2029 Housing Element, which involves the administration of housing and community development programs and activities in a manner to affirmatively further fair housing. Goal H-3 includes policy objectives and implementation programs relating to the following:
    - Enhancing housing mobility and protecting existing residents from displacement.
  - The creation of a new goal, Goal H-4, with its own set of policy objectives, which calls for analysis related to Housing Element implementation. This includes annual monitoring of the newly adopted Housing Element and coordination of the implementation of the newly adopted Housing Element with water and sewer agencies.

This update to the Housing Element revises existing programs and includes new programs, where appropriate, to ensure that the document reflects the City's priorities and that updated

requirements of California State law are addressed. Refer to the General Plan for the goals, policies, and programs of this Housing Element.

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#### **4.0 ASSEMBLY BILL 1233 – SHORTFALL OF SITES FROM THE 5TH CYCLE PLANNING PERIOD**

According to the annual progress reports (APRs) provided to the California Department of Housing and Community Development (HCD), the RHNA quantified the need for housing within the City to be two new housing units during the 5th Cycle planning period. However, no new housing units were built in the City, indicating a shortfall of new housing units triggering the provisions of Government Code Section 65584.09.

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**EXHIBIT E**

**PUBLIC PARTICIPATION EFFORTS**

**CITY OF LAGUNA WOODS**

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## 1.0 INTRODUCTION

Government Code Section 65583(c)(9) requires housing elements to “include a diligent effort by the local government to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.” This report has been prepared to document efforts pursuant to Government Code Section 65583(c)(9).

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## 2.0 SUMMARY OF EFFORTS

The Southern California Association of Governments (SCAG) approved the Final Sixth Cycle Regional Housing Needs Assessment (RHNA) Allocation Plan on March 4, 2021, at which point the City of Laguna Wood's (City) housing needs allocation was finalized.

### 2.1 PUBLIC MEETING #1

On May 5, 2021, the City Council held its first meeting to discuss and consider the RHNA and General Plan Housing Element Update. The meeting took place at Laguna Woods City Hall at 2 p.m. [City Council meetings are also televised and closed captioned with reasonable accessibility accommodations available on request.](#) Public comments were accepted in person, in writing, by telephone, or by computer (Zoom). All five members of the City Council participated.

The notice for this meeting was posted on the City's website and at locations pursuant to Government Code Section 54954.2 on April 30, 2021. In addition, on April 30, 2021, email notification was provided to parties who had requested such notification or contacted City staff previously. As of April 30, 2021, the distribution list consisted of 10 email addresses, including residents and representatives from the League of Women Voters of Orange Coast and Orange County United Way.

The presentation at this meeting included an introduction to the RHNA process and an overview of the City's housing needs allocation, required actions, and draft housing needs assessment. Frequently asked questions were also discussed. A draft housing needs assessment and RHNA Frequently Asked Questions document was included in the agenda packet.

At this meeting, one resident spoke during public comments.

### 2.2 PUBLIC MEETING #2

On May 19, 2021, the City Council held its second meeting to discuss and consider the RHNA and General Plan Housing Element Update. The meeting took place at Laguna Woods City Hall at 2:00 p.m. [City Council meetings are also televised and closed captioned with reasonable accessibility accommodations available on request.](#) Public comments were accepted in person, in writing, by telephone, or by computer (Zoom). All five members of the City Council participated.

The notice for this meeting was posted on the City's website and at locations pursuant to Government Code Section 54954.2 on May 14, 2021. In addition, on May 14, 2021, email notification was provided to parties who had requested such notification or contacted City staff previously. As of May 14, 2021, the distribution list consisted of 11 email addresses, including residents and representatives from the League of Women Voters of Orange Coast and Orange County United Way.

The presentation at this meeting included background information on the RHNA process and an overview of the City's housing needs allocation, and draft housing needs assessment. Staff also discussed a number of sites that community members might consider vacant based on appearance

and associated constraints that could affect housing development. The City's new project website was also announced ([www.cityoflagunawoods.org/projects](http://www.cityoflagunawoods.org/projects)). A draft housing sites inventory scenario and RHNA Frequently Asked Questions document were included in the agenda packet.

At this meeting, five residents and Cesar Covarrubias, Executive Director of The Kennedy Commission, spoke during public comments. Written public comments were received from seven residents (including one resident on behalf of the Welcoming Neighbors Home Initiative of Tapestry, a Unitarian Universalist Congregation) and The Kennedy Commission.

### 2.3 PUBLIC MEETING #3

On June 2, 2021, the City Council held its third meeting to discuss and consider the RHNA and General Plan Housing Element Update. The meeting took place at Laguna Woods City Hall at 11:30 a.m. [City Council meetings are also televised and closed captioned with reasonable accessibility accommodations available on request.](#) Public comments were accepted in person, in writing, by telephone, or by computer (Zoom). All five members of the City Council participated.

The notice for this meeting was posted on the City's website and at locations pursuant to Government Code Section 54954.2 on May 28, 2021. In addition, on May 28, 2021, email notification was provided to parties who had requested such notification or contacted City staff previously. As of May 28, 2021, the distribution list consisted of 14 email addresses, including residents and representatives from The Kennedy Commission, Laguna Woods Democratic Club, League of Women Voters of Orange Coast, and Orange County United Way.

The presentation at this meeting included background information on the RHNA process and an overview of the City's housing needs allocation and revised draft housing needs assessment (revised following the May 19, 2021 City Council meeting). A revised draft housing sites inventory scenario, draft California Department of Housing and Community Development (HCD) Housing Element Sites Inventory Form, and RHNA Frequently Asked Questions document were included in the agenda packet. An electronic spreadsheet version of the HCD Housing Element Sites Inventory Form was posted on the City's website on May 28, 2021.

At this meeting, three residents spoke during public comments.

[The City Council reached consensus for City staff to proceed with the General Plan Housing Element Update incorporating the housing sites scenario presented at this meeting.](#)

### 2.4 PUBLIC MEETING #4

On July 21, 2021, the City Council held its fourth meeting to discuss and consider the RHNA and General Plan Housing Element Update. The meeting took place at Laguna Woods City Hall at 2 p.m. [City Council meetings are also televised and closed captioned with reasonable accessibility accommodations available on request.](#) Public comments were accepted in person, in writing, by telephone, or by computer (Zoom). All five members of the City Council participated.

The notice for this meeting was posted on the City's website and at locations pursuant to Government Code Section 54954.2 on July 16, 2021. In addition, on July 16, 2021, email notification

was provided to parties who had requested such notification or contacted City staff previously. As of July 16, 2021, the distribution list consisted of 15 email addresses, including residents and representatives from The Kennedy Commission, Laguna Woods Democratic Club, League of Women Voters of Orange Coast, and Orange County United Way.

The presentation at this meeting included background information on the RHNA process and an overview of the City's housing needs allocation, draft General Plan Housing Element, and HCD review process. Drafts of the General Plan Housing Element and HCD Housing Element Sites Inventory Form were included in the agenda packet. An electronic spreadsheet version of the HCD Housing Element Sites Inventory Form was posted on the City's website on July 16, 2021. No change was made to the HCD Housing Element Sites Inventory Form since it was first made publicly available on May 28, 2021.

At this meeting, one resident spoke during public comments. Written comments were received from one resident.

The City Council voted 4-1, with then-Mayor Pro Tem Moore voting no, to authorize the City Manager to submit drafts of the updated General Plan Housing Element and Housing Element Sites Inventory Form to HCD for review, as required by Government Code Section 65585.

## **2.5 HCD REVIEW PERIOD**

The City Manager submitted the draft General Plan Housing Element and HCD Housing Element Sites Inventory Form to HCD for review on July 21, 2021 (HCD records this submittal as July 22, 2021, presumably due to the submittal occurring after regular business hours).

During HCD's review period, the following entities and individuals submitted comments directly to HCD, which HCD considered in its review pursuant to Government Code Section 65585(c):

- The Kennedy Commission
- YIMBY Law
- Catherine R Van Camp, resident
- Ramesh C Joshi, resident

HCD reported the results of its review to the City on September 20, 2021.

## **2.6 CALIFORNIA ENVIRONMENTAL QUALITY ACT PUBLIC COMMENT PERIOD**

The draft Initial Study/Negative Declaration (IS/ND) for the General Plan Housing Element Update was made available for a 31-day public comment period between August 17, 2021 and September 16, 2021. A notice of availability announcing the public comment period and providing information on how to access the IS/ND was published in the *Laguna Woods Globe* newspaper on August 12, 2021 and concurrently posted at City Hall and on the City's website. The IS/ND was also directly distributed to the following parties:

- California Department of Fish and Wildlife South Coast Region
- California Department of Housing and Community Development

- [California Department of Toxic Substances Control](#)
- [California Department of Transportation \(Caltrans\) District #12](#)
- [California Regional Water Quality Control Board San Diego Region](#)
- [California Regional Water Quality Control Board Santa Ana Region](#)
- [Capistrano Unified School District](#)
- [City of Aliso Viejo Planning Services Department](#)
- [City of Irvine Community Development Department](#)
- [City of Laguna Beach Community & Economic Development Department](#)
- [City of Laguna Hills Community & Economic Development Department](#)
- [City of Lake Forest Community Development Department](#)
- [El Toro Water District](#)
- [Laguna Beach Unified School District](#)
- [Native American Heritage Commission](#)
- [Orange County Development Services](#)
- [Orange County Fire Authority](#)
- [Orange County Flood Control District](#)
- [Orange County Health Care Agency](#)
- [Orange County Transportation Authority](#)
- [Orange County Waste & Recycling](#)
- [Saddleback Valley Unified School District](#)
- [Southern California Air Quality Management District](#)
- [Southern California Association of Governments](#)
- [Southern California Edison](#)
- [Southern California Gas Company](#)
- [State Water Resources Control Board](#)
- [U.S. Fish & Wildlife Service](#)

[On August 17, 2021, the public comment period was extended by one day to September 17, 2021, due to the inadvertent distribution of an incorrect draft of the IS/ND to the parties listed above on August 16, 2021. The correct draft of the IS/ND was distributed on August 17, 2021.](#)

[Comments were received from the following parties:](#)

- [California Department of Housing and Community Development](#)
- [California Department of Transportation \(Caltrans\) District 12](#)
- [City of Irvine](#)
- [Gabrieleño Band of Mission Indians – Kizh Nation](#)
- [Gabrielino-Tongva Indian Tribe](#)
- [Juaneño Band of Mission Indians, Acjachemen Nation](#)
- [Orange County Fire Authority](#)
- [Saddleback Valley Unified School District](#)
- [Southern California Association of Governments](#)



Individual responses will be provided to each commenting party 10 days prior to the date of the City Council's public hearing at which adoption of the General Plan Housing Element is considered.

While the primary purpose of the public comment period was to solicit input on the draft IS/ND as required by the California Environmental Quality Act (CEQA), the draft IS/ND included a project description with site-specific information consistent with the draft General Plan Housing Element and HCD Housing Element Sites Inventory Form acted upon by the City Council at the public meeting on July 21, 2021. A portion of the comments received during the public comment period applied to the project generally, as opposed to the draft IS/ND specifically.

## **2.7 REVISED DRAFT PUBLIC REVIEW PERIOD**

On January 13, 2022, revised drafts of the General Plan Housing Element and HCD Housing Element Sites Inventory Form were posted on the City's website and made available from the City Clerk's Office for a 15-day public review period concluding on January 27, 2022.

A public notice announcing the public review period and providing information on how to access the revised draft documents was published in the *Laguna Woods Globe* newspaper on January 13, 2022. The public notice was posted at City Hall and on the City's website, as well as emailed to parties who had requested such notification or contacted City staff previously, on January 7, 2022. As of January 7, 2022, the distribution list consisted of 15 email addresses, including residents and representatives from The Kennedy Commission, Laguna Woods Democratic Club, League of Women Voters of Orange Coast, and Orange County United Way. The public notice noted the availability of in-person or virtual meetings with City staff to discuss or ask questions regarding the documents, and provided instructions for individuals who require translation services to communicate with the City.

<ADDITIONAL INFORMATION REGARDING COMMENTS RECEIVED DURING THE PUBLIC REVIEW PERIOD WILL BE INCLUDED IN THE FINAL DRAFT GENERAL PLAN HOUSING ELEMENT.>

## **2.8 PUBLIC MEETING #5**

City Council Meeting TBD

<ADDITIONAL INFORMATION REGARDING PUBLIC MEETING #4-5 AND SUBSEQUENT PUBLIC MEETINGS WILL BE INCLUDED IN THE FINAL DRAFT GENERAL PLAN HOUSING ELEMENT.>

## **2.52.9 OTHER MEETINGS**

On May 17, 2021, the City Manager met via GoToMeeting with Village Management Services, Inc. (Laguna Woods Village) staff (Jeff Parker, CEO and Siobhan Foster, COO) to discuss the RHNA and General Plan Housing Element Update. Subsequent to the meeting, the City Manager forwarded Mr. Parker and Ms. Foster the agenda report for the May 19, 2021 City Council meeting and a RHNA Frequently Asked Questions document.

On May 25, 2021, the City Manager met by telephone with Cesar Covarrubias, Executive Director of The Kennedy Commission, to discuss inclusionary housing and incentives for affordable housing

development on non-vacant sites. Subsequent to the meeting, Mr. Covarrubias forwarded the City Manager information on the City of San Clemente's Inclusionary Housing In-Lieu Fee Program Study.

~~<ADDITIONAL INFORMATION REGARDING OTHER MEETINGS WILL BE INCLUDED IN THE FINAL DRAFT GENERAL PLAN HOUSING ELEMENT.>~~ On November 19, 2021, the City Manager met with Kate Van Camp, a resident and housing advocate with Welcoming Neighbors Home, to discuss the General Plan Housing Element Update, review letter from HCD, Ms. Van Camp's email correspondence to the City Manager dated October 3, 2021 (copied to the City Council, Ron Henry with Welcoming Neighbors Home, and Kimberly Adams with Orange County United Way), and various related topics. On November 20, 2021, Ms. Van Camp sent email correspondence as a follow-up to the meeting to the City Council with copies to the City Manager, HCD (HousingElements@hcd.ca.gov and Marisa Prasse), Rona Henry with Welcoming Neighbors Home, and Cesar Covarrubias, Executive Director of The Kennedy Commission.

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