

# CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Regular Meeting  
Wednesday, August 16, 2023  
2:00 p.m.

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

Cynthia Connors  
Mayor

Noel Hatch  
Mayor Pro Tem

Shari L. Horne  
Councilmember



Annie McCary  
Councilmember

Carol Moore  
Councilmember

***Welcome to a meeting of the Laguna Woods City Council!***

***This meeting may be recorded, televised, and made publicly available.***

**Public Comments:** The City offers four options for public comments:

1. Make public comments in-person
2. Submit public comments in writing
3. Make public comments by telephone
4. Make public comments by computer (Zoom)

For more information, please refer to page three of this agenda.

**Americans with Disabilities Act (ADA):** It is the intention of the City to comply with the ADA. If you need assistance to participate in this meeting, please contact either the City Clerk's Office at (949) 639-0500/TTY (949) 639-0535 or the California Relay Service at (800) 735-2929/TTY (800) 735-2922. The City requests at least two business days' notice in order to effectively facilitate the provision of reasonable accommodations.

REGULAR MEETING SCHEDULE

The Laguna Woods City Council meets regularly on the third Wednesday of each month at 2 p.m.

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AGENDA POSTING AND AVAILABILITY

Regular and Adjourned Regular Meetings: Pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act, the City of Laguna Woods posts agendas at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org)); and, at other locations designated by Resolution No. 17-30, at least 72 hours in advance of regular and adjourned regular meetings. Agendas and agenda materials are available at Laguna Woods City Hall during normal business hours and on the City’s website. Printed copies of agendas and agenda materials are provided at no charge in advance of meetings. After meetings have occurred, a per page fee is charged for printed copies.

Special and Emergency Meetings: Agenda posting and availability for special and emergency meetings is conducted pursuant to all applicable provisions of California Government Code (Ralph M. Brown Act).

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FOR ADDITIONAL INFORMATION

For additional information, please contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535, [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org), or 24264 El Toro Road, Laguna Woods, California 92637.

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AFFIDAVIT OF POSTING

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS   )

I, Yolie Trippy, City Clerk, City of Laguna Woods, hereby certify under penalty of perjury that this agenda was posted at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org)); and, at other locations designated by Resolution No. 17-30, pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act.

/s/ Yolie Trippy  
YOLIE TRIPPY, CMC, City Clerk

8/11/23  
Date

## **OPTIONS FOR PUBLIC COMMENTS**

**1. Make public comments in-person.** Members of the public wishing to make in-person public comments are asked, but not required, to complete and submit a speaker card to City staff. Speaker cards are available near the entrance to the meeting location. If you do not wish to submit a speaker card, or wish to remain anonymous, you may indicate your desire to speak from the floor. Speakers are requested, but not required, to identify themselves.

**2. Submit public comments in writing.** Written public comments may be submitted via email ([cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org)) or delivered to Laguna Woods City Hall (24264 El Toro Road, Laguna Woods, CA 92637), provided that they are received by the City prior to 2:00 p.m. on the day of the meeting. Written public comments may be read or summarized to the City Council at the meeting, and parties submitting written public comments are advised that their email addresses and any information submitted may be disclosed or become a matter of public record. No party should expect privacy of such information.

**3. Make public comments by telephone.** Dial (669) 444-9171. When prompted enter the following meeting ID: 884 4697 0070 followed by pound (#) and the following meeting passcode: 690784 followed by pound (#). When an item you wish to comment on is discussed, press \*9 on your telephone to raise your hand. When it is your turn, you will be unmuted and able to speak. Please note that your telephone number will be visible to the City. No party should expect privacy of such information.

**4. Make public comments by computer (Zoom).**

- Visit [www.zoom.us](http://www.zoom.us)
- Click on “Join” toward the top right of the webpage
- Enter the following meeting ID: 884 4697 0070
- Open the Zoom application following the on-screen prompts
- Enter the following meeting password: 690784
- Enter a name and email address as required by Zoom

When an item you wish to comment on is discussed, click on “Raise Hand.” When it is your turn, you will be unmuted and able to speak. Please note that information you enter into Zoom will be visible to the City. No party should expect privacy of such information.

## **I. CALL TO ORDER**

### **1.1 Call to Order**

Introductory Note: Members of the public wishing to address the City Council on items appearing on this agenda are advised to indicate their interest in doing so at the time an item is considered by notifying City staff if present in-person, pressing \*9 on their telephone if participating by telephone, or clicking on “Raise Hand” if participating by computer via Zoom. Members of the public wishing to address the City Council on items *not* appearing on this agenda may do so during Item V.

### **1.2 Emergency Circumstances and Just Cause Teleconferencing**

*Recommendation:* Receive and act upon disclosures and requests from members of the City Council related to teleconferencing pursuant to California Assembly Bill 2449 (2021-2022).

## **II. ROLL CALL**

## **III. PLEDGE OF ALLEGIANCE**

## **IV. PRESENTATIONS AND CEREMONIAL MATTERS**

### **4.1 City Hall/Public Library Project Update**

*Recommendation:* Receive and file.

## **V. PUBLIC COMMENTS ON NON-AGENDA ITEMS**

About Public Comments on Non-Agenda Items: This is the time and place for members of the public to address the City Council on items *not* appearing on this agenda. To indicate interest, please notify City staff if present in-person, press \*9 on your telephone if participating by telephone, or click on “Raise Hand” if participating by computer via Zoom. Pursuant to state law, the City Council is unable to take action on such items, but may engage in brief discussion, provide direction to City staff, or schedule items for consideration at future meetings.

## **VI. CONSENT CALENDAR**

About the Consent Calendar: All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, City staff, or member of the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

### **6.1 City Council Minutes**

*Recommendation:* Approve the City Council meeting minutes for the regular meeting on July 19, 2023.

6.2 City Treasurer's Report

*Recommendation:* Receive and file the City Treasurer's Report for the month of July 2023.

6.3 Warrant Register

*Recommendation:* Approve the warrant register dated August 16, 2023 in the amount of \$614,163.44.

6.4 Code Enforcement Services

*Recommendation:* Approve an agreement with Willdan Engineering for code enforcement services and authorize the City Manager to execute the agreement, subject to approval as to form by the City Attorney.

6.5 Deed of Easement

*Recommendation:* Approve a deed of easement to the El Toro Water District for certain waterline infrastructure constructed as part of the City Hall/Public Library Project at 24264 El Toro Road, Laguna Woods, CA 92637 (Assessor's Parcel Number: 621-121-29) and authorize the Mayor to execute the deed of easement.

6.6 Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 and 6(B)

*Recommendation:*

1. Approve final record plans and specifications reflecting completion of the "Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 and 6(B)" as prepared by the project engineer.

AND

2. Accept project completion of the contract agreement with Kalban, Inc. for the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 and 6(B)”.

AND

3. Release contract retention in the amount of \$12,939.35 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention.

AND

4. Exonerate project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange.

## **VII. PUBLIC HEARINGS**

## **VIII. CITY COUNCIL BUSINESS**

### **8.1 Cannabis Retail Sales Business Regulations**

*Recommendation:*

If the City Council wishes to proceed with adopting regulations that would permit cannabis retail sales businesses:

Approve second reading and adopt an ordinance – read by title with further reading waived – titled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 13.06.010, 13.08.010, 13.10.020, 13.12.020, 13.13.020, 13.18.070, AND 13.26.025 OF TITLE 13 (ZONING) OF THE LAGUNA WOODS MUNICIPAL CODE TO ESTABLISH A REGULATORY FRAMEWORK FOR CANNABIS STOREFRONT RETAILERS, SET THE

CANNABIS BUSINESS TAX RATE FOR CANNABIS STOREFRONT RETAILERS, AND CLARIFY THE NATURE OF PROHIBITED CANNABIS BUSINESSES AND EXISTING REGULATIONS PERTAINING TO TOBACCO AND TOBACCO CIGARETTE SALES; AND DETERMINING AND CERTIFYING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

8.2 Zoning Code Amendments

*Recommendation:* Approve second reading and adopt an ordinance – read by title with further reading waived – titled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING CHAPTER 13.14 AND SECTIONS 13.04.020, 13.08.010, 13.13.020, 13.15.011, 13.15.015, 13.15.016, 13.15.017, 13.15.020, 13.23.030, AND 13.26.070 OF TITLE 13 (ZONING) OF THE LAGUNA WOODS MUNICIPAL CODE, AND DETERMINING AND CERTIFYING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

8.3 2021-2029 General Plan Housing Element Update

*Recommendation:* Adopt a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING REVISIONS TO THE 2021-2029 GENERAL PLAN HOUSING ELEMENT, AND PROVIDING DIRECTION AND MAKING FINDINGS RELATED TO ADOPTION OF THE 2021-2029 GENERAL PLAN HOUSING ELEMENT PURSUANT TO APPLICABLE STATE LAW

8.4 2022-2023 Orange County Grand Jury Report, “Welcome to the Neighborhood – Are cities responsibly managing the integration of group homes?”

*Recommendation:* Approve a response to the 2022-2023 Orange County Grand Jury Report, “Welcome to the Neighborhood – Are cities responsibly managing the integration of group homes?,” authorize the Mayor to execute the response, and direct the City Manager to submit the response as required by applicable law.

8.5 El Toro Road Medians Improvement Project (Westbound El Toro Road between Moulton Parkway to Calle Sonora)

*Recommendation:* Approve a conceptual design, tree palette, and plant palette, for the El Toro Road Medians Improvement Project (Westbound El Toro Road between Moulton Parkway to Calle Sonora), and authorize staff to proceed with preparing final design documents.

8.6 Employee Compensation and Benefits

*Recommendation:* Adopt a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 23-20, AND ESTABLISHING A COMPENSATION SCHEDULE AND BENEFITS FOR CITY EMPLOYEES

## **IX. CITY COUNCIL REPORTS AND COMMENTS**

About City Council Reports and Comments: This is the time and place for members of the City Council to provide reports on meetings attended including, but not limited to, meetings of regional boards and entities to which they have been appointed to represent the City and meetings attended at the expense of the City pursuant to California Government Code Section 53232.3. Members of the City Council may also make other comments and announcements.

9.1 Coastal Greenbelt Authority  
Councilmember McCary, First Alternate: Councilmember Horne, Second Alternate: Mayor Connors

9.2 Orange County Fire Authority  
Mayor Pro Tem Hatch



- 9.3 Orange County Library Advisory Board  
Councilmember Moore; Alternate: Councilmember McCary
- 9.4 Orange County Mosquito and Vector Control District  
Councilmember Horne
- 9.5 San Joaquin Hills Transportation Corridor Agency  
Mayor Conners; Alternate: Mayor Pro Tem Hatch
- 9.6 South Orange County Watershed Management Area  
Councilmember Moore; Alternate: Councilmember Horne
- 9.7 Liaisons to Community Bridge Builders  
Councilmember Horne and Councilmember McCary
- 9.8 Other Comments and Reports

**X. CLOSED SESSION**

Prior to convening in closed session, the City Council will hear public comments on items appearing on the closed session agenda.

- 10.1 The City Council will meet in closed session under the authority of California Government Code Section 54957(b)(1) to consider the following: Public Employee Performance Evaluation – City Manager.

**XI. CLOSED SESSION REPORT**

**XII. ADJOURNMENT**

Next Regular Meeting:                      Wednesday, September 20, 2023 at 2 p.m.  
Laguna Woods City Hall  
24264 El Toro Road, Laguna Woods, California 92637

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**4.1**  
**CITY HALL/PUBLIC LIBRARY UPDATE**  
***(NO REPORT)***

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**6.0**  
**CONSENT CALENDAR SUMMARY**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** August 16, 2023 Regular Meeting

**SUBJECT:** Consent Calendar Summary

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### **Recommendation**

Approve all proposed actions on the August 16, 2023 Consent Calendar by single motion and City Council action.

### **Background**

All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

### **Summary**

The August 16, 2023 Consent Calendar contains the following items:

- 6.1 Approval of the City Council meeting minutes for the regular meeting on July 19, 2023.
- 6.2 Approval of a motion to receive and file the City Treasurer's Report for the month of July 2023.
- 6.3 Approval of the warrant register dated August 16, 2023 in the amount of \$614,163.44. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at or from City Hall.

- 6.4 Approval of an agreement with Willdan Engineering for code enforcement services and authorization for the City Manager to execute the agreement, subject to approval as to form by the City Attorney. The Request for Proposals (“RFP”) for code enforcement services was released on July 6, 2023 with proposals due by July 28, 2023. Two proposals were received (4LEAF and Willdan Engineering). After reviewing both proposals, staff recommends that the City Council award an agreement to Willdan Engineering due to factors including, but not limited to, cost, experience, and past performance. Willdan Engineering has provided code enforcement services for the City since June 2, 2017 and either provides or has provided similar services for the cities of Dana Point, Laguna Beach, Laguna Niguel, and Newport Beach, as well as the County of Orange.
- 6.5 Approval of a deed of easement to the El Toro Water District for certain waterline infrastructure constructed as part of the City Hall/Public Library Project at 24264 El Toro Road, Laguna Woods, CA 92637 (Assessor’s Parcel Number: 621-121-29) and authorization for the Mayor to execute the deed of easement. The proposed easement would provide the El Toro Water District with a right to access waterline infrastructure constructed as part of the City Hall/Public Library Project. The proposed deed of easement has been reviewed by El Toro Water District staff.
- 6.6 [1] Approval of final record plans and specifications reflecting completion of the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 and 6(B)” as prepared by the project engineer (available for review at City Hall).

AND

[2] Acceptance of project completion of the contract agreement with Kalban, Inc. for the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 and 6(B)”.

AND

[3] Release of contract retention in the amount of \$12,939.35 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention.



AND

[4] Exonerate project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange.

The “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 and 6(B)” is included in the Fiscal Years 2023-34 Capital Improvement Program. Construction is now complete.

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**6.1**  
**CITY COUNCIL MINUTES**

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**For additional information on this item,  
please refer to Item 6.0 (Consent Calendar Summary).**

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**CITY OF LAGUNA WOODS CALIFORNIA  
CITY COUNCIL MINUTES  
REGULAR MEETING  
July 19, 2023  
2:00 P.M.  
Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, California 92637**

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**I. CALL TO ORDER**

1.1 Call to Order

Mayor Conners called the Regular Meeting of the City Council of the City of Laguna Woods to order at 2:00 p.m.

1.2 Emergency Circumstances and Just Cause Teleconferencing – N/A

**II. ROLL CALL**

COUNCILMEMBER:           PRESENT:   Horne, McCary, Moore, Hatch, Conners  
                                  ABSENT:   -

All councilmembers participated in-person at the meeting location.

STAFF PRESENT:           City Manager Macon, City Attorney Patterson, City Clerk Trippy

All staff participated in-person at the meeting location.

**III. PLEDGE OF ALLEGIANCE**

Councilmember Moore led the pledge of allegiance.

**IV. PRESENTATIONS AND CEREMONIAL MATTERS**

4.1 City Hall/Public Library Project Update

City Manager Macon provided an update.

Councilmember Moore requested a more comprehensive report on the timing of the project, including information on change orders.

**V. PUBLIC COMMENTS ON NON-AGENDA ITEMS**

Fred Smoller, President and CEO, Orange County Sustainability Decathlon, commented on

climate issues and requested the City Council’s support of the Sustainability Decathlon. Mr. Smoller provided the City Council with a flyer containing sponsorship opportunities for the Sustainability Decathlon.

**VI. CONSENT CALENDAR**

Moved by Councilmember Horne, seconded by Mayor Pro Tem Hatch, and carried unanimously on a 5-0 vote, to approve Consent Calendar items 6.1 – 6.7.

6.1 City Council Minutes

Approved the City Council meeting minutes for the adjourned regular meeting on May 31, 2023, the special meeting on June 14, 2023, the regular meeting on June 21, 2023, and the adjourned regular meeting on June 28 2023.

6.2 City Treasurer’s Report

Received and filed the City Treasurer’s Report for the month of June 2023.

6.3 Warrant Register

Approved the warrant register dated July 19, 2023 in the amount of \$758,053.58.

6.4 Fiscal Years 2023-25 Budget Adjustments

Adopted a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADJUSTING THE ASSIGNED RESERVE BALANCES FOR THE PAID LEAVE CONTINGENCY RESERVE AND THE GENERAL FUND CONTINGENCY RESERVE FOR FISCAL YEAR 2023-24

6.5 Fiscal Years 2023-34 Capital Improvement Program

Adopted a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A STATEMENT OF THE TRANSPORTATION-RELATED PROJECTS AND MEASURE M2 (OC GO) BUDGETS INCLUDED IN THE CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2023-24 THROUGH 2029-30, IN CONFORMANCE WITH MEASURE M2 (OC GO) REQUIREMENTS

6.6 Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 and 6(B)

1. Approved the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 and 6(B)” design plans and specifications as prepared by the project engineer.

AND

2. Approved a notice of exemption for the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 and 6(B)” finding that the project is categorically exempt from the California Environmental Quality Act (CEQA) and authorized the City Manager to cause the notice of exemption to be filed pursuant to applicable law.

AND

3. Awarded a contract agreement to Kalban, Inc. for the construction of the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 6(B)”, in the amount of \$241,100.00, plus authorized change orders not to exceed 10% of the base amount; and authorized the City Manager to execute a contract agreement and approved change orders, subject to approval of the contract agreement as to form by the City Attorney.

#### 6.7 City Hall Electric Vehicle Charging Infrastructure Project

1. Approved final record plans and specifications reflecting completion of the “City Hall Electric Vehicle Charging Infrastructure Project” as prepared by the project engineer.

AND

2. Approved project completion of the contract agreement with Smart City Electric Group for the “City Hall Electric Vehicle Charging Infrastructure Project”.

AND

3. Release contract retention in the amount of \$1,585.00 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention.

AND

4. Exonerate project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange.

## VII. PUBLIC HEARINGS

### 7.1 Cannabis Retail Sales Business Regulations

Mayor Connors made comments.

City Manager Macon made a presentation.

Mayor Connors opened the public hearing. The following public testimony was received:

- Maureen Mehler, resident, spoke in support of allowing cannabis storefront retailers in Laguna Woods.
- Robert Lindner, resident, expressed concern regarding the enforcement of cannabis-related laws.

Councilmembers briefly responded to Mr. Lindner's testimony and discussed the item.

- Lonnie Painter, resident, spoke in support of allowing cannabis storefront retailers in Laguna Woods.
- Suzanne Myers, resident, spoke in support of allowing cannabis storefront retailers in Laguna Woods.
- David Myers, resident, spoke in support of allowing cannabis storefront retailers in Laguna Woods.
- Mary Wall, resident, spoke in opposition of allowing cannabis storefront retailers in Laguna Woods.
- Kandice Hawes, Orange County NORML, spoke in support of a merit-based process and conditional use permit process for permitting cannabis storefront retailers, as well as expressed concern regarding the high rate of the proposed cannabis business tax.
- Chad Wanke, member of the public and part of the Committee to Support Measure T, spoke in support of a non-merit-based process for permitting cannabis storefront retailers and asked that the proposed application fee be defined.

Mr. Wanke responded to question from Councilmember Moore.

City Manager Macon responded to a question from Mayor Connors.

- José Hernandez, Catalyst, commented on the lack of security necessary for cannabis storefront retailers to operate, expressed concern regarding the high rate of the proposed cannabis business tax, and spoke in support of a merit-based process for permitting cannabis storefront retailers and multiple licenses.
- Pat Micone, resident, spoke in support of the City Council looking into this item further and not approving an ordinance at this time. She also expressed concerns regarding traffic, security, and costs to the City.



## ITEM 6.1

- Kathryn Freshley, resident, expressed concerns related to security and traffic, as well as a lack of communication with Laguna Woods Village boards. She also expressed concerns regarding the potential establishment of a cannabis storefront retailer at the property currently occupied by the Helm Center, including impacts on the adjacent mortuary and traffic. She further expressed that the City does not need the money that would be generated by the proposed cannabis business tax.
- Jonathan Adler, resident and representative of the Laguna Woods Democratic Club, spoke in support of allowing cannabis storefront retailers in Laguna Woods.
- Aaron Herzberg, Puzzle Group Law Firm, spoke in support of allowing cannabis storefront retailers in Laguna Woods.
- Vincette Wilson, resident, commented on a letter she separately submitted to the City Council with background information on hemp and cannabis.
- Virginia Rettig, resident, spoke in support of allowing cannabis storefront retailers in Laguna Woods.
- Mark Nesbaum, resident, spoke in support of allowing cannabis storefront retailers in Laguna Woods.
- Steven Chow, Stiiizy, expressed concerns that the proposed ordinance gerrymandered property and was rigged in favor of one business interest. He encouraged the City Council to reexamine the proposed ordinance and also spoke in support of a merit-based process for permitting cannabis storefront retailers.
- Sarah Armstrong, Americans for Safe Access, spoke in support of allowing cannabis storefront retailers in Laguna Woods and expressed concern regarding the high rate of the proposed cannabis business tax.

With no other requests to speak, the public hearing was closed.

Mayor Connors made comments.

A member of the public who had attempted to provide testimony during the public hearing resolved his technical difficulties that had prevented him from providing testimony earlier. Mayor Connors reopened the public hearing to allow the additional testimony.

- John <last name unknown>, member of the public and owner of the Helm Center property, responded to Mr. Chow's testimony and stated that he has no affiliation with any cannabis business.

With no other requests to speak, the public hearing was closed.

Councilmembers discussed the item and staff answered related questions.

Mr. Painter responded to a question from Councilmember Moore.

Juanita Skillman, resident, commented on the Laguna Woods Village boards' awareness of the item.

Councilmembers discussed the item.

Moved by Councilmember Horne, seconded by Councilmember McCary, and carried on a 3-2 vote, with Mayor Pro Tem Hatch and Councilmember Moore voting no, to approve the introduction and first reading of an ordinance – read by title with further reading waived – titled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 13.06.010, 13.08.010, 13.10.020, 13.12.020, 13.13.020, 13.18.070, AND 13.26.025 OF TITLE 13 (ZONING) OF THE LAGUNA WOODS MUNICIPAL CODE TO ESTABLISH A REGULATORY FRAMEWORK FOR CANNABIS STOREFRONT RETAILERS, SET THE CANNABIS BUSINESS TAX RATE FOR CANNABIS STOREFRONT RETAILERS, AND CLARIFY THE NATURE OF PROHIBITED CANNABIS BUSINESSES AND EXISTING REGULATIONS PERTAINING TO TOBACCO AND TOBACCO CIGARETTE SALES; AND DETERMINING AND CERTIFYING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

Mayor Conners called for a brief recess.

The meeting was called back to order at 4:23 p.m.

## 7.2 Zoning Code Amendments

City Manager Macon made a presentation.

Mayor Conners opened the public hearing.

Juanita Skillman, resident, expressed concerns regarding a state law related to room rentals.

Councilmembers and City Manager Macon briefly responded to Ms. Skillman's testimony.

With no other requests to speak, the public hearing was closed.

Moved by Councilmember Horne, seconded by Councilmember McCary, and carried unanimously on a 5-0 vote, to approve the introduction and first reading of an ordinance

– read by title with further reading waived – titled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING CAPTER 13.14 AND SETIONS 13.04.020, 13.08.010, 13.13.020, 13.15.011, 13.15.015, 13.15.016, 13.15.017, 13.15.020, 13.23.030, AND 13.26.070 OF TITLE 13 (ZONING) OF THE LAGUNA WOODS MUNICIPAL CODE, AND DETERMINING AND CERTIFYING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

**VIII. CITY COUNCIL BUSINESS – None**

**IX. CITY COUNCIL REPORTS AND COMMENTS**

9.1 Coastal Greenbelt Authority

Councilmember McCary provided an update.

9.2 Orange County Fire Authority

Mayor Pro Tem Hatch provided an update and responded to a question from Councilmember Moore.

9.3 Orange County Library Advisory Board

Councilmember Moore stated there had been no meeting since the last meeting.

9.4 Orange County Mosquito and Vector Control District

Councilmember Horne provided a report.

9.5 San Joaquin Hills Transportation Corridor Agency

Mayor Connors provided a report.

9.6 South Orange County Watershed Management Area

Councilmember Moore stated there had been no meeting since the last meeting.

9.7 Liaisons to Community Bridge Builders

Councilmember McCary stated that she will provide a report at the next meeting.

9.8 Other Comments and Reports – None

**X. CLOSED SESSION**

City Attorney Patterson noted that prior to convening in closed session, the City Council will hear public comments on items appearing on the closed session agenda.

No such public comments were received.

- 10.1 The City Council met in closed session under the authority of California Government Code Section 54956.9(d)(4) and (e)(1) to confer with and receive advice from its legal counsel regarding the potential initiation of litigation in one case.
- 10.2 The City Council met in closed session under the authority of California Government Code Section 54957(b)(1) to consider the following: Public Employee Performance Evaluation – City Manager.

**XI. CLOSED SESSION REPORT**

The City Council reconvened in open session at 5:37 p.m. City Attorney Patterson stated that for Item 10.1, the City Council voted to approve the initiation of litigation. City Attorney Patterson stated that there was no reportable action for Item 10.2.

**XII. ADJOURNMENT**

The meeting was adjourned at 5:38 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, August 16, 2023, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

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YOLIE TRIPPY, CMC, City Clerk

Approved: August 16, 2023

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CYNTHIA S. CONNERS, Mayor

## **6.2 CITY TREASURER'S REPORT**

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**For additional information on this item,  
please refer to Item 6.0 (Consent Calendar Summary).**

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**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended July 31, 2023**

ITEM 6.2

**CASH AND INVESTMENTS**

	Beginning Balances As of 6/30/23	Earnings & Receipts	Disbursements	Purchases, Transfers & Other Adjustments	Ending Balances As of 7/31/23	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
<b>Cash and Cash Equivalents</b>							
Analyzed Checking Account (Note 1)	\$ 724,974	\$ 442,012	\$ (861,582)	\$ 500,000	\$ 805,404	5.53%	
Cash Balances, Multi-Bank Securities (MBS) Account (Note 2 and 4)	\$ 12,549	\$ 10,344	\$ (14,798)	\$ -	\$ 8,095	0.06%	
Earned Interest in Transit and Accrued Interest, MBS Account (Note 4)	\$ 18,021	\$ 16,807	\$ (10,344)	\$ -	\$ 24,484	0.17%	
Petty Cash	\$ 2,778	\$ 2,479	\$ (4,006)	\$ -	\$ 1,251	0.01%	
Laguna Woods Civic Support Fund Checking Account	\$ 50,294	\$ 0.21	\$ -	\$ -	\$ 50,294	0.35%	
<b>Total Cash and Cash Equivalents</b>	<b>\$ 808,615</b>	<b>\$ 471,642</b>	<b>\$ (890,730)</b>	<b>\$ 500,000</b>	<b>\$ 889,528</b>	<b>6.11%</b>	<b>100.00%</b>
<b>Pooled Money Investment Accounts</b>							
Local Agency Investment Fund (LAIF - fair value) (Notes 2 and 3)	\$ 1,284,271	\$ 10,678	\$ -	\$ (507,548)	\$ 787,402	5.41%	
Orange County Investment Pool (OCIP - fair value) (Notes 2 and 3)	\$ 7,622,090	\$ -	\$ -	\$ -	\$ 7,622,090	52.37%	
<b>Total Pooled Money Investment Accounts</b>	<b>\$ 8,906,361</b>	<b>\$ 10,678</b>	<b>\$ -</b>	<b>\$ (507,548)</b>	<b>\$ 8,409,491</b>	<b>57.78%</b>	<b>90.00%</b>
<b>Investments - Interest and Income Bearing</b>							
Certificates of Deposit - non-negotiable (fair value) (Note 2)	\$ 4,752,157	\$ -	\$ -	\$ 502,785	\$ 5,254,943	36.11%	
<b>Total Investments - Interest and Income Bearing</b>	<b>\$ 4,752,157</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 502,785</b>	<b>\$ 5,254,943</b>	<b>36.11%</b>	<b>90.00%</b>
<b>TOTAL</b>	<b>\$ 14,467,133</b>	<b>\$ 482,321</b>	<b>\$ (890,730)</b>	<b>\$ 495,238</b>	<b>\$ 14,553,962</b>	<b>100.00%</b>	

**Summary of Total Cash, Cash Equivalents, and Investments:**

	General Fund	Special Revenue Funds	Totals
Analyzed Checking Account	\$ (2,825,198)	\$ 3,630,602	\$ 805,404
Cash Balances, MBS Account	\$ 8,095	\$ -	\$ 8,095
Earned Interest in Transit and Accrued Interest, MBS Account	\$ 24,484	\$ -	\$ 24,484
Petty Cash	\$ 1,251	\$ -	\$ 1,251
LAIF	\$ 787,402	\$ -	\$ 787,402
OCIP	\$ 7,622,090	\$ -	\$ 7,622,090
Certificates of Deposit	\$ 5,254,943	\$ -	\$ 5,254,943
Laguna Woods Civic Support Fund Checking Account	\$ -	\$ 50,294	\$ 50,294
<b>Totals</b>	<b>\$ 10,873,065</b>	<b>\$ 3,680,896</b>	<b>\$ 14,553,962</b>

(See **NOTES** on Page 4 of 4)



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended July 31, 2023**

**CASH AND INVESTMENTS**

CUSIP	Investment #	Issuer	Term	Purchase Date	Settlement Date	Par Value	Market Value	Book Value	Stated Rate (Note 4)	Coupon Type	1st Coupon Date	Rating or Rank (*)	Yield to Maturity 365 Days	Maturity Date
<b>Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured)</b>														
61760ARV3	2018-7	MORGAN STANLEY PRIVATE BK NATL	60 months	11/06/18	11/15/18	245,000	243,812	245,000	3.550	Semi-Annual	05/15/19	Green***	3.550	11/15/23
02589AA28	2018-9	AMERICAN EXPRESS NATL	60 months	12/04/18	12/04/18	240,000	238,625	240,000	3.550	Semi-Annual	06/04/19	Green***	3.550	12/04/23
33715LCZ1	2018-10	FIRST TECHNOLOGY FED CU MTN VIEW	60 months	12/07/18	12/12/18	245,000	243,581	245,000	3.600	Monthly	01/12/19	Green***	3.600	12/12/23
052392CK1	2022-6	AUSTIN TELCO FED CR	12 months	12/09/22	12/16/22	245,000	244,904	245,000	5.100	Monthly	01/01/23	Green***	5.100	12/18/23
00833AAB6	2022-7	AFFINITY PLUS CR UN	12 months	12/15/22	12/27/22	245,000	244,887	245,000	5.100	Monthly	01/27/23	Green***	5.100	12/27/23
91334AAM5	2023-3	UNITED HERITAGE CR	12 months	03/07/23	03/21/23	200,000	200,016	200,000	5.200	Monthly	03/31/23	Green***	5.200	03/21/24
949763ZA7	2019-1	WELLS FARGO BK N A	60 months	04/09/19	04/10/19	245,000	240,798	245,000	2.850	Monthly	05/10/19	Green*	2.850	04/10/24
38150VBG3	2022-2	GOLDMAN SACHS BK USA	24 months	05/24/22	06/01/22	245,000	239,906	245,000	2.900	Semi-Annual	12/01/22	Green*	2.900	06/03/24
98138MBA7	2022-8	WORKERS FED CR UN	24 months	12/09/22	12/16/22	245,000	243,336	245,000	4.950	Monthly	01/16/23	Yellow**	4.950	12/16/24
75472RBB6	2020-1	RAYMOND JAMES BK NATL ASSN	60 months	02/06/20	02/14/20	245,000	231,802	245,000	1.750	Semi-Annual	08/14/20	Green***	1.750	02/14/25
59013KGJ9	2020-2	MERRICK BANK	60 months	03/24/20	03/31/20	100,000	94,214	100,000	1.800	Monthly	05/01/20	Green***	1.800	03/31/25
14042TGG6	2022-1	CAPITAL ONE BK USA NATL ASSN	36 months	05/24/22	05/25/22	245,000	235,217	245,000	3.100	Semi-Annual	11/25/22	Green*	3.100	05/27/25
75102EAP3	2023-6	RAIZ FED CR UN	24 months	05/17/23	05/24/23	245,000	243,437	245,000	5.050	Monthly	06/24/23	Yellow**	5.050	05/27/25
37424PAG9	2023-9	GESA CR UN	24 months	07/19/23	07/31/23	245,000	245,463	245,000	5.500	Monthly	08/31/23	Green***	5.500	07/31/25
59524LAA4	2023-1	MID CAROLINA CR UN	36 months	03/07/23	03/13/23	200,000	198,462	200,000	4.850	Monthly	04/13/23	Green***	4.850	03/13/26
23204HNV6	2023-4	CUSTOMERS BK	36 months	03/30/23	03/31/23	245,000	243,192	245,000	5.000	Semi-Annual	09/30/23	Green**	5.000	03/31/26
87868YAQ6	2023-7	TECHNOLOGY CR UN	36 months	05/19/23	05/30/23	245,000	243,253	245,000	5.000	Monthly	07/01/23	Green***	5.000	05/29/26
32022RRG4	2022-4	1ST FINL BK USA	48 months	06/15/22	06/24/22	245,000	231,118	245,000	3.150	Monthly	07/24/22	Green*	3.150	06/24/26
2546733P9	2023-5	DISCOVER BK	48 months	03/30/23	04/05/23	245,000	242,222	245,000	4.800	Semi-Annual	10/05/23	Green***	4.800	04/05/27
50625LBN2	2022-3	LAFAYETTE FED CR	60 months	05/24/22	06/15/22	245,000	229,014	245,000	3.250	Monthly	07/15/22	Green***	3.250	06/15/27
14042RUX7	2022-5	CAPITAL ONE NATL ASSN	60 months	10/06/22	10/13/22	245,000	239,370	245,000	4.500	Semi-Annual	04/13/23	Green*	4.500	10/13/27
90355GCE4	2023-2	UBS BANK USA	60 months	03/07/23	03/08/23	200,000	195,446	200,000	4.600	Monthly	04/08/23	Green*	4.600	03/08/28
89854LAD5	2023-8	TTCU FED CR UN	60 months	07/19/23	07/26/23	245,000	242,866	245,000	5.000	Monthly	08/26/23	Green***	5.000	07/26/28
		Accrued Interest - Month End					24,484							
<b>Total CDs</b>						<b>5,350,000</b>	<b>5,279,426</b>	<b>5,350,000</b>						

(\*) CDs are ranked using the Veribanc Rating System, a two-part color code and star classification system which tests the present standing and future outlook by reviewing an institution's capital strength, asset quality, management ability, earnings sufficiency, liquidity, and sensitivity to market risk. The table below summarizes the Veribanc color rankings. Veribanc star ratings of one to three, with three being best, are used to help review a possible future trend of an institutions health based on metrics from ten prior quarters. A rating of one, two, or three, are not necessarily an indicator of risk or an undesirable investment. The City reviews other rating systems and issuer financials before choosing any investment.

Veribanc Rating System

Veribanc Rank	Color Meaning
Green	Highest rating, exceeds qualifications in equity and income tests
Yellow	Merits attention, meets minimal qualifications in equity and income tests
Red	Merits close attention, does not meet minimal qualifications for equity and has incurred significant losses

**Government Pooled Money Investment Accounts (PMIA) (Notes 2 and 3)**

N/A	N/A	Local Agency Investment Fund (LAIF)	N/A	Various	Various	807,070	787,402	807,070	Note 3	Quarterly	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	7,765,581	7,622,090	7,765,581	Note 3	Monthly	N/A	N/A	N/A	N/A
<b>Total PMIA</b>						<b>8,572,651</b>	<b>8,409,491</b>	<b>8,572,651</b>						

(See NOTES on Page 4 of 4)





# City of Laguna Woods

## City Treasurer's Report

For the Month Ended July 31, 2023

ITEM 6.2

### CASH AND INVESTMENTS

	Beginning Balances As of 6/30/23	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 7/31/23
<b>Other Post-Employment Benefits (OPEB) Trust</b>					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (Note 2) (CERBT holds all assets and administers the OPEB Trust)	\$ 130,385	\$ -	\$ (9)	\$ 1,898	\$ 132,274
<b>Employer Pension Contributions Trust</b>					
CalPERS California Employers' Pension Prefunding Trust (CEPPT) (Note 2) (CEPPT holds all assets and administers the Employer Pension Contributions Trust)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Funds - Held in Trust	<u>\$ 130,385</u>	<u>\$ -</u>	<u>\$ (9)</u>	<u>\$ 1,898</u>	<u>\$ 132,274</u>

(See **NOTES** on Page 4 of 4)



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended July 31, 2023**

**CASH AND INVESTMENTS**

**Notes:**

Note 1 - Analyzed Checking Account / Monthly activity reported does not reflect July 2023 vendor invoicing processed after the date of this report.

Note 2 - During July 2023, transaction activity in pooled money investment accounts, investment accounts and fiduciary trusts included:

LAIF / The City made no deposits to the LAIF account and withdrew \$500,000, which was deposited to the City's checking account for investment purposes. The balance was adjusted by (\$7,547.70) to reflect the fair market value of the investment at June 30, 2023. In total, the balance includes an adjustment in the amount of (\$19,668.21) to reflect fair market value.

OCIP / The City made no deposits to or withdrawals from the OCIP account. The balance includes an adjustment in the amount of (\$143,491.10) to reflect the fair market value of the investment at June 30, 2022. The fair market value as of June 30, 2023 is not currently available.

Investments / There were no maturities of investments. The City invested \$490,000 cash balance in two Certificates of Deposit: \$245,000 in a Gesa Credit Union Certificate of Deposit for a 24 month term at a 5.500% yield rate, and \$245,000 in a TTCU Federal Credit Union Certificate of Deposit for a 60 month term at a 5.000% yield rate. Investments were adjusted in the amount of (\$12,785.25) to report balances at fair market value as of July 31, 2023.

OPEB Trust / The City made no contributions to or withdrawals from the OPEB Trust. The OPEB Trust experienced a net gain of \$1,888.34 in July 2023.

Employer Pension Contributions Trust / In April 2021, the City elected to participate in the CEPPT. The City has not yet made contributions to the CEPPT.

Note 3 - Investment earnings on pooled money investment accounts deposited and reported in July 2023 net of related fees were:

Pool	Earnings Post	Prior Period Earnings Deposited	Deposit for Period Ended	Current Month / Quarter Gross Yield	Current Month / Quarter Earnings Will Post	Notes
LAIF	Quarterly	\$10,678.44	April 1, 2023 thru June 30, 2023	See Notes	October 2023	Total pool interest yield for July 2023 was 3.305% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted.
OCIP	Monthly	\$0.00	See Notes	See Notes	See Notes	The OCIP July 2023 statement had not been received at the time of this report, balance reported is as of June 30, 2023. Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at June 30, 2023 was \$66,958.58. June 30, 2023 interest rate was 3.732% and fees were 0.0%, for a net yield of 3.732%.

Note 4 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest of \$10,343.92 and transferred out \$14,797.81 in cash balances to the City's checking account in July 2023. Cash balances to be invested or paid out are classified separately on page 1 of 4. The City's portfolio also has \$24,483.87 in accrued interest, not yet vested.

**City Treasurer's Certification**

I, Elizabeth Torres, City Treasurer, do hereby certify:

- That all investment actions executed since the last report have been made in full compliance with the City's Investment of Financial Assets Policy; and
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months.

Digitally signed by  
 Elizabeth Torres  
 Date: 2023.08.10  
 12:47:30 -07'00'

Elizabeth Torres, City Treasurer

## **6.3 WARRANT REGISTER**

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**For additional information on this item,  
please refer to Item 6.0 (Consent Calendar Summary).**

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**CITY OF LAGUNA WOODS**  
**WARRANT REGISTER**  
**August 16, 2023**

ITEM 6.3

This Report Covers the Period 7/01/2023 through 7/31/2023

Date	Vendor Name	Description	Amount
<b>Debit</b>			
<i>Automatic Bank Debits:</i>			
07/03/2023	GLOBAL PAYMENTS / OPEN EDGE	Credit Card Processing Fees / June 2023	2,223.84
07/05/2023	AUTHORIZE.NET	Online Credit Card Processing Fees / June 2023	12.00
07/05/2023	DELTA DENTAL OF CALIFORNIA	Employee Benefit Program / July 2023	472.44
07/05/2023	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 06/02/2023	1,716.14
07/05/2023	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 06/02/2023	3,185.75
07/05/2023	ADP TAX	Payroll Taxes / Pay Period Ended 06/30/2023	9,638.33
07/07/2023	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 06/30/2023	20,832.62
07/07/2023	NAVIA BENEFIT SOLUTIONS, INC	Employee Benefit Program / June 2023	40.00
07/07/2023	NAVIA BENEFIT SOLUTIONS, INC	Employee Benefit Program / July 2023	73.26
07/06/2023	MISSION SQUARE RETIREMENT	Employee Benefit Program / Pay Period Ended 06/30/2023	2,270.00
07/07/2023	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Periods Ended 06/02/2023 and 06/16/2023 and 6/30/2023	652.96
07/11/2023	NAVIA BENEFIT SOLUTIONS, INC	125 Cafeteria Plan Administration / June 2023	100.00
07/11/2023	CALPERS - HEALTH	Employee Benefit Program / July 2023	7,847.63
07/14/2023	NAVIA BENEFIT SOLUTIONS, INC	Employee Benefit Program / July 2023	486.67
07/14/2023	U.S. BANK	Bank Service Charges / June 2023	60.83
07/18/2023	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 06/16/2023	3,185.74
07/18/2023	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 06/16/2023	1,710.24
07/19/2023	ADP TAX	Payroll Taxes / Pay Period Ended 07/14/2023	9,503.73
07/19/2023	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 07/14/2023	21,081.51
07/20/2023	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 07/14/2023	1,520.00
07/20/2023	NAVIA BENEFIT SOLUTIONS, INC	Employee Benefit Program / July 2023	82.44
07/21/2023	COUNTY OF ORANGE - SHERIFF	Law Enforcement Services / June 2023	30,462.15
07/27/2023	NAVIA BENEFIT SOLUTIONS, INC	Employee Benefit Program / July 2023	141.49
07/31/2023	COUNTY OF ORANGE - SHERIFF	Law Enforcement Services / July 2023	253,453.70
<b>Check</b>			
<b>Number</b>			
<i>Warrants:</i>			
6781	07/06/2023	ARC DOCUMENT SOLUTIONS, LLC.	3,057.92
6782	07/06/2023	AT&T	47.04
6783	07/06/2023	AT&T	218.84
6784	07/06/2023	AT&T	2,419.42
6785	07/06/2023	BUREAU VERITAS NORTH AMERICA INC	23,350.00
6786	07/06/2023	CALIFORNIA BLDG STANDARDS COMM	800.10
6787	07/06/2023	CAPTIONING UNLIMITED	800.00
6788	07/06/2023	CLEARSOURCE FINANCIAL	4,320.00
6789	07/06/2023	DEPARTMENT OF CONSERVATION	1,116.71
6790	07/06/2023	EUNICE AYALA	36.00
6791	07/06/2023	PETTY CASH	1,172.68
6792	07/06/2023	YOLIE TRIPPY	49.00
6792	07/06/2023	YOLIE TRIPPY	236.22
6793	07/06/2023	ADT COMMERCIAL	261.60
6794	07/06/2023	AETNA BEHAVIORAL HEALTH, LLC	13.92
6795	07/06/2023	CALIFORNIA JPIA	19,538.00
6796	07/06/2023	CALIFORNIA JPIA	50,927.00

**CITY OF LAGUNA WOODS**  
**WARRANT REGISTER**  
**August 16, 2023**

ITEM 6.3

This Report Covers the Period 7/01/2023 through 7/31/2023

Date	Vendor Name	Description	Amount	
6797	07/06/2023	GAIL SCHALLER	Taxi Voucher Refund	35.00
6798	07/06/2023	ORANGE COUNTY COUNCIL OF GOVTS	Annual Dues / Fiscal Year 2023-24	5,329.08
6799	07/06/2023	RICOH USA, INC.	Copier Lease / July 2023	246.57
6800	07/06/2023	VISION SERVICE PLAN OF AMERICA	Employee Benefit Program / July 2023	129.57
6801	07/13/2023	360CIVIC	Website Hosting / June 2023	200.00
6802	07/13/2023	ADT COMMERCIAL	City Hall Maintenance	1,410.00
6803	07/13/2023	AT&T	Telephone / 583-1105 / June 2023	24.29
6804	07/13/2023	AT&T	Telephone / 581-9821 / June 2023	54.75
6805	07/13/2023	CITY OF LAGUNA BEACH	Animal Control & Shelter Services / April - May 2023	18,853.50
6806	07/13/2023	G2 CONSTRUCTION, INC	Catch Basin Maintenance / June 2023	2,200.00
6807	07/13/2023	IRWIN B BORNSTEIN, CPA	Financial Consulting Services / June 2023	1,475.00
6808	07/13/2023	ITERIS, INC	Traffic Engineering / June 2023	3,900.00
6809	07/13/2023	OMNI ENTERPRISE INC	Janitorial Services / May 2023	3,500.00
6810	07/13/2023	ON POINT LAND SURVEYING, INC	Survey Document Preparation	2,780.00
6811	07/13/2023	ORANGE COUNTY REGISTER-NOTICES	Public Notices / June 2023	7,280.32
6812	07/13/2023	PARK CONSULTING GROUP, INC	Software Consulting Services / June 2023	1,925.00
6813	07/13/2023	RICOH USA, INC.	Copier Usage / April - June 2023	937.30
6814	07/13/2023	SHARESQUARED, INC.	Building Document Tracking Project	647.50
6815	07/13/2023	SOUTHERN CALIFORNIA GAS COMPANY	Gas Service - City Hall / June 2023	27.17
6816	07/13/2023	STAPLES	Office & Janitorial Supplies	1,075.18
6817	07/13/2023	SWEEPING CORPORATION OF AMERICA	Street Sweeping Services / June 2023	3,480.00
6818	07/13/2023	WILLDAN ENGINEERING	Code Enforcement Services / June 2023	1,530.00
6819	07/13/2023	YUNEX LLC	Traffic Signal Maintenance / June 2023	520.93
6820	07/13/2023	ALLIANT INSURANCE SERVICES	Crime Insurance Policy / Fiscal Year 2023-24	947.00
6821	07/13/2023	AT&T	White Pages / July 2023	4.28
6822	07/13/2023	COUNTY OF ORANGE	Orange County LAFCO Cost Allocation / Fiscal Year 2023-24	2,808.09
6823	07/13/2023	CYNTHIA CONNERS	Taxi Voucher Refund	326.00
6824	07/13/2023	EPIC IO TECHNOLOGIES, INC.	City Hall Internet Service / July 2023	171.45
6825	07/13/2023	KONE INC.	City Hall Elevator Maintenance / July 2023	232.31
6826	07/13/2023	PETTY CASH	Replenish Taxi Petty Cash / July 2023	-
6827	07/19/2023	ALIGNMENT HEALTH PLAN	Deposit Project Refund	912.54
6828	07/19/2023	ALPHA CARD SYSTEM, LLC	Senior Mobility Program Supplies	2,320.04
6829	07/19/2023	BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / July 2023	16,512.49
6830	07/19/2023	COUNTY OF ORANGE	Automated Fingerprint ID System / July 2023	636.00
6831	07/19/2023	MARC DONOHUE	Administrative Services / July 2023	525.00
6832	07/19/2023	PETTY CASH	Replenish Petty Cash / July 2023	-
6832	07/19/2023	PETTY CASH	Increase Petty Cash	500.00
6833	07/19/2023	RICOH USA, INC.	Copier Lease / August 2023	246.57
6834	07/19/2023	RJM DESIGN GROUP	Landscape Architectural Services / July 2023	1,320.00
6835	07/19/2023	CALIFORNIA YELLOW CAB	Taxi Voucher Services / June 2023	677.00
6835	07/19/2023	CALIFORNIA YELLOW CAB	NEMT Taxi Voucher Services / June 2023	430.00
6836	07/19/2023	CITY OF ALISO VIEJO	Dairy Fork Constructed Wetland Maintenance Cost Share / Fiscal Year 2022-23	3,895.60
6837	07/19/2023	EL TORO WATER DISTRICT	Water Service / May 2023	4,483.76
6838	07/19/2023	FUSCOE ENGINEERING, INC.	Engineering Services / June 2023	5,935.50
6839	07/19/2023	OMNI ENTERPRISE INC	Janitorial Services / June 2023	3,500.00

**CITY OF LAGUNA WOODS**  
**WARRANT REGISTER**  
**August 16, 2023**

ITEM 6.3

This Report Covers the Period 7/01/2023 through 7/31/2023

Date	Vendor Name	Description	Amount	
6840	07/19/2023	PV MAINTENANCE INC	Street, City Hall & Park Maintenance / June 2023	12,280.81
6841	07/19/2023	RECREATION BRANDING SERVICES	Graphic Design Services / February - June 2023	661.50
6842	07/19/2023	RJM DESIGN GROUP	Landscape Architectural Services / June 2023	1,230.40
6843	07/19/2023	SOUTHERN CALIFORNIA EDISON	Electric Services / May - June 2023	7,628.55
6844	07/19/2023	SOUTHERN CALIFORNIA SHREDDING,	Shredding Services / June 2023	425.00
6845	07/19/2023	VERIZON WIRELESS	Building iPads Data Plans / June 2023	120.03
6846	07/19/2023	WM CURBSIDE, LLC	HHW, Medicine & Sharps Program / June 2023	6,334.53
6847	07/19/2023	YUNEX LLC	Traffic Signal Maintenance / June 2023	1,723.00
			<b>Total Bank Debits and Warrants:</b>	<b>\$ 613,466.53</b>

**Petty Cash Expenditures Paid Out** (See Note 2)

OC Clerk-Recorder	Document Recording	\$47.00
OC Clerk-Recorder	Document Recording	\$38.00
USPS	Postage	\$30.00
FedEx Office	Printing Services	\$40.33
Nadia Cook	Mileage Reimbursement	\$2.91
Yolie Trippy	Mileage Reimbursement	\$9.86
Home Depot	City Hall Maintenance	\$6.43
Home Depot	City Hall Maintenance	\$25.67
Home Depot	City Hall Maintenance	\$86.03
Stater Brothers	Breakroom Supplies	\$6.99
Smart & Final	City Engineer Retirement Luncheon	\$32.32
Shein	City Engineer Retirement Luncheon	\$48.88
USPS	Postage	\$31.60
Home Depot	Office Supplies	\$19.37
USPS	Postage	\$31.60
USPS	Postage	\$102.72
USPS	Postage	\$34.24
USPS	Postage	\$34.24
USPS	Postage	\$68.72
<b>Total Petty Cash:</b>		<b>\$696.91</b>

**TOTAL \$ 614,163.44**

**NOTES:**

Note 1 - City Councilmembers are eligible to receive either a salary or vehicle reimbursement allowance in the amount of \$300 per month (\$3,600 per year). Such compensation is included in the City's regular payroll (see "ADP Payroll Services" under "Automatic Bank Debits"), unless waived by the Councilmember. For the month of July 2023, the following Councilmembers received compensation in the amount of \$300: Conners, Hatch, Horne, and McCary.

Note 2 - Petty cash is reported as cash is paid out, not when the fund is replenished.

The petty cash replenishments on July 13 and 19, 2023 were to replenish the overdrawn cash drawers for taxi voucher refunds.

Note 3 - No credit card transactions were paid during this time period.

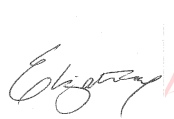
**CITY OF LAGUNA WOODS  
WARRANT REGISTER  
August 16, 2023**

**This Report Covers the Period 7/01/2023 through 7/31/2023**

**Administrative Services Director/City Treasurer's Certification**

I, Elizabeth Torres, Administrative Services Director / City Treasurer, do hereby certify:

- In accordance with California Government Code Section 37202, I hereby certify to the accuracy of the demands on cash summarized within;
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months; and
- That the City is in compliance with California Government Code Section 27108.

 Digitally signed by  
Elizabeth Torres  
Date: 2023.08.10  
12:39:52 -07'00'

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Elizabeth Torres, Administrative Services Director/City Treasurer



## **6.4 CODE ENFORCEMENT SERVICES**

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**For additional information on this item,  
please refer to Item 6.0 (Consent Calendar Summary).**

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**AGREEMENT FOR CONSULTANT SERVICES  
BETWEEN THE  
CITY OF LAGUNA WOODS  
AND  
WILLDAN ENGINEERING  
FOR CODE ENFORCEMENT SERVICES**

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this \_\_\_\_\_ ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), and Willdan Engineering ("CONSULTANT").

In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

**SECTION 1. TERM OF AGREEMENT.**

Subject to the provisions of SECTION 17 "TERMINATION OF AGREEMENT" of this AGREEMENT, the term of this AGREEMENT shall be for a period beginning on September 1, 2023 and ending at 11:59 p.m. on June 30, 2025. Such term may be extended upon written agreement of both parties to this AGREEMENT.

**SECTION 2. SCOPE OF SERVICES.**

CONSULTANT shall perform the services set forth in EXHIBIT "A" "SCOPE OF SERVICES" and made a part of this AGREEMENT. All work to be performed by CONSULTANT shall be coordinated with, and approved by City Manager of CITY or his or her designee. CONSULTANT shall not begin work on any individual task or assignment until authorized by the City Manager of CITY or his or her designee to proceed.

**SECTION 3. ADDITIONAL SERVICES.**

CONSULTANT shall not be compensated for any services rendered in connection with its performance of this AGREEMENT which are in addition to or outside of those set forth in this AGREEMENT or listed in EXHIBIT "A" "SCOPE OF SERVICES", unless such additional services are authorized in advance and in writing by the City Council or the City Manager of CITY or his or her designee. CONSULTANT shall be compensated for any such additional services only in the amounts and in the manner agreed to by the City Council or City Manager of CITY or his or her designee.

**SECTION 4. COMPENSATION AND METHOD OF PAYMENT.**

(a) Subject to any limitations set forth in this AGREEMENT, CITY agrees to pay CONSULTANT the amounts specified in EXHIBIT "B" "COMPENSATION" and made a part of this AGREEMENT. CONSULTANT shall perform work only as requested by CITY. This

## ITEM 6.4

AGREEMENT does not state, convey, imply, or infer a specific, minimum or expected amount of work or compensation for as needed services or reimbursables. Compensation for services shall not exceed the amounts specified in EXHIBIT "B" "COMPENSATION".

(b) No later than the 15<sup>th</sup> of each month CONSULTANT shall furnish to CITY an **original** invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the categories required by CITY, which are subject to change at the discretion of CITY. CITY shall independently review each invoice submitted by the CONSULTANT to determine whether the work performed and expenses incurred are in compliance with the provisions of this AGREEMENT. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event that any charges or expenses are disputed by CITY, the original invoice shall be returned by CITY to CONSULTANT for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by CONSULTANT which are disputed by CITY, CITY will use its best efforts to cause CONSULTANT to be paid within thirty (30) days of receipt of CONSULTANT's invoice.

(d) Payment to CONSULTANT for work performed pursuant to this AGREEMENT shall not be deemed to waive any defects in work performed by CONSULTANT, nor to constitute any waiver of any type of relief or remedy, legal or equitable, arising out of any breach or nonperformance of any aspect of the AGREEMENT by CONSULTANT.

### **SECTION 5. INSPECTION AND FINAL ACCEPTANCE.**

CITY may inspect and accept or reject any of CONSULTANT's work under this AGREEMENT, either during performance or when completed. CITY shall reject or finally accept CONSULTANT's work in its discretion within sixty (60) days after submitted to CITY. Any rejection of work by CITY shall be by written explanation. Acceptance of any of CONSULTANT's work by CITY shall not constitute a waiver of any of the provisions of this AGREEMENT including, but not limited to, SECTIONS 13 and 14 of this AGREEMENT, pertaining to indemnification and insurance, respectively.

### **SECTION 6. OWNERSHIP OF DOCUMENTS.**

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files, and other documents prepared, developed or discovered by CONSULTANT in the course of providing any services pursuant to this AGREEMENT shall become the sole property of CITY and may be used, reused or otherwise disposed of by CITY without the permission of the CONSULTANT. Upon completion, expiration or termination of this AGREEMENT, CONSULTANT shall turn over to CITY all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents, notwithstanding any billing or compensation disputes that may then exist between CITY and CONSULTANT.

**SECTION 7. CONSULTANT'S BOOKS AND RECORDS.**

(a) CONSULTANT shall maintain any and all documents and records demonstrating or relating to CONSULTANT's and any of CONSULTANT's subcontractors' performance of services pursuant to this AGREEMENT. CONSULTANT shall maintain any and all drafts of studies or planning documents, correspondence, notices, ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to CITY pursuant to this AGREEMENT. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by CONSULTANT pursuant to this AGREEMENT. Any and all such documents or records shall be maintained for five (5) years from the end of the term of this AGREEMENT and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit, and copying, at any time during regular business hours, upon written request by CITY, Federal government, State of California, or their designated representatives. Copies of such documents or records shall be provided directly to the requesting party for inspection, audit, and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at CONSULTANT's address indicated for receipt of notices in this AGREEMENT.

(c) Where CITY has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of CONSULTANT's business, CITY may, by written request, require that custody of such documents or records be given to the requesting party and that such documents and records be maintained by the requesting party. Access to such documents and records shall be granted to CITY, as well as to its successors-in-interest and authorized representatives.

(d) CONSULTANT shall prepare and submit to CITY reports concerning the performance of the work in this AGREEMENT as CITY shall require.

**SECTION 8. STATUS OF CONSULTANT.**

(a) CONSULTANT is and shall at all times remain a wholly independent contractor and not an officer, official, employee or agent of CITY. CONSULTANT shall have no authority to bind CITY in any manner, nor to incur any obligation, debt, or liability of any kind on behalf of or against CITY, whether by contract or otherwise, unless such authority is expressly conferred under this AGREEMENT or is otherwise expressly conferred in writing by CITY.

(b) The personnel performing the services under this AGREEMENT on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall have control over the conduct of CONSULTANT or any of CONSULTANT's

## ITEM 6.4

officers, officials, employees or agents, except as set forth in this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that CONSULTANT or any of CONSULTANT's officers, officials, employees or agents is in any manner officials, officers, employees or agents of CITY.

(c) CONSULTANT shall: (i) recruit, screen, interview, and assign its employees (the "ASSIGNED EMPLOYEES") to perform the work described in EXHIBIT "A" for CITY at the location(s) specified in EXHIBIT "A"; (ii) pay ASSIGNED EMPLOYEES wages and provide other benefits required by law, including sick and family medical leave, and any other benefits as CONSULTANT deems appropriate; (iii) pay, withhold, and transmit payroll taxes, provide unemployment insurance and workers' compensation in an amount no less than required by law, and handle workers' compensation and unemployment claims involving ASSIGNED EMPLOYEES; (iv) ensure ASSIGNED EMPLOYEES are legally authorized to work in the United States; and, (v) have sole responsibility for providing and will provide necessary health coverage to ASSIGNED EMPLOYEES under the Affordable Care Act's ("ACA") employer mandate and its implementing regulations. CONSULTANT represents and warrants that it will comply with all laws, including the ACA, in doing so.

(d) CONSULTANT shall not use any independent contractors to perform the services described in EXHIBIT "A" on CONSULTANT's behalf unless approved in writing by CITY in advance.

(e) CONSULTANT represents that: (i) it is solely responsible for all required training of ASSIGNED EMPLOYEES under federal, state, and local laws, including those regarding anti-harassment, anti-retaliation, anti-discrimination, workplace safety training, and any other applicable laws; (ii) it has, and during the term of this AGREEMENT shall maintain, anti-harassment, anti-retaliation, and anti-discrimination policies, and appropriate complaint procedures in place; (iii) it is solely responsible for the supervision of ASSIGNED EMPLOYEES; (iv) it is solely responsible for all pre-employment screening and testing of ASSIGNED EMPLOYEES, as may be required or allowed by law, including Form I-9 verification, criminal background checks, industry-specific checks, other background checks, and related recordkeeping; and, (v) it is solely responsible for performance managing, disciplining, and terminating its ASSIGNED EMPLOYEES.

(f) Neither CONSULTANT, nor any of CONSULTANT's officers, officials, employees, or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to CITY'S employees. CONSULTANT expressly waives any claim CONSULTANT may have to any such rights.

(g) This AGREEMENT shall in no way prohibit the CITY from entering into other agreements or contracts, hiring staff or making other such arrangements with other persons and/or entities relative to the services set forth in EXHIBIT "A" "SCOPE OF SERVICES".

## **SECTION 9. STANDARD OF PERFORMANCE.**

## ITEM 6.4

CONSULTANT represents and warrants that it has the qualifications, experience, personnel, and facilities necessary to properly perform the services required under this AGREEMENT in a thorough, competent, and professional manner. CONSULTANT shall at all times faithfully, competently and to the best of its ability, experience, and talent, perform all services described herein. In meeting its obligations under this AGREEMENT, CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of CONSULTANT under this AGREEMENT.

### **SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.**

(a) CONSULTANT shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this AGREEMENT, including but not limited to regulations and rules pertaining to any grant awards or third-party funding with which this AGREEMENT is funded in whole or in part. CONSULTANT shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this AGREEMENT. CITY shall not be responsible for monitoring CONSULTANT's compliance with federal, state, and local laws, statutes, codes, ordinances, or regulations. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.

(b) CONSULTANT shall not be debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs, or from receiving Federal contracts, subcontracts, or financial or nonfinancial assistance or benefits, under Executive Order 12549, "Debarment and Suspension" (24 CFR 85.35) or other Federal laws, statutes, codes, ordinances, regulations or rules, at any time during the term of this AGREEMENT.

(c) CONSULTANT shall not discriminate, in any way, against any person on the basis of race, religion, creed, color, national origin, ancestry, physical or mental disability, medical condition, pregnancy, childbirth or related medical conditions, veteran status, sexual orientation, gender identity or expression, genetic information, marital status, military or veteran status, sex, age over 40 years, or any other basis protected by applicable federal, state, or local law, including association with individuals with one or more of these protected characteristics or perception that an individual has one or more of these protected characteristics in connection with or related to the performance of this AGREEMENT.

(d) CONSULTANT affirms and agrees that for purposes of all statutory and regulatory requirements for employee leaves of absence, including the Family and Medical Leave Act and any similar state or local law, CONSULTANT shall comply with any such requirements and CITY shall cooperate with CONSULTANT's compliance.

(e) CONSULTANT has sole responsibility for providing, and will provide, the necessary health coverage to ASSIGNED EMPLOYEES under the ACA employer mandate and

its implementing regulations. CONSULTANT represents and warrants that it will comply with all laws, including the ACA, in doing so.

(f) Upon reasonable written notice to CONSULTANT, CITY may inspect CONSULTANT's records to verify CONSULTANT's compliance with this AGREEMENT.

**SECTION 11. CONFLICTS OF INTEREST.**

(a) CONSULTANT covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of CITY or which would in any way hinder CONSULTANT's performance of services under this AGREEMENT. CONSULTANT further covenants that in the performance of this AGREEMENT, no person having any such interest shall be employed by it as an officer, official, employee, agent, or subcontractor without the express written consent of the City Manager of CITY or his or her designee. CONSULTANT agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY in the performance of this AGREEMENT.

(b) CITY understands and acknowledges that CONSULTANT is, as of the date of execution of this AGREEMENT, independently involved in the performance of non-related services for other governmental agencies and private parties. CONSULTANT is unaware of any stated position of CITY relative to such projects. Any future position of CITY on such projects shall not be considered a conflict of interest for purposes of this section.

**SECTION 12. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.**

(a) All information gained or work product produced by CONSULTANT in performance of this AGREEMENT shall be considered confidential, unless such information is in the public domain or already known to CONSULTANT. CONSULTANT shall not release or disclose any such information or work product to persons or entities other than CITY without prior written authorization from the City Manager of CITY or his or her designee, except as may be required by law.

(b) CONSULTANT, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager of CITY or his or her designee or unless requested by the City Attorney of CITY, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this AGREEMENT. Response to a subpoena or court order shall not be considered "voluntary" provided CONSULTANT gives CITY notice of such court order or subpoena.

(c) If CONSULTANT, or any officer, employee, agent or subcontractor of CONSULTANT, provides any information or work product in violation of this AGREEMENT, then CITY shall have the right to reimbursement and indemnity from CONSULTANT for any damages, costs and fees, including attorneys' fees, caused by or incurred as a result of



CONSULTANT's conduct.

(d) CONSULTANT shall promptly notify CITY should CONSULTANT, its officers, officials, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this AGREEMENT or the work performed thereunder. CITY retains the right, but has no obligation, to represent CONSULTANT or be present at any deposition, hearing, or similar proceeding. CONSULTANT agrees to cooperate fully with CITY and to provide CITY with the opportunity to review any response to discovery requests provided by CONSULTANT. However, this right to review any such response does not imply or mean the right by CITY to control, direct, or rewrite said response.

### **SECTION 13. INDEMNIFICATION.**

(a) CITY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "INDEMNITEES") shall have no liability to CONSULTANT or any other person for, and CONSULTANT shall indemnify, defend and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "CLAIMS"), which INDEMNITEES may suffer or incur or to which INDEMNITEES may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise occurring as a result of the CONSULTANT's performance of or failure to perform any services under this AGREEMENT or by the negligent or willful acts or omissions of CONSULTANT, its agents, officers, directors, subcontractors or employees, committed in performing any of the services under this AGREEMENT, including without limitation CONSULTANT's breach of any representation, warranty or obligations of CONSULTANT set for in this AGREEMENT, including but not limited to those set forth in SECTIONS 8, 9 and 10.

(b) If any action or proceeding is brought against INDEMNITEES by reason of any of the matters against which CONSULTANT has agreed to indemnify INDEMNITEES as provided above, CONSULTANT, upon notice from CITY, shall defend INDEMNITEES at CONSULTANT's expense by counsel acceptable to CITY, such acceptance not to be unreasonably withheld. INDEMNITEES need not have first paid for any of the matters to which INDEMNITEES are entitled to indemnification in order to be so indemnified. The insurance required to be maintained by CONSULTANT under SECTION 14 "INSURANCE" of this AGREEMENT shall insure CONSULTANT's obligations under this section, but the limits of such insurance shall not limit the liability of CONSULTANT hereunder. The provisions of this section shall survive the expiration or earlier termination of this AGREEMENT.

(c) The provisions of this section do not apply to CLAIMS occurring as a result of the CITY's sole negligence or willful acts or omissions.

**SECTION 14. INSURANCE.**

CONSULTANT agrees to obtain and maintain in full force and effect during the term of this AGREEMENT the insurance policies set forth in EXHIBIT "C" "INSURANCE" and made a part of this AGREEMENT. All insurance policies shall be subject to approval by CITY as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager of CITY or his or her designee. CONSULTANT agrees to provide CITY with copies of required policies upon request.

**SECTION 15. ASSIGNMENT.**

The expertise and experience of CONSULTANT are material considerations for this AGREEMENT. CITY has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon CONSULTANT under this AGREEMENT. In recognition of that interest, CONSULTANT shall not assign or transfer this Agreement or any portion of this AGREEMENT or the performance of any of CONSULTANT's duties or obligations under this AGREEMENT without the prior written consent of the City Council. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this AGREEMENT entitling CITY to any and all remedies at law or in equity, including summary termination of this AGREEMENT. CITY acknowledges, however, that CONSULTANT, in the performance of its duties pursuant to this AGREEMENT, may utilize subcontractors. CONSULTANT shall be solely liable and responsible for the actions, conduct, and performance of subcontractors, including but not limited to ensuring their compliance with SECTION 10 "COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES" of this AGREEMENT.

**SECTION 16. CONTINUITY OF ASSIGNED EMPLOYEES.**

CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT's ASSIGNED EMPLOYEES. CONSULTANT shall obtain approval, in writing, from CITY of any changes in CONSULTANT's ASSIGNED EMPLOYEES, prior to any such performance.

**SECTION 17. TERMINATION OF AGREEMENT.**

(a) CITY may terminate this AGREEMENT, with or without cause, at any time by giving thirty (30) days written notice of termination to CONSULTANT. In the event such notice is given, CITY may require CONSULTANT to cease immediately all work in progress.

(b) CONSULTANT may terminate this AGREEMENT at any time upon sixty (60) days written notice of termination to CITY. In the event such notice is given, CITY may require CONSULTANT to cease immediately all work in progress.

(c) If CONSULTANT fails to perform any material obligation under this AGREEMENT, then, in addition to any other remedies, CITY may terminate this AGREEMENT immediately upon written notice.

ITEM 6.4

(d) Upon termination of this AGREEMENT by either CONSULTANT or CITY, all property belonging exclusively to CITY which is in CONSULTANT's possession shall be returned to CITY immediately upon demand by CITY, notwithstanding any billing disputes that may then exist under this AGREEMENT. CONSULTANT shall furnish to CITY a final invoice for work performed and expenses incurred by CONSULTANT, prepared as set forth in SECTION 4 "COMPENSATION AND METHOD OF PAYMENT" of this AGREEMENT. This final invoice shall be reviewed and paid in the same manner as set forth in SECTION 4 of this AGREEMENT.

**SECTION 18. DEFAULT.**

In the event that CONSULTANT is in default under the terms of this AGREEMENT, the CITY shall not have any obligation or duty to continue compensating CONSULTANT for any work performed after the date of default and may terminate this AGREEMENT immediately by written notice to the CONSULTANT.

**SECTION 19. EXCUSABLE DELAYS.**

CONSULTANT shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of CONSULTANT. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state, or local governments, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this AGREEMENT shall be equitably adjusted for any delays due to such causes.

**SECTION 20. COOPERATION BY CITY.**

All public information, data, reports, records, and maps as are existing and available to CITY as public records, and which are necessary for carrying out the work as outlined in the EXHIBIT "A" "SCOPE OF SERVICES", shall be furnished to CONSULTANT in a reasonable way to facilitate, without undue delay, the work to be performed under this AGREEMENT.

**SECTION 21. NOTICES.**

All notices required or permitted to be given under this AGREEMENT shall be in writing and shall be personally delivered, or sent by telecopy or certified mail, postage prepaid and return receipt requested, addressed as follows:

To CITY:	City of Laguna Woods Attn: City Manager 24264 El Toro Road Laguna Woods, CA 92637
To CONSULTANT:	Willdan Engineering ATTN: President/CEO

2401 East Katella Avenue, Suite 300  
Anaheim, CA 92806

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

**SECTION 22. AUTHORITY TO EXECUTE.**

The person or persons executing this AGREEMENT on behalf of CONSULTANT represents and warrants that he/she/they has/have the authority to so execute this AGREEMENT and to bind CONSULTANT to the performance of its obligations hereunder.

**SECTION 23. BINDING EFFECT.**

This AGREEMENT shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

**SECTION 24. MODIFICATION OF AGREEMENT.**

No amendment to or modification of this AGREEMENT shall be valid unless made in writing and approved by the CONSULTANT and by the City Council or City Manager of CITY. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

**SECTION 25. WAIVER.**

Waiver by any party to this AGREEMENT of any term, condition, or covenant of this AGREEMENT shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this AGREEMENT shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this AGREEMENT. Acceptance by CITY of any work or services by CONSULTANT shall not constitute a waiver of any of the provisions of this AGREEMENT.

**SECTION 26. LAW TO GOVERN; VENUE.**

This AGREEMENT shall be interpreted, construed, and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Orange. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the District of California in which CITY is located.

**SECTION 27. ATTORNEYS FEES, COSTS, AND EXPENSES.**

In the event litigation or other proceeding is required to enforce or interpret any provision of this AGREEMENT, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorneys' fees, costs and expenses, in addition to any other relief to

which it may be entitled.

**SECTION 28. ENTIRE AGREEMENT.**

This AGREEMENT, including the attached EXHIBITS "A" through "C", is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between CONSULTANT and CITY prior to the execution of this AGREEMENT. No statements, representations or other agreements, whether oral or written, made by any party which is not embodied herein shall be valid and binding. No amendment to this AGREEMENT shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

**SECTION 29. SEVERABILITY.**

If a term, condition, or covenant of this AGREEMENT is declared or determined by any court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this AGREEMENT shall not be affected thereby and the AGREEMENT shall be read and construed without the invalid, void, or unenforceable provision(s).

**SECTION 30. NO THIRD-PARTY BENEFICIARIES.**

This AGREEMENT, its provisions, and its covenants, are for the sole and exclusive benefit of CITY and CONSULTANT. No other parties or entities are intended to be, nor shall be considered, beneficiaries of the performance by either party of any of the obligations under this AGREEMENT.

**SECTION 31. COUNTERPARTS.**

This AGREEMENT may be executed in counterparts, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and all such counterparts together shall constitute one and the same agreement. The parties may also deliver executed copies of this AGREEMENT to each other by electronic mail (including pdf or any electronic signature complying with the U.S. federal E-SIGN Act of 2000) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. No party may raise the use of any image transmission device or method or the fact that any signature was transmitted as an image as a defense to the enforcement of this AGREEMENT. At the request of either party, the parties will confirm signatures by signing and delivering an original AGREEMENT.

[SIGNATURES ON NEXT PAGE]

**IN WITNESS WHEREOF**, the parties hereto have caused this AGREEMENT to be executed the day and year first above written.

**CITY OF LAGUNA WOODS:**

**CONSULTANT:**

\_\_\_\_\_  
Christopher Macon, City Manager

\_\_\_\_\_  
Al Brady, Deputy Director of Building and Safety

Approved as to Form:

\_\_\_\_\_  
Alisha Patterson, City Attorney

**EXHIBIT "A"**  
**SCOPE OF SERVICES**

CONSULTANT shall perform and complete code enforcement services by providing all labor, tools, equipment, materials, and supplies necessary to complete work in a professional, thorough, and timely manner, in accordance with standards and specifications as contained in this AGREEMENT.

**Regular Code Enforcement Services**

CONSULTANT shall provide regular code enforcement services including, but not limited to, enforcing the Laguna Woods Municipal Code; CITY ordinances, regulations, or policies; codes or regulations otherwise applicable to CITY (e.g., cases of unpermitted construction related to the California Building Standards Code); and, conditions of entitlement, land use approvals, permits, or licenses. Regular code enforcement services may include, but are not limited to:

- Receiving and responding to inquiries and complaints, including by interviewing persons reporting possible code violations; taking steps to identify the existence of reported code violations; providing public education and outreach; resolving disputes; and, referring matters to and coordinating with local, state, and federal authorities or other parties;
- Conducting field checks, inspections, investigations, interviews, consultations, research, and other activities to ensure compliance with codes and identify code violations;
- Taking enforcement actions, including by issuing notices of violation, administrative citations, and stop work orders; levying and collecting fees and civil fines; collaborating with other agencies and service providers; delivering, mailing, and posting legal notices; preparing cases for administrative and legal proceedings (including preparing documents to support inspection and abatement warrants); and, conducting abatement activities;
- Preparing, compiling, and disseminating qualitative and quantitative documentation and data, including correspondence, reports, inventories, logs, records, and photographs; and
- Providing testimony and evidence for administrative and legal proceedings.

Regular code enforcement services may also include, but are not limited to:

- Removing illegal temporary signs from CITY-owned or controlled property, including rights of way, medians, parkways, parks, light poles, bus shelters, structures, and equipment;
- Conducting field checks and inspections of CITY-owned or controlled property for graffiti; vandalism; damaged, faded, or missing road signs; inoperative lighting; trash and litter; depleted pet supplies (at CITY's dog park); and, overgrown vegetation; and
- Providing public education and outreach to individuals and businesses on provisions of the Laguna Woods Municipal Code, as well as proposed or pending changes.

**Special Code Enforcement Services**

On an as-needed basis, CONSULTANT may develop, or assist in the development of, plans, procedure manuals, enforcement policies, ordinances, grant applications, or other administrative projects. Work associated with any individual code enforcement case is excluded from “special code enforcement services” and is considered a regular code enforcement service.

**Schedule**

CONSULTANT shall provide 16 hours per week of regular code enforcement services on a schedule subject to mutual agreement by CITY and CONSULTANT. On one day per month to be regularly scheduled by mutual agreement of CITY and CONSULTANT, regular services shall also be provided between the hours of 7:30 and 10:30 p.m. for a total of 19 hours of regular code enforcement services for that week. Regular code enforcement services shall not be provided on any day when Laguna Woods City Hall is closed, unless previously authorized in writing by CITY. CITY reserves the right to cancel any regular code enforcement service day with at least 48 hours advance notice.

CONSULTANT shall provide additional regular or special code enforcement services on an as-needed basis, on any day of the week (including weekends and holidays), within two (2) hours of a request by CITY. This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected amount of work or compensation for as-needed code enforcement services.

**Standards for Personnel**

1. CONSULTANT shall designate a project manager who shall be responsible for overseeing all work performed under this AGREEMENT and coordinating the same with CITY. He/she/they shall have at least three (3) years of experience involving code enforcement services and be fluent in the English language. Experience managing municipal contracts is highly desirable.
2. At all times, CONSULTANT’s assigned personnel responsible for providing regular code enforcement services shall possess the following minimum qualifications:
  - Three (3) years of law enforcement experience in the State of California; or
  - Three (3) years of code enforcement experience in the State of California; or
  - California Association of Code Enforcement Officers (CACEO) officer certification; or
  - International Code Council Property Maintenance and Housing Inspector certification; or
  - International Code Council Zoning Inspector certification; or
  - P.C. 832 Arrest, Search, and Seizure certification; or
  - Such other experience, education, certification, and/or training to demonstrate knowledge of legal and effective investigations, as determined adequate by City staff.



**Other Requirements**

1. CONSULTANT shall provide, or ensure that its assigned personnel responsible for providing regular code enforcement services possess, a cellular telephone on which they can be reliably contacted at no additional cost to CITY.
2. CONSULTANT's assigned personnel responsible for providing regular code enforcement services shall be provided by CONSULTANT with all equipment necessary to perform regular code enforcement services including, but not limited to, calibrated noise meters<sup>1</sup>, cellular telephones, digital cameras or other devices capable of embedding the time and date in photographs, and personal protective equipment to safely enter and inspect spaces impacted by hoarding and similar circumstances.
3. CONSULTANT's assigned personnel responsible for providing regular code enforcement services shall document the work that they perform on paper forms and Microsoft Word and Excel documents, as well as in code enforcement software (currently GoEnforce; subject to change from time-to-time at CITY's sole discretion), in form sufficient to CITY.
4. CONSULTANT's assigned personnel responsible for providing regular code enforcement services shall retrieve and respond to all emails, voicemails, and messages received prior to the beginning of each shift, no later than the end of that same shift, and document the same in form sufficient to CITY.
5. CONSULTANT's personnel will not be provided with physical workspace at City Hall. CITY's code enforcement software is web-based; the code enforcement email account and voicemail can be accessed remotely. CONSULTANT's personnel are expected to limit their presence at City Hall to meetings, consultations with CITY staff, research, and filing.
6. Code enforcement work often occurs within the private gated community of Laguna Woods Village. CONSULTANT shall be responsible for obtaining gate access passes for its personnel, under its own corporate name (i.e., not in CITY's name).
7. CONSULTANT shall develop, maintain, and implement code enforcement officer safety standards appropriate for the code enforcement officers employed by CONSULTANT under this AGREEMENT. Such code enforcement officer safety standards shall comply with California Senate Bill 296 (Limón, Chapter 637, Statutes of 2021).

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<sup>1</sup> For the purpose of this AGREEMENT, "calibrated noise meters" shall mean an instrument meeting the American National Standard Institute's Standard S1.4-1971 for Type 1 or Type 2 Sound Level Meters or an instrument and the associated recording and analyzing equipment that will provide equivalent data.

**EXHIBIT "B"**  
**COMPENSATION**

CONSULTANT shall be compensated on an hourly basis using the following rates:

<u>Personnel</u>	<u>Hourly Rate</u> <u>Weekdays<sup>1</sup></u>	<u>Hourly Rate</u> <u>Weekends/Federal</u> <u>Holidays/Hours</u> <u>Worked Providing</u> <u>Services for CITY in</u> <u>Excess of Eight per</u> <u>Calendar Day<sup>1</sup></u>
Code Enforcement Officer	\$70 per hour	\$105 per hour

<sup>1</sup> Hourly rates are not subject to minimums or maximums and are all-inclusive with the exception of reproduction; oversized and specialty printing; and, courier and mailing services, all of which must be authorized by CITY, in advance, and may only be charged to CITY at cost (as evidenced by receipts), except for reproduction and oversized and specialty printing which shall be subject to a 10% markup over cost (as evidenced by receipts). CONSULTANT shall not be reimbursed for any other expenses including, but not limited to, telephone; mileage; vehicle; travel; lodging; food; drink; computer, voice, or data line usage; and, the provision or maintenance of required uniforms or equipment.

Hourly rates will not increase during the term of this AGREEMENT.

**EXHIBIT "C"**  
**INSURANCE**

A. Insurance Requirements. CONSULTANT shall provide and maintain insurance, acceptable to the City Manager of CITY or his or her designee or City Attorney, in full force and effect throughout the term of this AGREEMENT, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by CONSULTANT, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. CONSULTANT shall provide the following scope and limits of insurance:

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

(1) Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001).

(2) Insurance Services Office form number CA 0001 (Ed. 03/10) covering Automobile Liability. The auto liability policy must cover all non-owned autos, scheduled autos, and hired autos subject to the written approval of CITY.

(3) Workers' Compensation insurance as required by the Labor Code of State of California and Employer's Liability insurance and covering all persons providing services on behalf of the CONSULTANT and all risks to such persons under this AGREEMENT.

(4) Errors and omissions liability insurance appropriate to the CONSULTANT's profession.

(5) Professional liability insurance.

2. Minimum Limits of Insurance. CONSULTANT shall maintain limits of insurance no less than:

(1) General Liability: \$5,000,000 per occurrence for all covered losses and no less than \$2,000,000 general aggregate for bodily injury, personal injury, and property damage.

(2) Automobile Liability: \$2,000,000 per accident for bodily injury and property damage.

(3) Workers' Compensation and Employer's Liability: Workers' Compensation as required by the Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.

(4) Professional Liability: \$1,000,000 per claim and no less than \$1,00,000 general aggregate.

B. Other Provisions. Insurance policies required by this AGREEMENT shall contain the following provisions:

1. All Policies. Each insurance policy required by this AGREEMENT shall be endorsed and state that the coverage shall not be suspended, voided, cancelled by the insurer or either party to this AGREEMENT, reduced in coverage or in limits except after 30 days' prior written notice by Certified mail, return receipt requested, has been given to the City Manager of CITY or his or her designee.

2. General Liability and Automobile Liability Coverages.

(1) CITY, and its respective elected and appointed officers, officials, and employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities CONSULTANT performs; products and completed operations of CONSULTANT; premises owned, occupied or used by CONSULTANT; or automobiles owned, leased, hired or borrowed by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to CITY, and their respective elected and appointed officers, officials, or employees.

(2) CONSULTANT's insurance coverage shall be primary insurance with respect to CITY, and its respective elected and appointed, its officers, officials, employees and volunteers. Any insurance or self insurance maintained by CITY, and its respective elected and appointed officers, officials, employees or volunteers, shall apply in excess of, and not contribute with, CONSULTANT's insurance.

(3) CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) Any failure to comply with the reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CITY, and its respective elected and appointed officers, officials, employees or volunteers.

3. Workers' Compensation and Employer's Liability Coverage. Unless the City Manager of CITY or his or her designee otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against CITY, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by CONSULTANT.

C. Other Requirements. CONSULTANT agrees to deposit with CITY, at or before the effective date of this contract, certificates of insurance necessary to satisfy CITY that the insurance provisions of this contract have been complied with. The City Attorney may require that CONSULTANT furnish CITY with copies of original endorsements effecting coverage

#### ITEM 6.4

required by this section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. CITY reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. CONSULTANT shall furnish certificates and endorsements from each subcontractor identical to those CONSULTANT provides.

2. Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects CITY or its respective elected or appointed officers, officials, employees and volunteers or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions and requirements of this AGREEMENT.

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## **6.5 DEED OF EASEMENT**

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**For additional information on this item,  
please refer to Item 6.0 (Consent Calendar Summary).**

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EXEMPT FROM RECORDING FEES PER  
GOVT. CODE SECTIONS 27383 & 6103

Easement No. 411  
W.O. No. 34-531

Deed of Easement from: City of Laguna Woods

To: EL TORO WATER DISTRICT

## **DEED OF EASEMENT**

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

City of Laguna Woods

hereinafter referred to as Grantor, hereby grants and conveys to EL TORO WATER DISTRICT, a public Agency, its successors and assigns, hereinafter referred to as Grantee, a perpetual non-exclusive easement and right of way to install, enlarge, construct, reconstruct, remove and replace, operate, inspect, maintain, repair, improve and relocate a pipeline or pipelines, together with incidental appurtenances, structures and connections for water purposes in, on, over, under, upon, along, through and across the real property hereinafter described, and to install, enlarge, construct, reconstruct, remove and replace, operate, inspect, maintain, repair, improve and relocate lines parallel to and above or beneath said pipeline or pipelines, and to construct structures including, but not limited to, manholes, measuring devices, air-valves, blow-offs, and service connection structures appurtenant to said line or lines of water transmission and distribution, together with reasonable right of access to and from the said easement for the purpose of exercising the rights granted in said easement, provided however, that no right of access is given over or through the buildings now or hereafter located on said real property.

Said easement shall be of such width or widths and shall lie in, under, over and across that certain real property situated in the County of Orange, State of California, described as follows:

That certain strip of land described in a legal description marked Exhibit 'A' and further described in a plat marked Exhibit 'B'. Said plats are attached hereto and made a part hereof.

It is the intention of the Grantor that the pipeline(s) and other appurtenances (collectively "Pipeline") be located within the aforescribed real property. In the event that the Pipeline as actually constructed is not located therein, the easement area shall be deemed to include the real property where the Pipeline is located. In addition thereto, if the Pipeline is not located within the described easement area, in order for the Grantee to exercise its appurtenant rights described above, the easement area shall include an additional five feet on either side of the pipeline. Together with the right to enter upon and to pass and repass over and along said strip or strips of land, and to deposit tools, implements and other materials thereon by said Grantee, its officers, agents and employees, and by persons under contract to construct said water lines, and their employees, whenever and wherever necessary for the purpose of exercising the rights herein granted.

Any work affecting the subsurface of the ground subject to said easement shall be performed only after giving written notice by certified mail, postage prepaid, addressed to Grantee at Grantee's office, setting forth the proposed changes in detail. Such notice is to be given to the Grantee at least fifteen (15) days prior to commencement of such work.

Notwithstanding the foregoing, the surface of the ground with respect to the distance from the ground surface to the top of the pipe, as of the date of this easement, shall not be changed by any party other than Grantee and Grantor only, exclusive of Grantor's successors and assigns, if it results in:

- a) "cutting" or removing of soil which will leave less than thirty-six inches (36") of soil over the top of the water pipe.
- b) hauling in of soil or "filling" which will leave more than six feet (6') of soil over the top of the water pipe.
- c) relocation of any of the facilities of Grantee.

Notwithstanding anything to the contrary herein contained, it is understood that the permanent easements and rights of way above described shall be acquired subject to the rights of the Grantor, his successors, heirs and assigns, to use the surface of land within the boundary lines of such easements and rights of way, provided however, no trees shall be planted thereon and no buildings or structures of any kind, other than driveways and sidewalks shall be placed, erected or maintained thereon. It is understood that any use of the surface rights by Grantor, his successors, heirs and assigns, shall be deemed a continuing permissive use allowed by Grantee, his successors, heirs and assigns, and each successor in interest of the Grantors, by acceptance of a conveyance of said property or interest therein, admits and agrees that any such use is a continuing permissive use. It is understood that each and every right and privilege hereby granted is free and alienable.

Grantee, its successors and assigns shall restore or cause to be restored the surface or subsurface of the real property hereinabove described to the condition said property was in as of the time of performance of any enlargement, construction, reconstruction, removal and replacement, operation, inspection, maintenance, repair, improvement and relocation, and such restoration shall be performed with due diligence and dispatch.

Easement No. 411

W.O. No. 34-531

Deed of Easement from: City of Laguna Woods

To: EL TORO WATER DISTRICT

IN WITNESS WHEREOF, this instrument has been executed this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

A Notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA }

}

COUNTY OF ORANGE }

On \_\_\_\_\_, 2023, before me, \_\_\_\_\_ personally

appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person (s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**WATERLINE EASEMENT**

THOSE CERTAIN STRIPS OF LAND SITUATED IN THE CITY OF LAGUNA WOODS, COUNTY OF ORANGE, STATE OF CALIFORNIA, SAID STRIPS BEING PORTIONS OF PARCEL 1 AS SHOWN ON PARCEL MAP FILED IN BOOK 125, PAGES 30 AND 31 OF PARCEL MAPS, RECORDS OF SAID COUNTY, AND ARE MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCING** AT A POINT AT THE MOST NORTHEASTERLY TERMINUS OF THE SOUTHEASTERLY LINE OF PARCEL 2 OF SAID PARCEL MAP, SAID LINE HAVING A BEARING AND DISTANCE OF NORTH 55°24'25" EAST 45.00 FEET, SAID POINT BEING THE MOST EASTERLY CORNER OF SAID PARCEL 2;

THENCE ALONG SAID SOUTHEASTERLY LINE SOUTH 55°24'25" WEST 18.00 FEET;

THENCE LEAVING SAID SOUTHEASTERLY LINE NORTH 49°33'20" WEST 104.55 FEET TO A LINE WHICH IS PARALLEL WITH AND 101.00 FEET NORTHWESTERLY OF SAID SOUTHEASTERLY LINE;

THENCE SOUTH 55°24'25" WEST, ALONG SAID PARALLEL LINE AND ITS SOUTHWESTERLY PROLONGATION, 509.75 FEET TO THE **TRUE POINT OF BEGINNING** OF THE CENTERLINE OF STRIP 1, SAID STRIP 1 BEING 10.00 FEET WIDE, 5.00 FEET ON EACH SIDE OF SAID CENTERLINE, SAID POINT BEING KNOWN AS POINT "A" FOR THIS DESCRIPTION;

THENCE NORTH 34°33'49" WEST, ALONG SAID CENTERLINE, 12.44 FEET TO THE **POINT OF TERMINUS** OF STRIP 1;

**COMMENCING** AT SAID POINT "A";

THENCE SOUTH 55°24'25" WEST, ALONG SAID PARALLEL LINE AND ITS SOUTHWESTERLY PROLONGATION, 43.70 FEET;

THENCE SOUTH 00°39'47" WEST 13.33 FEET TO THE **TRUE POINT OF BEGINNING** OF THE CENTERLINE OF STRIP 2, SAID STRIP BEING 10.00 FEET WIDE, 5.00 FEET ON EACH SIDE OF SAID CENTERLINE;

THENCE NORTH 79°44'27" WEST, ALONG SAID CENTERLINE, 27.83 FEET;

THENCE NORTH 34°04'16" WEST, ALONG SAID CENTERLINE, 28.20 FEET TO THE **POINT OF TERMINUS** OF STRIP 2;

(DESCRIPTION CONTINUES ON PAGE 2)

EXCEPTING FROM SAID STRIP 1 AND SAID STRIP 2 THOSE PORTIONS WITHIN THE WATERLINE EASEMENT TO LAGUNA HILLS WATER COMPANY IN DOCUMENT RECORDED MAY 26, 1981, BOOK 14071, PAGE 1462, OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPTING FROM SAID STRIP 2 THAT PORTION LYING SOUTH OF THE SOUTH LINE OF PART 1, FINAL ORDER OF CONDEMNATION, CASE NO. 05CC09350, RECORDED JULY 17, 2013, SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE, CENTRAL JUSTICE CENTER.

STRIP 1 CONTAINING AN AREA OF 74 SQUARE FEET, MORE OR LESS AND STRIP 2 CONTAINING AN AERA OF 212 SQUARE FEET, MORE OR LESS.

**ON POINT LAND SURVEYING, INC.**

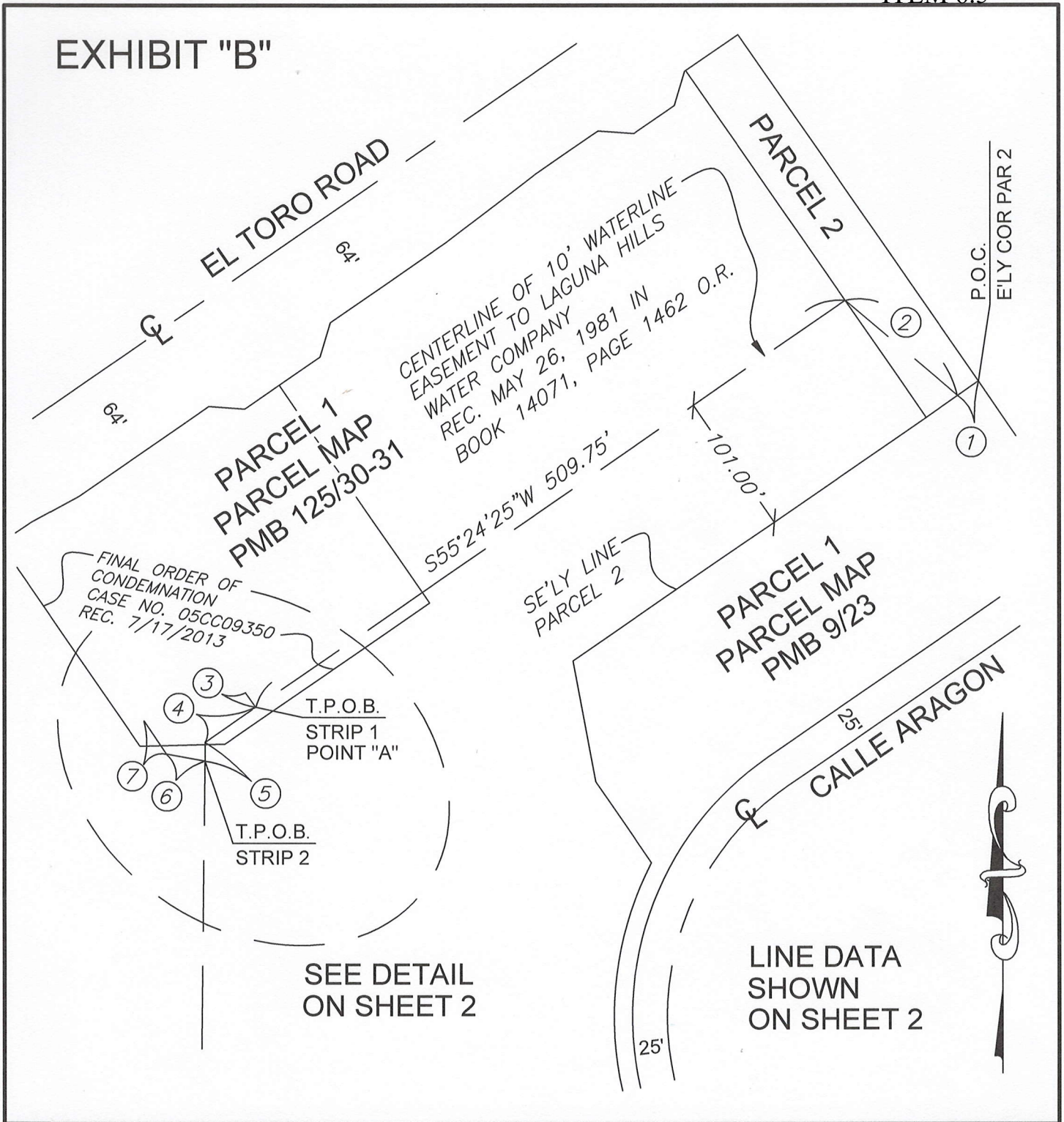
PREPARED BY:

\_\_\_\_\_  
ANTHONY D. SMITH, PLS 8133

DATE: 7/14/2023



EXHIBIT "B"



WATERLINE EASEMENT

PREPARED AT THE REQUEST OF THE CITY OF LAGUNA WOODS

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

PREPARED BY:  
ON POINT LAND SURVEYING, INC.

SCALE: 1"=100'

DATE: JUNE 2023

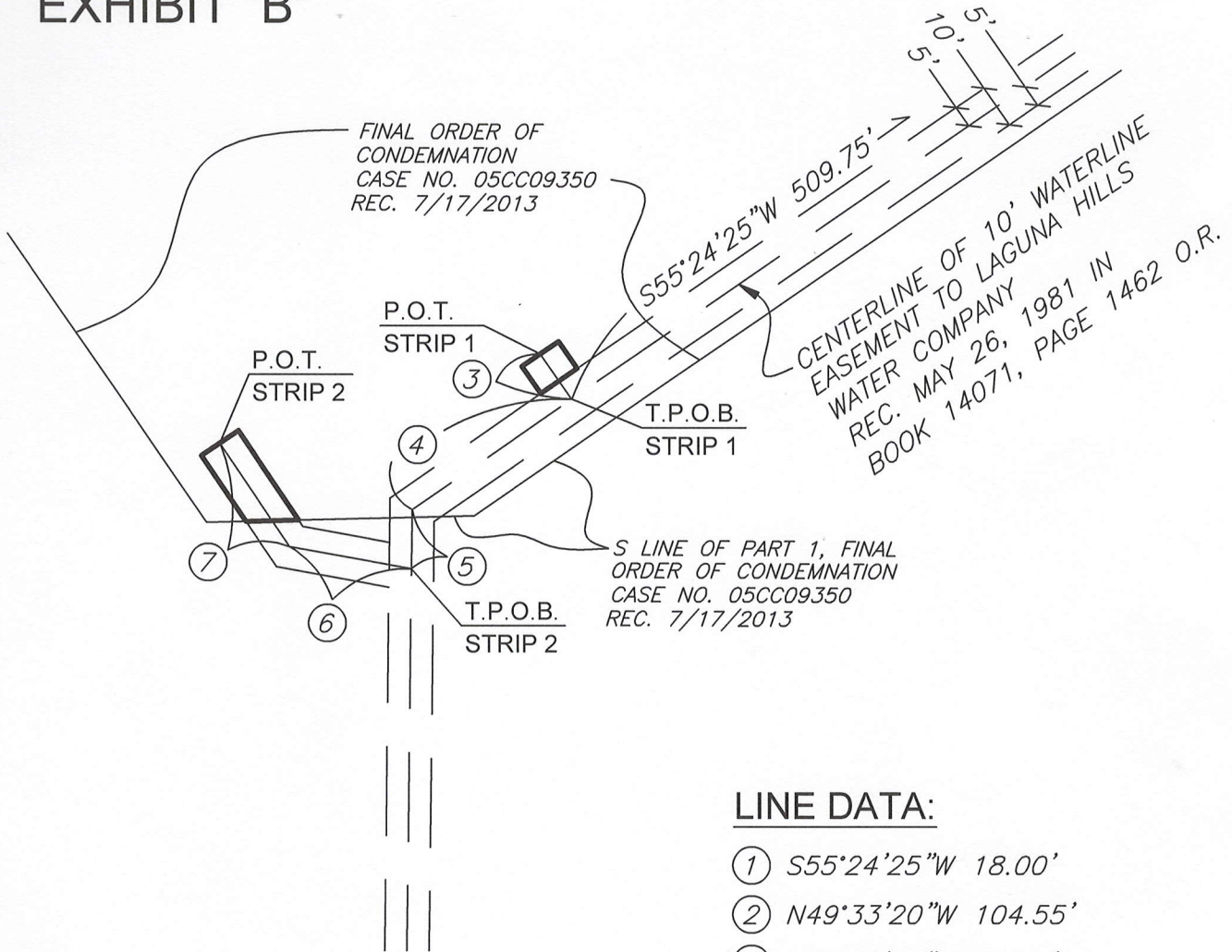
SHEET 1 OF 2

PREPARED BY: *Anthony D. Smith*

DATE: *7/14/2023*



EXHIBIT "B"



**LINE DATA:**

- ① S55°24'25"W 18.00'
- ② N49°33'20"W 104.55'
- ③ N34°33'49"W 12.44'
- ④ S55°24'25"W 43.70'
- ⑤ S00°39'47"W 13.33'
- ⑥ N79°44'27"W 27.83'
- ⑦ N34°04'16"W 28.20'

STRIP 1 - 74 SQ FT  
STRIP 2 - 212 SQ FT



**WATERLINE EASEMENT**

PREPARED AT THE REQUEST OF THE CITY OF LAGUNA WOODS

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

PREPARED BY:  
ON POINT LAND SURVEYING, INC.

SCALE: 1"=40'

PREPARED BY: *Anthony D. Smith*

DATE: JUNE 2023

DATE: *7/14/2023*

SHEET 2 OF 2

**6.6**

**AMERICANS WITH DISABILITIES ACT (ADA)  
PEDESTRIAN ACCESSIBILITY IMPROVEMENT  
PROJECT: PHASE 6 AND 6(B)  
(NO REPORT)**

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For additional information on this item,  
please refer to Item 6.0 (Consent Calendar Summary).

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**8.1**  
**CANNABIS RETAIL SALES BUSINESS**  
**REGULATIONS**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Christopher Macon, City Manager  
**FOR:** August 16, 2023 Regular Meeting  
**SUBJECT:** Cannabis Retail Sales Business Regulations

---

### **Recommendation**

If the City Council wishes to proceed with adopting regulations that would permit cannabis retail sales businesses:

Approve second reading and adopt an ordinance – read by title with further reading waived – titled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 13.06.010, 13.08.010, 13.10.020, 13.12.020, 13.13.020, 13.18.070, AND 13.26.025 OF TITLE 13 (ZONING) OF THE LAGUNA WOODS MUNICIPAL CODE TO ESTABLISH A REGULATORY FRAMEWORK FOR CANNABIS STOREFRONT RETAILERS, SET THE CANNABIS BUSINESS TAX RATE FOR CANNABIS STOREFRONT RETAILERS, AND CLARIFY THE NATURE OF PROHIBITED CANNABIS BUSINESSES AND EXISTING REGULATIONS PERTAINING TO TOBACCO AND TOBACCO CIGARETTE SALES; AND DETERMINING AND CERTIFYING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

### **Background**

At the regular meeting on January 18, 2023 – acting on a recommendation agendized by Councilmember Horne – the City Council voted unanimously to

direct the City Manager to do the following:

1. Draft an ordinance for future consideration by the City Council that would – if adopted by the City Council at a future meeting – authorize the operation of storefront retailer (dispensary) businesses engaged in retail sales of cannabis and/or cannabis products.

AND

2. Draft a resolution for future consideration by the City Council that would – if approved by the City Council at a future meeting – set the rate of the cannabis business tax authorized by Measure T (Ordinance No. 22-01) for storefront retailer (dispensary) businesses at the higher of the following: (a) 10% of gross receipts received or generated for each monthly reporting period, or (b) \$35 per square foot of floor area (annual tax rate) prorated monthly to one-twelfth of the annual tax rate amount.

At the regular meeting on June 21, 2023, the City Council discussed a draft ordinance and voted 4-0-1 with Councilmember McCary abstaining due to not having a clear understanding of the recommendation, to direct the City Manager to agendize a public hearing regarding cannabis retail sales business regulations for the City Council meeting on July 19, 2023, including discussion regarding the public comments made at the June 21, 2023 City Council meeting.

At the regular meeting on July 19, 2023, the City Council conducted a public hearing and voted 3-2 with Mayor Pro Tem Hatch and Councilmember Moore opposed, to approve the introduction and first reading of the ordinance included with this agenda report as Attachment A.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on proposed amendments of the Laguna Woods Municipal Code to establish a regulatory framework for cannabis storefront retailers, set the cannabis business tax rate for cannabis storefront retailers, and clarify the nature of prohibited cannabis businesses and existing regulations pertaining to tobacco and tobacco cigarette sales (Attachment A).

As staff has previously advised, cannabis (both medical and non-medical) is, and

remains, illegal under federal law. While cannabis use has been decriminalized under state law (specifically, and most recently, under California’s voter-approved Proposition 64 (2016) (The Adult Use of Marijuana Act) and the Medicinal and Adult Use Cannabis Regulation and Safety Act, the latter an act of the California legislature that substantially revised cannabis laws subsequent to the approval of Proposition 64), cannabis remains classified as a Schedule 1 controlled substance under the federal Controlled Substances Act (21 USC §§ 801 *et seq*). The California Supreme Court has held that bans on cannabis dispensaries are permissible under a city’s inherent zoning power, but has, thus far, declined to reach the issue whether permitting such dispensaries would violate the Controlled Substances Act or California Government Code Section 37100<sup>1</sup>.

According to data published by the State of California’s Department of Cannabis Control,<sup>2</sup> 39% of cities and counties in California currently allow the retail sale of cannabis. In Orange County, the cities of Costa Mesa, Santa Ana, and Stanton allow retail (storefront) sale of cannabis.

In response to the City Council’s direction on January 18, 2023 and feedback on June 21, 2023, staff has drafted the ordinance included as Attachment A. While Measure T (codified at Laguna Woods Municipal Code Chapter 3.18, “Cannabis Business Tax”) allows the City Council to set the cannabis business tax rate by resolution or ordinance, after consideration, staff recommends that if the City Council elects to set a tax rate, that it be set by ordinance for ease of reference alongside other pertinent regulations.

While staff understands that the City Council is weighing numerous policy matters in considering whether to authorize the operation of storefront retailer (dispensary) businesses engaged in retail sales of cannabis and/or cannabis products, staff continues to recommend that the City Council consider doing so only if and when cannabis is reclassified under the Controlled Substances Act.

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<sup>1</sup> California Government Code Section 37100, which relates broadly to cities’ legislative powers, provides: “The legislative body may pass ordinances not in conflict with the Constitution and laws of the State or the United States.”

<sup>2</sup> <https://cannabis.ca.gov/cannabis-laws/where-cannabis-businesses-are-allowed/> [The California Department of Cannabis Control notes that the data on this webpage was updated in February 2023 and is based on information obtained from cities and counties.]

Quick Reference

- **Where could cannabis storefront retailers be located?**

- See subsection (e) on page 17 of Exhibit A to Attachment A.
- Cannabis storefront retailers would generally be permitted in the “Community Commercial” and “Professional and Administrative Office” zoning districts, provided (i) they are located in standalone buildings (unless the cannabis storefront retailer is also the property owner or meets certain additional requirements, in which case other occupants would be permitted with the exception of the eight uses listed below and occupants that sell, dispense, distribute, or store alcoholic beverages), (ii) when access is taken from public streets, such access is exclusively from public streets within the majority jurisdiction of the City, and (iii) they are located at least 600 feet from parcels with any of the following uses<sup>3</sup>:
  1. Alcoholism or Drug Abuse Recovery or Treatment Facilities
  2. Cannabis Storefront Retailers
  3. Day Care Centers
  4. Emergency Shelters
  5. Permanent Supportive Housing
  6. Public Libraries
  7. Public Recreational Facilities
  8. Schools

Cannabis storefront retailers would also not be permitted on parcels with existing housing units or parcels identified in the General Plan Housing Element as potential housing sites for very low, low, and/or moderate income housing units. This is intended to promote housing conservation and ensure that sufficient adequate sites remain available at all times to meet remaining unmet housing needs, per California Government Code Section 65863 (“No Net Loss Law”).

- As the zoning district and distance limitations generally summarized in the previous bullet would effectively limit the number of cannabis storefront retailers, staff does not propose to limit cannabis storefront retailers to a specific number. The Laguna Woods Municipal Code does not currently limit any other business type to a specific number.

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<sup>3</sup> California’s Proposition 64/California Business & Professions Code Section 26054(b) prohibits cannabis storefront retailers from being located “...within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, daycare center, or youth center that is in existence at the time the license is issued...”

- Based on staff’s assessment of existing conditions, cannabis storefront retailers would potentially be permitted on the following parcels:

Assessor’s Parcel Number	Current Use
621-211-06 & 621-211-07	Home Depot
621-211-05	Rite Aid
621-211-04	Sabrosada
621-211-03	U.S. Bank
621-091-15	Helm Center
621-091-16	McCormick & Son Mortuary

With a 600 foot separation requirement between cannabis storefront retailers, only one to two of the first five parcels identified in the table above (Home Depot, Rite Aid, Sabrosada, and U.S. Bank) and one of the last two parcels (Helm Center and McCormick & Son Mortuary) would be able to potentially house a cannabis storefront retailer.

The number of potentially permissible parcels would be initially constrained by several factors which are anticipated to change in the future, including (i) the identification of parcels as potential future affordable housing sites – eight commercial properties are excluded on this basis, and (ii) the presence of day care centers that exclude portions of the Home Depot Center, Town Centre, and the Willow Tree Center. As the location of potential future affordable housing sites changes in future iterations of the General Plan Housing Element and/or day care centers open, close, or relocate, additional parcels may become available or – conversely – cease to be available for new cannabis storefront retailers. The seven parcels identified in the table above represent only what would be potentially permissible as of the date of this agenda report. The proposed ordinance would not establish a static or fixed number of potentially permissible parcels.

The City Council would retain the ability to modify location requirements in the future, but doing so would not have the effect of shutting down established cannabis storefront retailers.

- **What operations requirements would be in place?**

Topic	Exhibit A to Attachment A
Alcoholic Beverages	See subsection (f)(1) on page 20
Amplified Sound	See subsection (f)(2) on page 21

<b>Topic</b>	<b>Exhibit A to Attachment A</b>
Cannabis Consumption and Use	See subsection (f)(3) on page 22
City Regulatory Meetings	See subsection (f)(4) on page 23
Classes, Seminars, and Workshops	See subsection (f)(5) on page 23
Criminal Activity Notifications	See subsection (f)(6) on page 23
Deliveries	See subsection (f)(7) on page 24
Design and Development Standards	See subsection (f)(8) on page 24
Drive-Through Facilities	See subsection (f)(9) on page 26
Events	See subsection (f)(10) on page 26
Graffiti	See subsection (f)(11) on page 26
Hours of Operations	See subsection (f)(12) on page 27
Lighting Repair	See subsection (f)(13) on page 27
Live Entertainment and Entertainment Devices	See subsection (f)(14) on page 27
Loitering and Outdoor Queuing	See subsection (f)(15) on page 28
Minors	See subsection (f)(16) on page 29
Odor Control	See subsection (f)(17) on page 30
Outdoor Activities	See subsection (f)(18) on page 31
Overnight Parking	See subsection (f)(19) on page 31
Product Packaging	See subsection (f)(20) on page 32
Security Measures	See subsection (f)(21) on page 33
Tobacco and Tobacco Cigarettes	See subsection (f)(22) on page 36
Visible Products and Promotions	See subsection (f)(23) on page 36
Waste and Recycling – Battery Recycling	See subsection (f)(24) on page 36
Waste and Recycling – Receptacles	See subsection (f)(25) on page 36

- **What would be required to obtain a City commercial cannabis permit?**
  - See subsection (c) on page 9 of Exhibit A to Attachment A.
  - City staff would issue a commercial cannabis permit to cannabis storefront retailers. Commercial cannabis permits would be ministerial in nature and be issued when certain information is provided. If the City Council elects to authorize cannabis storefront retailers, staff recommends leaving decisions regarding to whom property owners enter into lease agreements with to property owners and prospective tenants, as is the case with all other business types in Laguna Woods.



Staff has intentionally drafted an objective process for issuing commercial cannabis permits, complemented by a robust set of operations requirements that would apply to all cannabis storefront retailers equally (see previous bullet). Staff does not recommend that the City involve itself in screening applicants for commercial cannabis permits based on perceived “merit” or any other subjective factor. The City’s permitting requirements would be in addition to the State of California’s licensing requirements, which are generally summarized in an application checklist available at <https://cannabis.ca.gov/wp-content/uploads/sites/2/2023/04/Application-Checklist.pdf>.

- One party would be required to own at least 51% of each cannabis storefront retailer. This is intended to ensure that there is one party clearly in control of each cannabis storefront retailer for the benefit of both the permitting process and any subsequent enforcement action.
  - At least 50% of the owners of each cannabis storefront retailer would be required to own or have owned all or part of a business licensed by the State of California as a cannabis storefront retailer for a period of no less than two years prior to the date of application, during which time the license was not suspended or revoked.
- **What would the cannabis business tax rate be set at?**
    - See subsection (h) on page 38 of Exhibit A to Attachment A.
    - Consistent with the City Council’s direction on January 18, 2023 and the ordinance introduced and approved for first reading on July 19, 2023, the cannabis business tax rate would be set at the higher of the following: (a) 10% of gross receipts received or generated for each monthly reporting period, or (b) \$35 per square foot of floor area (annual tax rate) prorated monthly to one-twelfth of the annual tax rate amount. Such a rate is the highest the City Council could presently set under Measure T. The lowest possible cannabis business tax rate is the higher of the following: (a) 4% of gross receipts received or generated for each monthly reporting period, or (b) \$5 per square foot of floor area (annual tax rate) up to a maximum tax rate prorated monthly to one-twelfth of the annual tax rate amount.
    - Due to substantial uncertainty regarding costs associated with the authorization of cannabis storefront retailers, if the City Council elects to authorize cannabis storefront retailers, staff recommends that the tax rate be set at the highest possible under Measure T.

- **What violations and penalties would exist for non-compliance?**
  - See subsection (i) on page 38 of Exhibit A to Attachment A.
- **When would the ordinance be effective?**
  - The ordinance would be effective 10 calendar days after the effective date of an annual application and routine inspection fee for cannabis storefront retailers (this fee is described in subsection (c)(1) on page 9 of Exhibit A to Attachment A). If the City Council adopts the proposed ordinance at today’s meeting, staff anticipates being able to present such a fee for the City Council’s consideration in September 2023.

### **Fiscal Impact**

The Fiscal Year 2023-25 General Fund budget contains sufficient funds to support the preparation of this ordinance.

As discussed in the Fiscal Years 2023-25 Budget & Work Plan, if the City Council authorizes cannabis businesses, staff anticipates that additional code enforcement services will be necessary to assist with the administration of applicable Laguna Woods Municipal Code requirements and the collection of business tax proceeds. It is possible that all or a portion of the funds necessary to provide for such additional code enforcement services could be offset by cannabis business tax revenue, although the City would be required to front at least some of those costs during the period between the City Council’s authorization of cannabis storefront retailers and the date that the first cannabis storefront retailer(s) open and begin to collect and remit cannabis business tax proceeds.

Based on the code enforcement rates proposed in Item 6.4 of today’s agenda, and assuming adoption of the proposed ordinance at today’s meeting, staff estimates that additional code enforcement costs would be approximately \$61,040 for Fiscal Year 2023-24 (an increase of \$4,360 from the amount estimated in the July 19, 2023 City Council agenda report, at which time a competitive request for proposals process for code enforcement services remained underway). Costs after Fiscal Year 2023-24 would likely be driven by the conduct of cannabis storefront retailers, but are not expected to decrease.

Attachment: A – Proposed Ordinance  
Exhibit A – Proposed Code Amendments

**ORDINANCE NO. 23-XX**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 13.06.010, 13.08.010, 13.10.020, 13.12.020, 13.13.020, 13.18.070, AND 13.26.025 OF TITLE 13 (ZONING) OF THE LAGUNA WOODS MUNICIPAL CODE TO ESTABLISH A REGULATORY FRAMEWORK FOR CANNABIS STOREFRONT RETAILERS, SET THE CANNABIS BUSINESS TAX RATE FOR CANNABIS STOREFRONT RETAILERS, AND CLARIFY THE NATURE OF PROHIBITED CANNABIS BUSINESSES AND EXISTING REGULATIONS PERTAINING TO TOBACCO AND TOBACCO CIGARETTE SALES; AND DETERMINING AND CERTIFYING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

**WHEREAS**, Title 13 of the Laguna Woods Municipal Code contains the Laguna Woods Zoning Code; and

**WHEREAS**, the City Council desires to establish a regulatory framework for cannabis storefront retailers, set the cannabis business tax rate for cannabis storefront retailers, and clarify the nature of prohibited cannabis businesses and existing regulations pertaining to tobacco and tobacco cigarette sales; and

**WHEREAS**, to accomplish the City Council’s aforementioned desires, staff has recommended amendments of sections 13.06.010, 13.08.010, 13.10.020, 13.12.020, 13.13.020, 13.18.070, and 13.26.025 of the Laguna Woods Municipal Code (“Code Amendments”); and

**WHEREAS**, on July 19, 2023, the City Council held a duly noticed public hearing on this Ordinance at which it considered all of the information, evidence, and testimony presented, both written and oral.

**THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** The City Council hereby finds and determines that (i) each of the recitals to this Ordinance are true and correct, and are adopted herein as findings; (ii) the Code Amendments comply with all applicable requirements of State law; (iii) the Code Amendments will not adversely affect the health, safety, or welfare of the residents within the community; (iv) the Code Amendments are in the public

interest of the City of Laguna Woods; and, (v) the Code Amendments are consistent with the Laguna Woods General Plan and its various elements.

SECTION 2. After reviewing the entire project record, the City Council hereby determines and certifies that this Ordinance is not subject to further environmental review under the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and section 15060(c)(3) (the activity is not a “project” as defined in Section 15378). CEQA Guidelines section 15378(b)(2) and (5) exclude “[c]ontinuing administrative ... activities” and “administrative activities of governments that will not result in direct or indirect physical changes to the environment” from its definition of “project.” In the absence of any pending application for any cannabis storefront retailer, any specific environmental effects would be speculative. The environmental effects of prospective future cannabis storefront retailers will be evaluated on a project-by-project basis by the City during application and permitting processes.

After reviewing the entire project record, the City Council hereby additionally determines and certifies that even if this item were a “project,” it would be exempt from environmental review under CEQA Guidelines Section 15061(b)(3)’s “general rule” that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Here, it can be seen with certainty that there is no possibility that this item, in and of itself, will have a significant effect on the environment. On its own, this item merely establishes a regulatory framework; it will not directly result in any physical changes to the environment.

SECTION 3. Sections 13.06.010, 13.08.010, 13.10.020, 13.12.020, 13.13.020, 13.18.070, and 13.26.025 of the Laguna Woods Municipal Code are hereby amended to read as set forth in Exhibit A, attached to this Ordinance and incorporated herein by this reference.

SECTION 4. This Ordinance shall take effect and be in full force and operation ten (10) calendar days after the annual application and routine inspection fee contemplated in subsection (c)(2) of the amendments to Section 13.26.025 of the Laguna Woods Municipal Code goes into effect, which shall be in no case less than thirty (30) calendar days after adoption of this Ordinance.

SECTION 5. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase added by this Ordinance, or any part thereof, is for any reason

held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

SECTION 6. The Mayor shall sign this Ordinance.

SECTION 7. The City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

SECTION 8. All of the above-referenced documents and information have been and are on file with the City Clerk of the City.

PASSED, APPROVED AND ADOPTED this XX day of XX 2023.

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CYNTHIA S. CONNERS, Mayor

ATTEST:

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YOLIE TRIPPY, CMC, City Clerk

APPROVED AS TO FORM:

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ALISHA PATTERSON, City Attorney

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS   )

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 23-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2023, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2023 by the following vote to wit:

AYES:           COUNCILMEMBERS:  
NOES:           COUNCILMEMBERS:  
ABSTAIN:       COUNCILMEMBERS:  
ABSENT:        COUNCILMEMBERS:

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YOLIE TRIPPY, CMC, City Clerk

**EXHIBIT A  
CODE AMENDMENTS**

***Numbers (177) and (178) are added to subsection (d) of Section 13.06.010 (“Definitions”) of Chapter 13.06 (“Definitions”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code to read as follows (additions shown with underlining):***

(177) Cannabis non-storefront retailer: Any cannabis business that requires a license other than a Type 10 (storefront retailer) license from the California Department of Cannabis Control, or successor agency. A cannabis storefront retailer shall not be considered a cannabis non-storefront retailer if it hold licenses other than a Type 10 (storefront retailer) license from the California Department of Cannabis Control, or successor agency, but only engages in activities permitted under a Type 10 (storefront retailer) license within the City of Laguna Woods.

(178) Cannabis storefront retailer: Any cannabis business that requires a Type 10 (storefront retailer) license from the California Department of Cannabis Control, or successor agency.

*The permitted residential uses table in Section 13.08.010 (“Intent and permitted uses”) of Chapter 13.08 (“Residential Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to add and modify the following rows in alphabetical order by “Land Use Types” (additions shown with underlining, deletions shown with ~~strikethrough~~):*

Land Use Types	Districts			Code References
	RMF	RC	RT	
<u>Cannabis Non-Storefront Retailer</u>	<u>X</u>	<u>X</u>	<u>X</u>	
<u>Cannabis Storefront Retailer</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>13.26.025</u>
<del>Marijuana Dispensary</del>	<del>X</del>	<del>X</del>	<del>X</del>	<del>13.26.025</del>
Tobacco and <u>Tobacco</u> Cigarette Sales	X	X	X	7.16



*The permitted commercial uses table in Section 13.10.020 (“Table of permitted uses”) of Chapter 13.10 (“Commercial Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to add and modify the following rows in alphabetical order by “Land Use Types” (additions shown with underlining, deletions shown with ~~strikethrough~~):*

	Districts			
Land Use Types	NC	CC	PA	Code References
<u>Cannabis Non-Storefront Retailer</u>	<u>X</u>	<u>X</u>	<u>X</u>	
<u>Cannabis Storefront Retailer</u>	<u>X</u>	<u>P</u>	<u>P</u>	<u>13.26.025</u>
<del>Marijuana Dispensary</del>	<del>X</del>	<del>X</del>	<del>X</del>	<del>13.26.025</del>
Tobacco and <u>Tobacco</u> Cigarette Sales	<del>X</del>	<u>U</u>	<del>X</del>	<del>7.16</del>

*The permitted open space uses table in Section 13.12.020 (“Table of permitted uses”) of Chapter 13.12 (“Open Space Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to add and modify the following rows in alphabetical order by “Land Use Types” (additions shown with underlining, deletions shown with ~~strikethrough~~):*

	Districts		
Land Use Types	OS-P	OS-R	Code References
<u>Cannabis Non-Storefront Retailer</u>	<u>X</u>	<u>X</u>	
<u>Cannabis Storefront Retailer</u>	<u>X</u>	<u>X</u>	<u>13.26.025</u>
<del>Marijuana Dispensary</del>	<del>X</del>	<del>X</del>	<del>13.26.025</del>
Tobacco and <u>Tobacco</u> Cigarette Sales	X	X	7.16

*The permitted community facility uses table in Section 13.13.020 (“Table of permitted uses”) of Chapter 13.13 (“Community Facilities Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to add and modify the following rows in alphabetical order by “Land Use Types” (additions shown with underlining, deletions shown with ~~strikethrough~~):*

Land Use Types	Community Facilities		Code References
	Public/Institutional	Private	
<u>Cannabis Non-Storefront Retailer</u>	<u>X</u>	<u>X</u>	
<u>Cannabis Storefront Retailer</u>	<u>X</u>	<u>X</u>	<u>13.26.025</u>
<del>Marijuana Dispensary</del>	<del>X</del>	<del>X</del>	<del>13.26.025</del>
Tobacco and <u>Tobacco</u> Cigarette Sales	X	X	7.16

*Number (29) in the off-street parking requirements table in subsection (a) of Section 13.18.070 (“Off-street parking requirements”) of Chapter 13.18 (“Off-Street Parking Regulations”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended as follows (additions shown with underlining):*

	<b>Use</b>	<b>Minimum Parking Stalls Required</b>
(29)	Retail stores:	
	General, except as otherwise specified herein.	1 for each 200 square feet of Gross Floor Area.
	<u>Cannabis storefront retailers.</u>	<u>1 for each 200 square feet of Gross Floor Area, plus 1 for each delivery vehicle regularly parked overnight and 2 designated curbside delivery parking spaces each limited to 15 minutes or less if curbside delivery is offered.</u>
	Discount department stores.	1 for each 125 square feet of Gross Floor Area.
	Furniture and appliances.	1 for each 500 square feet of Gross Floor Area.

*Subsection (5)c. of Section 13.18.070 (“Off-street parking requirements”) of Chapter 13.18 (“Off-Street Parking Regulations”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining, deletions shown with ~~strikethrough~~):*

c. For all uses except cannabis storefront retailers, ~~A~~ alternative vehicle parking spaces in-lieu may be substituted for standard spaces at a rate of ten percent of the total standard spaces in locations where ten or more parking spaces are required. The permitted amount of alternative vehicle spaces shall be calculated based on total spaces required rounded to the nearest whole space.

***Section 13.26.025 (“Marijuana dispensaries”) of Chapter 13.26 (“Special Regulations”) of Title 6 (“Businesses”) of the Laguna Woods Municipal Code, is hereby amended in its entirety to read as follows:***

**Sec. 13.26.025 - Cannabis storefront retailers.**

**(a) *Purpose and Intent.***

(1) The purpose of this section is to establish regulations for cannabis storefront retailers that are reasonable and necessary to protect public health and safety and reduce the potential for illegal and illicit activity within the City of Laguna Woods. This section is not intended to be exclusive and compliance with its provisions shall not excuse noncompliance with any federal, state, or other local laws.

(2) This section is adopted and established pursuant to the specific authority granted to the City of Laguna Woods in Section 7 of Article XI of the California Constitution and California Business and Professions Code Section 26200.

**(b) *Definitions.*** For purposes of this section only, the following definitions shall apply, in addition to those set forth in Section 3.18.030 of this Code:

(05) *Amplified sound* shall mean sound whose volume is increased by any electric, electronic, mechanical, or motor-powered means including, but not limited to, amplifiers, megaphones, public address systems, radios, speakers, stereos, and similar equipment.

(10) *Cannabis storefront retailer* shall mean any cannabis business that requires a Type 10 (storefront retailer) license from the California Department of Cannabis Control, or successor agency.

(15) *City* shall mean the City of Laguna Woods.

(20) *City Manager* shall mean the City Manager of the City of Laguna Woods or his/her/their designee.

(25) *Local law enforcement* shall mean the Orange County Sheriff’s Department, or successor agency.

(30) *Loitering* shall have the same meaning as the term is defined in the California Penal Code, as amended from time to time or replaced with a successor statute. As of the date this section was adopted, the definition of “loitering” was set forth in California Penal Code Section 647(h).

(35) *Polystyrene foam* shall mean a thermoplastic petrochemical material utilizing the styrene monomer, processed by any number of techniques, including but not limited to, fusion of polymer spheres (expandable bead polystyrene or EPS), injection molding, form molding and extrusion-blow molding (extruded foam polystyrene or XPS).

(40) *Private security* shall mean security guards (i) employed by a state-licensed private patrol operator or private security employer to protect persons or property or prevent theft as defined in California Business and Professions Code Section 7582.1, as amended from time to time or replaced with a successor statute, (ii) registered with the California Bureau of Security and Investigative Services, or successor agency, (iii) wearing uniforms clearly and legibly identifying the name of their employer and role as “security” and/or a security guard, and (iv) 21 years of age or over. This chapter does not prohibit security guards from being armed provided that such security guards possess valid California Bureau of Security and Investigative Services (BSIS) Firearms Permits and all applicable laws and regulations are complied with.

(c) *City Permitting Requirements.*

(1) *City Permitting Requirements – Generally.* No cannabis business shall operate as a cannabis storefront retailer without obtaining and holding in full force and effect a commercial cannabis permit from the City and such other City permits as may be required.

Applications for commercial cannabis permits shall be reviewed for conformance with this section and acted upon administratively by the City Manager. When issued, commercial cannabis permits shall be valid for a period of one year (365 calendar days) or until the date that the commercial cannabis permit is suspended and/or revoked. If any of the information listed in this subsection becomes inaccurate or

incomplete during the term of the commercial cannabis permit (e.g., when ownership changes), the commercial cannabis permit shall become invalid and subject to suspension and/or revocation unless and until all inaccurate and/or incomplete information is corrected and furnished to the City, on a form provided by the City, within 15 calendar days of the date the information became inaccurate and/or incomplete. Renewal applications for commercial cannabis permits must be made at least 60 calendar days in advance of the expiration date. In applying for commercial cannabis permits or renewals thereof, applicants shall furnish to the City a sworn statement, upon a form provided by the City, setting forth the following information:

- a. The name of the business, including the legal name and any fictitious business names under which the business is to be conducted;
- b. The organizational structure type of the business (e.g., corporation, joint venture, limited liability company, partnership, sole proprietorship, or trust);
- c. The number the business will file federal taxes under (e.g., federal employer identification number, individual taxpayer identification number, social security number, or national identification number);
- d. The legal name, mailing address, telephone number, and email address of the business' primary point of contact for the City during processing of the permit application;
- e. A complete list of every owner of the business, as defined by California Code of Regulations Section 15003, as amended from time to time or replaced with a successor statute, including legal name, mailing address, telephone number, and email address for each;
  1. Proof that at least 51 percent of the business is owned by a single person;
  2. Proof that at least half (50 percent) of the owners of the business (rounded up to the nearest whole person)



ITEM 8.1 – Exhibit A to Attachment A

own or have owned all or part of a business licensed by the State of California as a cannabis storefront retailer for a period of no less than two years (730 calendar days) prior to the date of application, during which time the license was not suspended or revoked;

f. A notarized statement from each owner of the business acknowledging that they have reviewed, had an opportunity to consult with legal counsel regarding, and agree to comply with this section, Chapter 3.18 of this Code, the City’s building and zoning regulations, and all other applicable provisions of this Code and local laws;

g. A notarized statement from each owner of the business and an authorized representative on behalf of the property owner of record for the parcel(s) where such business is to be carried on, acknowledging and agreeing that the City and its authorized representatives shall, upon showing valid City-issued photo identification if requested, have the right to access and enter the business and the parcel(s) where such business is to be carried on to make reasonable inspections scheduled in advance with either the owner of the business or the property owner of areas of the business and property not open to the public, or unscheduled inspections in areas open to the public (e.g., parking lots), to observe and enforce compliance with this section, Chapter 3.18 of this Code, the City’s building and zoning regulations, and all other applicable provisions of this Code and local laws;

h. A notarized statement from an authorized representative on behalf of the property owner of record for the parcel(s) where such business is to be carried on acknowledging (i) the nature and type of business to be conducted, and (ii) that they have reviewed, had an opportunity to consult with legal counsel, and agree to comply with this section, Chapter 3.18 of this Code, the City’s building and zoning regulations, and all other applicable provisions of this Code and local laws;

i. The legal name, mailing address, telephone number, and email address of the agent for the service of process for the

business;

j. The legal name, mailing address, telephone number, and email address of the agent for the service of process for the property owner of record for the parcel(s) where such business is to be carried on;

k. A title report for the parcel(s) where such business is to be carried on, completed by a title company within the 120 calendar days prior to the date the application is received by the City;

l. A map exhibit prepared by professional land surveyor licensed to do business in California based on the title report required by the previous subsection depicting the limits of the parcel(s) where such business is to be carried on, together with the limits of all easements on the property, immediately adjacent public streets and municipal boundary lines, overlaid on a scaled, aerial image of the area taken within the prior two years (730 days), as well as all associated shapefiles in their native electronic format;

m. Notarized statements by both the primary point of contact for the City during processing of the permit application and the single owner of at least 51 percent of the business reading “Under penalty of perjury, I hereby declare that the information contained within and submitted with this application is complete, true, and accurate. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the permit, and/or suspension or revocation of a permit issued”; and

n. Any additional information which the City Manager may require.

An annual application and routine inspection fee in an amount established by resolution of the City Council shall be presented with the sworn statement submitted under this subsection. This fee shall not be considered a tax and may be adjusted from time to time to fully compensate the City for commercial cannabis permit

processing-related costs, as well as the cost of up to six routine inspections by the City related to the enforcement of this section, by resolution of the City Council. For the purpose of this subsection, “processing of payments” shall mean all functions and activities that the City determines reasonably necessary to facilitate the acceptance, review, accounting, and deposit of commercial cannabis permit payments including, without limitation, personnel, consultants, transportation, security, and merchant fees incurred by the City. For the purpose of this section, “costs” includes, but is not limited to, indirect, overhead, and interfund costs calculated in the same manner as could lawfully apply to the City’s building permit fees. The City Council may establish separate annual application and routine inspection fees to account for differences in costs associated with the processing of payments made by currency or other payment instrument. In doing so, the City Council reserves the discretion to limit and adjust the types of payments that it will accept and under what terms and conditions.

If two or more applications for commercial cannabis permits are received for either the same parcel or parcels that are located within 600 feet of each other, as measured from the outermost boundary lines of the closest parcels, the City shall process the applications sequentially in order of the date and time received. If the earliest application received is determined to be incomplete, the City shall notify that applicant of the need for resubmittal and then begin to process the next sequential application, and so forth. The City shall process resubmittals of applications previously determined to be incomplete in the same manner, regardless of when the previous application or submittal was received.

(2) *City Permitting Requirements – Suspension, Revocation, and Non-Renewal.* The City Council or City Manager may suspend, revoke, or refuse to renew a commercial cannabis permit for any cannabis storefront retailer that (i) is found to have submitted incomplete, untrue, inaccurate, or otherwise misrepresented information in its application for such permit, or (ii) remains in violation of any provision of this section, Chapter 3.18 of this Code, the City’s building and zoning regulations, or any other applicable provision of this Code or local law for a period in excess of 15 calendar days after any owner of the business or agent for the service

of process for the business has been notified by the City either personally, in-person, by telephone, or by email, or by posting notice on any entrance to the cannabis storefront retailer. Cannabis storefront retailers shall notify and train employees and other on-site personnel to check for posted notices throughout the hours of operation and to immediately provide such notices to owners of the business and agents for the service of process for the business. During the aforementioned 15 calendar day period, the cannabis storefront retailer may provide the City party who issued the notice of violation with evidence contesting the violation. The City party who issued the notice of violation shall consider such evidence prior to suspending, revoking, or refusing to renew a commercial cannabis permit. A decision of either the City Council or City Manager to suspend, revoke, or refuse to renew a commercial cannabis permit is final and non-appealable.

(3) *City Permitting Requirements – Transferability and Changes in Ownership*. Commercial cannabis permits do not run with the land, are particular to a location, and are not transferrable to new cannabis businesses or new locations for existing cannabis businesses.

Any cumulative change in ownership of the business greater than 50 percent from the ownership information provided with the original application for a commercial cannabis permit shall require a new commercial cannabis permit. Cannabis businesses that experience cumulative changes in ownership greater than 50 percent from the ownership information provided with the original application for a commercial cannabis permit must cease to operate immediately upon such change in ownership until such time as a new commercial cannabis permit is issued (if such a permit is issued).

At all times during the term of the commercial cannabis permit, at least half (50 percent) of the owners of the business (rounded up to the nearest whole person) must own or have owned all or part of a business licensed by the State of California as a cannabis storefront retailer for a period of no less than two years (730 calendar days), during which time the license was not suspended or revoked. Commercial cannabis permits shall become subject to suspension and/or revocation if, at any point during a term thereof, ownership changes in a manner that results in less than half of the owners of the

business (rounded up to the nearest whole person) meeting this requirement.

(4) *City Permitting Requirements – Insurance and Indemnification.*

As a condition of approval of any commercial cannabis permit, the business and the property owner of record shall:

a. Execute an agreement indemnifying the City, its respective elected and appointed boards, officials, officers, agents, employees, and volunteers from any claims, damages, injuries, and liabilities of any kind associated with the permitting or operation of the cannabis storefront retailer, including without limitation, the prosecution of the property owner of record, the cannabis storefront retailer, and/or the cannabis storefront retailer's customers, for violation of federal or state laws;

b. Maintain insurance in the amounts and types that are acceptable to the City Attorney or his/her/their designee;

c. Name the City, its respective elected and appointed boards, officials, officers, agents, employees, and volunteers as additionally insured on all City required insurance policies;

d. Agree to defend, at its sole expense, any action against the City and/or its respective elected boards, appointed boards, officials, officers, agents, employees and/or volunteers related to this section, Chapter 3.18 of this Code, and/or the City's approval of a commercial cannabis permit; and

e. Agree to indemnify and reimburse the City for any court costs and attorney fees that the City may be required to pay as a result of any legal challenge related to this section, Chapter 3.18 of this Code, and/or the City's approval of a commercial cannabis permit. The City may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve the operator of its obligation hereunder.

(5) *City Permitting Requirements – Site Development Permit.* In addition to the requirements of this section, cannabis storefront

retailers must obtain a site development permit from the City in accordance with Section 13.24.020 of this Code to establish such use. Such site development permit must be obtained prior to or concurrently with the issuance of the first commercial cannabis permit from the City for a particular location. Cannabis storefront retailers shall cease operations immediately if the applicable site development permit has lapsed, been revoked, or is otherwise no longer valid. Cannabis storefront retailers shall comply with the conditions and requirements of applicable site development permits prior to engaging in the on-site, retail sale of cannabis and at all times thereafter.

In addition to other application materials that may be required for site development permits, applicants for site development permits to establish a cannabis storefront retailer use shall submit the following to the City:

- a. A title report for the parcel(s) where such business is to be carried on, completed by a title company within the 120 calendar days prior to the date the application is received by the City;
- b. A map exhibit prepared by professional land surveyor licensed to do business in California based on the title report required by the previous subsection depicting the limits of the parcel(s) where such business is to be carried on, together with the limits of all easements on the property, immediately adjacent public streets and municipal boundary lines, overlaid on a scaled, aerial image of the area taken within the prior two years (730 days), as well as all associated shapefiles in their native electronic format; and
- c. Colorized renderings of all proposed exterior elevations of buildings, facilities, and structures, with a material sample board and print-style color format codes for each paint color (e.g., CMYK, HEX, HSB, or RGB). Any change to the materials and colors approved with a site development permit shall require first obtaining either a new site development permit or amendment thereto.

(d) *State Licensing Requirements.* No cannabis business shall operate as a cannabis storefront retailer without obtaining and holding in full force and effect a Type 10 (storefront retailer) license from the California Department of Cannabis Control, or successor agency, and such other state licenses as may be required. While cannabis storefront retailers may hold additional licenses from the California Department of Cannabis Control, or successor agency, only the activities permitted under a Type 10 (storefront retailer) license may be conducted within the City of Laguna Woods.

(e) *Location Requirements.* A cannabis storefront retailer may only operate on a site that meets all of the requirements listed below in this subsection at the time its application for a new commercial cannabis permit is determined to be complete by the City. For the purpose of this subsection, “site” shall include, both individually and collectively, all of the parcels on which the cannabis storefront retailer will operate.

- (1) The site is designated “Commercial” in the Laguna Woods General Plan;
- (2) The site is zoned as “Community Commercial” or “Professional and Administrative Office” in this Code;
- (3) The size and boundary lines of the parcel(s) on which the site is located have not been modified within the prior year (365 calendar days);
- (4) The site contains no nonconforming uses or structures;
- (5) The site takes access exclusively from public streets within the majority jurisdiction of the City. This subsection is not intended to preclude accessibility from private streets, but rather, to ensure that all adjacent or adjoining public streets are within the majority jurisdiction of the City. For the purpose of this subsection, no portion of Avenida de la Carlota, Laguna Hills Drive, Paseo de Valencia, or Ridge Route Drive shall be considered to be within the majority jurisdiction of the City;
- (6) The site’s driveways providing ingress or egress to public streets, if any, are constructed in accordance with County of Orange OC Public Works Department Standard Plan #1209. To the extent that

reconstruction of driveways and/or adjacent sidewalks is required to comply with this subsection, such reconstruction shall be undertaken (i) at no cost to the City, (ii) after obtaining all necessary City permits and permits from other government agencies, and (iii) in accordance with the terms and conditions of all City permits required to conduct work on, or reconstruct, property under the control, operation, or management of the City (if applicable). To the extent that such reconstruction results in all or a portion of any driveway or adjacent sidewalk extending beyond the City’s existing public street easements or right-of-way, the property owner of record of the applicable parcel(s) shall grant to the City an irrevocable public street easement for that part of the driveway and adjacent sidewalk;

(7) *Alcoholism or Drug Abuse Recovery or Treatment Facilities*. The site is not located within 600 feet of a parcel on which an “alcoholism or drug abuse recovery or treatment facility,” as defined in California Health and Safety Code Section 11834.02, as amended from time to time or replaced with a successor statute, is located, as measured from the outermost boundary lines of the closest parcels;

(8) *Cannabis Storefront Retailers*. The site does not contain any other cannabis storefront retailers and is not located within 600 feet of a parcel on which another cannabis storefront retailer is located, as measured from the outermost boundary lines of the closest parcels;

(9) *Day Care Centers*. The site is not located within 600 feet of a non-residential zoned parcel on which a child care-infant center, child care center, child care center preschool, or family child care home licensed by the California Department of Social Services is located, as measured from the outermost boundary lines of the closest parcels;

(10) *Emergency Shelters*. The site is not located within 600 feet of a parcel on which an “emergency shelter,” as defined in California Health and Safety Code Section 50801, is located, as measured from the outermost boundary lines of the closest parcels;

(11) *Housing*. The site does not contain any existing housing units;

(12) *Permanent Supportive Housing*. The site is not located within



600 feet of a parcel on which “supportive housing,” as defined in California Health and Safety Code Section 50675.14, as amended from time to time or replaced with a successor statute, is located, as measured from the outermost boundary lines of the closest parcels;

(13) *Public Libraries*. The site is not located within 600 feet of a parcel on which a public library, which is under the control, operation or management of the County of Orange, is located, as measured from the outermost boundary lines of the closest parcels;

(14) *Public Recreational Facilities*. The site is not located within 600 feet of a parcel on which a community center, park, playground, pool, sports court, sports field, or similar recreational facility (excluding parcels on which the predominant use is a golf course), which is under the control, operation or management of the City, County of Orange, City of Aliso Viejo, City of Irvine, City of Laguna Beach, or City of Laguna Hills, is located, as measured from the outermost boundary lines of the closest parcels;

(15) *Schools*. The site is not located within 600 feet of a parcel on which an institution of learning for minors, whether public or private, which offers in-person instruction in grades Kindergarten through 12 in those courses of study required by the California Education Code, and is licensed by the California Board of Education, as measured from the outermost boundary lines of the closest parcels. This includes kindergarten, elementary, junior high, senior high or any special institution of learning under the jurisdiction of the California Department of Education, but does not include a vocational or professional institution or an institution of higher education, including a community or junior college, college or university; and

(16) *Potential Very Low, Low, and/or Moderate Housing*. The site is not identified in the City’s existing General Plan Housing Element, or any General Plan Housing Element under review by the State of California, as a potential housing site with realistic development capacity to accommodate very low, low, and/or moderate income housing units.

For the purpose of subsections (e)(7)-(15) herein, such uses shall be deemed to exist if (i) currently operating, or (ii) the City has issued a

commercial cannabis permit and/or has issued any building permit for the initial construction or improvement thereof and such permit is valid.

Cannabis storefront retailers shall either be:

(A1) The only occupant of the parcel(s) on which they are located unless the parcel(s) is (are) owned by the cannabis storefront retailer (as substantiated by the title report required by subsection (c)(1) herein), in which case there may be additional occupants provided that none of the other occupants are any of the uses identified in subsections (e)(7)-(15) herein, nor do any of the other occupants sell, dispense, distribute, or store alcoholic beverages either at the time of the issuance of the first commercial cannabis permit from the City or at any point thereafter. Where specified, portions of this section apply to both the cannabis storefront retailer and all other uses on the parcel(s); or

(A2) One of multiple occupants of the parcel(s) on which they are located if (i) the interior space occupied by the cannabis storefront retailer does not share a ventilation system with any other interior space not occupied by the cannabis storefront retailer, (ii) the property owner enters into an agreement with the City agreeing to apply subsections (f)(8), (f)(11), (f)(13), and (f)(15)d.-h. herein to all occupants and the entirety of the parcel(s) on which the cannabis storefront retailer is located, and (iii) none of the other occupants are any of the uses identified in subsections (e)(7)-(15) herein, or sell, dispense, distribute, or store alcoholic beverages, either at the time of the issuance of the first commercial cannabis permit from the City or at any point thereafter, and the property owner enters into an agreement with the City agreeing to enforce these prohibitions until such time as a commercial cannabis permit is no longer in effect for its parcel(s). Where specified, portions of this section apply to both the cannabis storefront retailer and all other uses of the parcel(s).

(f) *Operations Requirements.* Prior to engaging in the on-site, retail sale of cannabis and at all times thereafter, cannabis storefront retailers shall comply with all of the following operations requirements, in addition to all other applicable requirements of this Code:

(1) *Alcoholic Beverages.*

a. Cannabis storefront retailers shall not engage in the sale, dispensing, distribution, or storage of alcoholic beverages.

b. Cannabis storefront retailers shall actively monitor and prevent the consumption, sale, dispensing, distribution, or storage of alcoholic beverages on the parcel(s) on which they are located. For the purpose of this subsection, “actively monitor” shall include, but not be limited to, employing and training private security to actively identify violations of this subsection. For the purpose of this subsection, “prevent” shall include, but not be limited to, making timely reports to local law enforcement.

(2) *Amplified Sound.*

a. Cannabis storefront retailers shall not use amplified sound on – or in a manner audible – on the exterior of the cannabis storefront retailer, in any interior area of any other occupant of the same parcel(s), or in any interior area accessible in common by any person or other business. This subsection shall not apply to (i) computers, telephones, and other equipment when amplified sound is only audible to individuals wearing earbuds, earphones, or similar personal, wearable technology or (ii) alarms and similar warning systems. For the purpose of this section, amplified sound shall be deemed to be audible on exterior areas including, but not limited to, when doors or windows are open even temporarily in such a way that amplified sound emanating from the cannabis storefront retailer is audible immediately outside such door or window.

b. Cannabis storefront retailers shall actively monitor and prevent their officials, officers, agents, employees, volunteers, associates, customers, visitors, and passersby, whether invited or not, from using amplified sound on – or in a manner audible – on the exterior of the cannabis storefront retailer, in any interior area of the any other occupant of the same parcel(s), or in any interior area accessible in common by any person or other business. This subsection shall not apply to (i) computers, telephones, and other equipment when amplified sound is only

audible to individuals wearing earbuds, earphones, or similar personal, wearable technology or (ii) alarms and similar warning systems. For the purpose of this subsection, “actively monitor” shall include, but not be limited to, employing and training private security to actively identify violations of this subsection including, but not limited to, amplified sound emanating from vehicles in the parking lot. For the purpose of this subsection, “prevent” shall include, but not be limited to, making timely reports to local law enforcement when such amplified sound can be reasonably construed to violate California Penal Code Section 415, as amended from time to time or replaced with a successor statute, and requiring that other violators immediately leave the parcel(s) on which the cannabis storefront retailer is located.

When cannabis storefront retailers are located in multi-occupant buildings, minimum noise prevention practices shall also include, but not be limited to, the following:

1. Providing the City and all other occupants with one or more telephone numbers that is (are) answered 24 hours a day, seven days a week, to receive and immediately cause to be addressed noise complaints from any occupant.

c. Notwithstanding the other requirements of this subsection and Code, and with the exception of live announcements and alarms and similar warning systems, amplified sound used in interior areas of cannabis storefront retailers (e.g., background music) shall not exceed a noise level of 40 d(B)A as measured by an instrument meeting the American National Standard Institute’s Standard S1.4-1971 for Type 1 or Type 2 Sound Level Meters or an instrument and the associated recording and analyzing equipment that will provide equivalent data.

(3) *Cannabis Consumption and Use.* Cannabis storefront retailers shall actively monitor and prevent the consumption or use of cannabis on the parcel(s) on which they are located. This includes, but is not limited to, the consumption or use of cannabis by their officials, officers, agents, employees, volunteers, associates, customers,

visitors, and passersby, whether invited or not, for any purpose, whether purchased from the cannabis storefront retailer or not, and the prohibition of any samples of cannabis for on-site consumption for any purpose. For the purpose of this subsection, “actively monitor” shall include, but not be limited to, employing and training private security to actively identify violations of this subsection. For the purpose of this subsection, “prevent” shall include, but not be limited to, making timely reports to local law enforcement and at minimum all of the following:

a. Posting at each entrance and exit to the cannabis storefront retailer a clear and legible notice in each of the languages for which the California Voting Rights Act requires the County of Orange to translate elections materials stating that the consumption or use of cannabis on the parcel(s) (including, specifically, in the building(s) and parking lot(s)) is illegal and that violators will be reported to local law enforcement; and

b. Not selling or distributing food or beverages, or encouraging the same. This includes, but is not limited to, providing food establishment or restaurant-type facilities (e.g., coffee stations, cooking equipment or devices, or dining areas), foodware accessories or condiments, food or drink vending machines, or food trucks, except that cannabis storefront retailers may provide complimentary water drinking fountains, water, and ice for use and consumption by all persons, as well as break room and kitchenette space for its employees only. Break room and kitchenette space for employees shall be access controlled in a manner that prevents unauthorized entry by non-employees.

(4) *City Regulatory Meetings*. Upon request, cannabis storefront retailers shall participate in meetings with the City Manager and his/her/their invitees on a quarterly or more frequent basis to review and discuss commercial cannabis permit requirements, security concerns, complaints received, and other matters determined at the discretion of the City Manager. The time, place, and manner of such meetings, as well as the required attendance (management and/or ownership), shall be determined at the discretion of the City Manager.

(5) *Classes, Seminars, and Workshops*. Cannabis storefront retailers

may offer classes, seminars, workshops, and similar educational events related to cannabis but only in fully enclosed, interior spaces on the parcel(s) on which they are located, and provided such educational events do not require event licenses from the state Department of Cannabis Control, or successor agency. For the purpose of this subsection, art classes, exercise classes, meditation classes, sound baths, sporting, yoga classes, and similar events shall not be considered educational events related to cannabis. Educational events related to cannabis shall not include (i) mixers, social hours, or similar gatherings of a predominantly social or networking nature, or (ii) any of the live entertainment or entertainment devices identified in subsection (f)(14) unless specifically noted.

(6) *Criminal Activity Notifications.* Cannabis storefront retailers shall immediately report to local law enforcement any known or suspected crime occurring on the parcel(s) on which the cannabis storefront retailer is located including, but not limited to, burglary or theft of any cannabis or cannabis product, and disturbances of the peace. This obligation to report extends to both employees of cannabis storefront retailers and private security employed by cannabis storefront retailers. Such persons shall be trained on this obligation to report.

(7) *Deliveries.*

a. Cannabis storefront retailers may deliver cannabis to customers provided such deliveries occur only as permitted by each cannabis storefront retailer's Type 10 (storefront retailer) license from the California Department of Cannabis Control, or successor agency, and applicable state and local laws.

b. Cannabis storefront retailers shall schedule incoming deliveries of cannabis and cannabis products intended for future retail sale to occur outside of peak hours of operation within the hours of 7 a.m. and 10 p.m., Monday through Sunday, unless the parcel(s) on which they are located is (are) located within 600 feet of a residential zoned parcel, as measured from the outermost boundary lines of the closest parcels, in which case deliveries shall be scheduled to occur outside of peak hours of operation within the hours of 8 a.m. and 8 p.m., Monday through Sunday.

(8) *Design and Development Standards*. In addition to the design and development standards found elsewhere in this Code, the following shall not exist or occur on any site on which a cannabis storefront retailer operates:

- a. Bars, whether on or over doors, windows, or other surfaces, installed on the exterior;
- b. Blinds, curtains, shades, or other window coverings installed on the exterior;
- c. Cardboard, foil, or paper window coverings;
- d. Roll-up or rolling exterior doors;
- e. Chain link, plastic, vinyl, or woven wire fencing or gates including, but not limited to, fencing or gates of any kind with plastic or vinyl privacy inserts, with the exception of temporary fencing during construction when permitted by the City;
- f. Barbed tape, barbed wire, wire, razor wire, and similar security treatments on the interior or exterior;
- g. Balloons, confetti, feather flags, inflatable tubes, pennants, streamers, and similar decorations on the exterior;
- h. Electrical conduits or raceways visible from the exterior, whether such electrical conduits or raceways are located on the interior or exterior;
- i. Polyvinyl chloride (PVC) pipe visible from the exterior, whether such PVC pipe is located on the interior or exterior;
- j. Unfinished metal or wood surfaces on the exterior;
- k. Fluorescent, luminescent, neon, or sparking exterior paint or colors on the exterior;
- l. Marker, paint, or chalk on any exterior window pane;

- m. More than one color of glass within any single exterior window;
- n. More than two colors on any single exterior building wall;
- o. Light box exterior signs;
- p. More than two colors on any single exterior sign;
- q. Neon tubing visible from the exterior, whether such neon tubing is located on the interior or exterior;
- r. Laser lighting visible from the exterior, whether such laser lighting is located on the interior or exterior;
- s. Lighting that intentionally or knowingly flashes, blinks, moves, rotates, or revolves on the interior or exterior;
- t. Lighting colors other than white on the exterior, with the exception of internally illuminated permanent signs;
- u. Hanging lanterns on the exterior;
- v. Rope or string lighting visible from the exterior, whether such rope or string lighting is located on the interior or exterior;
- w. Landscaping that contains more than 10 percent decomposed granite, gravel, mulch, rock, sand, or similar non-vegetated landscape material, except to the extent groundcover or other vegetation is also planted that will conceal at least 90 percent of the non-vegetated material upon maturity.

(9) *Drive-Through Facilities*. Cannabis storefront retailers shall not use drive-through facilities (e.g., canopies intended to shield vehicle-based transactions, order stations, menu boards, queuing lanes, or windows and related facilities) in their operation nor provide any such facilities on-site. Compliance with this subsection requires the removal of drive-through facilities associated with previous drive-through uses and the integration of former queuing lane areas into the



site in a manner that can reasonably be seen to discourage loitering and outdoor queuing, as well as illegal, criminal, and nuisance activities.

(10) *Events*. Cannabis storefront retailers shall not be eligible to apply for any event licenses from the state Department of Cannabis Control, or successor agency, for cannabis events occurring within the City of Laguna Woods.

(11) *Graffiti*. Cannabis storefront retailers shall remove graffiti from space that they occupy within 24 hours after any owner or agent for the service of process has been notified by the City either personally, in-person, by telephone, or by email, or by posting notice on any entrance to the cannabis storefront retailer. Cannabis storefront retailers shall notify and train employees and other on-site personnel to check for posted notices throughout the hours of operation and to immediately provide such notices to owners and agents for the service of process. For the purpose of this subsection, “remove graffiti” shall mean returning the surface to which graffiti was applied to its previous condition, including matching its color and texture to adjacent surfaces in a manner that is generally indistinguishable when viewed by an average person at a distance of 10 feet. Cannabis storefront retailers may wish to use anti-graffiti coatings to aid in compliance with this subsection.

(12) *Hours of Operation*. Cannabis storefront retailers shall not engage in the on-site, retail sale of cannabis nor be open to any member of the public outside of the hours of 6 a.m. to 10 p.m., Monday through Sunday, unless the parcel(s) on which they are located is (are) located within 600 feet of a residential zoned parcel, as measured from the outermost boundary lines of the closest parcels, in which case cannabis storefront retailers shall not engage in the on-site, retail sale of cannabis nor be open to any member of the public outside of the hours of 7 a.m. to 9 p.m. For the purpose of this section, all on-site retail sales transactions must be complete by the closing hours specified in this subsection.

(13) *Lighting Repair*. Cannabis storefront retailers shall repair misdirected, malfunctioning or inoperable exterior lights, including lighting associated with permanent signs, on space that they occupy,

within 48 hours after any owner or agent for the service of process has been notified by the City either personally, in-person, by telephone, or by email, or by posting notice on any entrance to the cannabis storefront retailer. Cannabis storefront retailers shall notify and train employees and other on-site personnel to check for posted notices throughout the hours of operation and to immediately provide such notices to owners and agents for the service of process. Cannabis storefront retailers may wish to maintain a supply of replacement lighting fixtures, bulbs, and related components to aid in compliance with this subsection.

(14) *Live Entertainment and Entertainment Devices.*

a. Cannabis storefront retailers shall not use live entertainment in any part of their operation on the parcel(s) on which they are located. This includes, but is not limited to, animals, auctioneers, bands, celebrity appearances (except to the extent educational and related to cannabis per subsection (f)(5) herein), comedians, dancers, disc jockeys, musicians, performers, and trivia masters, as well as communal gatherings such as art exhibitions, competitions, gaming, movie screenings (except to the extent educational and related to cannabis per subsection (f)(5) herein), sporting, and viewing parties.

b. Cannabis storefront retailers shall not use arcade games, board games, billiard tables, card games, carnival games, disc jockey equipment, gaming consoles, immersive reality technology (e.g., augmented reality and virtual reality), karaoke machines, musical instruments, table games, or similar entertainment devices in their operation on the parcel(s) on which they are located. Compliance with this subsection requires that no entertainment devices be present within any space occupied by the cannabis storefront retailer.

(15) *Loitering and Outdoor Queuing.* Cannabis storefront retailers shall actively monitor and prevent persons from loitering on the parcel(s) on which they are located. For the purpose of this subsection, “actively monitor” shall include, but not be limited to, employing and training private security to actively identify violations of this subsection. For the purpose of this subsection, “prevent” shall

include, but not be limited to, making timely reports to local law enforcement and at minimum all of the following:

- a. Posting at each entrance and exit to the cannabis storefront retailer a clear and legible notice in each of the languages for which the California Voting Rights Act requires the County of Orange to translate elections materials stating that loitering on and around the parcel(s) is prohibited by California Penal Code Section 647(e), as amended from time to time or replaced with a successor statute, and that violators will be reported to local law enforcement;
- b. Ensuring that any reception or screening areas through which persons must pass to gain access to the retail area of the cannabis storefront retailer contain sufficient space and seating to accommodate at least 20 percent of the maximum California Building Standards Code-permitted occupancy of the retail area, rounded up to the nearest whole person (e.g., if the maximum occupancy of the retail area is 52 persons, reception or screening areas must contain space and seating for at least 11 persons);
- c. Requiring that persons wishing to gain access to the retail area of the cannabis storefront retailer for whom there is insufficient room in reception or screening areas to accommodate immediately leave the parcel(s) on which the cannabis storefront retailer is located (unless patronizing another occupant of the parcel(s)) and return in no less than 2 hours unless the cannabis storefront retailer has provided individual notification to them via telephone, text message, or email that there is now sufficient room in reception or screening areas;
- d. Providing no outdoor seating, whether temporary or permanent, nor any retaining walls, ornamental fixtures, or similar features at a height of 18 to 36 inches with a width greater than five inches, which are located within 100 feet of any entrance or exit to the cannabis storefront retailer and can reasonably be seen to accommodate or encourage seating, with such determination of reasonability made by the City Manager;

- e. Providing no fireplaces, fire pits, fire rings, open flames, or similar devices, whether temporary or permanent, on the exterior of the cannabis storefront retailer;
- f. Providing no ornamental water features, whether temporary or permanent, on the exterior of the cannabis storefront retailer;
- g. Providing no shade canopies, shade structures, or umbrellas, whether temporary or permanent, on the exterior of the cannabis storefront retailer; and
- h. Providing no entertainment devices, as described in subsection (f)(14) herein, on the exterior of the cannabis storefront retailer.

(16) *Minors*. Cannabis storefront retailers shall actively monitor and prevent persons under the age of 21 from being allowed within the cannabis storefront retailer, except as otherwise specifically provided for by state law. For the purpose of this subsection, “actively monitor” shall include, but not be limited to, employing and training private security to actively identify violations of this subsection. For the purpose of this subsection, “prevent” shall include, but not be limited to, making timely reports to local law enforcement and at minimum all of the following:

- a. Not employing or allowing any person under the age of 21 to volunteer, apprentice, or otherwise work or provide services on behalf of the cannabis storefront retailer on the parcel(s) on which they are located;
- b. Posting at each entrance to the cannabis storefront retailer a clear and legible notice in each of the languages for which the California Voting Rights Act requires the County of Orange to translate elections materials stating that no person under the age of 21 may enter the cannabis storefront retailer except as specifically provided for by state law;
- c. Posting at each exit to the cannabis storefront retailer a clear and legible notice in each of the languages for which the

California Voting Rights Act requires the County of Orange to translate elections materials stating that the secondary sale, barter, or distribution of adult-use cannabis is prohibited by state law and that violators will be reported to local law enforcement; and

d. Verifying the age of every person, other than employees, private security and persons conducting official business on behalf of the City, requesting to enter the retail area of the cannabis storefront retailer with an electronic age verification device that scans government-issued photo identification, and by matching government-issued photo identification to a person's appearance, prior to granting each and every such entry. The electronic age verification device may be mobile or fixed, and shall produce a log of all scans that includes the following minimum information: date, time, name, and age. Said log shall be retained on a cloud-based server or otherwise off-site for at least 180 calendar days. For persons under the age of 21 allowed within the cannabis storefront retailer, an additional log shall be maintained matching the electronic age verification log with the provision of state law allowing such entry.

(17) *Odor Control.* Cannabis storefront retailers shall develop, implement, and actively monitor systems and practices to contain cannabis and cannabis-related odors within the cannabis storefront retailer. No cannabis or cannabis-related odor shall be detectable on the exterior of the cannabis storefront retailer, in any interior area of any other occupant of the same parcel(s), or in any interior area accessible in common by any person or other business. Such minimum odor control systems and practices shall include, but not be limited to, the following:

a. Using an exhaust air filtration system with odor control that prevents internal cannabis and cannabis-related odors from being emitted externally, or an air system that creates negative air pressure between the cannabis storefront retailer's interior and exterior; and

b. Applying weather stripping under and around exterior doors

(entire door jams with appropriate door sweeps and thresholds at bottoms) and between sashes and frames of exterior windows in manners that do not interfere with normal operation thereof.

When cannabis storefront retailers are located in multi-occupant buildings, minimum odor control systems and practices shall also include, but not be limited to, the following:

aa. Sealing cracks and gaps in floors, walls, and around conduit and pipes with silicone or similar material; and

bb. Providing the City and all other occupants with one or more telephone numbers that is (are) answered 24 hours a day, seven days a week, to receive and immediately cause to be addressed odor complaints from any occupant.

(18) *Outdoor Activities.* Cannabis storefront retailers are prohibited from using any exterior area for display, storage, or special events, the latter as defined by Section 7.20.020 of this Code, subject only to the exemptions set forth in sections 7.20.180(c) and (g) of this Code, except as provided herein. This subsection is not intended to preclude temporary uses as may be allowed by Chapter 13.10 of this Code or the display of signage as may be allowed by Chapter 13.20 of this Code, except as otherwise provided herein.

(19) *Overnight Parking.* Cannabis storefront retailers shall actively monitor and prevent vehicles not belonging to employees or used regularly for the delivery of cannabis products on behalf of the cannabis storefront retailer to park at the cannabis storefront retailer between the hours of 10 p.m. and 5 a.m. daily. For the purpose of this subsection, “actively monitor” shall include, but not be limited to, employing and training private security to actively identify violations of this subsection, including conducting an on-site inspection at least every 60 minutes during the hours of 10 p.m. and 5 a.m. daily and maintaining detailed records to substantiate the same. For the purpose of this subsection, “prevent” shall include, but not be limited to, making timely reports to local law enforcement, and installing signage, expeditiously posting notices, and towing vehicles in a manner consistent with the California Vehicle Code and other applicable laws. This requirement may alternatively be met by

restricting access to the parking lots between the hours of 10 p.m. and 5 a.m. daily through the use of locking, permanent barrier gates; locking, ground-sleeved, removable bollards; or, similar access control systems that are configured in a manner that does not prohibit timely ingress/egress by emergency response vehicles, with such determination made by the City with input from local law enforcement and the Orange County Fire Authority, or successor agency, to the extent the latter two agencies elect to participate. The use of cones, delineators, portable barricades, tape, or similar temporary traffic control devices does not satisfy this requirement.

a. Locking, permanent barrier gates; locking, ground-sleeved removable bollards; and, similar access control systems shall be color coordinated with adjacent walls and fencing or, if none, with the building, to provide for as uniform an appearance as possible.

b. Locking, permanent barrier gates; locking, ground-sleeved, removable bollards; and, similar access control systems that obstruct access to parking from an accessway or driveway from a public street shall be set back at least 18 feet from the nearest public street right-of-way line.

c. When locking, ground-sleeved, removable bollards or similar access control systems are used to satisfy this requirement, they shall be stored inside the cannabis storefront retailer at all times when not in use.

(20) *Product Packaging.* Cannabis storefront retailers shall not provide customers with any cannabis product in disposable packaging, wrappers, or similar casings made of polystyrene foam.

(21) *Security Measures.* In addition to complying with this section, cannabis storefront retailers shall develop, implement, and actively monitor security measures sufficient to protect the health, safety, and welfare of officials, officers, agents, employees, volunteers, associates, customers, visitors, passersby, and all other persons who may enter, cross over, or otherwise interact with parcel(s) on which they are located, whether invited or not, at all times and on all days, regardless of the cannabis storefront retailer's hours of operation or

any other factor. Such minimum security measures shall include, but not be limited to, the following:

a. Installing and maintaining a monitored commercial burglar alarm monitoring system with a feature timely notifying local law enforcement of any intrusions or alarm triggers, which shall at a minimum include all doors and windows and motion within areas containing cash or cannabis products when the cannabis storefront retailer is unattended;

b. Installing and maintaining a video surveillance system which shall continuously record (i) the immediate exterior of the buildings, (ii) all entrances and exits to the buildings and rooms in which cash is regularly stored, (iii) all fixed point of sale locations or at least every 20 feet throughout the entirety of the retail sales area if transactions are accepted in non-fixed locations, (iv) all driveways or other vehicle access points to the parking lots at locations and with lighting sufficient to clearly identify lawfully installed and maintained vehicle license plates, (v) the fence lines between the parcel(s) and any immediately adjacent residential zoned parcel(s) in a manner that does not record any interior residential activities, and (vi) the driver's side and front passenger's side of each designated curbside delivery parking space (if any), at all times. Footage from such video surveillance systems shall be retained on a cloud-based server or otherwise off-site for at least 90 calendar days;

c. Posting (i) at each entrance and exit to the cannabis storefront retailer, (ii) at each driveway entrance to the cannabis storefront retailer, (iii) on each parking space-fronting side of each parking lot light pole (if any) whether located in dedicated or shared parking lots, and (iv) in front of each designated curbside delivery parking space (if any), a clear and legible notice in each of the languages for which the California Voting Rights Act requires the County of Orange to translate elections materials indicating the presence of the video surveillance system. For driveway entrances, parking lot light poles, and designated curbside delivery parking spaces, this requirement may alternatively be met by posting at those same locations a clear and legible, two-color icon of a video surveillance camera



on a metal placard measuring at least 12 inches x 12 inches;

d. Ensuring that all exterior lights (excluding lighting permitted by the City with permanent signs, which shall be required to comply with such permitting, and motion activated lighting) remains illuminated at least from dusk until dawn each day;

e. Providing private security to actively monitor and prevent illegal, criminal, and nuisance activities, and activities inconsistent with this section, at all times when the cannabis storefront retailer is engaged in the retail sale of cannabis, open to any member of the public, accepting deliveries, occupied by one or more employees, and for at least one hour after each day's end of retail sale of cannabis;

f. Storing all cannabis products in one or more secured and locked rooms, safes, vaults, or similar repositories, and in a manner as to prevent diversion, theft, and loss, except for limited amounts of cannabis products used for display purposes and/or immediate sale;

g. Limiting the amount of cash that is present on-site at any single time and storing cash that is present, but not necessary to store in registers or other point-of-sale devices for reasonably anticipated business needs, in one or more time-triggered safes, vaults, or similar repositories where access is only possible after a pre-set period of time not less than 10 minutes elapses after the required credentials are provided, and in a manner as to prevent diversion, theft, and loss;

h. Posting at each entrance and exit to the cannabis storefront retailer, a clear and legible notice in each of the languages for which the California Voting Rights Act requires the County of Orange to translate elections materials indicating the presence of the time-triggered cash repository; and

i. Installing and maintaining on-site backup generator (including automatic transfer switches), or similar on-site energy source, that is of sufficient capacity and maintained in such condition as to be readily capable of powering all

commercial burglar alarm monitoring systems, video surveillance systems (including associated lighting), telephone systems, access controls, and cash repositories (to the extent connected to building power) for a period of no less than two hours of continuous use when regular energy systems as provided by the local utility company to the cannabis storefront retailer are inoperable, interrupted, or otherwise experiencing shortages, and without the need for manual switching from local utility to generator power.

1. More than one on-site backup generator or similar on-site energy source may be installed to serve a single cannabis storefront retailer in order to meet the requirements of this subsection.

2. On-site backup generators and similar on-site energy sources shall be architecturally integrated into one or more concealing structures or otherwise screened from view from public right-of-way and residential properties by landscaping, topography, roofs, or walls. Roofs shall be color coordinated with underlying walls, if any, and with the building, to provide for as complimentary an appearance as possible. Walls shall be made of solid, split face or stuccoed, concrete masonry units that are color coordinated with adjacent walls and fencing or, if none, with the building, to provide for as uniform an appearance as possible. When walls are used to enclose all sides of on-site backup generators or similar on-site energy sources, locking doors shall be installed to prevent unauthorized entry, as well as motion activated interior (under roof) lighting. Doors shall be color coordinated with adjacent walls to provide for as uniform an appearance as possible. Landscaping shall be used to substantially screen walls over 30 inches in height.

3. On-site backup generators and similar on-site energy sources shall set back at least 40 feet from any residential zoned parcel and 20 feet from any non-residential zoned parcel, as measured from the outermost boundary lines of

the closest parcels, and at least 10 feet from any public street easement or right-of-way.

4. Aside from periodic maintenance and testing, on-site backup generators and similar on-site energy sources shall only be operated when regular energy systems as provided by the local utility company to the cannabis storefront retailers are inoperable, interrupted, or otherwise experiencing shortages. Maintenance and testing shall only occur within the hours of 8 a.m. and 8 p.m., Monday through Friday, excluding federal holidays.

(22) *Tobacco and Tobacco Cigarettes.* Cannabis storefront retailers shall not engage in the sale, dispensing, distribution, or storage of tobacco or tobacco cigarettes.

(23) *Visible Products and Promotions.* Cannabis storefront retailers shall not display or place any cannabis product or any other product, or advertisement or promotional display thereof, in a manner in which it is wholly or partially visible from the exterior of any cannabis storefront retailer.

(24) *Waste and Recycling – Battery Recycling.* Cannabis storefront retailers that sell, dispense, or distribute batteries shall comply with the battery recycling requirements of Chapter 4.22 of this Code, regardless of the amount of annual gross sales.

(25) *Waste and Recycling – Receptacles.* Cannabis storefront retailers shall store all waste and recycling receptacles for collection – as the number and type may change from time-to-time to meet on-site needs or comply with applicable law – in trash enclosures enclosed by a roofed structure with opaque walls and access point(s), as well as motion activated interior (under roof) lighting. Unless such service is not offered by the City’s solid waste handling services franchisee, all waste and recycling receptacles for collection shall be collected at least three times weekly by the City’s solid waste handling services franchisee and remain locked when not actively attended by an employee thereof or an employee of the City’s solid waste handling services franchisee.

ITEM 8.1 – Exhibit A to Attachment A

- a. Trash enclosures shall not be used for any purpose other than to store all waste and recycling receptacles or collection.
- b. Trash enclosures used by cannabis storefront retailers shall not be used by any other occupant of the parcel(s) on which the cannabis storefront retailers are located nor any other person.
- c. Trash enclosure roofs shall be made of solid corrugated metal painted with rust-inhibitive paint and color coordinated with underlying walls/access points and with the building, to provide for as complimentary an appearance as possible. Walls shall be made of solid, split face or stuccoed, concrete masonry units that are color coordinated with adjacent walls and fencing or, if none, with the building, to provide for as uniform an appearance as possible. Doors and other access points shall be color coordinated with adjacent walls to provide for as uniform an appearance as possible. Landscaping shall be used to substantially screen walls.
- d. Trash enclosures may have an open air gap between roofs and underlying walls/access points provided such gap does not exceed 14 inches. For the purpose of this subsection, metal screens and similar stationary, non-opaque elements installed between roofs and underlying walls/access points shall not be considered open air gaps when the openings in such stationary, non-opaque elements do not exceed 1 inch x 1 inch.
- e. An accessible path of travel that complies with California Building Standards Code requirements must be provided between trash enclosures and the cannabis storefront retailer.

(g) *Obligation to Maintain.* Where this section requires the construction, erection, installation, posting, placement, or use of any tangible item, there also exists an obligation for the same to be kept clean, complete, and in good structural and functional working order, and to not be allowed to fall into a state of disrepair, damage, or decrepitude.

(h) *Business Tax Rate.* In accordance with Chapter 3.18 of this Code, the tax rate to which cannabis businesses holding a Type 10 (storefront retailer)

license from the California Department of Cannabis Control, or successor agency, shall be subject is the higher of the two following tax rates:

- (1) A minimum tax rate of 10 percent of gross receipts received or generated for each monthly reporting period; or
- (2) \$35.00 per square foot of floor area (annual tax rate) prorated monthly to 1/12 of the annual tax rate amount.

(i) *Violations and Penalties.*

- (1) This section may be enforced in any manner set forth in this Code, or as otherwise provided by law.
- (2) All remedies and penalties prescribed by this section or which are available under any other provision of this Code and any other provision of law or equity are cumulative. The use of one or more remedies by the City shall not bar the use of any other remedy for the purpose of enforcing the provisions of this section.
- (3) Any person who violates any provision of this section shall be guilty of a separate offense for each and every day, or any portion thereof, of which any violation of any provision of this section is committed, continued, or permitted by such person, and shall be punishable as misdemeanor or an infraction, at the discretion of the City Manager and/or City Attorney, and except as otherwise set forth below, the following penalties shall apply:

a. *Penalty for Misdemeanor Violation.* Any person convicted of a misdemeanor under any provision of this section shall be punishable by a fine of not more than \$1,000.00, or by imprisonment for a period not exceeding six months, or by both such fine and imprisonment.

b. *Penalty for Infraction Violation.* Any person convicted of an infraction under any provision of this section shall be punished by:

1. A fine not exceeding \$100.00 for a first violation;

2. A fine not exceeding \$200.00 for a second violation of the same provision within one year; and

3. A fine not exceeding \$500.00 for a third violation and for any additional violation of the same provision within one year.

(4) *Violations Deemed to be a Public Nuisance.* In addition to any penalties otherwise imposed, any violation of the provisions of this section is deemed to be a public nuisance which may be abated in the manner provided by law for the abatement of nuisances.

(5) *Attorneys' Fees and Court Costs.* In addition to any civil and criminal penalties as provided by the provisions of this section or otherwise, the City may recover reasonable attorneys' fees and court costs, and other such expenses of litigation and/or prosecution as it may incur by appropriate lawsuit against the person found to have violated any provisions of this section.

(j) *City Manager's Authority.* In addition to all other authority provided by state law, the City Council, and this Code, the City Manager shall have the following authority:

(1) For purposes of administration and enforcement of this section generally, the City Manager may from time to time promulgate such administrative interpretations, rules, and/or procedures consistent with the purpose, intent, and express terms of this section as the City Manager deems necessary to implement or clarify such provisions or aid in enforcement.

(2) The City Manager may delegate to, or enter into contracts with, public agencies or private entities to implement, administer, and/or enforce any of the provisions of this section on behalf of the City.

(3) The City Manager may file complaints and reports with the California Department of Cannabis Control, or successor agency, and other state agencies, regarding known or suspected unlicensed or illegal activity by or related to cannabis or cannabis businesses.

**8.2**  
**ZONING CODE AMENDMENTS**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** August 16, 2023 Regular Meeting

**SUBJECT:** Zoning Code Amendments

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### **Recommendation**

Approve second reading and adopt an ordinance – read by title with further reading waived – titled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING CHAPTER 13.14 AND SECTIONS 13.04.020, 13.08.010, 13.13.020, 13.15.011, 13.15.015, 13.15.016, 13.15.017, 13.15.020, 13.23.030, AND 13.26.070 OF TITLE 13 (ZONING) OF THE LAGUNA WOODS MUNICIPAL CODE, AND DETERMINING AND CERTIFYING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

### **Background**

Title 13 of the Laguna Woods Municipal Code contains the Laguna Woods Zoning Code. Per Laguna Woods Municipal Code Section 13.02.010, the Zoning Code is “adopted pursuant to Section 11 of Article XI of the California Constitution, the State Planning and Zoning Law (Government Code § 65000 et seq.), the California Environmental Quality Act (Public Resources Code § 21000 et seq.), and other applicable State laws” with a purpose to “promote the public health, safety and general welfare in the City of Laguna Woods.”

The current General Plan Housing Element was adopted by the City Council on March 22, 2023 (available on the City’s website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org)) or

at or from City Hall). The Housing Element contain numerous programs that the City is required to implement to comply with state housing element law.

An earlier version of the proposed ordinance was considered by the City Council at the regular meeting on November 16, 2022. Adoption was suspended thereafter in consideration of then-pending updates to the Housing Element. With the California Department of Housing and Community Development (“HCD”) expressing no concern with the manner in which staff has proposed to address the zoning issues discussed below, a new public hearing has been noticed for today’s meeting.

At the regular meeting on July 19, 2023, the City Council conducted a public hearing and voted unanimously 5-0, to approve the introduction and first reading of the ordinance included with this agenda report as Attachment A.

### **Discussion**

Today’s meeting is an opportunity for City Council action, as well as public input, on proposed amendments of the Laguna Woods Zoning Code (Attachment A). Staff recommends that the City Council adopt the proposed amendments in order to ensure that the Zoning Code is clear and consistent with applicable law and the General Plan.

While additional Zoning Code amendments will be required in the future as part of the implementation of Housing Element programs, the proposed amendments would represent a significant step in implementing Housing Element programs H-1.2.6 and H-1.3.4. The proposed amendments would also make changes necessary to ensure compliance with fair housing laws and repeal outdated provisions related to a land use designation that no longer exists in the General Plan.

Housing Element programs H-1.2.6 and H-1.3.4, as well as a relevant finding provided in HCD’s October 11, 2022 letter (Attachment B), are copied below for ease of reference. A table identifying the rationale for each proposed amendment is also included.

#### **Housing Element Program H-1.2.6**

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.
- Section 13.15.016(5). Explicitly identify that the required finding for applications for reasonable accommodations to not “result in a direct threat to the health and safety of other individuals or substantial physical damage to the property of others” is to be interpreted consistent with 42 U.S.C. § 3604(f)(9).  
Note: The City is required to comply with 42 U.S.C. § 3604(f)(9) 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 2022  
 Anticipated Funding: General Fund  
 Quantified Objectives: Conforming Ordinance

#### Housing Element 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.
- Sections 13.15.015 and 13.15.016. Remove the public noticing requirements for applications for reasonable accommodations.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year 2022

Anticipated Funding: General Fund

Quantified Objectives: Conforming Ordinance

Excerpted Finding from HCD’s October 11, 2022 Letter

*2. An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. (Gov. Code, § 65583, subd. (a)(5).)*

*Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)*

While the element details the Reasonable Accommodation policy on pg. B-19 and B-20, the element should also analyze both the public noticing requirements and the finding that “the request 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” for consistency with fair housing requirements. For example, HUD/DOJ guidance states, “For an accommodation to be denied, the requested

accommodation must cause an undue financial and administrative burden, or it would fundamentally alter the nature of the provider’s operations.” Based on this analysis, the element may need to revise or add programs and address and remove or mitigate any identified constraints.

42 U.S.C. § 3604(f)(9) allows applications for reasonable accommodations to be denied when an individual’s tenancy would constitute a direct threat to the health or safety of other individuals or would result in substantial physical damage to the property of others. To that end, staff does not believe the finding referenced in HCD’s letter constitutes a constraint to the provision of affordable housing. A minor amendment is proposed to explicitly reference applicable federal law.

While the existing public noticing requirements for applications for reasonable accommodations are intended to identify whether information exists to support a finding of a direct threat, case law (e.g., *Township of West Orange v. Whitman*, 8 F.Supp.2d 408 (D.N.J. 1998) and *Wirtz Realty Corporation v. Freund*, 721 N.E.2d 589, 597 (Ill.App. 1999)) makes clear that a high level of objectivity is required when determining whether a direct threat exists. Even when a direct threat exists, the City may be required to approve reasonable accommodations that minimize risk. Due to the complexity of this matter and the potential for HCD to claim that time spent providing public noticing and responding to feedback received (which may or may not relate to municipal matters within the City’s purview such as land use and zoning regulations, policies, and practices) would constitute constraints to the provision of affordable housing, staff recommends deleting the public noticing requirements and, instead, screening applications for objective evidence of a direct threat on a case-by-case basis in a manner consistent with applicable case law.

*Table 1: Rational for Proposed Amendments*

<b>Laguna Woods Municipal Code Section</b>	<b>Rationale</b>
13.04.020	Conformity with General Plan Land Use Element; the Urban Activities Center land use designation was deleted from the Land Use Element in 2017; the Urban Activities Center zoning district is not applied to any property and its removal would, therefore, not affect the existing zoning on any property

13.08.010 (community care facilities)	Housing Element Program H-1.3.4 (first bullet)
13.08.010 (low barrier navigation centers)	Housing Element Program H-1.2.6 (second bullet)
13.13.020	Housing Element Program H-1.2.6 (second bullet)
13.14	Conformity with General Plan Land Use Element; the Urban Activities Center land use designation was deleted from the Land Use Element in 2017; the Urban Activities Center zoning district is not applied to any property and its removal would, therefore, not affect the existing zoning on any property
13.15.011	Compliance with fair housing laws; updated definitions
13.15.015	Housing Element Program H-1.3.4 (third bullet); HCD Housing Element Findings Letter dated October 11, 2022 (Finding #2)
13.15.016	Housing Element Program H-1.2.6 (fourth bullet); HCD Housing Element Findings Letter dated October 11, 2022 (Finding #2)
13.15.017	Housing Element Program H-1.3.4 (third bullet); HCD Housing Element Findings Letter dated October 11, 2022 (Finding #2)
13.15.020	Compliance with fair housing laws; narrows standing for appeals of decisions on applications for reasonable accommodations to the applicant
13.23.030	Housing Element Program H-1.2.6 (first bullet)
13.26.070	Housing Element Program H-1.3.4 (first bullet)

### **Environmental Review**

The City Council is asked to find that this project is not subject to further environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and section 15060(c)(3) (the activity is not a “project” as defined in Section 15378). CEQA Guidelines section 15378(b)(2) and (5) exclude “[c]ontinuing administrative ... activities” and “administrative activities of governments that will not result in direct or indirect physical changes to the environment” from its definition of “project.” The City Council will be asked to find that, even if this item were a “project,” it would be exempt from environmental review under

CEQA Guidelines Section 15061(b)(3)'s "general rule" that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Here, it can be seen with certainty that there is no possibility that this item, in and of itself, will have a significant effect on the environment. On its own, this action will not result in any physical changes to the environment.

### **Fiscal Impact**

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

### **Documents Available for Review**

Related documents – including the existing and proposed ordinances, General Plan, Laguna Woods Municipal Code, and findings letters from the California Department of Housing and Community Development – are available for public review at or from City Hall during normal working hours. The General Plan and Laguna Woods Municipal Code are also available for review at [www.cityoflagunawoods.org](http://www.cityoflagunawoods.org).

Attachments: A – Proposed Ordinance  
                  Exhibit A – Proposed Code Amendments  
                  B – HCD Findings Letter dated October 11, 2022

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**ORDINANCE NO. 23-XX**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING CHAPTER 13.14 AND SECTIONS 13.04.020, 13.08.010, 13.13.020, 13.15.011, 13.15.015, 13.15.016, 13.15.017, 13.15.020, 13.23.030, AND 13.26.070 OF TITLE 13 (ZONING) OF THE LAGUNA WOODS MUNICIPAL CODE, AND DETERMINING AND CERTIFYING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

**WHEREAS**, Title 13 of the Laguna Woods Municipal Code contains the Laguna Woods Zoning Code; and

**WHEREAS**, staff has recommended amendments of Chapter 13.14 and sections 13.04.020, 13.08.010, 13.13.020, 13.15.011, 13.15.015, 13.15.016, 13.15.017, 13.15.020, 13.23.030, and 13.26.070 of the Laguna Woods Municipal Code (“Code Amendments”) in order to ensure that the Zoning Code is clear and consistent with applicable law and the General Plan; and

**WHEREAS**, on July 19, 2023, the City Council held a duly noticed public hearing on this Ordinance at which it considered all of the information, evidence, and testimony presented, both written and oral.

**THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DOES ORDAIN AS FOLLOWS:**

SECTION 1. The City Council hereby finds and determines that (i) each of the recitals to this Ordinance are true and correct, and are adopted herein as findings; (ii) the Code Amendments comply with all applicable requirements of State law; (iii) the Code Amendments will not adversely affect the health, safety, or welfare of the residents within the community; (iv) the Code Amendments are in the public interest of the City of Laguna Woods; and, (v) the Code Amendments are consistent with the Laguna Woods General Plan and its various elements.

SECTION 2. After reviewing the entire project record, the City Council hereby determines and certifies that this Ordinance is not subject to further environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and section 15060(c)(3) (the activity is not a “project” as defined in Section 15378). CEQA

Guidelines section 15378(b)(2) and (5) exclude “[c]ontinuing administrative ... activities” and “administrative activities of governments that will not result in direct or indirect physical changes to the environment” from its definition of “project.” The City Council will be asked to find that, even if this item were a “project,” it would be exempt from environmental review under CEQA Guidelines Section 15061(b)(3)’s “general rule” that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Here, it can be seen with certainty that there is no possibility that this item, in and of itself, will have a significant effect on the environment. On its own, this action will not result in any physical changes to the environment.

SECTION 3. Chapter 13.14 and sections 13.04.020, 13.08.010, 13.13.020, 13.15.011, 13.15.015, 13.15.016, 13.15.017, 13.15.020, 13.23.030, and 13.26.070 of the Laguna Woods Municipal Code are hereby amended to read as set forth in Exhibit A, attached to this Ordinance and incorporated herein by this reference.

SECTION 4. This Ordinance shall take effect and be in full force and operation thirty (30) calendar days after adoption.

SECTION 5. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase added by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

SECTION 6. The Mayor shall sign this Ordinance.

SECTION 7. The City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

SECTION 8. All of the above-referenced documents and information have been and are on file with the City Clerk of the City.

[SIGNATURES ON NEXT PAGE]

PASSED, APPROVED AND ADOPTED this XX day of XX 2023.

\_\_\_\_\_  
CYNTHIA S. CONNERS, Mayor

ATTEST:

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
ALISHA PATTERSON, City Attorney

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS   )

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 23-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2023, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2023 by the following vote to wit:

AYES:           COUNCILMEMBERS:  
NOES:           COUNCILMEMBERS:  
ABSTAIN:       COUNCILMEMBERS:  
ABSENT:        COUNCILMEMBERS:

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

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**EXHIBIT A  
CODE AMENDMENTS**

***Section 13.04.020 (“Establishment of districts”) of Chapter 13.04 (“Establishment of Zoning Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (deletions shown with ~~strike-through~~).***

**Sec. 13.04.020. - Establishment of districts.**

The incorporated territory of the City of Laguna Woods is hereby divided into zones or districts, as set forth in this title, as determined and defined by officially adopted zoning map. The zoning district map showing the classifications and boundaries of the districts shall, upon adoption in the manner required by the Planning and Zoning Law, be a part of this chapter. The following districts are established:

RC	Residential Community District
RMF	Residential Multifamily District
RT	Residential Towers District
NC	Neighborhood Commercial District
CC	Community Commercial District
PA	Professional and Administrative Office District
CF-P	Community Facilities–Private District
CF-P/I	Community Facilities–Public/Institutional
OS-P	Open Space - Passive District
OS-R	Open Space - Recreation District
<del>UAC</del>	<del>Urban Activities Center District</del>

***The “Community Care Facilities (<6 persons)” row in the permitted residential uses table in Section 13.08.010 (“Intent and permitted uses”) of Chapter 13.08 (“Residential Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (deletions shown with ~~strike-through~~):***

	Districts			
Land Use Types	RMF	RC	RT	Code References
Community Care Facilities ( <del>&lt;6 persons</del> )	P	P	P	13.26.070

*The permitted residential uses table in Section 13.08.010 (“Intent and permitted uses”) of Chapter 13.08 (“Residential Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to add the following row in alphabetical order by “Land Use Types” (additions shown with underlining):*

	Districts			
Land Use Types	RMF	RC	RT	Code References
<u>Low Barrier Navigation Centers</u>	<u>P</u>	<u>P</u>	<u>P</u>	

*The permitted community facility uses table in Section 13.13.020 (“Table of permitted uses”) of Chapter 13.13 (“Community Facilities Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to add the following row in alphabetical order by “Land Use Types” (additions shown with underlining):*

	Community Facilities		
Land Use Types	Public/Institutional	Private	Code References
<u>Low Barrier Navigation Centers</u>	<u>P</u>	<u>P</u>	

*Chapter 13.14 (“Urban Activities District (UAC)”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is hereby repealed in its entirety (deletions shown with ~~strike through~~).*

~~**CHAPTER 13.14. – URBAN ACTIVITIES DISTRICT (UAC)**~~

~~**Sec. 13.14.010. – Purpose and intent of district.**~~

~~To provide for the development of certain parcels within the City utilizing a "specific plan" concept to ensure comprehensive development consistent with performance and development standards as outlined in the land use element of the City's General Plan.~~

~~**Sec. 13.14.020. – Comprehensive plan required.**~~

~~Properties designated as UAC shall have an approved comprehensive plan in effect for all properties with such designation within the City prior to improvement of any one parcel within the designated district. Said plan shall be subject to the approval of the City through the procedures for adoption/amendment of a specific plan as outlined in Section 13.24.110, except that it may be initiated by the property owner.~~

~~**Sec. 13.14.030. – Applicability.**~~

~~After a comprehensive plan has become effective, all development and uses for UAC designated properties shall thereafter be in compliance with the regulations as outlined in the comprehensive plan and all other applicable zoning district regulations.~~

~~**Sec. 13.14.040. – Comprehensive plan text.**~~

~~(a) A text shall be adopted by ordinance that specifies the land use regulations and procedures applicable to all UAC designated parcels. Each land use category shall correspond to one or more identified planning areas on a zoning map exhibit.~~

~~(b) When the text refers to any portion of this title and provides for exceptions to the referenced portion, all such exceptions shall be clearly and specifically identified. Regulations for each land use category within the comprehensive plan shall include at least the following:~~

~~(1) Purpose and intent statement. Each land use category shall have a general description and a brief summary explaining the purpose and intent of that land use category.~~

~~(2) Principal permitted uses section. Each such section shall include a list of uses per the following categories, if applicable:~~

~~a. Principal permitted uses not subject to discretionary permit.~~

~~b. Principal permitted uses subject to a site development permit.~~

~~c. Principal permitted uses subject to a use permit.~~

~~(3) Accessory permitted uses section. This section shall be included in any land use category where uses, structures, and activities other than main or principal uses are permitted. When a main or principal use is permitted subject to approval of a discretionary permit, ancillary and accessory uses, structures and activities are also permitted subject to approval of the same discretionary permit.~~

~~(4) Prohibited uses section. Each land use category shall include a prohibited uses section for the purpose of clarifying which land uses and groups of uses, if any, are specifically not permitted.~~

~~(5) Site development standards section. Development standards shall be provided for each land use category and may include but not be limited to the minimum building site area, maximum building height, minimum building setbacks, signage, minimum net area per unit for multifamily development and off-street parking requirements. Additional standards for nonresidential development and may be based upon performance criteria commiserate with supporting documentation consistent with the City's General Plan, including technical reports for traffic, fiscal balance, etc. as applicable and shall include but not be limited to requirements for loading, screening, landscaping, lighting and floor area ratio.~~

~~(6) Boundary description. A precise description, either by record of survey, or metes and bounds, of the external boundaries of all land regulated by the comprehensive plan shall also be included within the text. Such description shall be consistent with the Zoning Map exhibit.~~

~~(7) Conformance with the general plan. A description of how the plan has been developed in conformance with the parameters outlined in the City's land use element, specifically Table LU-4 summary of "Potential Intensity/Density" sections and the criteria as outlined in Section II.C.2 of the General Plan land use element.~~

**~~Sec. 13.14.050. – Statistical summary.~~**

~~(a) A statistical summary shall be adopted by ordinance and shall include information regarding the types of uses proposed, consistent with any limitations as outlined in the City's General Plan, the maximum number of~~

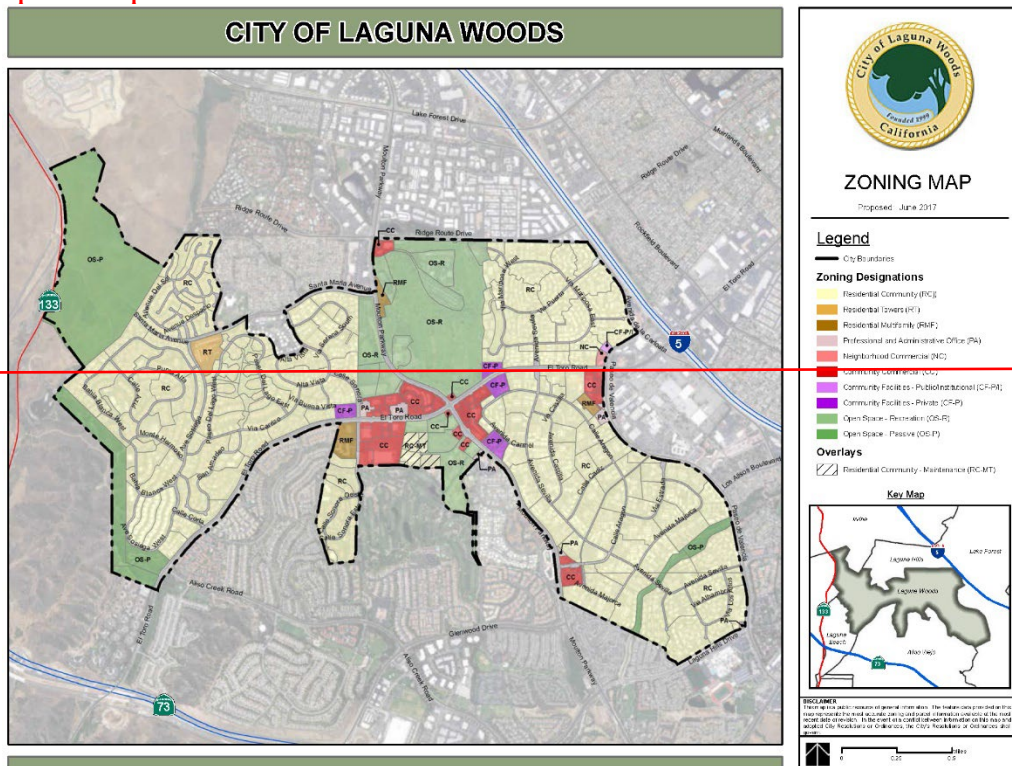


~~dwelling units proposed, the minimum number of acres of open space, the maximum number of acres of nonresidential land, etc. The Director may require any additional statistical information that may be appropriate.~~

~~(b) All such information shown in the statistical summary shall be consistent with the General Plan and the Zoning Map exhibit of the comprehensive plan. Any proposed change in the statistical summary will require an amendment to the comprehensive plan in the manner required by Section 13.24.110 for specific plans.~~

~~**Sec. 13.14.060. – Zoning Map exhibit.**~~

~~The Zoning Map exhibit shall be adopted by ordinance. It shall be drawn in sufficient detail and scale to enable a reader to determine where proposed uses and projects will be located in relation to the City's existing zoning districts and arterial highways. The exterior boundaries of the map shall be precise and consistent with the boundary description included in the comprehensive plan text. Any proposed change in the Zoning Map exhibit will require an amendment in the manner required by Section 13.24.110 for specific plans.~~



**Section 13.15.011 (“Definitions”) of Chapter 13.15 (“Reasonable Accommodations for Persons with Disabilities”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike through~~):**

**Sec. 13.15.011. - Definitions.**

~~As used in this chapter, the following items shall have meanings as set forth below:~~ The following words and phrases shall have the meanings set forth below when used in this chapter:

(a) ~~Director means the City Manager or his/her designee.~~ shall mean the City Manager or his/her/their designee.

(b) ~~Disabled or disability means any person who has a physical or mental impairment that substantially limits one or more major life activities, as may be defined by state or federal law.~~ shall have the same meaning as the terms are defined in fair housing laws.

(c) Fair housing laws shall mean the Fair Housing Amendments Act of 1988 and the California Fair Employment and Housing Act and their implementing regulations and published caselaw.

(ed) ~~Fundamental alteration means a modification that alters the essential nature of a provider's operations.~~ shall have the same meaning as the term is defined in fair housing laws.

(de) ~~Major life activity means those activities that are of central importance to daily life including, but not limited to, seeing, hearing, walking, breathing, performing manual tasks, caring for one's self, learning, and speaking.~~ shall have the same meaning as the term is defined in fair housing laws.

(ef) ~~Physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, human immunodeficiency virus (HIV) infection, mental retardation, emotional illness, drug addiction (other than addiction caused by~~

~~current, illegal use of a controlled substance), and alcoholism.~~ shall have the same meaning as the term is defined in fair housing laws.

~~(fg) Reasonable accommodation means a change, exception, or adjustment to a rule, policy, practice, or procedure that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces.~~ shall have the same meaning as the term is defined in fair housing laws.

~~(gh) Reviewing authority means the City Manager or his/her designee.~~ shall mean the City Manager or his/her/their designee.

*Section 13.15.015 (“Public notice”) of Chapter 13.15 (“Reasonable Accommodations for Persons with Disabilities”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is hereby repealed in its entirety (deletions shown with **strike through**).*

~~**Sec. 13.15.015. – Public notice.**~~

~~After the Director has deemed an application for reasonable accommodation as complete, the Director shall provide notice of the request for reasonable accommodation as follows:~~

~~(a) In the event that there is no approval, permit, or entitlement sought other than the request for reasonable accommodation, the notice shall be mailed to the owners of record of all properties that are immediately adjacent to the property that is the subject of the request.~~

~~(b) In the event that the request is being made in conjunction with some other approval, permit or entitlement, the notice shall be transmitted along with the notice of the other proceeding.~~

*Section 13.15.016 (“Required findings”) of Chapter 13.15 (“Reasonable Accommodations for Persons with Disabilities”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with **strike through**):*

**Sec. 13.15.016. - Required findings.**

(a) ~~The written decision to approve, approve with conditions, or deny a~~ An application for reasonable accommodation shall be ~~based upon the following findings, all of which are required for approval~~ approved or approved with conditions unless the reviewing authority makes one or more of the following findings:

- (1) The applicant has not demonstrated that 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 applicant has not demonstrated that 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 and to the extent consistent with 42 U.S.C. § 3604(f)(9), result in a direct threat to the health and safety of other individuals or substantial physical damage to the property of others.

(b) In granting a request for reasonable accommodation, the reviewing authority may impose any conditions of approval deemed reasonable and necessary to ensure that the reasonable accommodation will comply with the findings required by this section.

***Section 13.15.017 (“Notice of decision”) of Chapter 13.15 (“Reasonable Accommodations for Persons with Disabilities”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (deletions shown with ~~strike-through~~):***

**Sec. 13.15.017. - Notice of decision.**

~~(a)~~ The reviewing authority shall notify the applicant of his/her decision by mailing a written determination to the applicant. The notice of decision shall include factual findings, conclusions, and reasons for the decision; and notify the applicant of the right to appeal the reviewing authority's decision pursuant to Section 13.15.020.

~~(b) Notice of the reviewing authority's decision shall also be given to adjoining property owners and/or other interested persons in the same manner as provided in Section 13.15.015 (a) and (b).~~

*Section 13.15.020 (“Appeals”) of Chapter 13.15 (“Reasonable Accommodations for Persons with Disabilities”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike-through~~):*

**Sec. 13.15.020 - Appeals.**

An applicant may appeal ~~T~~the decision of the Director to ~~approve,~~ approve subject to conditions, or deny an application for reasonable accommodation ~~shall be subject to appeal~~ to the City Council pursuant to the procedures set forth in Chapter 13.24.050 of the Municipal Code.

*Section 13.23.030 (“Development and operational standards”) of Chapter 13.23 (“Emergency Shelters”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (deletions shown with ~~strike-through~~):*

**Sec. 13.23.030. - Development and operational standards.**

Emergency shelters shall comply with all standards provided in this chapter

(a) *Development standards.*

(1) *Location and separation.* Emergency shelters shall be situated more than 300 feet from another emergency shelter.

(2) *Physical characteristics.*

ITEM 8.2 – Exhibit A to Attachment A

- 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.

(b) *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.

***Section 13.26.070 (“Community care facilities”) of Chapter 13.26 (“Special Regulations”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (deletions shown with **strike through**):***

**Sec. 13.26.070. - Community care facilities.**

~~(a) Community care facilities serving six or less persons and large family day care homes shall be permitted in any district or specific plan area zoned for residential uses and shall be regarded as a single-family dwelling for purposes of zoning and land use regulations.~~

~~(b) Community care facilities serving seven to 12 persons, except for large family day care homes, shall be permitted in any district, planned community, or specific plan area zoned for residential subject to the issuance of a use permit by the Planning Commission.~~

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**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833  
(916) 263-2911 / FAX (916) 263-7453  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



October 11, 2022

Christopher Macon, City Manager  
City of Laguna Woods  
24264 El Toro Road  
Laguna Woods, CA 92637

Dear Christopher Macon:

**RE: City of Laguna Wood's 6<sup>th</sup> Cycle (2021-2029) Adopted Housing Element**

Thank you for submitting the City of Laguna Woods (City) housing element adopted and received for review on August 12, 2022. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a telephone conversation on September 30, 2022 with Christopher Macon, City Manager; Rebecca Pennington, Development Program Analyst; Ryan Bensley and Ashley Davis, Principals at LSA Associates, Inc.

The adopted housing element addresses most statutory requirements described in HCD's April 08, 2022 letter; however, additional revisions are necessary to fully comply with State Housing Element Law (Article 10.6 of the Gov. Code), as follows.

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction (Gov. Code, § 65583, subd. (c)(10)(A))*

As stated in the previous review, goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. While the element now includes table AF to demonstrate how programs address fair housing issues, it should still include place-based actions geotargeted to areas of need identified in your Affirmatively Furthering Fair Housing (AFFH) analyses. For example, Census Tract 626.47 scores highest for pollution, Census Tract 626.25 is an outlier in terms of minority composition, Census Tracts 626.22 and 626.25 score lowest in economic

opportunity, and Hispanic and Black populations have lowest access to educational opportunities.

Additionally, actions must have metrics and milestones. While programs include a row for “Quantified Objectives”, many of these are not quantified or contain meaningful metrics. For example, Program H-2.3.1’s quantified objective is “Conforming Code Enforcement Policies.” The City could commit to a metric such as “return approximately X units/year to safe and sanitary conditions. Another example is Program H-2.2.2, which lists the quantitative objective “Report Regarding Investigation; Adopted Incentives (if applicable)”. A quantified metric could be “aim to preserve X at-risk units by end of planning period”.

2. *An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. (Gov. Code, § 65583, subd. (a)(5).)*

*Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)*

While the element details the Reasonable Accommodation policy on pg. B-19 and B-20, the element should also analyze both the public noticing requirements and the finding that “the request 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” for consistency with fair housing requirements. For example, HUD/DOJ guidance states, “For an accommodation to be denied, the requested accommodation must cause an undue financial and administrative burden, or it would fundamentally alter the nature of the provider’s operations.” Based on this analysis, the element may need to revise or add programs and address and remove or mitigate any identified constraints.

The element will meet the statutory requirements of State Housing Element Law once it has been revised and re-adopted to comply with the above requirements.

Pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), a jurisdiction that failed to adopt a compliant housing element within one year from the statutory deadline

cannot be found in compliance until rezones to accommodate a shortfall of sites pursuant to Government Code section 65583, subdivision (c), paragraph (1), subparagraph (A) and Government Code section 65583.2, subdivision (c) are completed. As this year has passed and Program H-1.1.1 has not been completed, the housing element is out of compliance and will remain out of compliance until the rezoning have been completed. Once the City completes the rezone, a copy of the resolution or ordinance should be transmitted to HCD. HCD will review the documentation and issue correspondence identifying the updated status of the City housing element compliance.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City meets housing element requirements for these and other funding sources.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: <https://www.opr.ca.gov/planning/general-plan/guidelines.html>.

HCD appreciates the dedication and efforts Christopher Macon, City Manager; and consultants Ryan Bensley and Ashley Davis, provided throughout the course of the housing element review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Mashal Ayobi, of our staff, at [Mashal.Ayobi@hcd.ca.gov](mailto:Mashal.Ayobi@hcd.ca.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'Melinda Coy', with a long horizontal stroke extending to the right.

Melinda Coy  
Proactive Housing Accountability Chief

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**8.3**  
**2021-2029 GENERAL PLAN HOUSING**  
**ELEMENT UPDATE**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** August 16, 2023 Regular Meeting

**SUBJECT:** 2021-2029 General Plan Housing Element Update

---

### **Recommendation**

Adopt a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING REVISIONS TO THE 2021-2029 GENERAL PLAN HOUSING ELEMENT, AND PROVIDING DIRECTION AND MAKING FINDINGS RELATED TO ADOPTION OF THE 2021-2029 GENERAL PLAN HOUSING ELEMENT PURSUANT TO APPLICABLE STATE LAW

### **Background**

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

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. If the City had not incorporated, the County of Orange would have retained the authority to make land use planning decisions affecting Laguna Woods. With the

City, land use planning is within the purview of the locally elected City Council.

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

*Table 1: City’s Housing Needs Allocation*

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

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

State law requires the City to update its General Plan Housing Element to plan for the 6<sup>th</sup> Cycle RHNA Housing Needs Allocation.

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

The City Council has held seven public meetings preceding today’s meeting to discuss the General Plan Housing Element. Those meetings occurred on:

- May 5, 2021
- May 19, 2021
- June 2, 2021
- July 21, 2021
- February 9, 2022
- August 12, 2022
- March 22, 2023

Agenda materials and other information from previous City Council meetings are available for public review at or from City Hall during normal working hours and on the City’s website ([www.cityoflagunawoods.org/projects](http://www.cityoflagunawoods.org/projects)).

## **Discussion**

Today’s meeting is an opportunity for City Council action, as well as public input, on proposed revisions to the 2021-2029 General Plan Housing Element Update



(Attachment A), based on findings from HCD reported to the City on May 22, 2023. Staff recommends adoption of the proposed resolution.

If the City Council adopts the proposed revised 2021-2029 General Plan Housing Element Update at today's meeting, the General Plan Housing Element would be submitted to HCD for review as required by California Government Code Section 65585. HCD would then have 60 days to report its findings to the City and indicate whether further revisions are necessary to substantially comply with state law.

### HCD Review Findings

On March 23, 2023, the adopted General Plan Housing Element and HCD Housing Element Sites Inventory Form were submitted to HCD for review, as required by California Government Code Section 65585. HCD's findings were reported to the City in a letter dated May 22, 2023 (Attachment B). The proposed revised 2021-2029 General Plan Housing Element Update includes revisions to comply with state law (Attachments C and D).

### HCD Housing Element Sites Inventory Form

California Government Code Section 65583.3 requires the housing sites inventory portion of the General Plan Housing Element to be prepared using standards, form, and definitions adopted by HCD. The information required to complete HCD's Housing Element Sites Inventory Form for the proposed revised 2021-2029 General Plan Housing Element Update is unchanged from the versions adopted by the City Council on February 9, 2022, August 12, 2022, and March 22, 2023 and is included as Attachment F. The electronic spreadsheet version of the information is available on the City's website ([www.cityoflagunawoods.org/projects](http://www.cityoflagunawoods.org/projects)). Interested parties may also contact the City Clerk's Office at [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org) or (949) 639-0512 to obtain an emailed copy of the electronic spreadsheet.

### Environmental Review

The City Council adopted a Negative Declaration for the 2021-2029 General Plan Housing Element Update on February 9, 2022, in conformance with the provisions of the California Environmental Quality Act ("CEQA") per State CEQA Guidelines Section 15070 and in conformance with the Local CEQA Procedures, which found that the 2021-2029 General Plan Housing Element Update will have less than significant effects on the environment.

The proposed revised 2021-2029 General Plan Housing Element Update contains administrative revisions to ensure compliance with State Housing Element Law and remains consistent with the project evaluated in the Initial Study and Negative Declaration for the 2021-2029 General Plan Housing Element Update that was adopted on February 9, 2022. No additional CEQA analysis of the revised 2021-2029 General Plan Housing Element is required.

### **Fiscal Impact**

Sufficient funds to support the preparation and adoption of the 2021-2029 General Plan Housing Element Update are included in the City's budget.

Staff anticipates that supplemental General Fund budget appropriations will be necessary to complete the state-mandated implementation of the programs included in the General Plan Housing Element, the extent of which is not yet known, but will be estimated after HCD finds the 2021-2029 General Plan Housing Element Update and its programs to be in substantial compliance with state law.

- Attachments:
- A – Proposed Resolution
    - Exhibit A – Proposed General Plan Housing Element
  - B – HCD Findings Letter dated May 22, 2023
  - C – Draft City Response to HCD Findings Letters dated May 22, 2023
  - D – Revisions for Proposed General Plan Housing Element (redline)
  - E – Information Required to Complete HCD's Housing Element Sites Inventory Form for the Proposed Revised General Plan Housing Element

**ITEM 8.3**  
**Attachment A**  
Proposed Resolution

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**RESOLUTION NO. 23-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING REVISIONS TO THE 2021-2029 GENERAL PLAN HOUSING ELEMENT, AND PROVIDING DIRECTION AND MAKING FINDINGS RELATED TO ADOPTION OF THE 2021-2029 GENERAL PLAN HOUSING ELEMENT PURSUANT TO APPLICABLE STATE LAW

**WHEREAS**, California Government Code Section 65300 requires every city to adopt a comprehensive, long-term general plan to guide physical development of the city and of any land outside its boundaries which, in the City’s judgment, bears relation to its planning; and

**WHEREAS**, California Government Code Section 65302 requires general plans to include a housing element with specific requirements for form and content set forth in California Government Code Section 65580 et al.; and

**WHEREAS**, California Government Code Section 65588 requires general plan housing elements to be updated on either a five- or eight-year cycle; and

**WHEREAS**, as required by and in accordance with state law, the City prepared an update of its General Plan Housing Element covering the 6th Cycle Planning Period spanning October 2021 through October 2029 and planning for the Regional Housing Needs Assessment’s 6th Cycle Housing Needs Allocation of 997 housing units, which was adopted by the City Council on February 9, 2022 and revised by the City Council on August 12, 2022 and March 22, 2023 (“2021-2029 General Plan Housing Element Update”); and

**WHEREAS**, subsequent to the adoption of the 2021-2029 General Plan Housing Element Update, the City received and considered findings from the California Department of Housing and Community Development (“HCD”) dated May 22, 2023, and made corresponding revisions to comply with state law, which are incorporated into the revised 2021-2029 General Plan Housing Element Update attached hereto as Exhibit A and incorporated herein by this reference; and

**WHEREAS**, based on the factors described in the revised 2021-2029 General Plan Housing Element Update [including, but not limited to, the analysis contained in Exhibit C (Housing Sites Inventory and Analysis) thereto, supported by the goals, policy objectives, and programs set forth in the General Plan Housing

Element], the City Council finds that the existing uses on the 17 potential housing sites identified in the housing sites inventory to accommodate the Regional Housing Needs Assessment for lower income households are likely to be discontinued during the planning period, and therefore do not constitute an impediment to additional residential development during the planning period; and

**WHEREAS**, the City Council adopted a Negative Declaration for the 2021-2029 General Plan Housing Element Update on February 9, 2022, in conformance with the provisions of the California Environmental Quality Act (“CEQA”) per State CEQA Guidelines Section 15070 and in conformance with the Local CEQA Procedures, which found that the 2021-2029 General Plan Housing Element Update will have less than significant effects on the environment; and

**WHEREAS**, the City Council finds that the revised 2021-2029 General Plan Housing Element Update contains administrative revisions to ensure compliance with State Housing Element Law and remains consistent with the project evaluated in the Initial Study and Negative Declaration for the 2021-2029 General Plan Housing Element Update that was adopted on February 9, 2022, and no additional CEQA analysis of the revised 2021-2029 General Plan Housing Element is required; and

**WHEREAS**, the City complied with California Assembly Bill 215 (2021-2022) by (a) posting the draft revised 2021-2029 General Plan Housing Element Update, including the HCD Housing Element Sites Inventory Form, for public review on its website, and (b) emailing a link to the documents to all individuals and organizations that previously requested notices related to the 2021-2029 General Plan Housing Element Update, on August 4, 2023; and

**WHEREAS**, on August 16, 2023, the City Council held a duly noticed public meeting regarding the revised 2021-2029 General Plan Housing Element Update at which the members of the City Council, utilizing their independent judgement, reviewed and considered all of the information, evidence, and testimony presented, both written and oral.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The above recitals are true and correct.

**SECTION 2.** The City Council hereby adopts the revised 2021-2029 General Plan Housing Element Update (Exhibit A), subject to the City Manager modifying the revised 2021-2029 General Plan Housing Element Update to include information regarding the meeting at which it was adopted, including date, time, participation, noticing/posting, public comments, and votes taken/cast.

**SECTION 3.** The City Manager is directed to promptly submit a copy of the adopted revised 2021-2029 General Plan Housing Element Update to HCD, as required by California Government Code Section 65585(g), and to the El Toro Water District, as required by California Government Code Section 65589.7(a).

**SECTION 4.** The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2023.

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CYNTHIA S. CONNERS, Mayor

ATTEST:

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YOLIE TRIPPY, CMC, City Clerk

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS   )

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 23-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2023, by the following vote:

AYES:           COUNCILMEMBERS:  
NOES:           COUNCILMEMBERS:  
ABSENT:        COUNCILMEMBERS:

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YOLIE TRIPPY, CMC, City Clerk



## **ITEM 8.3**

### **Exhibit A to Attachment A**

Proposed General Plan Housing Element

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# CITY OF LAGUNA WOODS GENERAL PLAN HOUSING ELEMENT

**6TH CYCLE (2021-2029)  
AUGUST 2023**



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PROPOSED



## 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



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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



Anticipated Timeline: Calendar Year 2023  
Anticipated Funding: California Senate Bill 2 (2017) Planning Grant  
Quantified Objectives: See Table N in Exhibit C

Note: The rezoning process will 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) complying with applicable provisions of California Government Code Section 65583.2 (h), (i), et al., including accommodating at least 50% of the lower-income housing needs allocation on sites designated for residential use only (for non-mixed use projects) and by requiring residential use to occupy 50% of the total floor area of mixed-use projects, (2) permitting housing projects by right, as required by state law, (3) 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, (4) establishing densities for potential housing sites as specified in Table N in Exhibit C, and (5) 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.* 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.

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

*Program H-1.2.2.* 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



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Anticipated Timeline: Calendar Year 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Webpage and GIS Map Layer

*Program H-1.2.3.* 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 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Market Study and Conforming Ordinance (if applicable) that promotes the development of affordable housing

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-1.2.4.* Adopt an ordinance creating an expedited and fee-reduced lot consolidation process for consolidations involving any one or more adjacent residentially zoned parcels (including, but not limited to, the potential housing sites identified in the Housing Sites Inventory and Analysis (Exhibit C)) for the purpose of incentivizing or making more financially feasible 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 affordable housing units shall be subject to an affordability covenant for at least 55 years.

Primary Responsibility: Planning & Environmental Services Department

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Anticipated Timeline: Calendar Year 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Ordinance; facilitation of expedited and fee reduced lot consolidation processes for all (100%) eligible lot consolidation requests

Note: While the consolidation of potential housing sites is not assumed or relied upon in the implementation of this Housing Element, this program is intended to incentivize and make more financially feasible housing projects.

*Program H-1.2.5.* 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 affordable housing units shall be subject to an affordability covenant for at least 55 years.

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Ordinance; waiver or reduction of City building permit fees for all (100%) eligible housing projects when such eligibility is known to City

*Program H-1.2.6.* 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.



# HOUSING ELEMENT

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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.

- Section 13.15.016(5). Explicitly identify that the required finding for applications for reasonable accommodations to not “result in a direct threat to the health and safety of other individuals or substantial physical damage to the property of others” is to be interpreted consistent with 42 U.S.C. § 3604(f)(9).

Note: The City is required to comply with 42 U.S.C. § 3604(f)(9) 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 2023

Anticipated Funding: General Fund

Quantified Objectives: Conforming Ordinance

*Program H-1.2.7.* Formalize written procedures for the application and processing of housing projects eligible for streamlined, ministerial approval pursuant to California Government Code Section 65913.4.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year 2023

Anticipated Funding: General Fund

Quantified Objectives: Conforming Policy

Note: The City is required to comply with California Government Code Section 65913.4 irrespective of whether procedures are formalized in writing.

*Program H-1.2.8.* Investigate potential incentives for the development of housing projects with features that exceed the minimum requirements



set forth in the California Building Energy Efficiency Standards. If feasible and economical, adopt such incentives.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Within 11 Months of Each Triennial California Building Standards Code Effective Date for Investigation

Anticipated Funding: General Fund

Quantified Objectives: Report Regarding Investigation; Adopted Incentives (if applicable) that result in the development of housing projects with features that exceed the minimum requirements set forth in the California Building Energy Efficiency Standards for 15% or more of housing projects over the 10/2021 - 10/2029 planning period

*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 permit supportive housing by right in all zoning districts where multifamily and mixed uses are permitted.

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 applicable 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.
- Sections 13.15.015 and 13.15.017. Remove the public noticing requirements for applications for reasonable accommodations.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year 2023

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.

Note: While the creation of accessory dwelling units is not assumed or relied upon in the implementation of this Housing Element, this policy objective and programs H-1.4.1 through H-1.4.3 are intended to comply with state law and encourage the creation of accessory dwelling units when such interest exists.

*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  
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 related to emergency shelters, including amending the ordinance as necessary.

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Ongoing  
Anticipated Funding: General Fund



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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 and/or expand existing affordability covenants beyond the planned expiration date and/or current number of housing units, with an emphasis on incentivizing (i) affordability covenants for extremely low and very low income housing units, and (ii) affordability covenants that apply to housing units in a range of sizes. 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) that result in affordability covenants being extended and/or expanded beyond the planned expiration date and/or current number of housing units for 25% or



more of subject housing units over the 10/2021 - 10/2029 planning period

*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 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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with disabilities. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Ordinance and Flyer, and Evidence of Outreach; waiver or reduction of City building permit fees for all (100%) eligible improvements when such eligibility is known to City; outreach to 50% of residential addresses in census tracts falling



within the lowest 50% of economic domain scores from the TCAC/HCD Opportunity Map assigned to census tracts within Laguna Woods

*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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with special needs. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.

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 and Evidence of Outreach; provision of financial assistance benefiting four or more housing units per 12-month period; outreach to 50% of residential addresses in census tracts falling within the lowest 50% of economic domain scores from the TCAC/HCD Opportunity Map assigned to census tracts within Laguna Woods

*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; resolve 25% or more proactive code enforcement cases related to housing-related rehabilitation needs within 12 months of initiation



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 for all persons.*

*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, businesses, and educational institutions. Prioritize improvements based on factors including:*

- The California Office of Environmental Health Hazard Assessment's California Communities Environmental Health Screening Tool ("CalEnviroScreen") scores for individual census tracts, with an emphasis on undertaking improvements in and around Census Tract 626.47 due to its comparatively higher CalEnviroScreen score, as feasible and economical; and
- Education domain scores from the California Tax Credit Allocation Committee ("TCAC")/HCD Opportunity Map, with an emphasis on undertaking improvements in and around Census Tract 626.22 due to its comparatively lower scores, as feasible and economical.

Primary Responsibility: Engineering & Infrastructure Services Department

Anticipated Timeline: Ongoing (as funding permits)

Anticipated Funding: Community Development Block Grants (CDBG)

Quantified Objectives: Ongoing Effort; expend 15% or more of monies allocated to pedestrian accessibility improvements in and around census tracts falling within the highest 50% of CalEnviroScreen scores assigned to census tracts within Laguna Woods and within the lowest 50% of education domain scores from the TCAC/HCD Opportunity Map assigned to census tracts within Laguna Woods

Note: "Monies allocated to pedestrian accessibility improvements" does not include the proceeds of disaster relief or recovery awards; grant awards for which eligibility or competitiveness considerations resulted in applications or the acceptance of monies for work not wholly consistent with this program;



restricted donations; monies allocated to address emergencies or other time-sensitive matters of public health, safety or welfare; or, similar monies.

*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) that benefit four or more households per 12-month period

Note: The services called for in this program are intended to reach a broad audience. Strategies for doing so may include utilizing a variety of methods; marketing services in a broad, proactive, accessible, and multilingual manner, including targeting specific areas and needs; providing remote participation opportunities for ease of access for the general public, including persons with disabilities; and, consulting with relevant organizations. Translation services and reasonable accommodations for persons with disabilities will be provided in accordance with applicable law and City policy.

*Program H-3.1.3.* Adopt an ordinance waiving or reducing City building permit fees, or providing other incentives, for housing projects that prepare and implement an affirmative marketing plan designed to attract renters or buyers of diverse demographics, including persons of any race, color, religion, sex, handicap, familial status, or national origin. Prioritize incentives based on factors including racial concentrations from U.S. Census Bureau data products, with an emphasis on avoiding the creation of geographically discernable patterns of segregation or racially concentrated areas of poverty.

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2023  
Anticipated Funding: General Fund  
Quantified Objectives: Conforming Ordinance; preparation and implementation of affirmative marketing plans by



50% or more of housing projects over the 10/2021 - 10/2029 planning period

*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; referral of all (100%) service-interested residents when such service-interest is known to City

*Program H-3.2.2.* Pursue partnerships and seek funding to provide Laguna Woods-based housing mediation, foreclosure assistance, tenant legal counseling services, and vocational 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) that benefit four or more households per 12-month period

Note: The services called for in this program are intended to reach a broad audience. Strategies for doing so may include utilizing a variety of methods; marketing services in a broad, proactive, accessible, and multilingual manner, including targeting specific areas and needs; providing remote participation opportunities for ease of access for the general public, including persons with disabilities; and, consulting with relevant organizations. Translation services and reasonable accommodations for persons with disabilities will be provided in accordance with applicable law and City policy.

*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. Prioritize improvements based on factors including economic domain scores from the TCAC/HCD Opportunity Map for individual census tracts, with an emphasis on undertaking improvements in and around census tracts 626.22 and 626.48 due to their comparatively lower scores, as feasible and economical.

Primary Responsibility: Public Safety Services Department  
Anticipated Timeline: Calendar Year 2025 for Investigation  
Anticipated Funding: General Fund  
Quantified Objectives: Report Regarding Investigation;  
Implemented Measures (if applicable); expend 15% or more of monies allocated to hazard mitigation measures in and around census tracts falling within the lowest 50% of economic domain scores from the TCAC/HCD Opportunity Map assigned to census tracts within Laguna Woods

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: "Monies allocated to hazard mitigation measures" does not include the proceeds of disaster relief or recovery awards; grant awards for which eligibility or competitiveness considerations resulted in applications or the acceptance of monies for work not wholly consistent with this program; restricted donations; monies allocated to address emergencies or other time-sensitive matters of public health, safety or welfare; or, similar monies.

*Program H-3.2.4.* Investigate potential incentives for property owners of apartment and cooperative housing units for which tenants pay usage-based energy costs to make energy efficiency improvements that exceed the minimum requirements set forth in the California Building Energy Efficiency Standards. If feasible and economical, implement such incentives. Prioritize incentives for residents residing in census tracts 626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.





Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2024 for Investigation  
Anticipated Funding: General Fund  
Quantified Objectives: Report Regarding Investigation;  
Implemented Measures (if applicable); expend 50%  
or more of monies allocated to providing rental  
relief for residents residing in the census tracts  
identified in this Housing Element as susceptible to  
displacement and having the highest renter  
vulnerability indices

*Program H-3.2.5.* Investigate opportunities to provide rental relief for residents at risk for homelessness. If feasible and economical, implement such opportunities. Prioritize rental relief for residents residing in census tracts 626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.

Primary Responsibility: Planning & Environmental Services Department  
Anticipated Timeline: Calendar Year 2024 for Investigation  
Anticipated Funding: General Fund  
Quantified Objectives: Report Regarding Investigation;  
Implemented Measures (if applicable); expend 50%  
or more of monies allocated to providing rental  
relief for residents residing in the census tracts  
identified in this Housing Element as susceptible to  
displacement and having the highest renter  
vulnerability indices

Note: Programs H-1.2.3 (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



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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 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-4.1.2. Prepare and submit an annual report to the City Council, California Governor's Office of Planning and Research, and HCD with:*

- The 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 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 E – Public Participation Efforts



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**EXHIBIT A**

**HOUSING NEEDS ASSESSMENT**

**CITY OF LAGUNA WOODS**

PROPOSED

**LSA**

August 2023

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PROPOSED

# HOUSING NEEDS ASSESSMENT

## CITY OF LAGUNA WOODS

Submitted to:

City of Laguna Woods  
24264 El Toro Road  
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Prepared by:

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Project No. LWD2101

# LSA

August 2023

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**LIST OF ABBREVIATIONS AND ACRONYMS**

AB	Assembly Bill
ACS	American Community Survey
ADA	Americans with Disabilities Act
AFFH	Affirmatively Furthering Fair Housing
AMI	area median income
CalEnviroScreen	California Communities Environmental Health Screening Tool
CBC	California Building Code
CC	Community Commercial
CIP	Capital Improvement Program
City	City of Laguna Woods
CoC	Continuum of Care
County	County of Orange
CUP	Conditional Use Permit
DDS	California Department of Developmental Services
FHA	Fair Housing Act
FHCOC	Fair Housing Council of Orange County
FHEO	Fair Housing Enforcement and Outreach
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
R/ECAP	racially/ethnically concentrated area of poverty
RC	Residential Community
RCAA	Racially Concentrated Areas of Affluence
RHNA	Regional Housing Needs Assessment
RMF	Residential Multifamily
SCAG	Southern California Association of Governments
TCAC	California Tax Credit Allocation Committee

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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)**

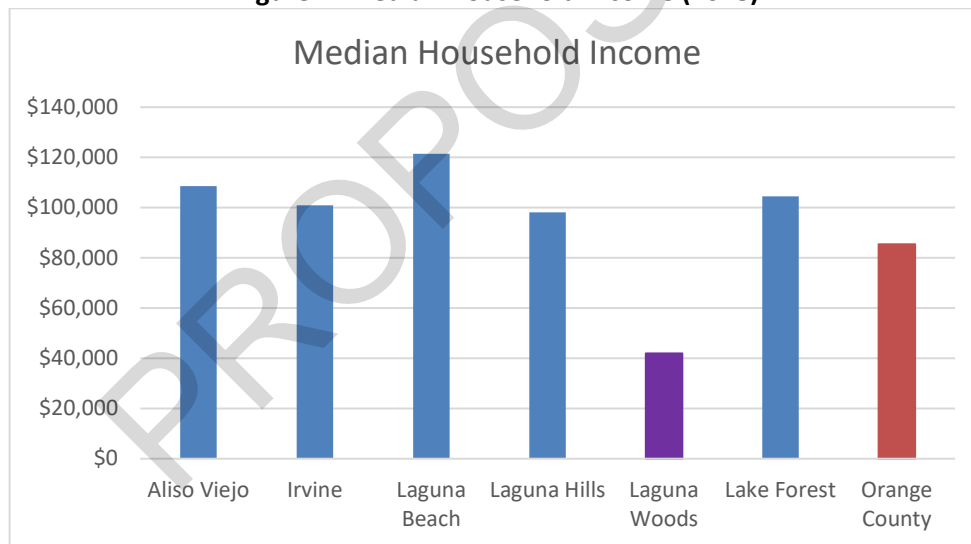


Table G shows the number of Laguna Woods households living within the HCD income categories described above for 2010 and 2017. The number of households within the very low- and low-income categories has decreased overall since 2010. As of 2017, approximately 69 percent of Laguna Woods households fell 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 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%
<b>Total</b>	<b>2,690</b>	<b>100.0%</b>	<b>8,560</b>	<b>100.0%</b>

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%

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 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>

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

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

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

**1.2.3.7 Farmworkers**

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

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 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



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

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

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

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.

### 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 types 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.

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

	Annual Income Limits	Affordable Monthly Housing Cost	Utility Allowance (2020)	Taxes, Insurance and HOA	Affordable Home Price	Affordable 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

**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 and Orange County by tenure. As shown in Table U, overpayment impacts 70 percent and 53 percent of renter households in Laguna Woods and Orange County, respectively. Overpayment impacts nearly 41 percent and 31 percent of owner households in Laguna Woods and Orange County, respectively. More renter households are also impacted by severe cost burden, compared to owner households in both the City and the County. Laguna Woods has a higher percentage of cost burdened and severely cost burdened households among both renter and owner households.

**Table U: Cost Burden by Tenure**

	Renter Households		Owner Households		Total Households	
	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total
<b>Laguna Woods</b>						
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>
<b>Orange County</b>						
With Cost Burden >30%	230,720	52.9%	184,825	31.4%	415,545	40.5%
With Cost Burden >50%	118,650	27.2%	79,255	13.5%	197,905	19.3%
<b>Total</b>	<b>436,425</b>	<b>100.0%</b>	<b>588,550</b>	<b>100.0%</b>	<b>1,024,975</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.

**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).

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).

<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).

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

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

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 Laguna Woods) including community education, individual counseling, mediation, and low-cost advocacy. The FHCOC investigates claims of housing discrimination and assists with referrals to the California Department of Fair Employment and Housing, the State agency that investigates complaints of employment and housing discrimination. 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.

The Orange County Analysis of Impediments to Fair Housing Choice (dated May 27, 2020) (Orange County AI), prepared by the Lawyers' Committee for Civil Rights Under Law, examines "structural barriers to fair housing choice and access to opportunity for members of historically marginalized groups protected from discrimination by the federal Fair Housing Act (FHA)." According to the Orange County AI, the FHCOC received 363 allegations of housing discrimination between 2015 and 2019 within the Urban County (which includes Laguna Woods). Of those allegations, 179 cases were opened within the Urban County "where the allegations seemed sufficiently meritorious to warrant further investigation and/or action" and testing included "362 systemic onsite tests, either paired or 'sandwich', 51 tests occurring in the jurisdiction and 215 other testing activities." The number of fair housing cases and tenant/landlord issues addressed by FHCOC represents approximately 0.03 percent of the population and four percent of households in the Urban County area.

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.

The City complies with existing fair housing laws and regulations, including by explicitly prohibiting discrimination against persons receiving housing assistance (Section 13.25.110(h) of the City's Zoning Code). A review of the City's Zoning Code and other policies and regulations conducted as part of the preparation of this Housing Element found no instances of inconsistency with existing fair housing laws and regulations, nor any regulatory impediments to the City's ability to investigate complaints, obtain remedies, or engage in fair housing testing.

Chapter 1.06 of the City's Municipal Code, which enables the use of administrative citations and civil fines for code enforcement, defines "code" as including "the Building Code, and all Uniform Codes or other codes or regulations of the State of California or the County of Orange or otherwise applicable to the City of Laguna Woods," in addition to City-adopted ordinances. The City Manager possess broad authority pursuant to Section 1.06.020(25) of the City's Zoning Code to designate any officer, agent or employee of the City to enforce provisions of the code.



Housing-related code enforcement is currently provided under contract by two professional firms with extensive qualifications and experience – Interwest Consulting Group (focusing on building issues) and Willdan Engineering (focusing on zoning and quality of life issues, as well as providing support for building issues). Both contracts allow for an expansion of base services on an “as-needed” basis (e.g., to handle increased or unusually complex cases), as well as access to technical experts (e.g., Certified Access Specialists) when necessary. The City’s Development Programs Analyst manages both contracts and provides staff-level oversight of code enforcement services. When necessary, legal and litigation services for housing-related code enforcement is provided by Rutan & Tucker, LLP in that firm’s role as City Attorney.

After considering the AFFH analysis contained in this Housing Needs Assessment, the City has concluded that enhanced fair housing-related outreach could benefit existing and prospective residents of Laguna Woods. To that end, programs H-3.1.2, H-3.2.1, and H-3.2.2 are included and consistent with HCD’s AFFH guidance memorandum dated April 2021 in that they involve a variety of methods, proactive marketing, language access, accessibility for persons with disabilities, and consultation with relevant organizations. The alignment of those programs with HCD guidance and assessment of contributing factors is further described in Tables AB and AC.

#### 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 depicted in Table K in Exhibit C, Housing Sites Inventory, 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, the neighboring cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, and each of the eight census tracts that are partially or entirely within Laguna Woods.

As Table Y indicates, the White population is the largest race/ethnic group in each of the census tracts in Laguna Woods as well as within Orange County and all neighboring cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest. There is also a large Asian population that is uniformly present in each of Laguna Woods’ eight census tracts, and within the cities surrounding Laguna Woods with a slightly larger percentage of Asians (33.3 percent) present in Census Tract 626.21.

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

Jurisdiction	White <sup>1</sup>	Black or African American <sup>1</sup>	American Indian and Alaska Native <sup>1</sup>	Asian <sup>1</sup>	Native Hawaiian and Pacific Islander <sup>1</sup>	Some other Race or Two or More Races <sup>1</sup>	Hispanic or Latino (of any race) <sup>1</sup>	Median Household Income <sup>2</sup>
Orange County	61.0%	1.8%	0.5%	20.5%	0.3%	16.0%	34.1%	\$90,234
Laguna Woods	76.3%	0.7%	0.1%	19.7%	0.0%	3.2%	5.8%	\$44,020
Aliso Viejo	80.0%	2.4%	0.5%	15.6%	0.1%	11.4%	18.1%	\$112,689
Laguna Hills	70.9%	1.5%	0.1%	14.7%	0.1%	12.9%	22.0%	\$100,985
Laguna Beach	89.5%	0.8%	0.1%	3.8%	0.0%	5.7%	8.2%	\$129,983
Lake Forest	65.9%	2.2%	1.0%	18.8%	0.1%	11.9%	21.9%	\$109,492
Census Tract 626.21	61.5%	1.6%	0.1%	9.6%	0.0%	7.2%	12.6%	\$111,425
Census Tract 626.22	78.2%	0.4%	0.0%	19.0%	0.0%	2.4%	7.9%	\$44,119
Census Tract 626.25	64.1%	0.3%	0.0%	12.9%	0.0%	22.8%	32.5%	\$45,214
Census Tract 626.41	65.4%	1.6%	0.0%	18.1%	0.0%	14.8%	22.0%	\$88,986
Census Tract 626.46	72.9%	2.9%	0.0%	19.2%	0.0%	5.0%	7.0%	\$41,875
Census Tract 626.47	67.4	3.7%	0.3%	17.3%	0.0%	11.2%	21.8%	\$54,327
Census Tract 626.48	75.6%	0.0%	0.0%	19.3%	0.0%	5.0%	4.2%	\$45,000
Census Tract 626.49	79.3%	0.0%	0.0%	17.2%	0.0%	3.4%	11.8%	\$60,254

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

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

The only census tract with a slightly outlying ethnic composition is Census Tract 626.25, where 32.5 percent of the population is Hispanic or Latino (of any race). The surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest all have average percentages of Hispanic population. As shown in Table Y, the median household income in Census Tract 626.21 (\$111,425) is substantially higher than Laguna Woods overall. The median household incomes in all cities surrounding Laguna Woods are also substantially larger than the median household income in Laguna Woods and most of its census tracts, which is indicative of the nature of Laguna Woods as being a community mostly consisting of retired people. This information points to the absence of R/ECAPs in Laguna Woods, the surrounding jurisdictions of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, and the region.

Table Z provides a breakdown of the percentage of White population and median household income (for all households and White households), which may be used as a determinant of areas of affluence, consistent with State guidance. This information is then used to determine whether there are any Racially Concentrated Areas of Affluence (RCAs) within Laguna Woods and address whether there are any RCAs in the region.

**Table Z: White Median Household Income and Population**

	<b>Orange County</b>	<b>Laguna Woods</b>	<b>Aliso Viejo</b>	<b>Laguna Hills</b>	<b>Laguna Beach</b>	<b>Lake Forest</b>
All Households Median Household (HH) Income <sup>1</sup>	\$90,234	\$44,020	\$112,689	\$100,985	\$129,983	\$109,492
White Median HH Income <sup>2</sup>	\$94,082	\$43,524	\$113,104	\$102,776	\$132,063	\$111,823
Black Median HH Income <sup>3</sup>	\$76,136	\$48,750	\$109,135	\$191,845	-	\$101,250
Hispanic Median HH Income <sup>4</sup>	\$68,971	\$24,250	\$104,140	\$77,107	\$76,518	\$83,002
Asian Median HH Income <sup>5</sup>	\$93,777	\$54,440	\$125,000	\$90,337	\$118,854	\$112,048
Percent White Population <sup>6</sup>	61.0%	76.3%	80.0%	70.9%	89.5%	65.9%

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

<sup>2</sup> American Community Survey 2019 5-Year Estimates. Table B19013A.

<sup>3</sup> American Community Survey 2019 5-Year Estimates. Table B19013B.

<sup>4</sup> American Community Survey 2019 5-Year Estimates. Table B19013I.

<sup>5</sup> American Community Survey 2019 5-Year Estimates. Table B19013D.

<sup>6</sup> American Community Survey 2019 5-Year Estimates. Table DP05.

The median income of all households as well as White households in Laguna Woods is lower than the median income of all households and White households in Orange County. The 2015–2019 ACS 5-Year Estimates show that in Laguna Woods, the median household income for Hispanic residents is \$24,250, for White residents is \$43,524, for Black residents is \$48,750, and for Asian residents is \$54,440. Based on this information, Laguna Woods is not an area of affluence. Additionally, based on the information in Table Z related to household incomes of minority populations within the region, Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest are areas of affluence due to their median household incomes being higher than Orange County and due to their high percentage of White population. Additionally, there are disparities in the income levels among the four cities' minority groups, especially among all minorities versus the ethnically Hispanic population.

#### 1.4.1.3 Access to Opportunities

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 (environmental, economic, education, and poverty and racial segregation) which are made up of their own sets of indicators. Figure 6 in Exhibit C, Housing Sites Inventory, depicts the Laguna Woods census tracts and their TCAC Opportunity Area categorization based on their composite scores. Table AA 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.

**Table AA: 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.

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 AB takes an in-depth look at all census tracts that are not categorized as high resource areas.

**Table AB: Low and Moderate TCAC Resource Level Census Tracts in Laguna Woods (2020)**

Census Tracts							
	626.21	626.22	626.25	626.41	626.46	626.47	626.48
TCAC Resource Level <sup>1</sup>	Moderate (Rapidly Changing)	Low	Moderate	Moderate (Rapidly Changing)	Low	Low	Low
TCAC Economic Score <sup>1</sup>	0.74	0.005	0.132	0.598	0.021	0.127	0.002
TCAC Education Score <sup>1</sup>	0.38	0.203	0.503	0.442	0.291	0.343	0.388
TCAC Environmental Score <sup>1</sup>	0.516	0.542	0.787	0.821	0.799	0.511	0.925
Race/Ethnicity <sup>2</sup>							
White	61.5%	78.2%	64.1%	65.4%	72.9%	67.4%	75.6%
Black	1.6%	0.4%	0.3%	1.6%	2.9%	3.7%	0.0%
Asian/Pacific Islander	9.6%	19.0%	12.9%	18.1%	19.2%	17.3%	19.3%
Some Other Race or Two or More Races	7.2%	2.4%	22.8%	14.8%	5.0%	11.2%	5.0%
Hispanic (of any race)	7.9%	7.9%	32.5%	22.0%	7.0%	21.8%	4.2%
% of Population in Poverty <sup>3</sup>	7.7%	13.7%	12.4%	3.3%	10.6%	15.7%	12.9%
% of Population that is Disabled <sup>4</sup>	7.2%	22.6%	14.1%	13.8%	25.4%	16.9%	26.4%
Total #/Type of Housing <sup>5</sup>	4,623 units	2,535 units	1,960 units	2,024 units	2,425 units	2,351 units	1,862 units
Single Family Home	63.0%	21.7%	43.4%	61.2%	40.8%	33.5%	45.9%

**Table AB: Low and Moderate TCAC Resource Level Census Tracts in Laguna Woods (2020)**

Census Tracts							
	626.21	626.22	626.25	626.41	626.46	626.47	626.48
TCAC Resource Level <sup>1</sup>	Moderate (Rapidly Changing)	Low	Moderate	Moderate (Rapidly Changing)	Low	Low	Low
Multi-family Home	37.0%	71.4%	56.6%	38.8%	59.2%	66.5%	54.1%
Age of Housing Stock <sup>6</sup>							
< 30 yrs old	3,024	149	77	865	159	314	23
> 30 yrs old	1,935	2,670	2,006	1,356	2,544	2,315	2,088
% Owner/% Renter HH <sup>5</sup>	51.0% Owner 79.0% Renter	70.5% Owner 29.5% Renter	72.1% Owner 27.9% Renter	61.5% Owner 38.5% Renter	83.2% Owner 16.8% Renter	45.2% Owner 54.8% Renter	68.1% Owner 31.9% Renter
% HH with Burden <sup>7</sup>	36.4%	52.9%	46.1%	50.7%	38.3%	55.5%	48.8%

<sup>1</sup> California Fair Housing Task Force, TCAC/HCD Opportunity Maps, 2020 Statewide Summary Table.

<sup>2</sup> American Community Survey, 2019 5-Year Estimates. Table DP05

<sup>3</sup> American Community Survey 2019 5-Year Estimates. Table S1701.

<sup>4</sup> American Community Survey 2019 5-Year Estimates. Table S1810.

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

<sup>6</sup> American Community Survey 2019 5-Year Estimates. Table B25034.

<sup>7</sup> HUD AFFH Mapping and Data Tool. Map 6 – Housing Problems. Website: <https://egis.hud.gov/affht/> (accessed May 6, 2022).

Seven of the eight census tracts in Laguna Woods have a moderate or low TCAC resource level. The surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest have comparatively higher TCAC resource levels than Laguna Woods.<sup>4</sup>

In order to assist with the long-term development of funding for major capital improvement projects to tackle the moderate to low resources in various parts of Laguna Woods, the City has adopted an 11-year Capital Improvement Program (CIP), which is updated and readopted on an annual basis. Table AC contains a list of CIP projects approved for the City for fiscal years 2023–2032, as of May 2022, and the census tract(s) where they are located.

**Table AC: CIP Projects in Laguna Woods**

Fiscal Year	Project	Fund Name	Funds	Census Tract(s)
2023–2024	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$309,800	626.46 and 626.41
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7	Community Development Grant (CDBG) Fund	\$150,000	Various
2024–2025	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$270,600	626.46 and 626.41
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8	CDBG Fund	\$150,000	Various

<sup>4</sup> California Tax Credit Allocation Committee (TCAC). 2020 Opportunity Maps. Website: <https://belonging.berkeley.edu/tcac-opportunity-map-2020> (accessed May 6, 2022).

**Table AC: CIP Projects in Laguna Woods**

Fiscal Year	Project	Fund Name	Funds	Census Tract(s)
2025–2026	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$244,200	626.48 and 626.49
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9	CDBG Fund	\$150,000	Various
2026–2027	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$253,100	626.48 and 626.49
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 10	CDBG Fund	\$150,000	Various
2027–2028	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$240,900	626.41 and 626.48
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 11	CDBG Fund	\$150,000	Various
2028–2029	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$238,200	626.41 and 626.48
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 12	CDBG Fund	\$150,000	Various
2029–2030	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$320,800	626.48
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 13	CDBG Fund	\$150,000	Various
2030–2031	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	TBD	TBD
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 14	CDBG Fund	\$150,000	Various
2031–2032	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	TBD	TBD
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 15	CDBG Fund	\$150,000	Various

Source: City of Laguna Woods Fiscal Years 2021-2023 Budget & Work Plan. Website: <https://www.cityoflagunawoods.org/wp-content/uploads/2021/06/2021-06-23-Adopted-Fiscal-Years-2021-23-Budget-Work-Plan-Website.pdf> (accessed May 6, 2022).

**Education.** The Orange County AI details the various structural barriers to fair housing choice and access to opportunity for members of historically marginalized groups protected from discrimination by the federal Fair Housing Act (FHA). The Orange County AI uses the educational opportunity index, a value derived from data assembled by the California Fair Housing Task Force, to assess educational opportunity. The following disparities in access to education exist in Orange County:

1. Across all census tracts in Orange County, non-Hispanic Whites enjoy the best access to educational opportunity (index score of about 59) and non-Hispanic Asians have the second-highest access to educational opportunity (index score of 53). Hispanics have the lowest access to these opportunities (index score of 31), with non-Hispanic Blacks in between (index score of 46).
2. The cities of Aliso Viejo, Huntington Beach, Irvine, Laguna Niguel, La Palma, Mission Viejo, and Rancho Santa Margarita score highly (index score of 60 or above) on educational opportunity across all racial categories.
3. San Juan Capistrano has relatively low access to educational opportunity, scoring below 10 on the index for all racial categories. San Clemente, Anaheim, and Santa Ana fare similarly poorly, although non-Hispanic Whites score higher (index score of 39) than other race/ethnic groups in Santa Ana. Buena Park, Costa Mesa, Garden Grove, Orange, La Habra, and Westminster are other cities that struggle with educational opportunity, all with scores in the 30s to 40s on the composite education index.
4. A few cities have educational opportunity patterns that mirror those of Orange County overall. Non-Hispanic Whites in Fountain Valley enjoy good access to educational opportunity (index scores of about 60), whereas Hispanics in the city do not (index score of about 30). In both Fullerton and Tustin, non-Hispanic Whites and Asians have much better access to educational opportunity than Blacks and Hispanics.

The census tracts in Laguna Woods score relatively low in terms of access to educational opportunity, with indices ranging from 20 to 50. These low scores may reflect the nature of the city as one in which most of its residents live in retirement communities. The lowest educational opportunity scores are in Census Tract 626.22 (20) and the highest educational opportunity scores are in Census Tract 626.25 (50). Census Tract 626.22 is located in the northeastern portion of Laguna Woods.

Further, as shown in the Southern California Association of Governments (SCAG) Local Profiles 2021 dataset, none of the City's residents were enrolled in public school from 2000 to 2020; therefore, Laguna Woods has not seen a change in public school enrollment since 2000.<sup>5</sup> These data reflect the City's status as a community mostly consisting of retired people. Laguna Woods does not have its own school district; it is served by the Laguna Beach Unified School District, Saddleback Valley Unified School District, and Capistrano Unified School District. Table AD below summarizes the demographic characteristics of the three school districts according to the California Department of Education's School Dashboard website.

**Table AD: School Districts Serving Laguna Woods**

	Laguna Beach Unified School District <sup>1</sup>	Saddleback Valley Unified School District <sup>2</sup>	Capistrano Unified School District <sup>3</sup>
<b>Race/Ethnicity</b>			
White	71.5%	40.4%	54.1%

<sup>5</sup> Southern California Association of Governments (SCAG). 2021 Local Profiles Dataset. Website: [https://scag.ca.gov/sites/main/files/file-attachments/2021\\_local\\_profiles\\_dataset.xlsx](https://scag.ca.gov/sites/main/files/file-attachments/2021_local_profiles_dataset.xlsx) (accessed May 9, 2022).

**Table AD: School Districts Serving Laguna Woods**

	Laguna Beach Unified School District <sup>1</sup>	Saddleback Valley Unified School District <sup>2</sup>	Capistrano Unified School District <sup>3</sup>
Asian	4.9%	8.7%	6.6%
Two or More Races	8.2%	7.4%	6.6%
Hispanic	12.0%	37.3%	27.1%
Filipino	1%	3.5%	1.8%
African American	0.9%	1.2%	0.8%
English Learners	2.4%	17.8%	9.6%
Homeless	0.3%	5.0%	5.8%
Socioeconomically Disadvantaged	12.0%	30.2%	25.4%
Students with Disabilities	11.1%	12.9%	12.2%
Graduation Rate <sup>4</sup>	97.9%	89.3%	96.8%

<sup>1</sup> California Department of Education. California School Dashboard. Website: <https://www.caschooldashboard.org/reports/3066555000000/2021> (accessed May 9, 2022).

<sup>2</sup> California Department of Education. California School Dashboard. Website: <https://www.caschooldashboard.org/reports/3073635000000/2021> (accessed May 9, 2022).

<sup>3</sup> California Department of Education. California School Dashboard. Website: <https://www.caschooldashboard.org/reports/3066464000000/2021> (accessed May 9, 2022).

<sup>4</sup> California Department of Education. Dashboard Additional Report – Graduation Rate. Website: <https://www6.cde.ca.gov/californiamodel/gradreport?&year=2021&cdcode=3066555&scode=&reporttype=schools> (accessed May 9, 2022).

According to the California Department of Education, the statewide graduation rate is 86.8 percent. As shown in Table AD, the Laguna Beach Unified School District, Saddleback Valley School District, and Capistrano Unified School District all have graduation rates that exceed the statewide graduation rate.

**Economic.** The Orange County AI uses the Educational Opportunity index, a value derived from data assembled by the California Fair Housing Task Force, to assess economic opportunity. The following disparities in access to economic opportunity exist in Orange County:

1. Non-Hispanic White residents have the greatest access to economic opportunity. Asian and Pacific Islander residents (index score of 49), Native Americans (index score of 46), and Black residents (index score of 46) have lower index scores in the high to mid-40s. Hispanic residents (index score of 32) have the lowest access to economic opportunity of all racial and ethnic groups in Orange County.
2. Among residents living below the poverty line, White residents have the highest economic opportunity score (index score of 30) followed by Black residents (index score of 27) and Asian Americans and Pacific Islanders (index scores of 23). Low-income Native Americans and Hispanic residents have the lowest economic opportunity scores (index scores of 19).
3. There are major disparities in economic opportunity scores across racial/ethnic groups in cities in Orange County.
4. Economic opportunity index scores are generally lower in North Orange County than in South Orange County. Scores are especially low in Westminster, Garden Grove, and much of Santa Ana and Anaheim. Scores are generally high in much of Irvine, La Palma, and Tustin and along the coast



from Newport Beach to Laguna Niguel as well as in unincorporated areas near the eastern border with Riverside County.

5. Areas in Orange County with the highest index scores tend to have large concentrations of non-Hispanic and Asian residents. By contrast, areas with the highest concentration of Hispanic residents tend to have lower economic opportunity index scores.

The census tracts in Laguna Woods have varied scores in economic opportunity, with indices ranging from 0.2 to 75. The census tracts with the lowest economic opportunity indices are Census Tract 626.22 (index score of 0.5), 626.25 (index score of 13.2), 626.46 (index score of 2.1), 626.47 (index score of 12.7), and 626.48 (index score of 0.2). These census tracts are located mostly in the eastern and southeastern portions of Laguna Woods and have resource levels of “Low” or “Moderate.”

According to the Orange County AI, the economic opportunity index is a composite of four indicators depicting elements of neighborhood socio-economic character. These indicators are poverty, adult education, employment, and proximity to jobs. The SCAG 2019 Local Profiles indicate that the total number of jobs in Laguna Woods numbered 5,491, which is a 3.7 percent decrease from 2007.<sup>6</sup> The report also stated that the mean travel time to work for Laguna Woods was 26 minutes, whereas the mean travel time to work for Orange County as a whole was 27.9 minutes. According to the HUD AFFH Data Viewer, Laguna Woods has a lower labor market index than the surrounding communities including Aliso Viejo, Laguna Beach, Laguna Hills, and Lake Forest. Census Tract 626.46 has the lowest labor market index, with a score of 28.<sup>7</sup> Laguna Woods is similar to cities in central and northern Orange County, like Santa Ana, Garden Grove, and Westminster, which all have lower labor market engagement than cities in southern Orange County. Much of the low labor market indices in Laguna Woods are due to the City’s status as a community mostly consisting of retired people.

**Transportation.** According to the Orange County AI, the following disparities in access to low-cost transportation exist in Orange County:

1. Non-Hispanic Whites have the lowest scores (index score of 34). Asians and Pacific Islanders as well as Native Americans have an index score of 38. Black residents have a score of 39, while Hispanic residents have the highest score (index score of 42).
2. Regionally, low transportation cost index scores are similar for all racial and ethnic groups. Non-Hispanic Whites and Native Americans both have a score of 19, Asians/Pacific Islanders as well as Hispanics have a score of 20, and Black residents have a score of 21.
3. Low transportation cost index scores as well as transit index scores are generally higher in North Orange County than in South Orange County. Scores are generally higher in cities with greater

<sup>6</sup> SCAG. Local Profiles Report 2019. Website: [https://scag.ca.gov/sites/main/files/file-attachments/laguna\\_woods\\_localprofile.pdf?1606012702](https://scag.ca.gov/sites/main/files/file-attachments/laguna_woods_localprofile.pdf?1606012702) (accessed May 9, 2022).

<sup>7</sup> HUD AFFH Mapping and Data Tool – Map 9 Demographics and Labor Market. Website: <https://egis.hud.gov/affht/> (accessed May 9, 2022).

levels of density. Generally, North Orange County cities have a variety of residential living patterns with varying levels of density.

While the percentage of Laguna Woods residents using transit to commute to work has increased by 67 percent (0.9 percent in 2000 to 1.5 percent in 2019), Laguna Woods still has a relatively low percentage of residents that commute via public transit. The number of residents who commute to work via bicycle or walking has decreased by 57 percent from the year 2000 to 2018.

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.

**Environmental.** The Orange County AI uses the environmental opportunity index, a value derived from indicators from the exposures and environmental effects subcomponents of the “pollution burden” domain of CalEnviroScreen 3.0, to assess environmental opportunity. The following disparities in access to environmental opportunity exist in Orange County:

1. Across all tracts in Orange County, non-Hispanic Whites exhibit the highest access to environmentally healthy neighborhoods (index score of about 54). All other racial/ethnic groups obtain lower index scores in the 40s: Hispanics score lowest at 41, followed by non-Hispanic Blacks (index score of 45), non-Hispanic Asian/Pacific Islander (index score of 47), and non-Hispanic Native Americans (index score of 48).
2. Jurisdictions with the highest environmental opportunity appear to have primarily large concentrations of non-Hispanic Whites and Asian/Pacific Islanders. Lower-scoring cities exhibit a diversity of residential patterns.

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 AE. 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 AE: 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.

#### 1.4.1.4 Assessment of Contributing Factors to Fair Housing in Laguna Woods

As described in Exhibit B, Constraints Analysis, 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, and setback requirements provide minimal light and air for development, are typical in the region, and do not unreasonably constrain housing opportunities.

Further, the City encourages the development of affordable housing through Section 13.26.040 of the City's Zoning Code, which provides for residential density bonuses to incentivize the production of housing for very low-income, lower-income, or senior households in accordance with Government Code Sections 65915 and 65917.

The City has also identified 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 single-family housing, multifamily housing, senior housing, manufactured housing and mobile homes, accessory dwelling units, residential care facilities for persons with developmental disabilities, and single-room occupancy facilities. Additionally, with the adoption of the updated Housing Element, 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 would also be put into effect.

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.

As described in Exhibit A Housing Needs Assessment, and 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. The City will continue to zone sites for 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.

Given that the City does not have prohibitive residential development standards or unique restrictions constraining development of housing for persons with disabilities and also encourages the development of affordable housing as well as various housing typologies, the City experiences the following local contributing factors to fair housing:

- **Displacement Risk** – As described in Section 1.3.7.3, Displacement and Disproportionate Housing Needs, some parts of Laguna Woods are either susceptible to displacement or experiencing ongoing displacement as well as at risk of job displacement according to the Urban Displacement Project’s Gentrification and Displacement Map. The same parts of Laguna Woods which are susceptible to displacement (Census Tracts 626.46 and 626.47) are also the areas in Laguna Woods with the highest renter vulnerability indices.
- **Development Costs and Low Land Availability** – As described in Exhibit B, Constraints Analysis, the availability and price of land represents a significant market constraint to housing production in 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. Further, density bonuses are available for projects that include affordable housing in Laguna Woods. 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.

**1.4.1.5 City Actions**

This Housing Element includes AFFH as one of four priority issues. In addition to the goal, policy objectives, and programs included under the AFFH priority issue, other programs included under other priority issues relate to AFFH. Table AF correlates each AFFH-related program with a fair housing issue using the categories of examples of AFFH actions provided in HCD’s AFFH guidance memorandum dated April 2021. Table AG identifies the contributing factor(s) resulting in each program’s inclusion, as well as a priority assigned based on the extent to which factors limit or deny fair housing choice or access to opportunity or negatively impact fair housing or civil rights.

**Table AF: Alignment of AFFH Programs with HCD Guidance**

Housing Element Program	Type of AFFH Action / Fair Housing Issue
<b>Program H-1.2.3.</b> 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.	Promoting Housing Supply, Choices, and Affordability
<b>Program H-2.1.2.</b> Investigate potential incentives for property owners to extend and/or expand existing affordability covenants beyond the planned expiration date and/or current number of housing units, with an emphasis on incentivizing (i) affordability covenants for extremely low and very low income housing units, and (ii) affordability covenants that apply to housing units in a range of sizes. If feasible and economical, adopt such incentives.	Protect Existing Residents from Displacement
<b>Program H-2.2.2.</b> 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	Promoting Housing Supply, Choices, and Affordability

**Table AF: Alignment of AFFH Programs with HCD Guidance**

Housing Element Program	Type of AFFH Action / Fair Housing Issue
<p>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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with disabilities. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.</p>	
<p><b>Program H-2.2.3.</b> 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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with special needs. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.</p>	Promoting Housing Supply, Choices, and Affordability
<p><b>Program H-2.3.1.</b> 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.</p>	Place-based Strategies to Encourage Community Conservation and Revitalization
<p><b>Program H-3.1.1.</b> Improve pedestrian accessibility on sidewalks, curb ramps, crosswalks, and other public property connecting housing with transit stops, public buildings, businesses, and educational institutions. Prioritize improvements based on factors including: ● The California Office of Environmental Health Hazard Assessment’s California Communities Environmental Health Screening Tool (“CalEnviroScreen”) scores for individual census tracts, with an emphasis on undertaking improvements in and around Census Tract 626.47 due to its comparatively higher CalEnviroScreen score, as feasible and economical; and ● Education domain scores from the California Tax Credit Allocation Committee (“TCAC”)/HCD Opportunity Map, with an emphasis on undertaking improvements in and around Census Tract 626.22 due to its comparatively lower scores, as feasible and economical.</p>	Housing Mobility
<p><b>Program H-3.1.2.</b> Pursue partnerships and seek funding to provide Laguna Woods-based housing mobility counseling services. If feasible and economical, implement such services.</p>	Housing Mobility
<p><b>Program H-3.1.3.</b> Adopt an ordinance waiving or reducing City building permit fees, or providing other incentives, for housing projects that prepare and implement an affirmative marketing plan designed to attract renters or buyers of diverse demographics, including persons of any race, color, religion, sex, handicap, familial status, or national origin. Prioritize incentives based on factors including racial concentrations from U.S. Census Bureau data products, with an emphasis on avoiding the creation of geographically discernable patterns of segregation or racially concentrated areas of poverty.</p>	Housing Mobility
<p><b>Program H-3.2.1.</b> Prepare and maintain a webpage with information on housing mediation, foreclosure assistance, and</p>	Protect Existing Residents from Displacement

**Table AF: Alignment of AFFH Programs with HCD Guidance**

Housing Element Program	Type of AFFH Action / Fair Housing Issue
multilingual tenant legal counseling services. Train City staff to make referrals using the webpage.	
<b>Program H-3.2.2.</b> Pursue partnerships and seek funding to provide Laguna Woods-based housing mediation, foreclosure assistance, tenant legal counseling services, and vocational counseling services. If feasible and economical, implement such services.	Protect Existing Residents from Displacement
<b>Program H-3.2.3.</b> 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. Prioritize improvements based on factors including economic domain scores from the TCAC/HCD Opportunity Map for individual census tracts, with an emphasis on undertaking improvements in and around census tracts 626.22 and 626.48 due to their comparatively lower scores, as feasible and economical.	Protect Existing Residents from Displacement
<b>Program H-3.2.4.</b> Investigate potential incentives for property owners of apartment and cooperative housing units for which tenants pay usage-based energy costs to make energy efficiency improvements that exceed the minimum requirements set forth in the California Building Energy Efficiency Standards. If feasible and economical, implement such incentives. Prioritize incentives for residents residing in census tracts 626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.	Protect Existing Residents from Displacement
<b>Program H-3.2.5.</b> Investigate opportunities to provide rental relief for residents at risk for homelessness. If feasible and economical, implement such opportunities. Prioritize rental relief for residents residing in census tracts 626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.	Protect Existing Residents from Displacement

**Table AG: Contributing Factors for AFFH Programs Matrix**

Housing Element Program	Contributing Factor(s)	Priority
<b>Program H-1.2.3.</b> 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.	Need for affordable housing options based on housing needs allocation and housing needs assessment	High
<b>Program H-2.1.2.</b> Investigate potential incentives for property owners to extend and/or expand existing affordability covenants beyond the planned expiration date and/or current number of housing units, with an emphasis on incentivizing (i) affordability covenants for extremely low and very low income housing units, and (ii) affordability covenants that apply to housing units in a range of sizes. If feasible and economical, adopt such incentives.	Displacement risk for existing lower-income residents due to economic pressures/motivators on property owners/managers (see also Section 1.3.7.3)	High
<b>Program H-2.2.2.</b> Adopt an ordinance waiving or reducing City building permit fees for improvements to the home of a	Access to opportunities for persons with disabilities due to	Medium

**Table AG: Contributing Factors for AFFH Programs Matrix**

Housing Element Program	Contributing Factor(s)	Priority
<p>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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with disabilities. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.</p>	<p>underimproved housing stock potentially resultant of financial or physical challenges</p>	
<p><b>Program H-2.2.3.</b> 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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with special needs. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.</p>	<p>Access to opportunities for persons with special needs due to underimproved housing stock potentially resultant of financial or physical challenges</p>	<p>Medium</p>
<p><b>Program H-2.3.1.</b> 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.</p>	<p>Age of housing stock; intent to help promote the existing good condition and upkeep of housing stock</p>	<p>Medium</p>
<p><b>Program H-3.1.1.</b> Improve pedestrian accessibility on sidewalks, curb ramps, crosswalks, and other public property connecting housing with transit stops, public buildings, businesses, and educational institutions. Prioritize improvements based on factors including: ● The California Office of Environmental Health Hazard Assessment’s California Communities Environmental Health Screening Tool (“CalEnviroScreen”) scores for individual census tracts, with an emphasis on undertaking improvements in and around Census Tract 626.47 due to its comparatively higher CalEnviroScreen score, as feasible and economical; and ● Education domain scores from the California Tax Credit Allocation Committee (“TCAC”)/HCD Opportunity Map, with an emphasis on undertaking improvements in and around Census Tract 626.22 due to its comparatively lower scores, as feasible and economical.</p>	<p>Useful life of improvements; evolving needs based on the nature of connecting uses and pedestrian behavior</p>	<p>Medium</p>
<p><b>Program H-3.1.2.</b> Pursue partnerships and seek funding to provide Laguna Woods-based housing mobility counseling services. If feasible and economical, implement such services.</p>	<p>Existing age and income restrictions; changing financial circumstances due to age, employment status, and economic pressures</p>	<p>Medium</p>
<p><b>Program H-3.1.3.</b> Adopt an ordinance waiving or reducing City building permit fees, or providing other incentives, for housing projects that prepare and implement an affirmative</p>	<p>Need for affordable housing options based on housing needs allocation and housing needs</p>	<p>High</p>

**Table AG: Contributing Factors for AFFH Programs Matrix**

Housing Element Program	Contributing Factor(s)	Priority
marketing plan designed to attract renters or buyers of diverse demographics, including persons of any race, color, religion, sex, handicap, familial status, or national origin. Prioritize incentives based on factors including racial concentrations from U.S. Census Bureau data products, with an emphasis on avoiding the creation of geographically discernable patterns of segregation or racially concentrated areas of poverty.	assessment; existing age and income restrictions	
<b>Program H-3.2.1.</b> Prepare and maintain a webpage with information on housing mediation, foreclosure assistance, tenant legal counseling services, and vocational counseling services. Train City staff to make referrals using the webpage.	Displacement risk for existing lower-income residents due to economic pressures/motivators on property owners/managers (see also Section 1.3.7.3); changing financial circumstances due to age, employment status, and economic pressures	Medium
<b>Program H-3.2.2.</b> 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.	Displacement risk for existing lower-income residents due to economic pressures/motivators on property owners/managers (see also Section 1.3.7.3); changing financial circumstances due to age, employment status, and economic pressures	Medium
<b>Program H-3.2.3.</b> 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. Prioritize improvements based on factors including economic domain scores from the TCAC/HCD Opportunity Map for individual census tracts, with an emphasis on undertaking improvements in and around census tracts 626.22 and 626.48 due to their comparatively lower scores, as feasible and economical.	Displacement risk for existing residents due to disaster-related damage (see also Section 1.3.7.3); age of housing stock	High
<b>Program H-3.2.4.</b> Investigate potential incentives for property owners of apartment and cooperative housing units for which tenants pay usage-based energy costs to make energy efficiency improvements that exceed the minimum requirements set forth in the California Building Energy Efficiency Standards. If feasible and economical, implement such incentives. Prioritize incentives for residents residing in census tracts 626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.	Displacement risk for existing lower-income residents due to economic pressures; underimproved housing stock potentially resultant of financial challenges and nature of property ownership-related limitations; age of housing stock	Medium
<b>Program H-3.2.5.</b> Investigate opportunities to provide rental relief for residents at risk for homelessness. If feasible and economical, implement such opportunities. Prioritize rental relief for residents residing in census tracts 626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the	Displacement risk for existing lower-income residents due to economic pressures/motivators on property owners/managers (see also Section 1.3.7.3); changing financial circumstances	High



**Table AG: Contributing Factors for AFFH Programs Matrix**

Housing Element Program	Contributing Factor(s)	Priority
highest renter vulnerability indices, as feasible and economical.	due to age, employment status, and economic pressures	

## 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 AH. 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 AH: 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**

PROPOSED

**LSA**

August 2023

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# CONSTRAINTS ANALYSIS

## CITY OF LAGUNA WOODS

Submitted to:

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August 2023

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## LIST OF ABBREVIATIONS AND ACRONYMS

AB	Assembly Bill
ADA	Americans with Disabilities Act
ADU	accessory dwelling unit
CAL FIRE	California Department of Forestry and Fire Protection
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
HCD	Housing and Community Development Department of the State of California
HMDA	Home Mortgage Disclosure Act
I-5	Interstate 5
Lanterman Act	Lanterman Developmental Disabilities Services Act
MWD	Metropolitan Water District
OCFA	Orange County Fire Authority
OCTA	Orange County Transportation Authority
RC	Residential Community
RT	Residential Towers
SB	Senate Bill
SDP	Site Development Permit
sf	square foot/feet

SJHTCA	San Joaquin Hills Transportation Corridor Agency
SRO	Single Room Occupancy
UWMP	Urban Water Management Plan
WRP	Water Recycling Plant
WTP	Wastewater Treatment 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>

PROPOSED

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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 or 10-12 du/ac depending on 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= dwelling unit(s) per acre  
max. = maximum

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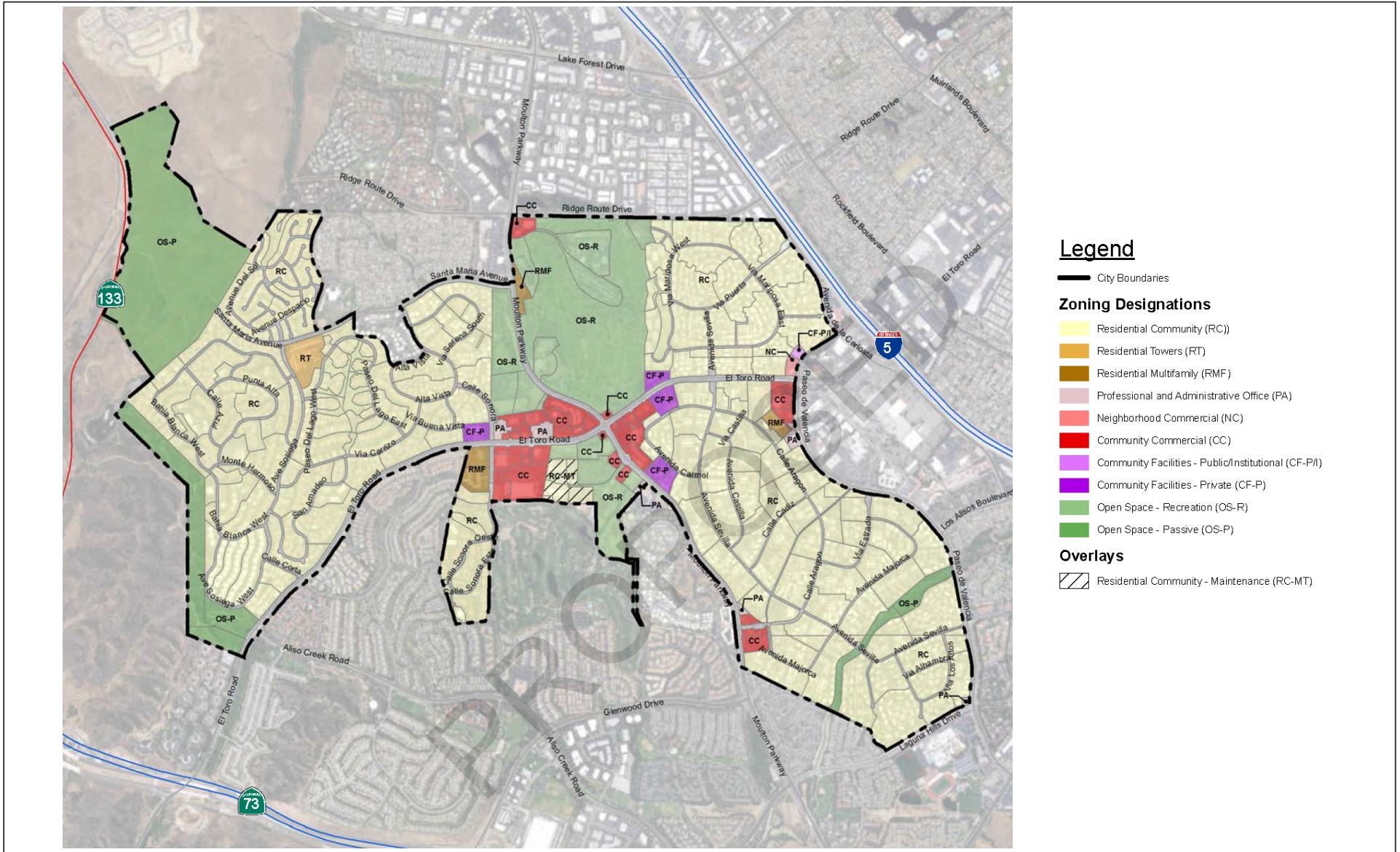
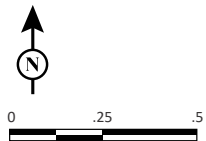


FIGURE 1

LSA



SOURCE: City of Laguna Woods

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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 residential density bonus standards regulations 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.

### 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 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.

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<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).

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. The CF-P/I and CF-P zoning districts encompass approximately 17.805 acres of land across five sites – four places of worship with surface parking lots and interior space suitable for conversion to emergency shelters, and Orange County Fire Authority (OCFA) Fire Station No. 22. There is sufficient capacity to accommodate one year-round shelter housing five people, as required by State law. The CF-P/I and CF-P zoning districts were determined to be the most conducive to provision of emergency shelters by right since the zoning districts are allowed a uses that would facilitate the provision of government and social services to the community. The zoning district is appropriate for schools, hospitals, cultural venues, churches, temples and places of worship, which all require large facilities with capabilities to serve large amounts of people at a time.

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**

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

Source: Laguna Woods Municipal Code Section 13.13.030.

FAR = floor area ratio

ft = foot/feet

ROW = right-of-way

sq ft = square foot/feet

<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).



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 and CF-P/I designation has been applied to areas along El Toro Road and Moulton Parkway. 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. Therefore, these sites have reasonable access to public transit.

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. Current uses in the CF-P and CF-P/I zoning districts include four churches and their accompanying surrounding parking lots, and the OCFA Fire Station No. 22. These zones are conducive to building emergency shelters due to their relative sizes, their proximity to public transit and main thoroughfares, and the allowable uses on their sites.

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 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 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>

Section 13.06.010(d)(395) of the Zoning Code defines “family” 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, 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.

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<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 (Chapter 13.15 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.

The process to request reasonable accommodations is set forth in Section 13.15.014 of the City's Zoning Code and is streamlined to include only an application containing the following information:

1. The applicant's name, address, and telephone number;
2. Documentation that the applicant is:
  - a. An individual with a disability;
  - b. Applying on behalf of one or more individuals with a disability; or
  - c. A developer or provider of housing for one or more individuals with a disability;
3. Address of the property for which accommodation is requested;
4. The name, address, and telephone number of the property owner(s), if different from the applicant;
5. The current use of the subject property;

6. The specific basis for the claim that the applicant is considered disabled under the fair housing laws;
7. A description of the accommodation requested including reference to the zoning and development code provision, policy, or procedure from which accommodation is sought;
8. A detailed written explanation of why the requested accommodation is necessary for the individual(s) with a disability to use and enjoy the dwelling; and
9. Any other information that the Community Development Director reasonably concludes is necessary to determine whether the findings required by Section 13.15.016 can be made, so long as any request for information regarding the disability of the individuals benefited complies with fair housing law protections and the privacy rights of the individuals affected.

No application fee is required per Section 13.15.014(a) of the City's Zoning Code.

Once the Community Development Director deems an application complete, public noticing of the request for reasonable accommodation is provided as follows, in furtherance of the fifth finding required for approval (that there will be no direct threat to the health and safety of other individuals or substantial physical damage to the property of others):

- In the event that there is no approval, permit, or entitlement sought other than the request for reasonable accommodation, the notice shall be mailed to the owners of record of all properties that are immediately adjacent to the property that is the subject of the request; or
- In the event that the request is being made in conjunction with some other approval, permit or entitlement, the notice shall be transmitted along with the notice of the other proceeding.

Section 13.15.013 of the City's Zoning Code requires the Community Development Director or Community Development Department to act on complete applications within 30 days, except when further information has been requested but not yet provided by the applicant (the Zoning Code is explicit that information requested from the applicant must be consistent with fair housing laws). Determinations are provided in writing to the applicant and other parties previously noticed.

The Housing Element includes Program H-1.2.6 to explicitly identify that the required finding for applications for reasonable accommodations to not "result in a direct threat to the health and safety of other individuals or substantial physical damage to the property of others" is to be interpreted consistent with 42 U.S.C. § 3604(f)(9) and Program H-1.3.4 to remove the public noticing requirements for applications for reasonable accommodations.

#### **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 ft.

## 2.6 PLANNING/ZONING AND DEVELOPMENT IMPACT FEES

Housing development in Laguna Woods is subject to the following types of fees and exactions: (1) permit processing fees for planning and zoning, and (2) impact fees or exactions, imposed to defray all or a portion of the public costs related to development projects.

Since Fiscal Year 2015-16, the City has retained a qualified third-party consultant to conduct an annual study of the "nexus" between the City's planning/zoning fees and the reasonable costs of associated services. Planning/zoning fees have generally been set at the City's reasonable cost of providing services. Profit is not a component of the City's planning/zoning fees.

Table F lists the City's residential planning/zoning fees, based off the fee schedule that was effective July 19, 2021. Prior to this update, the City's planning/zoning fees were last updated in 2020. There were no significant increases to planning/zoning fees.

Table G provides a comparison of the City's planning/zoning fees with other nearby cities. As shown, the City's planning/zoning fees are generally comparable to other cities.

In addition to planning/zoning fees, the City is required to collect development impact fees on behalf of the County of Orange and the San Joaquin Hills Transportation Corridor Agency (SJHTCA). These fees are established independent of the City. A summary of fees as of July 2022 follows.

- **Coastal Area Road Improvements and Traffic Signals Program** – The City is required to collect this fee on behalf of the County of Orange prior to City building permit issuance for new development projects only. For new single-family residential development projects, the fee is \$2,989/unit. For new multi-family residential development projects, the fee is \$2,392/unit.



**Table F: Current Residential Planning/Zoning Fees**

Planning/Zoning 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: All fees are the minimum initial fee for the service. The final fee is based on actual costs, which may be less than the minimum fee (in which case, the unspent amount of the deposit is returned to the applicant) or exceed the minimum fee (in which case, supplemental deposits may be collected and, ultimately, the actual cost is collected with any unspent amount returned to the applicant).

**Table G: Comparison of Residential Planning/Zoning 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
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.

- Moulton Parkway and Laguna Niguel Fee Program** – The City is required to collect this fee on behalf of the County of Orange prior to City building permit issuance for new development projects only. For new single-family residential development projects, the fee is \$615/unit. For new multi-family residential development projects, the fee is \$360/unit. The County of Orange intends to end this fee program in the near future.

- **San Joaquin Hills Road Fee Program** – The City is required to collect this fee on behalf of the SJHTCA prior to City building permit issuance for new development projects only. Fees vary based on whether a project is located in “Zone A” or “Zone B,” as defined by the SJHTCA (a map is available at <https://www.thetollroads.com/about-tca/development-impact-fee-dif-program/>). For new single-family residential development projects, the fee is \$6,211/unit in Zone A and \$4,814/unit in Zone B. For new multi-family residential development projects, the fee is \$3,618/unit in Zone A and \$2,808/unit in Zone B.

Other government agencies collect development impact fees directly from applicants. Again, these fees are established independent of the City. A summary of common fees as of July 2022 follows.

- **Capistrano Unified School District** – Applicants are required to pay a fee directly to the Capistrano Unified School District prior to City building permit issuance for new development projects. The fee only applies if the project is located within the Capistrano Unified School District’s boundaries (a map is available at <https://www.capousd.org/Schools/School-Locator/index.html>). The fee is \$4.08 per square foot.
- **Saddleback Valley Unified School District** – Applicants are required to pay a fee directly to the Saddleback Valley Unified School District prior to City building permit issuance for new development projects and additions over 500 square feet. This fee only applies if the project is located within the Saddleback Valley Unified School District’s boundaries (a map is available at <https://www.svusd.org/about/school-boundaries>). The fee is \$4.79 per square foot.
- **El Toro Water District (ETWD)** – Applicants are required to pay a capital facilities fee directly to the ETWD prior to service being provided for new residential development projects. This fee varies based on meter size, but ranges from \$2,145 to \$21,856 per meter, and the number of gallons of sewage to be discharged to the ETWD’s system each day times \$9.311.

In general, planning/zoning and development impact fees can constrain housing development and compromise affordability because the additional cost borne by developers contributes to overall increased housing unit cost. However, the City’s planning/zoning fees are comparable to nearby cities and assessed only to recover reasonable costs of providing services (profit is not a component and the deposit-based fee structure allows for only actual costs to be charged). Development impact fees affecting residential development projects in Laguna Woods are outside of the City’s control. The City does not collect development impact fees of its own creation.

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 planning/zoning fees, and made changes to recover its reasonable costs of providing services, as allowed by state law. While some planning/zoning 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 and Laguna Niguel Road Fee Program in the near future.

Using the San Sebastian Apartments project as a representative example of multi-family residential development activity, Table H contains City staff’s estimate of planning/zoning and development impact fees assuming the project were built today at a cost of \$50,723,304 (calculated based on the actual amenities and current market estimates for construction thereof).

**Table H: Prototypical Multi-Family Residential Project Planning/Zoning and Development Impact Fees**

Development Fees	Amount
City Planning/Zoning Fees	\$35,000
Coastal Area Road Improvement and Traffic Signals Program (Impact Fee)	\$325,486
Moulton Parkway and Laguna Niguel Fee Program (Impact Fee)	\$49,044
San Joaquin Hills Road Fee Program (Impact Fee)	\$472,216
Saddleback Valley Unified School District (Impact Fee)	\$668,932
El Toro Water District (Capital Facilities Fee)	\$170,000
<b>TOTAL PLANNING/ZONING AND DEVELOPMENT IMPACT FEES</b>	<b>\$1,720,678</b>
Per Unit @ 134 units	\$12,841

Total planning/zoning and development impact fees for the prototypical apartment project in Table H represent approximately 3.4 percent of the estimated development cost, far below the 10–15 percent of development costs that the Housing and Community Development Department of the State of California (HCD) considers “typical” per its Building Blocks: Fees and Exactions guidance (retrieved July 2022). Of particular note is that only approximately 2 percent of total planning/zoning and development impact fees are established by the City.

Table I contains City staff’s estimate of planning/zoning and development impact fees for a new 2,150 square foot single-family home (one unit) development project built today at a cost of \$400,000 (comparable to the example used for similar purposes by the City of Aliso Viejo in that city’s draft Housing Element dated February 1, 2022).

**Table I: Prototypical Single-Family Home Project Planning/Zoning and Development Impact Fees**

Development Fees	Amount
City Planning/Zoning Fees	\$2,500
Coastal Area Road Improvement and Traffic Signals Program (Impact Fee)	\$2,989
Moulton Parkway and Laguna Niguel Fee Program (Impact Fee)	\$615
San Joaquin Hills Road Fee Program (Impact Fee)	\$6,211
Saddleback Valley Unified School District (Impact Fee)	\$10,299
El Toro Water District (Capital Facilities Fee)	\$2,500
<b>TOTAL PLANNING/ZONING AND DEVELOPMENT IMPACT FEES</b>	<b>\$25,114</b>

Total planning/zoning and development impact fees for the prototypical single-family home project in Table I represent approximately 6.3 percent of the estimated development cost, far below the 10–15 percent of development costs that HCD considers “typical” per its Building Blocks: Fees and

Exactions guidance (retrieved July 2022). Of particular note is that only approximately 10 percent of total planning/zoning and development impact fees are established by the City.

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

Assembly Bill 641 (2007–2008) provides cash flow flexibility for the majority of affordable housing projects by allowing development impact fees to be paid as late as the date of the final inspection, or the date the certificate of occupancy is issued, whichever occurs first.

## **2.7 LOCAL PROCESSING AND PERMIT PROCEDURES**

Development processing and permitting procedures are necessary steps to ensure that residential construction proceeds in an orderly manner. However, the time and cost of permit processing and review can be a constraint to housing development if they place an undue burden on the developer.

Although the City has not processed an application for a housing development project since the San Sebastian Apartments in the mid-2000s, it is committed to working closely with developers and applicants to approve projects in a timely manner. The San Sebastian Apartments project received its planning/zoning approvals in October 2005 and submitted an application for building permits in September 2006 (approximately 11 months apart). Due to the lack of housing development applications since the San Sebastian Apartments project, there is no other local data that speaks to length of time between receiving approval for a project and submittal of an application for building permits.

For a typical project, the developer would meet with Planning Division staff to discuss the project and then submit plans for review. Plans would either be submitted to the Planning Division first and, once approved, to the Building Division for building permitting, or submitted concurrently to both the Planning Division and Building Division if so desired by the applicant. Applicants that submit concurrent applications would effectively eliminate any length of time between receiving approval for their project and submittal of an application for building permits. Projects requiring a Site Development Permit (SDP) or Conditional Use Permit (CUP) would be reviewed and acted upon as described herein. Throughout construction, various City divisions 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 and expectations are typical for the region.

A typical new single-family home development project (one unit) would require only the issuance of ministerial building permits, unless the project is subject to the State Subdivision Map Act in which case those requirements would also apply. The Building Division's initial review of building permit applications for single-family homes is seven days, followed by five days for subsequent submittals.

A typical new multi-family residential development project of three units or less would require only the issuance of ministerial building permits, unless the project is subject to the State Subdivision Map Act in which case those requirements would also apply. The Building Division's initial review of building permit applications for multi-family residential projects is the same as single-family homes – seven days, followed by five days for each subsequent submittal.

Table J outlines the development review processing times and approval procedures for residential developments applications. For housing development projects proposed to occur within any of the “by-right” overlay zoning districts to be created through the Housing Element’s rezoning program, it is unlikely that the first four actions/requests listed in Table J, or variances, would be required, barring an unusual request from the applicant. The overlay zoning districts are intended to expedite the development of housing in a manner that complies with State housing law.

**Table J: 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 and review time limits controlled through CEQA. 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. Approved by the City Council. Requires a public hearing.
Zone Change	8–12 months	Certain procedures and time limits established by Gov. Code Sections 65854-65857. Approved by the City Council. Requires a public hearing.
Tentative Parcel Map	45–60 days	Processing and review time limits controlled through the State Subdivision Map Act. Approved by the City Council.
Tentative Tract Map	6–8 months	Processing and review time limits controlled through the State Subdivision Map Act. Approved by the City Council.
Variance	3–4 months	Approved by the City Council. Requires a public hearing.
Conditional Use Permits	3–4 months	Approved by the City Council. Requires a public hearing.
Site Development Permit	2-3 months	Approved by the Community Development Director.

CEQA = California Environmental Quality Act

Depending on the type of 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.

**2.7.1 Site Development Permit**

Multi-family residential development projects consisting of more than four units are required to obtain a Site Development Permit (SDP) to establish the use when permitted by right. It is anticipated that most (if not all) of the “by-right” housing projects newly possible due to this Housing Element would require a SDP. The purpose of a SDP is to provide for administrative review of detailed development plans for a proposed use. Uses that require a SDP are regarded as having a relatively low potential for adverse impacts on the subject site or surrounding community due to the nature or magnitude of the use vis-a-vis the sensitivity of the subject site or surrounding community.

SDP applications are acted upon by the Community Development Director unless he/she/they determine on a case-by-case basis, that the public interest would be better served by the application being acted on by the City Council. Public hearings are only required when the Community Development Director requests action by the City Council.

The following findings are required to approve SDP applications:

1. The use or project proposed is consistent with the General Plan;
2. The use, activity or improvement(s) proposed is consistent with the provisions of the Zoning Code;
3. The approval of the permit application is in compliance with the requirements of the California Environmental Quality Act;
4. The location, size, design and operating characteristics of the proposed use will not create conditions or situations that may be incompatible with other permitted uses in the vicinity;
5. The approval of the permit application will not result in conditions or circumstances contrary to the public health and safety and the general welfare; and
6. The approval of the permit application is in compliance with all City-required public facilities regulations.

Given the typical nature of the findings required to approve SDP applications, the application of the SDP requirement only to larger-scale multi-family residential projects, the default level of review and approval resting with staff, the typical permit processing time of 2-3 months, and the ability for building plan review to occur concurrent with SDP processing, it is unlikely that this requirement would constrain housing supply, affordability, timing, or approval certainty.

### **2.7.2 Conditional Use Permit**

Conditional Use Permits (CUPs) are required for some multi-family development, senior housing projects, and large residential care facilities, dependent upon the underlying zoning district. CUPs are not required for any of the “by-right” overlay zoning districts to be created through the Housing Element’s rezoning program.

CUP applications are acted upon by the City Council. A public hearing is required.

The following findings are required to approved CUP applications:

1. The use or project proposed is consistent with the General Plan;
2. The use, activity or improvement(s) proposed is consistent with the provisions of the Zoning Code;
3. The approval of the permit application is in compliance with the requirements of the California Environmental Quality Act;
4. The location, size, design and operating characteristics of the proposed use will not create conditions or situations that may be incompatible with other permitted uses in the vicinity;

5. The approval of the permit application will not result in conditions or circumstances contrary to the public health and safety and the general welfare; and
6. The approval of the permit application is in compliance with all City-required public facilities regulations.

Again, the CUP requirement only applies to condominiums and apartments in existing residential zoning districts 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 not within the “by right” overlay zoning districts to be created through the Housing Element’s rezoning program.

## 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. 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.

Since Fiscal Year 2015–16, the City has retained a qualified third-party consultant to conduct an annual study of the “nexus” between the City's fees and the reasonable costs of building permitting. Fees have generally been set at the City's reasonable cost of providing services. Profit is not a component of the City's building permit fees. The current building permit fee schedule and supporting fee study is available at <https://www.cityoflagunawoods.org/government/transparency-public-records/>.

As incentives to develop affordable housing projects, the Housing Element includes three programs that will have a lessening effect on the City's building permit fees. Program H-1.2.4 will reduce fees for qualifying lot consolidations, Program H-1.2.5 will waive or reduce fees for qualifying affordable housing projects subject to long-term affordability covenants, and Program H-2.2.2 will waive or reduce fees for improvements made to accommodate qualifying disabilities. Four other programs—H-1.2.8, H-2.1.2, H-3.1.3, and H-3.2.4—involve the establishment of incentives that may include fee waivers or reductions for energy efficiency in new development projects, affordability covenants, affirmative marketing, and energy efficiency in qualifying apartment and cooperative housing units, respectively.

## 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 K). 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 K: 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

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<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 SJHTCA 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 SJHTCA, certain northerly portions of Laguna Woods are within Area of Benefit Zone B. Table L provides a summary of the current (2022) development impact fees assessed within those areas. In 1997, the 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 L: San Joaquin Hills Transportation Corridor  
Development Impact Fees (2022)**

	<b>Zone A</b>	<b>Zone B</b>
Single Family Residential	\$6,211/unit	\$4,814/unit
Multi-Family Residential	\$3,618/unit	\$2,808/unit

Source: Transportation Corridor Agencies (2022).

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**

August 2023

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# HOUSING SITES INVENTORY AND ANALYSIS

## CITY OF LAGUNA WOODS

Submitted to:

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August 2023

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## LIST OF ABBREVIATIONS AND ACRONYMS

AB	Assembly Bill
ACS	American Community Survey
AFFH	Affirmatively Furthering Fair Housing
APN	Assessor's Parcel Number
CALGreen	California Green Building Standards Code
CARE	California Alternate Rates for Energy
CDC	Centers for Disease Control and Prevention
CF-P	Community Facilities—Private
City	City of Laguna Woods
du/ac	dwelling unit per acre
ETWD	El Toro Water District
FERA	Family Electric Rate Assistance
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
ROI	Regional Opportunity Index

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
<b>Total</b>		<b>997</b>

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 (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>	<p><b>North:</b> El Toro Water District facility—water well property (one-story structures and water tanks)</p> <p><b>East:</b> Laguna Hills Animal Hospital and Laguna Woods Self Storage (one- and two-story structures)</p> <p><b>South:</b> Laguna Woods Village water detention basin—vacant property</p> <p><b>West:</b> Medical office building within Town Centre (three-story structure)</p>	Yes	1.8 ac	Commercial	Community Commercial
2	Pacific Hills Calvary Chapel Parking Lot (APN 621-131-38)	Currently developed as a surface parking lot for the adjacent Pacific Hills Calvary Chapel in neighboring Aliso Viejo.	<p><b>North:</b> vacant land, Laguna Country United Methodist Church (one-story structures)</p> <p><b>East:</b> Laguna Country United Methodist Church, Pacific Hills Calvary Chapel (in Aliso Viejo) (all one-story structures)</p> <p><b>South:</b> vacant land, Pacific Hills Calvary Chapel (in Aliso Viejo) (all one-story structures)</p> <p><b>West:</b> vacant land</p>	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)	No	1.232 ac	Commercial	Community Commercial
			<b>East:</b> Saddleback Golf Cars (one-story structures)				
			<b>South:</b> Laguna Woods Village community garden center				
			<b>West:</b> Equestrian Center (one- and two-story structures)				
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)	No	1.235 ac	Commercial	Community Commercial
			<b>East:</b> vacant land				
			<b>South:</b> vacant land				
			<b>West:</b> Rossmoor Electric (one-story structures)				
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	No	5.249 ac	Commercial	Community Commercial
			<b>East:</b> Animal Hospital and commercial center (one-and-two-story structures)				
			<b>South:</b> water storage				
			<b>West:</b> City Center Park				
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)	No	0.76 ac	Commercial	Community Commercial
			<b>East:</b> gas station (one-and-two-story structures)				
			<b>South:</b> Equestrian Center (one- and two-story structures)				
			<b>West:</b> vacant land				

**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)	No	2.867 ac	Commercial	Community Commercial
			<b>East:</b> Laguna Woods Village golf course				
			<b>South:</b> Laguna Woods Village golf course				
			<b>West:</b> fast-food restaurant (one-story structure)				
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)	No	2.373 ac	Commercial	Community Commercial
			<b>East:</b> Home Depot center (one-and two-story structures)				
			<b>South:</b> Laguna Woods Village golf course				
			<b>West:</b> The Regency Apartment Homes (one-to-three-story structures)				
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)	No	1.411 ac	Commercial	Community Commercial
			<b>East:</b> single family residences (one- and two-story structures)				
			<b>South:</b> residential (four-story structures)				
			<b>West:</b> multifamily residential (in Aliso Viejo) (four-story structures)				

**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.	<p><b>North:</b> Laguna Woods Village residences (three-story structures)</p> <p><b>East:</b> Laguna Woods Village residences (one- and two-story structures)</p> <p><b>South:</b> Saint Nicholas Catholic Church (one- and two-story structures)</p> <p><b>West:</b> Laguna Woods Village Golf Course</p>	No	3.028 ac	Community Facilities	Community Facilities—Private
11	Geneva Presbyterian Church (APNs 616-191-05 & 616-191-06)	Both parcels are currently developed as a church.	<p><b>North:</b> Laguna Woods Village residences (one-story structures)</p> <p><b>East:</b> Calle Sonora/office building within Town Centre (three-story structure)</p> <p><b>South:</b> Whispering Fountains Apartments and residences (in Aliso Viejo) (one-, two-, and three-story structures)</p> <p><b>West:</b> Laguna Woods Village residences (one-story structures)</p>	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.	<p><b>North:</b> Lutheran Church of the Cross (one- and two-story structures)</p> <p><b>East:</b> Laguna Woods Village residences (one- and two-story structures)</p> <p><b>South:</b> Laguna Woods Village residences (one-story structures)</p> <p><b>West:</b> Willow Tree Center and Laguna Woods Village residences (one- and two-story structures)</p>	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 (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)	No	1.757 ac	Community Facilities	Community Facilities—Private
			<b>East:</b> Laguna Woods Village residences (one-story structures)				
			<b>South:</b> Laguna Woods Village residences and various churches (in Aliso Viejo) (one-story structures)				
			<b>West:</b> Laguna Country United Methodist Church and various churches (in Aliso Viejo) (one-story structures)				
14	Laguna Country United Methodist Church (APN 621-121-23)	Currently developed as a church.	<b>North:</b> Willow Tree Center and Laguna Woods Village residences (one-story structures)	No	3.899 ac	Community Facilities	Community Facilities—Private
			<b>East:</b> Temple Judea and Laguna Woods Village residences (one-story structures)				
			<b>South:</b> Temple Judea and various churches (in Aliso Viejo) (one-story structures)				
			<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)				

**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 in Town Centre (APN 616-012-24)	Currently developed as a commercial use with office uses.	<b>North:</b> Town Center (three-story structure) <b>East:</b> vacant land <b>South:</b> Home Depot shopping center and Laguna Woods Village water detention basin (one-story structures) <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 <b>East:</b> medical buildings (four-story structures) <b>South:</b> Residential Community (one- and two-story structures) <b>West:</b> Community Commercial (Town Centre) (one- and two-story structures)	No	3.095 ac	Commercial	Community Commercial
17	Helm 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) <b>East:</b> Laguna Woods Village residences (one- and two-story structures) <b>South:</b> McCormick & Son Mortuary (one-story structures) <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



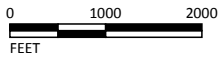


FIGURE 1

LSA

LEGEND

- Housing Site (with Site ID#)
- City of Laguna Woods
- Laguna Woods Village



SOURCE: Google Maps (2020)

I:\LWD2101\GIS\MXD\Key\_Map.mxd (10/27/2021)

City of Laguna Woods  
 2021-2029 Housing Element Update  
 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 current 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 State housing law.

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” published 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.

The properties upon which Home Depot is located were excluded from consideration, consistent with HCD’s “Housing Element Site Inventory Guidebook Government Code Section 65583.2” published June 10, 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.”

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

- Site is Presently Vacant – After excluding open space properties with deed restrictions that preclude potential future housing development, properties of a size presumed inadequate to accommodate lower income housing per State housing law, and properties perceived as vacant but failing to meet HCD’s definition of a vacant property, only one presently vacant property remained (Site 1).
- Site is Presently Structureless – After excluding open space properties with deed restrictions that preclude potential future housing development, properties of a size presumed inadequate to accommodate lower income housing per State housing law, and properties located within, or owned by parties exclusively affiliated with Laguna Woods Village, only one presently structureless property remained (Site 2).
- Previous Expression of Housing Development Interest – 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).
- Synergy with Place of Worship – 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 (Sites 2 and 10–14).
- Viable Commercial Site – Based, in part, on previous interest in the Willow Tree Center East site (Site 16), parcel sizes, and proximity to public transit, other commercial sites were included (Sites 3–9 and 15–17). An emphasis was placed on identifying commercial sites with:
  - Frequent or long-term vacancies
    - As evidenced by real estate marketing.
    - Indicates that demand for commercial uses at that location is low, signaling a potential for redevelopment.

<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).

- 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>1</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.
- Structure Will Be 40 Years or Older During 2021–2029 Planning Period – It is reasonable to expect older structures to present more opportunities for redevelopment than newer structures. 10 sites that will be 40 years or older by 2029 (Sites 6, 9–14, and 16–17) are included.

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.

Finally, consideration was given to whether a site would provide any of the following benefits:

- Parcel Size is Potentially Suitable for Lower-Income Developments – Government Code Section 65583.2(c)(2) requires additional analysis to substantiate potential suitability for lower-income developments when the size of a parcel is smaller than one half acre or larger than 10 acres. Efforts were taken to identify parcels sized between one half acre and 10 acres.
- Consolidation Potential Due to Adjacency of Other Candidate Site – HCD’s “Housing Element Site Inventory Guidebook Government Code Section 65583.2” published June 10, 2020, identifies the potential for lot consolidation as evidence that may indicate a site is adequate to accommodate lower-income developments. This Housing Element includes Program H-1.2.4, which seeks to create an expedited and fee-reduced lot consolidation process for lot consolidations.

Table C summarizes how the criteria described above applies to the 17 potential development sites.

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<sup>1</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).

**Table C: Application of Methodology Used to Identify Sites**

Site	Name	Relevant Factors Resulting in Identification
1	Town Centre Vacant Lot	<ul style="list-style-type: none"> <li>• Site is presently vacant</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
2	Pacific Hills Calvary Chapel Parking Lot	<ul style="list-style-type: none"> <li>• Site is presently structureless</li> <li>• Synergy with place of worship</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
3	Rossmoor Electric	<ul style="list-style-type: none"> <li>• Viable commercial site; frequent or long-term vacancies</li> <li>• Viable commercial site; less established tenant</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
4	Saddleback Golf Cars	<ul style="list-style-type: none"> <li>• Viable commercial site; single tenant</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
5	Laguna Woods Self Storage	<ul style="list-style-type: none"> <li>• Viable commercial site; single tenant</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
6	Animal Hospital	<ul style="list-style-type: none"> <li>• Viable commercial site; single tenant</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
7	PS Business Park (excludes Jack in the Box)	<ul style="list-style-type: none"> <li>• Viable commercial site; frequent or long-term vacancies</li> <li>• Viable commercial site; some less established tenants</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
8	Smart Parke	<ul style="list-style-type: none"> <li>• Viable commercial site; less established tenant</li> <li>• Viable commercial site; single tenant</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
9	McCormick & Son Mortuary	<ul style="list-style-type: none"> <li>• Viable commercial site; single tenant</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
10	Lutheran Church of the Cross	<ul style="list-style-type: none"> <li>• Synergy with place of worship</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
11	Geneva Presbyterian Church	<ul style="list-style-type: none"> <li>• Synergy with place of worship</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
12	Saint Nicholas Catholic Church	<ul style="list-style-type: none"> <li>• Synergy with place of worship</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>

**Table C: Application of Methodology Used to Identify Sites**

Site	Name	Relevant Factors Resulting in Identification
13	Temple Judea	<ul style="list-style-type: none"> <li>• Synergy with place of worship</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
14	Laguna Country United Methodist Church	<ul style="list-style-type: none"> <li>• Previous expression of housing development interest</li> <li>• Synergy with place of worship</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
15	Medical Building in Town Centre	<ul style="list-style-type: none"> <li>• Viable commercial site; viable adjacent site</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
16	Willow Tree Center East	<ul style="list-style-type: none"> <li>• Previous expression of housing development interest</li> <li>• Viable commercial site; some less established tenants</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Structures will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
17	Helm Center	<ul style="list-style-type: none"> <li>• Viable commercial site; frequent or long-term vacancies</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>

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.

## 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 D 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 D, it appears that vehicular access to each of the 17 housing sites is viable. Table D 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 work 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. A related program has been included in the Housing Element.

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 D: 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 D: 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 in 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 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

This Housing Element includes Program H-1.1.1 to apply an appropriate residential overlay zoning district to each of the 17 potential housing sites. Such overlay zoning districts will allow new housing units to be developed on the nonvacant sites while also allowing the existing uses to continue operating. City staff has identified four potential overlay zoning districts, which are described in Table E 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 E: 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 Medium-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>
Residential Low Density	8–10 du/ac	<ul style="list-style-type: none"> <li>• Appropriate for sites adjacent to existing single-story residential uses</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

The rezoning process will include the adoption of minimum density and development standards for each of the four potential overlay zoning districts. Specific commitments in the rezoning process include, but are not limited to, (1) complying with applicable provisions of California Government Code Section 65583.2 (h), (i), et al., including accommodating at least 50 percent of the lower-income housing needs allocation on sites designated for residential use only (for non-mixed use projects) and by requiring residential use to occupy 50 percent of the total floor area of mixed-use projects, (2) permitting housing projects by right, as required by State law, (3) permitting owner-occupied and rental multifamily uses by right for housing projects in which 20 percent or more of the housing units are affordable for lower-income households, (4) establishing densities for potential housing sites as specified in Table N in this exhibit, and (5) allowing the development of housing projects as stand-alone uses on each potential housing site.

## 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

<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).

- SVUSD’s website states that families may request interdistrict transfers based on changes in 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.

## 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.

Existing efforts to promote energy conservation were identified and reviewed to determine whether feasible and economical opportunities exist for the City to add or enhance efforts.

### 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

<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).

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>1</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 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.

In considering opportunities to promote energy conservation, the City’s role in administering the California Building Standards Code positions it well to incentivize improvements that exceed the minimum requirements set forth in the California Green Building Standards Code and California Energy Code (collectively referred to as the California Building Energy Efficiency Standards). A related program has been included in the Housing Element.

#### 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.

<sup>1</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).

- 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.

PROPOSED

## 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 PROPOSED SITES

As described elsewhere in this exhibit, the City’s potential housing sites consist of sites with zoning in place, commercial sites with frequent or long-term vacancies, single or less established tenants, and generally sites where interest in housing development has been previously expressed. Table F below shows the number of potential housing units that are anticipated to be built during the planning period at each income level.

**Table F: Potential Housing Units during 2021–2029 Planning Period**

Site	APN	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
	2021-2029 RHNA Targets	127	136	192	542	997
1	616-012-29	10	11	0	60	81
2	621-131-38	2	2	0	27	31
3	621-131-21	5	6	0	44	55
4	621-131-26	5	6	0	44	55
5	616-012-19	76	79	0	81	236
6	616-012-03	2	3	0	29	34
7	616-021-30	24	26	0	79	129
8	621-211-09	6	7	0	50	63
9	621-091-16	0	0	0	25	25
10	616-041-01	0	0	35	19	54
11	616-191-05	0	0	6	3	9
	616-191-06	0	0	43	19	62
12	621-121-11	0	0	61	22	83
13	621-121-18	0	0	0	15	15
14	621-121-23	0	0	85	20	105
15	616-012-24	22	23	0	76	121
16	616-121-30	0	0	0	27	27
17	621-091-15	0	0	0	11	11
<b>TOTAL</b>		<b>152</b>	<b>163</b>	<b>230</b>	<b>651</b>	<b>1,196</b>

RHNA = Regional Housing Needs Assessment



Several recently completed housing projects near Laguna Woods are comparable in land use controls and site improvements but have higher densities than those envisioned under the Housing Element. Table G provides a list of these housing projects, along with their addresses and density (measured in dwelling units per acre). All four of these projects are located in the Gateway Specific Plan, which is centered around the western edge of the I-5/Crown Valley Parkway interchange in the nearby city of Laguna Niguel. None of these residential developments has units allocated for affordable housing.

**Table G: Recently Developed Housing in Nearby Cities**

Project	Address	Density
Skye at Laguna Niguel	28100 Cabot Rd., Laguna Niguel	67 du/ac
Apex Laguna Niguel	27960 Cabot Rd., Laguna Niguel	86 du/ac
Broadstone Cavora	26033 Cape Dr., Laguna Niguel	70 du/ac
Blu Laguna Niguel	27930 Cabot Rd., Laguna Niguel	99 du/ac

du/ac = dwelling units per acre

The additional residential development capacity on the City's potential housing sites is based on densities of 8–10 dwelling units/acre (du/ac) within the residential low density overlay, 15–20 du/ac within the residential medium-low density overlay, 20–30 du/ac within the residential medium density overlay, and 30–50 du/ac within the residential high density overlay. The potential housing sites would also include affordable housing units. Therefore, the potential housing sites would improve existing conditions for current and future residents in Laguna Woods and would increase opportunities for lower income residents in Laguna Woods while also developing new housing at a much lower density than recently completed housing projects in neighboring Laguna Niguel.

The 17 potential housing sites currently contain the following existing uses: religious centers (churches and a temple), commercial centers, and professional offices. There are several recent cases in Orange County where a church or other type of house of worship has been converted into housing.

Among these examples are the Wesley Village Apartments in Garden Grove, which redeveloped underused portions of a United Methodist Church property at 12741 Main Street into 47 units of affordable housing in 2016–2017. In 2021, nearly 40 percent of a property used by the Coastal Community Fellowship Church at 10460 Slater Avenue in Fountain Valley was redeveloped into 12 single-family units. Because these developments converted land used for religious facilities into housing in other Orange County cities, the fact that religious facilities are currently operating on several of the City's potential housing sites does not preclude their redevelopment with housing.

The additional housing that could be accommodated on the 17 potential housing sites would provide good access to community resources to potential residents, would be sufficiently served by utilities, and would facilitate the integration of lower-income households into the community in a way that would affirmatively further fair housing opportunities.

## 6.2 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.

## 6.3 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.

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.

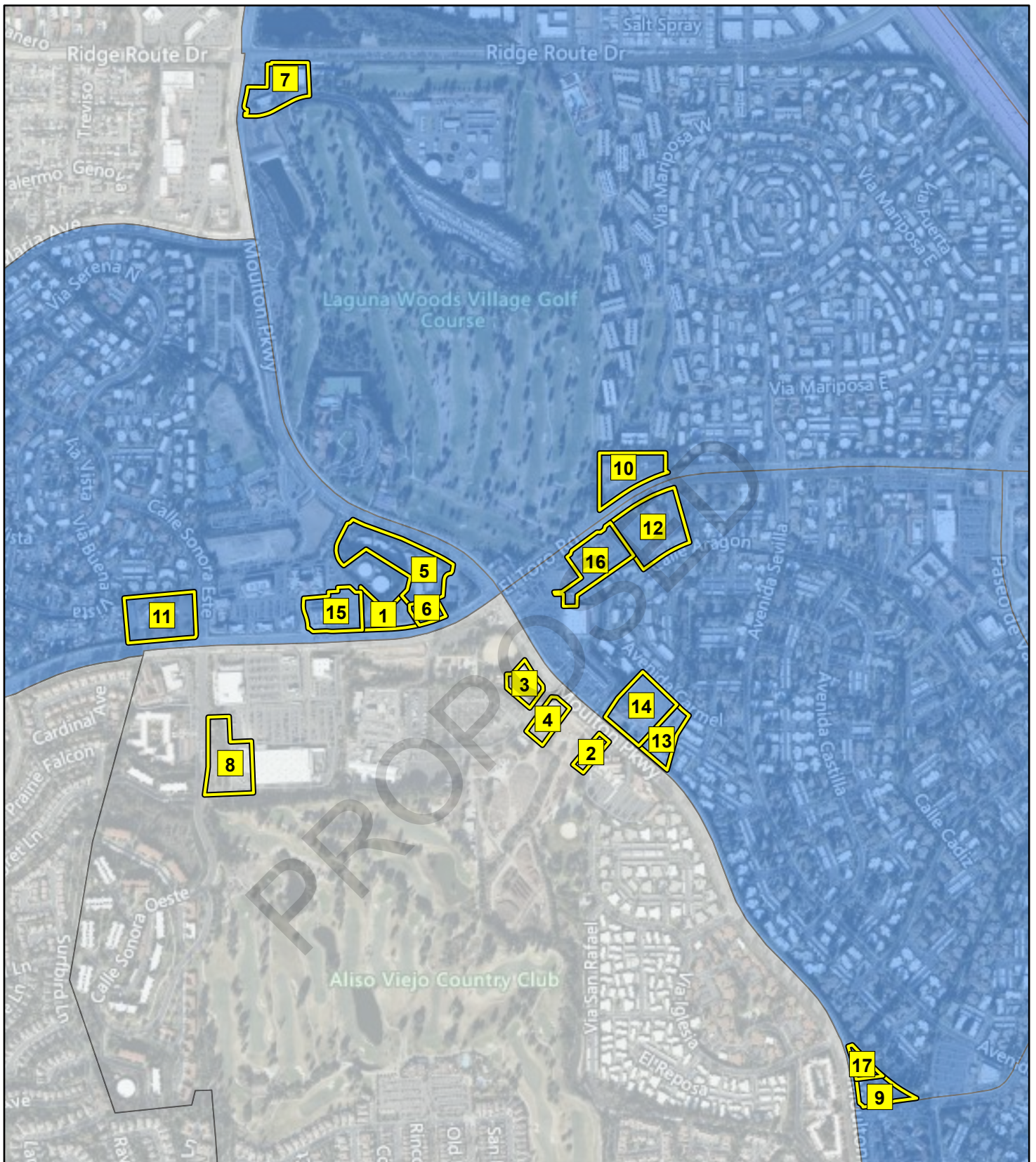


FIGURE 2

LSA

LEGEND

Housing Sites

Poverty Status (Tract) - ACS (2015-2019)

Percent of Population whose income in the past 12 months is below poverty level

< 10%

10% - 20%



Laguna Woods Residential Site Inventory  
Poverty Status

SOURCE: Bing (2018); City of Laguna Woods (5/2021); California Tax Credit Allocation Committee (2021)

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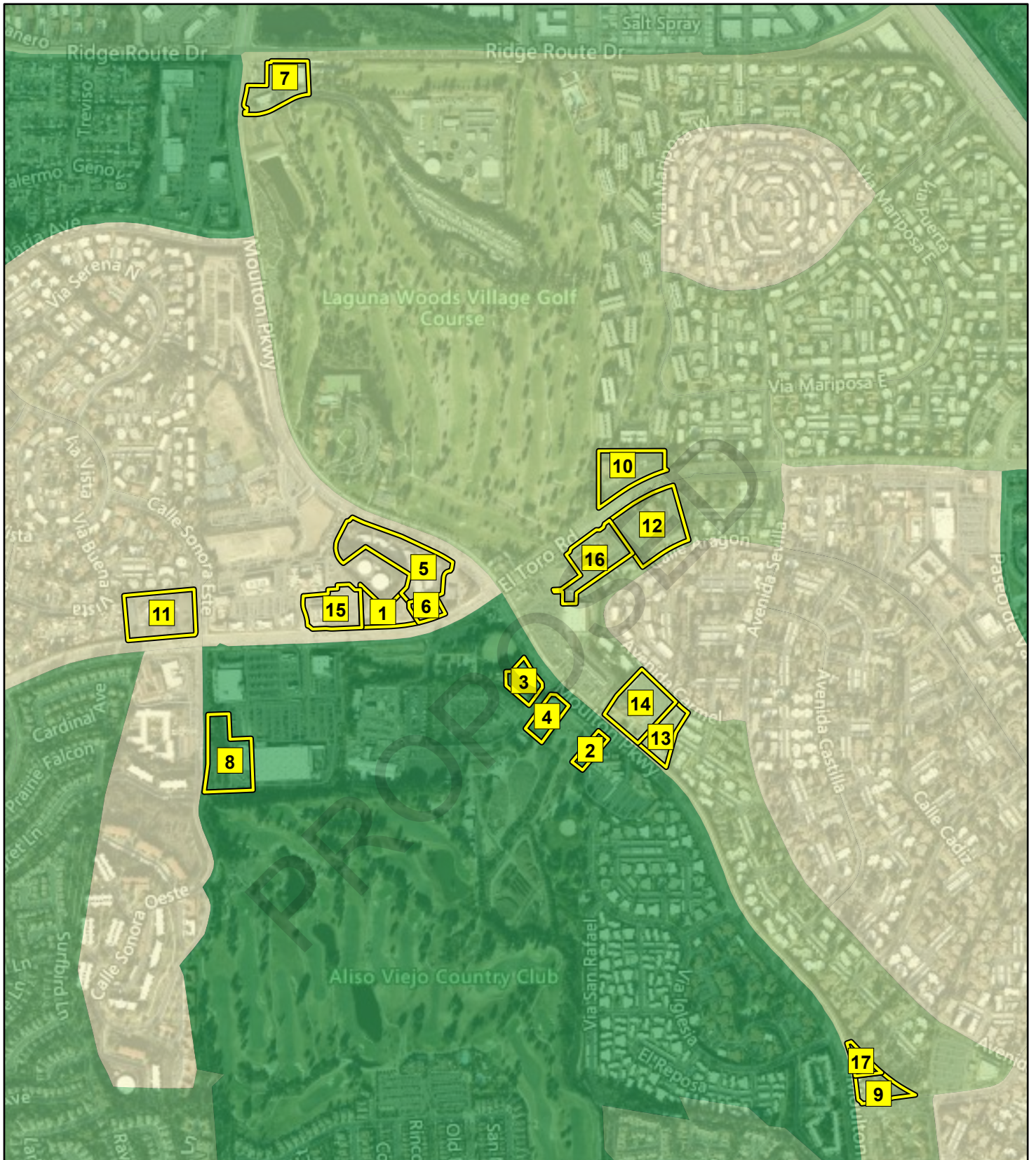
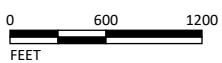


FIGURE 3

LSA

LEGEND

- Housing Sites
- 2018 Diversity Index (Esri)
  - Lower Diversity
  - ≤55.0%
  - ≤70.0%
  - ≤85.0%



Laguna Woods Residential Site Inventory  
Diversity Index

SOURCE: Bing (2018); City of Laguna Woods (5/2021); California Tax Credit Allocation Committee (2021)  
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PROPOSED

## 6.4 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.

## 6.5 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.

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.

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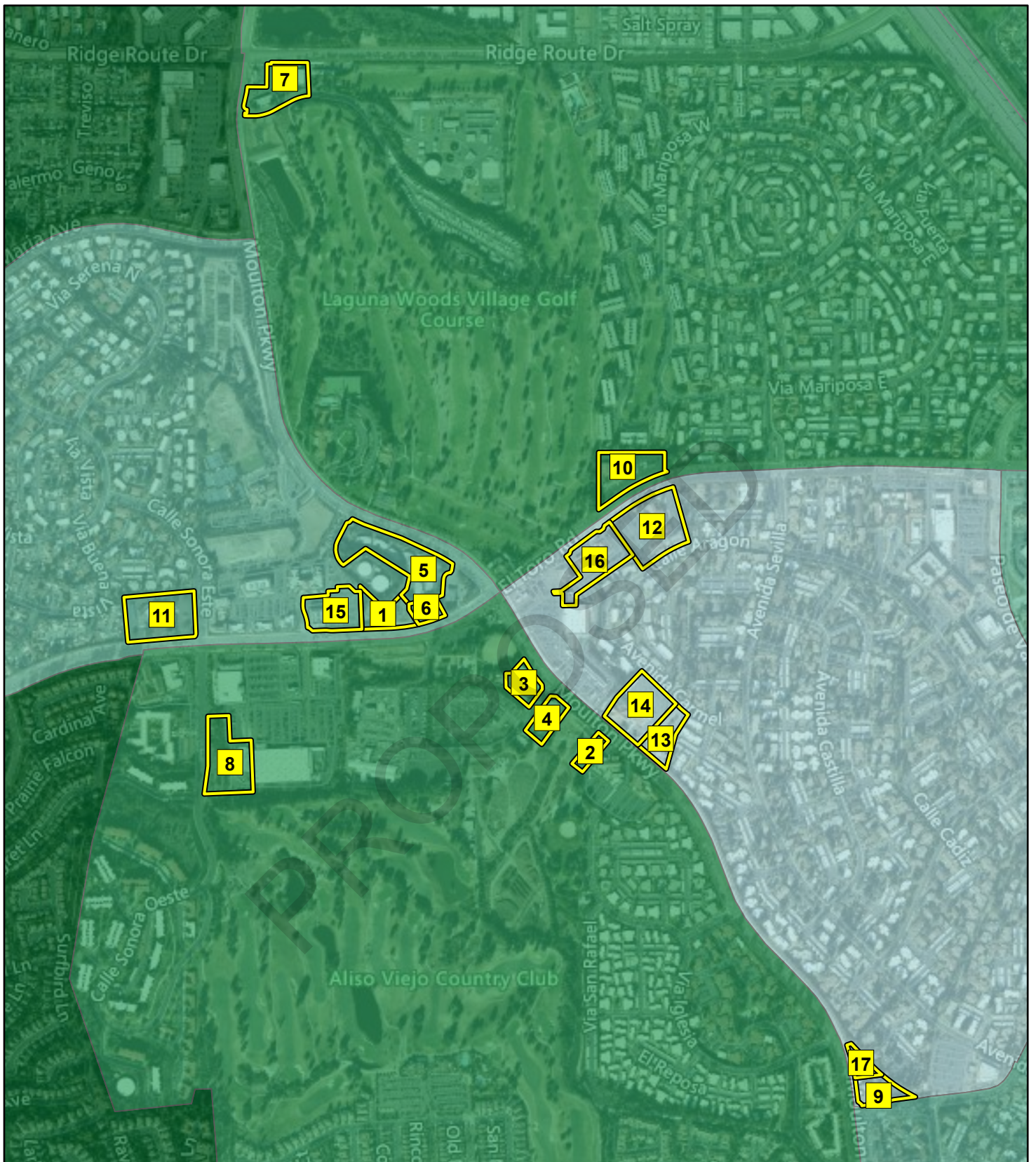




FIGURE 4


LSA

LEGEND


 Housing Sites

Healthy Places Index

 20% - 40%

 40% - 60%

 60% - 80%

 80% - 100%



Laguna Woods Residential Site Inventory  
Healthy Places Index

SOURCE: Bing (2018); City of Laguna Woods (5/2021); California Tax Credit Allocation Committee (2021)

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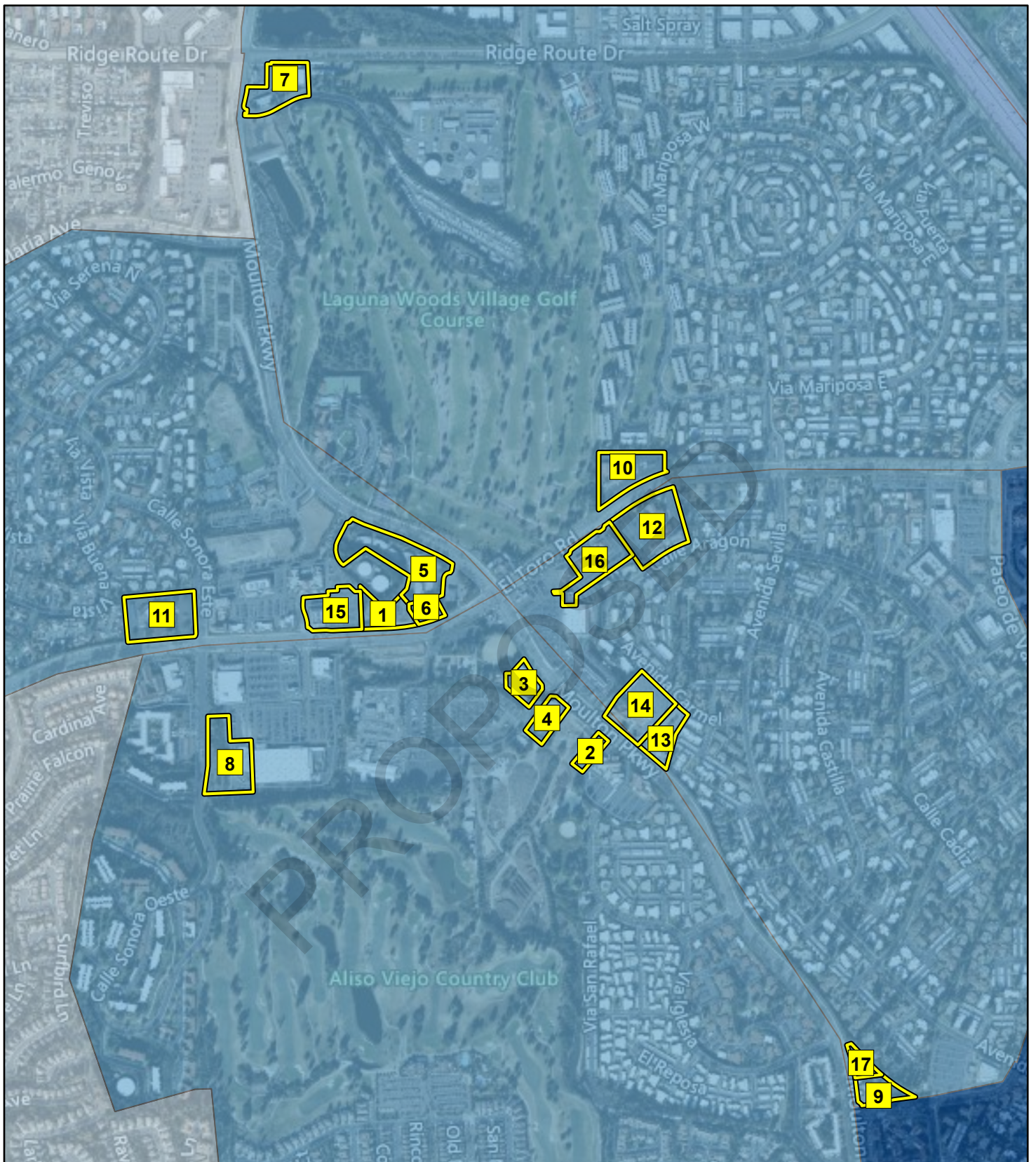


FIGURE 5

LSA

LEGEND

Housing Sites

Social Vulnerability Index - (CDC, 2018)

Lower Vulnerability

Higher Vulnerability



SOURCE: Bing (2018); City of Laguna Woods (5/2021); California Tax Credit Allocation Committee (2021)

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PROPOSED

## 6.6 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 H shows the full list of these domains and indicators.

**Table H: 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.

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. Section 1.4.1.3 of Exhibit A, Housing Needs Assessment, provides a more detailed explanation of the various census tracts in Laguna Woods and their respective opportunity map scores and categorizations.

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.

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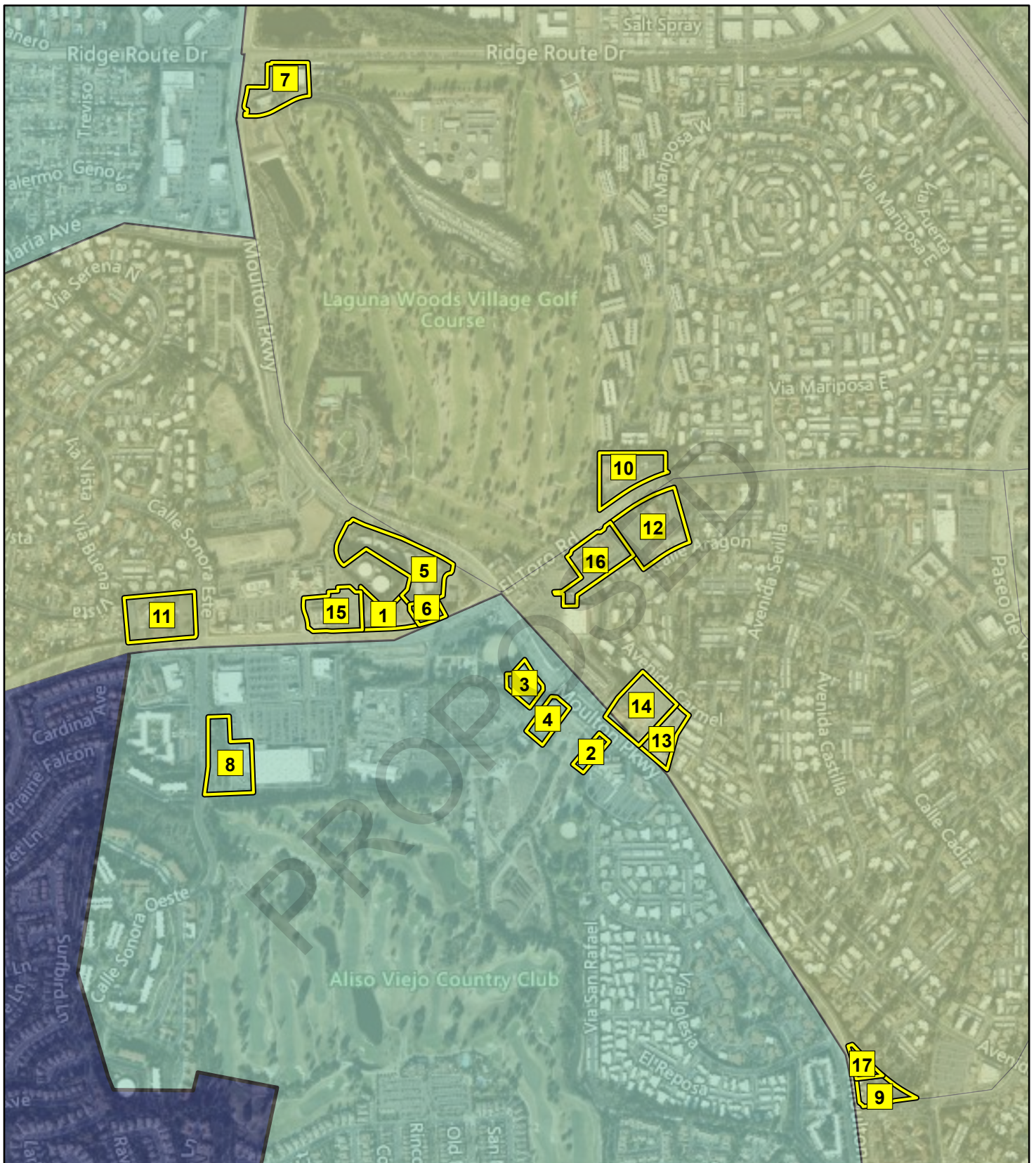




FIGURE 6


LSA

LEGEND

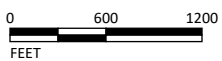
 Housing Sites

TCAC Opportunity Areas 2021 - Composite Score

 Highest Resource

 Moderate Resource (Rapidly Changing)

 Low Resource



Laguna Woods Residential Site Inventory  
TCAC Opportunity Areas

SOURCE: Bing (2018); City of Laguna Woods (5/2021); California Tax Credit Allocation Committee (2021)

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PROPOSED



## 6.7 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.

## 6.8 DISABILITY

Table I provides data compiled by the U.S. Census Bureau related to disability for Orange County, Laguna Woods, the surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, and the eight census tracts that are partially or entirely within Laguna Woods.

**Table I: Disability Trends**

Jurisdiction	Population with Disability (2008–2012 ACS) (%) <sup>2</sup>	Population with Disability (2015–2019 ACS) (%) <sup>1</sup>	Percent Change
Orange County	7.6	8.5	11.8%
Laguna Woods	29.2	27.3	-6.5%
Aliso Viejo	3.8	6.3	65.8%
Laguna Hills	7.4	8.8	18.9%
Laguna Beach	6.8	9.4	38.2%
Lake Forest	6.4	6.9	7.8%
Census Tract 626.21	7.7	7.2	-6.5%
Census Tract 626.22	25.7	22.6	-12.1%
Census Tract 626.25	12.5	14.1	12.8%
Census Tract 626.41	11.3	13.8	22.1%
Census Tract 626.46	29.3	25.4	-13.3%
Census Tract 626.47	20.4	16.9	-17.2%
Census Tract 626.48	27.9	26.4	-5.4%
Census Tract 626.49	17.7	24.5	38.4%

<sup>1</sup> American Community Survey 2019 5-Year Estimates. Table S1810.

<sup>2</sup> American Community Survey 2012 5-Year Estimates. Table S1810.

Table I 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). Laguna Woods also has a much higher percentage of its population with a disability than Aliso Viejo, Laguna Hills, Laguna Beach, or Lake Forest, which have 6.3 percent, 8.8 percent, 9.4 percent, and 6.9 percent, respectively. All 17 of the potential housing sites are located in census tracts with a higher percentage of disabled residents than Orange County.

Additionally, Table I details the change in the percentage of disabled residents in Laguna Woods, Aliso Viejo, Laguna Hills, Laguna Beach, Lake Forest, and Orange County between the 2008–2012 and the 2015–2019 American Community Survey (ACS) estimate periods. The 2008–2012 ACS estimates were the earliest time period when data pertaining to disabled persons were available at a census tract level. As shown in Table I, Laguna Woods saw a 6.5 percent decrease in the percentage of its residents with disabilities between the 2008–2012 and the 2015–2019 ACS estimate periods. During the same time period, Orange County and the other cities surrounding Laguna Woods saw increases in the percentages of their residents with disabilities (ranging from a 7.8 percent increase in Lake Forest to a 65.8 percent increase in Aliso Viejo). However, the percentage of the population with a disability in Laguna Woods (27.3 percent) is much higher than any of the other cities surrounding Laguna Woods or Orange County.

## 6.9 FAMILY STATUS

Table J provides data compiled by the U.S. Census Bureau related to household type for Orange County, Laguna Woods, the surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, and the eight census tracts that are partially or entirely within Laguna Woods.

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 and the surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest have a 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.

Additionally, Table J details the changes in family status among households in Laguna Woods, Aliso Viejo, Laguna Hills, Laguna Beach, Lake Forest, and Orange County between the 2006–2010 and the 2015–2019 ACS estimate periods. The 2006–2010 ACS estimates were the earliest time period when household and family status data were available at a census tract level. As shown in Table J, the percentage of married-couple families increased the most in Laguna Woods (11.6 percent) between the 2006–2010 and the 2015–2019 ACS estimate periods; however, the percentage of married-couple families also increased in most of the other surrounding cities and in Orange County. All of the individual census tracts in Laguna Woods also saw increases in the number of married-couple households, with the exception of two census tracts, Census Tract 626.47 and Census

**Table J: Family Status Trends**

Jurisdiction	Married-Couple Family Year <sup>1,2</sup>		Percent Change (2006–2010 ACS to 2015–2019 ACS)	Male Householder Year <sup>1,2</sup>		Percent Change (2006–2010 ACS to 2015–2019 ACS)	Female Householder Year <sup>1,2</sup>		Percent Change (2006–2010 ACS to 2015–2019 ACS)	Nonfamily Household Year <sup>1,2</sup>		Percent Change (2006–2010 ACS to 2015–2019 ACS)
	(2006–2010 ACS)	(2015–2019 ACS)		(2006–2010 ACS)	(2015–2019 ACS)		(2006–2010 ACS)	(2015–2019 ACS)		(2006–2010 ACS)	(2015–2019 ACS)	
Orange County	533,446	569,260	+6.7%	54,071	55,032	+1.8%	111,816	119,719	+7.1%	285,170	293,481	+2.9%
Laguna Woods	3,215	3,590	+11.7%	166	83	-50.0%	352	309	-12.2%	7,737	7,021	-9.3%
Aliso Viejo	9,264	10,054	+8.5%	521	809	+55.3%	1,599	1,937	+21.1%	6,693	5,715	-14.6%
Laguna Hills	6,418	6,347	-1.1%	400	438	+9.5%	865	941	+8.8%	2,744	3,311	+20.7%
Laguna Beach	4,683	5,038	+7.6%	518	359	-30.7%	545	595	+9.2%	5,301	4,243	-20.0%
Lake Forest	15,971	17,060	+6.8%	1,312	1,329	+1.3%	2,432	3,166	+30.2%	7,200	7,783	+8.1%
Census Tract 626.21	985	2,355	+139.1%	59	297	+403.4%	194	361	+86.1%	630	1,610	+155.6%
Census Tract 626.22	911	951	+4.4%	11	0	-100.0%	152	47	-69.1%	1,528	1,537	+0.6%
Census Tract 626.25	763	831	+8.9%	69	46	-33.3%	107	131	+22.4%	923	952	+3.1%
Census Tract 626.41	770	1,034	+34.3%	67	5	-92.5%	104	147	+41.3%	715	838	+17.2%
Census Tract 626.46	575	762	+32.5%	31	48	+54.8%	54	0	-100.0%	1,651	1,555	-5.8%
Census Tract 626.47	589	543	-7.8%	21	143	+581.0%	129	217	+68.2%	1,497	1,448	-3.3%
Census Tract 626.48	657	470	-28.5%	13	8	-38.5%	42	84	+100.0%	1,454	1,300	-10.6%
Census Tract 626.49	540	711	+31.7%	49	28	-42.9%	89	33	-62.9%	1,348	1,094	-18.8%

<sup>1</sup> American Community Survey 2019 5-Year Estimates. Table S1101.

<sup>2</sup> American Community Survey 2010 5-Year Estimates. Table S1101.

Tract 626.48. The percentage of male householders and female householders has decreased in Laguna Woods by 50 percent and 12.2 percent, respectively, while it has increased in all surrounding cities (with the exception of Laguna Beach’s decrease in male householders). Finally, the number of non-family households in Laguna Woods has decreased by approximately 9.3 percent while it has increased in Orange County by approximately 2.9 percent.

**6.10 INCOME**

Table K provides data compiled by the U.S. Census Bureau related to poverty status and median household income for Orange County, Laguna Woods, the surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, and the eight census tracts that are partially or entirely within Laguna Woods.

**Table K: Income Trends**

Jurisdiction	Population Below Poverty (%) <sup>1,2</sup>		Percent Change (2008–2012 ACS to 2015–2019 ACS)	Median Household Income <sup>3,4</sup>		Percent Change (2008–2012 ACS to 2015–2019 ACS)
	2008–2012 ACS	2015–2019 ACS		2008–2012 ACS	2015–2019 ACS	
Orange County	11.7	10.9	-6.8%	\$74,344	\$90,234	21.4%
Laguna Woods	11.4	11.5	0.9%	\$34,192	\$44,020	28.7%
Aliso Viejo	4.7	4.7	0.0%	\$95,498	\$112,689	18.0%
Laguna Hills	7.2	8.3	15.3%	\$87,337	\$100,985	15.6%
Laguna Beach	7.4	6.3	-14.9%	\$98,634	\$129,983	31.8%
Lake Forest	5.0	6.9	38.0%	91,040	\$109,492	20.3%
Census Tract 626.21	6.5	7.7	18.5%	\$76,333	\$111,425	46.0%
Census Tract 626.22	9.9	13.7	38.4%	\$32,437	\$44,119	36.0%
Census Tract 626.25	12.6	12.4	-1.6%	\$43,070	\$45,214	5.0%
Census Tract 626.41	9.1	3.3	-63.7%	\$59,500	\$88,986	49.6%
Census Tract 626.46	14.9	10.6	-28.9%	\$30,291	\$41,875	38.2%
Census Tract 626.47	9.7	15.7	61.9%	\$35,345	\$54,327	53.7%
Census Tract 626.48	4.2	12.9	207.1%	\$38,534	\$45,000	16.8%
Census Tract 626.49	6.6	11.1	68.2%	\$48,351	\$60,254	24.6%

<sup>1</sup> American Community Survey 2019 5-Year Estimates. Table S1701.

<sup>2</sup> American Community Survey 2012 5-Year Estimates. Table S1701.

<sup>3</sup> American Community Survey 2019 5-Year Estimates. Table S1901.

<sup>4</sup> American Community Survey 2010 5-Year Estimates. Table S1901.

As described in Table K, 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) and higher than the surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest. 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 K also shows that Laguna Woods has a substantially lower median household income (\$44,020) than Orange County (\$90,234) or any of the other surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest. 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, Table K details the change in the percentage of residents living below the poverty level in Laguna Woods, Aliso Viejo, Laguna Hills, Laguna Beach, Lake Forest, and the County between the 2008–2012 and the 2015–2019 ACS estimate periods as well as the percentage of change in median household income in those same geographies between the 2006–2010 and the 2015–2019 ACS estimate periods. The 2008–2012 ACS estimates were the earliest time period when ACS data pertaining to poverty status were available at a census tract level, and the 2006–2010 ACS estimates were the earliest time period when ACS data pertaining to household income were available at a census tract level. Laguna Woods, Orange County, the surrounding cities, and all individual census tracts within the Laguna Woods saw an increase in median household income between the 2006–2010 and the 2015–2019 ACS estimate periods. However, the percentage of residents living below the poverty level in Laguna Woods slightly increased over time (from 11.4 percent to 11.5 percent), whereas the percentage of Orange County residents living below the poverty level decreased by 6.8 percent during the same time period.

### 6.11 RACE AND ETHNICITY

Table L provides data compiled by the U.S. Census Bureau related to race and ethnicity for Orange County, Laguna Woods, the surrounding cities of Aliso Viejo, Laguna Hills, Lake Forest, Laguna Beach, and the eight census tracts that are partially or entirely within Laguna Woods for the 2006–2010 and the 2015–2019 ACS estimate periods.

As Table L indicates, Orange County, Laguna Woods, all surrounding cities, and all eight census tracts within Laguna Woods have a majority White population. All cities including Laguna Woods (76.3 percent, 80.0 percent, 70.9 percent, 89.5 percent, and 65.9 percent for Laguna Woods, Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, respectively) have a higher population of White residents than Orange County (61.0 percent). Laguna Woods has the lowest percentage of Hispanic or Latino population (5.8 percent) among all its surrounding cities and Orange County, and Census Tract 626.48 has the lowest percentage of Hispanic or Latino population (4.2 percent) among all geographies.

Table M provides a comparison of the breakdown of race and ethnicity in Laguna Woods, Aliso Viejo, Laguna Hills, Laguna Beach, Lake Forest, and Orange County between the 2006–2010 and the 2015–2019 ACS estimate periods. The 2006–2010 ACS estimate period was the earliest possible time period when race and ethnicity data were available at a census tract level. As shown in Table M, the White population in Laguna Woods decreased by approximately 15.5 percent between the 2006–2010 and the 2015–2019 ACS estimate periods, whereas it increased in Orange County and the cities of Aliso Viejo, Laguna Hills, and Lake Forest by 5.0 percent, 8.7 percent, 0.5 percent, and 4.0 percent, respectively, during the same time frame. The Black population in Laguna Woods decreased by 9.5 percent between the 2006–2010 and the 2015–2019 ACS estimate periods, whereas it increased in Orange County and Laguna Hills, Laguna Beach, and Aliso Viejo by 15.0 percent, 95.0 percent, 51.6 percent, and 28.9 percent, respectively. The Hispanic population increased in all geographies between the 2006–2010 and the 2015–2019 ACS estimate periods, except in Census Tract 626.22, Census Tract 626.25, and Census Tract 626.41.

**Table L: Race and Ethnicity Trends**

Jurisdiction	White		Black or African American		American Indian and Alaska Native		Asian		Native Hawaiian and Other Pacific Islander		Some Other Race and Two or More Races		Hispanic or Latino (of any race)	
	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS
Orange County	1,839,676 (62.0%)	1,931,263 (61.0%)	48,361 (1.6%)	55,591 (1.8%)	13,004 (0.4%)	14,424 (0.5%)	521,268 (17.6%)	649,042 (20.5%)	9,565 (0.3%)	10,152 (0.3%)	557,247 (18.8%)	507,572 (16.0%)	973,899 (32.8%)	1,078,726 (34.1%)
Laguna Woods	14,499 (89.0%)	12,250 (76.3%)	126 (0.8%)	114 (0.7%)	0 (0.0%)	13 (0.1%)	1,357 (8.3%)	3,169 (19.7%)	0 (0.0%)	0 (0.0%)	341 (2.0%)	507 (3.2%)	723 (4.4%)	929 (5.8%)
Aliso Viejo	32,625 (70.4%)	35,449 (80.0%)	1,476 (3.2%)	1,237 (2.4%)	48 (0.1%)	238 (0.5%)	6,520 (14.1%)	7,905 (15.6%)	40 (0.1%)	64 (0.1%)	5,885 (12.8%)	5,770 (11.4%)	7,927 (17.1%)	9,189 (18.1%)
Laguna Hills	22,306 (73.3%)	22,417 (70.9%)	241 (0.8%)	470 (1.5%)	156 (0.5%)	27 (0.1%)	3,111 (10.2%)	4,632 (14.7%)	98 (0.3%)	18 (0.1%)	4,744 (15.6%)	4,053 (12.9%)	6,672 (21.9%)	6,950 (22.0%)
Laguna Beach	20,746 (91.0%)	20,617 (89.5%)	128 (0.6%)	194 (0.8%)	12 (0.1%)	28 (0.1%)	1,050 (4.6%)	867 (3.8%)	40 (0.2%)	0 (0.0%)	903 (3.9%)	1,330 (5.7%)	1,513 (6.6%)	1,892 (8.2%)
Lake Forest	53,242 (69.4%)	55,374 (65.9%)	1,425 (1.9%)	1,837 (2.2%)	380 (0.5%)	860 (1.0%)	10,360 (13.5%)	15,816 (18.8%)	129 (0.2%)	111 (0.1%)	12,156 (15.8%)	9,976 (11.9%)	17,159 (22.4%)	18,381 (21.9%)
Census Tract 626.21	4,093 (77.6%)	7,581 (61.5%)	20 (0.4%)	194 (1.6%)	0 (0.0%)	14 (0.1%)	652 (12.4%)	3,654 (29.6%)	0 (0.0%)	0 (0.0%)	607 (11.5%)	888 (7.2%)	1,244 (23.6%)	1,557 (12.6%)
Census Tract 626.22	3,379 (77.8%)	3,025 (78.2%)	27 (0.6%)	14 (0.4%)	0 (0.0%)	0 (0.0%)	477 (11.0%)	736 (19.0%)	36 (0.8%)	0 (0.0%)	426 (9.8%)	93 (2.4%)	638 (14.7%)	35 (7.9%)
Census Tract 626.25	2,902 (70.5%)	2,547 (64.1%)	0 (0.0)	11 (0.3%)	0 (0.0%)	0 (0.0%)	365 (8.9%)	513 (12.9%)	0 (0.0%)	0 (0.0%)	848 (20.6%)	904 (22.8%)	1,349 (32.8%)	1,293 (32.5%)
Census Tract 626.41	2,774 (61.1%)	3,518 (65.4%)	58 (1.3%)	87 (1.6%)	0 (0.0%)	0 (0.0%)	566 (12.5%)	975 (18.1%)	0 (0.0%)	0 (0.0%)	1,163 (25.6%)	796 (14.8%)	1,732 (38.2%)	1,184 (22.0%)
Census Tract 626.46	2,759 (90.3%)	2,502 (72.9%)	20 (0.7%)	100 (2.9%)	0 (0.0%)	0 (0.0%)	202 (6.6%)	658 (19.2%)	0 (0.0%)	0 (0.0%)	75 (2.5%)	173 (5.0%)	139 (4.5%)	240 (7.0%)
Census Tract 626.47	3,007 (73.5%)	3,070 (67.4)	27 (0.7%)	170 (3.7%)	0 (0.0%)	13 (0.3%)	601 (14.7%)	788 (17.3%)	0 (0.0%)	0 (0.0%)	454 (11.1%)	512 (11.2%)	722 (17.7%)	994 (21.8%)
Census Tract 626.48	2,727 (92.8%)	1,996 (75.6%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	142 (4.8%)	510 (19.3%)	0 (0.0%)	0 (0.0%)	86 (2.9%)	134 (5.0%)	87 (3.0%)	110 (4.2%)
Census Tract 626.49	2,820 (93.2%)	2,542 (79.3%)	37 (1.2%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	155 (5.1%)	552 (17.2%)	0 (0.0%)	0 (0.0%)	13 (0.4%)	110 (3.4%)	67 (2.2%)	379 (11.8%)

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

<sup>2</sup> American Community Survey 2010 5-Year Estimates. Table DP05.

**Table M: Race and Ethnicity Trends (2006–2010 ACS to 2015–2019 ACS)**

Jurisdiction	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race and Two or More Races	Hispanic or Latino (of any race)
Orange County	+5.0%	+15.0%	+10.9%	+24.5%	+6.1%	-8.9%	+10.8%
Laguna Woods	-15.5%	-9.5%	--	+133.5%	--	+48.7%	+28.5%
Aliso Viejo	+8.7%	-16.2%	+395.8%	+21.2%	+60.0%	-2.0%	+15.9%
Laguna Hills	+0.5%	+95.0%	-82.7%	+48.9%	-81.6%	-14.6%	+4.2%
Laguna Beach	-0.6%	+51.6%	+133.3%	-17.4%	-100.0%	+47.3%	+25.0%
Lake Forest	+4.0%	+28.9%	+126.3%	+52.7%	-14.0%	-17.9%	+7.1%
Census Tract 626.21	+85.2%	+870.0%	--	+460.4%	--	+46.3%	+25.2%
Census Tract 626.22	-10.5%	-48.1%	--	+54.3%	-100.0%	-78.2%	-99.5%
Census Tract 626.25	-12.2%	--	--	+40.5%	--	+6.6%	-4.2%
Census Tract 626.41	+26.8%	+50.0%	--	+72.3%	--	-31.6%	-31.6%
Census Tract 626.46	-9.3%	+400.0%	--	+225.7%	--	+130.7%	+72.7%
Census Tract 626.47	+2.1%	+529.6%	--	+31.1%	--	+12.8%	+37.7%
Census Tract 626.48	-26.8%	--	--	+259.2%	--	+55.8%	+26.4%
Census Tract 626.49	-9.9%	-100.0%	--	+256.1%	--	+746.2%	+465.7%

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## 6.12 LOCAL DATA AND KNOWLEDGE

### 6.12.1 Age and Income Restrictions

As described earlier in this exhibit, the majority of Laguna Woods is comprised of private communities that are restricted by income and to adults aged 55 and older. Of the 13,252 dwelling units in the City of Laguna Woods, 12,736 are located in the gated community of Laguna Woods Village (formerly Leisure World), which represents 80 percent of the City's total land area. Three additional age-restricted residential communities provide an additional 516 dwelling units in the City. Consequently, income and age restrictions have impeded housing choices for lower-income and younger residents interested in relocating to Laguna Woods.

Prior to the 1960s, Laguna Woods was a part of South Orange County's expansive Moulton Ranch, with only a few scattered ranch dwellings and barns comprising the nearly three square miles of land. In 1964, a portion of Moulton Ranch was purchased and developed into Leisure World Laguna Hills, a community for people aged 52 and older. The City was then officially incorporated as Orange County's 32nd city in 1999, resulting in a somewhat unique city with an average resident age that is greater than 75 years.

Existing income and age restrictions were not required by the City and are not a function of any local development code or regulation, but rather elective decision-making on the part of developers and property owners, in large part prior to the City's incorporation in 1999. In keeping with past practice, this Housing Element contains no income- or age-related housing mandates.

This Housing Element contains programs intended to affirmatively further fair housing for all persons, including a number of goals and policy objectives that specifically reference lower incomes (see Goals H-1, H-2, and H-3, and Policy Objectives H-1.1, H-1.2, H-1.4, and H-1.5). Policy Objective H-1.5 explicitly references "families," a term which includes persons of any age, and Policy Objective H-3.1 prioritizes efforts to increase access to housing without preconditions, including income or age.

Recognizing the impediments to housing production and choice associated with existing income and age restrictions, this Housing Element intentionally identifies only potential housing sites located outside of private communities that are currently income- and/or age-restricted. This is a change from previous Housing Elements for which all potential housing sites were located on property owned by entities affiliated with income- and age-restricted private communities. None of the potential housing sites identified in this Housing Element contain known income or age restrictions.

Program H-3.1.3 in this Housing Element provides for fee waivers or reductions, or other incentives, for housing projects that prepare and implement an affirmative marketing plan designed to attract renters or buyers of diverse demographics including, among other characteristics, familial status (meaning that housing projects seeking to obtain such incentives would not be eligible if they restrict occupant households from including children under the age of 18, or any other combination of family unit recognized by law). The incentives envisioned in Program H-3.1.3 will be prioritized based on factors including racial concentrations from U.S. Census Bureau data products, with an emphasis on avoiding the creation of geographically discernable patterns of segregation or racially



concentrated areas of poverty. The incentives are expected to promote housing production (and, thereby, housing choices) for all persons regardless of age.

### **6.12.2 Property Ownership Implications**

As described in Sections 4.0 and 6.12.1 above, approximately 2.7 square miles of Laguna Woods' overall 3.3 square miles is occupied by Laguna Woods Village, a private gated community for people aged 55 and older. While there are properties within Laguna Woods Village that are perceived as vacant and might otherwise be potentially available for new housing development, all such property is held in trust by the Golden Rain Foundation for the benefit of the residents of Laguna Woods Village. Applicable governing documents restrict the Golden Rain Foundation's ability to build housing on, or unilaterally sell/lease, its property. Consequently, housing choice and the prospect of new housing construction is limited in most of Laguna Woods.

Property ownership of existing housing units within Laguna Woods Village is unique in that a large portion of the housing stock is comprised of co-ops wherein residents are members of a corporation which owns all real property, including the dwelling units, carports, and laundry facilities within the corporation's boundaries, and each member is entitled to occupy a specific dwelling unit under the terms of an occupancy agreement. Consequently, co-op residents do not enjoy the same latitude to modify and maintain their dwelling units as residents of more conventional single-family homes or condominiums, which may impede the development of accessory dwelling units and otherwise affect housing choice, as well as centralize many opportunities for the conservation and revitalization of housing stock with housing corporations rather than residents.

The City's legal obligation to support the development of accessory dwelling units is addressed in this Housing Element's Programs H-1.4.1, H-1.4.2, and H-1.4.3. To provide both housing corporations and residents with resources related to the conservation of dwelling units, this Housing Element includes Programs H-2.1.1, H-2.2.2, and H-2.2.3. Program H-2.3.1 complements those programs by formalizing a proactive code enforcement program focusing on housing-related rehabilitation needs, resulting in repairs, and seeking to mitigate potential cost, displacement, and relocation impacts on residents.

### **6.12.3 Environmental and Topography Constraints**

The City has evaluated potential safety hazards that constrain future development within its boundaries and incorporated maps depicting the locations of those constraints within the Safety Element of its General Plan.

According to the Safety Element, fire hazards exist in the wildland-urban interface area in the western edge of Laguna Woods where urban development meets the open space areas west of the City. While some undeveloped land exists within the fire hazard severity zones (Laguna Coast Wilderness Park and Woods End Wilderness Preserve), this land is protected by irrevocable open space easements, which eliminates any possibility of their development. Therefore, the presence of fire hazards in these areas does not constrain housing development.

The Safety Element indicates that special flood hazard areas comprise approximately 26 acres of Laguna Woods. Flood hazards exist in the floodplain along Aliso Creek in the southern portion of

Laguna Woods and the Golden Rain Foundation's nine-hole golf course near Paseo del Lago. Both of the areas affected by flooding hazards are within the boundaries of Laguna Woods Village and have been used as recreational amenities for community residents for more than 50 years. As such, the development of new housing on these areas is just as likely to be constrained by the property's complex land ownership situation (common areas owned and maintained by the Golden Rain Foundation for the use and benefit of Laguna Woods Village residents) as it is by the presence of flood hazards.

According to the Safety Element, there are no mapped fault zones pursuant to the Alquist-Priolo Earthquake Fault Zoning Act that transect Laguna Woods; however, there are several major faults and fault zones in the vicinity of Laguna Woods. Although fault rupture and seismic shaking do present a risk to development in Laguna Woods, these hazards can be addressed by incorporating the design recommendations of engineers and geotechnical professionals. Therefore, seismic hazards do not represent a constraint on new housing development in Laguna Woods.

The Safety Element notes that landslide hazard zones exist in several areas of Laguna Woods, mainly in areas where steep slopes occur. In total, the State considers approximately 77 acres as prone to earthquake-induced landslides. According to the Safety Element, approximately 256 acres of land within Laguna Woods are prone to liquefaction. These areas include a strip of land in the northwestern portion of Laguna Woods, land along El Toro Road west of Calle Sonora, the Aliso Creek corridor, and a broad swath of the southeastern portion of Laguna Woods. Similar to seismic hazards, landslide and liquefaction hazards can be addressed in the design process by incorporating the input of engineers and geotechnical professions. Therefore, these hazards do not represent a constraint on new housing development in Laguna Woods.

#### **6.12.4 Relevant Factors Contributing to Fair Housing**

Due to the developed nature of Laguna Woods and the fact that the majority of the City's existing housing stock is age- and income-restricted, the only way to add housing opportunities to younger residents or residents with lower incomes is to build more housing that is accessible to these populations. The sites that are identified for new housing production in the Housing Element present an opportunity for younger residents or residents with lower incomes to move to Laguna Woods since they exist on sites unaffected by existing age or income restrictions. The selection of these sites present opportunities for and contributes to the addition of fair housing in Laguna Woods.

### **6.13 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 Ethically 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 Ethically 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.

## 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.

Each potential development site was independently analyzed to determine the extent to which the number of estimated units required adjustment to ensure that development capacity estimates are realistic. The adjustments identified as necessary are summarized below and have been incorporated into the realistic development capacity estimates in Table N.

- None of the sites are constrained by the availability or accessibility of sufficient water, sewer, and dry utilities. Therefore, no adjustments were made on account of those factors.
- 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 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 three of the five sites that are currently developed with places of worship (Sites 10–12) and Sites 9 and 17 was limited to 15–20 units per acre to reflect the proximity of those sites to existing, adjacent, lower-density residential uses.
- The development capacity on one of the five sites that are currently developed with places of worship (Site 13) and Site 16 was limited to 8–10 units per acre to reflect the proximity of those sites to existing, adjacent, 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.
- Sites identified as providing development capacity for accommodating very low or low income units (Sites 1–8 and 15) were assigned a density range of 30 to 50 dwelling units per acre (du/ac). This range is realistic, in part, due to examples of comparable affordable housing projects elsewhere in Orange County including, but not limited to, the following:
  - Huntington Beach Seniors, Huntington Beach (Jamboree Housing) – 55.1 du/ac (0.78 acre)
  - Manchester-Orangewood, Anaheim (Jamboree Housing) – 35.7 du/ac (2.86 acres)
  - Miraflores, Anaheim (National Core) – 36.4 du/ac (2.36 acres)
  - Legacy Square, Santa Ana (National Core) – 53.5 du/ac (1.74 acres)
  - Mountain View, Lake Forest (National Core) – 36.2 du/ac (1.96 acres)

The only recent housing development project in Laguna Woods (San Sebastian Apartments) was also constructed at a comparable density of 42.1 du/ac (3.183 acres).

The City has not received any requests to develop housing at densities below those anticipated in this housing sites inventory, including below this 30 to 50 du/ac range.

- Sites identified as providing development capacity for accommodating moderate income units (Sites 10–12 and 14) were assigned a density range of 15 to 20 du/ac, or 20 to 30 du/ac. These ranges are realistic, in part, due to examples of comparable affordable housing projects elsewhere in Orange County including, but not limited to, the following:

Residential Medium-Low Density (15 to 20 du/ac)

- Birch Hills, Anaheim (Jamboree Housing) – 19.8 du/ac (5.8 acres)
- Santa Angelina, Placentia (National Core) – 16.9 du/ac (3.85 acres)

Residential Medium Density (20 to 30 du/ac)

- Compass Rose, Fullerton (Jamboree Housing) – 26.1 du/ac (1.76 acres)
- Wesley Village, Garden Grove (Jamboree Housing) – 21.4 du/ac (2.2 acres)

The City has not received any requests to develop housing at densities below those anticipated in this housing sites inventory, including below these 15 to 20 du/ac, and 20 to 30 du/ac ranges.

- Sites 2 and 10–14 are currently developed with places of worship. It is realistic to assume that housing could be constructed on these sites, in part, due to examples of comparable affordable housing projects co-located with places of worship elsewhere in Orange County including, but not limited to, the following:
  - Legacy Square, Santa Ana (National Core) – 53.5 du/ac (1.74 acres, Santa Ana United Methodist Church)
  - Santa Angelina, Placentia (National Core) – 16.9 du/ac (3.85 acres, Church of the Blessed Sacrament)
  - Wesley Village, Garden Grove (Jamboree Housing) – 21.4 du/ac (2.2 acres, Garden Grove United Methodist Church)

As previously discussed, in 2017, the property owner and a housing developer expressed interest in the Laguna Country United Methodist Church property (Site 14).

Table N estimates the number of new housing units that can realistically be built on each of the 17 potential housing sites based on the adjustments described above. As shown in Table N, the total future housing construction potential on the 17 sites, based on realistic capacities, is 1,196 units. This includes an excess, or overzoning, of 199 units, or approximately 20 percent more than the 997 units included in the City’s housing needs allocation.

Overzoning helps to (1) 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”), and (2) compensate for urban land left vacant due to ownership and development constraints, per HCD’s “Housing Element Site Inventory Guidebook Government Code Section 65583.2” published June 10, 2020. HCD also notes that “a sufficient supply of land beyond the time frame of the housing element helps prevent land shortages from bidding up land costs.”

**Table N: Potential Housing Unit Production**

Site	Name	Vacant/ Non- vacant Site	Parcel Size (ac)	Proposed Zoning Overlay District	Densities (du/ac)	Development Capacity					Suitable for Lower-Income Households (Density & Parcel Size)	Financially Feasible for Federal & State Funding	Consolidation Potential due to Adjacency of Other Candidate Site
						Income Level				Total			
						Very Low	Low	Moderate	Above Moderate				
1	Town Centre Vacant Lot	V	1.8	Residential HD	30 to 50	10	11	0	60	81	Yes	Yes	Yes
2	Pacific Hills Calvary Chapel Parking Lot	NV	0.696	Residential HD	30 to 50	2	2	0	27	31	Yes	No	No
3	Rossmoor Electric	NV	1.232	Residential HD	30 to 50	5	6	0	44	55	Yes	Yes	No
4	Saddleback Golf Cars	NV	1.235	Residential HD	30 to 50	5	6	0	44	55	Yes	Yes	No
5	Laguna Woods Self Storage	NV	5.249	Residential HD	30 to 50	76	79	0	81	236	Yes	No	Yes
6	Animal Hospital	NV	0.76	Residential HD	30 to 50	2	3	0	29	34	Yes	No	Yes
7	PS Business Park (excludes Jack in the Box)	NV	2.867	Residential HD	30 to 50	24	26	0	79	129	Yes	Yes	No
8	Smart Parke	NV	2.373	Residential HD	30 to 50	6	7	0	50	63	Yes	Yes	No
9	McCormick & Son Mortuary	NV	1.411	Residential MLD	15 to 20	0	0	0	25	25	No	No	Yes
10	Lutheran Church of the Cross	NV	3.028	Residential MLD	15 to 20	0	0	35	19	54	No	Yes	No
11	Geneva Presbyterian Church	NV	3.955	Residential MLD	15 to 20	0	0	49	22	71	No	Yes	No
12	Saint Nicholas Catholic Church	NV	4.596	Residential MLD	15 to 20	0	0	61	22	83	No	Yes	Yes
13	Temple Judea	NV	1.757	Residential LD	8 to 10	0	0	0	15	15	No	No	Yes
14	Laguna Country United Methodist Church	NV	3.899	Residential MD	20 to 30	0	0	85	20	105	Yes	Yes	Yes
15	Medical Building in Town Centre	NV	2.69	Residential HD	30 to 50	22	23	0	76	121	Yes	Yes	Yes
16	Willow Tree Center East	NV	3.095	Residential LD	8 to 10	0	0	0	27	27	No	No	Yes
17	Helm Center	NV	0.65	Residential MLD	15 to 20	0	0	0	11	11	No	No	Yes
<i>Subtotal (units on nonvacant sites only)/93% of Lower Income Units</i>						142	152	230	591	1,115	-	-	-
<i>Subtotal (including all sites)</i>						152	163	230	651	1,196	935	817	738
<b>City's 2021–2029 RHNA Allocation</b>						<b>127</b>	<b>136</b>	<b>192</b>	<b>542</b>	<b>997</b>			
Surplus/(Deficiency)						25	27	38	109	199			
<b>Unmet Need (Only Deficiencies)</b>						-	-	-	-	-			

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

ac = acre(s)  
City = City of Laguna Woods  
du/ac = dwelling units per acre  
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

Table N also indicates that the 17 sites have the capacity to accommodate at least 312 lower-income units, which is 49 units, or 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 211 moderate-income units, which is 19 units, or approximately 9.9 percent more than the 192 moderate income units included in the City's housing needs allocation. 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. 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). 10 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 315 lower-income units identified in Table N, 22 units on Site 1 are viewed as realistic for development on vacant land, which represents approximately 8 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 O 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 O: Summary of Quantified Objectives**

Income Level	Number of Units	Rehabilitation	Conservation/Preservation <sup>1</sup>
Very Low* (<50% of AMI)	127	5	N/A
Low (50–80% of AMI)	136	5	N/A
Moderate (80–120% of AMI)	192	5	N/A
Above Moderate (>120% of AMI)	542	5	N/A
<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.



**EXHIBIT D**

**HOUSING ELEMENT PERFORMANCE  
ASSESSMENT**

**CITY OF LAGUNA WOODS**

PROPOSED

**LSA**

August 2023

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PROPOSED

## **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:

LSA  
3210 El Camino Real, Suite 100  
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Project No. LWD2101

# **LSA**

August 2023

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PROPOSED

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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</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	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>development of housing for extremely low-, very low-, low- and 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>	<p>received no applications for any new housing development projects (affordable as well as market rate housing developments).</p>	
<p><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.</p>	<p><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.</p>	<p>The City will <u>delete</u> the program as the City’s residential density bonus standards are consistent with state law.</p>
<p><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.</p>	<p><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.</p>	<p>The City will <u>delete</u> the program as the City provides referrals to the OC Housing Authority as a normal business practice.</p>
<p><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.</p>	<p><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.</p>	<p>The City will <u>delete</u> the program. See programs H-2.1.1, 2.2.1, and 2.2.3.</p>

**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

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## 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:
  - 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.
  - 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 adjacent residentially zoned parcels (including, but not limited to, the 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.
  - Formalize written procedures for the application and processing of housing projects eligible for streamlined, ministerial approval.
  - Investigate potential incentives for the development of housing projects with features that exceed the minimum requirements set forth in the California Building Energy Efficiency Standards. If feasible and economical, adopt such incentives.
- 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.

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- 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 and/or expand existing affordability covenants beyond the planned expiration date and/or current number of housing units, with an emphasis on incentivizing (i) affordability covenants for extremely low and very low-income housing units, and (ii) affordability covenants that apply to housing units in a range of sizes. 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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with disabilities. Conduct biennial outreach to residents residing in Census Tracts 626.22 and 626.48.
    - 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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with special needs. Conduct biennial outreach to residents residing in Census Tracts 626.22 and 626.48.
    - 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
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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.

PROPOSED



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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.

PROPOSED

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PROPOSED

**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).

PROPOSED

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## 2.0 SUMMARY OF EFFORTS

The Southern California Association of Governments (SCAG) approved its 6th Cycle Final 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 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.

The agenda report noted that interested parties would have an opportunity to submit public comments directly to HCD during their review process and provided a link to additional information available on HCD's website.

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's findings were reported to the City in a letter dated 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 Intent to Adopt (NOIA) 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

NOIA was also mailed to all property owners in Laguna Woods and within a 1,000-foot radius of the City's boundaries, as required by the City's Local California Environmental Quality Act (CEQA) Procedures.

The draft IS/ND was directly distributed to the following parties:

- California State Clearinghouse
- 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.

Comment letters 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 were provided to each commenting party via mail and email on January 26, 2022. The responses included a copy of each party's comment letter and corresponding responses included as part of the Final IS/ND, as well as notice that the City Council was expected to consider adoption of the Final IS/ND at a public meeting on February 9, 2022.

While the primary purpose of the public comment period was to solicit input on the draft IS/ND as required by 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.

"Clean" and redline versions of the revised draft General Plan Housing Element, and an electronic spreadsheet version of the HCD Housing Element Sites Inventory Form, were posted on the City's website and made available from City Hall on January 13, 2022.

During the Revised Draft Public Review Period, the following parties submitted comment letters to the City with additional distribution by the authors as noted:

- Catherine "Kate" R. Van Camp [sent to the City, the City Council, and the City Manager, with copies to HCD (HousingElements@hcd.ca.gov, Paul McDougall, and Marisa Prasse), Rona Henry

with Welcoming Neighbors Home, and Cesar Covarrubias, Executive Director of The Kennedy Commission]

This letter expressed general support for the revised draft General Plan Housing Element. The author wrote that, in her opinion, “the requests of the HCD have been met.”

- Welcoming Neighbors Home [sent by Rona Henry on behalf of herself and Rev. Kent Doss, minister of Tapestry Unitarian Universalist Congregation to the City and the City Council, with copies to the City Manager, HCD (HousingElements@hcd.ca.gov, Paul McDougall, and Marisa Prasse), The Kennedy Commission (Cesar Covarrubias, Mildred Perez, Daisy Cruz, and Cynthia Guerra), Kate Van Camp, and Rev. Doss]

This letter expressed general support for the revised draft General Plan Housing Element. The author requested that the City “include a program to implement a Congregational Overlay Zone” and “host a roundtable event with faith organizations located in Laguna Woods to explore the opportunities that exist for them to build.”

Both requests can be considered as part of the rezoning process described in Program H-1.1.1. The rezoning process will include the creation of four new overlay zoning districts and the adoption of minimum density and development standards for each. City staff are available to meet with faith organizations or other interested parties, as requested.

## 2.8 PUBLIC MEETING #5

On February 9, 2022, the City Council held its fifth 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 February 4, 2022. In addition, on January 20, 2022, email notification was provided to parties who had requested such notification or contacted City staff previously. As of January 20, 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.

On February 4, 2022, a second email notification was provided to parties who had requested such notification or contacted City staff previously. The distribution list remained unchanged from the distribution list used for the first notification on January 20, 2022. The second notification included links to the agenda materials and notice that proposed revisions to the January 13, 2022 draft of the General Plan Housing Element were included therein.

Consideration of adoption of the General Plan Housing Element Update and Negative Declaration was additionally noticed as a public hearing. A public notice was published in the *Orange County Register* newspaper on January 27, 2022. The public notice included a project description adapted

from the draft IS/ND and information on how to access the draft General Plan Housing Element and draft ND.

Copies of both public comment letters received during the Revised Draft Public Review Period were including in the agenda packet.

Drafts of the proposed General Plan Housing Element and HCD Housing Element Sites Inventory Form were included in the agenda packet, as well as redline versions of all revisions made since the drafts acted upon by the City Council at the public meeting on July 21, 2021. An electronic spreadsheet version of the HCD Housing Element Sites Inventory Form was posted on the City's website on February 4, 2022.

The City Council voted 5-0 to adopt a resolution adopting the General Plan Housing Element Update and Negative Declaration.

## **2.9 HCD REVIEW PERIOD**

The City Manager submitted the adopted General Plan Housing Element and HCD Housing Element Sites Inventory Form to HCD for review on February 9, 2022.

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):

- Catherine R Van Camp, resident and housing advocate with Welcoming Neighbors Home
- Rona Henry, resident and chair of Welcome Neighbors Home

HCD's findings were reported to the City in a letter dated March 8, 2022. HCD reissued the letter to correct a typographical error dated April 8, 2022.

## **2.10 REVISED DRAFT PUBLIC POSTING AND NOTIFICATION**

On August 5, 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. The posted materials included both "clean" and redline versions of the General Plan Housing Element, as well as an electronic spreadsheet version of the HCD Housing Element Sites Inventory Form. The latter was unchanged from the version adopted by the City Council on February 9, 2022.

A public notice announcing the public review period and providing information on how to access the revised draft documents 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 August 5, 2022. As of August 5, 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.

## 2.11 PUBLIC MEETING #6

On August 12, 2022, the City Council held its sixth meeting to discuss and consider the RHNA and General Plan Housing Element Update. The meeting took place at Laguna Woods City Hall at 3:30 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 August 11, 2022. In addition, on August 11, 2022, email notification was provided to parties who had requested such notification or contacted City staff previously. As of August 11, 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 notification included links to the agenda materials and notice that proposed revisions to the General Plan Housing Element adopted on February 9, 2022 were included therein.

Drafts of the proposed General Plan Housing Element and HCD Housing Element Sites Inventory Form were included in the agenda packet, as well as redline versions of all revisions made since the versions adopted by the City Council on February 9, 2022. An electronic spreadsheet version of the HCD Housing Element Sites Inventory Form was posted on the City's website on August 11, 2022.

The City Council voted 5-0 to adopt a resolution adopting the General Plan Housing Element Update.

## 2.12 HCD REVIEW PERIOD

The City Manager submitted the adopted General Plan Housing Element and HCD Housing Element Sites Inventory Form to HCD for review on August 12, 2022.

During HCD's review period, no entities or individuals submitted comments directly to HCD.

HCD's findings were reported to the City in a letter dated October 11, 2022.

## 2.13 REVISED DRAFT PUBLIC POSTING AND NOTIFICATION

On March 8, 2023, 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. The posted materials included both "clean" and redline versions of the General Plan Housing Element, as well as an electronic spreadsheet version of the HCD Housing Element Sites Inventory Form. The latter was unchanged from the version adopted by the City Council on February 9, 2022.

A public notice announcing the public review period and providing information on how to access the revised draft documents 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 March 8, 2023. As of March 8, 2023, 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.

## **2.14 PUBLIC MEETING #7**

On March 22, 2023, the City Council held its seventh 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 March 17, 2023. In addition, on March 17, 2023, email notification was provided to parties who had requested such notification or contacted City staff previously. As of March 17, 2023, 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 notification included links to the agenda materials and notice that proposed revisions to the General Plan Housing Element adopted on August 12, 2022 were included therein.

Drafts of the proposed General Plan Housing Element and HCD Housing Element Sites Inventory Form were included in the agenda packet, as well as redline versions of all revisions made since the versions adopted by the City Council on August 12, 2022. An electronic spreadsheet version of the HCD Housing Element Sites Inventory Form was posted on the City's website on March 17, 2023.

At this meeting, staff proposed minor revisions to the March 8, 2023 draft of the General Plan Housing Element, which were limited to correcting dates in Section 2.9 of Exhibit E, adding a new Section 2.12 to Exhibit E to memorialize the HCD review period for the General Plan Housing Element Update adopted by the City Council on August 12, 2022 (including updating Exhibit E's table of contents, section numbering, and formatting accordingly), and documenting the same.

The City Council voted 5-0 to adopt a resolution adopting the General Plan Housing Element Update, including staff's proposed minor revisions.

## **2.15 HCD REVIEW PERIOD**

The City Manager submitted the adopted General Plan Housing Element and HCD Housing Element Sites Inventory Form to HCD for review on March 23, 2023.

During HCD's review period, no entities or individuals submitted comments directly to HCD.

HCD's findings were reported to the City in a letter dated May 22, 2023.



## 2.16 REVISED DRAFT PUBLIC POSTING AND NOTIFICATION

On August 4, 2023, 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. The posted materials included both "clean" and redline versions of the General Plan Housing Element, as well as an electronic spreadsheet version of the HCD Housing Element Sites Inventory Form. The latter was unchanged from the version adopted by the City Council on February 9, 2022.

A public notice announcing the public review period and providing information on how to access the revised draft documents 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 August 4, 2023. As of August 4, 2023, 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 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.

## 2.17 PUBLIC MEETING #8

On August XX, 2023, the City Council held its eighth meeting to discuss and consider the RHNA and General Plan Housing Element Update. The meeting took place at Laguna Woods City Hall at XX. 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). XX 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 August XX, 2023. In addition, on August XX, 2023, email notification was provided to parties who had requested such notification or contacted City staff previously. As of August XX, 2023, 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 notification included links to the agenda materials and notice that proposed revisions to the General Plan Housing Element adopted on March 22, 2023, were included therein.

Drafts of the proposed General Plan Housing Element and HCD Housing Element Sites Inventory Form were included in the agenda packet, as well as redline versions of all revisions made since the versions adopted by the City Council on March 22, 2023. An electronic spreadsheet version of the HCD Housing Element Sites Inventory Form was posted on the City's website on August XX, 2023.

The City Council voted XX-XX to XX a resolution adopting the General Plan Housing Element Update.

## 2.18 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.

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, Rona 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.

PROPOSED

## **ITEM 8.3**

### **Attachment B**

HCD Findings Letter dated May 22, 2023

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**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833  
(916) 263-2911 / FAX (916) 263-7453  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



May 22, 2023

Christopher Macon, City Manager  
City of Laguna Woods  
24264 El Toro Road  
Laguna Woods, CA 92637

Dear Christopher Macon:

**RE: City of Laguna Woods 6<sup>th</sup> Cycle (2021-2029) Adopted Housing Element**

Thank you for submitting the City of Laguna Woods (City) housing element adopted and received for review on March 23, 2023. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The adopted housing element addresses most statutory requirements described in HCD's October 11, 2022 letter; however, additional revisions are necessary to fully comply with State Housing Element Law (Gov. Code, § 65580 et seq), as follows:

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction (Gov. Code, § 65583, subd. (c)(10)(A))*

As stated in the previous review, goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. While the element amended programs to include geographic targeting and amended some programs to include metrics; however, in many cases, metrics are not identified or do not appear in stride with the analysis and should be significant to target meaningful Affirmatively Furthering Fair Housing (AFFH) outcomes. Where feasible, programs should have specific numeric objectives to show how program actions will achieve policy objectives and fair housing goals. For example, Program H-1.2.4 could target incentivizing a specific number of multifamily units affordable to lower-income households throughout the City, not limited to the Regional Housing Needs Allocation (RHNA). The City should evaluate all the objectives of programs expected to address AFFH to address this requirement.

Christopher Macon, City Manager  
Page 2

The element will meet the statutory requirements of State Housing Element Law once it has been revised and re-adopted to comply with the above requirements.

Pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), a jurisdiction that failed to adopt a compliant housing element within one year from the statutory deadline cannot be found in compliance until rezones to accommodate a shortfall of sites pursuant to Government Code section 65583, subdivision (c), paragraph (1), subparagraph (A) and Government Code section 65583.2, subdivision (c) are completed. As this year has passed and Program H-1.1.1 has not been completed, the housing element is out of compliance and will remain out of compliance until the rezoning have been completed.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. During the housing element revision process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate. Please be aware, any revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant, the Affordable Housing and Sustainable Communities programs, and the Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City meets housing element requirements for these and other funding sources.

HCD appreciates the effort the City provided throughout the course of the housing element review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Claire Sullivan-Halpern, of our staff, at [Claire.Sullivan-Halpern@hcd.ca.gov](mailto:Claire.Sullivan-Halpern@hcd.ca.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'Melinda Coy', with a long horizontal stroke extending to the right.

Melinda Coy  
Proactive Housing Accountability Chief

## **ITEM 8.3**

### **Attachment C**

Draft City Response to HCD Findings Letters dated May 22, 2023

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## CITY RESPONSE TO CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FINDINGS LETTERS DATED MAY 22, 2023

According to the letter from the California Department of Housing and Community Development (HCD) to the City of Laguna Woods (City) dated May 22, 2023, several revisions to the Housing Element are necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). Responses to the findings included in HCD's letter are provided below.

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction (Gov. Code, § 65583, subd. (c)(10)(A))*

Program H-1.2.4 in the main Housing Element has been revised to address the following comment from HCD's May 22, 2023 findings letter: *"For example, Program H-1.2.4 could target incentivizing a specific number of multifamily units affordable to lower-income households throughout the City, not limited to the Regional Housing Needs Allocation (RHNA)."*

Program H-2.1.2 in the main Housing Element has been modified to more specifically target housing needs for extremely low and very low income households, as well as to help address displacement by incentivizing covenants that apply to housing units in a range of sizes.

Program H-2.2.2 in the main Housing Element has been modified to more proactively target persons with disabilities and lower income households.

Program H-2.2.3 in the main Housing Element has been modified to more proactively target persons with special needs and lower income households.

Program H-3.2.2 in the main Housing Element has been modified to clarify that all services should consider multilingual approaches (consistent with the existing note) and add "vocational counseling" as a means of addressing the risk of job displacement.

Programs H-3.2.4 and H-3.2.5 have been added to the main Housing Element and specifically targeted to geographic areas identified as being susceptible to displacement and having the highest renter vulnerability indices.

Modifications related to the aforementioned modifications and additions have been made to Exhibit A/Tables AF and AG, Exhibit B/Section 2.8, and Exhibit D/Section 3.

The quantified objectives for Programs H-1.2.4, H-1.2.5, H-2.2.2, H-2.2.3, and H-3.2.1 in the main Housing Element have been revised to include numeric metrics.

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## **ITEM 8.3**

### **Attachment D**

Revisions for Proposed General Plan Housing Element (redline)

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City of Laguna Woods General Plan

# HOUSING ELEMENT

**March-August 2023**

## 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



## City of Laguna Woods General Plan

# HOUSING ELEMENT

**March-August 2023**

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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

City of Laguna Woods General Plan  
**HOUSING ELEMENT**  
**March-August 2023**



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



City of Laguna Woods General Plan

# HOUSING ELEMENT

**March-August 2023**

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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.



City of Laguna Woods General Plan  
**HOUSING ELEMENT**  
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*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



City of Laguna Woods General Plan

# HOUSING ELEMENT

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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

City of Laguna Woods General Plan  
**HOUSING ELEMENT**  
 March-August 2023



Anticipated Timeline: Calendar Year ~~2022~~2023  
 Anticipated Funding: California Senate Bill 2 (2017) Planning Grant  
 Quantified Objectives: See Table ~~H-N~~ in Exhibit C

Note: The rezoning process will 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) complying with applicable provisions of California Government Code Section 65583.2 (h), (i), et al., including accommodating at least 50% of the lower-income housing needs allocation on sites designated for residential use only (for non-mixed use projects) and by requiring residential use to occupy 50% of the total floor area of mixed-use projects, (2) permitting housing projects by right, as required by state law, (3) 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, (4) establishing densities for potential housing sites as specified in Table ~~H-N~~ in Exhibit C, and (5) 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.* 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.

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

*Program H-1.2.2.* 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



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# HOUSING ELEMENT

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Anticipated Timeline: Calendar Year ~~2022~~2023  
 Anticipated Funding: General Fund  
 Quantified Objectives: Conforming Webpage and GIS Map Layer

*Program H-1.2.3.* 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~~2023  
 Anticipated Funding: General Fund  
 Quantified Objectives: Market Study and Conforming Ordinance (if applicable) that promotes the development of affordable housing

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-1.2.4.* Adopt an ordinance creating an expedited and fee-reduced lot consolidation process for consolidations involving any one or more ~~of the~~ adjacent residentially zoned parcels (including, but not limited to, the potential housing sites identified in the Housing Sites Inventory and Analysis (Exhibit C)] for the purpose of incentivizing or making more financially feasible 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 affordable housing units shall be subject to an affordability covenant for at least 55 years.

Primary Responsibility: Planning & Environmental Services Department

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Anticipated Timeline: Calendar Year ~~2022~~2023  
 Anticipated Funding: General Fund  
 Quantified Objectives: Conforming Ordinance; facilitation of expedited and fee reduced lot consolidation processes for all (100%) eligible lot consolidation requests

Note: While the consolidation of potential housing sites is not assumed or relied upon in the implementation of this Housing Element, this program is intended to incentivize and make more financially feasible housing projects.

*Program H-1.2.5.* 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 affordable 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~~2023  
 Anticipated Funding: General Fund  
 Quantified Objectives: Conforming Ordinance; waiver or reduction of City building permit fees for all (100%) eligible housing projects when such eligibility is known to City

*Program H-1.2.6.* 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.



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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.

- Section 13.15.016(5). Explicitly identify that the required finding for applications for reasonable accommodations to not “result in a direct threat to the health and safety of other individuals or substantial physical damage to the property of others” is to be interpreted consistent with 42 U.S.C. § 3604(f)(9).

Note: The City is required to comply with 42 U.S.C. § 3604(f)(9) 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 ~~2022~~2023

Anticipated Funding: General Fund

Quantified Objectives: Conforming Ordinance

*Program H-1.2.7.* Formalize written procedures for the application and processing of housing projects eligible for streamlined, ministerial approval pursuant to California Government Code Section 65913.4.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year ~~2022~~2023

Anticipated Funding: General Fund

Quantified Objectives: Conforming Policy

Note: The City is required to comply with California Government Code Section 65913.4 irrespective of whether procedures are formalized in writing.

*Program H-1.2.8.* Investigate potential incentives for the development of housing projects with features that exceed the minimum requirements

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set forth in the California Building Energy Efficiency Standards. If feasible and economical, adopt such incentives.

Primary Responsibility:	Planning & Environmental Services Department
Anticipated Timeline:	Within <del>Six</del> <u>11</u> Months of Each Triennial California Building Standards Code Effective Date for Investigation
Anticipated Funding:	General Fund
Quantified Objectives:	Report Regarding Investigation; Adopted Incentives (if applicable) that result in the development of housing projects with features that exceed the minimum requirements set forth in the California Building Energy Efficiency Standards for 15% or more of housing projects over the 10/2021 - 10/2029 planning period

*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



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*Program H-1.3.3.* Continue to permit supportive housing by right in all zoning districts where multifamily and mixed uses are permitted.

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 applicable 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.
- Sections 13.15.015 and 13.15.~~016~~017. Remove the public noticing requirements for applications for reasonable accommodations.

Primary Responsibility: Planning & Environmental Services Department

Anticipated Timeline: Calendar Year ~~2022~~2023

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.

Note: While the creation of accessory dwelling units is not assumed or relied upon in the implementation of this Housing Element, this policy objective and programs H-1.4.1 through H-1.4.3 are intended to comply with state law and encourage the creation of accessory dwelling units when such interest exists.

*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.



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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  
 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 related to emergency shelters, including amending the ordinance as necessary.

Primary Responsibility: Planning & Environmental Services Department  
 Anticipated Timeline: Ongoing  
 Anticipated Funding: General Fund



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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 and/or expand existing affordability covenants beyond the planned expiration date and/or current number of housing units, with an emphasis on incentivizing (i) affordability covenants for extremely low and very low income housing units, and (ii) affordability covenants that apply to housing units in a range of sizes. 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) that result in affordability covenants being extended and/or expanded beyond the planned expiration date and/or current number of housing units for 25% or

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more of subject housing units over the 10/2021 -  
 10/2029 planning period

*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 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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with disabilities. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.

Primary Responsibility: Planning & Environmental Services Department  
 Anticipated Timeline: Calendar Year ~~2022~~2023  
 Anticipated Funding: General Fund  
 Quantified Objectives: Conforming Ordinance and Flyer, and Evidence of Outreach; waiver or reduction of City building permit fees for all (100%) eligible improvements when such eligibility is known to City; outreach to



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50% of residential addresses in census tracts falling within the lowest 50% of economic domain scores from the TCAC/HCD Opportunity Map assigned to census tracts within Laguna Woods

*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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with special needs. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.

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 and Evidence of Outreach; provision of financial assistance benefiting four or more housing units per 12-month period; outreach to 50% of residential addresses in census tracts falling within the lowest 50% of economic domain scores from the TCAC/HCD Opportunity Map assigned to census tracts within Laguna Woods

*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; resolve 25%

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or more proactive code enforcement cases related to housing-related rehabilitation needs within 12 months of initiation

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 for all persons.*

*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, businesses, and educational institutions. Prioritize improvements based on factors including:*

- The California Office of Environmental Health Hazard Assessment’s California Communities Environmental Health Screening Tool (“CalEnviroScreen”) scores for individual census tracts, with an emphasis on undertaking improvements in and around Census Tract 626.47 due to its comparatively higher CalEnviroScreen score, as feasible and economical; and
- Education domain scores from the California Tax Credit Allocation Committee (“TCAC”)/HCD Opportunity Map, with an emphasis on undertaking improvements in and around Census Tract 626.22 due to its comparatively lower scores, as feasible and economical.

Primary Responsibility: Engineering & Infrastructure Services Department

Anticipated Timeline: Ongoing (as funding permits)

Anticipated Funding: Community Development Block Grants (CDBG)

Quantified Objectives: Ongoing Effort; expend 15% or more of monies allocated to pedestrian accessibility improvements in and around census tracts falling within the highest 50% of CalEnviroScreen scores assigned to census tracts within Laguna Woods and within the lowest 50% of education domain scores from the TCAC/HCD Opportunity Map assigned to census tracts within Laguna Woods



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Note: “Monies allocated to pedestrian accessibility improvements” does not include the proceeds of disaster relief or recovery awards; grant awards for which eligibility or competitiveness considerations resulted in applications or the acceptance of monies for work not wholly consistent with this program; restricted donations; monies allocated to address emergencies or other time-sensitive matters of public health, safety or welfare; or, similar monies.

*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) that benefit four or more households per 12-month period

Note: The services called for in this program are intended to reach a broad audience. Strategies for doing so may include utilizing a variety of methods; marketing services in a broad, proactive, accessible, and multilingual manner, including targeting specific areas and needs; providing remote participation opportunities for ease of access for the general public, including persons with disabilities; and, consulting with relevant organizations. Translation services and reasonable accommodations for persons with disabilities will be provided in accordance with applicable law and City policy.

*Program H-3.1.3.* Adopt an ordinance waiving or reducing City building permit fees, or providing other incentives, for housing projects that prepare and implement an affirmative marketing plan designed to attract renters or buyers of diverse demographics, including persons of any race, color, religion, sex, handicap, familial status, or national origin. Prioritize incentives based on factors including racial concentrations from U.S. Census Bureau data products, with an emphasis on avoiding the creation of geographically discernable patterns of segregation or racially concentrated areas of poverty.

Primary Responsibility: Planning & Environmental Services Department  
 Anticipated Timeline: Calendar Year 2023

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Anticipated Funding: General Fund  
 Quantified Objectives: Conforming Ordinance; preparation and implementation of affirmative marketing plans by 50% or more of housing projects over the 10/2021 - 10/2029 planning period

*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; referral of all (100%) service-interested residents when such service-interest is known to City

*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, and vocational 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) that benefit four or more households per 12-month period

Note: The services called for in this program are intended to reach a broad audience. Strategies for doing so may include utilizing a variety of methods; marketing services in a broad, proactive, accessible, and multilingual manner, including targeting specific areas and needs; providing remote participation opportunities for ease of access for the general public, including persons with disabilities; and, consulting with relevant organizations. Translation services and reasonable accommodations for persons with disabilities will be provided in



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accordance with applicable law and City policy.

*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. Prioritize improvements based on factors including economic domain scores from the TCAC/HCD Opportunity Map for individual census tracts, with an emphasis on undertaking improvements in and around census tracts 626.22 and 626.48 due to their comparatively lower scores, as feasible and economical.

Primary Responsibility: Public Safety Services Department

Anticipated Timeline: Calendar Year 2024-2025 for Investigation

Anticipated Funding: General Fund

Quantified Objectives: Report Regarding Investigation; Implemented Measures (if applicable); expend 15% or more of monies allocated to hazard mitigation measures in and around census tracts falling within the lowest 50% of economic domain scores from the TCAC/HCD Opportunity Map assigned to census tracts within Laguna Woods

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: "Monies allocated to hazard mitigation measures" does not include the proceeds of disaster relief or recovery awards; grant awards for which eligibility or competitiveness considerations resulted in applications or the acceptance of monies for work not wholly consistent with this program; restricted donations; monies allocated to address emergencies or other time-sensitive matters of public health, safety or welfare; or, similar monies.

*Program H-3.2.4.* Investigate potential incentives for property owners of apartment and cooperative housing units for which tenants pay usage-based energy costs to make energy efficiency improvements that exceed the minimum requirements set forth in the California Building Energy Efficiency Standards. If feasible and economical, implement such incentives. Prioritize incentives for residents residing in census tracts



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626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.

- Primary Responsibility: Planning & Environmental Services Department
- Anticipated Timeline: Calendar Year 2024 for Investigation
- Anticipated Funding: General Fund
- Quantified Objectives: Report Regarding Investigation;  
Implemented Measures (if applicable); expend 50%  
or more of monies allocated to providing rental  
relief for residents residing in the census tracts  
identified in this Housing Element as susceptible to  
displacement and having the highest renter  
vulnerability indices

Program H-3.2.5. Investigate opportunities to provide rental relief for residents at risk for homelessness. If feasible and economical, implement such opportunities. Prioritize rental relief for residents residing in census tracts 626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.

- Primary Responsibility: Planning & Environmental Services Department
- Anticipated Timeline: Calendar Year 2024 for Investigation
- Anticipated Funding: General Fund
- Quantified Objectives: Report Regarding Investigation;  
Implemented Measures (if applicable); expend 50%  
or more of monies allocated to providing rental  
relief for residents residing in the census tracts  
identified in this Housing Element as susceptible to  
displacement and having the highest renter  
vulnerability indices

Note: Programs H-1.2.3 (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



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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 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-4.1.2. Prepare and submit an annual report to the City Council, California Governor's Office of Planning and Research, and HCD with:*

- The 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

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Anticipated Funding: General Fund

Quantified Objectives: Conforming Reports and Public Meetings

Note: Pursuant to California Government Code Section 65400(a)(2)(B)(ii), the 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 E – Public Participation Efforts



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REDLINE

**EXHIBIT A**

**HOUSING NEEDS ASSESSMENT**

**CITY OF LAGUNA WOODS**

REDLINE

**LSA**

~~March-August~~ 2023

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REDLINE

## HOUSING NEEDS ASSESSMENT

### CITY OF LAGUNA WOODS

Submitted to:

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

Prepared by:

LSA  
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Project No. LWD2101

# LSA

~~March-August~~ 2023

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REDLINE



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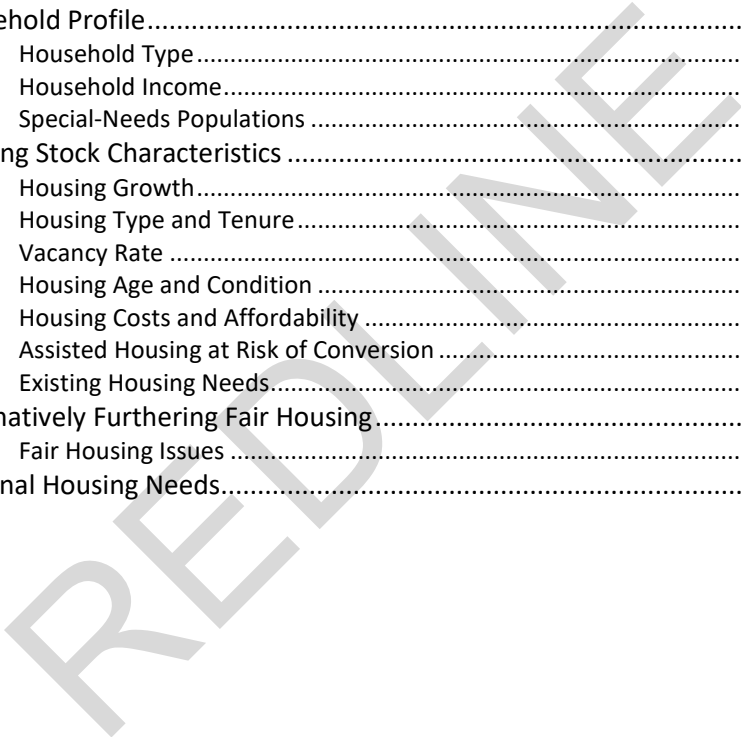
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## LIST OF ABBREVIATIONS AND ACRONYMS

AB	Assembly Bill
ACS	American Community Survey
ADA	Americans with Disabilities Act
AFFH	Affirmatively Furthering Fair Housing
AMI	area median income
CalEnviroScreen	California Communities Environmental Health Screening Tool
CBC	California Building Code
CC	Community Commercial
CIP	Capital Improvement Program
City	City of Laguna Woods
CoC	Continuum of Care
County	County of Orange
CUP	Conditional Use Permit
DDS	California Department of Developmental Services
FHA	Fair Housing Act
FHCOG	Fair Housing Council of Orange County
FHEO	Fair Housing Enforcement and Outreach
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
R/ECAP	racially/ethnically concentrated area of poverty
RC	Residential Community
RCAA	Racially Concentrated Areas of Affluence
RHNA	Regional Housing Needs Assessment
RMF	Residential Multifamily
SCAG	Southern California Association of Governments
TCAC	California Tax Credit Allocation Committee

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REDLINE

## 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	1,357	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)**

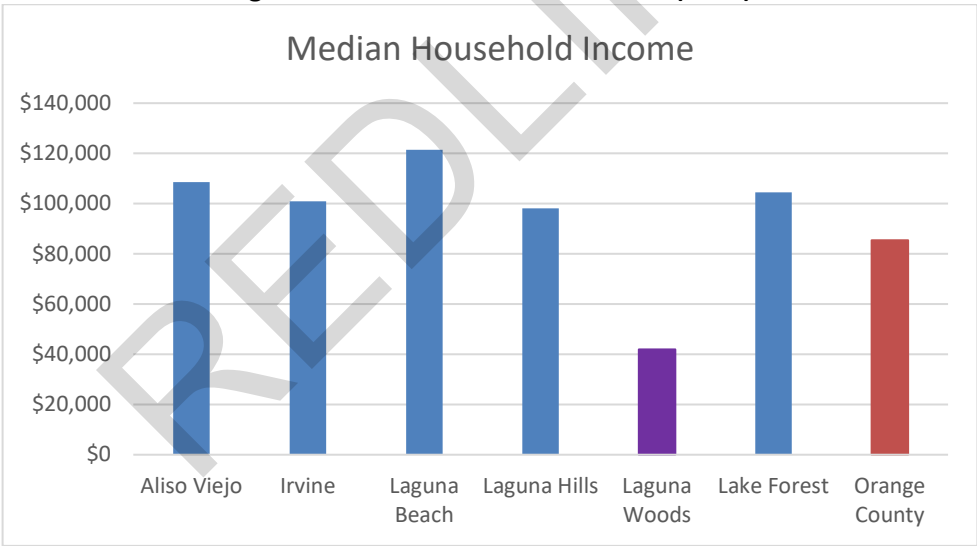


Table G shows the number of Laguna Woods households living within the HCD income categories described above for 2010 and 2017. The number of households within the very low- and low-income categories has decreased overall since 2010. As of 2017, approximately 69 percent of Laguna Woods households fell 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 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%
<b>Total</b>	<b>2,690</b>	<b>100.0%</b>	<b>8,560</b>	<b>100.0%</b>

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%

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 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>

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

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

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

### 1.2.3.7 Farmworkers

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

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 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



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

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

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

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.

### 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 types 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.

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

	Annual Income Limits	Affordable Monthly Housing Cost	Utility Allowance (2020)	Taxes, Insurance and HOA	Affordable Home Price	Affordable 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

**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 and Orange County by tenure. As shown in Table U, overpayment impacts 70 percent and 53 percent of renter households in Laguna Woods and Orange County, respectively. Overpayment impacts nearly 41 percent and 31 percent of owner households in Laguna Woods and Orange County, respectively. More renter households are also impacted by severe cost burden, compared to owner households in both the City and the County. Laguna Woods has a higher percentage of cost burdened and severely cost burdened households among both renter and owner households.

**Table U: Cost Burden by Tenure**

	Renter Households		Owner Households		Total Households	
	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total
<b>Laguna Woods</b>						
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>
<b>Orange County</b>						
With Cost Burden >30%	230,720	52.9%	184,825	31.4%	415,545	40.5%
With Cost Burden >50%	118,650	27.2%	79,255	13.5%	197,905	19.3%
<b>Total</b>	<b>436,425</b>	<b>100.0%</b>	<b>588,550</b>	<b>100.0%</b>	<b>1,024,975</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.

**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).

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).

<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).

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

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

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 Laguna Woods) including community education, individual counseling, mediation, and low-cost advocacy. The FHCOC investigates claims of housing discrimination and assists with referrals to the California Department of Fair Employment and Housing, the State agency that investigates complaints of employment and housing discrimination. 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.

The Orange County Analysis of Impediments to Fair Housing Choice (dated May 27, 2020) (Orange County AI), prepared by the Lawyers' Committee for Civil Rights Under Law, examines "structural barriers to fair housing choice and access to opportunity for members of historically marginalized groups protected from discrimination by the federal Fair Housing Act (FHA)." According to the Orange County AI, the FHCOC received 363 allegations of housing discrimination between 2015 and 2019 within the Urban County (which includes Laguna Woods). Of those allegations, 179 cases were opened within the Urban County "where the allegations seemed sufficiently meritorious to warrant further investigation and/or action" and testing included "362 systemic onsite tests, either paired or 'sandwich', 51 tests occurring in the jurisdiction and 215 other testing activities." The number of fair housing cases and tenant/landlord issues addressed by FHCOC represents approximately 0.03 percent of the population and four percent of households in the Urban County area.

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.

The City complies with existing fair housing laws and regulations, including by explicitly prohibiting discrimination against persons receiving housing assistance (Section 13.25.110(h) of the City's Zoning Code). A review of the City's Zoning Code and other policies and regulations conducted as part of the preparation of this Housing Element found no instances of inconsistency with existing fair housing laws and regulations, nor any regulatory impediments to the City's ability to investigate complaints, obtain remedies, or engage in fair housing testing.

Chapter 1.06 of the City's Municipal Code, which enables the use of administrative citations and civil fines for code enforcement, defines "code" as including "the Building Code, and all Uniform Codes or other codes or regulations of the State of California or the County of Orange or otherwise applicable to the City of Laguna Woods," in addition to City-adopted ordinances. The City Manager possess broad authority pursuant to Section 1.06.020(25) of the City's Zoning Code to designate any officer, agent or employee of the City to enforce provisions of the code.



Housing-related code enforcement is currently provided under contract by two professional firms with extensive qualifications and experience – Interwest Consulting Group (focusing on building issues) and Willdan Engineering (focusing on zoning and quality of life issues, as well as providing support for building issues). Both contracts allow for an expansion of base services on an “as-needed” basis (e.g., to handle increased or unusually complex cases), as well as access to technical experts (e.g., Certified Access Specialists) when necessary. The City’s Development Programs Analyst manages both contracts and provides staff-level oversight of code enforcement services. When necessary, legal and litigation services for housing-related code enforcement is provided by Rutan & Tucker, LLP in that firm’s role as City Attorney.

After considering the AFFH analysis contained in this Housing Needs Assessment, the City has concluded that enhanced fair housing-related outreach could benefit existing and prospective residents of Laguna Woods. To that end, programs H-3.1.2, H-3.2.1, and H-3.2.2 are included and consistent with HCD’s AFFH guidance memorandum dated April 2021 in that they involve a variety of methods, proactive marketing, language access, accessibility for persons with disabilities, and consultation with relevant organizations. The alignment of those programs with HCD guidance and assessment of contributing factors is further described in Tables AB and AC.

#### 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 depicted in Table ~~N-K~~ in Exhibit C, Housing Sites Inventory, 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, the neighboring cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, and each of the eight census tracts that are partially or entirely within Laguna Woods.

As Table Y indicates, the White population is the largest race/ethnic group in each of the census tracts in Laguna Woods as well as within Orange County and all neighboring cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest. There is also a large Asian population that is uniformly present in each of Laguna Woods’ eight census tracts, and within the cities surrounding Laguna Woods with a slightly larger percentage of Asians (33.3 percent) present in Census Tract 626.21.

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

Jurisdiction	White <sup>1</sup>	Black or African American <sup>1</sup>	American Indian and Alaska Native <sup>1</sup>	Asian <sup>1</sup>	Native Hawaiian and Pacific Islander <sup>1</sup>	Some other Race or Two or More Races <sup>1</sup>	Hispanic or Latino (of any race) <sup>1</sup>	Median Household Income <sup>2</sup>
Orange County	61.0%	1.8%	0.5%	20.5%	0.3%	16.0%	34.1%	\$90,234
Laguna Woods	76.3%	0.7%	0.1%	19.7%	0.0%	3.2%	5.8%	\$44,020
Aliso Viejo	80.0%	2.4%	0.5%	15.6%	0.1%	11.4%	18.1%	\$112,689
Laguna Hills	70.9%	1.5%	0.1%	14.7%	0.1%	12.9%	22.0%	\$100,985
Laguna Beach	89.5%	0.8%	0.1%	3.8%	0.0%	5.7%	8.2%	\$129,983
Lake Forest	65.9%	2.2%	1.0%	18.8%	0.1%	11.9%	21.9%	\$109,492
Census Tract 626.21	61.5%	1.6%	0.1%	9.6%	0.0%	7.2%	12.6%	\$111,425
Census Tract 626.22	78.2%	0.4%	0.0%	19.0%	0.0%	2.4%	7.9%	\$44,119
Census Tract 626.25	64.1%	0.3%	0.0%	12.9%	0.0%	22.8%	32.5%	\$45,214
Census Tract 626.41	65.4%	1.6%	0.0%	18.1%	0.0%	14.8%	22.0%	\$88,986
Census Tract 626.46	72.9%	2.9%	0.0%	19.2%	0.0%	5.0%	7.0%	\$41,875
Census Tract 626.47	67.4	3.7%	0.3%	17.3%	0.0%	11.2%	21.8%	\$54,327
Census Tract 626.48	75.6%	0.0%	0.0%	19.3%	0.0%	5.0%	4.2%	\$45,000
Census Tract 626.49	79.3%	0.0%	0.0%	17.2%	0.0%	3.4%	11.8%	\$60,254

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

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

The only census tract with a slightly outlying ethnic composition is Census Tract 626.25, where 32.5 percent of the population is Hispanic or Latino (of any race). The surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest all have average percentages of Hispanic population. As shown in Table Y, the median household income in Census Tract 626.21 (\$111,425) is substantially higher than Laguna Woods overall. The median household incomes in all cities surrounding Laguna Woods are also substantially larger than the median household income in Laguna Woods and most of its census tracts, which is indicative of the nature of Laguna Woods as being a community mostly consisting of retired people. This information points to the absence of R/ECAPs in Laguna Woods, the surrounding jurisdictions of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, and the region.

Table Z provides a breakdown of the percentage of White population and median household income (for all households and White households), which may be used as a determinant of areas of affluence, consistent with State guidance. This information is then used to determine whether there are any Racially Concentrated Areas of Affluence (RCAAs) within Laguna Woods and address whether there are any RCAAs in the region.

**Table Z: White Median Household Income and Population**

	Orange County	Laguna Woods	Aliso Viejo	Laguna Hills	Laguna Beach	Lake Forest
All Households Median Household (HH) Income <sup>1</sup>	\$90,234	\$44,020	\$112,689	\$100,985	\$129,983	\$109,492
White Median HH Income <sup>2</sup>	\$94,082	\$43,524	\$113,104	\$102,776	\$132,063	\$111,823
Black Median HH Income <sup>3</sup>	\$76,136	\$48,750	\$109,135	\$191,845	-	\$101,250
Hispanic Median HH Income <sup>4</sup>	\$68,971	\$24,250	\$104,140	\$77,107	\$76,518	\$83,002
Asian Median HH Income <sup>5</sup>	\$93,777	\$54,440	\$125,000	\$90,337	\$118,854	\$112,048
Percent White Population <sup>6</sup>	61.0%	76.3%	80.0%	70.9%	89.5%	65.9%

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

<sup>2</sup> American Community Survey 2019 5-Year Estimates. Table B19013A.

<sup>3</sup> American Community Survey 2019 5-Year Estimates. Table B19013B.

<sup>4</sup> American Community Survey 2019 5-Year Estimates. Table B19013I.

<sup>5</sup> American Community Survey 2019 5-Year Estimates. Table B19013D.

<sup>6</sup> American Community Survey 2019 5-Year Estimates. Table DP05.

The median income of all households as well as White households in Laguna Woods is lower than the median income of all households and White households in Orange County. The 2015–2019 ACS 5-Year Estimates show that in Laguna Woods, the median household income for Hispanic residents is \$24,250, for White residents is \$43,524, for Black residents is \$48,750, and for Asian residents is \$54,440. Based on this information, Laguna Woods is not an area of affluence. Additionally, based on the information in Table Z related to household incomes of minority populations within the region, Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest are areas of affluence due to their median household incomes being higher than Orange County and due to their high percentage of White population. Additionally, there are disparities in the income levels among the four cities' minority groups, especially among all minorities versus the ethnically Hispanic population.

#### 1.4.1.3 Access to Opportunities

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 (environmental, economic, education, and poverty and racial segregation) which are made up of their own sets of indicators. Figure 6 in Exhibit C, Housing Sites Inventory, depicts the Laguna Woods census tracts and their TCAC Opportunity Area categorization based on their composite scores. Table AA 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.

**Table AA: 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.

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 AB takes an in-depth look at all census tracts that are not categorized as high resource areas.

**Table AB: Low and Moderate TCAC Resource Level Census Tracts in Laguna Woods (2020)**

Census Tracts							
	626.21	626.22	626.25	626.41	626.46	626.47	626.48
TCAC Resource Level <sup>1</sup>	Moderate (Rapidly Changing)	Low	Moderate	Moderate (Rapidly Changing)	Low	Low	Low
TCAC Economic Score <sup>1</sup>	0.74	0.005	0.132	0.598	0.021	0.127	0.002
TCAC Education Score <sup>1</sup>	0.38	0.203	0.503	0.442	0.291	0.343	0.388
TCAC Environmental Score <sup>1</sup>	0.516	0.542	0.787	0.821	0.799	0.511	0.925
Race/Ethnicity <sup>2</sup>							
White	61.5%	78.2%	64.1%	65.4%	72.9%	67.4%	75.6%
Black	1.6%	0.4%	0.3%	1.6%	2.9%	3.7%	0.0%
Asian/Pacific Islander	9.6%	19.0%	12.9%	18.1%	19.2%	17.3%	19.3%
Some Other Race or Two or More Races	7.2%	2.4%	22.8%	14.8%	5.0%	11.2%	5.0%
Hispanic (of any race)	7.9%	7.9%	32.5%	22.0%	7.0%	21.8%	4.2%
% of Population in Poverty <sup>3</sup>	7.7%	13.7%	12.4%	3.3%	10.6%	15.7%	12.9%
% of Population that is Disabled <sup>4</sup>	7.2%	22.6%	14.1%	13.8%	25.4%	16.9%	26.4%
Total #/Type of Housing <sup>5</sup>	4,623 units	2,535 units	1,960 units	2,024 units	2,425 units	2,351 units	1,862 units
Single Family Home	63.0%	21.7%	43.4%	61.2%	40.8%	33.5%	45.9%

**Table AB: Low and Moderate TCAC Resource Level Census Tracts in Laguna Woods (2020)**

Census Tracts							
	626.21	626.22	626.25	626.41	626.46	626.47	626.48
TCAC Resource Level <sup>1</sup>	Moderate (Rapidly Changing)	Low	Moderate	Moderate (Rapidly Changing)	Low	Low	Low
Multi-family Home	37.0%	71.4%	56.6%	38.8%	59.2%	66.5%	54.1%
Age of Housing Stock <sup>6</sup>							
< 30 yrs old	3,024	149	77	865	159	314	23
> 30 yrs old	1,935	2,670	2,006	1,356	2,544	2,315	2,088
% Owner/% Renter HH <sup>5</sup>	51.0% Owner 79.0% Renter	70.5% Owner 29.5% Renter	72.1% Owner 27.9% Renter	61.5% Owner 38.5% Renter	83.2% Owner 16.8% Renter	45.2% Owner 54.8% Renter	68.1% Owner 31.9% Renter
% HH with Burden <sup>7</sup>	36.4%	52.9%	46.1%	50.7%	38.3%	55.5%	48.8%

<sup>1</sup> California Fair Housing Task Force, TCAC/HCD Opportunity Maps, 2020 Statewide Summary Table.

<sup>2</sup> American Community Survey, 2019 5-Year Estimates. Table DP05

<sup>3</sup> American Community Survey 2019 5-Year Estimates. Table S1701.

<sup>4</sup> American Community Survey 2019 5-Year Estimates. Table S1810.

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

<sup>6</sup> American Community Survey 2019 5-Year Estimates. Table B25034.

<sup>7</sup> HUD AFFH Mapping and Data Tool. Map 6 – Housing Problems. Website: <https://egis.hud.gov/affht/> (accessed May 6, 2022).

Seven of the eight census tracts in Laguna Woods have a moderate or low TCAC resource level. The surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest have comparatively higher TCAC resource levels than Laguna Woods.<sup>4</sup>

In order to assist with the long-term development of funding for major capital improvement projects to tackle the moderate to low resources in various parts of Laguna Woods, the City has adopted an 11-year Capital Improvement Program (CIP), which is updated and readopted on an annual basis. Table AC contains a list of CIP projects ~~that have been~~ approved for the City for fiscal years 2023–2032, as of May 2022, and the census tract(s) where they are located.

**Table AC: CIP Projects in Laguna Woods**

Fiscal Year	Project	Fund Name	Funds	Census Tract(s)
2023–2024	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$309,800	626.46 and 626.41
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7	Community Development Grant (CDBG) Fund	\$150,000	Various
2024–2025	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$270,600	626.46 and 626.41
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8	CDBG Fund	\$150,000	Various

<sup>4</sup> California Tax Credit Allocation Committee (TCAC). 2020 Opportunity Maps. Website: <https://belonging.berkeley.edu/tcac-opportunity-map-2020> (accessed May 6, 2022).

**Table AC: CIP Projects in Laguna Woods**

Fiscal Year	Project	Fund Name	Funds	Census Tract(s)
2025–2026	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$244,200	626.48 and 626.49
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9	CDBG Fund	\$150,000	Various
2026–2027	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$253,100	626.48 and 626.49
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 10	CDBG Fund	\$150,000	Various
2027–2028	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$240,900	626.41 and 626.48
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 11	CDBG Fund	\$150,000	Various
2028–2029	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$238,200	626.41 and 626.48
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 12	CDBG Fund	\$150,000	Various
2029–2030	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	\$320,800	626.48
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 13	CDBG Fund	\$150,000	Various
2030–2031	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	TBD	TBD
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 14	CDBG Fund	\$150,000	Various
2031–2032	Pavement Management Plan Project	Road Maintenance & Rehabilitation Program Fund	TBD	TBD
	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 15	CDBG Fund	\$150,000	Various

Source: City of Laguna Woods Fiscal Years 2021-2023 Budget & Work Plan. Website: <https://www.cityoflagunawoods.org/wp-content/uploads/2021/06/2021-06-23-Adopted-Fiscal-Years-2021-23-Budget-Work-Plan-Website.pdf> (accessed May 6, 2022).

**Education.** The Orange County AI details the various structural barriers to fair housing choice and access to opportunity for members of historically marginalized groups protected from discrimination by the federal Fair Housing Act (FHA). The Orange County AI uses the educational opportunity index, a value derived from data assembled by the California Fair Housing Task Force, to assess educational opportunity. The following disparities in access to education exist in Orange County:

1. Across all census tracts in Orange County, non-Hispanic Whites enjoy the best access to educational opportunity (index score of about 59) and non-Hispanic Asians have the second-highest access to educational opportunity (index score of 53). Hispanics have the lowest access to these opportunities (index score of 31), with non-Hispanic Blacks in between (index score of 46).
2. The cities of Aliso Viejo, Huntington Beach, Irvine, Laguna Niguel, La Palma, Mission Viejo, and Rancho Santa Margarita score highly (index score of 60 or above) on educational opportunity across all racial categories.
3. San Juan Capistrano has relatively low access to educational opportunity, scoring below 10 on the index for all racial categories. San Clemente, Anaheim, and Santa Ana fare similarly poorly, although non-Hispanic Whites score higher (index score of 39) than other race/ethnic groups in Santa Ana. Buena Park, Costa Mesa, Garden Grove, Orange, La Habra, and Westminster are other cities that struggle with educational opportunity, all with scores in the 30s to 40s on the composite education index.
4. A few cities have educational opportunity patterns that mirror those of Orange County overall. Non-Hispanic Whites in Fountain Valley enjoy good access to educational opportunity (index scores of about 60), whereas Hispanics in the city do not (index score of about 30). In both Fullerton and Tustin, non-Hispanic Whites and Asians have much better access to educational opportunity than Blacks and Hispanics.

The census tracts in Laguna Woods score relatively low in terms of access to educational opportunity, with indices ranging from 20 to 50. These low scores may reflect the nature of the city as one in which most of its residents live in retirement communities. The lowest educational opportunity scores are in Census Tract 626.22 (20) and the highest educational opportunity scores are in Census Tract 626.25 (50). Census Tract 626.22 is located in the northeastern portion of Laguna Woods.

Further, as shown in the Southern California Association of Governments (SCAG) Local Profiles 2021 dataset, none of the City's residents were enrolled in public school from 2000 to 2020; therefore, Laguna Woods has not seen a change in public school enrollment since 2000.<sup>5</sup> These data reflect the City's status as a community mostly consisting of retired people. Laguna Woods does not have its own school district; it is served by the Laguna Beach Unified School District, Saddleback Valley Unified School District, and Capistrano Unified School District. Table AD below summarizes the demographic characteristics of the three school districts according to the California Department of Education's School Dashboard website.

**Table AD: School Districts Serving Laguna Woods**

	Laguna Beach Unified School District <sup>1</sup>	Saddleback Valley Unified School District <sup>2</sup>	Capistrano Unified School District <sup>3</sup>
<b>Race/Ethnicity</b>			
White	71.5%	40.4%	54.1%

<sup>5</sup> Southern California Association of Governments (SCAG). 2021 Local Profiles Dataset. Website: [https://scag.ca.gov/sites/main/files/file-attachments/2021\\_local\\_profiles\\_dataset.xlsx](https://scag.ca.gov/sites/main/files/file-attachments/2021_local_profiles_dataset.xlsx) (accessed May 9, 2022).

**Table AD: School Districts Serving Laguna Woods**

	Laguna Beach Unified School District <sup>1</sup>	Saddleback Valley Unified School District <sup>2</sup>	Capistrano Unified School District <sup>3</sup>
Asian	4.9%	8.7%	6.6%
Two or More Races	8.2%	7.4%	6.6%
Hispanic	12.0%	37.3%	27.1%
Filipino	1%	3.5%	1.8%
African American	0.9%	1.2%	0.8%
English Learners	2.4%	17.8%	9.6%
Homeless	0.3%	5.0%	5.8%
Socioeconomically Disadvantaged	12.0%	30.2%	25.4%
Students with Disabilities	11.1%	12.9%	12.2%
Graduation Rate <sup>4</sup>	97.9%	89.3%	96.8%

<sup>1</sup> California Department of Education. California School Dashboard. Website: <https://www.caschooldashboard.org/reports/3066555000000/2021> (accessed May 9, 2022).

<sup>2</sup> California Department of Education. California School Dashboard. Website: <https://www.caschooldashboard.org/reports/3073635000000/2021> (accessed May 9, 2022).

<sup>3</sup> California Department of Education. California School Dashboard. Website: <https://www.caschooldashboard.org/reports/3066464000000/2021> (accessed May 9, 2022).

<sup>4</sup> California Department of Education. Dashboard Additional Report – Graduation Rate. Website: <https://www6.cde.ca.gov/californiamodel/gradreport?&year=2021&cdcode=3066555&scode=&reporttype=schools> (accessed May 9, 2022).

According to the California Department of Education, the statewide graduation rate is 86.8 percent. As shown in Table AD, the Laguna Beach Unified School District, Saddleback Valley School District, and Capistrano Unified School District all have graduation rates that exceed the statewide graduation rate.

**Economic.** The Orange County AI uses the Educational Opportunity index, a value derived from data assembled by the California Fair Housing Task Force, to assess economic opportunity. The following disparities in access to economic opportunity exist in Orange County:

1. Non-Hispanic White residents have the greatest access to economic opportunity. Asian and Pacific Islander residents (index score of 49), Native Americans (index score of 46), and Black residents (index score of 46) have lower index scores in the high to mid-40s. Hispanic residents (index score of 32) have the lowest access to economic opportunity of all racial and ethnic groups in Orange County.
2. Among residents living below the poverty line, White residents have the highest economic opportunity score (index score of 30) followed by Black residents (index score of 27) and Asian Americans and Pacific Islanders (index scores of 23). Low-income Native Americans and Hispanic residents have the lowest economic opportunity scores (index scores of 19).
3. There are major disparities in economic opportunity scores across racial/ethnic groups in cities in Orange County.
4. Economic opportunity index scores are generally lower in North Orange County than in South Orange County. Scores are especially low in Westminster, Garden Grove, and much of Santa Ana and Anaheim. Scores are generally high in much of Irvine, La Palma, and Tustin and along the coast



from Newport Beach to Laguna Niguel as well as in unincorporated areas near the eastern border with Riverside County.

5. Areas in Orange County with the highest index scores tend to have large concentrations of non-Hispanic and Asian residents. By contrast, areas with the highest concentration of Hispanic residents tend to have lower economic opportunity index scores.

The census tracts in Laguna Woods have varied scores in economic opportunity, with indices ranging from 0.2 to 75. The census tracts with the lowest economic opportunity indices are Census Tract 626.22 (index score of 0.5), 626.25 (index score of 13.2), 626.46 (index score of 2.1), 626.47 (index score of 12.7), and 626.48 (index score of 0.2). These census tracts are located mostly in the eastern and southeastern portions of Laguna Woods and have resource levels of “Low” or “Moderate.”

According to the Orange County AI, the economic opportunity index is a composite of four indicators depicting elements of neighborhood socio-economic character. These indicators are poverty, adult education, employment, and proximity to jobs. The SCAG 2019 Local Profiles indicate that the total number of jobs in Laguna Woods numbered 5,491, which is a 3.7 percent decrease from 2007.<sup>6</sup> The report also stated that the mean travel time to work for Laguna Woods was 26 minutes, whereas the mean travel time to work for Orange County as a whole was 27.9 minutes. According to the HUD AFFH Data Viewer, Laguna Woods has a lower labor market index than the surrounding communities including Aliso Viejo, Laguna Beach, Laguna Hills, and Lake Forest. Census Tract 626.46 has the lowest labor market index, with a score of 28.<sup>7</sup> Laguna Woods is similar to cities in central and northern Orange County, like Santa Ana, Garden Grove, and Westminster, which all have lower labor market engagement than cities in southern Orange County. Much of the low labor market indices in Laguna Woods are due to the City’s status as a community mostly consisting of retired people.

**Transportation.** According to the Orange County AI, the following disparities in access to low-cost transportation exist in Orange County:

1. Non-Hispanic Whites have the lowest scores (index score of 34). Asians and Pacific Islanders as well as Native Americans have an index score of 38. Black residents have a score of 39, while Hispanic residents have the highest score (index score of 42).
2. Regionally, low transportation cost index scores are similar for all racial and ethnic groups. Non-Hispanic Whites and Native Americans both have a score of 19, Asians/Pacific Islanders as well as Hispanics have a score of 20, and Black residents have a score of 21.
3. Low transportation cost index scores as well as transit index scores are generally higher in North Orange County than in South Orange County. Scores are generally higher in cities with greater

<sup>6</sup> SCAG. Local Profiles Report 2019. Website: [https://scag.ca.gov/sites/main/files/file-attachments/laguna\\_woods\\_localprofile.pdf?1606012702](https://scag.ca.gov/sites/main/files/file-attachments/laguna_woods_localprofile.pdf?1606012702) (accessed May 9, 2022).

<sup>7</sup> HUD AFFH Mapping and Data Tool – Map 9 Demographics and Labor Market. Website: <https://egis.hud.gov/affht/> (accessed May 9, 2022).

levels of density. Generally, North Orange County cities have a variety of residential living patterns with varying levels of density.

While the percentage of Laguna Woods residents using transit to commute to work has increased by 67 percent (0.9 percent in 2000 to 1.5 percent in 2019), Laguna Woods still has a relatively low percentage of residents that commute via public transit. The number of residents who commute to work via bicycle or walking has decreased by 57 percent from the year 2000 to 2018.

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.

**Environmental.** The Orange County AI uses the environmental opportunity index, a value derived from indicators from the exposures and environmental effects subcomponents of the "pollution burden" domain of CalEnviroScreen 3.0, to assess environmental opportunity. The following disparities in access to environmental opportunity exist in Orange County:

1. Across all tracts in Orange County, non-Hispanic Whites exhibit the highest access to environmentally healthy neighborhoods (index score of about 54). All other racial/ethnic groups obtain lower index scores in the 40s: Hispanics score lowest at 41, followed by non-Hispanic Blacks (index score of 45), non-Hispanic Asian/Pacific Islander (index score of 47), and non-Hispanic Native Americans (index score of 48).
2. Jurisdictions with the highest environmental opportunity appear to have primarily large concentrations of non-Hispanic Whites and Asian/Pacific Islanders. Lower-scoring cities exhibit a diversity of residential patterns.

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 AE. 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 AE: 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.

#### 1.4.1.4 Assessment of Contributing Factors to Fair Housing in Laguna Woods

As described in Exhibit B, Constraints Analysis, 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, and setback requirements provide minimal light and air for development, are typical in the region, and do not unreasonably constrain housing opportunities.

Further, the City encourages the development of affordable housing through Section 13.26.040 of the City's Zoning Code, which provides for residential density bonuses to incentivize the production of housing for very low-income, lower-income, or senior households in accordance with Government Code Sections 65915 and 65917.

The City has also identified 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 single-family housing, multifamily housing, senior housing, manufactured housing and mobile homes, accessory dwelling units, residential care facilities for persons with developmental disabilities, and single-room occupancy facilities. Additionally, with the adoption of the updated Housing Element, 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 would also be put into effect.

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.

As described in Exhibit A Housing Needs Assessment, and 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. The City will continue to zone sites for 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.

Given that the City does not have prohibitive residential development standards or unique restrictions constraining development of housing for persons with disabilities and also encourages the development of affordable housing as well as various housing typologies, the City experiences the following local contributing factors to fair housing:

- Displacement Risk** – As described in Section 1.3.7.3, Displacement and Disproportionate Housing Needs, some parts of Laguna Woods are either susceptible to displacement or experiencing ongoing displacement as well as at risk of job displacement according to the Urban Displacement Project’s Gentrification and Displacement Map. The same parts of Laguna Woods which are susceptible to displacement (Census Tracts 626.46 and 626.47) are also the areas in Laguna Woods with the highest renter vulnerability indices.
- Development Costs and Low Land Availability** – As described in Exhibit B, Constraints Analysis, the availability and price of land represents a significant market constraint to housing production in 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. Further, density bonuses are available for projects that include affordable housing in Laguna Woods. 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.

1.4.1.5 City Actions

This Housing Element includes AFFH as one of four priority issues. In addition to the goal, policy objectives, and programs included under the AFFH priority issue, other programs included under other priority issues relate to AFFH. Table AF correlates each AFFH-related program with a fair housing issue using the categories of examples of AFFH actions provided in HCD’s AFFH guidance memorandum dated April 2021. Table AG identifies the contributing factor(s) resulting in each program’s inclusion, as well as a priority assigned based on the extent to which factors limit or deny fair housing choice or access to opportunity or negatively impact fair housing or civil rights.

**Table AF: Alignment of AFFH Programs with HCD Guidance**

Housing Element Program	Type of AFFH Action / Fair Housing Issue
<b>Program H-1.2.3.</b> 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.	Promoting Housing Supply, Choices, and Affordability
<b>Program H-2.1.2.</b> Investigate potential incentives for property owners to extend <u>and/or expand</u> existing affordability covenants beyond the planned expiration date <u>and/or current number of housing units, with an emphasis on incentivizing (i) affordability covenants for extremely low and very low income housing units, and (ii) affordability covenants that apply to housing units in a range of sizes.</u> If feasible and economical, adopt such incentives.	Protect Existing Residents from Displacement
<b>Program H-2.2.2.</b> 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	Promoting Housing Supply, Choices, and Affordability

**Table AF: Alignment of AFFH Programs with HCD Guidance**

Housing Element Program	Type of AFFH Action / Fair Housing Issue
<p>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. <u>Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with disabilities. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.</u></p>	
<p><b>Program H-2.2.3.</b> 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. <u>Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with special needs. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.</u></p>	<p>Promoting Housing Supply, Choices, and Affordability</p>
<p><b>Program H-2.3.1.</b> 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.</p>	<p>Place-based Strategies to Encourage Community Conservation and Revitalization</p>
<p><b>Program H-3.1.1.</b> Improve pedestrian accessibility on sidewalks, curb ramps, crosswalks, and other public property connecting housing with transit stops, public buildings, businesses, and educational institutions. Prioritize improvements based on factors including: ● The California Office of Environmental Health Hazard Assessment’s California Communities Environmental Health Screening Tool (“CalEnviroScreen”) scores for individual census tracts, with an emphasis on undertaking improvements in and around Census Tract 626.47 due to its comparatively higher CalEnviroScreen score, as feasible and economical; and ● Education domain scores from the California Tax Credit Allocation Committee (“TCAC”)/HCD Opportunity Map, with an emphasis on undertaking improvements in and around Census Tract 626.22 due to its comparatively lower scores, as feasible and economical.</p>	<p>Housing Mobility</p>
<p><b>Program H-3.1.2.</b> Pursue partnerships and seek funding to provide Laguna Woods-based housing mobility counseling services. If feasible and economical, implement such services.</p>	<p>Housing Mobility</p>
<p><b>Program H-3.1.3.</b> Adopt an ordinance waiving or reducing City building permit fees, or providing other incentives, for housing projects that prepare and implement an affirmative marketing plan designed to attract renters or buyers of diverse demographics, including persons of any race, color, religion, sex, handicap, familial status, or national origin. Prioritize incentives based on factors including racial concentrations from U.S. Census Bureau data products, with an emphasis on avoiding the creation of geographically discernable patterns of segregation or racially concentrated areas of poverty.</p>	<p>Housing Mobility</p>
<p><b>Program H-3.2.1.</b> Prepare and maintain a webpage with information on housing mediation, foreclosure assistance, and</p>	<p>Protect Existing Residents from Displacement</p>

**Table AF: Alignment of AFFH Programs with HCD Guidance**

Housing Element Program	Type of AFFH Action / Fair Housing Issue
multilingual tenant legal counseling services. Train City staff to make referrals using the webpage.	
<b>Program H-3.2.2.</b> Pursue partnerships and seek funding to provide Laguna Woods-based housing mediation, foreclosure assistance, <del>and multilingual</del> tenant legal counseling services, <u>and vocational counseling services</u> . If feasible and economical, implement such services.	Protect Existing Residents from Displacement
<b>Program H-3.2.3.</b> 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. Prioritize improvements based on factors including economic domain scores from the TCAC/HCD Opportunity Map for individual census tracts, with an emphasis on undertaking improvements in and around census tracts 626.22 and 626.48 due to their comparatively lower scores, as feasible and economical.	Protect Existing Residents from Displacement
<u>Program H-3.2.4. Investigate potential incentives for property owners of apartment and cooperative housing units for which tenants pay usage-based energy costs to make energy efficiency improvements that exceed the minimum requirements set forth in the California Building Energy Efficiency Standards. If feasible and economical, implement such incentives. Prioritize incentives for residents residing in census tracts 626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.</u>	<u>Protect Existing Residents from Displacement</u>
<u>Program H-3.2.5. Investigate opportunities to provide rental relief for residents at risk for homelessness. If feasible and economical, implement such opportunities. Prioritize rental relief for residents residing in census tracts 626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.</u>	<u>Protect Existing Residents from Displacement</u>

**Table AG: Contributing Factors for AFFH Programs Matrix**

Housing Element Program	Contributing Factor(s)	Priority
<b>Program H-1.2.3.</b> 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.	Need for affordable housing options based on housing needs allocation and housing needs assessment	High
<b>Program H-2.1.2.</b> Investigate potential incentives for property owners to extend <u>and/or expand</u> existing affordability covenants beyond the planned expiration date <u>and/or current number of housing units, with an emphasis on incentivizing (i) affordability covenants for extremely low and very low income housing units, and (ii) affordability covenants that apply to housing units in a range of sizes</u> . If feasible and economical, adopt such incentives.	Displacement risk for existing lower-income residents due to economic pressures/motivators on property owners/managers (see also Section 1.3.7.3)	High

Table AG: Contributing Factors for AFFH Programs Matrix

Housing Element Program	Contributing Factor(s)	Priority
<b>Program H-2.2.2.</b> 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. <u>Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with disabilities. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.</u>	Access to opportunities for persons with disabilities due to underimproved housing stock potentially resultant of financial or physical challenges	Medium
<b>Program H-2.2.3.</b> 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. <u>Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with special needs. Conduct biennial outreach to residents residing in census tracts 626.22 and 626.48 due to their comparatively lower economic domain scores from the TCAC/HCD Opportunity Map.</u>	Access to opportunities for persons with special needs due to underimproved housing stock potentially resultant of financial or physical challenges	Medium
<b>Program H-2.3.1.</b> 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.	Age of housing stock; intent to help promote the existing good condition and upkeep of housing stock	Medium
<b>Program H-3.1.1.</b> Improve pedestrian accessibility on sidewalks, curb ramps, crosswalks, and other public property connecting housing with transit stops, public buildings, businesses, and educational institutions. Prioritize improvements based on factors including: ● The California Office of Environmental Health Hazard Assessment’s California Communities Environmental Health Screening Tool (“CalEnviroScreen”) scores for individual census tracts, with an emphasis on undertaking improvements in and around Census Tract 626.47 due to its comparatively higher CalEnviroScreen score, as feasible and economical; and ● Education domain scores from the California Tax Credit Allocation Committee (“TCAC”)/HCD Opportunity Map, with an emphasis on undertaking improvements in and around Census Tract 626.22 due to its comparatively lower scores, as feasible and economical.	Useful life of improvements; evolving needs based on the nature of connecting uses and pedestrian behavior-	Medium
<b>Program H-3.1.2.</b> Pursue partnerships and seek funding to provide Laguna Woods-based housing mobility counseling services. If feasible and economical, implement such services.	Existing age and income restrictions; changing financial circumstances due to age, employment status, and economic pressures-	Medium

Table AG: Contributing Factors for AFFH Programs Matrix

Housing Element Program	Contributing Factor(s)	Priority
<b>Program H-3.1.3.</b> Adopt an ordinance waiving or reducing City building permit fees, or providing other incentives, for housing projects that prepare and implement an affirmative marketing plan designed to attract renters or buyers of diverse demographics, including persons of any race, color, religion, sex, handicap, familial status, or national origin. Prioritize incentives based on factors including racial concentrations from U.S. Census Bureau data products, with an emphasis on avoiding the creation of geographically discernable patterns of segregation or racially concentrated areas of poverty.	Need for affordable housing options based on housing needs allocation and housing needs assessment; existing age and income restrictions-	High
<b>Program H-3.2.1.</b> Prepare and maintain a webpage with information on housing mediation, foreclosure assistance, <u>and multilingual tenant legal counseling services, and vocational counseling services.</u> Train City staff to make referrals using the webpage.	Displacement risk for existing lower-income residents due to economic pressures/motivators on property owners/managers (see also Section 1.3.7.3); changing financial circumstances due to age, employment status, and economic pressures-	Medium
<b>Program H-3.2.2.</b> 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.	Displacement risk for existing lower-income residents due to economic pressures/motivators on property owners/managers (see also Section 1.3.7.3); changing financial circumstances due to age, employment status, and economic pressures-	Medium
<b>Program H-3.2.3.</b> 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. Prioritize improvements based on factors including economic domain scores from the TCAC/HCD Opportunity Map for individual census tracts, with an emphasis on undertaking improvements in and around census tracts 626.22 and 626.48 due to their comparatively lower scores, as feasible and economical.	Displacement risk for existing residents due to disaster-related damage (see also Section 1.3.7.3); age of housing stock-	High
<b>Program H-3.2.4.</b> Investigate potential incentives for <u>property owners of apartment and cooperative housing units for which tenants pay usage-based energy costs to make energy efficiency improvements that exceed the minimum requirements set forth in the California Building Energy Efficiency Standards.</u> If feasible and economical, <u>implement such incentives. Prioritize incentives for residents residing in census tracts 626.46 and 626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.</u>	Displacement risk for existing <u>lower-income residents due to economic pressures; underimproved housing stock potentially resultant of financial challenges and nature of property ownership-related limitations; age of housing stock</u>	Medium
<b>Program H-3.2.5.</b> Investigate opportunities to provide rental relief for residents at risk for homelessness. If feasible and <u>economical, implement such opportunities. Prioritize rental relief for residents residing in census tracts 626.46 and</u>	Displacement risk for existing <u>lower-income residents due to economic pressures/motivators on property owners/managers</u>	High



**Table AG: Contributing Factors for AFFH Programs Matrix**

Housing Element Program	Contributing Factor(s)	Priority
<u>626.47 due to those areas being identified in this Housing Element as susceptible to displacement and having the highest renter vulnerability indices, as feasible and economical.</u>	<u>(see also Section 1.3.7.3); changing financial circumstances due to age, employment status, and economic pressures</u>	

## 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 AH. 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 AH: 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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## CONSTRAINTS ANALYSIS

### CITY OF LAGUNA WOODS

Submitted to:

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~~March-August~~ 2023

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## LIST OF ABBREVIATIONS AND ACRONYMS

AB	Assembly Bill
ADA	Americans with Disabilities Act
ADU	accessory dwelling unit
CAL FIRE	California Department of Forestry and Fire Protection
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
HCD	Housing and Community Development Department of the State of California
HMDA	Home Mortgage Disclosure Act
I-5	Interstate 5
Lanterman Act	Lanterman Developmental Disabilities Services Act
MWD	Metropolitan Water District
OCFA	Orange County Fire Authority
OCTA	Orange County Transportation Authority
RC	Residential Community
RT	Residential Towers
SB	Senate Bill
SDP	Site Development Permit
sf	square foot/feet



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SJHTCA	San Joaquin Hills Transportation Corridor Agency
SRO	Single Room Occupancy
UWMP	Urban Water Management Plan
WRP	Water Recycling Plant
WTP	Wastewater Treatment 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 or 10-12 du/ac depending on 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= 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 residential density bonus standards regulations 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.

**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 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.

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<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).

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. The CF-P/I and CF-P zoning districts encompass approximately 17.805 acres of land across five sites – four places of worship with surface parking lots and interior space suitable for conversion to emergency shelters, and Orange County Fire Authority (OCFA) Fire Station No. 22. There is sufficient capacity to accommodate one year-round shelter housing five people, as required by State law. The CF-P/I and CF-P zoning districts were determined to be the most conducive to provision of emergency shelters by right since the zoning districts are allowed a uses that would facilitate the provision of government and social services to the community. The zoning district is appropriate for schools, hospitals, cultural venues, churches, temples and places of worship, which all require large facilities with capabilities to serve large amounts of people at a time.

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**

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

Source: Laguna Woods Municipal Code Section 13.13.030.

FAR = floor area ratio

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:

<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).

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 and CF-P/I designation has been applied to areas along El Toro Road and Moulton Parkway. 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. Therefore, these sites have reasonable access to public transit.

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. Current uses in the CF-P and CF-P/I zoning districts include four churches and their accompanying surrounding parking lots, and the OCFA Fire Station No. 22. These zones are conducive to building emergency shelters due to their relative sizes, their proximity to public transit and main thoroughfares, and the allowable uses on their sites.

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 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 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>

Section 13.06.010(d)(395) of the Zoning Code defines “family” 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, 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.

#### 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 (Chapter 13.15 of the City’s Zoning Code).

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<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.

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.

The process to request reasonable accommodations is set forth in Section 13.15.014 of the City's Zoning Code and is streamlined to include only an application containing the following information:

1. The applicant's name, address, and telephone number;
2. Documentation that the applicant is:
  - a. An individual with a disability;
  - b. Applying on behalf of one or more individuals with a disability; or
  - c. A developer or provider of housing for one or more individuals with a disability;
3. Address of the property for which accommodation is requested;
4. The name, address, and telephone number of the property owner(s), if different from the applicant;
5. The current use of the subject property;
6. The specific basis for the claim that the applicant is considered disabled under the fair housing laws;
7. A description of the accommodation requested including reference to the zoning and development code provision, policy, or procedure from which accommodation is sought;

8. A detailed written explanation of why the requested accommodation is necessary for the individual(s) with a disability to use and enjoy the dwelling; and
9. Any other information that the Community Development Director reasonably concludes is necessary to determine whether the findings required by Section 13.15.016 can be made, so long as any request for information regarding the disability of the individuals benefited complies with fair housing law protections and the privacy rights of the individuals affected.

No application fee is required per Section 13.15.014(a) of the City's Zoning Code.

Once the Community Development Director deems an application complete, public noticing of the request for reasonable accommodation is provided as follows, in furtherance of the fifth finding required for approval (that there will be no direct threat to the health and safety of other individuals or substantial physical damage to the property of others):

- In the event that there is no approval, permit, or entitlement sought other than the request for reasonable accommodation, the notice shall be mailed to the owners of record of all properties that are immediately adjacent to the property that is the subject of the request; or
- In the event that the request is being made in conjunction with some other approval, permit or entitlement, the notice shall be transmitted along with the notice of the other proceeding.

Section 13.15.013 of the City's Zoning Code requires the Community Development Director or Community Development Department to act on complete applications within 30 days, except when further information has been requested but not yet provided by the applicant (the Zoning Code is explicit that information requested from the applicant must be consistent with fair housing laws). Determinations are provided in writing to the applicant and other parties previously noticed.

The Housing Element includes Program H-1.2.6 to explicitly identify that the required finding for applications for reasonable accommodations to not "result in a direct threat to the health and safety of other individuals or substantial physical damage to the property of others" is to be interpreted consistent with 42 U.S.C. § 3604(f)(9) and Program H-1.3.4 to remove the public noticing requirements for applications for reasonable accommodations.

#### **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 ft.

2.6 PLANNING/ZONING AND DEVELOPMENT IMPACT FEES

Housing development in Laguna Woods is subject to the following types of fees and exactions: (1) permit processing fees for planning and zoning, and (2) impact fees or exactions, imposed to defray all or a portion of the public costs related to development projects.

Since Fiscal Year 2015-16, the City has retained a qualified third-party consultant to conduct an annual study of the “nexus” between the City’s planning/zoning fees and the reasonable costs of associated services. Planning/zoning fees have generally been set at the City’s reasonable cost of providing services. Profit is not a component of the City’s planning/zoning fees.

Table F lists the City’s residential planning/zoning fees, based off the fee schedule that was effective July 19, 2021. Prior to this update, the City’s planning/zoning fees were last updated in 2020. There were no significant increases to planning/zoning fees.

Table F: Current Residential Planning/Zoning Fees

Table with 2 columns: Planning/Zoning Fees, Initial Deposit. Rows include 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: All fees are the minimum initial fee for the service. The final fee is based on actual costs, which may be less than the minimum fee (in which case, the unspent amount of the deposit is returned to the applicant) or exceed the minimum fee (in which case, supplemental deposits may be collected and, ultimately, the actual cost is collected with any unspent amount returned to the applicant).

Table G provides a comparison of the City’s planning/zoning fees with other nearby cities. As shown, the City’s planning/zoning fees are generally comparable to other cities.

Table G: Comparison of Residential Planning/Zoning 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
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 addition to planning/zoning fees, the City is required to collect development impact fees on behalf of the County of Orange and the San Joaquin Hills Transportation Corridor Agency (SJHTCA). These fees are established independent of the City. A summary of fees as of July 2022 follows.

- **Coastal Area Road Improvements and Traffic Signals Program** – The City is required to collect this fee on behalf of the County of Orange prior to City building permit issuance for new development projects only. For new single-family residential development projects, the fee is \$2,989/unit. For new multi-family residential development projects, the fee is \$2,392/unit.
- **Moulton Parkway and Laguna Niguel Fee Program** – The City is required to collect this fee on behalf of the County of Orange prior to City building permit issuance for new development projects only. For new single-family residential development projects, the fee is \$615/unit. For new multi-family residential development projects, the fee is \$360/unit. The County of Orange intends to end this fee program in the near future.
- **San Joaquin Hills Road Fee Program** – The City is required to collect this fee on behalf of the SJHTCA prior to City building permit issuance for new development projects only. Fees vary based on whether a project is located in “Zone A” or “Zone B,” as defined by the SJHTCA (a map is available at <https://www.thetollroads.com/about-tca/development-impact-fee-dif-program/>). For new single-family residential development projects, the fee is \$6,211/unit in Zone A and \$4,814/unit in Zone B. For new multi-family residential development projects, the fee is \$3,618/unit in Zone A and \$2,808/unit in Zone B.

Other government agencies collect development impact fees directly from applicants. Again, these fees are established independent of the City. A summary of common fees as of July 2022 follows.

- **Capistrano Unified School District** – Applicants are required to pay a fee directly to the Capistrano Unified School District prior to City building permit issuance for new development projects. The fee only applies if the project is located within the Capistrano Unified School District’s boundaries (a map is available at <https://www.capousd.org/Schools/School-Locator/index.html>). The fee is \$4.08 per square foot.
- **Saddleback Valley Unified School District** – Applicants are required to pay a fee directly to the Saddleback Valley Unified School District prior to City building permit issuance for new development projects and additions over 500 square feet. This fee only applies if the project is located within the Saddleback Valley Unified School District’s boundaries (a map is available at <https://www.svusd.org/about/school-boundaries>). The fee is \$4.79 per square foot.
- **El Toro Water District (ETWD)** – Applicants are required to pay a capital facilities fee directly to the ETWD prior to service being provided for new residential development projects. This fee varies based on meter size, but ranges from \$2,145 to \$21,856 per meter, and the number of gallons of sewage to be discharged to the ETWD’s system each day times \$9.311.

In general, planning/zoning and development impact fees can constrain housing development and compromise affordability because the additional cost borne by developers contributes to overall increased housing unit cost. However, the City’s planning/zoning fees are comparable to nearby cities and assessed only to recover reasonable costs of providing services (profit is not a component and the deposit-based fee structure allows for only actual costs to be charged). Development impact fees affecting residential development projects in Laguna Woods are outside of the City’s control. The City does not collect development impact fees of its own creation.

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 planning/zoning fees, and made changes to recover its reasonable costs of providing services, as allowed by state law. While some planning/zoning 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 and Laguna Niguel Road Fee Program in the near future.

Using the San Sebastian Apartments project as a representative example of multi-family residential development activity, Table H contains City staff’s estimate of planning/zoning and development impact fees assuming the project were built today at a cost of \$50,723,304 (calculated based on the actual amenities and current market estimates for construction thereof).

**Table H: Prototypical Multi-Family Residential Project  
Planning/Zoning and Development Impact Fees**

<b>Development Fees</b>	<b>Amount</b>
City Planning/Zoning Fees	\$35,000
Coastal Area Road Improvement and Traffic Signals Program (Impact Fee)	\$325,486
Moulton Parkway and Laguna Niguel Fee Program (Impact Fee)	\$49,044
San Joaquin Hills Road Fee Program (Impact Fee)	\$472,216
Saddleback Valley Unified School District (Impact Fee)	\$668,932
El Toro Water District (Capital Facilities Fee)	\$170,000
<b>TOTAL PLANNING/ZONING AND DEVELOPMENT IMPACT FEES</b>	<b>\$1,720,678</b>
Per Unit @ 134 units	\$12,841

Total planning/zoning and development impact fees for the prototypical apartment project in Table H represent approximately 3.4 percent of the estimated development cost, far below the 10–15 percent of development costs that the Housing and Community Development Department of the State of California (HCD) considers “typical” per its Building Blocks: Fees and Exactions guidance (retrieved July 2022). Of particular note is that only approximately 2 percent of total planning/zoning and development impact fees are established by the City.

Table I contains City staff’s estimate of planning/zoning and development impact fees for a new 2,150 square foot single-family home (one unit) development project built today at a cost of \$400,000 (comparable to the example used for similar purposes by the City of Aliso Viejo in that city’s draft Housing Element dated February 1, 2022).

**Table I: Prototypical Single-Family Home Project Planning/Zoning  
and Development Impact Fees**

<b>Development Fees</b>	<b>Amount</b>
City Planning/Zoning Fees	\$2,500
Coastal Area Road Improvement and Traffic Signals Program (Impact Fee)	\$2,989
Moulton Parkway and Laguna Niguel Fee Program (Impact Fee)	\$615
San Joaquin Hills Road Fee Program (Impact Fee)	\$6,211
Saddleback Valley Unified School District (Impact Fee)	\$10,299
El Toro Water District (Capital Facilities Fee)	\$2,500
<b>TOTAL PLANNING/ZONING AND DEVELOPMENT IMPACT FEES</b>	<b>\$25,114</b>

Total planning/zoning and development impact fees for the prototypical single-family home project in Table I represent approximately 6.3 percent of the estimated development cost, far below the 10–15 percent of development costs that HCD considers “typical” per its Building Blocks: Fees and Exactions guidance (retrieved July 2022). Of particular note is that only approximately 10 percent of total planning/zoning and development impact fees are established by the City.

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

Assembly Bill 641 (2007–2008) provides cash flow flexibility for the majority of affordable housing projects by allowing development impact fees to be paid as late as the date of the final inspection, or the date the certificate of occupancy is issued, whichever occurs first.

## 2.7 LOCAL PROCESSING AND PERMIT PROCEDURES

Development processing and permitting procedures are necessary steps to ensure that residential construction proceeds in an orderly manner. However, the time and cost of permit processing and review can be a constraint to housing development if they place an undue burden on the developer.

Although the City has not processed an application for a housing development project since the San Sebastian Apartments in the mid-2000s, it is committed to working closely with developers and applicants to approve projects in a timely manner. The San Sebastian Apartments project received its planning/zoning approvals in October 2005 and submitted an application for building permits in September 2006 (approximately 11 months apart). Due to the lack of housing development applications since the San Sebastian Apartments project, there is no other local data that speaks to length of time between receiving approval for a project and submittal of an application for building permits.

For a typical project, the developer would meet with Planning Division staff to discuss the project and then submit plans for review. Plans would either be submitted to the Planning Division first and, once approved, to the Building Division for building permitting, or submitted concurrently to both the Planning Division and Building Division if so desired by the applicant. Applicants that submit concurrent applications would effectively eliminate any length of time between receiving approval for their project and submittal of an application for building permits. Projects requiring a Site Development Permit (SDP) or Conditional Use Permit (CUP) would be reviewed and acted upon as described herein. Throughout construction, various City divisions 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 and expectations are typical for the region.

A typical new single-family home development project (one unit) would require only the issuance of ministerial building permits, unless the project is subject to the State Subdivision Map Act in which case those requirements would also apply. The Building Division's initial review of building permit applications for single-family homes is seven days, followed by five days for subsequent submittals.

A typical new multi-family residential development project of three units or less would require only the issuance of ministerial building permits, unless the project is subject to the State Subdivision Map Act in which case those requirements would also apply. The Building Division's initial review of building permit applications for multi-family residential projects is the same as single-family homes – seven days, followed by five days for each subsequent submittal.

Table J outlines the development review processing times and approval procedures for residential developments applications. For housing development projects proposed to occur within any of the "by-right" overlay zoning districts to be created through the Housing Element's rezoning program, it is unlikely that the first four actions/requests listed in Table J, or variances, would be required, barring an unusual request from the applicant. The overlay zoning districts are intended to expedite the development of housing in a manner that complies with State housing law.

**Table J: 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 and review time limits controlled through CEQA. 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. Approved by the City Council. Requires a public hearing.
Zone Change	8-12 months	Certain procedures and time limits established by Gov. Code Sections 65854-65857. Approved by the City Council. Requires a public hearing.
Tentative Parcel Map	45-60 days	Processing and review time limits controlled through the State Subdivision Map Act. Approved by the City Council.
Tentative Tract Map	6-8 months	Processing and review time limits controlled through the State Subdivision Map Act. Approved by the City Council.
Variance	3-4 months	Approved by the City Council. Requires a public hearing.
Conditional Use Permits	3-4 months	Approved by the City Council. Requires a public hearing.
Site Development Permit	2-3 months	Approved by the Community Development Director.

CEQA = California Environmental Quality Act

Depending on the type of 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.

### 2.7.1 Site Development Permit

Multi-family residential development projects consisting of more than four units are required to obtain a Site Development Permit (SDP) to establish the use when permitted by right. It is anticipated that most (if not all) of the "by-right" housing projects newly possible due to this Housing Element would require a SDP. The purpose of a SDP is to provide for administrative review of detailed development plans for a proposed use. Uses that require a SDP are regarded as having a relatively low potential for adverse impacts on the subject site or surrounding community due to the nature or magnitude of the use vis-a-vis the sensitivity of the subject site or surrounding community.

SDP applications are acted upon by the Community Development Director unless he/she/they determine on a case-by-case basis, that the public interest would be better served by the application being acted on by the City Council. Public hearings are only required when the Community Development Director requests action by the City Council.

The following findings are required to approve SDP applications:

1. The use or project proposed is consistent with the General Plan;
2. The use, activity or improvement(s) proposed is consistent with the provisions of the Zoning Code;

3. The approval of the permit application is in compliance with the requirements of the California Environmental Quality Act;
4. The location, size, design and operating characteristics of the proposed use will not create conditions or situations that may be incompatible with other permitted uses in the vicinity;
5. The approval of the permit application will not result in conditions or circumstances contrary to the public health and safety and the general welfare; and
6. The approval of the permit application is in compliance with all City-required public facilities regulations.

Given the typical nature of the findings required to approve SDP applications, the application of the SDP requirement only to larger-scale multi-family residential projects, the default level of review and approval resting with staff, the typical permit processing time of 2-3 months, and the ability for building plan review to occur concurrent with SDP processing, it is unlikely that this requirement would constrain housing supply, affordability, timing, or approval certainty.

### **2.7.2 Conditional Use Permit**

Conditional Use Permits (CUPs) are required for some multi-family development, senior housing projects, and large residential care facilities, dependent upon the underlying zoning district. CUPs are not required for any of the “by-right” overlay zoning districts to be created through the Housing Element’s rezoning program.

CUP applications are acted upon by the City Council. A public hearing is required.

The following findings are required to approved CUP applications:

1. The use or project proposed is consistent with the General Plan;
2. The use, activity or improvement(s) proposed is consistent with the provisions of the Zoning Code;
3. The approval of the permit application is in compliance with the requirements of the California Environmental Quality Act;
4. The location, size, design and operating characteristics of the proposed use will not create conditions or situations that may be incompatible with other permitted uses in the vicinity;
5. The approval of the permit application will not result in conditions or circumstances contrary to the public health and safety and the general welfare; and
6. The approval of the permit application is in compliance with all City-required public facilities regulations.

Again, the CUP requirement only applies to condominiums and apartments in existing residential zoning districts 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 not within the “by right” overlay zoning districts to be created through the Housing Element’s rezoning program.

## 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. 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.



Since Fiscal Year 2015–16, the City has retained a qualified third-party consultant to conduct an annual study of the “nexus” between the City’s fees and the reasonable costs of building permitting. Fees have generally been set at the City’s reasonable cost of providing services. Profit is not a component of the City’s building permit fees. The current building permit fee schedule and supporting fee study is available at <https://www.cityoflagunawoods.org/government/transparency-public-records/>.

As incentives to develop affordable housing projects, the Housing Element includes three programs that will have a lessening effect on the City’s building permit fees. Program H-1.2.4 will reduce fees for qualifying lot consolidations, Program H-1.2.5 will waive or reduce fees for qualifying affordable housing projects subject to long-term affordability covenants, and Program H-2.2.2 will waive or reduce fees for improvements made to accommodate qualifying disabilities. ~~Three~~ Four other programs – H-1.2.8, H-2.1.2, ~~and~~ H-3.1.3, and H-3.2.4 – involve the establishment of incentives that may include fee waivers or reductions for energy efficiency in new development projects, affordability covenants, ~~and~~ affirmative marketing, and energy efficiency in qualifying apartment and cooperative housing units, respectively.

## 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 K). 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 K: 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 smaller in size (maintaining the same number of bedrooms) and could also consider allowing less costly features and

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

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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 SJHTCA 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.

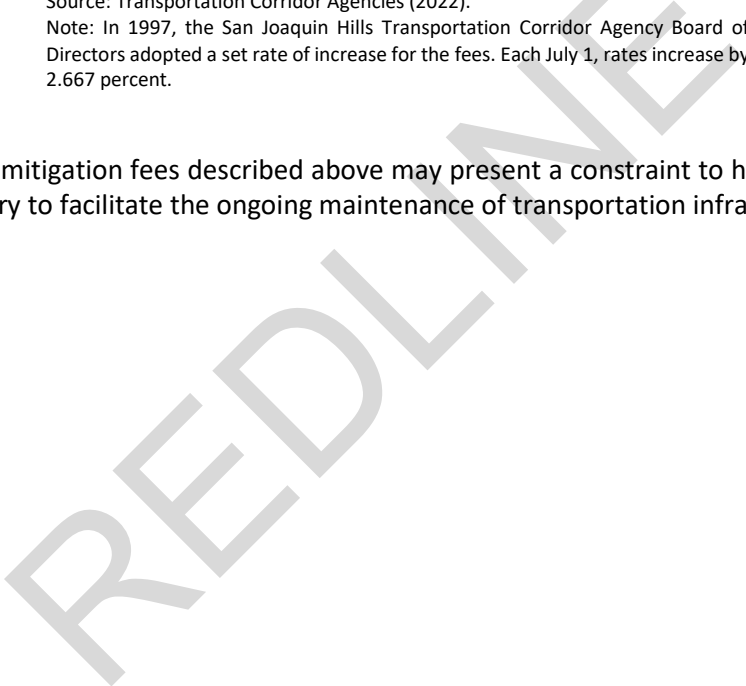
Fees are collected on new residential dwellings and new non-residential square footage in areas identified as the area of benefit surrounding the corridor. While most of Laguna Woods is within Area of Benefit Zone A for the SJHTCA, certain northerly portions of Laguna Woods are within Area of Benefit Zone B. Table L provides a summary of the current (2022) development impact fees assessed within those areas. In 1997, the 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 L: San Joaquin Hills Transportation Corridor  
Development Impact Fees (2022)**

	<b>Zone A</b>	<b>Zone B</b>
Single Family Residential	\$6,211/unit	\$4,814/unit
Multi-Family Residential	\$3,618/unit	\$2,808/unit

Source: Transportation Corridor Agencies (2022).  
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**

March-August 2023



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# HOUSING SITES INVENTORY AND ANALYSIS

## CITY OF LAGUNA WOODS

Submitted to:

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

Prepared by:

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~~March-August~~ 2023

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## LIST OF ABBREVIATIONS AND ACRONYMS

AB	Assembly Bill
ACS	American Community Survey
AFFH	Affirmatively Furthering Fair Housing
APN	Assessor's Parcel Number
CALGreen	California Green Building Standards Code
CARE	California Alternate Rates for Energy
CDC	Centers for Disease Control and Prevention
CF-P	Community Facilities—Private
City	City of Laguna Woods
du/ac	dwelling unit per acre
ETWD	El Toro Water District
FERA	Family Electric Rate Assistance
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
ROI	Regional Opportunity Index

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
<b>Total</b>		<b>997</b>

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 (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>	<p><b>North:</b> El Toro Water District facility—water well property (one-story structures and water tanks)</p> <p><b>East:</b> Laguna Hills Animal Hospital and Laguna Woods Self Storage (one- and two-story structures)</p> <p><b>South:</b> Laguna Woods Village water detention basin—vacant property</p> <p><b>West:</b> Medical office building within Town Centre (three-story structure)</p>	Yes	1.8 ac	Commercial	Community Commercial
2	Pacific Hills Calvary Chapel Parking Lot (APN 621-131-38)	Currently developed as a surface parking lot for the adjacent Pacific Hills Calvary Chapel in neighboring Aliso Viejo.	<p><b>North:</b> vacant land, Laguna Country United Methodist Church (one-story structures)</p> <p><b>East:</b> Laguna Country United Methodist Church, Pacific Hills Calvary Chapel (in Aliso Viejo) (all one-story structures)</p> <p><b>South:</b> vacant land, Pacific Hills Calvary Chapel (in Aliso Viejo) (all one-story structures)</p> <p><b>West:</b> vacant land</p>	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)	No	1.232 ac	Commercial	Community Commercial
			<b>East:</b> Saddleback Golf Cars (one-story structures)				
			<b>South:</b> Laguna Woods Village community garden center				
			<b>West:</b> Equestrian Center (one- and two-story structures)				
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)	No	1.235 ac	Commercial	Community Commercial
			<b>East:</b> vacant land				
			<b>South:</b> vacant land				
			<b>West:</b> Rossmoor Electric (one-story structures)				
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	No	5.249 ac	Commercial	Community Commercial
			<b>East:</b> Animal Hospital and commercial center (one-and-two-story structures)				
			<b>South:</b> water storage				
			<b>West:</b> City Center Park				
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)	No	0.76 ac	Commercial	Community Commercial
			<b>East:</b> gas station (one-and-two-story structures)				
			<b>South:</b> Equestrian Center (one- and two-story structures)				
			<b>West:</b> vacant land				

**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)	No	2.867 ac	Commercial	Community Commercial
			<b>East:</b> Laguna Woods Village golf course				
			<b>South:</b> Laguna Woods Village golf course				
			<b>West:</b> fast-food restaurant (one-story structure)				
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)	No	2.373 ac	Commercial	Community Commercial
			<b>East:</b> Home Depot center (one-and two-story structures)				
			<b>South:</b> Laguna Woods Village golf course				
			<b>West:</b> The Regency Apartment Homes (one-to-three-story structures)				
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)	No	1.411 ac	Commercial	Community Commercial
			<b>East:</b> single family residences (one- and two-story structures)				
			<b>South:</b> residential (four-story structures)				
			<b>West:</b> multifamily residential (in Aliso Viejo) (four-story structures)				

**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.	<p><b>North:</b> Laguna Woods Village residences (three-story structures)</p> <p><b>East:</b> Laguna Woods Village residences (one- and two-story structures)</p> <p><b>South:</b> Saint Nicholas Catholic Church (one- and two-story structures)</p> <p><b>West:</b> Laguna Woods Village Golf Course</p>	No	3.028 ac	Community Facilities	Community Facilities— Private
11	Geneva Presbyterian Church (APNs 616-191-05 & 616-191-06)	Both parcels are currently developed as a church.	<p><b>North:</b> Laguna Woods Village residences (one-story structures)</p> <p><b>East:</b> Calle Sonora/office building within Town Centre (three-story structure)</p> <p><b>South:</b> Whispering Fountains Apartments and residences (in Aliso Viejo) (one-, two-, and three-story structures)</p> <p><b>West:</b> Laguna Woods Village residences (one-story structures)</p>	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.	<p><b>North:</b> Lutheran Church of the Cross (one- and two-story structures)</p> <p><b>East:</b> Laguna Woods Village residences (one- and two-story structures)</p> <p><b>South:</b> Laguna Woods Village residences (one-story structures)</p> <p><b>West:</b> Willow Tree Center and Laguna Woods Village residences (one- and two-story structures)</p>	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 (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)	No	1.757 ac	Community Facilities	Community Facilities— Private
			<b>East:</b> Laguna Woods Village residences (one-story structures)				
			<b>South:</b> Laguna Woods Village residences and various churches (in Aliso Viejo) (one-story structures)				
			<b>West:</b> Laguna Country United Methodist Church and various churches (in Aliso Viejo) (one-story structures)				
14	Laguna Country United Methodist Church (APN 621-121-23)	Currently developed as a church.	<b>North:</b> Willow Tree Center and Laguna Woods Village residences (one-story structures)	No	3.899 ac	Community Facilities	Community Facilities— Private
			<b>East:</b> Temple Judea and Laguna Woods Village residences (one-story structures)				
			<b>South:</b> Temple Judea and various churches (in Aliso Viejo) (one-story structures)				
			<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)				



**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 in Town Centre (APN 616-012-24)	Currently developed as a commercial use with office uses.	<b>North:</b> Town Center (three-story structure) <b>East:</b> vacant land <b>South:</b> Home Depot shopping center and Laguna Woods Village water detention basin (one-story structures) <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 <b>East:</b> medical buildings (four-story structures) <b>South:</b> Residential Community (one- and two-story structures) <b>West:</b> Community Commercial (Town Centre) (one- and two-story structures)	No	3.095 ac	Commercial	Community Commercial
17	Helm 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) <b>East:</b> Laguna Woods Village residences (one- and two-story structures) <b>South:</b> McCormick & Son Mortuary (one-story structures) <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 current 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 State housing law.

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” published 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.

The properties upon which Home Depot is located were excluded from consideration, consistent with HCD's "Housing Element Site Inventory Guidebook Government Code Section 65583.2" published June 10, 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."

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

- Site is Presently Vacant – After excluding open space properties with deed restrictions that preclude potential future housing development, properties of a size presumed inadequate to accommodate lower income housing per State housing law, and properties perceived as vacant but failing to meet HCD's definition of a vacant property, only one presently vacant property remained (Site 1).
- Site is Presently Structureless – After excluding open space properties with deed restrictions that preclude potential future housing development, properties of a size presumed inadequate to accommodate lower income housing per State housing law, and properties located within, or owned by parties exclusively affiliated with Laguna Woods Village, only one presently structureless property remained (Site 2).
- Previous Expression of Housing Development Interest – 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).
- Synergy with Place of Worship – 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 (Sites 2 and 10–14).
- Viable Commercial Site – Based, in part, on previous interest in the Willow Tree Center East site (Site 16), parcel sizes, and proximity to public transit, other commercial sites were included (Sites 3–9 and 15–17). An emphasis was placed on identifying commercial sites with:
  - Frequent or long-term vacancies
    - As evidenced by real estate marketing.
    - Indicates that demand for commercial uses at that location is low, signaling a potential for redevelopment.

<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).

- 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>1</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.
- Structure Will Be 40 Years or Older During 2021–2029 Planning Period – It is reasonable to expect older structures to present more opportunities for redevelopment than newer structures. 10 sites that will be 40 years or older by 2029 (Sites 6, 9–14, and 16–17) are included.

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.

Finally, consideration was given to whether a site would provide any of the following benefits:

- Parcel Size is Potentially Suitable for Lower-Income Developments – Government Code Section 65583.2(c)(2) requires additional analysis to substantiate potential suitability for lower-income developments when the size of a parcel is smaller than one half acre or larger than 10 acres. Efforts were taken to identify parcels sized between one half acre and 10 acres.
- Consolidation Potential Due to Adjacency of Other Candidate Site – HCD’s “Housing Element Site Inventory Guidebook Government Code Section 65583.2” published June 10, 2020, identifies the potential for lot consolidation as evidence that may indicate a site is adequate to accommodate lower-income developments. This Housing Element includes Program H-1.2.4, which seeks to create an expedited and fee-reduced lot consolidation process for lot consolidations.

Table C summarizes how the criteria described above applies to the 17 potential development sites.

<sup>1</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).

**Table C: Application of Methodology Used to Identify Sites**

Site	Name	Relevant Factors Resulting in Identification
1	Town Centre Vacant Lot	<ul style="list-style-type: none"> <li>• Site is presently vacant</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
2	Pacific Hills Calvary Chapel Parking Lot	<ul style="list-style-type: none"> <li>• Site is presently structureless</li> <li>• Synergy with place of worship</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
3	Rossmoor Electric	<ul style="list-style-type: none"> <li>• Viable commercial site; frequent or long-term vacancies</li> <li>• Viable commercial site; less established tenant</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
4	Saddleback Golf Cars	<ul style="list-style-type: none"> <li>• Viable commercial site; single tenant</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
5	Laguna Woods Self Storage	<ul style="list-style-type: none"> <li>• Viable commercial site; single tenant</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
6	Animal Hospital	<ul style="list-style-type: none"> <li>• Viable commercial site; single tenant</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
7	PS Business Park (excludes Jack in the Box)	<ul style="list-style-type: none"> <li>• Viable commercial site; frequent or long-term vacancies</li> <li>• Viable commercial site; some less established tenants</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
8	Smart Parke	<ul style="list-style-type: none"> <li>• Viable commercial site; less established tenant</li> <li>• Viable commercial site; single tenant</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
9	McCormick & Son Mortuary	<ul style="list-style-type: none"> <li>• Viable commercial site; single tenant</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
10	Lutheran Church of the Cross	<ul style="list-style-type: none"> <li>• Synergy with place of worship</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
11	Geneva Presbyterian Church	<ul style="list-style-type: none"> <li>• Synergy with place of worship</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> </ul>
12	Saint Nicholas Catholic Church	<ul style="list-style-type: none"> <li>• Synergy with place of worship</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>

**Table C: Application of Methodology Used to Identify Sites**

Site	Name	Relevant Factors Resulting in Identification
13	Temple Judea	<ul style="list-style-type: none"> <li>• Synergy with place of worship</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
14	Laguna Country United Methodist Church	<ul style="list-style-type: none"> <li>• Previous expression of housing development interest</li> <li>• Synergy with place of worship</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
15	Medical Building in Town Centre	<ul style="list-style-type: none"> <li>• Viable commercial site; viable adjacent site</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
16	Willow Tree Center East	<ul style="list-style-type: none"> <li>• Previous expression of housing development interest</li> <li>• Viable commercial site; some less established tenants</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Structures will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>
17	Helm Center	<ul style="list-style-type: none"> <li>• Viable commercial site; frequent or long-term vacancies</li> <li>• Viable commercial site; viable adjacent site</li> <li>• Structure will be 40 years or older during the 2021–2029 planning period</li> <li>• Parcel size is potentially suitable for lower-income developments</li> <li>• Consolidation potential due to adjacency of other candidate site; Program H-1.2.4 provides a specific incentive for lot consolidations</li> </ul>

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.



## 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 D 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 D, it appears that vehicular access to each of the 17 housing sites is viable. Table D 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 work 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. A related program has been included in the Housing Element.

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 D: 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 D: 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 in 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 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

This Housing Element includes Program H-1.1.1 to apply an appropriate residential overlay zoning district to each of the 17 potential housing sites. Such overlay zoning districts will allow new housing units to be developed on the nonvacant sites while also allowing the existing uses to continue operating. City staff has identified four potential overlay zoning districts, which are described in Table E 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 E: 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 Medium-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>
Residential Low Density	8–10 du/ac	<ul style="list-style-type: none"> <li>• Appropriate for sites adjacent to existing single-story residential uses</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

The rezoning process will include the adoption of minimum density and development standards for each of the four potential overlay zoning districts. Specific commitments in the rezoning process include, but are not limited to, (1) complying with applicable provisions of California Government Code Section 65583.2 (h), (i), et al., including accommodating at least 50 percent of the lower-income housing needs allocation on sites designated for residential use only (for non-mixed use projects) and by requiring residential use to occupy 50 percent of the total floor area of mixed-use projects, (2) permitting housing projects by right, as required by State law, (3) permitting owner-occupied and rental multifamily uses by right for housing projects in which 20 percent or more of the housing units are affordable for lower-income households, (4) establishing densities for potential housing sites as specified in Table H-N in this exhibit, and (5) allowing the development of housing projects as stand-alone uses on each potential housing site.

## 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

<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).

- SVUSD's website states that families may request interdistrict transfers based on changes in 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.

## 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.

Existing efforts to promote energy conservation were identified and reviewed to determine whether feasible and economical opportunities exist for the City to add or enhance efforts.

### 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

<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).

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>1</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 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.

In considering opportunities to promote energy conservation, the City's role in administering the California Building Standards Code positions it well to incentivize improvements that exceed the minimum requirements set forth in the California Green Building Standards Code and California Energy Code (collectively referred to as the California Building Energy Efficiency Standards). A related program has been included in the Housing Element.

#### 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.

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<sup>1</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).

- 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.

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## 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 PROPOSED SITES

As described elsewhere in this exhibit, the City's potential housing sites consist of sites with zoning in place, commercial sites with frequent or long-term vacancies, single or less established tenants, and generally sites where interest in housing development has been previously expressed. Table F below shows the number of potential housing units that are anticipated to be built during the planning period at each income level.

**Table F: Potential Housing Units during 2021–2029 Planning Period**

Site	APN	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
	2021-2029 RHNA Targets	127	136	192	542	997
1	616-012-29	10	11	0	60	81
2	621-131-38	2	2	0	27	31
3	621-131-21	5	6	0	44	55
4	621-131-26	5	6	0	44	55
5	616-012-19	76	79	0	81	236
6	616-012-03	2	3	0	29	34
7	616-021-30	24	26	0	79	129
8	621-211-09	6	7	0	50	63
9	621-091-16	0	0	0	25	25
10	616-041-01	0	0	35	19	54
11	616-191-05	0	0	6	3	9
	616-191-06	0	0	43	19	62
12	621-121-11	0	0	61	22	83
13	621-121-18	0	0	0	15	15
14	621-121-23	0	0	85	20	105
15	616-012-24	22	23	0	76	121
16	616-121-30	0	0	0	27	27
17	621-091-15	0	0	0	11	11
<b>TOTAL</b>		<b>152</b>	<b>163</b>	<b>230</b>	<b>651</b>	<b>1,196</b>

RHNA = Regional Housing Needs Assessment

Several recently completed housing projects near Laguna Woods are comparable in land use controls and site improvements but have higher densities than those envisioned under the Housing Element. Table G provides a list of these housing projects, along with their addresses and density (measured in dwelling units per acre). All four of these projects are located in the Gateway Specific Plan, which is centered around the western edge of the I-5/Crown Valley Parkway interchange in the nearby city of Laguna Niguel. None of these residential developments has units allocated for affordable housing.

**Table G: Recently Developed Housing in Nearby Cities**

Project	Address	Density
Skye at Laguna Niguel	28100 Cabot Rd., Laguna Niguel	67 du/ac
Apex Laguna Niguel	27960 Cabot Rd., Laguna Niguel	86 du/ac
Broadstone Cavora	26033 Cape Dr., Laguna Niguel	70 du/ac
Blu Laguna Niguel	27930 Cabot Rd., Laguna Niguel	99 du/ac

du/ac = dwelling units per acre

The additional residential development capacity on the City's potential housing sites is based on densities of 8–10 dwelling units/acre (du/ac) within the residential low density overlay, 15–20 du/ac within the residential medium-low density overlay, 20–30 du/ac within the residential medium density overlay, and 30–50 du/ac within the residential high density overlay. The potential housing sites would also include affordable housing units. Therefore, the potential housing sites would improve existing conditions for current and future residents in Laguna Woods and would increase

opportunities for lower income residents in Laguna Woods while also developing new housing at a much lower density than recently completed housing projects in neighboring Laguna Niguel.

The 17 potential housing sites currently contain the following existing uses: religious centers (churches and a temple), commercial centers, and professional offices. There are several recent cases in Orange County where a church or other type of house of worship has been converted into housing.

Among these examples are the Wesley Village Apartments in Garden Grove, which redeveloped underused portions of a United Methodist Church property at 12741 Main Street into 47 units of affordable housing in 2016–2017. In 2021, nearly 40 percent of a property used by the Coastal Community Fellowship Church at 10460 Slater Avenue in Fountain Valley was redeveloped into 12 single-family units. Because these developments converted land used for religious facilities into housing in other Orange County cities, the fact that religious facilities are currently operating on several of the City’s potential housing sites does not preclude their redevelopment with housing.

The additional housing that could be accommodated on the 17 potential housing sites would provide good access to community resources to potential residents, would be sufficiently served by utilities, and would facilitate the integration of lower-income households into the community in a way that would affirmatively further fair housing opportunities.

## 6.2 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.

## 6.3 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.

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.

**Figure 2: Poverty Status**

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**Figure 3: Diversity Index**

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## 6.4 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.

## 6.5 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.

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.

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**Figure 4: Healthy Places Index**

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**Figure 5: Social Vulnerability Index**

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## 6.6 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 H shows the full list of these domains and indicators.

**Table H: 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.

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. Section 1.4.1.3 of Exhibit A, Housing Needs Assessment, provides a more detailed explanation of the various census tracts in Laguna Woods and their respective opportunity map scores and categorizations.

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.

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**Figure 6: TCAC Opportunity Areas**

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## 6.7 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.

## 6.8 DISABILITY

Table I provides data compiled by the U.S. Census Bureau related to disability for Orange County, Laguna Woods, the surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, and the eight census tracts that are partially or entirely within Laguna Woods.

**Table I: Disability Trends**

Jurisdiction	Population with Disability (2008–2012 ACS) (%) <sup>2</sup>	Population with Disability (2015–2019 ACS) (%) <sup>1</sup>	Percent Change
Orange County	7.6	8.5	11.8%
Laguna Woods	29.2	27.3	-6.5%
Aliso Viejo	3.8	6.3	65.8%
Laguna Hills	7.4	8.8	18.9%
Laguna Beach	6.8	9.4	38.2%
Lake Forest	6.4	6.9	7.8%
Census Tract 626.21	7.7	7.2	-6.5%
Census Tract 626.22	25.7	22.6	-12.1%
Census Tract 626.25	12.5	14.1	12.8%
Census Tract 626.41	11.3	13.8	22.1%
Census Tract 626.46	29.3	25.4	-13.3%
Census Tract 626.47	20.4	16.9	-17.2%
Census Tract 626.48	27.9	26.4	-5.4%
Census Tract 626.49	17.7	24.5	38.4%

<sup>1</sup> American Community Survey 2019 5-Year Estimates. Table S1810.

<sup>2</sup> American Community Survey 2012 5-Year Estimates. Table S1810.

Table G-I 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). Laguna Woods also has a much higher percentage of its population with a disability than Aliso Viejo, Laguna Hills, Laguna Beach, or Lake Forest, which have 6.3 percent, 8.8 percent, 9.4 percent, and 6.9 percent, respectively. All 17 of the potential housing sites are located in census tracts with a higher percentage of disabled residents than Orange County.

Additionally, Table I details the change in the percentage of disabled residents in Laguna Woods, Aliso Viejo, Laguna Hills, Laguna Beach, Lake Forest, and Orange County between the 2008–2012 and the 2015–2019 American Community Survey (ACS) estimate periods. The 2008–2012 ACS estimates were the earliest time period when data pertaining to disabled persons were available at a census tract level. As shown in Table I, Laguna Woods saw a 6.5 percent decrease in the percentage of its residents with disabilities between the 2008–2012 and the 2015–2019 ACS estimate periods. During the same time period, Orange County and the other cities surrounding Laguna Woods saw increases in the percentages of their residents with disabilities (ranging from a 7.8 percent increase in Lake Forest to a 65.8 percent increase in Aliso Viejo). However, the percentage of the population with a disability in Laguna Woods (27.3 percent) is much higher than any of the other cities surrounding Laguna Woods or Orange County.

## 6.9 FAMILY STATUS

Table J provides data compiled by the U.S. Census Bureau related to household type for Orange County, Laguna Woods, the surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, and the eight census tracts that are partially or entirely within Laguna Woods.

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 and the surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest have a 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.

Additionally, Table J details the changes in family status among households in Laguna Woods, Aliso Viejo, Laguna Hills, Laguna Beach, Lake Forest, and Orange County between the 2006–2010 and the 2015–2019 ACS estimate periods. The 2006–2010 ACS estimates were the earliest time period when household and family status data were available at a census tract level. As shown in Table J, the percentage of married-couple families increased the most in Laguna Woods (11.6 percent) between the 2006–2010 and the 2015–2019 ACS estimate periods; however, the percentage of married-couple families also increased in most of the other surrounding cities and in Orange County. All of the individual census tracts in Laguna Woods also saw increases in the number of married-couple households, with the exception of two census tracts, Census Tract 626.47 and Census

Table J: Family Status Trends

Jurisdiction	Married-Couple Family Year <sup>1,2</sup>		Percent Change (2006–2010 ACS to 2015–2019 ACS)	Male Householder Year <sup>1,2</sup>		Percent Change (2006–2010 ACS to 2015–2019 ACS)	Female Householder Year <sup>1,2</sup>		Percent Change (2006–2010 ACS to 2015–2019 ACS)	Nonfamily Household Year <sup>1,2</sup>		Percent Change (2006–2010 ACS to 2015–2019 ACS)
	(2006–2010 ACS)	(2015–2019 ACS)		(2006–2010 ACS)	(2015–2019 ACS)		(2006–2010 ACS)	(2015–2019 ACS)		(2006–2010 ACS)	(2015–2019 ACS)	
Orange County	533,446	569,260	+6.7%	54,071	55,032	+1.8%	111,816	119,719	+7.1%	285,170	293,481	+2.9%
Laguna Woods	3,215	3,590	+11.7%	166	83	-50.0%	352	309	-12.2%	7,737	7,021	-9.3%
Aliso Viejo	9,264	10,054	+8.5%	521	809	+55.3%	1,599	1,937	+21.1%	6,693	5,715	-14.6%
Laguna Hills	6,418	6,347	-1.1%	400	438	+9.5%	865	941	+8.8%	2,744	3,311	+20.7%
Laguna Beach	4,683	5,038	+7.6%	518	359	-30.7%	545	595	+9.2%	5,301	4,243	-20.0%
Lake Forest	15,971	17,060	+6.8%	1,312	1,329	+1.3%	2,432	3,166	+30.2%	7,200	7,783	+8.1%
Census Tract 626.21	985	2,355	+139.1%	59	297	+403.4%	194	361	+86.1%	630	1,610	+155.6%
Census Tract 626.22	911	951	+4.4%	11	0	-100.0%	152	47	-69.1%	1,528	1,537	+0.6%
Census Tract 626.25	763	831	+8.9%	69	46	-33.3%	107	131	+22.4%	923	952	+3.1%
Census Tract 626.41	770	1,034	+34.3%	67	5	-92.5%	104	147	+41.3%	715	838	+17.2%
Census Tract 626.46	575	762	+32.5%	31	48	+54.8%	54	0	-100.0%	1,651	1,555	-5.8%
Census Tract 626.47	589	543	-7.8%	21	143	+581.0%	129	217	+68.2%	1,497	1,448	-3.3%
Census Tract 626.48	657	470	-28.5%	13	8	-38.5%	42	84	+100.0%	1,454	1,300	-10.6%
Census Tract 626.49	540	711	+31.7%	49	28	-42.9%	89	33	-62.9%	1,348	1,094	-18.8%

<sup>1</sup> American Community Survey 2019 5-Year Estimates. Table S1101.<sup>2</sup> American Community Survey 2010 5-Year Estimates. Table S1101.

Tract 626.48. The percentage of male householders and female householders has decreased in Laguna Woods by 50 percent and 12.2 percent, respectively, while it has increased in all surrounding cities (with the exception of Laguna Beach's decrease in male householders). Finally, the number of non-family households in Laguna Woods has decreased by approximately 9.3 percent while it has increased in Orange County by approximately 2.9 percent.

## 6.10 INCOME

Table K provides data compiled by the U.S. Census Bureau related to poverty status and median household income for Orange County, Laguna Woods, the surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, and the eight census tracts that are partially or entirely within Laguna Woods.

**Table K: Income Trends**

Jurisdiction	Population Below Poverty (%) <sup>1,2</sup>		Percent Change (2008–2012 ACS to 2015–2019 ACS)	Median Household Income <sup>3,4</sup>		Percent Change (2008–2012 ACS to 2015–2019 ACS)
	2008–2012 ACS	2015–2019 ACS		2008–2012 ACS	2015–2019 ACS	
Orange County	11.7	10.9	-6.8%	\$74,344	\$90,234	21.4%
Laguna Woods	11.4	11.5	0.9%	\$34,192	\$44,020	28.7%
Aliso Viejo	4.7	4.7	0.0%	\$95,498	\$112,689	18.0%
Laguna Hills	7.2	8.3	15.3%	\$87,337	\$100,985	15.6%
Laguna Beach	7.4	6.3	-14.9%	\$98,634	\$129,983	31.8%
Lake Forest	5.0	6.9	38.0%	91,040	\$109,492	20.3%
Census Tract 626.21	6.5	7.7	18.5%	\$76,333	\$111,425	46.0%
Census Tract 626.22	9.9	13.7	38.4%	\$32,437	\$44,119	36.0%
Census Tract 626.25	12.6	12.4	-1.6%	\$43,070	\$45,214	5.0%
Census Tract 626.41	9.1	3.3	-63.7%	\$59,500	\$88,986	49.6%
Census Tract 626.46	14.9	10.6	-28.9%	\$30,291	\$41,875	38.2%
Census Tract 626.47	9.7	15.7	61.9%	\$35,345	\$54,327	53.7%
Census Tract 626.48	4.2	12.9	207.1%	\$38,534	\$45,000	16.8%
Census Tract 626.49	6.6	11.1	68.2%	\$48,351	\$60,254	24.6%

<sup>1</sup> American Community Survey 2019 5-Year Estimates. Table S1701.

<sup>2</sup> American Community Survey 2012 5-Year Estimates. Table S1701.

<sup>3</sup> American Community Survey 2019 5-Year Estimates. Table S1901.

<sup>4</sup> American Community Survey 2010 5-Year Estimates. Table S1901.

As described in Table K, 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) and higher than the surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest. 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 K also shows that Laguna Woods has a substantially lower median household income (\$44,020) than Orange County (\$90,234) or any of the other surrounding cities of Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest. 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, Table K details the change in the percentage of residents living below the poverty level in Laguna Woods, Aliso Viejo, Laguna Hills, Laguna Beach, Lake Forest, and the County between the 2008–2012 and the 2015–2019 ACS estimate periods as well as the percentage of change in median household income in those same geographies between the 2006–2010 and the 2015–2019 ACS estimate periods. The 2008–2012 ACS estimates were the earliest time period when ACS data pertaining to poverty status were available at a census tract level, and the 2006–2010 ACS estimates were the earliest time period when ACS data pertaining to household income were available at a census tract level. Laguna Woods, Orange County, the surrounding cities, and all individual census tracts within the Laguna Woods saw an increase in median household income between the 2006–2010 and the 2015–2019 ACS estimate periods. However, the percentage of residents living below the poverty level in Laguna Woods slightly increased over time (from 11.4 percent to 11.5 percent), whereas the percentage of Orange County residents living below the poverty level decreased by 6.8 percent during the same time period.

### 6.11 RACE AND ETHNICITY

Table L provides data compiled by the U.S. Census Bureau related to race and ethnicity for Orange County, Laguna Woods, the surrounding cities of Aliso Viejo, Laguna Hills, Lake Forest, Laguna Beach, and the eight census tracts that are partially or entirely within Laguna Woods for the 2006–2010 and the 2015–2019 ACS estimate periods.

As Table L indicates, Orange County, Laguna Woods, all surrounding cities, and all eight census tracts within Laguna Woods have a majority White population. All cities including Laguna Woods (76.3 percent, 80.0 percent, 70.9 percent, 89.5 percent, and 65.9 percent for Laguna Woods, Aliso Viejo, Laguna Hills, Laguna Beach, and Lake Forest, respectively) have a higher population of White residents than Orange County (61.0 percent). Laguna Woods has the lowest percentage of Hispanic or Latino population (5.8 percent) among all its surrounding cities and Orange County, and Census Tract 626.48 has the lowest percentage of Hispanic or Latino population (4.2 percent) among all geographies.

Table M provides a comparison of the breakdown of race and ethnicity in Laguna Woods, Aliso Viejo, Laguna Hills, Laguna Beach, Lake Forest, and Orange County between the 2006–2010 and the 2015–2019 ACS estimate periods. The 2006–2010 ACS estimate period was the earliest possible time period when race and ethnicity data were available at a census tract level. As shown in Table M, the White population in Laguna Woods decreased by approximately 15.5 percent between the 2006–2010 and the 2015–2019 ACS estimate periods, whereas it increased in Orange County and the cities of Aliso Viejo, Laguna Hills, and Lake Forest by 5.0 percent, 8.7 percent, 0.5 percent, and 4.0 percent, respectively, during the same time frame. The Black population in Laguna Woods decreased by 9.5 percent between the 2006–2010 and the 2015–2019 ACS estimate periods, whereas it increased in Orange County and Laguna Hills, Laguna Beach, and Aliso Viejo by 15.0 percent, 95.0 percent, 51.6 percent, and 28.9 percent, respectively. The Hispanic population increased in all geographies between the 2006–2010 and the 2015–2019 ACS estimate periods, except in Census Tract 626.22, Census Tract 626.25, and Census Tract 626.41.

Table L: Race and Ethnicity Trends

Jurisdiction	White		Black or African American		American Indian and Alaska Native		Asian		Native Hawaiian and Other Pacific Islander		Some Other Race and Two or More Races		Hispanic or Latino (of any race)	
	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS	2006–2010 ACS	2015–2019 ACS
Orange County	1,839,676 (62.0%)	1,931,263 (61.0%)	48,361 (1.6%)	55,591 (1.8%)	13,004 (0.4%)	14,424 (0.5%)	521,268 (17.6%)	649,042 (20.5%)	9,565 (0.3%)	10,152 (0.3%)	557,247 (18.8%)	507,572 (16.0%)	973,899 (32.8%)	1,078,726 (34.1%)
Laguna Woods	14,499 (89.0%)	12,250 (76.3%)	126 (0.8%)	114 (0.7%)	0 (0.0%)	13 (0.1%)	1,357 (8.3%)	3,169 (19.7%)	0 (0.0%)	0 (0.0%)	341 (2.0%)	507 (3.2%)	723 (4.4%)	929 (5.8%)
Aliso Viejo	32,625 (70.4%)	35,449 (80.0%)	1,476 (3.2%)	1,237 (2.4%)	48 (0.1%)	238 (0.5%)	6,520 (14.1%)	7,905 (15.6%)	40 (0.1%)	64 (0.1%)	5,885 (12.8%)	5,770 (11.4%)	7,927 (17.1%)	9,189 (18.1%)
Laguna Hills	22,306 (73.3%)	22,417 (70.9%)	241 (0.8%)	470 (1.5%)	156 (0.5%)	27 (0.1%)	3,111 (10.2%)	4,632 (14.7%)	98 (0.3%)	18 (0.1%)	4,744 (15.6%)	4,053 (12.9%)	6,672 (21.9%)	6,950 (22.0%)
Laguna Beach	20,746 (91.0%)	20,617 (89.5%)	128 (0.6%)	194 (0.8%)	12 (0.1%)	28 (0.1%)	1,050 (4.6%)	867 (3.8%)	40 (0.2%)	0 (0.0%)	903 (3.9%)	1,330 (5.7%)	1,513 (6.6%)	1,892 (8.2%)
Lake Forest	53,242 (69.4%)	55,374 (65.9%)	1,425 (1.9%)	1,837 (2.2%)	380 (0.5%)	860 (1.0%)	10,360 (13.5%)	15,816 (18.8%)	129 (0.2%)	111 (0.1%)	12,156 (15.8%)	9,976 (11.9%)	17,159 (22.4%)	18,381 (21.9%)
Census Tract 626.21	4,093 (77.6%)	7,581 (61.5%)	20 (0.4%)	194 (1.6%)	0 (0.0%)	14 (0.1%)	652 (12.4%)	3,654 (29.6%)	0 (0.0%)	0 (0.0%)	607 (11.5%)	888 (7.2%)	1,244 (23.6%)	1,557 (12.6%)
Census Tract 626.22	3,379 (77.8%)	3,025 (78.2%)	27 (0.6%)	14 (0.4%)	0 (0.0%)	0 (0.0%)	477 (11.0%)	736 (19.0%)	36 (0.8%)	0 (0.0%)	426 (9.8%)	93 (2.4%)	638 (14.7%)	35 (7.9%)
Census Tract 626.25	2,902 (70.5%)	2,547 (64.1%)	0 (0.0)	11 (0.3%)	0 (0.0%)	0 (0.0%)	365 (8.9%)	513 (12.9%)	0 (0.0%)	0 (0.0%)	848 (20.6%)	904 (22.8%)	1,349 (32.8%)	1,293 (32.5%)
Census Tract 626.41	2,774 (61.1%)	3,518 (65.4%)	58 (1.3%)	87 (1.6%)	0 (0.0%)	0 (0.0%)	566 (12.5%)	975 (18.1%)	0 (0.0%)	0 (0.0%)	1,163 (25.6%)	796 (14.8%)	1,732 (38.2%)	1,184 (22.0%)
Census Tract 626.46	2,759 (90.3%)	2,502 (72.9%)	20 (0.7%)	100 (2.9%)	0 (0.0%)	0 (0.0%)	202 (6.6%)	658 (19.2%)	0 (0.0%)	0 (0.0%)	75 (2.5%)	173 (5.0%)	139 (4.5%)	240 (7.0%)
Census Tract 626.47	3,007 (73.5%)	3,070 (67.4)	27 (0.7%)	170 (3.7%)	0 (0.0%)	13 (0.3%)	601 (14.7%)	788 (17.3%)	0 (0.0%)	0 (0.0%)	454 (11.1%)	512 (11.2%)	722 (17.7%)	994 (21.8%)
Census Tract 626.48	2,727 (92.8%)	1,996 (75.6%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	142 (4.8%)	510 (19.3%)	0 (0.0%)	0 (0.0%)	86 (2.9%)	134 (5.0%)	87 (3.0%)	110 (4.2%)
Census Tract 626.49	2,820 (93.2%)	2,542 (79.3%)	37 (1.2%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	155 (5.1%)	552 (17.2%)	0 (0.0%)	0 (0.0%)	13 (0.4%)	110 (3.4%)	67 (2.2%)	379 (11.8%)

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

<sup>2</sup> American Community Survey 2010 5-Year Estimates. Table DP05.



**Table M: Race and Ethnicity Trends (2006–2010 ACS to 2015–2019 ACS)**

Jurisdiction	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race and Two or More Races	Hispanic or Latino (of any race)
Orange County	+5.0%	+15.0%	+10.9%	+24.5%	+6.1%	-8.9%	+10.8%
Laguna Woods	-15.5%	-9.5%	--	+133.5%	--	+48.7%	+28.5%
Aliso Viejo	+8.7%	-16.2%	+395.8%	+21.2%	+60.0%	-2.0%	+15.9%
Laguna Hills	+0.5%	+95.0%	-82.7%	+48.9%	-81.6%	-14.6%	+4.2%
Laguna Beach	-0.6%	+51.6%	+133.3%	-17.4%	-100.0%	+47.3%	+25.0%
Lake Forest	+4.0%	+28.9%	+126.3%	+52.7%	-14.0%	-17.9%	+7.1%
Census Tract 626.21	+85.2%	+870.0%	--	+460.4%	--	+46.3%	+25.2%
Census Tract 626.22	-10.5%	-48.1%	--	+54.3%	-100.0%	-78.2%	-99.5%
Census Tract 626.25	-12.2%	--	--	+40.5%	--	+6.6%	-4.2%
Census Tract 626.41	+26.8%	+50.0%	--	+72.3%	--	-31.6%	-31.6%
Census Tract 626.46	-9.3%	+400.0%	--	+225.7%	--	+130.7%	+72.7%
Census Tract 626.47	+2.1%	+529.6%	--	+31.1%	--	+12.8%	+37.7%
Census Tract 626.48	-26.8%	--	--	+259.2%	--	+55.8%	+26.4%
Census Tract 626.49	-9.9%	-100.0%	--	+256.1%	--	+746.2%	+465.7%

## 6.12 LOCAL DATA AND KNOWLEDGE

### 6.12.1 Age and Income Restrictions

As described earlier in this exhibit, the majority of Laguna Woods is comprised of private communities that are restricted by income and to adults aged 55 and older. Of the 13,252 dwelling units in the City of Laguna Woods, 12,736 are located in the gated community of Laguna Woods Village (formerly Leisure World), which represents 80 percent of the City's total land area. Three additional age-restricted residential communities provide an additional 516 dwelling units in the City. Consequently, income and age restrictions have impeded housing choices for lower-income and younger residents interested in relocating to Laguna Woods.

Prior to the 1960s, Laguna Woods was a part of South Orange County's expansive Moulton Ranch, with only a few scattered ranch dwellings and barns comprising the nearly three square miles of land. In 1964, a portion of Moulton Ranch was purchased and developed into Leisure World Laguna Hills, a community for people aged 52 and older. The City was then officially incorporated as Orange County's 32nd city in 1999, resulting in a somewhat unique city with an average resident age that is greater than 75 years.

Existing income and age restrictions were not required by the City and are not a function of any local development code or regulation, but rather elective decision-making on the part of developers and property owners, in large part prior to the City's incorporation in 1999. In keeping with past practice, this Housing Element contains no income- or age-related housing mandates.

This Housing Element contains programs intended to affirmatively further fair housing for all persons, including a number of goals and policy objectives that specifically reference lower incomes (see Goals H-1, H-2, and H-3, and Policy Objectives H-1.1, H-1.2, H-1.4, and H-1.5). Policy Objective H-1.5 explicitly references "families," a term which includes persons of any age, and Policy Objective H-3.1 prioritizes efforts to increase access to housing without preconditions, including income or age.

Recognizing the impediments to housing production and choice associated with existing income and age restrictions, this Housing Element intentionally identifies only potential housing sites located outside of private communities that are currently income- and/or age-restricted. This is a change from previous Housing Elements for which all potential housing sites were located on property owned by entities affiliated with income- and age-restricted private communities. None of the potential housing sites identified in this Housing Element contain known income or age restrictions.

Program H-3.1.3 in this Housing Element provides for fee waivers or reductions, or other incentives, for housing projects that prepare and implement an affirmative marketing plan designed to attract renters or buyers of diverse demographics including, among other characteristics, familial status (meaning that housing projects seeking to obtain such incentives would not be eligible if they restrict occupant households from including children under the age of 18, or any other combination of family unit recognized by law). The incentives envisioned in Program H-3.1.3 will be prioritized based on factors including racial concentrations from U.S. Census Bureau data products, with an emphasis on avoiding the creation of geographically discernable patterns of segregation or racially

concentrated areas of poverty. The incentives are expected to promote housing production (and, thereby, housing choices) for all persons regardless of age.

### **6.12.2 Property Ownership Implications**

As described in Sections 4.0 and 6.12.1 above, approximately 2.7 square miles of Laguna Woods' overall 3.3 square miles is occupied by Laguna Woods Village, a private gated community for people aged 55 and older. While there are properties within Laguna Woods Village that are perceived as vacant and might otherwise be potentially available for new housing development, all such property is held in trust by the Golden Rain Foundation for the benefit of the residents of Laguna Woods Village. Applicable governing documents restrict the Golden Rain Foundation's ability to build housing on, or unilaterally sell/lease, its property. Consequently, housing choice and the prospect of new housing construction is limited in most of Laguna Woods.

Property ownership of existing housing units within Laguna Woods Village is unique in that a large portion of the housing stock is comprised of co-ops wherein residents are members of a corporation which owns all real property, including the dwelling units, carports, and laundry facilities within the corporation's boundaries, and each member is entitled to occupy a specific dwelling unit under the terms of an occupancy agreement. Consequently, co-op residents do not enjoy the same latitude to modify and maintain their dwelling units as residents of more conventional single-family homes or condominiums, which may impede the development of accessory dwelling units and otherwise affect housing choice, as well as centralize many opportunities for the conservation and revitalization of housing stock with housing corporations rather than residents.

The City's legal obligation to support the development of accessory dwelling units is addressed in this Housing Element's Programs H-1.4.1, H-1.4.2, and H-1.4.3. To provide both housing corporations and residents with resources related to the conservation of dwelling units, this Housing Element includes Programs H-2.1.1, H-2.2.2, and H-2.2.3. Program H-2.3.1 complements those programs by formalizing a proactive code enforcement program focusing on housing-related rehabilitation needs, resulting in repairs, and seeking to mitigate potential cost, displacement, and relocation impacts on residents.

### **6.12.3 Environmental and Topography Constraints**

The City has evaluated potential safety hazards that constrain future development within its boundaries and incorporated maps depicting the locations of those constraints within the Safety Element of its General Plan.

According to the Safety Element, fire hazards exist in the wildland-urban interface area in the western edge of Laguna Woods where urban development meets the open space areas west of the City. While some undeveloped land exists within the fire hazard severity zones (Laguna Coast Wilderness Park and Woods End Wilderness Preserve), this land is protected by irrevocable open space easements, which eliminates any possibility of their development. Therefore, the presence of fire hazards in these areas does not constrain housing development.

The Safety Element indicates that special flood hazard areas comprise approximately 26 acres of Laguna Woods. Flood hazards exist in the floodplain along Aliso Creek in the southern portion of

Laguna Woods and the Golden Rain Foundation's nine-hole golf course near Paseo del Lago. Both of the areas affected by flooding hazards are within the boundaries of Laguna Woods Village and have been used as recreational amenities for community residents for more than 50 years. As such, the development of new housing on these areas is just as likely to be constrained by the property's complex land ownership situation (common areas owned and maintained by the Golden Rain Foundation for the use and benefit of Laguna Woods Village residents) as it is by the presence of flood hazards.

According to the Safety Element, there are no mapped fault zones pursuant to the Alquist-Priolo Earthquake Fault Zoning Act that transect Laguna Woods; however, there are several major faults and fault zones in the vicinity of Laguna Woods. Although fault rupture and seismic shaking do present a risk to development in Laguna Woods, these hazards can be addressed by incorporating the design recommendations of engineers and geotechnical professionals. Therefore, seismic hazards do not represent a constraint on new housing development in Laguna Woods.

The Safety Element notes that landslide hazard zones exist in several areas of Laguna Woods, mainly in areas where steep slopes occur. In total, the State considers approximately 77 acres as prone to earthquake-induced landslides. According to the Safety Element, approximately 256 acres of land within Laguna Woods are prone to liquefaction. These areas include a strip of land in the northwestern portion of Laguna Woods, land along El Toro Road west of Calle Sonora, the Aliso Creek corridor, and a broad swath of the southeastern portion of Laguna Woods. Similar to seismic hazards, landslide and liquefaction hazards can be addressed in the design process by incorporating the input of engineers and geotechnical professions. Therefore, these hazards do not represent a constraint on new housing development in Laguna Woods.

#### **6.12.4 Relevant Factors Contributing to Fair Housing**

Due to the developed nature of Laguna Woods and the fact that the majority of the City's existing housing stock is age- and income-restricted, the only way to add housing opportunities to younger residents or residents with lower incomes is to build more housing that is accessible to these populations. The sites that are identified for new housing production in the Housing Element present an opportunity for younger residents or residents with lower incomes to move to Laguna Woods since they exist on sites unaffected by existing age or income restrictions. The selection of these sites present opportunities for and contributes to the addition of fair housing in Laguna Woods.

### **6.13 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.

## 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.

Each potential development site was independently analyzed to determine the extent to which the number of estimated units required adjustment to ensure that development capacity estimates are realistic. The adjustments identified as necessary are summarized below and have been incorporated into the realistic development capacity estimates in Table N.

- None of the sites are constrained by the availability or accessibility of sufficient water, sewer, and dry utilities. Therefore, no adjustments were made on account of those factors.
- 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 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 three of the five sites that are currently developed with places of worship (Sites 10–12) and Sites 9 and 17 was limited to 15–20 units per acre to reflect the proximity of those sites to existing, adjacent, lower-density residential uses.
- The development capacity on one of the five sites that are currently developed with places of worship (Site 13) and Site 16 was limited to 8–10 units per acre to reflect the proximity of those sites to existing, adjacent, 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.
- Sites identified as providing development capacity for accommodating very low or low income units (Sites 1–8 and 15) were assigned a density range of 30 to 50 dwelling units per acre (du/ac). This range is realistic, in part, due to examples of comparable affordable housing projects elsewhere in Orange County including, but not limited to, the following:
  - Huntington Beach Seniors, Huntington Beach (Jamboree Housing) – 55.1 du/ac (0.78 acre)
  - Manchester-Orangewood, Anaheim (Jamboree Housing) – 35.7 du/ac (2.86 acres)
  - Miraflores, Anaheim (National Core) – 36.4 du/ac (2.36 acres)
  - Legacy Square, Santa Ana (National Core) – 53.5 du/ac (1.74 acres)
  - Mountain View, Lake Forest (National Core) – 36.2 du/ac (1.96 acres)

The only recent housing development project in Laguna Woods (San Sebastian Apartments) was also constructed at a comparable density of 42.1 du/ac (3.183 acres).

The City has not received any requests to develop housing at densities below those anticipated in this housing sites inventory, including below this 30 to 50 du/ac range.

- Sites identified as providing development capacity for accommodating moderate income units (Sites 10–12 and 14) were assigned a density range of 15 to 20 du/ac, or 20 to 30 du/ac. These ranges are realistic, in part, due to examples of comparable affordable housing projects elsewhere in Orange County including, but not limited to, the following:

Residential Medium-Low Density (15 to 20 du/ac)

- Birch Hills, Anaheim (Jamboree Housing) – 19.8 du/ac (5.8 acres)
- Santa Angelina, Placentia (National Core) – 16.9 du/ac (3.85 acres)

Residential Medium Density (20 to 30 du/ac)

- Compass Rose, Fullerton (Jamboree Housing) – 26.1 du/ac (1.76 acres)
- Wesley Village, Garden Grove (Jamboree Housing) – 21.4 du/ac (2.2 acres)

The City has not received any requests to develop housing at densities below those anticipated in this housing sites inventory, including below these 15 to 20 du/ac, and 20 to 30 du/ac ranges.

- Sites 2 and 10–14 are currently developed with places of worship. It is realistic to assume that housing could be constructed on these sites, in part, due to examples of comparable affordable housing projects co-located with places of worship elsewhere in Orange County including, but not limited to, the following:
  - Legacy Square, Santa Ana (National Core) – 53.5 du/ac (1.74 acres, Santa Ana United Methodist Church)
  - Santa Angelina, Placentia (National Core) – 16.9 du/ac (3.85 acres, Church of the Blessed Sacrament)
  - Wesley Village, Garden Grove (Jamboree Housing) – 21.4 du/ac (2.2 acres, Garden Grove United Methodist Church)

As previously discussed, in 2017, the property owner and a housing developer expressed interest in the Laguna Country United Methodist Church property (Site 14).

Table N estimates the number of new housing units that can realistically be built on each of the 17 potential housing sites based on the adjustments described above. As shown in Table N, the total future housing construction potential on the 17 sites, based on realistic capacities, is 1,196 units. This includes an excess, or overzoning, of 199 units, or approximately 20 percent more than the 997 units included in the City’s housing needs allocation.

Overzoning helps to (1) 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”), and (2) compensate for urban land left vacant due to ownership and development constraints, per HCD’s “Housing Element Site Inventory Guidebook Government Code Section 65583.2” published June 10, 2020. HCD also notes that “a sufficient supply of land beyond the time frame of the housing element helps prevent land shortages from bidding up land costs.”

**Table N: Potential Housing Unit Production**

Site	Name	Vacant/ Non- vacant Site	Parcel Size (ac)	Proposed Zoning Overlay District	Densities (du/ac)	Development Capacity					Suitable for Lower-Income Households (Density & Parcel Size)	Financially Feasible for Federal & State Funding	Consolidation Potential due to Adjacency of Other Candidate Site
						Income Level				Total			
						Very Low	Low	Moderate	Above Moderate				
1	Town Centre Vacant Lot	V	1.8	Residential HD	30 to 50	10	11	0	60	81	Yes	Yes	Yes
2	Pacific Hills Calvary Chapel Parking Lot	NV	0.696	Residential HD	30 to 50	2	2	0	27	31	Yes	No	No
3	Rossmoor Electric	NV	1.232	Residential HD	30 to 50	5	6	0	44	55	Yes	Yes	No
4	Saddleback Golf Cars	NV	1.235	Residential HD	30 to 50	5	6	0	44	55	Yes	Yes	No
5	Laguna Woods Self Storage	NV	5.249	Residential HD	30 to 50	76	79	0	81	236	Yes	No	Yes
6	Animal Hospital	NV	0.76	Residential HD	30 to 50	2	3	0	29	34	Yes	No	Yes
7	PS Business Park (excludes Jack in the Box)	NV	2.867	Residential HD	30 to 50	24	26	0	79	129	Yes	Yes	No
8	Smart Parke	NV	2.373	Residential HD	30 to 50	6	7	0	50	63	Yes	Yes	No
9	McCormick & Son Mortuary	NV	1.411	Residential MLD	15 to 20	0	0	0	25	25	No	No	Yes
10	Lutheran Church of the Cross	NV	3.028	Residential MLD	15 to 20	0	0	35	19	54	No	Yes	No
11	Geneva Presbyterian Church	NV	3.955	Residential MLD	15 to 20	0	0	49	22	71	No	Yes	No
12	Saint Nicholas Catholic Church	NV	4.596	Residential MLD	15 to 20	0	0	61	22	83	No	Yes	Yes
13	Temple Judea	NV	1.757	Residential LD	8 to 10	0	0	0	15	15	No	No	Yes
14	Laguna Country United Methodist Church	NV	3.899	Residential MD	20 to 30	0	0	85	20	105	Yes	Yes	Yes
15	Medical Building in Town Centre	NV	2.69	Residential HD	30 to 50	22	23	0	76	121	Yes	Yes	Yes
16	Willow Tree Center East	NV	3.095	Residential LD	8 to 10	0	0	0	27	27	No	No	Yes
17	Helm Center	NV	0.65	Residential MLD	15 to 20	0	0	0	11	11	No	No	Yes
<i>Subtotal (units on nonvacant sites only)/93% of Lower Income Units</i>						142	152	230	591	1,115	-	-	-
<i>Subtotal (including all sites)</i>						152	163	230	651	1,196	935	817	738
<b>City's 2021–2029 RHNA Allocation</b>						<b>127</b>	<b>136</b>	<b>192</b>	<b>542</b>	<b>997</b>			
Surplus/(Deficiency)						25	27	38	109	199			
<b>Unmet Need (Only Deficiencies)</b>						-	-	-	-	-			

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

ac = acre(s)

City = City of Laguna Woods

du/ac = dwelling units per acre

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



Table N also indicates that the 17 sites have the capacity to accommodate at least 312 lower-income units, which is 49 units, or 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 211 moderate-income units, which is 19 units, or approximately 9.9 percent more than the 192 moderate income units included in the City's housing needs allocation. 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. 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). 10 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 315 lower-income units identified in Table N, 22 units on Site 1 are viewed as realistic for development on vacant land, which represents approximately 8 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 O 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 O: Summary of Quantified Objectives**

Income Level	Number of Units	Rehabilitation	Conservation/Preservation <sup>1</sup>
Very Low* (<50% of AMI)	127	5	N/A
Low (50–80% of AMI)	136	5	N/A
Moderate (80–120% of AMI)	192	5	N/A
Above Moderate (>120% of AMI)	542	5	N/A
<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.

**EXHIBIT D**

**HOUSING ELEMENT PERFORMANCE  
ASSESSMENT**

**CITY OF LAGUNA WOODS**

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**LSA**

~~March-August~~ 2023

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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:

LSA

~~20 Executive Park, Suite 200~~ 3210 El Camino Real, Suite 100  
Irvine, California 92614 402  
(949) 553-0666

Project No. LWD2101

# LSA

~~March-August~~ 2023

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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</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	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>development of housing for extremely low-, very low-, low- and 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>	<p>received no applications for any new housing development projects (affordable as well as market rate housing developments).</p>	
<p><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.</p>	<p><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.</p>	<p>The City will <u>delete</u> the program as the City's residential density bonus standards are consistent with state law.</p>
<p><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.</p>	<p><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.</p>	<p>The City will <u>delete</u> the program as the City provides referrals to the OC Housing Authority as a normal business practice.</p>
<p><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.</p>	<p><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.</p>	<p>The City will <u>delete</u> the program. See programs H-2.1.1, 2.2.1, and 2.2.3.</p>

**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:
  - 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.
  - 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~~ adjacent residentially zoned parcels (including, but not limited to, the 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.
- Formalize written procedures for the application and processing of housing projects eligible for streamlined, ministerial approval.
- Investigate potential incentives for the development of housing projects with features that exceed the minimum requirements set forth in the California Building Energy Efficiency Standards. If feasible and economical, adopt such incentives.
- ~~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 and/or expand existing affordability covenants beyond the planned expiration date and/or current number of housing units, with an emphasis on incentivizing (i) affordability covenants for extremely low and very low-income housing units, and (ii) affordability covenants that apply to housing units in a range of sizes. 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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with disabilities. Conduct biennial outreach to residents residing in Census Tracts 626.22 and 626.48.
  - 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. Conduct annual outreach to nonprofit organizations known to provide medical or social services to residents with special needs. Conduct biennial outreach to residents residing in Census Tracts 626.22 and 626.48.

- 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.

#### 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 its 6th Cycle Final 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 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.

The agenda report noted that interested parties would have an opportunity to submit public comments directly to HCD during their review process and provided a link to additional information available on HCD's website.

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's findings were reported to the City in a letter dated 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 Intent to Adopt (NOIA) 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

NOIA was also mailed to all property owners in Laguna Woods and within a 1,000-foot radius of the City's boundaries, as required by the City's Local California Environmental Quality Act (CEQA) Procedures.

The draft IS/ND was directly distributed to the following parties:

- California State Clearinghouse
- 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.

Comment letters 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 were provided to each commenting party via mail and email on January 26, 2022. The responses included a copy of each party's comment letter and corresponding responses included as part of the Final IS/ND, as well as notice that the City Council was expected to consider adoption of the Final IS/ND at a public meeting on February 9, 2022.

While the primary purpose of the public comment period was to solicit input on the draft IS/ND as required by 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.

"Clean" and redline versions of the revised draft General Plan Housing Element, and an electronic spreadsheet version of the HCD Housing Element Sites Inventory Form, were posted on the City's website and made available from City Hall on January 13, 2022.

During the Revised Draft Public Review Period, the following parties submitted comment letters to the City with additional distribution by the authors as noted:

- Catherine "Kate" R. Van Camp [sent to the City, the City Council, and the City Manager, with copies to HCD (HousingElements@hcd.ca.gov, Paul McDougall, and Marisa Prasse), Rona Henry

with Welcoming Neighbors Home, and Cesar Covarrubias, Executive Director of The Kennedy Commission]

This letter expressed general support for the revised draft General Plan Housing Element. The author wrote that, in her opinion, “the requests of the HCD have been met.”

- Welcoming Neighbors Home [sent by Rona Henry on behalf of herself and Rev. Kent Doss, minister of Tapestry Unitarian Universalist Congregation to the City and the City Council, with copies to the City Manager, HCD (HousingElements@hcd.ca.gov, Paul McDougall, and Marisa Prasse), The Kennedy Commission (Cesar Covarrubias, Mildred Perez, Daisy Cruz, and Cynthia Guerra), Kate Van Camp, and Rev. Doss]

This letter expressed general support for the revised draft General Plan Housing Element. The author requested that the City “include a program to implement a Congregational Overlay Zone” and “host a roundtable event with faith organizations located in Laguna Woods to explore the opportunities that exist for them to build.”

Both requests can be considered as part of the rezoning process described in Program H-1.1.1. The rezoning process will include the creation of four new overlay zoning districts and the adoption of minimum density and development standards for each. City staff are available to meet with faith organizations or other interested parties, as requested.

## 2.8 PUBLIC MEETING #5

On February 9, 2022, the City Council held its fifth 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 February 4, 2022. In addition, on January 20, 2022, email notification was provided to parties who had requested such notification or contacted City staff previously. As of January 20, 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.

On February 4, 2022, a second email notification was provided to parties who had requested such notification or contacted City staff previously. The distribution list remained unchanged from the distribution list used for the first notification on January 20, 2022. The second notification included links to the agenda materials and notice that proposed revisions to the January 13, 2022 draft of the General Plan Housing Element were included therein.

Consideration of adoption of the General Plan Housing Element Update and Negative Declaration was additionally noticed as a public hearing. A public notice was published in the *Orange County Register* newspaper on January 27, 2022. The public notice included a project description adapted

from the draft IS/ND and information on how to access the draft General Plan Housing Element and draft ND.

Copies of both public comment letters received during the Revised Draft Public Review Period were including in the agenda packet.

Drafts of the proposed General Plan Housing Element and HCD Housing Element Sites Inventory Form were included in the agenda packet, as well as redline versions of all revisions made since the drafts acted upon by the City Council at the public meeting on July 21, 2021. An electronic spreadsheet version of the HCD Housing Element Sites Inventory Form was posted on the City's website on February 4, 2022.

The City Council voted 5-0 to adopt a resolution adopting the General Plan Housing Element Update and Negative Declaration.

## **2.9 HCD REVIEW PERIOD**

The City Manager submitted the adopted General Plan Housing Element and HCD Housing Element Sites Inventory Form to HCD for review on February 9, 2022.

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):

- Catherine R Van Camp, resident and housing advocate with Welcoming Neighbors Home
- Rona Henry, resident and chair of Welcome Neighbors Home

HCD's findings were reported to the City in a letter dated March 8, 2022. HCD reissued the letter to correct a typographical error dated April 8, 2022.

## **2.10 REVISED DRAFT PUBLIC POSTING AND NOTIFICATION**

On August 5, 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. The posted materials included both "clean" and redline versions of the General Plan Housing Element, as well as an electronic spreadsheet version of the HCD Housing Element Sites Inventory Form. The latter was unchanged from the version adopted by the City Council on February 9, 2022.

A public notice announcing the public review period and providing information on how to access the revised draft documents 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 August 5, 2022. As of August 5, 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.

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## 2.11 PUBLIC MEETING #6

On August 12, 2022, the City Council held its sixth meeting to discuss and consider the RHNA and General Plan Housing Element Update. The meeting took place at Laguna Woods City Hall at 3:30 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 August 11, 2022. In addition, on August 11, 2022, email notification was provided to parties who had requested such notification or contacted City staff previously. As of August 11, 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 notification included links to the agenda materials and notice that proposed revisions to the General Plan Housing Element adopted on February 9, 2022 were included therein.

Drafts of the proposed General Plan Housing Element and HCD Housing Element Sites Inventory Form were included in the agenda packet, as well as redline versions of all revisions made since the versions adopted by the City Council on February 9, 2022. An electronic spreadsheet version of the HCD Housing Element Sites Inventory Form was posted on the City's website on August 11, 2022.

The City Council voted 5-0 to adopt a resolution adopting the General Plan Housing Element Update.

## 2.12 HCD REVIEW PERIOD

The City Manager submitted the adopted General Plan Housing Element and HCD Housing Element Sites Inventory Form to HCD for review on August 12, 2022.

During HCD's review period, no entities or individuals submitted comments directly to HCD.

HCD's findings were reported to the City in a letter dated October 11, 2022.

## 2.13 REVISED DRAFT PUBLIC POSTING AND NOTIFICATION

On March 8, 2023, 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. The posted materials included both "clean" and redline versions of the General Plan Housing Element, as well as an electronic spreadsheet version of the HCD Housing Element Sites Inventory Form. The latter was unchanged from the version adopted by the City Council on February 9, 2022.

A public notice announcing the public review period and providing information on how to access the revised draft documents 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 March 8, 2023. As of March 8, 2023, 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.

### **2.14 PUBLIC MEETING #7**

On March 22, 2023, the City Council held its seventh 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 March 17, 2023. In addition, on March 17, 2023, email notification was provided to parties who had requested such notification or contacted City staff previously. As of March 17, 2023, 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 notification included links to the agenda materials and notice that proposed revisions to the General Plan Housing Element adopted on August 12, 2022 were included therein.

Drafts of the proposed General Plan Housing Element and HCD Housing Element Sites Inventory Form were included in the agenda packet, as well as redline versions of all revisions made since the versions adopted by the City Council on August 12, 2022. An electronic spreadsheet version of the HCD Housing Element Sites Inventory Form was posted on the City's website on March 17, 2023.

At this meeting, staff proposed minor revisions to the March 8, 2023 draft of the General Plan Housing Element, which were limited to correcting dates in Section 2.9 of Exhibit E, adding a new Section 2.12 to Exhibit E to memorialize the HCD review period for the General Plan Housing Element Update adopted by the City Council on August 12, 2022 (including updating Exhibit E's table of contents, section numbering, and formatting accordingly), and documenting the same.

The City Council voted 5-0 to adopt a resolution adopting the General Plan Housing Element Update, including staff's proposed minor revisions.

### **2.15 HCD REVIEW PERIOD**

The City Manager submitted the adopted General Plan Housing Element and HCD Housing Element Sites Inventory Form to HCD for review on March 23, 2023.

During HCD's review period, no entities or individuals submitted comments directly to HCD.

HCD's findings were reported to the City in a letter dated May 22, 2023.

## **2.16 REVISED DRAFT PUBLIC POSTING AND NOTIFICATION**

On August 4, 2023, 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. The posted materials included both “clean” and redline versions of the General Plan Housing Element, as well as an electronic spreadsheet version of the HCD Housing Element Sites Inventory Form. The latter was unchanged from the version adopted by the City Council on February 9, 2022.

A public notice announcing the public review period and providing information on how to access the revised draft documents 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 August 4, 2023. As of August 4, 2023, 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 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.

## **2.17 PUBLIC MEETING #8**

On August XX, 2023, the City Council held its eighth meeting to discuss and consider the RHNA and General Plan Housing Element Update. The meeting took place at Laguna Woods City Hall at XX. 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). XX 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 August XX, 2023. In addition, on August XX, 2023, email notification was provided to parties who had requested such notification or contacted City staff previously. As of August XX, 2023, 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 notification included links to the agenda materials and notice that proposed revisions to the General Plan Housing Element adopted on March 22, 2023, were included therein.

Drafts of the proposed General Plan Housing Element and HCD Housing Element Sites Inventory Form were included in the agenda packet, as well as redline versions of all revisions made since the versions adopted by the City Council on March 22, 2023. An electronic spreadsheet version of the HCD Housing Element Sites Inventory Form was posted on the City’s website on August XX, 2023.

The City Council voted XX-XX to XX a resolution adopting the General Plan Housing Element Update.

**2.152.18 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.

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, Rona 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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## **ITEM 8.3**

### **Attachment E**

Information Required to Complete HCD's Housing Element Sites Inventory Form  
for the Proposed Revised General Plan Housing Element

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**CITY OF LAGUNA WOODS  
 INFORMATION REQUIRED TO COMPLETE  
 THE HCD HOUSING ELEMENT SITES INVENTORY FORM  
 FOR THE PROPOSED REVISED GENERAL PLAN HOUSING ELEMENT**

**Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.**

<b>Site #1 Vacant lot near Town Centre</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	North of Moulton Parkway, east of signalized intersection at Ayres Hotel
5 Digit ZIP Code	92637
Assessor Parcel Number	616-012-29
Very Low-Income	10
Low-Income	11
Moderate-Income	0
Above Moderate-Income	60
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	1.8
Current General Plan Designation	Commercial
Current Zoning	Community Commercial
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential High Density Overlay
Minimum Density Allowed	30
Maximum Density Allowed	50
Total Capacity	81
Vacant/Nonvacant	Vacant
Description of Existing Uses	Vacant
Suitable for Lower Income Households (Density & Parcel Size)	Yes
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	Yes

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #2</b>	
<b>Parking lot for Pacific Hills Calvary Chapel</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24481 Moulton Parkway
5 Digit ZIP Code	92637
Assessor Parcel Number	621-131-38
Very Low-Income	2
Low-Income	2
Moderate-Income	0
Above Moderate-Income	27
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	0.696
Current General Plan Designation	Commercial
Current Zoning	Professional & Administrative Office
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential High Density Overlay
Minimum Density Allowed	30
Maximum Density Allowed	50
Total Capacity	31
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Church parking lot
Suitable for Lower Income Households (Density & Parcel Size)	Yes
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	No
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	No

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #3</b>	
<b>Rossmoor Electric</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24351 Moulton Parkway
5 Digit ZIP Code	92637
Assessor Parcel Number	621-131-21
Very Low-Income	5
Low-Income	6
Moderate-Income	0
Above Moderate-Income	44
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	1.232
Current General Plan Designation	Commercial
Current Zoning	Community Commercial
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential High Density Overlay
Minimum Density Allowed	30
Maximum Density Allowed	50
Total Capacity	55
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Commercial businesses (Rossmoor Electric building; health and wellness)
Suitable for Lower Income Households (Density & Parcel Size)	Yes
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	No

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #4</b>	
<b>Saddleback Golf Cars</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	23252 Via Campo Verde
5 Digit ZIP Code	92637
Assessor Parcel Number	621-131-26
Very Low-Income	5
Low-Income	6
Moderate-Income	0
Above Moderate-Income	44
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	1.235
Current General Plan Designation	Commercial
Current Zoning	Community Commercial
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential High Density Overlay
Minimum Density Allowed	30
Maximum Density Allowed	50
Total Capacity	55
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Commercial business (Saddleback Golf Cars)
Suitable for Lower Income Households (Density & Parcel Size)	Yes
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	No

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #5 Laguna Woods Self Storage</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24151 Moulton Parkway
5 Digit ZIP Code	92637
Assessor Parcel Number	616-012-19
Very Low-Income	76
Low-Income	79
Moderate-Income	0
Above Moderate-Income	81
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	5.249
Current General Plan Designation	Commercial
Current Zoning	Community Commercial
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential High Density Overlay
Minimum Density Allowed	30
Maximum Density Allowed	50
Total Capacity	236
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Commercial business (Self-storage)
Suitable for Lower Income Households (Density & Parcel Size)	Yes
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	No
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	Yes

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #6</b>	
<b>Animal Hospital</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24271 El Toro Road
5 Digit ZIP Code	92637
Assessor Parcel Number	616-012-03
Very Low-Income	2
Low-Income	3
Moderate-Income	0
Above Moderate-Income	29
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	0.76
Current General Plan Designation	Commercial
Current Zoning	Community Commercial
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential High Density Overlay
Minimum Density Allowed	30
Maximum Density Allowed	50
Total Capacity	34
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Commercial business (Animal hospital)
Suitable for Lower Income Households (Density & Parcel Size)	Yes
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	No
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	Yes

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #7</b>	
<b>PS Business Park (excludes Jack in the Box)</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	23572 Moulton Parkway
5 Digit ZIP Code	92637
Assessor Parcel Number	616-021-30
Very Low-Income	24
Low-Income	26
Moderate-Income	0
Above Moderate-Income	79
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	2.867
Current General Plan Designation	Commercial
Current Zoning	Community Commercial
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential High Density Overlay
Minimum Density Allowed	30
Maximum Density Allowed	50
Total Capacity	129
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Commercial businesses (Self-storage, retail, and food)
Suitable for Lower Income Households (Density & Parcel Size)	Yes
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	No

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #8 Smart Parke</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24334 El Toro Road
5 Digit ZIP Code	92637
Assessor Parcel Number	621-211-09
Very Low-Income	6
Low-Income	7
Moderate-Income	0
Above Moderate-Income	50
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	2.373
Current General Plan Designation	Commercial
Current Zoning	Community Commercial
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential High Density Overlay
Minimum Density Allowed	30
Maximum Density Allowed	50
Total Capacity	63
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Pet boarding/day care
Suitable for Lower Income Households (Density & Parcel Size)	Yes
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	No



Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #9</b>	
<b>McCormick &amp; Son Mortuary</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	25002 Moulton Parkway
5 Digit ZIP Code	92637
Assessor Parcel Number	621-091-16
Very Low-Income	0
Low-Income	0
Moderate-Income	0
Above Moderate-Income	25
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	1.411
Current General Plan Designation	Commercial
Current Zoning	Community Commercial
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential Medium Density Overlay
Minimum Density Allowed	15
Maximum Density Allowed	20
Total Capacity	25
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Commercial business (Mortuary)
Suitable for Lower Income Households (Density & Parcel Size)	No
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	No
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	Yes

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #10</b>	
<b>Lutheran Church of the Cross</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24231 El Toro Road
5 Digit ZIP Code	92637
Assessor Parcel Number	616-041-01
Very Low-Income	0
Low-Income	0
Moderate-Income	35
Above Moderate-Income	19
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	3.028
Current General Plan Designation	Community Facilities
Current Zoning	Community Facilities-Private
Proposed General Plan (GP) Designation	Community Facilities
Proposed Zoning	Residential Medium-Low Density Overlay
Minimum Density Allowed	15
Maximum Density Allowed	20
Total Capacity	54
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Lutheran Church of the Cross
Suitable for Lower Income Households (Density & Parcel Size)	No
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	No

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #11 (Parcel 1 of 2) Geneva Presbyterian Church</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24301 El Toro Road
5 Digit ZIP Code	92637
Assessor Parcel Number	616-191-05
Very Low-Income	0
Low-Income	0
Moderate-Income	6
Above Moderate-Income	3
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	0.5
Current General Plan Designation	Community Facilities
Current Zoning	Community Facilities-Private
Proposed General Plan (GP) Designation	Community Facilities
Proposed Zoning	Residential Medium-Low Density Overlay
Minimum Density Allowed	15
Maximum Density Allowed	20
Total Capacity	9
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Geneva Presbyterian Church
Suitable for Lower Income Households (Density & Parcel Size)	No
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	No

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #11 (Parcel 2 of 2)</b>	
<b>Geneva Presbyterian Church</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24301 El Toro Road
5 Digit ZIP Code	92637
Assessor Parcel Number	616-191-06
Very Low-Income	0
Low-Income	0
Moderate-Income	43
Above Moderate-Income	19
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	3.455
Current General Plan Designation	Community Facilities
Current Zoning	Community Facilities-Private
Proposed General Plan (GP) Designation	Community Facilities
Proposed Zoning	Residential Medium-Low Density Overlay
Minimum Density Allowed	15
Maximum Density Allowed	20
Total Capacity	62
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Geneva Presbyterian Church
Suitable for Lower Income Households (Density & Parcel Size)	No
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	No

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #12</b>	
<b>Saint Nicholas Catholic Church</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24252 El Toro Road
5 Digit ZIP Code	92637
Assessor Parcel Number	621-121-11
Very Low-Income	0
Low-Income	0
Moderate-Income	61
Above Moderate-Income	22
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	4.596
Current General Plan Designation	Community Facilities
Current Zoning	Community Facilities-Private
Proposed General Plan (GP) Designation	Community Facilities
Proposed Zoning	Residential Medium-Low Density Overlay
Minimum Density Allowed	15
Maximum Density Allowed	20
Total Capacity	83
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Saint Nicholas Catholic Church
Suitable for Lower Income Households (Density & Parcel Size)	No
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	Yes

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #13</b>	
<b>Temple Judea</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24512 Moulton Parkway
5 Digit ZIP Code	92637
Assessor Parcel Number	621-121-18
Very Low-Income	0
Low-Income	0
Moderate-Income	0
Above Moderate-Income	15
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	1.757
Current General Plan Designation	Community Facilities
Current Zoning	Community Facilities-Private
Proposed General Plan (GP) Designation	Community Facilities
Proposed Zoning	Residential Low Density Overlay
Minimum Density Allowed	8
Maximum Density Allowed	10
Total Capacity	15
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Temple Judea
Suitable for Lower Income Households (Density & Parcel Size)	No
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	No
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	Yes

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #14</b>	
<b>Laguna Country United Methodist Church</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24442 Moulton Parkway
5 Digit ZIP Code	92637
Assessor Parcel Number	621-121-23
Very Low-Income	0
Low-Income	0
Moderate-Income	85
Above Moderate-Income	20
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	3.899
Current General Plan Designation	Community Facilities
Current Zoning	Community Facilities-Private
Proposed General Plan (GP) Designation	Community Facilities
Proposed Zoning	Residential Medium Density Overlay
Minimum Density Allowed	20
Maximum Density Allowed	30
Total Capacity	105
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Laguna Country United Methodist Church
Suitable for Lower Income Households (Density & Parcel Size)	Yes
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	Yes

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #15</b>	
<b>Medical building in Town Centre</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24331 El Toro Road
5 Digit ZIP Code	92637
Assessor Parcel Number	616-012-24
Very Low-Income	22
Low-Income	23
Moderate-Income	0
Above Moderate-Income	76
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	2.69
Current General Plan Designation	Commercial
Current Zoning	Professional & Administrative Office
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential High Density Overlay
Minimum Density Allowed	30
Maximum Density Allowed	50
Total Capacity	121
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Offices (SCOS Orthopedics building; health and wellness)
Suitable for Lower Income Households (Density & Parcel Size)	Yes
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	Yes
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	Yes



Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #16</b>	
<b>Willow Tree Center East (Olive Garden, Cart Mart, and South County Adult Day Services)</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24260 El Toro Road
5 Digit ZIP Code	92637
Assessor Parcel Number	621-121-30
Very Low-Income	0
Low-Income	0
Moderate-Income	0
Above Moderate-Income	27
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	3.095
Current General Plan Designation	Commercial
Current Zoning	Community Commercial
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential Low Density Overlay
Minimum Density Allowed	8
Maximum Density Allowed	10
Total Capacity	27
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Commercial businesses (retail and food), adult day services
Suitable for Lower Income Households (Density & Parcel Size)	No
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	No
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	Yes

Please note that the “Very Low-Income,” “Low-Income,” “Moderate-Income,” and “Above Moderate-Income” fields are estimates only. Potential future housing construction could occur at any income level, subject to compliance with applicable development standards, including inclusionary housing requirements.

<b>Site #17 Helm Center</b>	
Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need	
Jurisdiction Name	Laguna Woods
Site Address/Intersection	24902 Moulton Parkway
5 Digit ZIP Code	92637
Assessor Parcel Number	621-091-15
Very Low-Income	0
Low-Income	0
Moderate-Income	0
Above Moderate-Income	11
Type of Shortfall	Shortfall of Sites
Parcel Size (Acres)	0.65
Current General Plan Designation	Commercial
Current Zoning	Professional & Administrative Office
Proposed General Plan (GP) Designation	Commercial
Proposed Zoning	Residential Medium-Low Density Overlay
Minimum Density Allowed	15
Maximum Density Allowed	20
Total Capacity	11
Vacant/Nonvacant	Non-Vacant
Description of Existing Uses	Offices (Helm Medical Center building; health and wellness)
Suitable for Lower Income Households (Density & Parcel Size)	No
Financially Feasible for Federal & State Funding (Lower Income Suitability + 50-150 Unit Project Size)	No
Consolidation Potential Due to Adjacency of Other Candidate Site(s)	Yes

**8.4**  
**2022-2023 ORANGE COUNTY GRAND JURY**  
**REPORT, “WELCOME TO THE**  
**NEIGHBORHOOD – ARE CITIES RESPONSIBLY**  
**MANAGING THE INTEGRATION OF GROUP**  
**HOMES?”**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** August 16, 2023 Regular Meeting

**SUBJECT:** 2022-2023 Orange County Grand Jury Report, “Welcome to the Neighborhood – Are cities responsibly managing the integration of group homes?”

### **Recommendation**

Approve a response to the 2022-2023 Orange County Grand Jury Report, “Welcome to the Neighborhood – Are cities responsibly managing the integration of group homes?,” authorize the Mayor to execute the response, and direct the City Manager to submit the response as required by applicable law.

### **Background**

On June 12, 2023, the Orange County Grand Jury publicly released a report titled “Welcome to the Neighborhood – Are cities responsibly managing the integration of group homes?” (Attachment A). The report requires all 34 Orange County cities and the Orange County Board of Supervisors to respond to certain findings and recommendations, in accordance with California Penal Code Section 933. The City Council is required to respond to 11 findings and five recommendations no later than September 13, 2023, unless an extension is obtained pursuant to California Penal Code Section 933.05(b)(3).

### **Discussion**

Today’s meeting is an opportunity for City Council action, as well as public input, on a response to the 2022-2023 Orange County Grand Jury Report, “Welcome to the Neighborhood – Are cities responsibly managing the integration of group

homes?” Staff recommends that the City Council approve the proposed response (Attachment B), authorize the Mayor to execute the proposed response, and direct the City Manager to submit the proposed response as required by applicable law.

To satisfy the requirements of California Penal Code Section 933(c), the response approved by the City Council is submitted on behalf of the City Council to the Presiding Judge of the Orange County Superior Court.

The proposed response has been prepared in conformance with California Penal Code Section 933.05, which requires the City to respond as follows:

For Findings (select one of the following)

- The City **agrees** with the finding; or
- The City **disagrees wholly** or **partially** with the finding, in which case the response shall specify the portion of the finding that is disputed and include an explanation of the reasons therefor.

State law does not provide an option for the City to decline to respond based on a finding’s inapplicability. The City must either agree, disagree wholly, or disagree partially.

For Recommendations (select one of the following)

- The recommendation **has been implemented**, with a summary regarding the implemented action; or
- \*The recommendation has not yet been implemented, but **will be implemented** in the future, with a timeframe for implementation; or
- \*The recommendation **requires further analysis**, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the City Council that does not exceed six months from the date of publication of the grand jury report; or
- The recommendation **will not be implemented** because it is not warranted or is not reasonable, with an explanation therefor.

\* The City is required to define timeframes for responses to recommendations that have not yet been implemented, but **will be implemented** in the future or **require further analysis**. In the case of recommendations requiring further analysis, the City Council would be required to discuss such analysis by December 11, 2023. The Orange County Grand Jury requests annual reports in March of each year on the status of recommendations accepted but not yet implemented.

**Fiscal Impact**

Funds to support this project are included in the City's budget.

- Attachments: A – 2022-2023 Orange County Grand Jury Report, “Welcome to the Neighborhood – Are cities responsibly managing the integration of group homes?”
- B – Proposed Response to 2022-2023 Orange County Grand Jury Report, “Welcome to the Neighborhood – Are cities responsibly managing the integration of group homes?”

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# Welcome to the Neighborhood

Are cities responsibly managing the integration of group homes?



County of Orange

Grand Jury 2022-2023

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# SUMMARY

Group homes are an important component in the healthcare and/or recovery of many people. These homes provide, among other things, Substance Recovery, Hospice Care, Residential Care for the Elderly, and Sober Living. When group homes are operated for the well-being of their residents and with respect for their neighbors, they can be an asset to their host community. However, they can occasionally become disruptive and the motivation for nuisance calls to local code enforcement. In extreme cases, the “curbing” of residents can contribute to the homeless population.

Negative interactions with disruptive group homes often lead to neighborhood opposition and anger towards city officials. How cities respond to the anger of their constituents impacts their ability to successfully integrate group homes. Residents are more likely to respond positively when cities offer townhall style meetings with police, fire, code enforcement, legal, and subject matter expert involvement, especially where the subject is discussed objectively, and public input is encouraged and respected.

Issues and concerns neighborhood residents have with group homes stem primarily from an over-concentration of homes in residential areas. Multiple cities in Orange County have attempted to manage integration of group homes into neighborhoods by enacting ordinances that include setting a minimum distance between group homes to avoid the problems associated with over-concentration. Most cities with such ordinances have not enforced them due to the fear of incurring litigation costs.

The Grand Jury reviewed the challenges of successfully integrating group homes into neighborhoods, including pressures exerted on Orange County cities by residents, group home operators, and the State of California.

The State of California has recently joined the group home debate, has altered the conversation, and raised the stakes. The State wields a large club with its power of approval of the required Housing Element. The California Housing and Community Development Department (HCD) is withholding approval for cities that have ordinances attempting to place limits or impose oversight on group homes. Cities are then vulnerable to a loss of control over zoning and permitting, as well as loss of State and regional funding.

Some cities have decided to push back on the pressures put on them from HCD and the fight has been carried out on an individual city basis. The Orange County Grand Jury recommends that the County of Orange and cities join forces to create ordinances, pool resources for defense of lawsuits, and work together to generate awareness among legislators to improve regulations and management standards to ensure health and safety for group home residents.

## BACKGROUND

Orange County has 42 miles of beautiful coastline, three harbors, and 25 urban and wilderness parks - including 230 miles of riding and hiking trails. Orange County also has the dubious honor of having more than its share of our State's total number of group recovery and sober living residences. Frequently referred to as "The Rehab Riviera", several cities in Orange County have been dealing with pockets of over-concentration of these types of group homes. This has posed challenges for the residents in whose neighborhoods they are located, as well as the occupants of the recovery and sober living homes.



*The Orange County coast is a magnet for sober living homes*

Many of the homes in question are privately owned, unlicensed, unsupervised, and a challenge to monitor and regulate. When a neighborhood has multiple group homes, it becomes a more institutional environment; this alters the character of the neighborhood and defeats the purpose of the "integration" of people who are recovering.

To address these shortcomings, multiple cities, and the County, on behalf of unincorporated areas, have enacted ordinances that manage the permitting and tracking of group homes.

Several significant pieces of legislation have played a part in the expansion of group homes. These include California's Lanterman Mental Retardation Act (1988), the Federal Fair Housing Amendments Act of 1988, the California Community Care Facilities Act, and California's Substance Abuse and Crime Prevention Act of 2000 (Proposition 36). The resulting deinstitutionalization has had a positive effect on the lives of many people but has created a challenge for cities as they work towards the responsible integration of the group living arrangements necessary to accommodate the impacted population.<sup>1</sup>

Since deinstitutionalization, the State of California has resisted appeals from local cities to pass permitting laws, distancing requirements, or any type of regulation at all. There is a misconception that these regulatory ordinances are intended to discriminate against people who are disabled due to alcohol and drug addiction, and the State of California has cited this misconception as the guiding principle for its dogged challenge of most attempts by cities to manage the responsible integration of group homes into residential neighborhoods. Rather, such city ordinances are intended to protect those people who suffer from alcohol and drug addiction, as well as the neighborhoods where group homes are located.

Licensed residential rehab programs are subject to the same local laws as single-family homes, and no more. State law imposes fewer restrictions on licensed rehab programs than other licensed group homes. The Community Care Facilities Act, from which alcohol and drug rehab facilities are exempt, imposes restrictions that protect the character of residential neighborhoods. Under this act, cities receive written notice of a proposed facility, and any city or county may request denial of the license based on overconcentration of residential care facilities. While alcohol and drug programs that provide 24-hour residential non-medical services to adults recovering from drug or alcohol abuse must obtain a State license, they cannot be regulated any differently from a single-family home if they serve six or fewer people.

California Health & Safety Code Sections 1520.5 and 1267.9 state it is a policy of the State to prevent overconcentration of residential facilities that impair the integrity of residential neighborhoods. Section 1520.5 states that the department shall deny an application for a new residential facility license if the department determines the facilities location is proximate to an existing residential facility therefore resulting in overconcentration. The statute recognized the need for a balanced policy to prevent overconcentration of residential care facilities which indicates an awareness and understanding of the impact of overconcentration on the integrity of residential neighborhoods. The statute defines overconcentration as less than 300 feet for some types of group homes and up to 1000 feet for others. At the time the statute was enacted it was specific only to certain types of group homes. However, the recent emphasis on providing more housing in California has eroded the intent of this act.

Federal and State fair housing laws protect people with disabilities from housing discrimination. Recovering alcoholics and drug addicts are disabled for purposes of anti-discrimination laws. When people in recovery live together in a "sober living" home, cities cannot discriminate based on such disabilities, therefore an ordinance cannot treat sober living homes differently than other similar uses in single-family residential zones.

Sober living homes are not required to be licensed and are not limited to six or fewer residents. Because no treatment is provided in these substance-free, mutually supportive living environments, no license is required. The limitation of most other group

homes to six residents is part of the State statute; however, confusion arises because the statute does not apply to sober living homes.

There is only so much a city can do to respond to the complaints of its residents when dealing with an overconcentration of group homes in a neighborhood. It is important for city residents to be educated on the barriers faced by cities, and to work with their city to overcome these barriers.

Current laws do not adequately address the need to manage the integration of group homes into neighborhoods. Courts should not be where the solutions are found.

## **REASON FOR STUDY**

Many cities within Orange County have neighborhoods with a dense concentration of group recovery and sober living residences. In most circumstances, cities do not know where these group homes are located unless the homes generate a backlash from neighbors due to various types of disturbances. The Grand Jury examined how Orange County cities are managing the distancing of all types of group homes, and the impact group homes have on neighborhoods and group home residents when the homes are in close proximity to one another.

Group homes, most often Recovery and Sober Living homes, and the nuisances that are commonly associated with them, are not new to Orange County. Neighborhood complaints, concerns from individuals living in or related to residents of group homes, the litigious nature of the relationship between cities and group home operators, and abuse of the healthcare system have been in play in Orange County for well over a decade.

The Grand Jury began this study by looking at how cities are managing the influx and locations of group homes and identifying best practices where they are found. The working premise was that each city is responsible for the integration of group homes, which would serve to protect the residents of group homes while maintaining the existing neighborhood atmosphere.

Has there been success addressing the issues associated with group homes and what does that look like? Are cities going it alone or are there county-wide efforts? Has there been progress made in this area? The Grand Jury approached the topic of group home integration seeking answers to these questions with the expectation that there were some systems in place resulting in the successful integration of group homes. The investigation took a winding road which revealed that, despite countless attempts at change, many of the problems that surfaced over a decade ago are still present. The Grand Jury found that successfully implemented solutions have become even more impactful in light of the State of California's heavy-handed entry into the debate.

## METHOD OF STUDY

The Grand Jury has evaluated official documents, examined news articles, visited multiple recovery/sober living websites, and assessed secondary sources.



The Grand Jury reviewed numerous documents, including the 2022 State of California's Group Home Technical Advisory<sup>2</sup> and the 1990 State of California Health and Safety Code.<sup>3</sup>

To better understand the impact of density, jurors attended townhall and city council meetings virtually, through recordings, and visited neighborhoods in several cities where there is a heavy concentration of group homes.

The Grand Jury interviewed numerous subject matter experts, city managers, County and city officials, legislators, city attorneys, group home operators, and legal and real estate professionals. It also examined local, state, and national media reports and opinion pieces regarding group recovery and sober living residences. The Findings and Recommendations herein are based on this work.

## INVESTIGATION AND ANALYSIS

Orange County has some of the heaviest concentrations of group homes and sober living residences in the nation.<sup>4</sup> The densities are more than the local population can bear and residents believe the influx of the group home residents seriously impacts their neighborhoods. Similarly, group home and sober living industry experts cite negative impacts on the group home residents themselves.

Operators can open a group home where they desire, without having a license or State-endorsed certification, and they can open as many group homes as they desire regardless of local need. Because regulation is slack, cities are challenged to track and regulate the density without any guidance or support from the State. Adding to these concerns is a recent State of California memorandum titled "Group Home Technical Advisory" that characterizes any attempts to regulate the homes as discriminatory.<sup>5</sup> It seems that method of thinking has no positive effect on how the homes are run or on how the vulnerable residents in these homes are treated, and quite possibly has the opposite effect.

## OC Group Home Density

Reportedly, Orange County has more than its share of group homes in California, and the country for that matter, specific to housing individuals in need of Recovery/Sober Living Homes.<sup>6</sup> There are no existing requirements for sober living homes with six or fewer residents to identify or register themselves as such.

It is estimated that up to 36% of houses required to be licensed (those providing services) by the State of California as group homes for six or fewer residents are located in Orange County. In addition, there are hundreds of group homes not requiring licensing that exist in Orange County neighborhoods. This lack of identification makes it extremely difficult to estimate the total number of sober living homes in our communities.<sup>7</sup>

As documented in numerous city council and townhall meetings, residents and activists have raised concerns about over-saturation and common nuisances to local community governing bodies (see Common Nuisances section). In many cases, these are neighborhoods in which multiple group homes are in close proximity (for example three in one cul-de-sac) or individual homes are run with little to no on-site supervision. Neighborhoods are losing their original character and familial aspect, with some becoming increasingly institutional and others experiencing more of a “frat house” feel.

***“Residents of these homes are moving in and out at an alarming, transitory rate”***

Residents of these homes are moving in and out at an alarming, transitory rate. Neighbors describe some of these group homes as taking no responsibility for the actions of their inhabitants. Rules and responsibilities are either not imposed or not enforced by the group home operators. The complaints are predominantly related to non-regulated group homes.

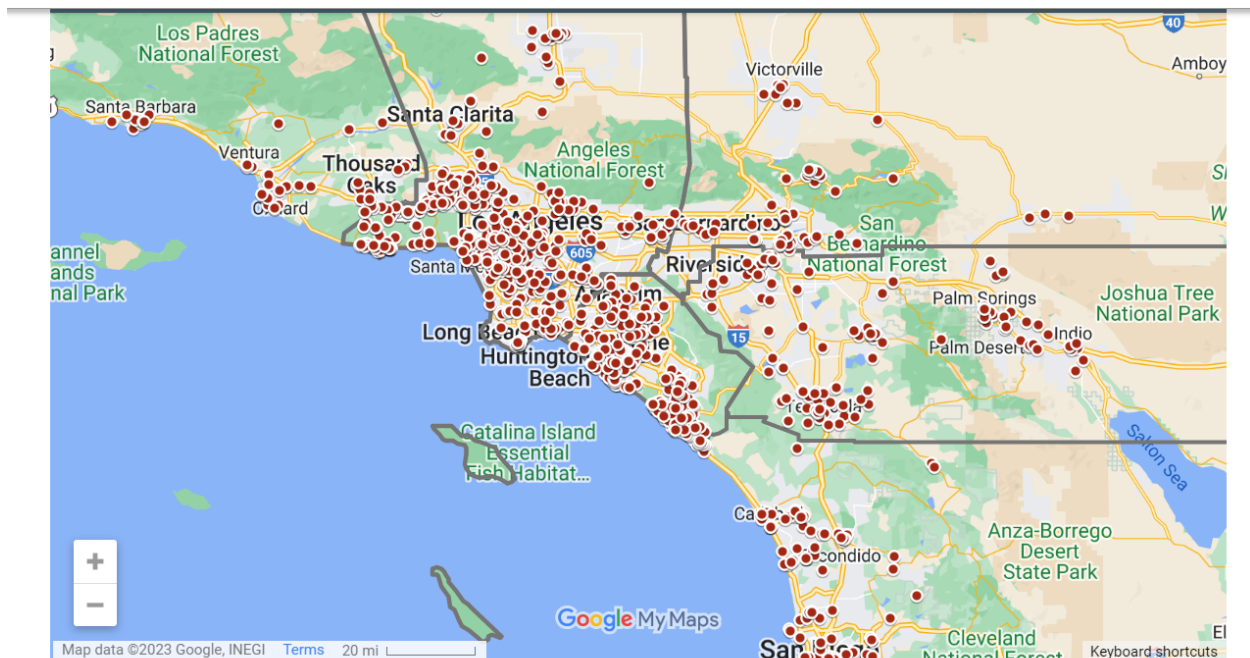
Over the last several years, multiple cities in Orange County have sought to find a solution to alleviate these concerns. Several have performed due diligence to ensure that any action taken will provide for neighborhoods to remain neighborhoods, and that both the disabled and the recovering addicts needing to live in these types of group homes are in fact living in a normalized residential environment that provides the best opportunity to be successful in their recovery.



This is not simply a “Not In My Backyard” (NIMBY) issue or reaction as evidenced by the large number of homes that receive few or no complaints. The need for well-run Recovery/Sober Living Homes is not in dispute. Concerns arise when these homes are poorly run and/or when multiple homes are in close proximity, contributing to the problem of over-concentration. These two circumstances cause changes in the local neighborhood, and it is questionable whether they are aiding the very residents that they are meant to be assisting and whether residents of these homes are integrating into a normalized environment.

To that end, various cities have introduced ordinances toward resolving the problem. Some of these include distancing requirements between group homes ranging from 300 to 1000 feet. Some ordinances require group homes to register or self-identify as such.

California Health & Safety Code Section 1267.9 provides specific requirements for distancing of most types of group homes settings.<sup>8</sup> These requirements are similar to the local city ordinances in that they provide certain spacing restrictions of between 300 and 1000 feet. Sober Living Homes, however, are excluded from any distancing requirement by the State.



*Points show the primary addresses of all non-medical alcoholism and drug abuse recovery or treatment facilities licensed and/or certified by the California Department of Health Care Services as of May 4, 2017. (Map by Ian Wheeler, Orange County Register/SCNG)*

The State imposes licensing requirements on most types of group homes and provides for oversight by one or more State or County agency. Sober Living Homes with six or fewer residents are not required to be licensed by the State and have no regulatory

oversight. These two factors alone allow anyone to set up, open, and advertise this type of group home anywhere in California. Orange County seems to be the favored location, yet has no say in the siting or quantity of group homes in our residential neighborhoods.

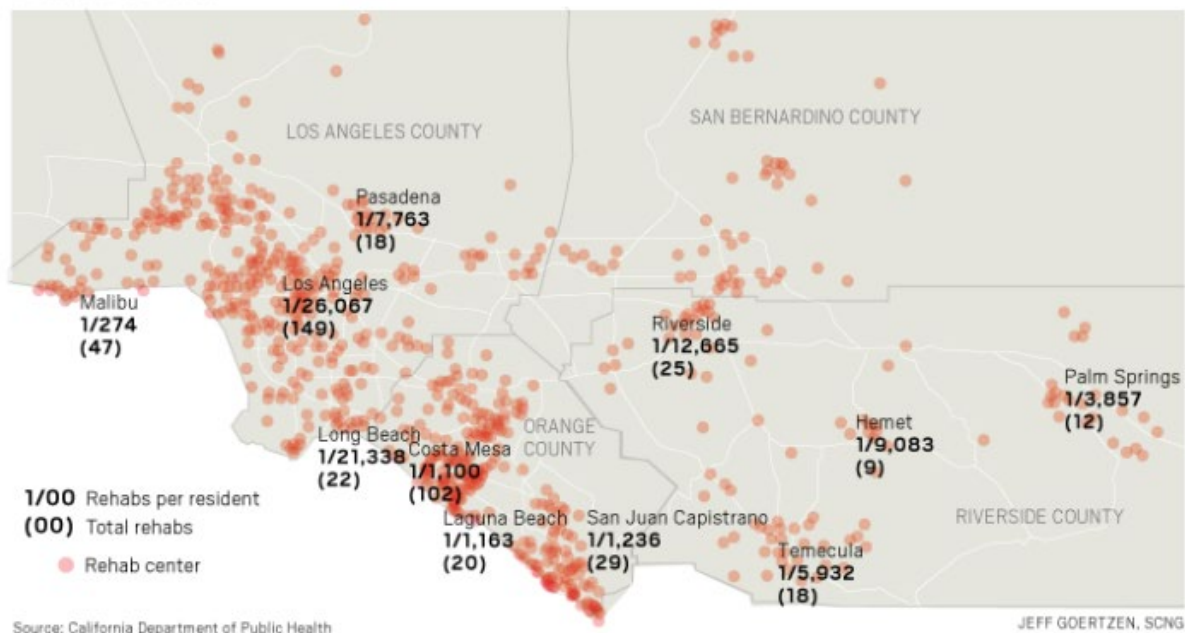
## Tracking Challenges

Just where are these sober living homes? All over. How do we know? We actually don't. There are few local ordinances requiring the registration, licensing, or declaration of any type of unlicensed sober living or recovery residence that has been established in a neighborhood. There are no widely adopted methods to track or monitor any aspect of such dwellings – their location, number of people residing in them, on-site management, or their ownership.

The Grand Jury's research found that most sober living homes are not required by law to have any kind of State license. Some cities have enacted ordinances that require a permit or registration. When a sober living establishment is registered and a complaint is received, the complaint may be recorded and could be tracked, at least for the location of that specific home.

### WHERE THE REHABS ARE

California has 1,864 rehab facilities, and more than half (1,117) are in Los Angeles, San Bernardino, Orange and Riverside counties. The map below shows the concentrations of these centers and the ratio of rehabs per resident in some of our cities.



Except for the few cities with ordinances regulating sober living homes and the few homes that applied for registration or received ministerial permits, accurate tracking and monitoring remains challenging. Tracking is attainable if cities' code and law enforcement establish and actively utilize a searchable database that includes

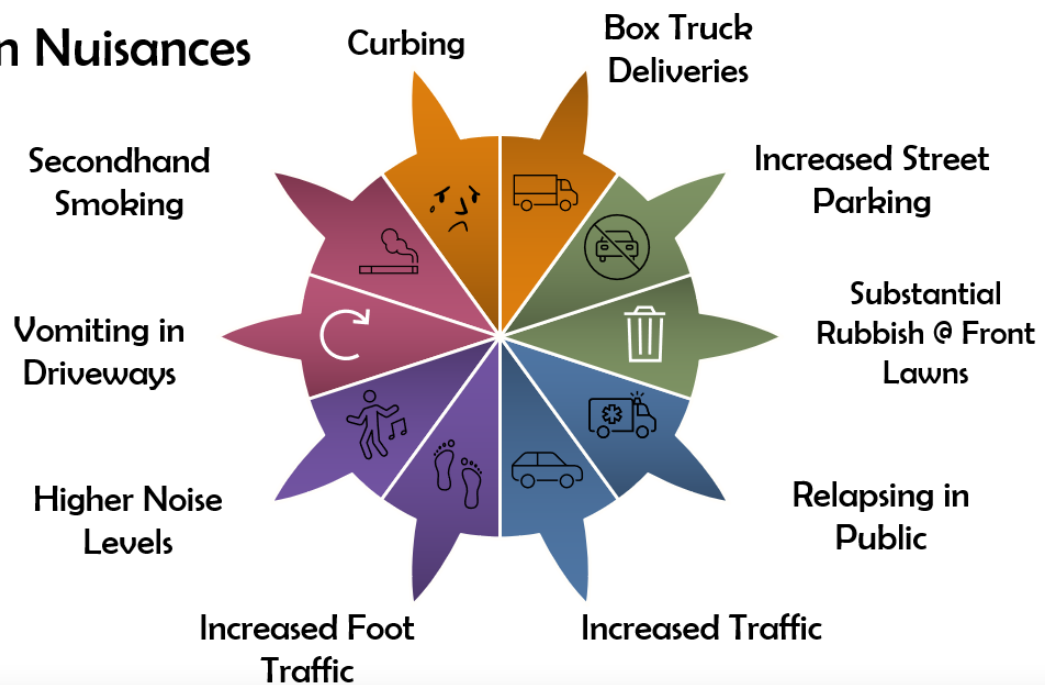
information about police and fire calls, nuisance complaints or code infractions, and identification of type of establishment. The use of this information can help identify the location and density of group homes.

## Common Nuisances

Residents living in cities with neighborhoods having a significant number of recovery and sober living homes complain that the proliferation of these group homes in recent years has become unmanageable, and that overconcentration is impacting the quality of life for everyone.

For years, many citizens living in neighborhoods with an unrestrained growth of sober living homes have been voicing their concerns and frustrations over the lack of protection their communities are given. While many of these group homes adopt rules and regulations and attempt to be good neighbors, a citizen's primary method for reporting concerns about a disruptive home is initiating a nuisance complaint to their local law enforcement.

## Common Nuisances



The outcry is that unregulated sober living residences make for bad neighbors. Sober living homes are not always bad neighbors, but when they are concentrated in a small geographic area or neighborhood, the common nuisances can become more visible and disruptive. Ultimately, this raises concerns about the potential or actual diminished character of the neighborhood.

## Lead Cities

Although the City of Costa Mesa has been front and center in the legal fights related to group homes, it was Newport Beach that first stepped into the arena in 2008. Three companies sued the City over an ordinance that was approved by the City Council in 2008 that regulated group homes for recovering addicts.<sup>9</sup> Pacific Shores Properties, Newport Coast Recovery, and Yellowstone Women's First Step House sued Newport Beach for a total of \$5.24 million. Still in place today, this ordinance was the first of its kind in Orange County and it established quiet hours, parking and smoking areas, and van routes. It also required the City's approval for new unlicensed homes for recovering addicts in certain neighborhoods. In 2015, the City reached the end of its seven-year legal battle over sober-living homes with a settlement agreement.<sup>10 11</sup>

According to the Orange County Register, which cites its own archives, Newport Beach spent at least four million dollars in legal costs on the cases. In 2008, there were 81 facilities and 614 total beds identified in Newport Beach. In 2021, there were a known 30 facilities with 210 total beds. Where did all those facilities and beds go?<sup>12</sup> Perhaps to the City of Costa Mesa. In 2015, the City of Costa Mesa enacted their own ordinance (amended in 2017) after seeing a sharp increase in the number of sober living homes followed by a steep increase in the number of community complaints. On the heels of the ordinance came the legal challenges, and Costa Mesa prevailed in all challenges until January 2023 when two sober living homes, embroiled in litigation against the city, were handed a legal victory in federal court. The earlier dismissal was reversed and remanded by the Ninth Circuit Court of Appeals which ruled that asking operators of sober living facilities for proof of disability violates federal law barring discrimination against those with disabilities and bars discrimination in housing.

***“The well-funded operators are supported by industry organizations and associations in their lawsuits...”***

As the legal battle waged on, other local governments explored, advanced, or enacted regulation of sober living homes, including the County of Orange (2015), and Cities of Laguna Hills (2015), San Clemente (2016), Laguna Niguel (2016), San Juan Capistrano (2016), Anaheim (2020), and Huntington Beach (2020). Most of these entities, perhaps all, have chosen not to enforce their ordinances out of concern of potential litigation, and are waiting for Costa Mesa's litigation to conclude.

## Cities Are Standing Alone

Multiple cities in the County have executed ordinances to regulate unlicensed group homes. With the exception of the newly formed South Orange County Sober Living and

Recovery Task Force, cities have not collaborated on solutions to shared and common problems. This has been done on an individual basis, with little collaboration among cities. Prior to drafting an ordinance, some cities study the details and effectiveness of other cities' actions, particularly the City of Costa Mesa's ordinance, and use that as a template to draft their own.<sup>13</sup>

Once enacted, few of the ordinances are being enforced. This lack of enforcement is due to a small number of very specific impediments and concerns. These include:

- Fear of litigation costs due to lawsuits filed by group home operators against cities that have enforced ordinances. (The City of Costa Mesa has reportedly incurred over ten million dollars in legal fees in relation to group home litigation.)
- Fear of the State of California withholding approval of the Housing Element for cities that have ordinances related to the management of group homes, resulting in the potential loss of state funds and local zoning control.
- Lack of enforcement resources. Most cities do not have the staff resources to enforce these ordinances.

While individual cities take a wait-and-see approach to follow the progress of other cities that are standing up to the State, little progress is being made. The cities and County of Orange would benefit by working in partnership with one another to garner resources and create a coalition to promote change. While the newly constituted South Orange County Sober Living and Recovery Task Force is a good start, and the first tangible recognition of the need to work together, the Grand Jury recommends a countywide cooperative taskforce.

Orange County's cities and unincorporated areas are demographically diverse. The active sharing of ideas, experiences, and information will be valuable to the overall process of developing a worthwhile model ordinance and plan for moving forward in the efforts to protect both the individual characteristics of Orange County neighborhoods, and *all* individuals living in those neighborhoods.

### **Fear of Litigation Costs**

Cities are concerned about the high cost of litigation and the time required to defend ordinances regulating group homes. Private entities have challenged ordinances and in some cases won, and in other cases continued to pursue lawsuits in spite of opposition. In one case, the California Department of Housing and Community Development (HCD) requested that the California Department of Justice file a "friend of the court" application to intervene on behalf the litigant in its case against the City.<sup>14</sup>



Two examples of cities being involved in lengthy and costly lawsuits include Newport Beach and Costa Mesa. In 2007, Newport Beach had numerous sober living homes and was facing increasing pressure by residents to regulate them. In January 2008, Newport Beach passed an ordinance regulating sober living homes. The ordinance was carefully crafted to comply with State and federal law.<sup>15</sup>

By November 2008, several legal actions occurred. These included:

1. A lawsuit from a residents' group (the "Concerned Citizens of Newport Beach" or CCNB) arguing that the City did not go far enough in enacting Ordinance 2008-05. CCNB also sued multiple operators and asked for \$250 million in damages from the City;
2. Two group home operators (Pacific Shores Recovery and Sober Living by the Sea) filed complaints with the US Department of Housing and Urban Development (HUD) alleging that the City's ordinance and its practices have discriminated against disabled persons entitled to fair housing;
3. Multiple lawsuits were filed by Sober Living By the Sea (SLBTS) alleging that the City's group residential uses ordinance was facially discriminatory against persons in recovery. The City reached an agreement with SLBTS;
4. The City filed lawsuits against Morningside Recovery and Pacific Shores Recovery, alleging that some of their operations opened illegally during a short-term temporary moratorium against the establishment of new group residential uses. Pacific Shores Recovery has in turn alleged that the City's group

residential uses ordinance was facially discriminatory against persons in recovery;

5. A cross-complaint by the City against Sober Living By The Sea and other operators that consolidated certain lawsuits in U.S. District Court.



*Chairs are packed during a discussion on sober-living homes in San Clemente in 2016. (Photo by Matt Masin, Orange County Register, SCNG)*

Subsequently, in 2009, three companies sued the City of Newport Beach over the ordinance, claiming it violated anti-discrimination and fair housing laws because individuals recovering from an addiction are a protected group. A federal judge ruled in favor of the City in 2011. The companies appealed the case and it went to the 9th Circuit Court of Appeals, where the Court's majority sided with the group homes, saying there was enough evidence to argue discrimination. The Court pointed to comments made during the 2008 hearing, which implied that the City Council was targeting recovery group homes.

The City of Newport Beach asked the U.S. Supreme Court to review the case in 2014, but the Court declined. The City settled with the group homes for \$5.25 million in 2015. The City's estimated legal costs exceeded four million dollars,<sup>16</sup> for a total cost close to ten million dollars.

The City of Costa Mesa waged a fierce and costly legal battle to regulate sober living homes for over five years. As noted in the section regarding the State's actions and attitude, Costa Mesa fashioned an ordinance within the limits of State and federal laws

in 2014.<sup>17</sup> The City ultimately spent over seven million dollars in litigation, and prevailed in State and federal courts; however, in January 2023, a federal appellate court reversed and remanded the district court's 2020 ruling.

Costa Mesa Ordinance 15-11 sets limited standards for three items that address important societal issues, none of which are discriminatory in nature:

1. Spacing (650 feet apart)
2. Background screening of the house manager
3. Process for evicting residents

Spacing between group homes maintains the purpose of the facility and residential character of the neighborhood. Screening protects the residents of the facility. Through interviewees, the Grand Jury learned of group home managers with criminal backgrounds and who are themselves currently substance abusers. Standards for evictions are needed. Through interviews and newspaper articles, the Grand Jury learned of the practice of "curbing," putting residents out on the curb when their source of payment runs out or when they are in violation of house rules. This practice is believed to contribute to homelessness in Orange County.

Costa Mesa's ordinance serves an important purpose, but the ordinance is still in litigation after several years and at an estimated cost of more than ten million dollars.<sup>18</sup> Other Cities in California and Orange County are similarly facing lawsuits and costs associated with group home and sober living ordinances. Cities could pool resources to mitigate litigation cost concerns. A coalition of cities to spread costs is highly recommended.

The Grand Jury learned that the lawsuits brought against cities are supported and enabled by an extremely profitable industry. According to John LaRosa at MarketResearch.com on February 5, 2020,<sup>19</sup> the group home market is 42 billion dollars per year. Mr. LaRosa also noted that the industry needed to be cleaned up as many of the operators engaged in overbilling, patient brokering, and deceptive marketing.

The well-funded operators are supported by industry organizations and associations in their lawsuits. Industry organizations include large groups such as the California Consortium of Addiction Programs and Professionals, Behavioral Health Associates, and National Sober Living Associates. The websites of any of these organizations and several others can be viewed to see the type of support often provided. The organizations not only provide support for lawsuits, but also assist in lobbying State and federal legislators.

Many group home operators do not want any type of regulation, as evidenced by the Costa Mesa and Newport lawsuits, though the Grand Jury found some operators who welcome additional regulation to protect the industry from bad operators. In summary, the industry represents a formidable foe in lawsuits due to funding and industry associations.



## State Actions

Zoning ordinances are the primary control local governments have over city land use. The State of California has challenged the validity of group home ordinances, thereby inhibiting local governments in addressing group homes through zoning ordinances. If challenged, defense of the ordinances is costly and the alternative is to repeal them, a process that can be politically charged.

When Costa Mesa originally prevailed in the lawsuits filed against their 2014 sober living ordinance, the Cities of Encinitas, Huntington Beach, Anaheim and the County of Orange adopted similar ordinances for sober living facilities. In May 2021, the California Department of Housing and Community Development (HCD) sent a letter to the City of Encinitas stating its ordinance was in violation of statutory prohibitions on discrimination in land use. HCD said the city must take immediate steps to repeal the ordinance. HCD's letter to the City of Encinitas noted *"The City appears to take significant comfort from certain court opinions, several unpublished, appearing to reject specific, largely different and distinguishable challenges to a different group home ordinance in Costa Mesa, which were brought by private parties rather than the State of California. Those decisions are neither on point nor binding here."* This statement is misleading to the general public because it downplays judicial rulings favoring Costa Mesa's ordinance.

In May of 2021, HCD sent a "Letter of Technical Assistance" to the City of Anaheim in which they discuss Anaheim's land use regulations. One of the items discussed was a phone call they had with city staff to discuss concerns with the proposed Zoning Code Amendment for group homes. HCD's concern was that the ordinance *"potentially conflict(s) with statutory prohibitions on discrimination in land use"*.

Also in May of 2021, HCD sent a *"Notice of Violation: City of Anaheim Notice of Violations of Housing Element Law and Anti-Discrimination in Land Use"* regarding the denial of a conditional use permit for transitional housing. The California Department of Justice (DOJ) subsequently joined a civil lawsuit regarding the same action. HCD believes the City has failed to implement goals, policies, and program actions included in the housing element and failed to act consistent with Government Code requirements in applying standards to the approval of the Project.

On December 21, 2022, HCD issued a document titled *Group Home Technical Advisory*.<sup>20</sup> The executive summary includes the following:

*"In recent years, some local governments have amended their zoning ordinances to add new regulations for group homes, particularly for recovery residences-group homes that provide housing for persons recovering from alcoholism or drug addiction. These amendments have raised concerns that local governments are not complying with their affirmative obligations under state planning and*

*zoning laws to promote more inclusive communities and affirmatively further fair housing (AFFH). These amendments have also generated disputes and confusion over whether local governments are violating fair housing laws by discriminating against persons with disabilities or other protected characteristics.”*

The document assumes the ordinances are not legally compliant and creates difficulties faced by cities trying to reasonably regulate group homes. The document is labeled a “technical advisory” but reads as a policy statement. There were apparently no public hearings regarding the document.

***“The document is labeled a “technical advisory” but reads as a policy statement...”***

These actions by HCD and DOJ, as well as litigation, are challenges municipalities face in adopting ordinances regarding group homes when the courts have found these ordinances compliant with State and federal laws. This was made evident through interviews with representatives of cities. Interviewees also expressed concern that HCD interpreted the laws as being overly restrictive on zoning ordinances and failing to protect the inhabitants of group homes.

## **Housing Element**

In the State of California, all cities are required to develop a General Plan. The General Plan serves as a blueprint for the future, prescribing policy goals and objectives to shape and guide the physical development of the city. The General Plan is a comprehensive policy document that informs future land use decisions, and it is comprised of multiple elements.<sup>21</sup>

The Housing Element is one important part of a city or county’s General Plan. Every eight years, every city, town, and county must update their Housing Element and have it certified by the California Department of Housing and Community Development (HCD). The most recent cycle of the new Housing Element has been heavily impacted by the State’s laser focus on housing availability and affordability.

On September 28, 2021, Governor Gavin Newsom signed a suite of bills to boost housing production across California which accompanies the Governor’s \$22 billion housing affordability and homelessness package and ongoing work by the State to spur more housing production, tackle barriers to construction, and hold local governments accountable. Taken together, the actions reflect the State’s focus on creating more

affordable housing, faster and cheaper. “The acute affordability crisis we are experiencing in California was decades in the making, and now we’re taking the necessary steps to fix it,” said Governor Newsom.<sup>22</sup>

Although this is a response to a real need in California, the real-world consequences to the “build-build-build” solution are many. One of those can be seen in the State’s myopic push for housing as it has mistakenly equated group homes with additional housing options. But housing is not increased by allowing the unbridled proliferation of recovery and sober living homes. The industry advertises heavily outside of California and brings many of their residents from out-of-state. It is not uncommon for some of these residents to be “kicked to the curb” (referred to as curbing) for various reasons, and because they are not local to Orange County, they have nowhere to go and ultimately face homelessness.

HCD wields its power to review and approve State housing elements as a threat to deter city and county efforts to regulate group homes. Approval of the Housing Element has a big impact on a city’s ability to enforce its general plan and to control what gets built and where it is built. Without the HCD’s approval of the housing element, a door is opened to developers to bypass local zoning ordinances by utilizing a seldom used loophole known as Builders Remedy. Under that law, a developer may sidestep city approvals to construct a housing development if 20% of the project’s homes are affordable housing.<sup>23</sup>

State funding programs for transportation, infrastructure, and housing often require or consider a local jurisdiction’s compliance with Housing Element Law. These competitive funds can be used for fixing roads, adding bike lanes, improving transit, or providing much needed affordable housing to communities. In some cases, funding from state/federal housing programs can *only* be accessed if the jurisdiction has a compliant housing element.<sup>24 25</sup>

## **Educating the Public**

By the time the public has organized to bring their concerns to city leadership through a letter writing campaign, a joint written complaint, or a petition, their level of frustration has likely been building for quite a while. How city leadership deals with the concerns and frustrations of their constituency is likely to determine whether it will be a collaborative or an adversarial process to find a resolution. Educating the public on the reasons that cities have seemingly been unwilling to address the integration of group homes into Orange County neighborhoods is key to the success of collaborative problem solving.

Cities have been squeezed from above by a combination of intense pressure from group home operators citing federal protections for the disabled, and the State of California’s efforts to eliminate group home ordinances by withholding approval on cities’ mandated Housing Element submission. They are also squeezed from below by

the people in neighborhoods which have been impacted by the over-concentration of group homes, and/or the level of nuisances generated by the group homes.

***“Some cities have used the multi-discipline, educational, townhall type response to the public outcry while others have not. The outcome can be quite different.”***

A lack of understanding of the challenges faced by cities leads to the perception that they are unwilling to step up and regulate the various group home types that are springing up in neighborhoods. Public education will reveal that there is not an unwillingness of cities, or the public, to find resolutions, but rather there are many hurdles promulgated by State and federal agencies that often prevent opportunities for reaching a solution. Cities should work together, and with State legislators and other stakeholders, to look for ways to affect change at the State level as well as provide more focused public education that addresses these issues.

In an effort to inform their citizens, some cities have used the multi-discipline, educational, townhall type response to the public outcry while others have not. The outcome can be quite different.

To illustrate, we need look no further than a tale of three cities: Anaheim, Newport Beach, and Laguna Hills. Anaheim's group home issue heated up in October 2021 when Grandma's House of Hope requested a Conditional Use Permit (CUP) to use a large house as a transitional living home for 19 intractably mentally ill women.<sup>26</sup>

It was not Grandma's House of Hope's first group home in Anaheim; it was the latest in many previously successful CUP requests. Local residents coalesced against this CUP request in a vocal and organized manner. Whether it was the number of residents impacted, the descriptor of the group home residents as intractably mentally ill, or just one group home too many in this neighborhood, this organized effort to prevent the approval of the large group home attracted hundreds of local citizens and activists from both sides of the issue. It seemed that the majority of these people attended the planning commission meeting to voice their opinions during the public comment portion of the agenda and to let the City's Planning Commission see the strength of their numbers.

The Planning Commission was seemingly prepared to accept the staff recommendation for approval. Public comment took over five hours, most of which was overwhelmingly against the approval of the group home. The applicant and the Planning Commission both expressed surprise at the public backlash. Ultimately, the approval recommendation was scrapped, and the Planning Commission voted to deny the CUP.

Grandma's House filed an appeal and the application for the CUP was heard by the City Council. The public attended that meeting in larger numbers than at the Planning Commission meeting and they were every bit as angry and frustrated as they were at the earlier meeting. In spite of robust response on the issue at the meeting of the Planning Commission just two months earlier, the Anaheim City Council was unprepared for the charged nature of the adversarial clash. Most speakers were passionate but respectful, while some were rude and offensive. It was essentially an angrier repeat of the first meeting and led to the same conclusion, a denial of the CUP.<sup>27</sup>

The affected public walked away with no better understanding of the reasons why these group homes are hard to regulate due to the pressures put on cities by the State of California. The applicant ultimately filed suit against the city alleging violations of the Housing Element Law, Housing Accountability Act, and statutes governing anti-discrimination in local land use laws.



*Nearly 200 people packed the Mission Viejo City Council chamber on March 29 for a Town Hall meeting regarding sober living homes. (Tomoya Shimura, Orange County Register, April 1, 2016)*

The City of Anaheim has not responded to the public concerns in an organized manner. It has not provided an opportunity for the public to come together in a townhall-like meeting where the City could address the issues and the challenges they face, have subject matter experts on hand for short presentations, and allow for comments and questions.<sup>28</sup>

In direct contrast to Anaheim's response, we can look at the steps taken by the Cities of Newport Beach and Laguna Hills. Newport Beach was faced with a petition from its residents in 2007 after a rapid increase in the number of drug rehabilitation homes. The residents reported 103 treatment houses, nearly all on the Balboa Peninsula. There was a town hall hosted by (then) Assemblywoman Mimi Walters, R-Laguna Niguel, and (then) State Senator Tom Harman, R-Huntington Beach, and an estimated 200 people attended. It was an opportunity for dialogue as well as to learn about the constraints placed on cities by the State of California. Newport Beach responded to resident concerns again in late 2021 by organizing a community meeting with speakers from several city departments, a State Assemblywoman, the District Attorney, and a County Supervisor.<sup>29 30</sup>



*Hundreds attend the Sober Living Homes Town Hall meeting at the at the Laguna Hills Community Center on Thursday (Christopher Yee, San Gabriel Valley Tribune, May 13, 2016)*

We can also look at the steps taken by the City of Laguna Hills. In 2016, the City responded to public outcry regarding group home issues by hosting a Town Hall on the subject. The Town Hall was hosted by (then) State Senator Pat Bates and several other State and local legislators. Also in attendance were attorneys with extensive knowledge of the issue as well as other subject matter experts. More than 600 people attended, and it was an opportunity for the residents in attendance to gain a better understanding of the challenges the City faces in regulating unlicensed group homes, as well as for the City to hear the concerns and frustrations of attendees. Proving that, when cities work to

inform their constituents, and allow for a robust but respectful dialogue, they create an opportunity for collaborative problem solving.<sup>31</sup>

### **How Has This Issue Evolved?**

The timing of this investigation aligned with the required submission of the Housing Element portion of each city's General Plan. The State's disapproval of a city's Housing Element carries heavy consequences, and the State of California has used the withholding of this needed approval to coerce cities to abandon their group home ordinances.

The Grand Jury was previously unaware of the power behind group home lobbyists and the number of proposed legislative bills that never made it to a vote. The State's policy-making role limits a city's ability to responsibly manage the integration of group homes and, as a consequence, the trajectory and focus of the study changed and widened with this knowledge. The Grand Jury looked at broader factors influencing the group home industry, its influence, its effect on communities and often its seeming lack of real concern about its clients. The group home industry is immense, requires improved relations with cities, and needs more effective local governmental oversight.

# FINDINGS

In accordance with California Penal Code Sections 933 and 933.05, the 2022-2023 Grand Jury requires (or, as noted, requests) responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled “Welcome to the Neighborhood - Are cities responsibly managing the integration of group homes?” the 2022-2023 Orange County Grand Jury has arrived at eleven principal findings, as follows:

- F1** Group homes too close to one another contribute to the problems associated with overconcentration.
- F2** Common nuisances are more likely and disruptive when sober living homes are concentrated in a small geographic area of a neighborhood.
- F3** Some cities have successfully addressed and informed community members about the challenges faced in regulating group homes.
- F4** Community satisfaction was minimal when cities took the traditional public comment approach towards addressing community complaints.
- F5** Cities are not utilizing police, fire, and code enforcement complaints as a means of locating and tracking Group Homes.
- F6** Cities are inhibited from enacting and enforcing ordinances due to fears over the potential cost of litigation.
- F7** Several cities have created an ordinance that requires a ministerial permit or registration to operate a group home, however many of these cities do not enforce their ordinances.
- F8** City and County officials are deterred from regulating group homes by California Housing and Community Development’s housing element approval process.
- F9** Cities have historically strategized and acted independently in addressing group home challenges and solutions.
- F10** Well-operated group homes can integrate smoothly into neighborhoods.
- F11** There is a lack of regulatory oversight for the health and safety of residents of unlicensed group homes.



# RECOMMENDATIONS

In accordance with California Penal Code Sections 933 and 933.05, the 2022-2023 Grand Jury requires (or, as noted, requests) responses from each agency affected by the recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled, "Welcome to the Neighborhood - Are cities responsibly managing the integration of group homes?" the 2022-2023 Orange County Grand Jury makes the following five recommendations:

- R1** Orange County cities and the County of Orange should address citizen concerns regarding group homes by providing an opportunity for an open dialog where an interdisciplinary panel of subject matter experts can share with attendees the challenges cities are facing in the management of group homes. To be implemented by July 1, 2024. (F3, F4)
- R2** By December 31, 2024, Orange County cities and the County of Orange should collaborate in their efforts to create ordinances for the regulation of group homes, including the development of model ordinances. (F6, F7, F9)
- R3** Orange County cities and the County of Orange should pool resources for defense of lawsuits challenging group home ordinances. To be implemented by July 1, 2024. (F6, F8, F9)
- R4** The County of Orange and Orange County cities should create a Task Force that includes representatives from OC cities, unincorporated areas, and other entities as appropriate and charge it with the responsibility of developing a plan to generate awareness among State legislators and regulators of the need for improved regulations and management standards to ensure health and safety for Group Home residents. To be implemented by July 1, 2024. (F2, F10, F11)
- R5** Orange County cities and the County of Orange should modify code enforcement report data collection forms to include a searchable field that enables the identification of a residence operating as a group home. To be implemented by July 1, 2024. (F5, F7, F11)

# RESPONSES

California Penal Code Section 933 requires the governing body of any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the governing body. Such comment shall be made no later than 90 days after the Grand Jury publishes its report (filed with the Clerk of the Court). Additionally, in the case of a report containing findings

and recommendations pertaining to a department or agency headed by an elected County official (e.g., District Attorney, Sheriff, etc.), such elected County official shall comment on the findings and recommendations pertaining to the matters under that elected official's control within 60 days to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05 specifies the manner in which such comment(s) are to be made as follows:

- (a) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:
  - (1) The respondent agrees with the finding.
  - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.
- (b) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:
  - (1) The recommendation has been implemented, with a summary regarding the implemented action.
  - (2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
  - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.
  - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.
- (c) If a finding or recommendation of the Grand Jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary /or personnel matters over which it has some decision-making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

The Orange County Grand Jury requires and requests the following responses:

### 90 Day Response Required

County of Orange Board of Supervisors	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
County of Orange Board of Supervisors	R1, R2, R3, R4, R5

#### City Councils of:

Aliso Viejo	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Aliso Viejo	R1, R2, R3, R4, R5
Anaheim	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Anaheim	R1, R2, R3, R4, R5
Brea	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Brea	R1, R2, R3, R4, R5
Buena Park	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Buena Park	R1, R2, R3, R4, R5
Costa Mesa	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Costa Mesa	R1, R2, R3, R4, R5
Cypress	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Cypress	R1, R2, R3, R4, R5
Dana Point	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Dana Point	R1, R2, R3, R4, R5
Fountain Valley	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Fountain Valley	R1, R2, R3, R4, R5
Fullerton	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Fullerton	R1, R2, R3, R4, R5
Garden Grove	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Garden Grove	R1, R2, R3, R4, R5
Huntington Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Huntington Beach	R1, R2, R3, R4, R5
Irvine	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Irvine	R1, R2, R3, R4, R5
La Habra	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
La Habra	R1, R2, R3, R4, R5
La Palma	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
La Palma	R1, R2, R3, R4, R5
Laguna Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Laguna Beach	R1, R2, R3, R4, R5
Laguna Hills	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Laguna Hills	R1, R2, R3, R4, R5
Laguna Niguel	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Laguna Niguel	R1, R2, R3, R4, R5
Laguna Woods	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11

Laguna Woods	R1, R2, R3, R4, R5
Lake Forest	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Lake Forest	R1, R2, R3, R4, R5
Los Alamitos	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11,
Los Alamitos	R1, R2, R3, R4, R5
Mission Viejo	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Mission Viejo	R1, R2, R3, R4, R5
Newport Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Newport Beach	R1, R2, R3, R4, R5
Orange	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Orange	R1, R2, R3, R4, R5
Placentia	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Placentia	R1, R2, R3, R4, R5
Rancho Santa Margarita	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Rancho Santa Margarita	R1, R2, R3, R4, R5
San Clemente	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
San Clemente	R1, R2, R3, R4, R5
San Juan Capistrano	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
San Juan Capistrano	R1, R2, R3, R4, R5
Santa Ana	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Santa Ana	R1, R2, R3, R4, R5
Seal Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Seal Beach	R1, R2, R3, R4, R5
Stanton	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Stanton	R1, R2, R3, R4, R5
Tustin	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Tustin	R1, R2, R3, R4, R5
Villa Park	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Villa Park	R1, R2, R3, R4, R5
Westminster	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Westminster	R1, R2, R3, R4, R5
Yorba Linda	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11
Yorba Linda	R1, R2, R3, R4, R5

# GLOSSARY

## **ADU**

An accessory dwelling unit, usually just called an ADU, is a secondary housing unit on a single-family residential lot. These may be converted garages, backyard cottages, or granny flats, for example.

## **Brokering**

A referral system where money or other inducements are exchanged by owners of disreputable homes to get new clients. The recipients may be residents, clinics, or even members of self-help groups such as AA12-step programs.

## **Code Enforcement**

Activity by local government agencies to identify and correct problems and abuses by citizens and businesses.

## **Congregate Care Living**

A residential home that offers inpatient services to its residents. Generally, the care that this institution provides is more intense than what a skilled nursing care facility offers but less intense than what a general acute care hospital provides.

## **Curbing**

The act of evicting residents, often done late at night, so-called because they and their belongings are sent to the curb. Eviction may occur when such residents' insurance runs out or for violating house rules. They frequently have nowhere to go and often have no resources, essentially rendering them homeless.

## **Deinstitutionalization**

The closing (or reduction of services) of residential facilities, often referred to as mental hospitals, and the reliance on smaller, more personal "homes" as a means of rehabilitation.

## **Detox**

Program or facility for assisting a person undergoing treatment from an intoxicating or addictive substance.

**EBT**

Acronym for Electronic Benefit Transfer, previously known as Food Stamps, these are debit cards issued to eligible participants for the purpose of buying food and other necessities.

**Emotional Wellness Homes**

A facility where a person develops the ability to handle their emotions and varied experiences they encounter in life. Emotional wellness is an awareness, understanding, and acceptance of our feelings and the ability to manage and change challenges effectively.

**Good Neighbor Policy**

A set of principles and activities designed to provide a consistent means of communication between facilities that provide resident services and their respective neighbors. The Good Neighbor Policy is applicable for Residential Programs when residents and the services have a potential impact including but not limited to community safety, cleanliness, and security in the surrounding neighborhood(s).

**Group Home (GH)\***

A residential unit utilized as a supportive living environment for people meeting the legal definition of disabled. Provides *housing only* for a classified group of people. No medical care, services, or treatment can take place in a Group Home. Only State-licensed facilities can provide care, services, or treatment under State law (see Residential Care Facilities)

**Hospice**

A type of health care that focuses on the palliation of a terminally ill patient's pain and symptoms and attending to their emotional and spiritual needs at the end of life. Hospice care prioritizes comfort and quality of life by reducing pain and suffering.

**Housing Element**

Since 1969, California has required that all local governments (cities and counties) adequately plan to meet the housing needs of everyone in the community. California's local governments meet this requirement by adopting housing plans as part of their "general plan" (also required by the state). General plans serve as a local government's "blueprint" for how the city and/or county will grow and develop and include eight elements: land use, transportation, conservation, noise, open space, safety, environmental justice, and housing.

**Integral Facilities**

Integral facilities means any combination of two or more facilities located on the same or different parcels, collectively serving seven or more persons, not including the licensee or members of the licensee's family or persons employed as facility staff, that are under the control or management of the same owner, operator, management company or licensee or any affiliate of any of them, and which together comprise one operation. Integral facilities shall include, but not be limited to, the provision of housing in one facility and recovery programming, treatment, meals, or any other service or services at another facility, or facilities, or by assigning staff, or a consultant or consultants, to provide services to or in more than one facility.

**Licensing**

A permit from an authority to own or use something or to do a particular thing or carry on a trade. In reference to this report's subject matter, licensing from a State or county agency or department.

**Like-for-Like**

Identifying the spacing of group homes by type, e.g., sober living within a given distance of sober living, assisted living within a given distance of assisted living, etc. *Sober living near assisted living does not meet the like-for-like criteria.*

**Model Ordinance**

A common set of policies and procedures developed by a government agency to oversee the licensing and operation of group homes.

**NIMBY**

Acronym for "Not in My Backyard". A term used, among other things, to identify citizens who object to having group homes in their neighborhood.

**Referral Facility**

Either a Residential Care Facility, Group Home, or Sober Living Home where one or more person's residency is per a court order or similar directive. Referral facilities must follow the permit procedure according to the base use classification, and are not permitted in the RL (Residential Low Density) zone.

**Rehab Riviera**

The nickname given to some sober living facilities in Southern California, referring to the climate. Often used as a selling point in advertising to emphasize the outdoor appeal of homes in the region.

**Rehabilitation**

The action of restoring someone to health or normal life. Care that can help one get back, maintain or improve abilities.

**Residential Care Facilities (RCF)\***

A State Licensed residential facility where care, services, or treatment are provided to persons living in a community residential setting. Provide housing and care/treatment for the elderly, developmentally disabled, chronically ill, and chemical addiction treatment facilities, among others. RCFs that specifically provide drug and or alcohol abuse treatment are licensed by the Department of Health Care Services (DHCS) and are known as alcoholism or drug abuse recovery or treatment facilities.

Homes are required to be licensed by the DHCS when at least one of the following services is provided: detoxification, group counseling sessions, individual counseling sessions, educational sessions, or alcoholism or drug abuse recovery or treatment planning.

**Residential Treatment Centers**

Sometimes known as rehab which is a live-in health care facility providing services for substance use disorders, mental illness, or other behavioral problems.

**Saturation**

Having several group homes within a neighborhood.

**Single Housekeeping Units**

Individuals occupying a dwelling unit that have established ties and familiarity with each other; share a lease agreement, have consent of the owner to reside on the property, or own the property; jointly use common areas and interact with each other; and share the household expenses such as rent or ownership costs, utilities, and other household and maintenance costs activities.

**Six or Under**

Homes with six or fewer residents. Under State law these may not be required to be licensed or registered.

**Sober Living Home (SLH)\***

Sober Living Homes are also group homes, but specifically for people recovering from a chemical addiction that meets the legal definition of disabled. Provides "*housing only*" that is primarily meant for people who have just come out of rehab and need a



place to live that is structured and supportive for those in recovery. For the purposes of the Ordinance, a Sober Living Home is not state licensed. No medical care, services, or treatment can occur in a Living Home. Only State licensed facilities can provide care, services, or treatment under State law (see Residential Care Facilities).

### **Tracking**

A method to obtain data, monitor movements and a system to identify and map the location of group homes.

### **Treatment Center**

A facility where a client or clients go under one roof for services to improve their physical or mental health. A residential treatment center (RTC), sometimes called rehab, is a live-in health care facility providing therapy for substances abuse use disorders, mental illness, or other behavioral problems. Residential treatment may be considered the “last-ditch” approach to treating abnormal psychology or psychopathology.

*\*For the purposes of this report, the City of Huntington Beach’s definitions of group living homes is being used as published on the city’s website.*

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Amy A. Mericle, Katherine J. Karriker-Jaffe, Shalika Gupta, David M. Sheridan, Doug L. Polcin, Distribution and Neighborhood Correlates of Sober Living House Locations in Los Angeles, American Journal of Community Psychology, Thursday, September 1, 2016

Teri Sforza, California argues sober home ordinances are illegal, forcing cities to make expensive decisions, Orange County Register, Saturday, December 19, 2015

J Murphy - City of La Mesa Fact Sheet, Residential Care Facilities (or "Group Homes") in the City of La Mesa, City of La Mesa website <http://www.cityoflamesa.com> , Thursday, October 29, 2015

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David DeBerry, Group Homes in the Neighborhood, Western City, Friday, September 1, 2006

## NOTICE

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

## END NOTES

<sup>1</sup> Group Homes in the Neighborhood David Debarry, Jeff Bellinger, Western City 09-01-2006  
<https://www.westerncity.com/article/group-homes-neighborhood>

<sup>2</sup> Ibid. Division of Housing Policy Development. "Group Home Technical Advisory." California Department of Housing and Community Development, December 2022.  
<https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/group-home-technical-advisory-2022.pdf>

<sup>3</sup> CA Health & Safety Code Section 1267.9

<sup>4</sup> Sforza, Terri. "California the over-regulator? Not for addiction treatment." Orange County Register, June 23, 2017. <https://www.ocregister.com/2017/06/23/california-the-over-regulator-not-for-addiction-treatment>

<sup>5</sup> Ibid. Division of Housing Policy Development. "Group Home Technical Advisory." California Department of Housing and Community Development, December 2022.  
<https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/group-home-technical-advisory-2022.pdf>

<sup>6</sup> Sforza, Terri. "California the over-regulator? Not for addiction treatment." Orange County Register, June 23, 2017. <https://www.ocregister.com/2017/06/23/california-the-over-regulator-not-for-addiction-treatment/>

<sup>7</sup> California Research Bureau, Sober Living Homes in California: Options for State and Local Regulation, California Research Bureau Publication in State Library Friday, October 7, 2016,  
<https://www.library.ca.gov/crb/>

<sup>8</sup> CA Health & Safety Code Section 1267.9



<sup>9</sup>Orange County Register Megan Nicolai, July 15, 2015, Newport Beach Settles legal battle over Sober-Living homes\_

<sup>10</sup> Orange County Register Megan Nicolai, July 15, 2015, Newport Beach Settles legal battle over Sober-Living homes.

<sup>11</sup> Los Angeles Times Susannah Rosenblatt, May 22, 2008, Sober living homes rushing to meet Newport's deadline.

<sup>12</sup> Community Meeting on Group Residential Uses October 11, 2021 Meeting Summary  
<https://nbpd.newportbeachca.gov/home/showpublisheddocument/70754/637703409585700000>

<sup>13</sup> New regional task force will tackle issues with sober living and recovery homes, News Category, City of Mission Viejo Public Notices, September 1, 2022, new regional task force will tackle issues with sober living and recovery homes | City of Mission Viejo

<sup>14</sup> Grandma's House of Hope v. City of Anaheim and City Council of Anaheim Case No. 30-2022-0124183-CU-WM-OJC

<sup>15</sup> Newport Beach Ordinance 2008-05

<sup>16</sup> Orange County Register Megan Nicolai, July 15, 2015, Newport Beach Settles legal battle over Sober-Living homes\_

<sup>17</sup> City of Costa Mesa Ordinance Chapter 13-3001

<sup>18</sup> Orange County Register Article, May 21, 2021 – State argues sober home ordinances are illegal, forcing cities to make expensive decisions

<sup>19</sup> \$42 Billion U.S. Addiction Rehab Industry Poised for Growth, and Challenges (marketresearch.com)

<sup>20</sup> Ca Department Of Housing And Community Development, Group Home Technical Advisory, dated December 2022

<sup>21</sup> Housing Element Update, 2021-2029 Planning Period FAQ & Fact Sheet, City of Arcadia  
[https://cms9files.revize.com/arcadia/Shape%20Arcadia/Development%20Services/planning/Housing%20Element%20Update/FAQ/Housing%20Element%20Fact%20Sheet\\_FINAL.pdf](https://cms9files.revize.com/arcadia/Shape%20Arcadia/Development%20Services/planning/Housing%20Element%20Update/FAQ/Housing%20Element%20Fact%20Sheet_FINAL.pdf)

<sup>22</sup> [www.gov.ca.gov/2021/09/28/governor-newsom-signs-legislation](http://www.gov.ca.gov/2021/09/28/governor-newsom-signs-legislation)

<sup>23</sup> Growing List of Penalties for Local Governments Failing to Meet State Housing Law, Association of Bay Area Governments, June 2021, <https://abag.ca.gov/sites/default/files/documents/2021-06/Consequences%20of%20Non-Compliance%20with%20Housing%20Laws.pdf>

<sup>24</sup> Housing Element Update, 2021-2029 Planning Period FAQ & Fact Sheet, City of Arcadia  
[https://cms9files.revize.com/arcadia/Shape%20Arcadia/Development%20Services/planning/Housing%20Element%20Update/FAQ/Housing%20Element%20Fact%20Sheet\\_FINAL.pdf](https://cms9files.revize.com/arcadia/Shape%20Arcadia/Development%20Services/planning/Housing%20Element%20Update/FAQ/Housing%20Element%20Fact%20Sheet_FINAL.pdf)

<sup>25</sup> Housing Element Update, 2021-2029 Planning Period FAQ & Fact Sheet, City of Arcadia  
[https://cms9files.revize.com/arcadia/Shape%20Arcadia/Development%20Services/planning/Housing%20Element%20Update/FAQ/Housing%20Element%20Fact%20Sheet\\_FINAL.pdf](https://cms9files.revize.com/arcadia/Shape%20Arcadia/Development%20Services/planning/Housing%20Element%20Update/FAQ/Housing%20Element%20Fact%20Sheet_FINAL.pdf)

<sup>26</sup> Walker, Theresa OC Register 10-25-2021 Housing for mentally ill homeless women draws heated Anaheim response  
<https://www.ocregister.com/2021/10/25/housing-for-mentally-ill-homeless-women-draws-heated-anaheim-response/>

<sup>27</sup> Grandma's House of Hope v. City of Anaheim and City Council of Anaheim Case No. 30-2022-0124183-CU-WM-OJC

<sup>28</sup> City of Anaheim Planning Commission, PC Action Packets 8-30-2021  
<https://records.anaheim.net/CityClerk/DocView.aspx?id=2428318&dbid=0&repo=CITYOFANAHEIM>

<sup>29</sup> Many attend town hall on rehab houses, OC Register, 2-23-2007  
Many attend Newport town hall on rehab houses – Orange County Register (ocregister.com)

<sup>30</sup> Ibid. Many attend town hall on rehab houses

<sup>31</sup> Sober Living Homes Town Hall

Cynthia S. Conners  
Mayor

August XX, 2023

Noel Hatch  
Mayor Pro Tem

Shari L. Horne  
Councilmember

Annie McCary  
Councilmember

Carol Moore  
Councilmember

Christopher Macon  
City Manager

The Honorable Maria D. Hernandez  
Presiding Judge of the Superior Court  
700 Civic Center Drive West  
Santa Ana, CA 92701

**SUBJECT: City of Laguna Woods' Response to the 2022-2023 Orange County Grand Jury Report, "Welcome to the Neighborhood – Are cities responsibly managing the integration of group homes?"**

Dear Judge Hernandez:

Thank you for the report and for the time and effort involved in preparing it.

Per the Orange County Grand Jury's request, and in accordance with California Penal Code Section 933, please find the City of Laguna Woods' response to the subject report attached. The response was approved by the Laguna Woods City Council on August XX, 2023.

If you have any questions or would like any additional information, please contact Christopher Macon, City Manager, at (949) 639-0512 or [cmacon@cityoflagunawoods.org](mailto:cmacon@cityoflagunawoods.org).

Sincerely,

Cynthia S. Conners  
Mayor

Attachment: A – City of Laguna Woods' Response to the 2022-2023 Orange County Grand Jury Report, "Welcome to the Neighborhood – Are cities responsibly managing the integration of group homes?"

cc: Orange County Grand Jury  
700 Civic Center Drive West  
Santa Ana, CA 92701

**ATTACHMENT A**

City of Laguna Woods’ Response to the 2022-2023 Orange County Grand Jury Report,  
“Welcome to the Neighborhood – Are cities responsibly managing  
the integration of group homes?”

**FINDINGS**

**F1.** Group homes too close to one another contribute to the problems associated with overconcentration.

**Response:** The City of Laguna Woods agrees with this finding. While the City has no direct experience with group homes, our understanding of the subject and experiences in other cities supports that an overconcentration of group homes may cause problems.

**F2.** Common nuisances are more likely and disruptive when sober living homes are concentrated in a small geographic area of a neighborhood.

**Response:** The City agrees with this finding. While the City has no direct experience with group homes, our understanding of the subject and experiences in other cities supports that an overconcentration of group homes may cause nuisances.

**F3.** Some cities have successfully addressed and informed community members about the challenges faced in regulating group homes.

**Response:** The City agrees with this finding. While the City has no direct experience with group homes, our understanding of the subject and experiences in other cities supports that some cities have successfully addressed and informed community members about the challenges faced in regulating group homes.

**F4.** Community satisfaction was minimal when cities took the traditional public comment approach towards addressing community complaints.

**Response:** The City disagrees wholly with this finding, but only because the City has no direct experience with group homes or levels of community satisfaction in other cities.

**F5.** Cities are not utilizing police, fire, and code enforcement complaints as a means of locating and tracking Group Homes.

**Response:** The City disagrees wholly with this finding, but only because the City has no direct experience with group homes or locating and tracking systems used in other cities.

**F6.** Cities are inhibited from enacting and enforcing ordinances due to fears over the potential cost of litigation.

**Response:** The City agrees with this finding. While the City has no direct experience with

group homes, our understanding of the subject and experiences in other cities supports that enforcement can be subject to costly litigation.

**F7.** Several cities have created an ordinance that requires a ministerial permit or registration to operate a group home, however many of these cities do not enforce their ordinances.

**Response:** The City disagrees partially with this finding, but only because the City has no direct experience with group homes or enforcement practices in other cities. It is true that some cities have created ordinances that require ministerial permitting or registration to operate a group home.

**F8.** City and County officials are deterred from regulating group homes by California Housing and Community Development’s housing element approval process.

**Response:** The City disagrees wholly with this finding, but only because the City has no direct experience with group homes or how the California Department of Housing and Community Development’s housing element review process relates.

**F9.** Cities have historically strategized and acted independently in addressing group home challenges and solutions.

**Response:** The City agrees with this finding. While the City has no direct experience with group homes, our understanding of the subject and experiences in other cities supports that cities often strategize and act independently in addressing group home challenges and solutions.

**F10.** Well-operated group homes can integrate smoothly into neighborhoods.

**Response:** The City agrees with this finding. While the City has no direct experience with group homes, it is likely that well-operated group homes can integrate smoothly into neighborhoods.

**F11.** There is a lack of regulatory oversight for the health and safety of residents of unlicensed group homes.

**Response:** The City agrees with this finding. While the City has no direct experience with group homes, our understanding of the subject and experiences in other cities supports that there is an insufficient level of effective regulatory oversight for the health and safety of residents of unlicensed group homes.

## **RECOMMENDATIONS**

**R1.** Orange County cities and the County of Orange should address citizen concerns regarding group homes by providing an opportunity for an open dialog where an interdisciplinary panel of subject matter experts can share with attendees the challenges cities are facing in the management of group homes. To be implemented by July 1, 2024. (F3, F4)

**Response:** This recommendation will not be implemented because it is not warranted. No group homes are currently operating in Laguna Woods, the City is unaware of any previous group homes that operated in Laguna Woods, current private property ownership in the City is such that the establishment of group homes is unlikely, and the City has not received concerns from residents regarding group homes. That said, the City is open to participating in a countywide dialog regarding group home challenges as recommended.

**R2.** By December 31, 2024, Orange County cities and the County of Orange should collaborate in their efforts to create ordinances for the regulation of group homes, including the development of model ordinances. (F6, F7, F9)

**Response:** This recommendation will not be implemented because it is not warranted. No group homes are currently operating in Laguna Woods, the City is unaware of any previous group homes that operated in Laguna Woods, current private property ownership in the City is such that the establishment of group homes is unlikely, and the City does not believe that there is a need for additional regulation within Laguna Woods at this time, although we acknowledges that such a need may exist in other cities. To that end, the City is open to collaborating with other jurisdictions to create ordinances for the regulation of group homes, including the development of model ordinances, as recommended.

**R3.** Orange County cities and the County of Orange should pool resources for defense of lawsuits challenging group home ordinances. To be implemented by July 1, 2024. (F6, F8, F9)

**Response:** This recommendation will not be implemented because it is not warranted. No group homes are currently operating in Laguna Woods, the City is unaware of any previous group homes that operated in Laguna Woods, current private property ownership in the City is such that the establishment of group homes is unlikely, and the City does not believe there is a need to spend City funds defending lawsuits challenging group home ordinances adopted and enforced by other Orange County cities or the County of Orange.

**R4.** The County of Orange and Orange County cities should create a Task Force that includes representatives from OC cities, unincorporated areas, and other entities as appropriate and charge it with the responsibility of developing a plan to generate awareness among State legislators and regulators of the need for improved regulations and management standards to ensure health and safety for Group Home residents. To be implemented by July 1, 2024. (F2, F10, F11)

**Response:** This recommendation will not be implemented because it is not reasonable. While the City is willing to participate in a Task Force as recommended, such an effort would require the participation of the County of Orange and other Orange County cities, which the City cannot guarantee. The City is, therefore, unable to commit to implementing this recommendation.

**R5.** Orange County cities and the County of Orange should modify code enforcement report data collection forms to include a searchable field that enables the identification of a residence operating as a group home. To be implemented by July 1, 2024. (F5, F7, F11)

**Response:** This recommendation has been implemented prior to the date of this Grand Jury report. The City’s code enforcement data collection forms currently used for other code enforcement purposes are searchable by address, which would enable the identification of a residence operating as a group home. There has not yet been a need for such searchability as no group homes are currently operating in Laguna Woods and the City is unaware of any previous group homes that operated in Laguna Woods.

DRAFT

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**8.5**

**EL TORO ROAD MEDIANS IMPROVEMENT  
PROJECT (WESTBOUND EL TORO ROAD  
BETWEEN MOULTON PARKWAY TO CALLE  
SONORA)**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** August 16, 2023 Regular Meeting

**SUBJECT:** El Toro Road Medians Improvement Project (Westbound El Toro Road between Moulton Parkway to Calle Sonora)

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### **Recommendation**

Approve a conceptual design, tree palette, and plant palette, for the El Toro Road Medians Improvement Project (Westbound El Toro Road between Moulton Parkway to Calle Sonora), and authorize staff to proceed with preparing final design documents.

### **Background**

The El Toro Road Medians Improvement Project (Westbound El Toro Road between Moulton Parkway to Calle Sonora) is included in the Fiscal Years 2023-34 Capital Improvement Program. The project involves planting additional trees and refreshing the landscaping on both medians on El Toro Road between Moulton Parkway and Calle Sonora. As a precursor to preparing final design documents, the Capital Improvement Program calls for the City Council to approve a conceptual design, tree palette, and plant palette.

Photographs of the existing medians on El Toro Road between Moulton Parkway and Calle Sonora are included as Attachment A.

### **Discussion**

Today's meeting is an opportunity for City Council discussion and direction, as well as public input, on the El Toro Road Medians Improvement Project

(Westbound El Toro Road between Moulton Parkway to Calle Sonora). Staff is seeking direction regarding the proposed conceptual design, tree palette, and plant palette (Attachment B) prior to proceeding with the preparation of final design documents.

The proposed conceptual design, tree palette, and plant palette includes:

- Landscaping intended to be visually consistent with the medians on Moulton Parkway between Via Campo Verde and Calle Aragon. The tree and plant palette is the same as those Moulton Parkway medians with the exception of one new added tree species – the Carrotwood (*Cupaniopsis anacardioides*). The Carrotwood is proposed as it is fast growing, evergreen, and reaches a height up to 40’ for variation in height amongst the existing Eastern Redbuds (up to 30’), Australian Willows (up to 35’), and Tulip Trees (up to 80’).
- A net gain of three trees, including five new Carrotwoods and the removal of two Tulip Trees. The landscape architect has advised that the Tulip Trees recommended for removal are in a state of distress.

### **Fiscal Impact**

The Fiscal Year 2023-25 Budget includes \$27,370 to fund the design of the El Toro Road Medians Improvement Project (Westbound El Toro Road between Moulton Parkway to Calle Sonora). The one-time cost of constructing this project is not yet known. A construction budget will be considered after design documents are completed.

Report Prepared With: April Baumgarten, Public Works Administrator

Attachments: A – Project Location and Photographs of Existing Medians  
B – Conceptual Design, Tree Palette, and Plant Palette

**Project Location and Photographs of Existing Medians**



*Approximate project location is outlined in red*

*Existing El Toro Road median between Calle Sonora and the Home Depot Center/Town Centre signalized intersection*

*Photograph taken on August 8, 2023*



*Existing El Toro Road median between the Home Depot Center/Town Centre signalized intersection and Moulton Parkway*

*Photograph taken on August 8, 2023*



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## **ITEM 8.5**

### **Attachment B**

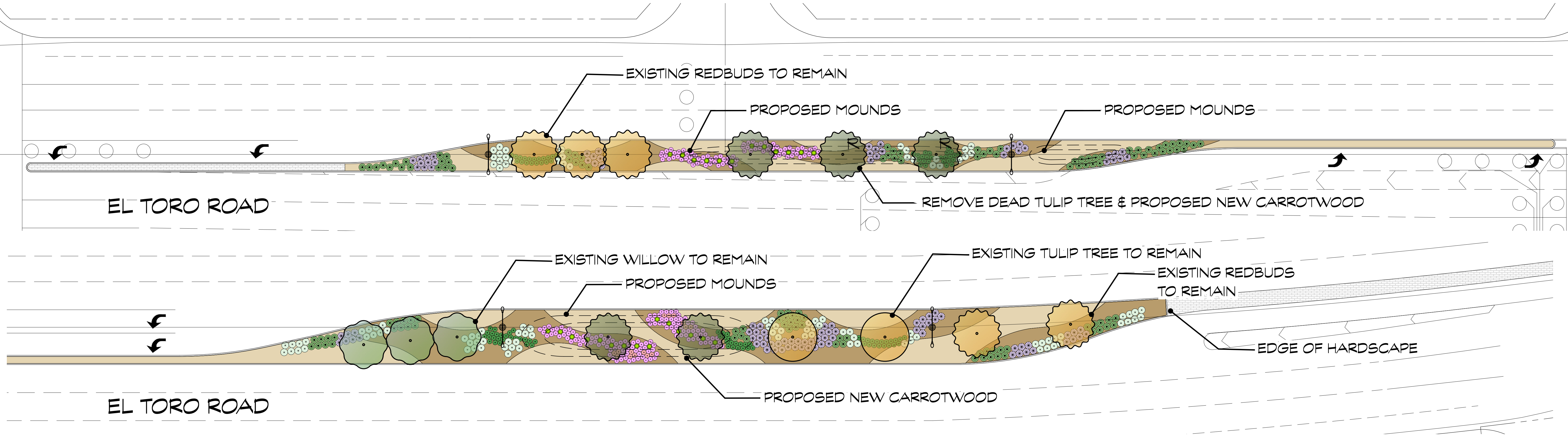
Conceptual Planting Plan

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CALLE SONORA

TOWN CENTER

TOWN CENTER



Willow Edge of Existing Moulton Parkway Planting

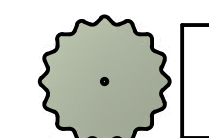

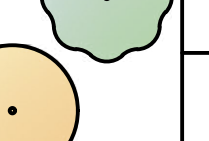
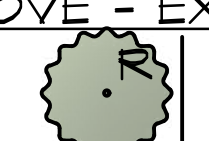



Tulip Tree Median of Existing Moulton Parkway Planting


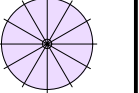


Redbud Median of Existing Moulton Parkway Planting



TREE LEGEND

	BOTANICAL NAME COMMON NAME	SIZE	QTY.
	T-1 CUPANIOPSIS ANACARDIOIDES - CARROTWOOD	-	5
<b>PROTECT IN PLACE - EXISTING TREES</b>			
	E-1 CERCIS CANADENSIS - EASTERN REDBUD	-	3
	E-2 GEIJERA PARVIFLORA - AUSTRALIAN WILLOW	-	5
	E-3 LIRIODENDRON TULIPIFERA - TULIP TREE	-	2
<b>REMOVE - EXISTING TREES</b>			
	R-1 LIRIODENDRON TULIPIFERA - TULIP TREE AND REPLACE WITH CARROTWOOD	-	2

SHRUB LEGEND

	BOTANICAL NAME COMMON NAME	SIZE	QTY.
	HT-1 AGAVE ATTENUATA - FOXTAIL AGAVE	5 GAL	121
	HT-2 AGAVE DESMETTIANA - SMOOTH AGAVE	5 GAL	27
	HT-3 ALOE STRIATA - CORAL ALOE	5 GAL	15
	HT-4 LANTANA MONTEVIDENSIS - TRAILING LANTANA	5 GAL	210
	HT-5 MUHLENBERGIA RIGENS - DEERGRASS	5 GAL	82
	HT-6 SALVIA LEUCANTHA - MEXICAN BUSH SAGE	5 GAL	103
	HT-7 ROSMARINUS OFFICINALIS - ROSEMARY	5 GAL	104

MULCH LEGEND

	ITEM NAME	SQ FT
	M-1 3" LAYER TAN MULCH	6,538 SQ FT
	M-2 3" LAYER BROWN MULCH	6,719 SQ FT

TREE LEGEND

	BOTANICAL NAME COMMON NAME	SIZE	QTY.
T-1	CUPANIOPSIS ANACARDIODES - CARROTWOOD	-	5
<b>PROTECT IN PLACE - EXISTING TREES</b>			
E-1	CERCIS CANADENSIS - EASTERN REDBUD	-	3
E-2	GEIJERA PARVIFLORA - AUSTRALIAN WILLOW	-	5
E-3	LIRIODENDRON TULIPIFERA - TULIP TREE	-	2
<b>REMOVE - EXISTING TREES</b>			
R-1	LIRIODENDRON TULIPIFERA - TULIP TREE AND REPLACE WITH CARROTWOOD	-	2

PROPOSED TREES

PROTECT IN PLACE TREES

CARROTWOOD

Cupaniopsis anacardioides



30' - 40' Height  
25' - 30' Wide  
60" Box Tree - 16' H x 10' W  
Moderate Water Use  
Fast Growth Rate  
Evergreen Tree

EASTERN REDBUD

Cercis canadensis



25' - 30' Height  
25' - 30' Wide  
60" Box Tree - 16' H x 10' W  
Moderate Water Use  
Fast Growth Rate  
Deciduous Tree

AUSTRALIAN WILLOW

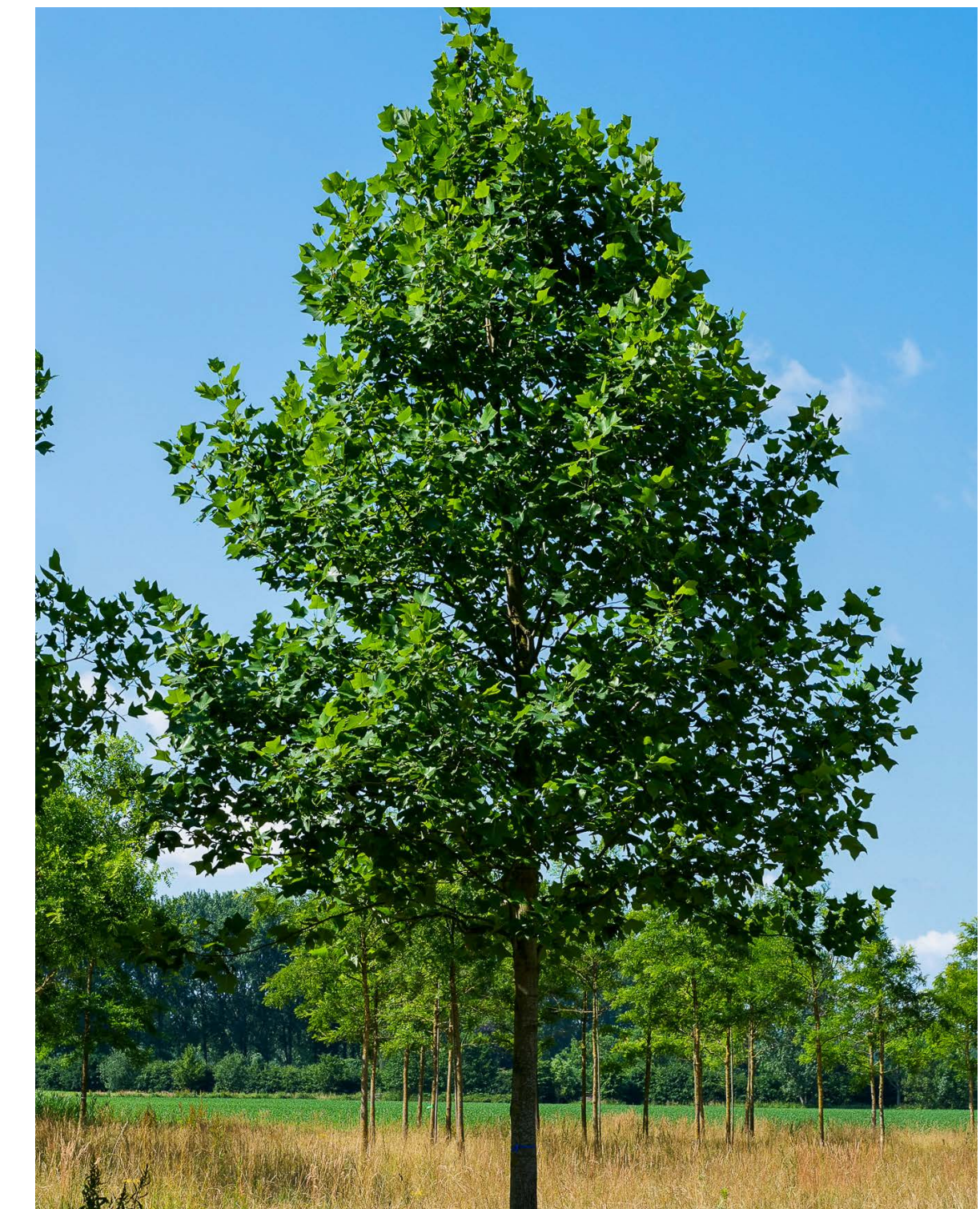
Geijera Parviflora



20' - 35' Height  
20' - 30' Wide  
60" Box Tree - 16' H x 10' W  
Low Water Use  
Fast Growth Rate  
Evergreen Tree

TULIP TREE

Liriodendron tulipifera



60' - 80' Height  
25' - 40' Wide  
60" Box Tree - 16' H x 10' W  
Moderate Water Use  
Fast Growth Rate  
Deciduous Tree

**8.6**

**EMPLOYEE COMPENSATION AND BENEFITS**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** August 16, 2023 Regular Meeting

**SUBJECT:** Employee Compensation and Benefits

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### **Recommendation**

Adopt a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 23-20, AND ESTABLISHING A COMPENSATION SCHEDULE AND BENEFITS FOR CITY EMPLOYEES

### **Background**

Employee compensation and benefit policies are established by the City Council with the City Manager responsible for the implementation thereof.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on proposed modifications to employee compensation and benefits related to (i) the monthly benefit allowance offered to full-time and part-time employees and (ii) the employee assistance program. The proposed resolution is included as Attachment A; a redline version of the proposed resolution is included as Attachment B.

- Monthly Benefit Allowance: The City currently offers a monthly benefit allowance of \$1,000 per month to full-time employees and \$800 per month to part-time employees which can be used for health insurance, dental

insurance, vision insurance, health flexible spending, dependent care flexible spending, and/or up to \$500 in taxable compensation (taxable compensation is only available to full-time employees hired prior to January 1, 2019, of which there are five). Any amount of the monthly benefit allowance that remains after each employee makes their annual elections is forfeited. The amounts of the monthly benefit allowances offered to full-time and part-time employees (the latter of which is based proportionally on the amount offered to full-time employees) have not changed since 2006 and 2020, respectively.

Health insurance premiums have been rising for several years. The City was recently notified that, for the 2024 calendar year, four of the 11 health plans available to staff will see individual employee premiums increase by 10% or more, resulting in new premiums ranging from a low of \$684.77 to a high of \$1,151.50 depending on the plan selected. Based on current employee elections and assuming employees remain with their current health plans in the 2024 calendar year, that means premiums for a majority of staff who obtain health insurance through the City will increase by at least 14.87%.

To offset the increase in health insurance premiums, staff recommends that the monthly benefit allowance be increased to \$1,200 per month for full-time employees and \$960 per month for part-time employees, effective January 1, 2024. January 1, 2024 is the beginning of the next calendar year employee benefits cycle.

- Employee Assistance Program (“EAP”). The City currently enrolls full-time and part-time employees in an EAP that provides voluntary, confidential assistance to employees in working through various life challenges that may adversely affect job performance, health, and personal well-being in order to optimize the City’s success. Enrollment costs are currently paid by full-time and part-time employees as a mandatory deduction from each employee’s monthly benefit allowance. The cost of such enrollment is currently \$1.74 per month, per employee (\$20.88 per year). The City’s existing agreement with Health and Human Resource Center, Inc. (dba Aetna Resources for Living) holds that cost constant through December 31, 2026.

As EAPs provide valuable benefits to the City as an employer (a list of benefits articulated by the U.S. Office of Personnel Management regarding the federal government’s EAPs appears on the next page), staff recommends extending the EAP to limited part-time employees, in addition to full-time



and part-time employees, and paying enrollment costs on behalf of all employees, effective January 1, 2024. There are currently four limited part-time employees (receptionists) who are not covered by the EAP.

***U.S. Office of Personnel Management’s Business Case for EAPs<sup>1</sup>***

[The U.S. Office of Personnel Management] recommends [federal] agencies place a special emphasis on the EAP and the valuable role it plays by helping employees addressing issues that affect them at work, home, and in their communities. EAPs can reap benefits for agencies, employees, families, and communities by:

- Improving productivity and employee engagement;
- Improving employees’ and dependents’ abilities to successfully respond to challenges;
- Developing employee and manager competencies in managing workplace stress;
- Reducing workplace absenteeism and unplanned absences;
- Supporting employees and managers during workforce restructuring, reduction-in-forces, or other workforce change events;
- Reducing workplace accidents;
- Reducing the likelihood of workplace violence or other safety risks;
- Supporting disaster and emergency preparedness;
- Managing the effect of disruptive incidents, such as workplace, injury, or other crises;
- Facilitating safe, timely, and effective return-to-work for employees short-term and extended absences;
- Reducing healthcare costs associated with stress, depression, and other mental health issues; and
- Reducing employee turnover and related replacement costs.

**Fiscal Impact**

Increasing the monthly benefit allowance to \$1,200 per month for full-time employees and \$960 per month for part-time employees would result in new costs to the City of up to \$2,400 per year per full-time employee and up to \$1,920 per

<sup>1</sup> “Federal Employee Assistance Programs.” *U.S. Office of Personnel Management*, [www.opm.gov/policy-data-oversight/worklife/employee-assistance-programs/](http://www.opm.gov/policy-data-oversight/worklife/employee-assistance-programs/). Accessed 7 Aug. 2023.

year, per part-time employee. The City currently has nine authorized full-time employees (one of which is filled as a part-time employee), which would result in a new cost to the City of up to \$21,120 per year beginning on January 1, 2024.

Extending the EAP to limited part-time employees and paying enrollment costs on behalf of all employees would result in new costs to the City of \$20.88 per year, per employee. The City currently has 13 authorized employee positions (nine full-time, one of which is filled part-time; and four limited part-time), which would result in a new cost to the City of \$271.44 per year beginning on January 1, 2024.

The combined annual estimated cost of all proposed modifications is \$21,391.44 beginning on January 1, 2024.

The Fiscal Years 2023-25 Budget & Work Plan includes sufficient funds to support the proposed employee compensation and benefits without amendment.

Attachments: A – Proposed Resolution (clean)  
B – Proposed Resolution (redline)

**RESOLUTION NO. 23-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 23-20, AND ESTABLISHING A COMPENSATION SCHEDULE AND BENEFITS FOR CITY EMPLOYEES

THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

**SECTION 1.** Effective January 1, 2024, Resolution No. 23-20 is hereby repealed and replaced by this resolution.

**SECTION 2.** The compensation schedule for City employees is established as follows:

Exempt Full-Time Employees (Annual Equivalent)

City Manager	\$200,303.98
Administrative Services Director/ City Treasurer	\$117,919 – \$165,087
City Clerk	\$80,690 – \$112,966
Conservation Administrator	\$80,690 – \$112,966
Development Administrator	\$80,690 – \$112,966
Public Works Administrator	\$80,690 – \$112,966
Senior Management Analyst	\$80,690 – \$112,966
Management Analyst	\$69,263 – \$96,969
Deputy City Clerk	\$59,746 – \$83,644

Non-Exempt Full-Time Employees (Hourly Rate)

Senior Accountant	\$35.50 – \$49.70
Accountant	\$32.78 – \$45.89
Accounting Clerk	\$21.51 – \$30.11

Non-Exempt Part-Time/Limited Part-Time Employees (Hourly Rate)

Receptionist	\$17.00 – \$23.80
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The City Manager is authorized to hire, promote, and compensate employees within established compensation ranges, to offer benefits, to fill any full-time position as a part-time or limited part-time position, and to hire employees for time-limited periods, consistent with City Council-adopted budgets and this resolution.

**SECTION 3.** All employees who work 40 or more hours per week on a regularly assigned basis shall be considered “full-time employees” for the purpose of this resolution. Full-time employees shall receive the following benefits:

- A. Paid Holidays: The City shall observe the following holidays with full-time employees receiving eight hours of compensation for each weekday on which a holiday is observed: Martin Luther King Jr. Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving, Friday after Thanksgiving, and Winter Holiday (December 24 through January 1; when January 1 falls on a Sunday or Thursday, Winter Holiday shall be observed through January 2). Except for Winter Holiday, which is observed on specified dates, when a holiday falls on a Saturday, it shall be observed the on prior Friday; when a holiday falls on a Sunday, it shall be observed on the following Monday.
- B. Floating Holidays: The City shall provide each full-time employee with two floating holidays per calendar year, equivalent to 16 hours of pay credited the first pay period of each calendar year. Floating holidays are not accrued on a pro-rata basis throughout the calendar year. Full-time employees must be in paid status on regularly scheduled workdays before and after using floating holiday time. Floating holiday time shall be used in increments of eight hours.

Full-time employees may maintain a balance of no more than 16 hours of unused floating holiday time (Floating Holiday Accrual Limit) and shall not accrue additional floating holiday time when the Floating Holiday Accrual Limit has been reached. Upon separation from the City, full-time employees shall be compensated for the balance of their accrued floating holiday time.

- C. Retirement: All City employees, including full-time employees, are required to participate in the Social Security system. In addition, the City shall contract with the California Public Employees’ Retirement System (CalPERS) for

retirement benefits for all eligible full-time employees, unless excluded in the City’s agreement with CalPERS. Full-time employees considered “classic” by CalPERS shall pay the 7% employee contribution pursuant to the terms of Resolution No. 12-18. Full-time employees considered “new members” by CalPERS shall pay the employee contribution rate established by CalPERS, as may change from time to time.

- D. Retiree Medical: As required by, and in an amount established by California Government Code Section 22892, the City shall contribute toward CalPERS retiree health insurance for retiring full-time employees who meet the applicable statutory and CalPERS contract requirements to obtain CalPERS retiree medical benefits. Part-time service for employees who transition from part-time to full-time employment with the City may be used to meet applicable statutory and CalPERS contract requirements, with each 174 hours counting as one month.
- E. Monthly Benefit Allowance: The City shall provide each full-time employee with a monthly benefit allowance of \$1,200 per month. A portion of the allowance shall be allocated to pay for health insurance, as provided in this resolution. The remaining balance of the monthly benefit allowance may be allocated by the employee to elect benefits available through the City’s Internal Revenue Code Section 125 Flexible Benefits Plan, in accordance with applicable plan documents. Any amount of the monthly benefit allowance that remains after the allocations described above shall be forfeited. Full-time employees shall be required to make elections for the annual calendar year use of the entirety of monthly benefit allowances during an enrollment/election period established by the City Manager, as may change from time to time. Modifications of annual calendar year elections following any enrollment/election period shall be limited to qualifying events as set forth in applicable plan documents.
- F. Health Insurance: All employees shall be covered by basic health insurance that qualifies as Minimum Essential Coverage under California law. The City shall contract for health insurance through CalPERS; enrollment in a CalPERS health plan shall be mandatory for all full-time employees unless proof of coverage under a qualifying, alternate non-individual market basic health insurance plan is provided. The cost of enrollment in a CalPERS health plan shall be deducted first from each full-time employee’s monthly benefit allowance and then from salary (if necessary).

- G. Flexible Benefits Plan: The City shall contract for the provision of an Internal Revenue Code Section 125 Flexible Benefits Plan; enrollment in the plan shall be voluntary for all full-time employees. Full-time employees may contribute to the plan by electing to allocate a portion of their monthly benefit allowance and/or through a salary reduction at their sole expense.
- H. Deferred Compensation Plan: The City shall contract for the provision of an Internal Revenue Code Section 457 Deferred Compensation Plan; enrollment in the plan shall be voluntary for all full-time employees. Full-time employees may contribute to the plan through a salary reduction at their sole expense.
- I. Paid Time Off: Full-time employees shall accrue 160 hours per year of annual paid time off (leave), which may be used for doctors' appointments, personal and family sick time, bereavement leave, jury duty leave, vacation, and personal business. Hours earned are accrued on a pro-rata basis by pay period.

Full-time employees may maintain a balance of no more than 480 hours of paid time off (Leave Accrual Limit) and shall cease to accrue additional paid time off when the Leave Accrual Limit has been reached. When a full-time employee's balance of paid time off falls below the Leave Accrual Limit, accrual shall resume beginning with the first pay period following the pay period in which the balance of paid time off fell below the Leave Accrual Limit. Upon separation from the City, full-time employees shall be compensated for the balance of their accrued paid time off.

**SECTION 4.** All employees who are not full-time employees, but who work 20 or more hours per week on a regularly assigned basis, shall be considered "part-time employees" for the purpose of this resolution. Part-time employees shall receive the following benefits:

- A. Paid and Unpaid Holidays: The City shall observe the following holidays with part-time employees receiving eight hours of compensation for each weekday on which a holiday is observed: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving, and Friday after Thanksgiving. The City shall also observe the following unpaid holidays: Winter Holiday (December 24 through January 1; when January 1 falls on a Sunday or Thursday, Winter Holiday shall be observed through January 2). Except for Winter Holiday, which is observed on specified dates, when a holiday falls on a Saturday, it shall be observed on the prior Friday; when a holiday falls on a Sunday, it shall be

observed on the following Monday.

- B. Floating Holidays: The City shall provide each part-time employee with two floating holidays per calendar year, equivalent to 16 hours of pay credited the first pay period of each calendar year. Floating holidays are not accrued on a pro-rata basis throughout the calendar year. Part-time employees must be in paid status on regularly scheduled workdays before and after using floating holiday time. Floating holiday time shall be used in increments of eight hours and only between December 24 and 31.

Part-time employees may maintain a balance of no more than 16 hours of unused floating holiday time (Floating Holiday Accrual Limit) and shall not accrue additional floating holiday time when the Floating Holiday Accrual Limit has been reached. Upon separation from the City, part-time employees shall be compensated for the balance of their accrued floating holiday time.

- C. Retirement: All City employees, including part-time employees, are required to participate in the Social Security system. Part-time employees who work 1,000 hours or more in a fiscal year, shall be eligible for membership in CalPERS for retirement benefits, unless excluded in the City's agreement with CalPERS. Eligible part-time employees considered "classic" by CalPERS shall pay the 7% employee contribution pursuant to the terms of Resolution No. 12-18. Eligible part-time employees considered "new members" by CalPERS shall pay the employee contribution rate established by CalPERS, as may change from time to time.

- D. Retiree Medical: As required by, and in an amount established by California Government Code Section 22892, the City shall contribute toward CalPERS retiree health insurance for retiring full-time employees who meet the applicable statutory and CalPERS contract requirements to obtain CalPERS retiree medical benefits. Part-time service for employees who transition from part-time to full-time employment with the City may be used to meet applicable statutory and CalPERS contract requirements, with each 174 hours counting as one month.

- E. Monthly Benefit Allowance: The City shall provide part-time employees with a monthly benefit allowance of \$960 per month. A portion of the allowance shall be allocated to pay for health insurance, as provided in this resolution. The remaining balance of the monthly benefit allowance may be allocated by the employee to elect benefits available through the City's Internal Revenue

Code Section 125 Flexible Benefits Plan, in accordance with applicable plan documents. Any amount of the monthly benefit allowance that remains after the allocations described above shall be forfeited. Part-time employees shall be required to make elections for the annual calendar year use of the entirety of monthly benefit allowances during an enrollment/election period established by the City Manager, as may change from time to time. Modifications of annual calendar year elections following any enrollment/election period shall be limited to qualifying events as set forth in applicable plan documents.

- F. Health Insurance: All employees shall be covered by basic health insurance that qualifies as Minimum Essential Coverage under California law. The City shall contract for health insurance through CalPERS; enrollment in a CalPERS health plan shall be mandatory for all part-time employees unless proof of coverage under a qualifying, alternate non-individual market basic health insurance plan is provided. The cost of enrollment in a CalPERS health plan shall be deducted first from each part-time employee's monthly benefit allowance and then from salary (if necessary).
- G. Flexible Benefits Plan: The City shall contract for the provision of an Internal Revenue Code Section 125 Flexible Benefits Plan; enrollment in the plan shall be voluntary for all part-time employees. Part-time employees may contribute to the plan through a salary reduction at their sole expense and/or by electing to allocate a portion of their monthly benefit allowance, if provided.
- H. Deferred Compensation Plan: The City shall contract for the provision of an Internal Revenue Code Section 457 Deferred Compensation Plan; enrollment in the plan shall be voluntary for all part-time employees. Part-time employees may contribute to the plan through a salary reduction at their sole expense.
- J. Paid Time Off: Part-time employees shall accrue 160 hours per year of annual paid time off (leave), which shall be pro-rated based on the number of hours regularly worked less than 40 hours per week. Paid time off may be used for doctors' appointments, personal and family sick time, bereavement leave, jury duty leave, vacation, and personal business. Paid time off may also be used up to the number of hours regularly worked during unpaid holidays that fall on weekdays (less any floating holiday time used). Hours earned are accrued on a pro-rata basis by pay period.

Part-time employees may maintain a balance of no more than 300 hours of



paid time off (Leave Accrual Limit) and shall cease to accrue additional paid time off when the Leave Accrual Limit has been reached. When a part-time employee's balance of paid time off falls below the Leave Accrual Limit, accrual shall resume beginning with the first pay period following the pay period in which the balance of paid time off fell below the Leave Accrual Limit. Upon separation from the City, part-time employees shall be compensated for the balance of their accrued paid time off.

**SECTION 5.** All employees who work less than 20 hours per week on a regularly assigned basis shall be considered “limited part-time employees” for the purpose of this resolution. Limited part-time employees shall receive the following benefits:

- A. Retirement: All City employees, including limited part-time employees, are required to participate in the Social Security system.
- B. Deferred Compensation Plan: The City shall contract for the provision of an Internal Revenue Code Section 457 Deferred Compensation Plan; enrollment in the plan shall be voluntary for all limited part-time employees. Limited part-time employees may contribute to the plan through a salary reduction at their sole expense.
- C. Paid Time Off: After the first 30 calendar days of employment, and every January 1 thereafter, limited part-time employees shall accrue 24 hours of annual paid time off (leave), which may be used for personal illness, to care for a sick family member, for preventive care or diagnosis, care or treatment of an existing health condition, or for specified purposes if the limited part-time employee is a victim of domestic violence, sexual assault, or stalking. Paid time off shall not be used within the first 90 calendar days of employment for new limited part-time employees. There is no accrual or carryover of paid time off between or across calendar years. Upon termination from the City, limited part-time employees shall not be compensated for the balance of their paid time off. If a limited part-time employee separates from and is rehired by the City within one year, previously accrued and unused paid time off shall be reinstated.

**SECTION 6.** The City shall contract for an employee assistance program to provide voluntary, confidential assistance to employees in working through various life challenges that may adversely affect job performance, health, and personal well-being in order to optimize the City's success. All full-time, part-time, and limited

part-time employees shall be enrolled in the employee assistance program with the cost of enrollment paid by the City.

**SECTION 7.** The City Manager is authorized to offer technology allowances of up to \$79.50 per employee per month to employees who are regularly required to use their personal cellular telephones, personal computers, and/or other personal technology to conduct City business, with the exception of the City Manager. Such technology allowances shall be added to employee compensation and shall be paid in the first pay period of each month, subject to any applicable wage withholding or similar taxes. Employees must be in paid status on regularly scheduled workdays during the first pay period of each month in order to receive payment.

**SECTION 8.** The City Manager is authorized to offer notary public stipends of \$100 per employee per month to employees who regularly provide notary public and foreign pension acknowledgement services in the course of City business, with the exception of the City Manager. Such notary public stipends shall be added to employee compensation and shall be paid in the first pay period of each month, subject to any applicable wage withholding or similar taxes. Employees must be in paid status on regularly scheduled workdays during the first pay period of each month, and in possession of an active and valid notary public commission from the State of California as of the payroll processing date for the first pay period of each month, in order to receive payment. The City Manager is also authorized to incur and pay, on behalf of the City, costs related to the education and commission of employees who regularly provide notary public services in the course of City business, with the exception of the City Manager.

**SECTION 9.** The City Manager shall receive such other compensation and benefits as set forth in the employment agreement separately approved by the City Council on May 17, 2023.

**SECTION 10.** The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2023.

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CYNTHIA S. CONNERS, Mayor

ATTEST:

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS   )

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 23-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2023, by the following vote:

AYES:           COUNCILMEMBERS:  
NOES:           COUNCILMEMBERS:  
ABSTAIN:       COUNCILMEMBERS:  
ABSENT:        COUNCILMEMBERS:

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

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**RESOLUTION NO. 23-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 23-~~11~~20, AND ESTABLISHING A COMPENSATION SCHEDULE AND BENEFITS FOR CITY EMPLOYEES

THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

**SECTION 1.** Effective ~~July 1~~January 1, 2023~~2024~~, Resolution No. 23-~~11~~20 is hereby repealed and replaced by this resolution.

**SECTION 2.** The compensation schedule for City employees is established as follows:

Exempt Full-Time Employees (Annual Equivalent)

City Manager	\$200,303.98
Administrative Services Director/ City Treasurer	\$117,919 – \$165,087
City Clerk	\$80,690 – \$112,966
Conservation Administrator	\$80,690 – \$112,966
Development Administrator	\$80,690 – \$112,966
Public Works Administrator	\$80,690 – \$112,966
Senior Management Analyst	\$80,690 – \$112,966
Management Analyst	\$69,263 – \$96,969
Deputy City Clerk	\$59,746 – \$83,644

Non-Exempt Full-Time Employees (Hourly Rate)

Senior Accountant	\$35.50 – \$49.70
Accountant	\$32.78 – \$45.89
Accounting Clerk	\$21.51 – \$30.11

Non-Exempt Part-Time/Limited Part-Time Employees (Hourly Rate)

Receptionist

\$17.00 – \$23.80

The City Manager is authorized to hire, promote, and compensate employees within established compensation ranges, to offer benefits, to fill any full-time position as a part-time or limited part-time position, and to hire employees for time-limited periods, consistent with City Council-adopted budgets and this resolution.

**SECTION 3.** All employees who work 40 or more hours per week on a regularly assigned basis shall be considered “full-time employees” for the purpose of this resolution. Full-time employees shall receive the following benefits:

- A. Paid Holidays: The City shall observe the following holidays with full-time employees receiving eight hours of compensation for each weekday on which a holiday is observed: Martin Luther King Jr. Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving, Friday after Thanksgiving, and Winter Holiday (December 24 through January 1; when January 1 falls on a Sunday or Thursday, Winter Holiday shall be observed through January 2). Except for Winter Holiday, which is observed on specified dates, when a holiday falls on a Saturday, it shall be observed the on prior Friday; when a holiday falls on a Sunday, it shall be observed on the following Monday.
- B. Floating Holidays: The City shall provide each full-time employee with two floating holidays per calendar year, equivalent to 16 hours of pay credited the first pay period of each calendar year. Floating holidays are not accrued on a pro-rata basis throughout the calendar year. Full-time employees must be in paid status on regularly scheduled workdays before and after using floating holiday time. Floating holiday time shall be used in increments of eight hours.

Full-time employees may maintain a balance of no more than 16 hours of unused floating holiday time (Floating Holiday Accrual Limit) and shall not accrue additional floating holiday time when the Floating Holiday Accrual Limit has been reached. Upon separation from the City, full-time employees shall be compensated for the balance of their accrued floating holiday time.

- C. Retirement: All City employees, including full-time employees, are required to participate in the Social Security system. In addition, the City shall contract with the California Public Employees’ Retirement System (CalPERS) for

retirement benefits for all eligible full-time employees, unless excluded in the City’s agreement with CalPERS. Full-time employees considered “classic” by CalPERS shall pay the 7% employee contribution pursuant to the terms of Resolution No. 12-18. Full-time employees considered “new members” by CalPERS shall pay the employee contribution rate established by CalPERS, as may change from time to time.

D. Retiree Medical: As required by, and in an amount established by California Government Code Section 22892, the City shall contribute toward CalPERS retiree health insurance for retiring full-time employees who meet the applicable statutory and CalPERS contract requirements to obtain CalPERS retiree medical benefits. Part-time service for employees who transition from part-time to full-time employment with the City may be used to meet applicable statutory and CalPERS contract requirements, with each 174 hours counting as one month.

E. Monthly Benefit Allowance: The City shall provide each full-time employee with a monthly benefit allowance of \$~~1,000~~1,200 per month. A portion of the allowance shall be allocated to pay for ~~the employee assistance program and~~ health insurance, as provided in this resolution. The remaining balance of the monthly benefit allowance may be allocated by the employee to elect benefits available through the City’s Internal Revenue Code Section 125 Flexible Benefits Plan, in accordance with applicable plan documents. Any amount of the monthly benefit allowance that remains after the allocations described above shall be forfeited. Full-time employees shall be required to make elections for the annual calendar year use of the entirety of monthly benefit allowances during an enrollment/election period established by the City Manager, as may change from time to time. Modifications of annual calendar year elections following any enrollment/election period shall be limited to qualifying events as set forth in applicable plan documents.

~~F. Employee Assistance Program: The City shall contract for an employee assistance program; enrollment in the program shall be mandatory for all full-time employees. The cost of enrollment in the employee assistance program shall be deducted from each full-time employee’s monthly benefit allowance.~~

~~G.F.~~ Health Insurance: All employees shall be covered by basic health insurance that qualifies as Minimum Essential Coverage under California law. The City shall contract for health insurance through CalPERS; enrollment in a CalPERS health plan shall be mandatory for all full-time employees unless

proof of coverage under a qualifying, alternate non-individual market basic health insurance plan is provided. The cost of enrollment in a CalPERS health plan shall be deducted first from each full-time employee's monthly benefit allowance and then from salary (if necessary).

H.G. Flexible Benefits Plan: The City shall contract for the provision of an Internal Revenue Code Section 125 Flexible Benefits Plan; enrollment in the plan shall be voluntary for all full-time employees. Full-time employees may contribute to the plan by electing to allocate a portion of their monthly benefit allowance and/or through a salary reduction at their sole expense.

H.H. Deferred Compensation Plan: The City shall contract for the provision of an Internal Revenue Code Section 457 Deferred Compensation Plan; enrollment in the plan shall be voluntary for all full-time employees. Full-time employees may contribute to the plan through a salary reduction at their sole expense.

H.I. Paid Time Off: Full-time employees shall accrue 160 hours per year of annual paid time off (leave), which may be used for doctors' appointments, personal and family sick time, bereavement leave, jury duty leave, vacation, and personal business. Hours earned are accrued on a pro-rata basis by pay period.

Full-time employees may maintain a balance of no more than 480 hours of paid time off (Leave Accrual Limit) and shall cease to accrue additional paid time off when the Leave Accrual Limit has been reached. When a full-time employee's balance of paid time off falls below the Leave Accrual Limit, accrual shall resume beginning with the first pay period following the pay period in which the balance of paid time off fell below the Leave Accrual Limit. Upon separation from the City, full-time employees shall be compensated for the balance of their accrued paid time off.

**SECTION 4.** All employees who are not full-time employees, but who work 20 or more hours per week on a regularly assigned basis, shall be considered "part-time employees" for the purpose of this resolution. Part-time employees shall receive the following benefits:

A. Paid and Unpaid Holidays: The City shall observe the following holidays with part-time employees receiving eight hours of compensation for each weekday on which a holiday is observed: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans



Day, Thanksgiving, and Friday after Thanksgiving. The City shall also observe the following unpaid holidays: Winter Holiday (December 24 through January 1; when January 1 falls on a Sunday or Thursday, Winter Holiday shall be observed through January 2). Except for Winter Holiday, which is observed on specified dates, when a holiday falls on a Saturday, it shall be observed on the prior Friday; when a holiday falls on a Sunday, it shall be observed on the following Monday.

- B. Floating Holidays: The City shall provide each part-time employee with two floating holidays per calendar year, equivalent to 16 hours of pay credited the first pay period of each calendar year. Floating holidays are not accrued on a pro-rata basis throughout the calendar year. Part-time employees must be in paid status on regularly scheduled workdays before and after using floating holiday time. Floating holiday time shall be used in increments of eight hours and only between December 24 and 31.

Part-time employees may maintain a balance of no more than 16 hours of unused floating holiday time (Floating Holiday Accrual Limit) and shall not accrue additional floating holiday time when the Floating Holiday Accrual Limit has been reached. Upon separation from the City, part-time employees shall be compensated for the balance of their accrued floating holiday time.

- C. Retirement: All City employees, including part-time employees, are required to participate in the Social Security system. Part-time employees who work 1,000 hours or more in a fiscal year, shall be eligible for membership in CalPERS for retirement benefits, unless excluded in the City's agreement with CalPERS. Eligible part-time employees considered "classic" by CalPERS shall pay the 7% employee contribution pursuant to the terms of Resolution No. 12-18. Eligible part-time employees considered "new members" by CalPERS shall pay the employee contribution rate established by CalPERS, as may change from time to time.

- D. Retiree Medical: As required by, and in an amount established by California Government Code Section 22892, the City shall contribute toward CalPERS retiree health insurance for retiring full-time employees who meet the applicable statutory and CalPERS contract requirements to obtain CalPERS retiree medical benefits. Part-time service for employees who transition from part-time to full-time employment with the City may be used to meet applicable statutory and CalPERS contract requirements, with each 174 hours counting as one month.

E. Monthly Benefit Allowance: The City shall provide part-time employees with a monthly benefit allowance of \$~~800~~-~~960~~ per month. A portion of the allowance shall be allocated to pay for ~~the employee assistance program and~~ health insurance, as provided in this resolution. The remaining balance of the monthly benefit allowance may be allocated by the employee to elect benefits available through the City's Internal Revenue Code Section 125 Flexible Benefits Plan, in accordance with applicable plan documents. Any amount of the monthly benefit allowance that remains after the allocations described above shall be forfeited. Part-time employees ~~who are provided a monthly benefit allowance~~ shall be required to make elections for the annual calendar year use of the entirety of monthly benefit allowances during an enrollment/election period established by the City Manager, as may change from time to time. Modifications of annual calendar year elections following any enrollment/election period shall be limited to qualifying events as set forth in applicable plan documents.

~~F. Employee Assistance Program: The City shall contract for an employee assistance program; enrollment in the program shall be mandatory for all part-time employees. The cost of enrollment in the employee assistance program shall be deducted from each part-time employee's salary or monthly benefit allowance, if provided.~~

~~G.F. Health Insurance: All employees shall be covered by basic health insurance that qualifies as Minimum Essential Coverage under California law. The City shall contract for health insurance through CalPERS; enrollment in a CalPERS health plan shall be mandatory for all part-time employees unless proof of coverage under a qualifying, alternate non-individual market basic health insurance plan is provided. The cost of enrollment in a CalPERS health plan shall be deducted first from each part-time employee's monthly benefit allowance and then from salary (if necessary).~~

~~H.G. Flexible Benefits Plan: The City shall contract for the provision of an Internal Revenue Code Section 125 Flexible Benefits Plan; enrollment in the plan shall be voluntary for all part-time employees. Part-time employees may contribute to the plan through a salary reduction at their sole expense and/or by electing to allocate a portion of their monthly benefit allowance, if provided.~~

~~I.H. Deferred Compensation Plan: The City shall contract for the provision~~

of an Internal Revenue Code Section 457 Deferred Compensation Plan; enrollment in the plan shall be voluntary for all part-time employees. Part-time employees may contribute to the plan through a salary reduction at their sole expense.

- J. Paid Time Off: Part-time employees shall accrue 160 hours per year of annual paid time off (leave), which shall be pro-rated based on the number of hours regularly worked less than 40 hours per week. Paid time off may be used for doctors' appointments, personal and family sick time, bereavement leave, jury duty leave, vacation, and personal business. Paid time off may also be used up to the number of hours regularly worked during unpaid holidays that fall on weekdays (less any floating holiday time used). Hours earned are accrued on a pro-rata basis by pay period.

Part-time employees may maintain a balance of no more than 300 hours of paid time off (Leave Accrual Limit) and shall cease to accrue additional paid time off when the Leave Accrual Limit has been reached. When a part-time employee's balance of paid time off falls below the Leave Accrual Limit, accrual shall resume beginning with the first pay period following the pay period in which the balance of paid time off fell below the Leave Accrual Limit. Upon separation from the City, part-time employees shall be compensated for the balance of their accrued paid time off.

**SECTION 5.** All employees who work less than 20 hours per week on a regularly assigned basis shall be considered "limited part-time employees" for the purpose of this resolution. Limited part-time employees shall receive the following benefits:

- A. Retirement: All City employees, including limited part-time employees, are required to participate in the Social Security system.
- B. Deferred Compensation Plan: The City shall contract for the provision of an Internal Revenue Code Section 457 Deferred Compensation Plan; enrollment in the plan shall be voluntary for all limited part-time employees. Limited part-time employees may contribute to the plan through a salary reduction at their sole expense.
- C. Paid Time Off: After the first 30 calendar days of employment, and every January 1 thereafter, limited part-time employees shall accrue 24 hours of annual paid time off (leave), which may be used for personal illness, to care

for a sick family member, for preventive care or diagnosis, care or treatment of an existing health condition, or for specified purposes if the limited part-time employee is a victim of domestic violence, sexual assault, or stalking. Paid time off shall not be used within the first 90 calendar days of employment for new limited part-time employees. There is no accrual or carryover of paid time off between or across calendar years. Upon termination from the City, limited part-time employees shall not be compensated for the balance of their paid time off. If a limited part-time employee separates from and is rehired by the City within one year, previously accrued and unused paid time off shall be reinstated.

**SECTION 6.** The City shall contract for an employee assistance program to provide voluntary, confidential assistance to employees in working through various life challenges that may adversely affect job performance, health, and personal well-being in order to optimize the City’s success. All full-time, part-time, and limited part-time employees shall be enrolled in the employee assistance program with the cost of enrollment paid by the City.

**SECTION 67.** The City Manager is authorized to offer technology allowances of up to \$79.50 per employee per month to employees who are regularly required to use their personal cellular telephones, personal computers, and/or other personal technology to conduct City business, with the exception of the City Manager. Such technology allowances shall be added to employee compensation and shall be paid in the first pay period of each month, subject to any applicable wage withholding or similar taxes. Employees must be in paid status on regularly scheduled workdays during the first pay period of each month in order to receive payment.

**SECTION 78.** The City Manager is authorized to offer notary public stipends of \$100 per employee per month to employees who regularly provide notary public and foreign pension acknowledgement services in the course of City business, with the exception of the City Manager. Such notary public stipends shall be added to employee compensation and shall be paid in the first pay period of each month, subject to any applicable wage withholding or similar taxes. Employees must be in paid status on regularly scheduled workdays during the first pay period of each month, and in possession of an active and valid notary public commission from the State of California as of the payroll processing date for the first pay period of each month, in order to receive payment. The City Manager is also authorized to incur and pay, on behalf of the City, costs related to the education and commission of employees who regularly provide notary public services in the course of City

business, with the exception of the City Manager.

**SECTION 89.** The City Manager shall receive such other compensation and benefits as set forth in the employment agreement separately approved by the City Council on May 17, 2023.

**SECTION 910.** The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2023.

\_\_\_\_\_  
CYNTHIA S. CONNERS, Mayor

ATTEST:

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS   )

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 23-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2023, by the following vote:

AYES:           COUNCILMEMBERS:  
NOES:           COUNCILMEMBERS:  
ABSTAIN:       COUNCILMEMBERS:  
ABSENT:        COUNCILMEMBERS:

YOLIE TRIPPY, CMC, City Clerk

REDLINE