



## CITY of LAGUNA NIGUEL

Community Development Department  
30111 Crown Valley Parkway / Laguna Niguel, California, 92677  
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## CITY COUNCIL

Mayor Fred Minagar  
Mayor Pro Tem Elaine Gennaway  
Council Member Kelly Jennings  
Council Member Sandy Rains  
Council Member Risch Paul Sharma

October 21, 2021

Megan Kirkeby, Deputy Director  
Division of Housing Policy Development  
Department of Housing and Community Development  
2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833

### **RE: City of Laguna Niguel Adopted 6<sup>th</sup> Cycle Housing Element Submittal**

Dear Ms. Kirkeby:

Enclosed for your review is the City of Laguna Niguel's adopted Housing Element for the 6<sup>th</sup> planning cycle. The element has been revised to address your comments of August 20, 2021 and was adopted by the City Council at a public hearing on October 19, 2021.

The adopted Housing Element and City Council Resolution are being submitted by email to [HousingElements@hcd.ca.gov](mailto:HousingElements@hcd.ca.gov) and in hard copy.

An electronic copy of the sites inventory has also been emailed to [SitesInventory@hcd.ca.gov](mailto:SitesInventory@hcd.ca.gov)

If you have any questions please contact Senior Planner Erich List at [elist@cityoflagunaniguel.org](mailto:elist@cityoflagunaniguel.org) at 949-362-4322, or our consultant John Douglas at [John@JHDPlanning.net](mailto:John@JHDPlanning.net) or 714-803-2860.

Sincerely,

Jonathan Orduna  
Community Development Director

Enclosures: Adopted Laguna Niguel 2021-2029 Housing Element  
City Council Resolution

**RESOLUTION NO. 2021-1372**

**A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF LAGUNA NIGUEL, CALIFORNIA,  
APPROVING GENERAL PLAN AMENDMENT GPA 21-01  
(2021-2029 GENERAL PLAN HOUSING ELEMENT UPDATE)**

**WHEREAS**, The City of Laguna Niguel is proposing a comprehensive update to the Laguna Niguel General Plan Housing Element, as required by State law, for the 2021-2029 planning period.

**WHEREAS**, As provided in Government Code Sections 65352-65352.5, the City mailed a public notice on May 6, 2021 to all California Native American tribes provided by the Native American Heritage Commission and other entities listed and no California Native American tribe requested consultation.

**WHEREAS**, California Government Code Section 65583 requires that the Housing Element Update contain: (i) an assessment of the City's housing needs and an analysis of the resources and constraints, both governmental and non - governmental, relevant to the meeting of these needs; (ii) an inventory of land suitable and available for residential development and an analysis of the development potential of such sites; (iii) a statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing; and (iv) programs that set forth a schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element Update.

**WHEREAS**, The City's share of the regional housing need was established at 1,207 units in the Regional Housing Needs Assessment Plan prepared and adopted by the Southern California Association of Governments (SCAG) on March 4, 2021. The allocation establishes the number of new units needed, by income category, to accommodate expected population growth and other existing needs over the 2021-2029 planning period of the Housing Element.

**WHEREAS**, State Planning and Zoning Law requires the Housing Element to identify adequate sites to accommodate the City's Regional Housing Needs Allocation (RHNA) for all income categories, and the Housing Element Update identifies sites that can accommodate housing exceeding the City's RHNA. Pursuant to Government Code Sec. 65583.2(g)(2), the City Council finds that substantial evidence demonstrates that existing uses on underutilized sites listed in Housing Element Table B-5 do not impede additional residential development and are likely to be discontinued during the planning period, as described in Housing Element Appendix B, incorporated herein by reference.

**WHEREAS**, The Housing Element Update was prepared in accordance with Government Code Sections 65580 through 65589.

**WHEREAS**, The Planning Commission is an advisory body to the City Council with regard to the approval of General Plan Amendments.

**WHEREAS**, The Planning Commission held a duly noticed public hearing on May 25, 2021 to receive public testimony on the Draft Housing Element Update.

**WHEREAS**, On June 22, 2021 the City submitted the Draft Housing Element Update to the State Department of Housing and Community Development (HCD) for review and comment, in accordance with State housing law (Government Code Section 65585).

**WHEREAS**, On August 20, 2021, HCD provided written correspondence indicating that the Draft Element Update addressed many statutory requirements; however, revisions would be necessary to comply with State Housing Element Law (Article 10.6 of the Government Code).

**WHEREAS**, Revisions to the Draft Housing Element subsequently were made in response to HCD's comments, and pursuant to Government Code Section 65585(f) the City Council has reviewed the findings of HCD and finds that the Draft Housing Element has been revised to address HCD's comments of August 20, 2021 as described in the Planning Commission staff report dated September 28, 2021, in compliance with State law.

**WHEREAS**, The Draft Housing Element, as revised, is attached as Exhibit 1 to this Resolution and incorporated herein by this reference as though set forth in full, and the revisions and responses to HCD's comments are summarized in Exhibit 2 and attached hereto and incorporated by this reference as though set forth in full.

**WHEREAS**, On September 28, 2021, the Planning Commission held a duly noticed public hearing on the proposed Housing Element Update and adopted Resolution No. 21-07, recommending that the City Council approve General Plan Amendment GPA 21-01, a comprehensive update to the City's General Plan Housing Element for the 2021-2029 planning period, as revised following receipt of HCD's comments. The Planning Commission has determined that General Plan Amendment GPA 21-01 is internally consistent with the goals, objectives, and policies of the Laguna Niguel General Plan, particularly the Land Use Element. The Housing Element Update identifies adequate sites to accommodate the Regional Housing Needs Assessment Plan on sites that have previously been identified for development.

**WHEREAS**, A public notice of the City Council hearing on October 19, 2021, to consider the proposed Housing Element Update, was timely published in the *Laguna Niguel News*, posted on the City's website, posted at City Hall, and sent to all parties who have demonstrated an interest in the project, describing the project, date, time, and location of the hearing.

**WHEREAS**, On October 19, 2021, the City Council conducted a public hearing on General Plan Amendment GPA 21-01 to receive and consider public testimony, at which time all interested persons had an opportunity to present testimony on General Plan Amendment GPA 21-01.

**WHEREAS**, Pursuant to the California Environmental Quality Act (CEQA), the City Council finds, in its independent judgment, and based upon substantial evidence in the record, including the City Council staff report and attached exhibits, the Planning Commission staff report and attached exhibits, staff presentations and testimony, and all comments submitted to the City, that this amendment to the Laguna Niguel General Plan is exempt from CEQA requirements per Section 15061 of the CEQA Guidelines (14 Cal. Code Regs. Section 15000, et seq.). Specifically, Section 15061(b)(3) states, in part, that a project is exempt from CEQA if “the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.”

- A. Section 15061(b)(3) consists of activities covered by the “common sense exemption” that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The 2021-2029 Housing Element would not result in any direct or indirect physical changes to the environment. The Housing Element Update is strictly a policy document and does not provide entitlements to any specific land use projects. The Housing Element Update does not make any changes to the Laguna Niguel General Plan land use map and would not modify any land use designations, allowed densities, or land use intensities established by the General Plan. As described in the Planning Commission staff report for the 2021-2029 Housing Element, the City’s sites designated by the Laguna Niguel General Plan to accommodate residential development have adequate capacity to accommodate the City’s RHNA.
  
- B. The 2021-2029 Housing Element contains goals, policies, and programs aimed at addressing Laguna Niguel’s housing development, preservation, and rehabilitation needs, including accommodating the City’s RHNA of 1,207 housing units by 2029, encouraging housing to serve lower income and special needs households, increasing access to affordable and special needs housing, and affirmatively furthering fair housing. The proposed project does not entitle, propose, or otherwise require the construction of new development or rehabilitation of existing development, but rather includes goals and policies to facilitate the development, preservation, and rehabilitation of housing consistent with existing and proposed uses identified in the Laguna Niguel General Plan and as mandated to be allowed under State law.

- C. Future housing development projects will be reviewed pursuant to CEQA as applicable. The goals, policies, and programs established by the 2021-2029 Housing Element would not change the rate or location of development and would not propose or approve any development projects. The Housing Element also includes goals, policies, and programs to reduce constraints to housing. These goals, policies, and program generally address land use designations that currently allow urban levels of development and would remove constraints to housing and implement housing types currently allowed and required to be permitted under State law. These revisions would not result in any changes to the intensities or densities of allowed uses beyond those allowed by the Laguna Niguel General Plan and those standards currently required by State law.
- D. The proposed 2021-2029 Housing Element was reviewed and it was determined that it would not have the potential to result in a significant adverse effect associated with any environmental issue area, including aesthetics, agricultural/forestry resources, air quality, biological resources, cultural resources, energy, geology/soils, greenhouse gases emissions, hazards and hazardous materials, hydrology/water quality, land use/planning, mineral resources, noise, population/housing, public services, recreation, transportation, tribal cultural resources, utilities/service systems, wildfire, cumulative impacts, or substantial adverse effects to human beings. Therefore, the Housing Element Update is exempt from the provisions of the CEQA as set forth in Section 15061(b)(3) of the State CEQA Guidelines.
- E. The City Council hereby directs staff to file a Notice of Exemption for the project, pursuant to the provisions of the State CEQA Guidelines, Sections 15061 and 15062. The records, documents, and other materials related to this matter are available at the City of Laguna Niguel Community Development Department, 30111 Crown Valley Parkway, Laguna Niguel, CA 92677.

**WHEREAS**, The City Council has determined that GPA 21-01 is internally consistent with the goals and objectives, and policies of the Laguna Niguel General Plan, particularly the Land Use Element. The Housing Element Update identifies the availability of adequate sites to accommodate the Regional Housing Needs Assessment on sites that have previously been identified for development, including the Gateway Specific Plan area, as consistent with the City's Land Use Element.

**NOW THEREFORE, BE IT RESOLVED**, by the City Council of the City of Laguna Niguel as follows:

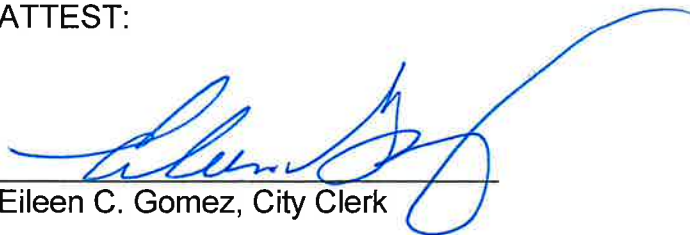
1. The City Council does hereby approve General Plan Amendment GPA 21-01, replacing the 2013-2021 General Plan Housing Element in its entirety, as shown in Exhibit 1 attached hereto; and,

2. The City Manager is to transmit the adopted Housing Element to the California Department of Housing and Community Development (HCD) for review, and to make any clerical or technical changes to the adopted Housing Element as may be required to obtain a finding of substantial compliance from HCD.

**PASSED, APPROVED, AND ADOPTED** this 19<sup>th</sup> day of October, 2021.

  
\_\_\_\_\_  
Fred Minagar, Mayor

ATTEST:

  
\_\_\_\_\_  
Eileen C. Gomez, City Clerk

Exhibits:

1. 2021-2029 General Plan Housing Element Update
2. Summary of HCD Comments and City Responses

# EXHIBIT 1

## General Plan Housing Element Update

### LIMITED DISTRIBUTION

Due to the size of this document, full copies have only been provided to the Planning Commission.

Copies are available upon request at:

City of Laguna Niguel  
Community Development Department  
30111 Crown Valley Parkway  
Laguna Niguel, CA 92677  
949.362.4360

Normal copying charges apply - Or available to download at no cost from [www.CityofLagunaNiguel.org](http://www.CityofLagunaNiguel.org)

**CITY OF  
LAGUNA NIGUEL**

**2021-2029  
Housing Element**

REVISED DRAFT

October 2021



General Plan for the City of Laguna Niguel

**Chapter 8 - HOUSING ELEMENT**

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## I. INTRODUCTION

### A. Purpose of the Housing Element

The Housing Element is a guide for housing within Laguna Niguel. The Element provides an indication of the need for housing in the community in terms of housing affordability, availability, adequacy, and accessibility. The Element provides a strategy to address housing needs and identifies a series of specific housing programs to meet community needs.

The Housing Element is an official municipal response to a growing awareness for the need to provide housing for all economic segments of the community, as well as a legal requirement for all California jurisdictions. It provides Laguna Niguel with the opportunity to plan for the existing and future housing needs in the community. This Element has been prepared in compliance with the 2021-2029 planning cycle for cities within the Southern California Association of Governments (SCAG) region. It identifies strategies and programs that focus on: 1) providing diverse housing sites and opportunities; 2) conserving and improving the existing affordable housing stock; 3) removing governmental and other constraints to housing development; and 4) promoting equal housing opportunities.

### B. Scope and Content of the Housing Element

The State Legislature recognizes the role of local general plans and particularly the Housing Element in implementing statewide housing goals to provide decent and adequate housing for all persons. Furthermore, the Legislature stresses continuing efforts toward providing affordable housing for all income groups. The State Department of Housing and Community Development (HCD) also sets forth specific requirements regarding the scope and content of housing elements prepared by cities and counties.

As mandated by state law, the planning period for this Housing Element extends from 2021 to 2029. The Housing Element consists of the following major components:

- An analysis of the City's demographic and housing characteristics and trends (Chapter II);
- An evaluation of land, financial, and administrative resources available to address the City's housing goals (Chapter III);
- A review of potential constraints, both governmental and non-governmental, to meeting the City's housing needs (Chapter IV); and
- A Housing Plan for the 2021-2029 planning period, including housing goals, policies and programs (Chapter V).
- A review of the City's accomplishments and progress in implementing the 2013-2021 Housing Element is provided in Appendix A.

### C. Public Participation

Section 65583(c)(5) of the *Government Code* states that "The local government shall make diligent effort to achieve public participation of all the economic segments of the community in the development of the housing element, and the program shall describe this effort." Public participation played an important role in the formulation and refinement of the City's housing goals and policies and in the development of a Land Use Plan that determines the extent and density of future residential development in the community.

City residents had several opportunities to recommend strategies, review, and comment on the Laguna Niguel Housing Element. In Spring 2021, public meetings to consider the draft Housing Element were held by the Planning Commission and City Council. Following review by the State Department of Housing and

Community Development (HCD), public hearings were conducted by the Planning Commission and City Council to review and consider adoption of the Housing Element. Meeting notices were posted on the City’s website, and notification was published in the local newspaper in advance of the meetings. Copies of the draft Element were made available for review at City Hall and were posted on the City website, and notices were sent directly to agencies that serve the City’s special needs populations. These service providers included organizations that represent the housing interest groups.

The following is a list of opportunities for public involvement in the preparation of this Housing Element update. A summary of materials and public comments from these meetings is included in Appendix C.

Planning Commission workshop	April 15, 2021
Planning Commission meeting	May 25, 2021
Planning Commission hearing	September 28, 2021
City Council hearing	October 19, 2021

#### **D. Consistency with Other Elements of the General Plan**

State law requires that all portions of the General Plan be internally consistent. The Laguna Niguel General Plan contains the following nine elements: 1) Land Use; 2) Open Space and Parks; 3) Circulation; 4) Public Facilities; 5) Noise; 6) Seismic/Public Safety; 7) Housing; 8) Growth Management; and 9) Community Service Standards. The City will ensure consistency between the various General Plan elements and ensure policy direction introduced in one element is reflected in other plan elements. For example, residential development capacities established in the Land Use Element and constraints to development identified in the Seismic/Public Safety Element are incorporated into the Housing Element and the discussion of infrastructure and public services in the Housing Element is based upon information from the Public Facilities element. This Housing Element builds upon the other General Plan elements and is consistent with the policies and proposals set forth by the Plan. As the General Plan is amended from time to time, the City will review the Housing Element for internal consistency, and make any necessary revisions.

*Government Code* §65589.7 (SB 1087 of 2005) requires cities to provide a copy of their Housing Elements to local water and sewer providers, and also requires that these agencies provide priority hookups for developments with lower-income housing. The Housing Element will be provided to these agencies immediately upon adoption.

*Government Code* §65302(g)(3) requires that the Safety Element be reviewed upon each revision of the Housing Element and, if necessary, be revised to include new information regarding flood hazard and management information.

## II. HOUSING NEEDS ASSESSMENT

Laguna Niguel is located in southern Orange County approximately midway between San Diego and Los Angeles. The City is a master-planned community that offers a range of lifestyle and housing opportunities. Much of Laguna Niguel’s growth took place prior to its incorporation in 1989. Since incorporation, the city has grown substantially from a population of approximately 44,400 to about 65,168 residents in 2021. Laguna Niguel is approximately 14.7 square miles in area and is bounded by Dana Point to the south, San Juan Capistrano to the east, Mission Viejo to the northeast, Laguna Hills to the north, Aliso Viejo to the northwest, and Laguna Beach to the west.

This chapter examines general population and household characteristics and trends, such as age, employment, household composition and size, household income, and special needs. Characteristics of the existing housing stock (e.g., number of units and type, tenure, age and condition, costs) are also addressed. Finally, the city’s projected housing needs based on the 2021-2029 Regional Housing Needs Assessment (RHNA) are examined.

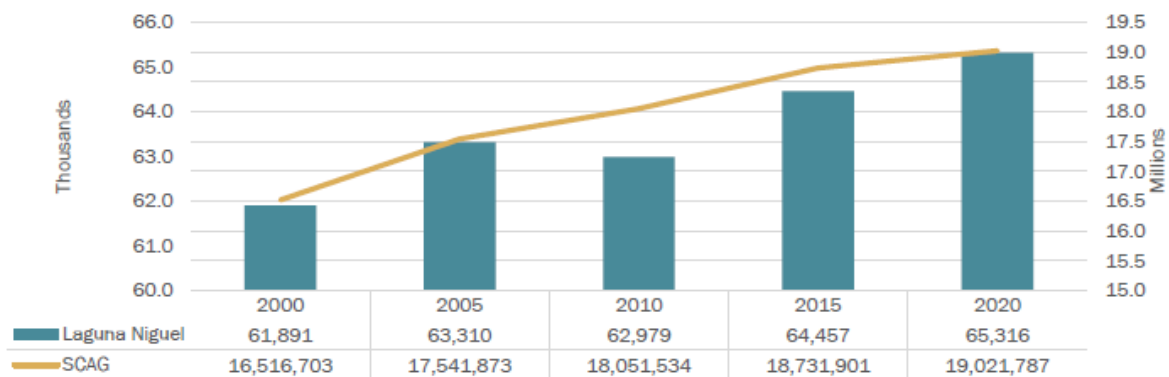
The Housing Needs Assessment utilizes recent data from the U.S. Census, California Department of Finance (DOF), California Employment Development Department (EDD), Southern California Association of Governments (SCAG) and other relevant sources. Supplemental data was obtained through field surveys and from private vendors. In addition, the City’s 2020-2024 Consolidated Plan provides useful information for this update of the Housing Element.

### A. Population Characteristics

#### 1. Population Growth Trends

Laguna Niguel was incorporated December 1, 1989 with a population of approximately 44,400. As of 2020 the city’s estimated total population is 65,316 according to the California Department of Finance. Over the 2000-2020 period Laguna Niguel had an annual growth rate of 0.3% compared to 0.7% for the entire SCAG region (see Table II-1).

**Table II-1  
Population Trends, 2000-2020 –  
Laguna Niguel vs. SCAG Region**

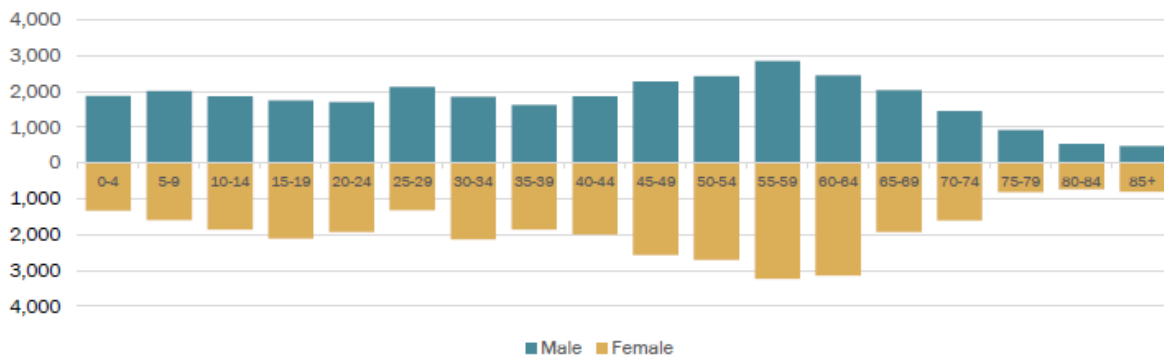


CA DOF E-5 Population and Housing Unit Estimates

## 2. Age

Housing needs are influenced by the age characteristics of the population. Different age groups require different accommodations based on lifestyle, family type, income level, and housing preference. Table II-2 shows recent Census estimates of the city’s age distribution by gender. This table shows that the population of Laguna Niguel is 48.8% male and 51.2% female. The share of the population of Laguna Niguel which is under 18 years of age is 20%, which is lower than the regional share of 23.4%. Laguna Niguel’s seniors (65 and above) make up 17.2% of the population, which is higher than the regional share of 13%.

**Table II-2  
Age Distribution –  
Laguna Niguel**



American Community Survey 2014-2018 5-year estimates

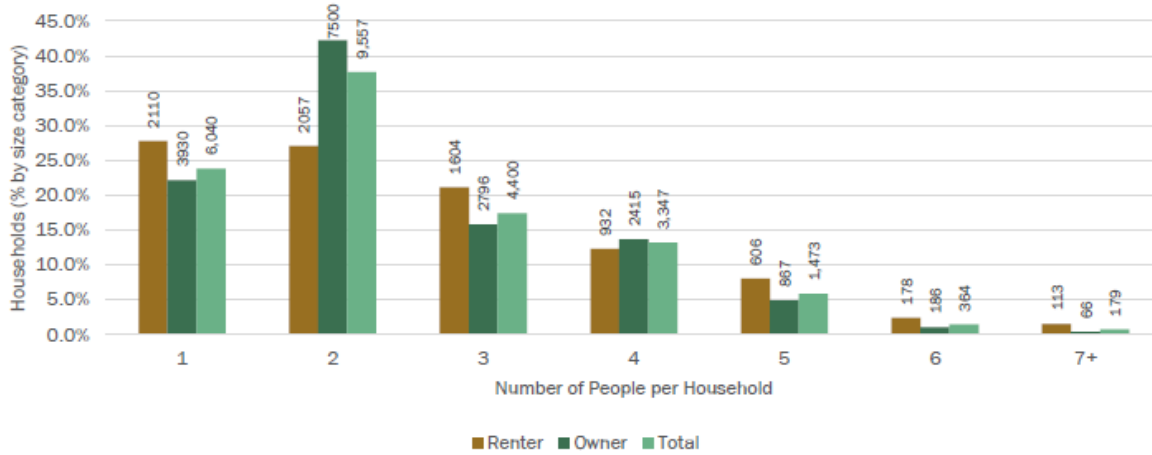
## B. Household Characteristics

### 1. Household Size

Household characteristics are important indicators of the type and size of housing needed in a city. The Census defines a “household” as all persons occupying a housing unit, which may include single persons living alone, families related through marriage or blood, or unrelated persons sharing a single unit. Persons in group quarters such as dormitories, retirement or convalescent homes, or other group living situations are included in population totals, but are not considered households.

Table II-3 shows recent Census estimates of household sizes in Laguna Niguel for owners, renters, and overall. The most commonly occurring household size is of two people (37.7%) and the second-most commonly occurring household is of one person (23.8%). Laguna Niguel has a higher share of single-person households than the SCAG region overall (23.8% vs. 23.4%) and a lower share of 7+ person households than the SCAG region overall (0.7% vs. 3.1%).

**Table II-3  
Household Size –  
Laguna Niguel**

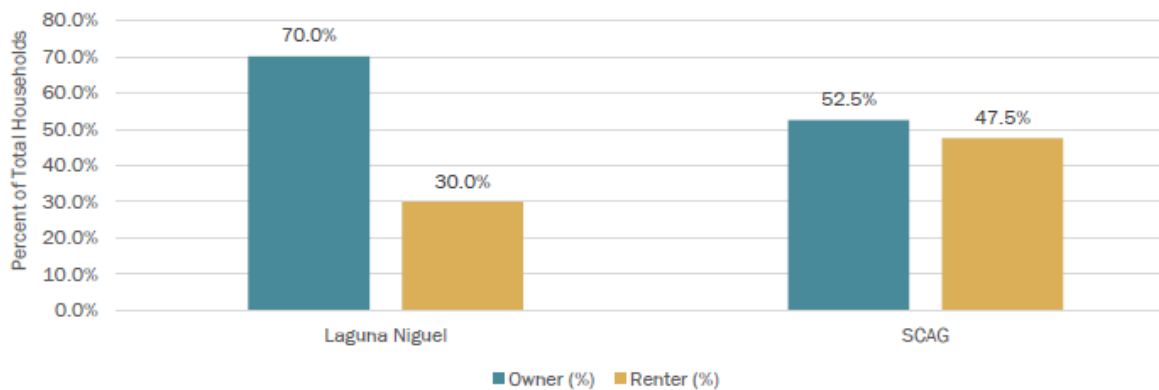


American Community Survey 2014-2018 5-year estimates.

## 2. Housing Tenure

Housing tenure (owner vs. renter) is an important indicator of the housing market. Communities need an adequate supply of units available both for rent and for sale in order to accommodate a range of households with varying income, family size and composition, and lifestyle. Table II-4 provides a comparison of owner-occupied and renter-occupied units in the city as compared to the region as a whole. Laguna Niguel's housing stock consists of 25,360 total units, 17,760 of which are owner-occupied and 7,600 of which are renter-occupied. The share of renters in Laguna Niguel is lower than in the SCAG region overall.

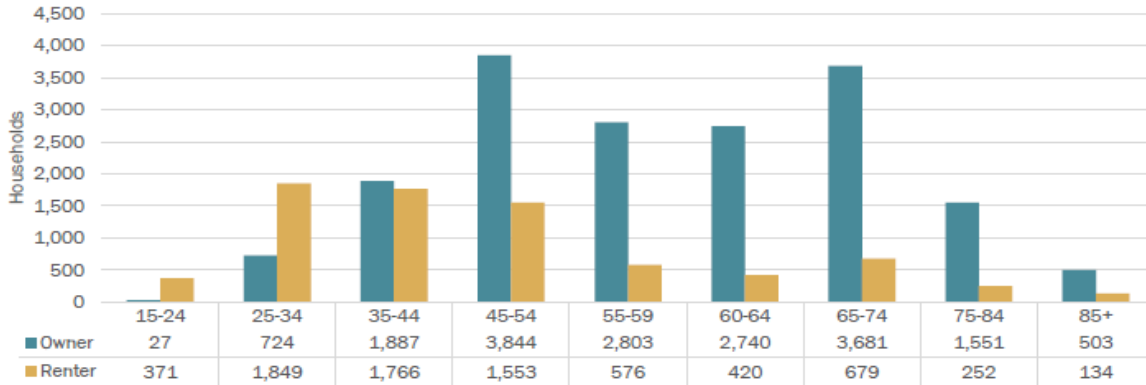
**Table II-4  
Household Tenure –  
Laguna Niguel vs. SCAG Region**



American Community Survey 2014-2018 5-year estimates.

Home ownership rates are closely related to age, with younger persons more likely to be renters (Table II-5).

**Table II-5  
Household Tenure by Age –  
Laguna Niguel**

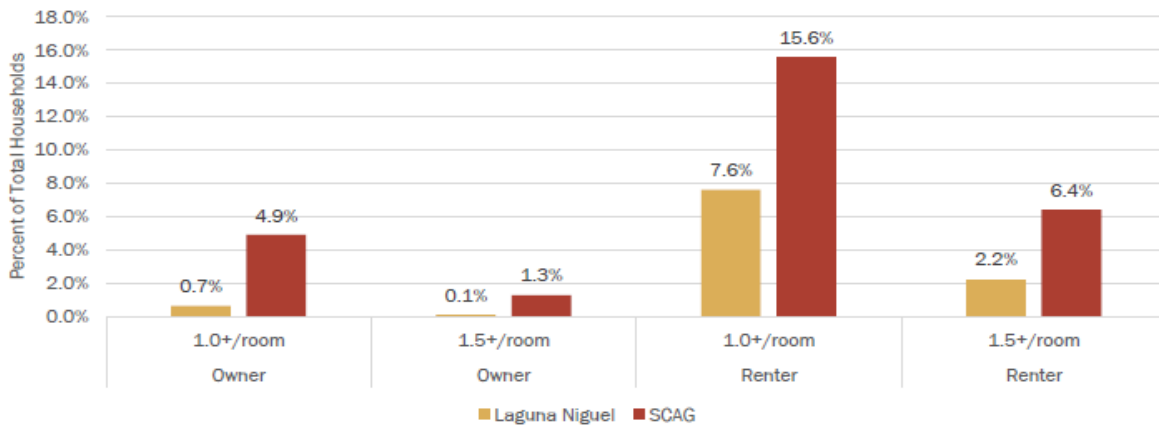


American Community Survey 2014-2018 5-year estimates.

### 3. Overcrowding

Overcrowding is often closely related to household income and the cost of housing. The U.S. Census Bureau considers a household to be overcrowded when there is more than one person per room, excluding bathrooms and kitchens, with severe overcrowding when there are more than 1.5 occupants per room. Table II-6 summarizes recent overcrowding data for renters and owners in the City of Laguna Niguel compared to the region as a whole.

**Table II-6  
Overcrowding by Tenure –  
Laguna Niguel vs. SCAG Region**



American Community Survey 2014-2018 5-year estimates.

This table shows that less than 1% of owner-occupied households were overcrowded but about 10% of renter-occupied households were overcrowded or severely overcrowded in Laguna Niguel.

### 4. Household Income and Overpayment

Household income is a primary factor affecting housing needs in a community. Recent Census estimates reported that about 3.7% of Laguna Niguel's households are experiencing poverty, compared to 7.9% of households in the SCAG region. Poverty thresholds, as defined by the ACS, vary by household type. In 2018, a single individual under 65 was considered in poverty with a money income below \$13,064/year while the threshold for a family consisting of 2 adults and 2 children was \$25,465/year. According to State housing policy, overpaying occurs when housing costs exceed 30% of gross household income. Table II-7 displays recent estimates for overpayment by household income level and tenure in Laguna Niguel. This table shows that the extremely-low-income and very-low-income households in Laguna Niguel had the highest rates of overpayment. Although homeowners enjoy income and property tax deductions and other benefits that help to compensate for high housing costs, lower-income homeowners may need to defer maintenance or repairs due to limited funds, which can lead to deterioration. For lower-income renters, severe cost burden can require families to double up, resulting in overcrowding and related problems.

**Table II-7  
Overpayment by Tenure and Income Category –  
Laguna Niguel**

Income by Cost Burden (Renters only)	Cost burden > 30%	Cost burden > 50%	Total
Household Income less-than or= 30% HAMFI	955	790	1,150
Household Income >30% to less-than or= 50% HAMFI	920	680	975
Household Income >50% to less-than or= 80% HAMFI	1,630	455	1,890
Household Income >80% to less-than or= 100% HAMFI	475	55	925
Household Income >100% HAMFI	250	35	2,445
<b>Total</b>	<b>4,230</b>	<b>2,015</b>	<b>7,390</b>
Income by Cost Burden (Owners only)	Cost burden > 30%	Cost burden > 50%	Total
Household Income less-than or= 30% HAMFI	1,205	1,060	1,475
Household Income >30% to less-than or= 50% HAMFI	945	695	1,305
Household Income >50% to less-than or= 80% HAMFI	1,150	605	1,960
Household Income >80% to less-than or= 100% HAMFI	515	180	1,145
Household Income >100% HAMFI	1,970	215	11,805
<b>Total</b>	<b>5,785</b>	<b>2,755</b>	<b>17,685</b>

#### Extremely-Low-Income Households

State law requires quantification and analysis of the housing needs of extremely-low-income (ELI) households, which is defined as less than 30% of area median income. According to recent HUD estimates about 2,475 Laguna Niguel households are within the extremely-low-income category. ELI households have a variety of housing problems including overpayment and overcrowding. Renters are about twice as likely to have extremely low incomes than homeowners.

The resources and programs to address this need are generally the same as for other lower-income categories and are discussed throughout the Housing Element, including Chapter V, the Housing Plan. Because the needs of ELI households overlap extensively with other special needs groups, further analysis and resources for these households can be found in Section IV.A.1.d, Zoning for Affordable Housing and Special Needs Housing, page 33.

**Table II-8  
Extremely-Low-Income Households by Race and Tenure –  
Laguna Niguel**

	Total Households	Households below 30% HAMFI	Share below 30% HAMFI
White, non-Hispanic	18,280	1,785	9.8%
Black, non-Hispanic	395	30	7.6%
Asian and other, non-Hispanic	2,960	360	12.2%
Hispanic	3,210	310	9.7%
<b>TOTAL</b>	<b>24,845</b>	<b>2,485</b>	<b>10.0%</b>
Renter-occupied	7,445	1,135	15.2%
Owner-occupied	17,405	1,340	7.7%
<b>TOTAL</b>	<b>24,850</b>	<b>2,475</b>	<b>10.0%</b>

HUD CHAS, 2012-2016. HAMFI refers to Housing Urban Development Area Median Family Income.

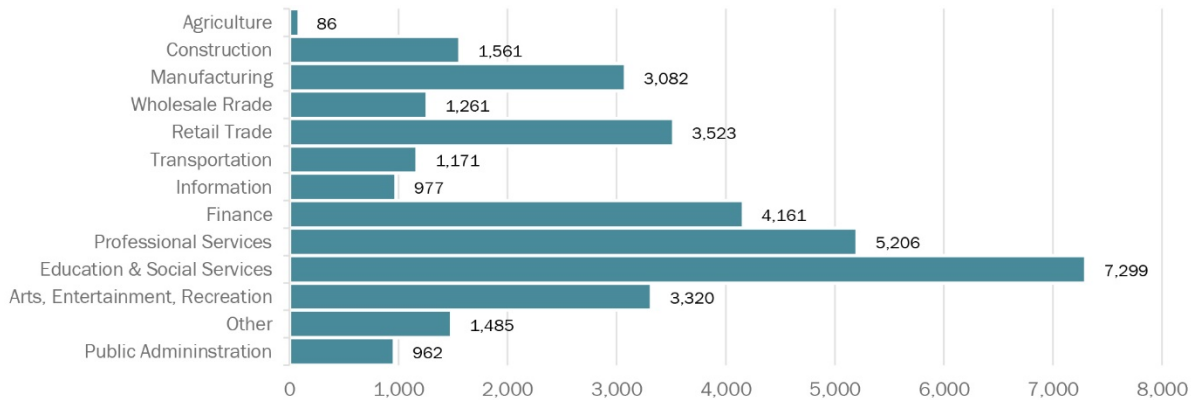
### C. Employment

Employment is an important factor affecting housing needs within a community. The jobs available in each employment sector and the wages for these jobs affect the type and size of housing residents can afford.

#### 1. Current Employment

Current employment and projected job growth have a significant influence on housing needs during this planning period. Recent Census estimates (Table II-9) reported that the city had 34,094 workers living within its borders who work across 13 major industrial sectors. The most prevalent industry is Education & Social Services with 7,299 employees (21.4% of total) and the second most prevalent industry is Professional Services with 5,206 employees (15.3% of total).

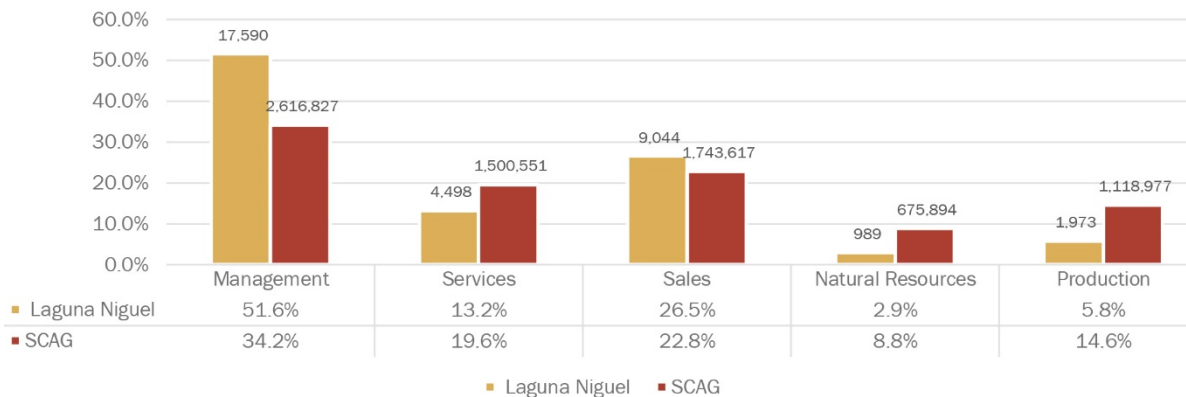
**Table II-9  
Employment by Industry –  
Laguna Niguel**



American Community Survey 2014-2018 5-year estimates using groupings of 2-digit NAICS codes.

As seen in Table II-10, the most prevalent occupational category in Laguna Niguel is Management, in which 17,590 (51.6% of total) employees work. The second-most prevalent type of work is in Sales, which employs 9,044 (26.5% of total) in Laguna Niguel.

**Table II-10  
Employment by Occupation –  
Laguna Niguel**



American Community Survey 2014-2018 5-year estimates using groupings of SOC codes.

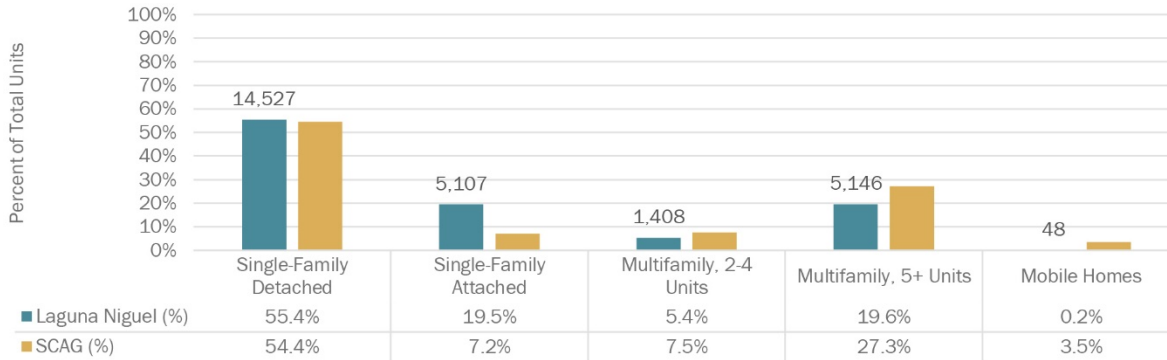
## D. Housing Stock Characteristics

This section presents an evaluation of the characteristics of the community’s housing stock and helps in identifying and prioritizing needs. The factors evaluated include the number and type of housing units, age and condition, tenure, vacancy, housing costs, affordability, and assisted affordable units at-risk of loss due to conversion to market-rate. A housing unit is defined as a house, apartment, mobile home, or group of rooms, occupied as separate living quarters, or if vacant, intended for occupancy as separate living quarters.

### 1. Housing Type and Vacancy

According to the California Department of Finance, the housing stock in Laguna Niguel is comprised mostly of single-family detached homes, which made up about 55% of all units, while multi-family units comprised about 25% of the total (Table II-11).

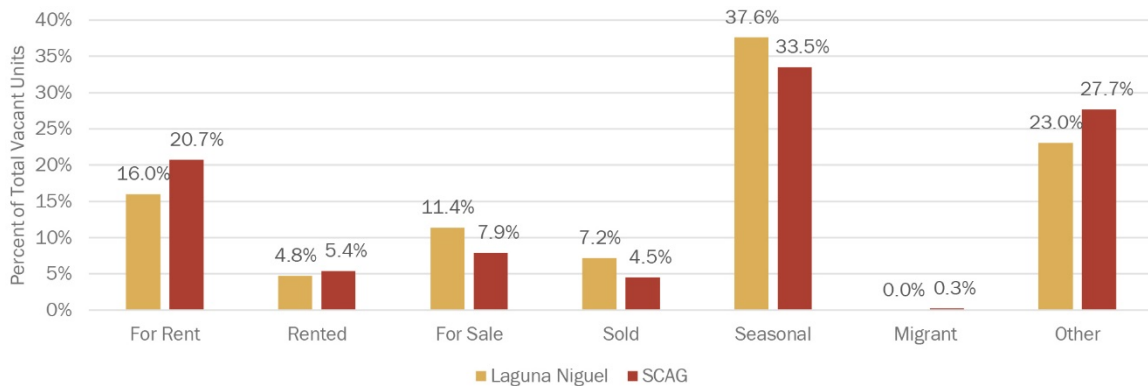
**Table II-11  
Housing by Type –  
Laguna Niguel vs. SCAG Region**



CA DOF E-5 Population and Housing Unit Estimates

Table II-12 shows recent Census estimates regarding vacant units in Laguna Niguel compared to the SCAG region as a whole. In both the city and the entire region, the largest category of vacant units is “seasonal” which is likely to represent second homes occupied for a portion of the year.

**Table II-12  
Vacant Units by Type –  
Laguna Niguel vs. SCAG Region**

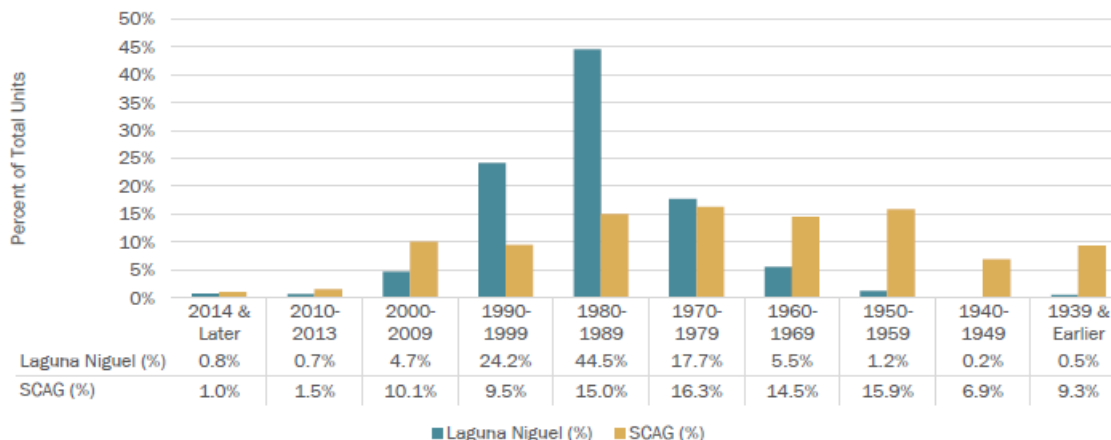


American Community Survey 2014-2018 5-year estimates.

## 2. Housing Age and Conditions

Housing age is often an important indicator of housing condition. Housing units built prior to 1978 before stringent limits on the amount of lead in paint were imposed may have interior or exterior building components coated with lead-based paint. Housing units that are more than 30 years old are the most likely to need rehabilitation or to have lead-based paint in deteriorated condition. Table II-13 shows the age distribution of the housing stock in Laguna Niguel compared to the region as a whole.

**Table II-13**  
**Age of Housing Stock –**  
**Laguna Niguel vs. SCAG Region**



American Community Survey 2014-2018 5-year estimates.

This table shows that the majority of housing units in Laguna Niguel were constructed prior to 1990 and are now more than 30 years old. This suggests that there is a growing need for housing repair and rehabilitation in the city.

The goal of the City’s Code Enforcement program is to address housing concerns before they become serious problems. It is estimated that approximately 5% of the homes in the City’s older neighborhoods, typically built in the late 1960s and early 1970s, are in need of structural repairs consisting primarily of new roofs and window replacements. There are approximately 6,000 dwelling units in Laguna Niguel that were built prior to 1980; therefore, it is estimated that approximately 300 dwelling units may be in need of some structural repair, which represents about 1% of the city’s total housing stock.

## 3. Housing Cost

### a. Housing Affordability Criteria

State law establishes five income categories for purposes of housing programs based on the area (i.e., county) median income (“AMI”): extremely-low (30% or less of AMI), very-low (31%-50% of AMI), low (51%-80% of AMI), moderate (81-120% of AMI) and above moderate (over 120% of AMI). Housing affordability is based on the relationship between household income and housing expenses. According to HUD and the California Department of Housing and Community Development<sup>1</sup>, housing is considered “affordable” if the monthly payment is no more than 30% of a household’s gross income. In some areas, such as Orange County, these income limits may be increased to adjust for high housing costs.

<sup>1</sup> HCD memo of 2/1/2012 (<http://www.hcd.ca.gov/hpd/hrc/rep/state/incNote.html>)

Table II-14 shows affordable rent levels and estimated affordable purchase prices for housing in Orange County (including Laguna Niguel)<sup>2</sup> by income category. Based on state-adopted standards, the maximum affordable monthly rent (including utilities) for extremely-low-income households is \$1,009, while the maximum affordable rent for very-low-income households is \$1,681. The maximum affordable rent for low-income households is \$2,689, while the maximum for moderate-income households is \$3,201.

Maximum purchase prices are more difficult to determine due to variations in mortgage interest rates, qualifying procedures, down payments, special tax assessments, homeowner association fees, property insurance rates, etc. With this caveat, the maximum home purchase prices by income category shown in Table II-14 have been estimated based on typical conditions.

**Table II-14  
Income Categories and Affordable Housing Costs, 2021 –  
Orange County**

Income Category	Maximum Income	Affordable Rent	Affordable Price (est.)
Extremely Low	\$40,350	\$1,009	*
Very Low	\$67,250	\$1,681	*
Low	\$107,550	\$2,689	*
Moderate	\$128,050	\$3,201	\$500,000
Above moderate	Over \$128,050	Over \$3,201	Over \$500,000

Assumptions: Based on a family of 4 and 2021 State income limits; 30% of gross income for rent or principal, interest, taxes & insurance; 5% down payment, 4% interest, 1.25% taxes & insurance, \$350 HOA dues

Notes:

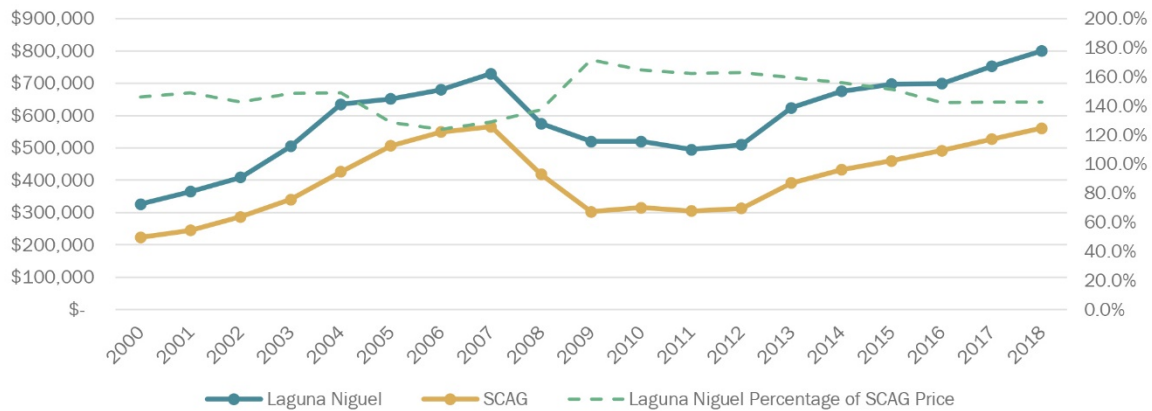
\*For-sale affordable housing is typically at the moderate income level

Source: Cal. HCD; JHD Planning LLC

**b. For-Sale Housing**

Between 2000 and 2018, median home sales prices in Laguna Niguel increased 145% while prices in the SCAG region increased 151%. 2018 median home sales price in Laguna Niguel was approximately \$800,000. Prices in Laguna Niguel have ranged from a low of 123.8% of the regional median in 2006 and a high of 171.6% in 2009 (Table II-15). Based on the estimated affordable purchase prices shown in Table II-14 above, most detached homes are only affordable for above-moderate income households.

**Table II-15  
Median Sales Price for Existing Homes –  
Laguna Niguel vs. SCAG Region**

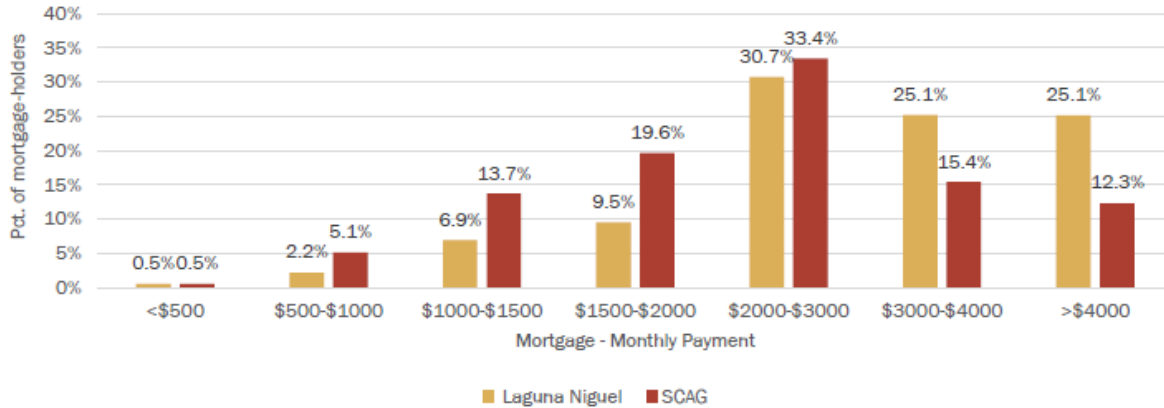


SCAG Local Profiles, Core Logic/Data Quick. SCAG median home sales price calculated as household-weighted average of county medians.

<sup>2</sup> Affordable rent and purchase prices are based on county median income.

Owner households make up about 70% of Laguna Niguel households. Table II-16 shows the distribution of monthly mortgage cost in Laguna Niguel compared to the region as a whole. The most commonly occurring mortgage payment in both Laguna Niguel and throughout the SCAG region is \$2000-\$3000/month.

**Table II-16**  
**Monthly Owner Costs for Mortgage Holders –**  
**Laguna Niguel vs. SCAG Region**

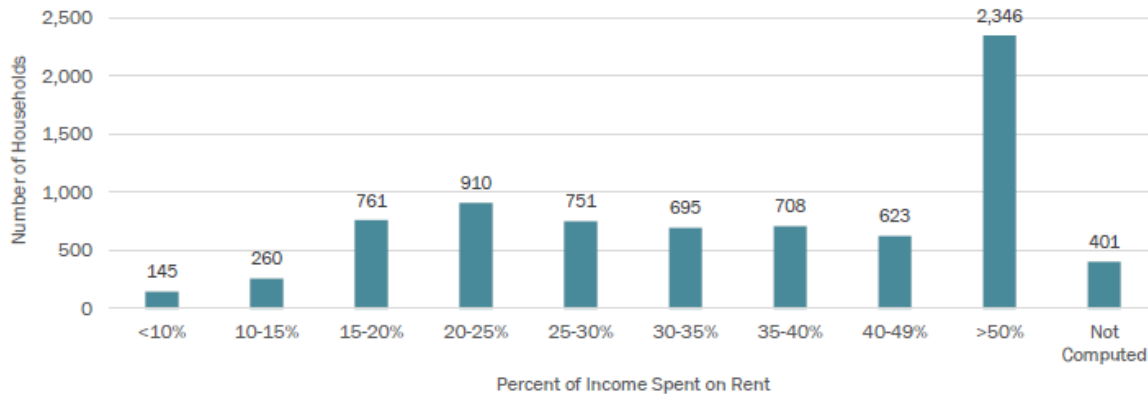


American Community Survey 2014-2018 5-year estimates.

**c. Rental Housing**

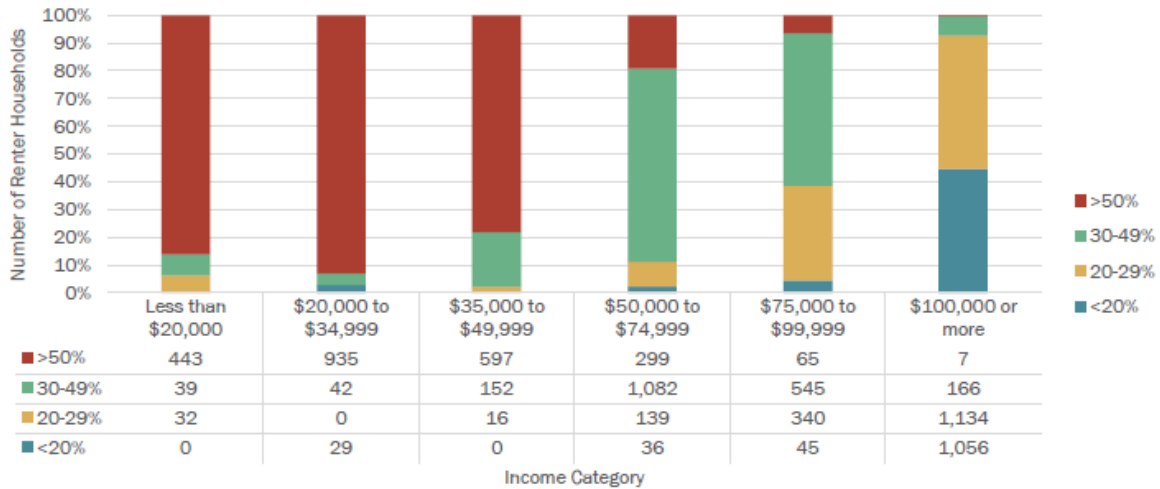
As described previously in the discussion of income and overpayment (Table II-7), a large proportion of renters in Laguna Niguel fall within the lower-income categories. As a result, trends in rental rates have a major impact on these residents. Table II-17 shows recent Census estimates of the percentage of income spent on rent in Laguna Niguel. Over 57% of Laguna Niguel renters spend 30% or more of gross income on housing cost, compared to about 55% in the SCAG region. Additionally, about 31% of households in Laguna Niguel spend 50% or more of gross income on housing cost, compared to about 29% in the SCAG region as a whole.

**Table II-17**  
**Percentage of Income Spent on Rent –**  
**Laguna Niguel**



Census estimates also show that lower-income households spend a higher share of income on housing while high-income households are more likely to spend under 20% of income on housing (Table II-18).

**Table II-18**  
**Percentage of Income Spent on Rent by Income Category –**  
**Laguna Niguel**



American Community Survey 2014-2018 5-year estimates.

## E. Special Needs

Certain groups have greater difficulty in finding decent, affordable housing due to special circumstances. Such circumstances may be related to one’s employment and income, family characteristics, disability, or other conditions. As a result, some Laguna Niguel residents may experience a higher prevalence of overpayment, overcrowding, or other housing problems.

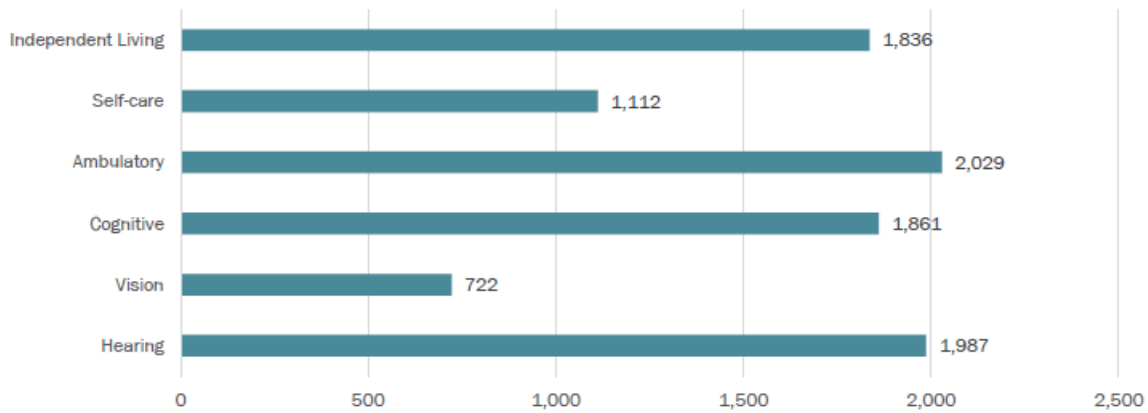
State Housing Element law defines “special needs” groups to include persons with disabilities (including developmental disabilities), the elderly, large households, female-headed households with children, homeless people, and farm workers. This section contains a discussion of the housing needs facing each of these groups.

### 1. Persons with Disabilities

Recent Census data estimated that the most common types of disability for Laguna Niguel residents are ambulatory, hearing, cognitive and independent living disabilities (Table II-19). Of those aged 65 and over in Laguna Niguel, the most common type of disabilities were hearing and ambulatory (Table II-20). In Laguna Niguel, about 44% of the population with a disability is employed, compared to 76% of those without a disability.

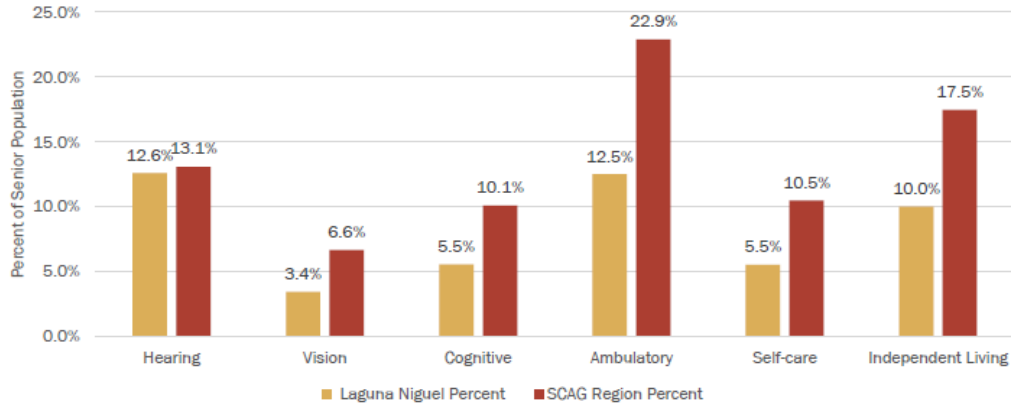
Housing opportunities for persons with disabilities can be maximized through housing assistance programs, universal design features such as widened doorways, ramps, lowered countertops, single-level units and ground floor units, residential care facilities and assisted living developments.

**Table II-19  
Disabilities by Type –  
Laguna Niguel**



American Community Survey 2014-2018 5-year estimates.

**Table II-20  
Disabilities by Type for Seniors 65+ –  
Laguna Niguel vs SCAG Region**



American Community Survey 2014-2018 5-year estimates.

### Developmental Disabilities

As defined by federal law, “developmental disability” means a severe, chronic disability of an individual that:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the individual attains age 22;
- Is likely to continue indefinitely;

- Results in substantial functional limitations in three or more of the following areas of major life activity: a) self-care; b) receptive and expressive language; c) learning; d) mobility; e) self-direction; f) capacity for independent living; or g) economic self-sufficiency;
- Reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

The Census Bureau does not record developmental disabilities. According to the U.S. Administration on Developmental Disabilities, an accepted estimate of the percentage of the population as affected by a developmental disability is 1.5%. Many of those with a developmental disability can live and work independently within a conventional housing environment. More severely affected 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 State Department of Developmental Services (DDS) estimated that there are approximately 396 persons in Laguna Niguel with a developmental disability, and most of those live with a family member. DDS provides community-based services to persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Regional Center of Orange County (RCOC) is one of 21 regional centers in California that provides point of entry to services for people with developmental disabilities. The RCOC is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

Any resident of Orange County who has a developmental disability that originated before age 18 is eligible for services. Services are offered to people with developmental disabilities based on Individual Program Plans and may include: Adult day programs; advocacy; assessment/consultation; behavior management programs; diagnosis and evaluation; independent living services; infant development programs; information and referrals; mobility training; prenatal diagnosis; residential care; respite care; physical and occupational therapy; transportation; consumer, family vendor training; and vocational training. RCOC also coordinates the State-mandated Early Start program, which provides services for children under age three who have or are at substantial risk of having a developmental disability.

The mission of the Dayle McIntosh Center is to advance the empowerment, equality, integration and full participation of people with disabilities in the community. The Center is not a residential program, but instead promotes the full integration of disabled persons into the community. Dayle McIntosh Center is a consumer-driven organization serving all disabilities. Its staff and board are composed of over 50% of people with disabilities. Its two offices service over 500,000 people in Orange County and surrounding areas with disabilities. The Center's South County branch is located in Laguna Hills, immediately adjacent to Laguna Niguel.

In addition to these resources, City housing programs that respond to the needs of this population include 1-Emergency Shelters and Transitional/Supportive Housing, 2-Affordable Housing Development, 3-Conservation and Improvement of Existing Low- and Moderate-Income Housing, and 4-Promotion of Equal Housing Opportunity.

## 2. Elderly

Federal housing data define a household type as 'elderly family' if it consists of two persons with either or both age 62 or over. Recent Census Bureau estimates reported that of Laguna Niguel's 7,175 such households, 11.8% earn less than 30% of the area median income (compared to 24.2% in the SCAG region) and 26.6% earn less than 50% of the area median income (compared to 30.9% in the SCAG region) (Table II-21). Many elderly persons are dependent on fixed incomes or have disabilities. Elderly homeowners may be physically unable to maintain their homes or cope with living alone. The housing needs of this group can be addressed through smaller units, accessory dwelling units on lots with existing homes, shared living arrangements, congregate housing, and housing assistance programs as described in Chapter V.

**Table II-21**  
**Elderly Households by Income and Tenure –**  
**Laguna Niguel**

		Owner	Renter	Total	Percent of Total Elderly Households:
Income category, relative to surrounding area:	< 30% HAMFI	605	240	845	11.8%
	30-50% HAMFI	870	190	1,060	14.8%
	50-80% HAMFI	1,195	265	1,460	20.3%
	80-100% HAMFI	525	85	610	8.5%
	> 100% HAMFI	2,975	225	3,200	44.6%
<b>TOTAL</b>		<b>6,170</b>	<b>1,005</b>	<b>7,175</b>	

*HUD CHAS, 2012-2016. HAMFI refers to Housing Urban Development Area Median Family Income.*

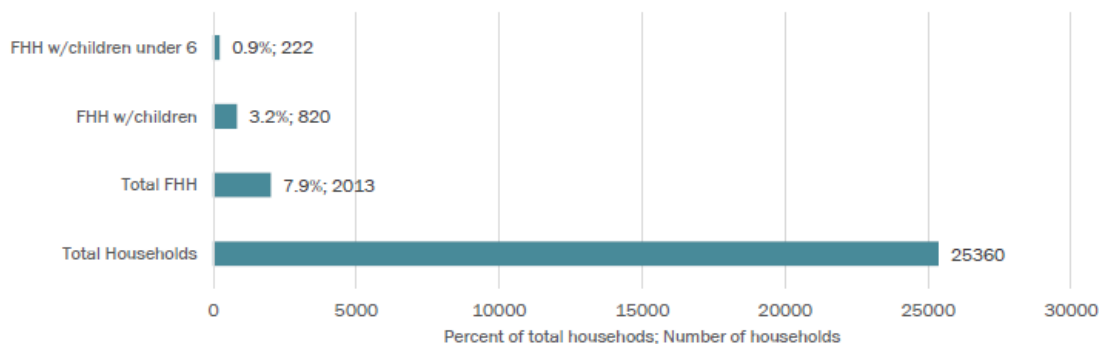
## 3. Large Households

Household size is an indicator of need for large units. Large households are defined as those with five or more members. As shown previously in Table II-3, household size data show that the need for large units with four or more bedrooms is expected to be significantly less than for smaller units. Housing programs described in Chapter V encourage production of affordable housing and address the needs of large households.

## 4. Female-Headed Households

Recent Census estimates reported that about 7.9% of Laguna Niguel's households are female-headed (compared to 14.3% in the SCAG region), 3.2% are female-headed and with children (compared to 6.6% in the SCAG region), and 0.9% are female-headed and with children under 6 (compared to 1.0% in the SCAG region) (Table II-22). While female-headed households represent a relatively small portion of households, they are more likely to have housing problems such as overpayment or overcrowding. City programs described in Chapter V to facilitate new affordable housing development and conservation of existing affordable homes help to serve the needs of single-parent households with low- and moderate-incomes.

**Table II-22**  
**Female Headed Households –**  
**Laguna Niguel**



*American Community Survey 2014-2018 5-year estimates.*

## 5. Farm Workers

Farm workers are traditionally defined as persons whose primary income is from seasonal agricultural work. Historically, Orange County’s economy was linked to agriculture. Today, Orange County is a mostly developed urban/suburban region, with a strong local economy that is not tied to an agricultural base. While there are still significant active farming areas on the Irvine Ranch to the north and Rancho Mission Viejo to the southeast, shifts in the county’s economy to manufacturing, technology, and service-oriented sectors have significantly curtailed agricultural production. Recent Census estimates reported that 12 persons living in Laguna Niguel were employed full-time, year-round in farming, fishing and forestry occupations. Since there are no significant agricultural operations within Laguna Niguel, the need for permanent farmworker housing is of less concern than in other areas where large-scale agricultural operations exist. The needs of lower-income agricultural workers who are permanent residents are addressed through a variety of affordable housing programs described in Chapter V that serve the needs of all lower-income persons and are not restricted only to farmworkers.

## 6. Homeless Persons

Throughout the country, homelessness is a serious problem. Factors contributing to homelessness include: the general lack of emergency shelters and transitional housing, housing affordable to lower-income persons; an increasing number of persons whose incomes fall below the poverty level; reductions in public assistance for the poor; and the de-institutionalization of the mentally ill.

The most recent County of Orange “Point-in-Time” survey of the homeless population for which data is available was conducted in January 2019. That survey estimated that there were approximately 6,860 homeless persons in Orange County, of which 2,899 were sheltered and 3,961 were unsheltered<sup>3</sup>. Of those, 7 unsheltered persons and 3 sheltered persons were reported in Laguna Niguel.

Gov’t Code § 65583 (Senate Bill SB 2 of 2007) requires that jurisdictions quantify the need for emergency shelter and determine whether existing facilities are adequate to serve the need. An emergency shelter is defined as “housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.” If adequate existing facilities are not available, the law requires jurisdictions to identify areas where new facilities are permitted “by-right” (i.e., without requiring discretionary approval

<sup>3</sup> County of Orange, 2019 Point in Time Final Report, July 30, 2019 (<http://ochmis.org/wp-content/uploads/2019/08/2019-PIT-FINAL-REPORT-7.30.2019.pdf>)

such as a use permit). A jurisdiction could also satisfy its shelter needs through a multi-jurisdictional agreement with up to two adjacent communities to develop at least one year-round shelter within two years of the beginning of the planning period. As noted in Chapter IV the City allows emergency shelters in compliance with Gov't Code § 65583 and Program 2 describes City actions to address these needs.

## F. Assisted Housing at Risk of Conversion

This section identifies all residential projects in the city that are under an affordability restriction, along with those housing projects that are at risk of losing their low-income affordability restrictions within the ten-year period 2021 to 2031. This information is used in establishing quantified objectives for units that can be conserved during this planning period.

### 1. Inventory of Assisted Units

Assisted projects in Laguna Niguel are shown in Table II-23. There are two assisted projects in the city, both of which are eligible to convert to market rate within the 2021-2031 timeframe.

**Table II-23**  
**Inventory of Assisted Units –**  
**Laguna Niguel**

Project	Type of Assistance	Total Units/ Affordable Units	Project Type	Expiration Date	At Risk 2021-2031?
Alicia Park Apartments	223(a)(7)/221(d)(4)M	56/56	Sec. 8	2023	Yes
Village La Paz	Section 8 NC	100/100	Sec. 8	2022	Yes

Sources:

City of Laguna Niguel Community Development Dept.  
California Housing Partnership Corporation, 2021

### 2. Units at Risk

According to the California Housing Partnership Corporation, there are two assisted projects that are at-risk during 2021-2031 in Laguna Niguel. In general, there are three actions that can result in the conversion of public-assisted units:

1. Prepayment of HUD mortgages:
  - a. Section 221(d)(3) or (4)M – property owner receives either below-market interest rate or market interest rate loans from HUD with a rental subsidy for tenants as well. The program also allows for long-term mortgages (up to 40 years) that can be financed with Government National Mortgage Association (GNMA) Mortgage Backed Securities.
  - b. Section 236 – property owner receives financial assistance from HUD to pay interest costs, thereby reducing tenant rental costs. Rental subsidies may also be provided to the tenants.
  - c. Section 223(a)(7) – property owner is provided funds to refinance existing debt and to complete necessary repairs, resulting in lower debt service and improved mortgage security. It is available only to mortgages currently insured by FHA.
  - d. Section 202 – non-profit property owner receives a loan from HUD to pay for development costs with a rental subsidy for senior tenants.
  - e. Section 811 – property owner receives financial assistance from HUD to pay for development costs of units for special needs.

2. Expiration/opt-out of project-based Section 8 rental assistance contracts

The Section 8/Housing Voucher Choice Program provides rental subsidies to the property owner of a pre-qualified project. The financial assistance pays the difference between the tenant's ability to pay and the contract rent.

An opt-out may occur if the property owner decides to pre-pay the balance of the HUD mortgage. During this process, HUD may offer incentives to the property owner. Such incentives range from refinancing the mortgage at a lower interest rate to establishing higher rents. If at any point during this process the property owner fails to complete a HUD-required step, the Section 8 contract automatically rolls over for another 5-year period.

3. Other

Expiration of other affordability periods may occur when utilizing the following funding sources:

- a. Low-income Housing Tax Credits (LIHTC)
- b. Bond financing
- c. Density bonuses
- d. California Housing Finance Agency (CHFA)
- e. Community Development Block Grant (CDBG)
- f. HOME Program

### At-Risk Status

Two assisted properties, representing 156 lower-income rental units, are at risk of conversion as identified in Table II-23 above. Financial assistance mandates affordable income restrictions and occupancy that will expire on the date shown.

- Alicia Park Apartments and Village La Paz – The use restrictions for Alicia Park Apartments and Village La Paz are a result of HUD-issued Project Specific Section 8 Contracts that were executed at the time the original FHA mortgages were originated. The purpose of the Project Specific Section 8 contract is to ensure that the project's units remain affordable to qualified, low-income tenants for the life of the contract, which is offered at 15- to 20-year terms, and require renewal every 5 years thereafter.

If the owners of Alicia Park Apartments and Village La Paz choose to opt-out of their Section 8 contracts, it would represent a loss of 156 units of affordable rental housing, a significant decrease in Laguna Niguel's available pool of affordable housing units.

The projects that are at risk of conversion contain a significant number of 3- and 4-bedroom units. Therefore, loss of any large family units as well as the 1- and 2-bedroom affordable units would likely affect the already burdened low-income rental population.

### Cost Analysis

The primary factors used to analyze the cost of preserving low-income housing include:

1. Acquisition/rehabilitation costs – depends on size, location, current sales figures. Assuming an average cost of \$350,000 per unit, acquisition/rehabilitation of 156 low-income units would cost approximately \$55 million.
2. New construction costs – depends on size, construction materials, financing costs, and off- and on-site improvements. Assuming an average development cost of \$500,000 per unit, replacement of 156 low-income units would cost approximately \$78 million.

3. Rental assistance – depends on the income of the household and Fair Market rents. As of 2021, Fair Market rents for Orange County are as follows:
- Efficiency - \$1,678
  - 1-bedroom - \$1,888
  - 2-bedroom - \$2,331
  - 3-bedroom - \$3,227
  - 4-bedroom - \$3,716

As shown previously in Table II-14, a very-low-income household of four persons can afford to pay \$1,681 per month (including a utility allowance) for housing. This would require a monthly rental subsidy of \$650, or \$7,800 per year for a 2-bedroom unit. Therefore, if affordability covenants were to expire on all of the 156 units in the at-risk projects, a total cost of approximately \$1,216,800 per year would be required in order to provide rental housing at comparable affordability levels.

### Preservation Resources

Efforts by the City to retain the at-risk housing units must draw upon basic resources as follows:

- Organizational Resources - The following local agencies are potential organizations with experience and capacity to assist in the preservation of at-risk units:
  - a. Orange County Community Housing Corp. (Santa Ana)
  - b. Jamboree Housing Corp (Irvine)
  - c. Mary Erickson Foundation (San Clemente)
  - d. National Community Renaissance of California (Rancho Cucamonga)
- Financial Resources – The following is a list of potential financial resources to be considered as part of the City’s overall financial plan to retain affordable housing units. The City of Laguna Niguel does not have a Redevelopment Agency.
  - a. Community Development Block Grant – The City currently receives approximately \$360,000 in CDBG funds from HUD annually.
  - b. Orange County Housing & Community Development Department – The County receives annual funding from HUD to administer the Section 8 Housing Voucher Choice Program and the HOME Program.
  - c. Affordable Housing Clearinghouse – serves a mortgage brokerage that specializes in financing affordable housing projects.

## G. Low- and Moderate-Income Housing in the Coastal Zone

The western edge of the city is within the Coastal Zone. Government Code Section 65590 et seq. prohibits conversion or demolition of existing residential dwelling units occupied by low- or moderate-income persons or families unless provision has been made for the replacement in the same city or county of those dwelling units with units for persons and families of low- or moderate-income (excludes structures with less than 3 units, or less than 10 units for projects with more than one structure, among other exclusions).

Section 65590(d) further requires new housing development in the coastal zone to provide housing units for persons and families of low or moderate income, or if not feasible, to provide such units at another location within the same city or county, within the coastal zone or within three miles thereof.

Prior to the incorporation of Laguna Niguel in 1989, 727 housing units were permitted by the County within the portion of the Coastal Zone that is now part of the City. One apartment project, Seaview Summit, was

built prior to incorporation and included 48 deed-restricted lower-income units. The affordability covenants on those units subsequently expired and the units converted to market rate. A small number of new single-family infill homes have been built but no residential units have been demolished or converted within the Coastal Zone since City incorporation in 1989.

**H. 2021-2029 Housing Needs**

**1. Overview of the Regional Housing Needs Assessment**

The Regional Housing Needs Assessment (RHNA) is a key tool for local governments to plan for anticipated growth. The RHNA quantifies the anticipated need for housing during the period from July 2021 to October 2029. Communities then determine how they will address this need through the process of updating the Housing Element of their General Plans.

The current RHNA was adopted by the Southern California Association of Governments (SCAG) in March 2021. The future need for new housing was determined by the forecasted growth in households in a community as well as existing needs due to overpayment and overcrowding. The housing need was adjusted to maintain a desirable level of vacancy to promote housing choice and mobility and to account for units expected to be lost due to demolition, natural disaster, or conversion to non-housing uses. Total housing need was then distributed among four income categories on the basis of the current household income distribution.

After the total housing need was determined for the SCAG region, RHNA allocations to individual jurisdictions were developed by SCAG based on factors established in State law. The distribution of housing need by income category for each jurisdiction was adjusted to avoid an over-concentration of lower-income households in any community.

**2. 2021-2029 Laguna Niguel Housing Needs**

The total additional housing need for the City of Laguna Niguel during the 2021-2029 planning period is 1,207 units. This total is distributed by income category as shown in Table II-24.

**Table II-24  
2021-2029 Regional Housing Needs –  
Laguna Niguel**

Very Low*	Low	Moderate	Above Mod	Total
348	202	223	434	1,207

\*50% of the Very-Low-Income need (174 units) is assumed to be ELI units  
Source: SCAG 2021

It should be noted that the extremely-low-income category is included within the very-low-income category in the adopted RHNA. As provided in Assembly Bill (AB) 2634 of 2006, jurisdictions may determine their extremely-low-income need as one-half the need in the very-low category. A discussion of how the City will accommodate this need is provided in Chapter III, Resources and Opportunities.



### III. RESOURCES AND OPPORTUNITIES

A variety of resources are available for the development, rehabilitation, and preservation of housing in the City of Laguna Niguel. This chapter provides a description of the land resources and adequate sites to address the City’s regional housing need allocation for the 2021-2029 period as identified by the Southern California Association of Governments (see Table II-24). This chapter also describes the financial and administrative resources available to support the provision of affordable housing. Additionally, the chapter discusses opportunities for energy conservation that can lower utility costs and increase housing affordability.

#### A. Land Resources

Section 65583(a)(3) of the *Government Code* requires Housing Elements to contain an “inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.” A detailed inventory of residential development sites is provided in Appendix B. The results of this analysis are summarized in Table III-1 below. The table shows that the City’s land inventory for potential residential development is sufficient to accommodate the RHNA in all income categories for this planning period.

**Table III-1  
Land Inventory Summary –  
Laguna Niguel**

Potential Housing Sites	Income Category				Totals
	Very-Low	Low	Moderate	Above-Mod	
Approved projects (Table B-3)	-	12	-	258	270
Vacant sites (Table B-4)	80	80	80	53	293
Underutilized sites (Table B-5)	261	114	186	600	1,161
Potential ADUs	10	20	15	5	50
Totals	351	226	281	916	1,774
RHNA (2021-2029)	348	202	223	434	1,207
Adequate Capacity?	Yes	Yes	Yes	Yes	Yes

Source: City of Laguna Niguel Community Development Department, 2021

A discussion of public facilities and infrastructure needed to serve future development is contained in Section IV.B, Non-Governmental Constraints. There are currently no known service limitations that would preclude the level of development described in the RHNA, although developers will be required to pay fees or construct public improvements prior to or concurrent with development. Additionally, while some of the identified sites may have environmental constraints such as steep slopes or geotechnical issues, the level of development described in the sites inventory reflects anticipated development yield given feasible methods for addressing such constraints.

#### B. Financial and Administrative Resources

##### 1. State and Federal Resources

**Community Development Block Grant Program (CDBG)** - Federal funding for housing programs is available through the Department of Housing and Urban Development (HUD). The City’s use of federal funds is described in the 2020-2024 Consolidated Plan. As an Entitlement City, Laguna Niguel participates in the Community Development Block Grant (CDBG) program. CDBG funds are used by the City to fund a variety of community services available to assist low- and moderate-income City residents and those with special housing needs.

Recent CDBG allocations for the 2020-24 program years are expected to be approximately \$360,000 per year. These funds will be used for capital improvements, public services, economic development and administrative activities. The City does not currently participate in other HUD programs such as HOME, Emergency Shelter Grant (ESG), or Housing Opportunities for Persons with AIDS (HOPWA).

**Housing Choice Rental Assistance** – The City of Laguna Niguel cooperates with the Orange County Housing Authority (OCHA), which administers the Housing Choice Voucher Program. The Housing Assistance Payments Program assists low income, elderly and disabled households by paying the difference between 30% of an eligible household's income and the actual cost of renting a unit. According to the Orange County Housing Authority, during 2020-2021 approximately 89 very low-income renter-households with rental assistance - 17 families, 12 disabled, and 60 elderly households. A very low-income household has income equal to less than 50 percent of the County median income.

The City facilitates use of the Housing Choice Voucher program within its jurisdiction by advertising the availability of program when the County accepts new applications.

**Low-Income Housing Tax Credit Program** - The Low-Income Housing Tax Credit Program was created by the Tax Reform Act of 1986 to provide an alternate method of funding low-and moderate-income housing. Each state receives a tax credit, based upon population, toward funding housing that meets program guidelines. The tax credits are then used to leverage private capital into new construction or acquisition and rehabilitation of affordable housing. Limitations on projects funded under the Tax Credit programs include minimum requirements that a certain percentage of units remain rent-restricted, based upon median income, for a term of 15 years.

## 2. Local Resources

**Non-Profit Corporations** - The City actively supports local non-profit groups to facilitate the development and improvement of both senior citizen and low-cost housing in Laguna Niguel. Such support includes assistance locating and acquiring financing, and coordinating discussions between property owner, non-profit developer, and various governmental agencies.

## C. Energy Conservation Opportunities

There are many opportunities for conserving energy in new and existing homes. Construction of energy-efficient buildings does not lower the price of housing. However, housing with energy conservation features should result in reduced monthly occupancy costs as consumption of fuel and energy is decreased. Similarly, retrofitting existing structures with energy-conserving features can result in a reduction in utility costs. Examples of energy conservation opportunities include weatherization programs and home energy audits, installation of insulation, installation or retrofitting of more efficient appliances and mechanical or solar energy systems, and building design and orientation that incorporates energy-conservation considerations. The City enforces all provisions of Title 24 of the California *Administrative Code*, which provides for energy conservation features in new residential construction.

Many modern design methods used to reduce residential energy consumption are based on proven techniques that have been known to humans since the earliest days of collective settlement. These methods can be categorized in three ways:

1. Building design that keeps natural heat in during the winter and keeps natural heat out during the summer. Such design reduces air conditioning and heating demands. Proven building techniques in this category include:
  - Location of windows and openings in relation to the path of the sun to minimize solar gain in the summer and maximize solar gain in the winter;

- Use of thermal mass, earthen materials such as stone, brick, concrete, and tiles that absorb heat during the day and release heat at night;
  - Burying part of the home in a hillside or berm to reduce solar exposure or to insulate the home against extremes of temperature;
  - Use of window coverings, insulation, and other materials to reduce heat exchange between the interior of a home and the exterior;
  - Location of openings and the use of ventilating devices that take advantage of natural air flow (particularly cool evening breezes); and
  - Use of eaves and overhangs that block direct solar gain through window openings during the summer but allow solar gain during the winter.
2. Building orientation that uses natural forces to maintain a comfortable interior temperature. Examples include:
- North-south orientation of the long axis of a dwelling;
  - Minimizing the southern and western exposure of exterior surfaces; and
  - Location of dwellings to take advantage of natural air circulation and evening breezes.
3. Use of landscaping features to moderate interior temperatures. Such techniques include:
- Use of deciduous shade trees and other plants to protect the home;
  - Use of natural or artificial flowing water; and
  - Use of trees and hedges as windbreaks.

In addition to natural techniques that have been used for millennia, a number of modern methods of energy conservation have been developed or advanced during the present century. These include:

- Use of solar energy to heat water;
- Use of solar panels and other devices to generate electricity;
- Window glazing to repel summer heat and trap winter warmth;
- Weather-stripping and other insulating devices to reduce heat gain and loss; and
- Use of energy efficient home appliances.

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## IV. CONSTRAINTS

In planning for the provision of housing, constraints to the development, maintenance and improvement of housing must be recognized, and jurisdictions must take appropriate steps to mitigate them where feasible. Local government cannot control many of these constraints, such as those related to general economic and market conditions, but others can be addressed. Potential constraints to housing are discussed below, and include governmental constraints and non-governmental constraints.

### A. Governmental Constraints

Governmental regulations, while intentionally controlling the quality of development in the community, can also unintentionally increase the cost of development and thus the cost of housing. These governmental constraints include land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local development processing and permit procedures.

Land use controls may limit the amount or density of development, thus increasing the cost per unit. On-site and off-site improvements such as roads, traffic signals on adjacent streets, or sewer systems may increase development costs. Processing and permit requirements may delay construction, increasing financing and/or overhead costs of a development. The following describes potential governmental constraints, which may affect the supply and cost of housing in Laguna Niguel.

#### 1. Land Use Plans and Regulations

##### a. General Plan

Each city and county in California must prepare a comprehensive, long-term General Plan to guide its future. The Land Use Element of the General Plan establishes the basic type and density of development within the various areas of the city. Under State law, the various General Plan elements must be internally consistent and the City's zoning must be consistent with the General Plan. Thus, the land use plan must provide suitable locations and densities to implement the policies of the Housing Element.

The Laguna Niguel General Plan Land Use Element provides for two residential land use designations, as shown in Table IV-1.

**Table IV-1**  
**Residential Land Use Categories –**  
**Laguna Niguel General Plan**

Designation	Maximum Density*	Description
Residential Detached	n/a	Designated area characterized by one single-family dwelling constructed on each individual subdivided lot or legal building site.
Residential Attached	n/a	Designated area characterized by attached dwelling units constructed on individual or common lots--including townhomes, apartments and condominium projects.

Source: City of Laguna Niguel General Plan

\*The Laguna Niguel General Plan does not specify maximum densities in units per acre; however, the maximum buildout is determined by dwelling unit allocations assigned to individual community profile areas and sub-profile areas identified in the Land Use Element. Nearly all sub-profile areas with the exception of the Gateway Specific Plan area have been built out.

The majority of the buildable land area within city boundaries is developed or is designated for parks and open space. The Land Use Element of the Laguna Niguel General Plan designates approximately 3,508 net acres (37%) of the City's total land inventory for residential uses, providing a variety of residential types throughout the City. The maximum residential density permitted in Laguna Niguel is determined by unit

allocations assigned to individual community profile areas and sub-profile areas identified in the Land Use Element. Nearly all sub-profile areas (with the exception of the Gateway Specific Plan area) have been built-out to the General Plan maximum unit allocations, leaving few opportunities for new housing units. Average developed densities for Laguna Niguel are approximately 5.2 dwelling units per gross acre for the Residential Detached areas and approximately 14.6 dwelling units per gross acre for the Residential Attached areas.

## **b. Planned Communities and Specific Plans**

The City of Laguna Niguel is largely composed of master planned communities (PCs) and Specific Plan (SP) areas that were approved by the County of Orange prior to the City's incorporation in 1989. These Planned Communities are the Laguna Niguel PC, the Country Village PC, the Colinas de Capistrano PC, the Beacon Hill PC, the Bear Brand Hill PC, the Bear Brand PC, and the Narland Business Center PC. Each of the Planned Communities is implemented through Feature Plans, Area Plans, and Site Plan. Prior to incorporation, the Planned Community development plans provided policy guidance and regulatory control over development in Laguna Niguel. Today, the Planned Communities are subject to the policies and regulations of the Laguna Niguel General Plan and the Zoning Ordinance. Portions of the City are located in the South Laguna Specific Plan area and are subject to the land use and zoning regulations of that plan.

The most noteworthy opportunity for new development in Laguna Niguel is in the Gateway Specific Plan. Due to the lack of available undeveloped land or annexation opportunities, other new planned communities within the City are unlikely in the foreseeable future.

## **Gateway Specific Plan**

### **Background**

The Laguna Niguel Gateway Specific Plan area contains approximately 300 acres along the eastern border of the city. A majority of the existing buildings predate City incorporation and were constructed in the late 1970s and early 1980s. At present, the area contains a mix of office, retail and service commercial, light industrial and auto-related sales and service uses. The Gateway Specific Plan defines the overall vision, goals, policies, land use regulations, development standards, and design guidelines for the Gateway area, and regulates land use and urban form, mobility, infrastructure, streetscape, and architectural design.

With the growth and development of southern Orange County during the past 40 years and the establishment of the Metrolink rail station in the Gateway in 2002, the area presents a significant opportunity for revitalization and transformation into a major mixed-use, transit-oriented activity center.

The City enlisted the Urban Land Institute Orange County District (ULIOC) to bring its expertise in identifying new initiatives that could be brought to bear in stimulating real change in the Gateway Area consistent with the City's visions. In 2006, the ULIOC conducted a Technical Advisory Panel (TAP) workshop consisting of a team of professionals in the land use planning industry to study the site and make recommendations to the City on how best to address its objectives. The ULIOC TAP consisted of high-level land use professionals with backgrounds and experience in transit-oriented development, mixed use/multi-use development, multi-family housing, affordable housing, retail/commercial development, urban planning and design, traffic/transportation, revitalization, real estate law/development agreements, market research and site analysis. The TAP panel presented their findings and recommendations to the City Council concluding that:

- Housing is the key to unlocking the potential of the Gateway District and that initial housing must create a new character and sense of place
- There must be a plan for phasing in residential development fronting along Forbes Road and that it will not happen without improvements of the public realm and infrastructure

- Financing options exist for those improvements and the Specific Plan is the vehicle for structuring the entitlements and requirements
- The Gateway needs a Champion both in the Council and City government and in the private sector, e.g., an enlightened developer, in order to succeed with the vision to revitalize the area

To implement the recommendations presented by the TAP, the City assembled a multi-disciplinary team of urban designers, economists, transportation planners, and engineers to prepare the Specific Plan. The consultant team was charged with building upon the City's previous studies for the Gateway area including the goals and objectives identified by the TAP. The Specific Plan, adopted by the City Council in 2011, is the result of the collaborative planning efforts between the City, the public, land and business owners, and the project team.

Existing development in the Specific Plan area is clustered primarily along the north/south roadways including Camino Capistrano, Cabot Road, and Forbes Road. It is predominately developed with a variety of commercial service, light industrial, auto sales and services, retail, and office uses. Most of the uses are characterized by low-rise, one-story buildings and/or multi-tenant structures such as the business park on Forbes Road north of Crown Valley Parkway. There is a six-story Crown Cabot Financial office building on Cabot Road and a large retail/warehouse (Costco) on Crown Valley Parkway. Auto dealerships are located on Camino Capistrano and Star Drive. There are several one- and two-story buildings located on Forbes Road. Vacant properties within the area are generally located along Cabot Road.

Numerous lots within the Specific Plan area are too narrow and/or shallow to adequately accommodate identified market capture opportunities for new development, particularly with larger retail, office, or business park uses. Because many of the lots along Forbes Road are small and/or shallow in depth, the Specific Plan encourages lot consolidation, and provides incentives for doing so, to support larger buildings and more intensive land uses such as residential mixed-use developments, and retail/entertainment centers.

Two distinct areas form the heart of the Gateway community and offer the best opportunity for high-density residential or mixed-use development in a walkable, pedestrian-oriented environment. These two areas are referred to as the Mixed Use Village, located on Forbes Road north of Crown Valley Parkway, and the Transit-Oriented Mixed-Use Corridor, located on Forbes Road south of the Crown Valley Parkway. Both of these areas are envisioned to transition and become a desirable and attractive mixed-use village containing a mix of multi-family residential, office, and commercial uses. Buildings will be located directly along, and oriented towards the street frontage to foster pedestrian activity along the sidewalks, Oso Creek pedestrian greenway, and internal streets.

### **Gateway Land Use Policies, Regulations and Development Standards**

The Gateway Specific Plan includes the following policies intended to facilitate compact, transit-oriented development that includes opportunities for high-density workforce housing:

- 3.2.1 ***Transit-Oriented Development.*** Accommodate the development of a mix and density of land uses that benefit from the presence and support of transit use in the Gateway area.
- 3.2.2 ***Land Use Mix and Balance.*** Promote the development of a diverse mix of uses within distinct neighborhoods and districts containing housing, general and medical offices, retail commercial, dining and entertainment, community services, and amenity uses supporting residents, workers, and transit riders.
- 3.2.3 ***Housing.*** Provide for increased densities to encourage the development of housing that accommodates a variety of persons and households who choose to live in an active, urban environment.

- 3.2.8 **Parcel Assembly.** Provide for increased densities for the assembly of adjoining parcels as incentives for the development of larger scale, cohesive mixed-use development projects.
- 3.2.9 **Development Density.** Promote development that creates a high-density urban community, concentrating residents and jobs in proximity to the Metrolink station.

The Mixed-Use Village and the Transit-Oriented Mixed-Use Corridor districts offer the best opportunities for high-density residential and mixed-use development in a pedestrian-oriented environment (see Appendix B, Figure B-2). At buildout, the Gateway Specific Plan envisions a total of 2,994 high-density housing units and over 2 million square feet of commercial development (see Table IV-2).

**Table IV-2  
Land Use Development Capacity –  
Gateway Specific Plan**

Planning District	Residential (dwelling units)	Retail Commercial (square feet)	Office (square feet)	Business Park (square feet)	Hotel (rooms)	Automobile Sales (acres)
A	0	0	0	76,480		
B	0	0	0	323,215		
C	220	0	305,460	0	*	
D	200	0	187,639	0	200*	
E	1,427	87,338	203,425	0	*	
F	142	0	173,900	0		
G	142	247,639	0	0	*	
H	863	76,012	240,103	0	*/***	
I	0	62,509	30,492	0	***	3.5
J	0	0	0	0		14.3
K	0	58,150	0	0	150**	
<b>Totals</b>	<b>2,994</b>	<b>534,648</b>	<b>1,141,090</b>	<b>399,695</b>	<b>350</b>	<b>17.8</b>

\* A hotel with a maximum of 200 rooms may be located in planning districts C, D, E, G, or H.  
 \*\* A total of 150 motel/hotel rooms may be located within planning district K.  
 \*\*\* Up to a total of 1,200 parking spaces to serve the Metrolink station may be provided in areas H & I

**Mixed-Use (MU) Zone**

The MU zone within the Gateway Specific Plan is intended to encourage development of an active urban environment that exhibits the character of distinct and a vibrant pedestrian friendly village and transit corridor where residents live, work, dine, are entertained, and recreate, with easy access to Metrolink transit. It allows for the intermixing of a diversity of land uses that will be unified by their urban form and relationship to street frontages and adjoining parcels. While more than one use may be located on any block within the zone, all buildings shall be placed on their lot, oriented to the street frontage, and designed to convey an urban character. Densities are maximized to reflect intentions for these areas to function as the symbolic and activity cores of the Gateway area.

Allowable uses. Any property in the MU zone may be developed exclusively for office, multi-family residential, or hotel uses, or a mix of these with retail commercial integrated either vertically or horizontally on a single site. Stand-alone multi-family projects are a permitted use while mixed-use projects are subject to approval of a Use Permit by the Planning Commission.

Development standards. The height limit in the MU zone ranges from 80 to 120 feet depending on district. Sites developed for office uses must adhere to Floor Area Ratio requirements between 0.5 and 1.0 depending on lot size. Sites developed with residential must be developed at densities between 40 and 50 dwelling units per acre and may be increased up to 120 dwelling units per acre as incentive for

providing important community benefits such as affordable housing, community facilities, and open space amenities and infrastructure to further the implementation of the Gateway area. Mixed-use projects may be built to a minimum FAR of 1.5 and maximum of 2.0. Densities may be increased to a maximum of 3.0 FAR as an incentive for the provision of community benefits such as affordable housing. The residential portion of mixed-use projects must be a minimum of 1.15 FAR and 40 dwelling units per acre.

Approval procedures. Residential projects conforming to the applicable development standards are permitted subject to approval of a Site Development Permit by the Community Development Director or Planning Commission, while mixed-use projects require approval of a Use Permit by the Planning Commission (see also the discussion under Development Processing Procedures in Section IV.A.2, page 38 below).

### **Incentives for High-Density Residential Development**

The development regulations in the Gateway Specific Plan encourage and facilitate the development of affordable workforce housing by providing strong incentives to developers. The regulations provide incentives by allowing increased density when public benefits such as affordable units are included in a project. The minimum residential density is 40 dwelling units per acre, significantly higher than the “default density” for lower-income housing specified in State law. In order to achieve maximum utilization of sites within the Mixed Use zone, a residential component must be included in the project. An FAR increase of 0.65 (from 1.0 up to 1.65) is granted for mixed-use projects as compared to exclusively non-residential projects. When community benefits are provided, mixed-use projects may reach 3.0 FAR compared to a maximum 2.0 FAR for exclusively office projects. Purely residential projects are also permitted within the MU zone. When combined with other development incentives described in the City’s housing programs (see Chapter V) these regulations provide significant financial incentives for developers of multi-family housing that support the development assumptions contained in the Sites Inventory (Appendix B).

#### **c. Conventional Residential Zoning Designations**

The City regulates the type, location, density, and scale of residential development through the Zoning Ordinance and Zoning Map. Zoning regulations serve to implement the General Plan and are designed to protect and promote the health, safety, and general welfare of residents. The Zoning Ordinance also helps to preserve the character and integrity of existing neighborhoods. In addition to the specific plans and mixed use zone discussed above, the Zoning Ordinance and Zoning Map set forth residential development standards for the following residential zoning districts.

The seven zoning districts (other than planned communities and specific plans) that allow residential units as a permitted use are as follows:

RS-1	Rural Residential District
RS-2	Residential Estate District
RS-3	Single Family District 3
RS-4	Single Family District 4
RP	Planned Residential District
RA	Attached Residential District
RM	Multi-Family District

A summary of the development standards for the seven major zoning districts (excluding specific plans) permitting residential development is provided in Table IV-3. These development standards are reasonably necessary to protect the public health, safety, and welfare and maintain the quality of life, and are not considered to be constraints to the development of housing.

**Table IV-3  
Residential Development Standards**

Development Standard	Zoning District Designations						
	RS-1	RS-2	RS-3	RS-4	RP	RA	RM
Maximum Density	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Minimum Lot Area (sq. ft.)	4 ac.	8,000	3,000	3,000	(a)	2,000	n/a
Minimum Front Yard (ft.)	20	17	17	17	(a)	17	n/a
Minimum Side Yard (ft.) <sup>3</sup>	8	8	5	5	(a)	0/5 <sup>1</sup>	n/a
Minimum Rear Yard (ft.)	25	25	15 <sup>2</sup>	10 <sup>2</sup>	(a)	10 <sup>2</sup>	n/a
Slope Setbacks (min. from tops and toes of slopes over 10 feet high)	10	10	10	10	10	10	10
Perimeter Setbacks (10 foot minimum and 25 foot average minimum)	n/a	n/a	n/a	n/a	10/25	n/a	10/25
Maximum Lot Coverage (%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Maximum Building Height (ft.)	35	35	35	35	35	35	35

Source: Laguna Niguel Zoning Ordinance

Notes:

- (a) RP standards are contained in approved precise plans for each project.
  - (b) No maximum density. Maximum dwelling units established by General Plan Land Use Element.
1. 0 feet on attached side and 5 feet on open side.
  2. 20 feet where rear yard abuts a street.
  3. 10 feet adjacent to streets.

There are no maximum densities established in the Zoning Ordinance. The allowable number of residential units on any parcel is controlled by the dwelling unit allocations set forth in the Land Use Element of the General Plan. As most of the City (with the exception of the Gateway area) is nearly built-out, these residential allocations have been fully utilized. For this reason, efforts to provide new affordable housing opportunities in the community must focus on the remaining infill and revitalization sites that are suitable for higher-density residential or mixed-use development.

While major residential projects are excluded, some types of special needs housing are allowed in the Neighborhood Commercial District (CN), the Community Commercial District (CC), the Office Commercial District (CO), the Business Park District (BP) and the Public Institutional District (PI), typically through use permits. Managed care facilities are permitted in the CN, CC, and PI Districts when combined with the Managed Care Overlay District and a use permit has been obtained.

A summary of the residential uses permitted by the City’s Zoning Ordinance is provided in Table IV-4.

**Table IV-4  
Permitted Residential Uses by Zoning District**

Housing Type Permitted	RS-1	RS-2	RS-3	RS-4	RP	RA	RM	CN	CC	CO	BP	PI
<b>Residential Uses</b>												
Single-Family Detached	P	P	P	P	P							
Two Unit - Attached					P	P						
Multi-Family (townhomes)					P							
Multi-Family (apartments or condominiums)							P					
Manufactured Housing	P	P	P	P								
Mobile Home <sup>1</sup>	P	P	P	P								
Second Units	A	A	A	A								
<b>Special Needs Housing</b>												
Transitional & Supportive Housing	P	P	P	P	P	P	P					
Emergency Shelters								P	P	P	P	P
Residential Care Facilities (6 or fewer persons)	P	P	P	P	P	P	P					
Managed Care Facilities (7 or more persons)							U <sup>2</sup>	U <sup>2</sup>	U <sup>2</sup>			U <sup>2</sup>
Single Room Occupancy												U

Source: Laguna Niguel Zoning Ordinance P = Permitted (ministerial) A = Accessory Use (ministerial) U = Use Permit Notes.

1. Mobile home parks are not specifically identified in zoning ordinance. However, mobile home units are permitted in the districts shown.
2. Allowed when combined with the Managed Care Overlay District (MC)

The Zoning Ordinance provides for a variety of housing types including single-family homes (both attached and detached), multi-family apartments, manufactured housing, mobile homes and accessory dwelling units (ADUs).

**d. Zoning for Affordable Housing and Special Needs Housing**

Persons with special needs include those in residential care facilities, persons with disabilities, the elderly, farm workers, persons needing emergency shelter or transitional living arrangements, and single-room occupancy units. The City’s provisions for these housing types are discussed below.

**Housing for Lower-Income Persons**

Pursuant to State law, the “default density” for most Orange County jurisdictions, including Laguna Niguel, is 30 dwelling units per acre. The default density refers to the density at which lower-income housing development is presumed to be feasible, although State law allows jurisdictions to propose alternative densities that are sufficient to facilitate affordable housing based on local experience and circumstances.

As noted in the previous discussion of Planned Communities and Specific Plans, the Gateway Specific Plan represents the city’s most significant opportunity for new affordable housing. The Gateway plan allows multi-family and mixed-use development at densities ranging from 40 to 120 units per acre, in close proximity to both a Metrolink/Amtrak station and bus transit. Since allowable densities are significantly higher than the default density, the Gateway Specific Plan land use regulations encourage and facilitate housing that is affordable to lower-income households.

## Senior Housing, Residential Care and Managed Care Facilities

Age-restricted senior housing that does not include services (such as assisted living or medical care) is permitted as a residential use subject to the same standards and procedures as other non-age-restricted residential uses of the same type in the same zone.

Residential Care and Managed Care Facilities generally refer to any family home, group home, or rehabilitation facility that provides non-medical care to persons in need of personal services, protection, supervision, assistance, guidance, or training essential for daily living. The Laguna Niguel Zoning Ordinance defines *residential care facilities* as “a residential facility which is licensed by the state to provide living and treatment facilities on a monthly or longer basis for six or fewer of the following: wards of the juvenile court, elderly persons, mentally disordered persons, developmentally disabled persons, persons undergoing treatment for alcohol or drug abuse, handicapped persons, or dependent and neglected children.” The Zoning Ordinance defines *managed care facilities* as “assisted living facilities, convalescent hospitals, and residential care facilities for the elderly, which serve seven or more persons.”

In accordance with State law, residential care facilities that serve six or fewer persons are permitted by-right in all residential districts. Managed care facilities that serve seven or more persons are permitted by use permit in the RM, CN, CC, and PI Districts when combined with the Managed Care Overlay District (MC). Managed care facilities must meet the requirements of the MC Overlay District as set forth in §9-1-54.2 of the City of Laguna Niguel Zoning Code. These requirements are consistent with State law and do not pose a significant constraint on the establishment of such facilities.

## 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 laws 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 Building Codes adopted by the City of Laguna Niguel incorporate accessibility standards contained in Title 24 of the California *Administrative Code*. For example, apartment complexes of three or more units and condominium complexes of four or more units must be designed to accessibility standards.

The City uses the Minor Adjustment permit process to review and approve requests for modifications to planning or building code requirements in order to provide reasonable accommodation for persons with disabilities.

Other potential constraints on housing for persons with disabilities include the following:

### Definition of “Family”

The term *family* is not defined in the Zoning Code. Occupancy is addressed through the following definitions:

*Dwelling unit* means one or more rooms, including a bathroom and kitchen, designed and used for occupancy by a single housekeeping unit for living and sleeping purposes.

*Single housekeeping unit* means that the occupants of a dwelling unit have established ties and familiarity with each other, jointly use common areas, interact with each other, share meals, household activities, and expenses and responsibilities; membership in the single housekeeping unit is fairly stable as opposed to transient, members have some control over who becomes a member of the household, and the residential activities of the household are conducted on a nonprofit basis. There is a rebuttable presumption that integral facilities do not constitute single housekeeping units. Additional indications that a household is not operating as a single housekeeping unit include but are not limited to: the occupants do not share a lease agreement or ownership of the property; members of the household have

separate, private entrances from other members; members of the household have locks on their bedroom doors; members of the household have separate food storage facilities, such as separate refrigerators.

These definitions are consistent with current law.

#### Separation Requirements

There is no City requirement for minimum separation distance between group homes or care facilities other than as may be provided in state law.

#### Parking Standards

The required number of parking spaces for large group homes (7 or more residents) is determined through a project-specific parking analysis as part of the use permit process.

#### Supportive Services

There are no limitations on supportive services in group homes or care facilities.

Compliance with building codes and the ADA may increase the cost of housing production and can also impact the viability of rehabilitation of older properties required to be brought up to current code standards. However, these regulations provide minimum standards that must be complied with in order to ensure the development of safe and accessible housing.

### **Farm Worker Housing**

As discussed in Chapter 2 (Needs Assessment), the City of Laguna Niguel does not have major agricultural areas and has no significant need for permanent on-site farm worker housing. The City's overall efforts to provide and maintain affordable housing opportunities will help to support the few farm workers that may wish to reside in the city.

### **Emergency Shelters and Low Barrier Navigation Centers**

Emergency shelters are facilities that provide a safe alternative to the streets either in a shelter facility or through the use of motel vouchers. Emergency shelter is short-term, usually for 30 days or less.

State law requires jurisdictions to evaluate their need for emergency shelters compared to available facilities to address the need. If existing emergency shelter facilities are not sufficient to address needs, jurisdictions must designate at least one location where a year-round shelter can be accommodated. There are currently no emergency shelters located in Laguna Niguel. The Municipal Code allows emergency shelters as a permitted use by-right in the CN, CC, CO, BP and PI zones in conformance with State law. AB 139 (2019) adopted the Emergency and Transitional Housing Act of 2019 and revised State law regarding parking standards for emergency shelters. Program 2 in the Housing Plan is included to address this requirement.

In 2019 the State Legislature adopted Government Code § 65660 (AB 101) establishing requirements related to local regulation of low barrier navigation centers, which are defined as "Housing first, low-barrier, service-enriched shelters 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* means best practices to reduce barriers to entry, and may include, but is not limited to:

- (1) The presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth
- (2) Accommodation of residents' pets
- (3) The storage of possessions

- (4) Privacy, such as partitions around beds in a dormitory setting or in larger rooms containing more than two beds, or private rooms

Low barrier navigation centers meeting specified standards must be allowed by-right in areas zoned for mixed use and in nonresidential zones permitting multi-family uses. Current City regulations comply with this requirement.

### **Transitional and Supportive Housing**

Transitional housing typically provides shelter for up to two years and may require residents to participate in a structured program to work toward established goals so that they can move on to permanent housing. Supportive housing may have no time limit and residents are typically provided with an array of supportive services to assist them in their daily lives.

State law requires that transitional and supportive housing be treated as a residential use subject only to the same requirements for other residential uses of the same type in the same zone. The City allows transitional and supportive housing consistent with State law. In 2018 AB 2162 amended State law to require that supportive housing be a use by-right in zones where multi-family and mixed uses are permitted, including non-residential zones permitting multi-family uses, if the proposed housing development meets specified criteria. The City's current regulations comply with this law.

### **Single Room Occupancy**

Single room occupancy facilities are small studio-type units and are allowed subject to a use permit in the PI District, provided the units conform to the requirements set forth in §9-1-45.25 (Single Room Occupancy Hotels) of the City of Laguna Niguel Zoning Code. The development standards for these uses are reasonable to assure minimum amenities and adequate levels of safety and are not considered to be a constraint to the development of SRO units.

#### **e. Off-Street Parking Requirements**

The City's parking requirements for residential uses vary by residential type. Single-family dwellings require 2 covered parking spaces per unit. Multi-family dwellings require 1.5 parking spaces for studio and one-bedroom units, 2 spaces for 2-bedroom units, and 2.5 spaces for 3-bedroom or larger units. The parking requirements are summarized in Table IV-5, below.

The required parking is typical for most cities in Orange County and is not considered to be a constraint on the production of affordable housing. This is especially true for Laguna Niguel, which is essentially built-out with all of the required parking in place. The Planning Commission has the ability to grant reduced parking for senior housing and other affordable housing projects through the site development permit process. It is widely accepted that senior and lower-income households have fewer cars on average than higher-income households.

**Table IV-5  
Residential Parking Requirements**

Type of Unit	Minimum Parking Space Required
Single Family Dwellings	2.0 enclosed parking spaces per dwelling + 1.0 additional off-street parking space for dwellings set back less than 20 feet from back of curb or sidewalk (whichever is less).
Two or More Dwellings on One Building Site	
Studio and One-Bedroom Units	1.5 off-street parking space per dwelling unit One space shall be covered for each dwelling unit.
Two-Bedroom Units	2.0 off-street parking spaces per dwelling unit At least one space shall be covered for each dwelling unit.
Three or More Bedroom Units	2.5 off-street parking spaces per dwelling unit + 0.5 off-street parking space for each bedroom in excess of three. Two spaces shall be covered for each dwelling unit.
Guest Parking (all unit types)	0.5 guest parking spaces per dwelling unit located within 100 feet of dwelling unit served.
Senior Housing	Standards are same as for non-senior projects. However, alternative standards are allowed through the site development permit process.
Guest Houses	One additional covered or uncovered space.

Source: Laguna Niguel Zoning Ordinance

**f. Accessory Dwelling Units**

Accessory dwelling units (ADUs) provide an important source of affordable housing for seniors, young adults, care-givers and other low- and moderate-income segments of the population. In recent years, the State Legislature has adopted extensive changes to ADU law to encourage production of this type of housing. Among the most significant changes is the requirement for cities to allow one ADU plus one “junior ADU” on single-family residential lots by-right subject to limited development standards. Program 3 in Section V includes a commitment to update the City’s ADU regulations in conformance with current State law.

**g. Density Bonus**

Under *Government Code* §65915 et seq. a density increase over the otherwise maximum allowable residential density under the Municipal Code is available to developers who agree to construct housing developments with units affordable to low- or moderate-income households or senior citizen housing development. AB 2345 of 2019 amended State law to revise density bonus incentives that are available for affordable housing developments. The Zoning Code incorporates State density bonus law by reference.

**h. Mobile Homes/Manufactured Housing**

There is often an economy of scale in manufacturing homes in a factory rather than on site, thereby reducing cost. State law precludes local governments from prohibiting the installation of mobile homes on permanent foundations on single-family lots (*Government Code* §65852.3). It also declares a mobile home park to be a permitted land use on any land planned and zoned for residential use, and prohibits requiring the average density in a new mobile home park to be less than that permitted by the Municipal Code (*Government Code* §65852.7).

In the City of Laguna Niguel, manufactured housing and mobile homes are allowed in the RS-1, RS-2, RS-3, and RS-4 Districts as a permitted use. The City currently has no mobilehome parks.

**i. Condominium Conversions**

In order to provide standards for regulating the conversion of rental housing to condominiums, some of which provides housing for low- and moderate-income persons, and to mitigate any hardship to tenants caused by their displacement, the City's Municipal Code provides for the following:

1. Application for a use permit and approval of tentative and final subdivision maps.
2. Submission of an engineering report on the general condition of all structural, electrical, plumbing, and mechanical elements of the existing development.
3. Submission of a housing program which includes:
  - The means by which the provision of housing affordable to lower- and moderate-income households will be achieved;
  - A housing report addressing housing affordability within the General Plan community profile area, including vacancy rates and other available housing of similar type and rent;
  - A survey of existing tenants as to their length of occupancy, and the number of those who express the intention of purchasing one of the units;
  - A relocation plan that identifies the steps that will be taken to ensure the successful relocation of each tenant if the conversion is completed.

When a condo conversion is permitted, the increase in the supply of less expensive for-sale units helps to compensate for the loss of rental units. The ordinance to regulate condominium conversions is reasonable to preserve rental housing opportunities, and does not present an unreasonable constraint on the production of ownership housing.

**j. Inclusionary Requirements**

There are no inclusionary requirements in Laguna Niguel.

**k. Short-Term Rental Regulations**

The City prohibits short-term (less than 30 days) rental of residential units.

**l. Building Codes**

State law prohibits the imposition of building standards that are not necessitated by local geographic, climatic or topographic conditions and requires that local governments making changes or modifications in building standards must report such changes to the Department of Housing and Community Development and file an expressed finding that the change is needed.

The City's building codes are based upon the California Building, Plumbing, Fire, Mechanical, Electrical, and Energy Codes. These are considered to be the minimum necessary to protect the public's health, safety and welfare. No additional regulations have been imposed by the City that would unnecessarily add to housing costs.

**2. Development Processing Procedures****a. Residential Permit Processing**

State Planning and Zoning Law provides permit processing requirements for residential development. Within the framework of state requirements, the City has structured its development review process in order to minimize the time required to obtain permits while ensuring that projects receive careful review.

All residential development is reviewed by City staff for zoning, building and fire code compliance prior to issuance of building permits. With the exception of single-family homes on existing lots, a site development permit must be approved by the Community Development Director or the Planning Commission for all new structures or significant alterations to the exterior of existing structures. Zoning Code Section 9.1.114.1(d)(1) provides for the Community Development Director to determine, on a case-by-case basis, whether the public interest would be better served by review of the permit by the Director or by the Planning Commission and whether a public hearing is required. The required findings for approval of a Site Development Permit are as follows:

1. *Consistency with general plan.* The project is consistent with the general plan.
2. *Consistency with zoning code.* The project is consistent with the provisions of this zoning code.
3. *Compliance with CEQA.* Processing and approval of the permit application are in compliance with the requirements of the California Environmental Quality Act.
4. *Consistency with design standards.* The project is consistent with the goal and objectives of the community design standards as set forth in section 9-1-91.2.
5. *Surrounding uses.* Approval of the application will not create conditions materially detrimental to the public health, safety and general welfare or injurious to or incompatible with other properties or land uses in the vicinity.

Processing times vary and depend on the size and complexity of the project. Projects reviewed by the Planning Commission, including site development permits, use permits, tentative parcels maps, and tentative tract maps, typically require from 3 to 9 months to process. Projects reviewed by the City Council, such as General Plan and Zoning Code amendments, typically require between 6 and 12 months to process.

The greatest potential for new multi-family housing development in Laguna Niguel is within the Gateway Specific Plan (see also the previous discussion in Section IV.A.1.b, page 28 above). The Gateway Plan includes detailed development standards and design guidelines that provide developers with clear direction regarding the type of development that the City seeks to encourage in this area. As a result, the specific plan simplifies the project design and review process thereby increasing development certainty and minimizing delays and overall development costs. The review and approval process, whether conducted by the Director or by the Planning Commission, focuses on confirming that the project is consistent with the objective physical design parameters contained in the specific plan rather than on the appropriateness of multi-family residential uses. The regulations also encourage affordable multi-family housing by allowing increased density when deed-restricted affordable units or other public benefits are provided.

Certain steps of the development process are required by state laws rather than local laws. The state has defined processing deadlines to limit the amount of time needed for review of required reports and projects. In an effort to provide an efficient permit processing system, the City has implemented the following time and cost saving developmental processes:

- Prepared permit processing guidelines to assist residential builders in applying for development permits for single-family residences, multifamily residential developments and subdivisions.
- Located all City divisions involved in the permitting process in one central location.
- Encourages “early consultation” pre-application meetings to identify issues as soon as possible and reduce processing time.
- Encourage concurrent processing of applications

These processes help to ensure that the development review process does not act as a constraint to housing development.

**b. Environmental Review**

Environmental review is required for all development projects under the California Environmental Quality Act (CEQA). An Environmental Impact Report (EIR) is required of all developments that have the potential of creating significant impacts that cannot be mitigated. All of the planned communities that make up the City of Laguna Niguel required the preparation of EIRs. Some residential projects in Laguna Niguel are either Categorically Exempt or require only an Initial Study and Negative Declaration. A Negative Declaration process typically takes four to six weeks to prepare depending on complexity of the project and required technical studies, followed by a state-mandated public review period. Categorically Exempt developments require a minimal amount of time. As a result, state-mandated environmental review does not pose a significant constraint to housing development.

**c. California Coastal Act**

The California Coastal Act requires each local government lying wholly or partly within the state-designated Coastal Zone to prepare a Local Coastal Program (LCP). The City's LCP is comprised of portions of the South Laguna Specific Plan and the Aliso Creek Specific Plan, both of which were certified by the California Coastal Commission prior to incorporation. After incorporation, the California Coastal Commission certified the Laguna Niguel Local Coastal Program as a single plan. The City is responsible for the issuance of Coastal Development permits in the Coastal Zone.

The developable portions of the City's Coastal Zone are essentially built-out with only a few vacant single-family sites remaining to be developed with custom homes. Most of the housing within the Coastal Zone was built as part of planned communities and does not provide low-income housing opportunities. Therefore, the preservation and/or replacement of low-income housing within the Coastal Zone is not likely to be an issue within the current planning period. (Please refer to Chapter II, Section G for a discussion of construction, demolition and replacement of housing units within the Coastal Zone.)

**3. Development Fees and Improvement Requirements**

State law limits fees charged for development permit processing to the reasonable cost of providing the service for which the fee is charged. Various fees and assessments are charged by the City and other public agencies to cover the costs of processing permit applications and providing services and facilities such as schools, parks and infrastructure. Almost all of these fees are assessed through a pro rata share system, based on the magnitude of the project's impact or on the extent of the benefit that will be derived.

Table IV-6 provides a list of fees the City of Laguna Niguel charges for new, standard residential development. The rates charged by the City are inclusive and based on standardized unit sizes. Development fees will vary from project to project depending on the specific characteristics.

**Table IV-6  
Planning and Development Fees**

Fee Category	Fee or Deposit Amount <sup>1</sup>
<b>Planning and Application Fees</b>	
Parcel Map	\$2,080 deposit
Tentative Tract Map	\$2,925 deposit
Minor Site Development Permit (administrative)	\$2,000 deposit
Site Development Permit (discretionary)	\$4,400 deposit
Minor Use Permit (administrative)	\$1,600 deposit
Use Permit (discretionary)	\$3,800 deposit
Specific Plan	\$5,000 deposit
General Plan Amendment	\$5,000 deposit
Zone Change	\$5,000 deposit
<b>Environmental Review</b>	
Environmental Impact Report (review) <sup>2</sup>	\$5,000 deposit
<b>City Development Impact Fees<sup>3</sup></b>	
San Joaquin Hills Transportation Corridor	\$3,524 - \$6,050 per unit
Moulton Parkway/Laguna Niguel	\$197 - \$625 per unit
CARITS	\$1,069 - \$3,035 per unit
Park Fees	\$10,684 - \$12,435 per unit
Child Care Fee Program	\$20 per unit
Salt Creek Corridor Fees	\$50 per unit
<b>Estimated Total Fees</b>	
Single-Family Detached <sup>4</sup>	\$22,215
Est. % of total development cost <sup>5</sup>	2%
Multi-Family <sup>6</sup>	\$15,544
Est. % of total development cost <sup>7</sup>	3%

Source: City of Laguna Niguel Community Development Department 2021

Notes:

1. Items with deposits are based on actual processing costs that may exceed initial deposit amount.
2. Applicant is required to reimburse City for Consultant Costs
3. Development Impact Fees may vary by location.
4. Assumes a 2000-sq.ft. house on a subdivided lot
5. Based on estimated total cost of \$1,000,000
6. Assumes a 1000-sq.ft. apartment unit
7. Based on estimated total cost of \$500,000

The City periodically evaluates the actual cost of processing development permits. Services that are provided on a cost reimbursement basis have been adjusted from time to time for inflation and are currently \$79 per hour. Services that are provided on a “flat fee” basis were established in 1999 and have not been increased since then.

After the passage of Proposition 13 and its limitation on local governments’ property tax revenues, cities and counties have faced increasing difficulty in providing public services and facilities to serve their residents. One of the main consequences of Proposition 13 has been the shift in funding of new infrastructure from general tax revenues to development impact fees and improvement requirements on land developers. The City requires developers to provide on-site and off-site improvements necessary to serve their projects. Such improvements may include water, sewer and other utility extensions, street construction and traffic control device installations that are reasonably related to the project. Dedication of land or in-lieu fees may also be required of a project for rights-of-way, transit facilities, recreational facilities and school sites, consistent with the Subdivision Map Act.

Although development fees and improvement requirements increase the cost of housing, cities have little choice in establishing such requirements due to the limitations on property taxes and other revenue sources needed to fund public services and improvements.

## **B. Non-Governmental Constraints**

### **1. Environmental Constraints**

Environmental constraints include physical features such as steep slopes, fault zones, floodplains, sensitive biological habitat, and agricultural lands. In many cases, development of these areas is constrained by state and federal laws (e.g., FEMA floodplain regulations, the Clean Water Act and the Endangered Species Act, and the state Fish and Game Code and Alquist-Priolo Act). Because Laguna Niguel is fully developed, these issues do not pose a significant constraint to new development within City limits. The City's land use plans have been designed to protect sensitive areas from development, and to protect public safety by avoiding development in hazardous areas. While these policies constrain residential development to some extent, they are necessary to support other public policies.

### **2. Infrastructure Constraints**

As the City has been developed as a planned community, infrastructure, including water, sewer and sidewalks, are readily available and adequate within the City limits. As discussed under Development Fees and Improvement Requirements, the City requires developers to provide on-site and off-site improvements necessary to serve their projects. Dedication of land or in-lieu fees may also be required of a project for rights-of-way, transit facilities, recreational facilities and school sites, consistent with the Subdivision Map Act.

Additionally, the City's Capital Improvement Program (CIP) contains a schedule of public improvements including streets, bridges, and other public works projects to facilitate the remaining build-out of the City's General Plan. The CIP helps to ensure that construction of public improvements is coordinated with private development. As a result of these policies, any infrastructure constraints which currently exist must be fully mitigated and financed as growth occurs.

#### **a. Wastewater**

Sewage collection and treatment in Laguna Niguel is provided primarily by the Moulton Niguel Water District (MNWD). A small portion of Laguna Niguel near the southwesterly boundary is served by the South Coast Water District (SCWD). The MNWD has developed a reclaimed water system to deliver treated wastewater to landscaped areas in the City. The MNWD and SCWD currently operate below their maximum treatment capacities and do not constrain development in the City.

#### **b. Water**

Water for City residents is supplied by the MNWD and the SCWD. The MNWD and the SCWD are members of the Municipal Water District of Orange County (MWDOC), which in turn is a member of the Metropolitan Water District of Southern California (MWD). Almost all of the water supply is purchased from MWD, which imports water from the Colorado River Aqueduct (a small portion comes from Northern California through the State Water Project). Domestic water supply is not expected to limit development during the planning period.

#### **c. Storm Water Drainage**

Regional flood control facilities consist of major collector channels and storm drains, and are maintained by the Orange County Flood Control District (OCFCD). Five regional facilities serve the City, four of which are located within the City limits, with the fifth facility running adjacent to the City on its westerly boundary. Flows from within the City are conveyed to these facilities by local storm drain facilities or overland flow. Local drainage facilities consist mostly of underground closed conduits located in the developed areas of the

City. With these facilities in place, the City's flood control system is not expected to limit development during the planning period.

### **3. Land Costs**

Land represents one of the most significant components of the cost of new housing and can exceed \$2 million per acre in southern Orange County. Changes in land prices reflect the cyclical nature of the residential real estate market. The high price of land throughout Orange County historically has posed a significant challenge to the development of lower-income housing. Per-unit land cost is directly affected by density – higher density allows the cost to be spread across more units. While the City is essentially built-out, the Gateway Specific Plan creates the opportunity to achieve higher densities on infill and revitalization sites, which helps to reduce the cost of land on a per-unit basis. Because so little vacant land suitable for residential development is remaining, it is not possible to generalize about typical land cost.

### **4. Construction Costs**

Construction cost is affected by the price of materials, labor, development standards and general market conditions. The City has no influence over materials and labor costs, and the building codes and development standards in Laguna Niguel are not substantially different than most other cities in Orange County. Construction costs for materials and labor have increased at a higher pace than the general rate of inflation. Typical construction costs are estimated to be a minimum of \$150 per square foot and can be much higher depending on construction type and location.

### **5. Cost and Availability of Financing**

Laguna Niguel is typical of Southern California communities with regard to private sector home financing programs and interest rates. In recent years, mortgage interest rates have been very low by historic standards, resulting in increased affordability for home purchasers with good credit.

## **C. Affirmatively Furthering Fair Housing**

The Fair Housing Act of 1968 requires HUD and its program participants to administer housing and urban development programs in a manner that does not discriminate directly or indirectly based on race, color, religion, sex, national origin, age, familial status, or disability. The Fair Housing Act not only prohibited discrimination in housing-related activities and transactions but also requires entities to affirmatively further fair housing. The Analysis of Impediments (AI) to Fair Housing Choice is the primary policy document utilized by HUD grantees for this purpose. HUD encourages jurisdictions to consult with one another and initiate metropolitan-wide planning to address impediments to fair housing choice.

During past Consolidated Plan cycles, the City developed its own AI; however, for the 2020-2024 AI cycle, Laguna Niguel has joined with other Orange County cities and the County of Orange to develop a countywide AI. The regional AI evaluates existing demographic data, past fair housing enforcement activity for each partner community, mortgage lender data, and existing housing and land use public policies. Based on an analysis of this data, and the input of residents, a list of impediments to fair housing choice for the participating jurisdictions have been developed. A corresponding set of action steps to address these barriers has also been prepared. The 2020-2024 Orange County AI is incorporated into the Consolidated Plan as Appendix A.

Under State law, “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.”

There are three parts to this requirement:

1. Include a Program that Affirmatively Furthers Fair Housing and Promotes Housing Opportunities throughout the Community for Protected Classes (applies to housing elements beginning January 1, 2019).
2. Conduct an Assessment of Fair Housing that includes summary of fair housing issues, an analysis of available federal, state, and local data and local knowledge to identify, and an assessment of the contributing factors for the fair housing issues.
3. Prepare the Housing Element Land Inventory and Identification of Sites through the Lens of Affirmatively Furthering Fair Housing.

In compliance with AB 686, the City has completed the following outreach and analysis.

### **Outreach**

As discussed in Chapter 1, the City held a total of 4 public meetings during the Housing Element update in an effort to include all segments of the community. Each meeting was publicized on the City's website and meeting notices were also sent to persons and organizations with expertise in affordable housing and supportive services. Interested parties had the opportunity to interact with City staff throughout the Housing Element update process and provide direct feedback regarding fair housing issues.

The City also created a dedicated web page for the Housing Element update (<https://www.cityoflagunaniguel.org/1352/Housing-Element-Update>) and provided opportunities for interested persons to participate in public meetings remotely, which made it possible for those with disabilities limiting their travel to participate and comment on the Housing Element regardless of their ability to attend the meetings.

### **Assessment of Fair Housing**

The following analysis examines geographic data regarding racial segregation, poverty, persons with disabilities, and areas of opportunity as identified by the TCAC/HCD Opportunity Areas map.

Racial segregation. As seen in Figure IV-1, the percentage of non-white population in Laguna Niguel is similar to adjacent areas of Orange County. This map does not indicate any patterns of racial/ethnic concentration in the city.

Poverty. Recent Census estimates regarding poverty status of households in Laguna Niguel are shown in Figure IV-2. As seen in this map, there are no concentrations of poverty, and the poverty rate is less than 10% for most census tracts in the city while a small area in the northern portion of the city has a poverty rate of 10%–20%.

Persons with disabilities. The incidence of disabilities is relatively low in Laguna Niguel compared to some areas of Southern California. As shown in Figure IV-3, the percentage of residents reporting a disability is less than 10% in most areas of the city, while the disability rate is 10% to 20% in some areas. Areas with higher rates of disabilities are likely correlated with higher than average percentages of seniors.

Access to opportunity. According to the 2020 California Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC) Opportunity Area Map (Figure IV-4), Laguna Niguel is within the High and Highest Resource areas. High Resource areas are areas with high index scores for a variety of educational, environmental, and economic indicators. Some of the indicators identified by TCAC include high levels of employment and close proximity to jobs, access to effective educational opportunities for children and adults, low concentration of poverty, and low levels of environmental pollutants, among others.

**Conclusion**

This analysis shows that the primary barrier to fair housing in Laguna Niguel is high housing cost, which has the effect of limiting access by lower-income households to the high opportunities and resources available in the city. There is no evidence to suggest that discrimination against racial groups or persons with disabilities is a major issue.

The Housing Plan includes several programs to encourage and facilitate affordable housing development, as well as the provision of accessory dwelling units, which can expand affordable housing opportunities for lower-income persons such as caregivers, household employees, and others working in service occupations. Program 5 describes actions the City will take to affirmatively further fair housing and address any issues of housing discrimination that may arise.

Figure IV-1: – Racial Demographics – Laguna Niguel

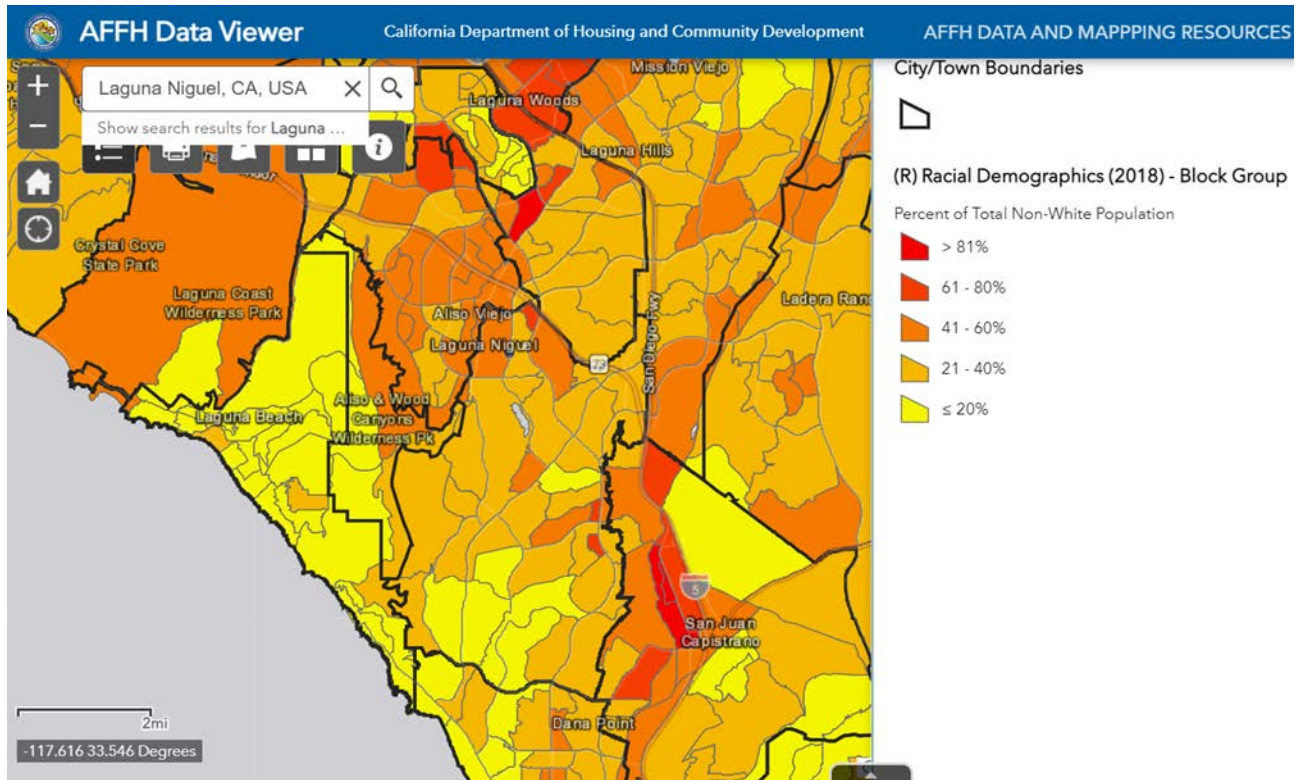


Figure IV-2: – Poverty Status – Laguna Niguel

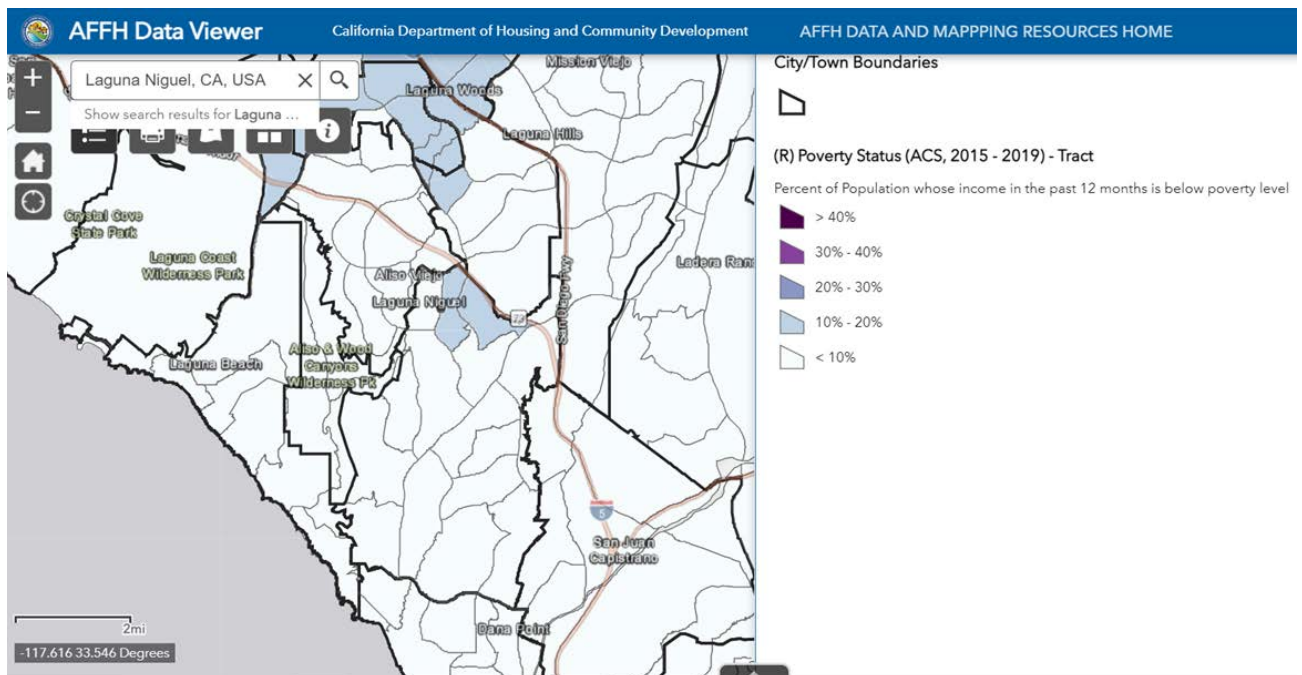


Figure IV-3: – Population with a Disability – Laguna Niguel

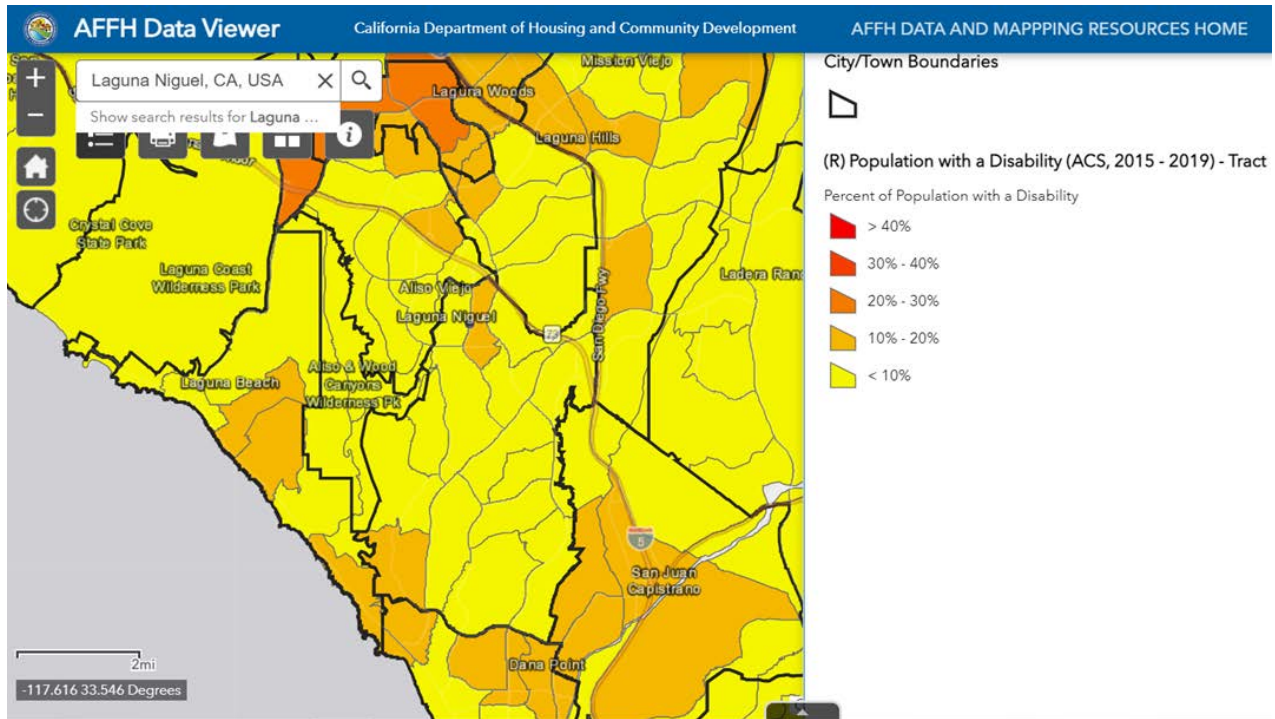
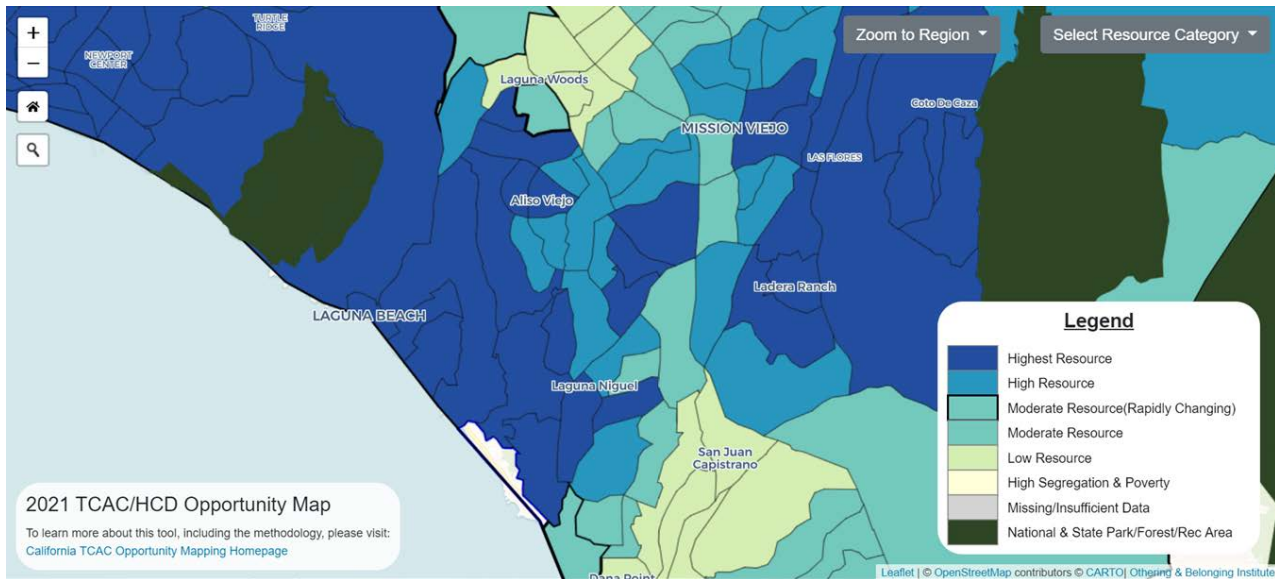


Figure IV-4: – HCD/TCAC Opportunity Map – Laguna Niguel



## V. HOUSING PLAN

### A. Goals and Policies

Chapters II, III and IV of the Housing Element evaluate the City's housing needs, opportunities and constraints, while Appendix A presents a review of the previous element. This Housing Plan reflects the City's experience during the previous planning period and sets forth the City's goals, policies, and programs to address the identified housing needs and issues for the 2021-2029 planning period. Quantified objectives for new construction, rehabilitation and conservation are also identified for this planning period.

The goals and policies that guide the City's housing programs and activities are as follows:

#### Housing Diversity and Opportunities

**GOAL 1: Provide a diversity of housing opportunities that satisfy the physical, social, and economic needs of existing and future residents of Laguna Niguel.**

**Intent:** To promote a balanced inventory of housing in terms of unit type, cost and tenure and range of housing options necessary to support an economically and socially diverse community. Adequate public facilities and services are important in maintaining the quality of life valued by Laguna Niguel residents.

**Policy 1.1:** *Ensure that housing is safe and sanitary with adequate public services to accommodate the needs of City residents.*

**Policy 1.2:** *Promote the continued maintenance and enhancement of the existing housing stock.*

**Policy 1.3:** *Promote a variety of housing opportunities that accommodate the needs of all income levels of the population.*

**Policy 1.4:** *Support innovative public, private, and non-profit efforts in development of affordable housing, particularly for special needs groups.*

**Policy 1.5:** *Pursue county, state, and federal assistance to support the development and implementation of housing programs that require financial assistance from public agencies. In pursuing funding opportunities, in distributing grant allocations (such as CDBG), or in assisting other agencies or private entities, the City's decisions will be based on the following factors:*

- the priority of housing need addressed by the proposed project;
- the City's non-housing priorities for the use of an annual funding source (such as CDBG) in relation to the priority of the proposed project;
- the likelihood that the proposed project will receive funding from other sources based on those sources' application rating criteria; and
- the amount of staff time and other costs required to secure and administer funding in relation to available staff resources.

**Policy 1.6:** *Monitor the number of affordable housing units eligible for conversion to market-rate units and develop programs to minimize the loss of these units.*

## Equal Opportunities for All Residents

### GOAL 2: Maintain equal housing opportunities for all residents in Laguna Niguel

**Intent:** To prohibit discrimination in housing practices in accordance with federal and state fair housing law.

*Policy 2.1:* Encourage and support the enforcement of laws and regulations prohibiting the discrimination in lending practices in the sale or rental of housing.

*Policy 2.2:* Support actions to reduce regulatory constraints which impede equal housing opportunities.

*Policy 2.3:* Ensure that City land use and housing policies and regulations do not create unreasonable barriers to housing and housing support services to special needs population groups such as the elderly, families with children, persons with disabilities, and the mentally ill.

## B. Housing Programs

Laguna Niguel offers a variety of housing opportunities to meet the needs of the community. This section of the Housing Plan addresses the issues identified in the previous sections of this Housing Element and provides strategies and actions to achieve the City's housing goals. Table V-1 summarizes the programs, objectives, funding sources, responsible agencies, and time frames for implementation.

### Program 1 Provision of Adequate Housing Sites

**Objective:** Identify adequate sites for housing commensurate with the City's identified housing need in the RHNA allocation.

*Action 1.1:* The potential housing sites shown in Appendix B, including approved projects and vacant sites, contain adequate capacity to accommodate the City's RHNA allocation in all income categories. In order to ensure that adequate capacity is maintained throughout the planning period, the City will comply with the "no net loss" provision of Government Code Sec. 65863 and report on the progress toward meeting the RHNA objectives each year in the Annual General Plan Implementation Report. The City's efforts to facilitate development commensurate with the RHNA are described in Program 3 below.

*Action 1.2:* In order to encourage and facilitate multi-family and mixed-use development in the Gateway Specific Plan area, the following incentives will be provided:

- Increased residential density and floor area ratio will be permitted when affordable housing is provided.
- CDBG or other available funding assistance may be allocated to projects that include multi-family units targeted for extremely-low-income households.
- City staff will provide administrative assistance to affordable housing developers in preparing grant applications.
- A current inventory of vacant sites suitable for multi-family residential or mixed-use development will be maintained on the City website.
- At least once each year the City will publicize development opportunities within the Gateway Specific Plan area.

- *Assist in facilitating subdivision of large parcels where necessary to create building sites through concurrent processing and project coordination.*

### **Program 2 – Sites for Emergency Shelters and Transitional/Supportive Housing**

**Objective:** **Promote and assist in the development of emergency shelters and transitional/supportive housing.**

- Action 2.1:** *While surveys have not identified a significant local homeless population in Laguna Niguel, the City will continue to monitor the issue of homelessness in the future, continue its participation in the Orange County Homeless Issues Task Force, and continue to allocate an appropriate level of CDBG funding in relation to the local need.*
- Action 2.2:** *The City will update parking standards for emergency shelters consistent with AB 139 (2019) within one year of Housing Element adoption.*
- Action 2.3:** *The City will continue to implement the provisions of State law that define transitional and supportive housing as residential uses subject to the same standards and procedures as apply to other residential uses of the same type in the same zone.*

### **Program 3 – Affordable Housing Development**

**Objective:** **Promote, assist, and remove constraints on the development of housing for low- and moderate-income households, including units affordable to persons with extremely-low incomes.**

- Action 3.1:** *Government Code §65915 requires cities to grant a density increase over the otherwise maximum allowable residential density for housing developments that provide units affordable to low- or moderate-income households or seniors. AB 2345 of 2020 revised State Density Bonus Law to increase incentives for affordable housing. The City will continue to implement State Density Bonus Law as amended from time to time.*
- Action 3.2:** *The City will assist developers in seeking available State and federal funding and/or tax credits for the construction of low- and moderate-income housing, and will facilitate projects that incorporate affordable units by granting the modification of development standards, expedited processing, or other financial incentives consistent with state law. The City will provide administrative assistance to interested developers in accessing funding for private, local, state, or federal programs if needed to develop a low- or moderate-income project. Available assistance will be advertised and marketed continuously on the City website.*
- Action 3.3:** *The City will continue to encourage the production of housing designed specifically for special needs population groups and extremely-low-income (ELI) households, in conjunction with density bonuses and/or regulatory incentives described in Action 3.1 of this Program. Additional assistance such as modified development standards and fee waivers will be provided to assist extremely-low-income units, when feasible. Targeted funding assistance will be prioritized for ELI units whenever feasible.*
- Action 3.4:** *In accordance with State law, the City updated regulations for accessory dwelling units in 2021. Opportunities for ADU development will be publicized on the City website, at City Hall and at other community facilities. Strategies to encourage ADU production will include resource materials, expedited review, social media educational information, sample site plans, and a dedicated ADU webpage.*
- Action 3.5:** *The City will post development fees and any inclusionary requirements on the City website in compliance with Government Code §65940.1(a)(1)(A).*

- Action 3.6** *Any vacant site identified in two or more consecutive planning periods or nonvacant sites identified in a prior planning period to accommodate the lower-income RHNA shall be eligible for approval by-right if at least 20% of the units are available to lower-income households pursuant to Government Code § 65583.2(c)*
- Action 3.7** *The City will prepare and adopt written procedures for SB 35 Streamlined Ministerial Approval in 2021/2022.*

#### **Program 4 – Conserve and Improve Existing Low- and Moderate-Income Housing**

**Objective:** **There are two projects with 156 units in Laguna Niguel that are at risk of conversion to market-rate apartments by 2031. While the City supports efforts to conserve and improve the existing supply of housing affordable to low- and moderate-income households, the level of need is greater than the financial resources under the City’s control.**

- Action 4.1:** *Support efforts to conserve assisted rental units currently affordable to low- and moderate-income households that are at-risk of converting to market rate between 2021 and 2031. The City’s strategy will be to:*
1. Monitor the status of assisted units annually in order to assess the risk of conversion to market rate.
  2. In collaboration with the Orange County Housing & Community Services Department, encourage the owners of at-risk properties to maintain their rental units as affordable housing in exchange for appropriate financial incentives.
  3. Depending on the interest of property owners and County HCS, allocate a portion of the City’s CDBG funds to assist in extending affordability covenants for at-risk units, and work with potential purchasers of at-risk properties to extend affordability covenants.
  4. In cooperation with County HCS, provide educational materials to tenants of properties with expiring covenants regarding options for securing other affordable housing.
- Action 4.2:** *Continue the City’s active property maintenance program run by the Code Enforcement Division of the Community Development Department. Under this program, code enforcement staff has an ongoing routine of conducting “windshield” surveys, covering all property in Laguna Niguel every six months. Code enforcement officers take note of and follow up on issues they may find that threaten public health, safety, and welfare, such as fire hazards, polluted waters, refuse and waste, overgrown or dead vegetation, and unsafe structures, all in accordance with Municipal Code Division 14 (Nuisances). The program will help to maintain the City’s existing housing stock in good condition to prevent the need for rehabilitation.*
- Action 4.3:** *Continue to administer the City’s Condominium Conversion Ordinance.*

#### **Program 5 – Affirmatively Furthering Fair Housing**

**Objective:** **Affirmatively further fair housing in Laguna Niguel.**

- Action 5.1:** *Continue to implement administrative procedures to ensure reasonable accommodation in housing for persons with disabilities.*

**Action 5.2:** *Continue to implement actions to affirmatively further fair housing as described in the 2020-2024 Orange County Analysis of Impediments to Fair Housing Choice (Consolidated Plan Appendix A) as described below.*

1. *Attend quarterly OCHA Housing Advisory Committee to enhance the exchange of information regarding the availability, procedures, and policies related to the Housing Assistance Voucher program and regional housing issues.*
2. *In collaboration with the Orange County Housing Authority (OCHA):*
  - a. *Support OCHA's affirmative fair marketing plan and de-concentration policies by providing five-year and annual PHA plan certifications.*
  - b. *In coordination with OCHA and fair housing services provider, conduct landlord education campaign to educate property owners about State law prohibiting discrimination based on household income.*
3. *Through the City's fair housing contractor:*
  - a. *Provide fair housing education and information to apartment managers and homeowner associations on why denial of reasonable modifications/accommodations is unlawful.*
  - b. *Conduct multi-faceted fair housing outreach to tenants, landlords, property owners, realtors, and property management companies. Methods of outreach may include workshops, informational booths, presentations to community groups, and distribution of multi-lingual fair housing literature.*
  - c. *Provide general fair housing counseling and referrals services to address tenant-landlord issues, and investigate allegations of fair housing discrimination and take appropriate actions to conciliate cases or refer to appropriate authorities.*
  - d. *Periodically monitor local newspapers and online media outlets to identify potentially discriminatory housing advertisements.*
  - e. *Include testing/audits within the scope of work with fair housing provider.*
4. *Prepare a new Housing Element that is compliant with all current State laws and is certified by the California Department of Housing and Community Development.*
5. *Update zoning ordinance to comply with current State law.*
6. *In cooperation with the Orange County Transportation Authority, provide community education regarding transport services for persons with disabilities.*
7. *Support local eviction prevention strategies to reduce the number of homeless individuals and families (homelessness prevention services).*

## **Program 6 – Housing Element Monitoring and Reporting**

**Objective:** **Monitor and report annually on the City’s progress in implementing the Housing Element, and ensure that the Housing Element is internally consistent with other elements of the General Plan.**

**Action 6.1:** *Report to the City Council annually on the progress of Housing Element program implementation. This report will be distributed to the Department of Housing and*

*Community Development and the Governor’s Office of Planning and Research, in accordance with State law.*

**Action 6.2:** *Require social service agencies and non-profit organizations that receive CDBG funding from the City to record and report information on the residences of clients served.*

**Action 6.3:** *Whenever land use regulations, land use designations, or housing programs are proposed for adoption or modification, the Community Development Department shall analyze the proposed changes to determine consistency with the Housing Element and other elements of the General Plan.*

**C. Quantified Objectives**

The City’s quantified objectives for new construction, rehabilitation and conservation are presented in Table V-1. No rehabilitation objective is established since the City’s housing stock is relatively new and there are no units in need of substantial repair.

**Table V-1  
Quantified Objectives – 2021-2029  
City of Laguna Niguel**

Program Category	Income Category					Totals
	Ex. Low	V. Low	Low	Mod	Upper	
New Construction <sup>1</sup>	174	174	202	223	434	1,207
Rehabilitation					-	
Conservation <sup>2</sup>			156		-	156

1. Quantified objective for new construction is for the period 7/1/2021 – 10/15/2029 per the RHNA

2. Preservation of units at risk of conversion to market rate housing

## **Appendix A – Evaluation of the Prior Housing Element**

Section 65588(a) of the *Government Code* requires that jurisdictions evaluate the effectiveness of the existing Housing Element, the appropriateness of goals, objectives and policies, and the progress in implementing programs for the previous planning period. This appendix contains a review the housing goals, policies, and programs of the previous housing element, and evaluates the degree to which these programs have been implemented during the previous planning period. This analysis also includes an assessment of the appropriateness of goals, objectives and policies. The findings from this evaluation have been instrumental in determining the City's 2021-2029 Housing Implementation Program.

Table A-1 summarizes the programs contained in the previous Housing Element along with the source of funding, program objectives, accomplishments, and implications for future policies and actions.

Table A-2 presents the City's progress in meeting the quantified objectives from the previous Housing Element.

**Table A-1  
Housing Element Program Evaluation 2013-2021  
City of Laguna Niguel**

Housing Program	Program Objective	Timeframe	Implementation Status	Future Policies and Actions
1. Provision of Adequate Housing Sites	Identify and monitor the use of vacant land for the construction of new housing units to meet RHNA allocation.	Ongoing	<p>1) The City complies with the "no net loss" provision of Government Code Sec. 65863 through provisions in the Laguna Niguel Zoning Code and Gateway Specific plan.</p> <p>2) Following the March 16, 2021 City Council meeting, staff will submit this progress report to the California Department of Housing and Community Development and Office of Planning and Research.</p> <p>3) The City continues to offer a density bonus when affordable housing is provided.</p> <p>4) The City annually publishes the CDBG notice of funding availability; however, we have not received any applications for multi-family units targeting extreme-low-income households during the reporting period.</p> <p>5) The City continues to offer administrative assistance to affordable housing developers in preparing grant applications.</p> <p>6) A current inventory of vacant land suitable for housing is posted on the City's website.</p> <p>7) The City publicizes current development projects in the Gateway and provides development standards on the City's website"</p>	These programs should be continued.
2. Sites for Emergency Shelters and Transitional / Supportive Housing	Promote and assist in the development of emergency shelters and transitional/ supportive housing.	Ongoing	City staffs regularly attend regional planning meetings that address homelessness. The City coordinates with the County and various public service agencies in helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing	These programs should be continued.

Housing Program	Program Objective	Timeframe	Implementation Status	Future Policies and Actions
			<p>individuals and families who were recently homeless from becoming homeless again. Specifically, in FY 19/20 Families Assistance Ministries (FAM) and South County Outreach were provided funding from CDBG funds to provide these types of services for the homeless and those at-risk of homelessness.</p> <p>Transitional and supportive housing are listed as permitted uses in the Laguna Niguel Zoning Code and Gateway Specific Plan.</p>	
<p>3. Affordable Housing Development</p>	<p>Promote and assist in the development of housing for low- and moderate-income households.</p>	<p>Ongoing</p>	<p>1) The City's affordable housing regulations are in compliance with current provisions of Government Code 65915 (State density bonus law).</p> <p>2) The City offers incentives for affordable housing development in the form of density bonus as listed in the Laguna Niguel Zoning Code and Gateway Specific Plan. The density bonus provision provides for increased density above the baseline of 50du/ac up to 120du/ac. During this program period, density bonus was used in five approved Gateway developments ranging between 67-93 du/ac resulting in 1,497 total units with 55 affordable units.</p> <p>3) The City encourages the production of housing designed specifically for special needs population groups through the density bonus program in the Gateway Specific Plan. During this program period, density bonus was used to approve a mixed-use development that includes a State-licensed Residential Care Facility for the Elderly (RCFE) with 111 units at 72 du/ac.</p> <p>4) The City implements regulations for accessory dwelling units consistent with State Law."</p>	<p>These programs should be continued.</p>
<p>4. Conserve and Improve Existing Housing Affordable to Low and Moderate Income Households</p>	<p>To conserve and improve existing housing that is affordable to low- and moderate-income households.</p>	<p>Ongoing</p>	<p>1) The City continues to monitor at risk units. No notifications have been received during the reporting period.</p> <p>2) The City's Code Enforcement program responds to property maintenance complaints.</p> <p>3) Homesharing programs are administered by private service providers.</p>	<p>These programs should be continued.</p>

Housing Program	Program Objective	Timeframe	Implementation Status	Future Policies and Actions
			<p>4) There are no providers operating in or near Laguna Niguel during the reporting period.</p> <p>5) The City continues to administer the condominium conversion ordinance as stated in the Zoning Code. No units were converted during the reporting period.</p>	
5. Promote Equal Housing Opportunity	Promote equal housing opportunity for all residents of Laguna Niguel.	Ongoing	<p>1) The Zoning Code outlines administrative procedures for reasonable accommodation requests.</p> <p>2) No requests were received during the reporting period.</p> <p>3) The City utilized CDBG funds to support a fair housing organization. Links to FHCOG workshops are posted on the City's website.</p>	These programs should be continued.
6. Housing Element Monitoring and Reporting	To develop monitoring and reporting programs for the Housing Element and ensure the Housing Element is internally consistent with other elements of the General Plan.	Ongoing	<p>1) Following the March 16, 2021 City Council meeting, staff will submit this progress report to the California Department of Housing and Community Development and Office of Planning and Research.</p> <p>2) The City's CDBG program requires service providers to report on the number of residents served each quarter.</p> <p>3) All entitlements are analyzed for consistency with the Housing Element and other General Plan elements.</p>	These programs should be continued.

**Table A-2  
Progress in Achieving Quantified Objectives – 2013-2021**

Program Category	Quantified Objective	Progress
<b>New Construction</b>		
Extremely Low	22	0
Very Low	21	41
Low	30	38
Moderate	34	8
Above Moderate	75	1,442
<b>Total</b>	<b>182</b>	<b>1,529</b>
<b>Conservation</b>		
Very Low		
Low	156	156
<b>Total</b>	<b>156</b>	<b>156</b>

## Appendix B Residential Land Inventory

The assumptions and methodology for the residential land inventory are provided below and summarized in Tables B-1 through B-5. The inventory of sites for potential housing development is comprised of approved projects, vacant sites, underutilized sites, and potential accessory dwelling units (ADUs). As shown in Table B-1, the city's land inventory can accommodate the RHNA allocation for the planning period in all income categories.

**Table B-1  
Land Inventory vs. RHNA**

Potential Housing Sites	Income Category				Totals
	Very-Low	Low	Moderate	Above-Mod	
Approved projects (Table B-3)	-	12	-	258	270
Vacant sites (Table B-4)	80	80	80	53	293
Underutilized sites (Table B-5)	261	114	186	600	1,161
Potential ADUs	10	20	15	5	50
<b>Totals</b>	<b>351</b>	<b>226</b>	<b>281</b>	<b>916</b>	<b>1,774</b>
RHNA (2021-2029)	348	202	223	434	1,207
Adequate Capacity?	Yes	Yes	Yes	Yes	Yes

Source: City of Laguna Niguel Community Development Department, 2021

### Approved Projects

Table B-3 lists projects that have been approved but not yet built. The affordability levels for these units are based on the actual estimated sales prices or rents.

### Vacant Sites

Vacant parcels suitable for residential development are summarized in Table B-4 and shown in Figure B-1. Single-family lots were assigned to the above-moderate income category. Parcels allowing multi-family or mixed-use were assigned to income categories based on the allowable density. Parcels where the allowable density is at least 30 units/acre were assigned to any income category based on state law<sup>5</sup> while parcels zoned for multi-family development at less than 30 units/acre were assigned to the moderate- or above-moderate income category.

The largest of the vacant sites (Buie property) is over 26 acres in size but the developable portion is conservatively estimates as 4 acres due to slopes on the property. It is assumed that at the time of development this property would be subdivided to create a separate development area from other undeveloped parcels. As described in Program 1, the City will assist in facilitating subdivisions to create one or more building sites. Development regulations allow 100-percent residential use in this area, and several recent examples of high-density residential projects such as Apex Apartments and Picerne have occurred on land with slopes, as noted in the table below.

### Underutilized Sites

Significant residential development potential exists on underutilized sites within the Gateway Specific Plan (see Figure B-2). The Gateway Plan anticipates a total of nearly 3,000 housing units in mixed-use districts. Within the mixed-use zone, exclusively residential projects are permitted at a minimum density of 40

<sup>5</sup> Government Code §65583.2.c

units/acre and 1.15 floor area ratio (FAR). Please refer to Section IV.A.1.b (page 28) for a detailed description of the Gateway Specific Plan. Table B-5 includes a list of underutilized sites in the Gateway Specific Plan that can accommodate housing development during the current planning period. Because the allowable density is greater than 30 units/acre, these sites can accommodate all income categories.

Recent development in the Gateway demonstrates that the Plan is successful in stimulating housing development in this area. The following completed projects have densities ranging from 67 to over 90 units/acre. Based on these recent projects, a typical density of 50 units/acre is conservatively assumed for the Gateway area.

**Table B-2  
Previous Multi-family Projects in the Gateway Specific Plan**

Project	Address	Density (units/acre)
Apex Apartments	27960 Cabot Rd	86
Skye Apartments	28100 Cabot Rd	67
Cavora Apartments	27742 Forbes Rd	70
Picerne (blu)	27930 Cabot Rd	99
North Getty (Vilara)	27665 Forbes Rd	93
Gateway Senior Community Housing		72

Pursuant to Government Code Sec. 65583.2(g)(2), the City finds that the following substantial evidence demonstrates that existing uses on sites listed in Table B-5 do not impede additional residential development and are likely to be discontinued during the planning period.

- A Program EIR was certified for the Gateway Specific Plan, which streamlines the CEQA review process for housing developments thereby enhancing development certainty and reducing development time and cost.
- As shown in Table B-2, at least six multi-family projects have been previously approved and built in the Gateway Specific Plan, demonstrating that the Plan creates significant market incentives and opportunities for new residential development.
- Approximately two-thirds of the potential residential units on underutilized sites listed in Table B-5 is on sites with an assessed improvements-to-land (I/L) value ratio 1.0 or less. Previous research by the University of California, Berkeley<sup>6</sup> to identify potential infill development opportunities in California utilized an I/L ratio of 1.0 for commercial and multi-family residential properties. The authors of that study noted that this methodology "...has a strong theoretical and empirical basis: urban parcels for which improvement values are less than land values are widely considered to be economically underutilized. Indeed, many, if not most, market-rate infill housing projects are currently built on refill sites."
- Nearly all of the existing buildings on properties listed in Table B-5 are 40 years old or more, indicating significant market potential for redevelopment.
- Nearly all of the properties listed in Table B-5 are developed with one- or two-story buildings with a floor area ratio (FAR) less than 0.5, indicating significant market potential for redevelopment.

<sup>6</sup> University of California, Berkeley Institute of Urban and Regional Development, The Future of Infill Housing in California: Opportunities, Potential, Feasibility and Demand, 2005

### **Accessory Dwelling Units**

Accessory dwelling units (ADUs) represent a significant opportunity for affordable housing, particularly for single persons or small households including the elderly, college students, young adults, and caregivers. Recent changes in State law have made the construction of ADUs more feasible for homeowners, and the City has seen an increase in ADU development applications recently.

Over the past few years interest in ADUs has increased, and in the past year the City has approved 7 ADU permits. At that rate, it is estimated that approximately 50 additional ADUs will be permitted during the 2021-2029 planning period, or approximately 6 per year. Based on recent analysis conducted by SCAG<sup>7</sup> approximately two-thirds of future ADUs are expected to be affordable to lower-income households. Action 3.4 describes methods the City will use to promote ADU development.

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<sup>7</sup> SCAG, Regional Accessory Dwelling Unit Affordability Analysis, 2020 ([https://scag.ca.gov/sites/main/files/file-attachments/adu\\_affordability\\_analysis\\_120120v2.pdf?1606868527](https://scag.ca.gov/sites/main/files/file-attachments/adu_affordability_analysis_120120v2.pdf?1606868527))

**Table B-3  
Approved Projects**

Project	Address	Density (units/ac)	Potential Units					Status/Notes
			VL	Low	Mod	Above	Total	
Gateway Senior Housing	27762 Forbes Road	78				78	78	Approved - also includes 33 managed care units
Picerne wrap	25887 Crown Valley Pkwy	52		12		180	192	Under construction
<b>TOTALS</b>				12		258	270	

**Table B-4  
Vacant Sites**

Site (Address/APN)	General Plan/ Zoning	Acreage	Density (du/acre)	Potential Units by Income Category			Total
				Lower	Moderate	Above	
<b>Buie Property</b> , n/w corner of Crown Valley Pkwy and Cabot Rd, APNs: 636-061-20 (P) 636-041-04 (P) 636-044-01 (P) Total	GP: Open Space and CC/PO/PI/RA Zoning: Gateway SP/MU	24.0 2.1 0.7 26.8 total (4.0 buildable based on slope constraints)	40	160***			160
<b>Crown Cove</b> , n/w of Crown Valley Pkwy and Pacific Island Dr APN: 656-231-02	GP: RA Zoning: Multi-Family (RM)	4.19	9.8		41**		41
<b>CUSD Surplus Property</b> , Paseo de Colinas Parcel 1 of LLA No. 07-01, Previous APNs: 637-412-02 (portion) 637-392-02 (portion) 637-181-01 (portion) Total	GP: PI/RA/PR Zoning: PI/RM/PR/MC	1.22 0.07 1.18 2.47 total	12.2		30**		30
<b>Park Niguel</b> , s/w of Crown Valley Pkwy and Central Park Dr APN: 654-083-04	GP: RA Zoning: Multi-Family (RM)	1.02	8.8		9**		9
<b>Colinas de Capistrano</b> Tract 5241, Lots 1-35 (single-family) APN: 637-071-01 through 35 Single-Family custom lots, various sites	GP: Residential Detached Zoning: Single Family District 3 (RS-3) Single-family	19.51 --	1.8 varies			53	53
<b>TOTALS – vacant sites</b>				<b>160</b>	<b>80</b>	<b>53</b>	<b>293</b>

Notes:

\*Required affordable units based on condition of approval

\*\*Based on market conditions

\*\*\*Based on default density

(P) used to satisfy lower-income RHNA in 2 prior planning periods

**Table B-5  
Underutilized Sites Inventory**

District	Address	APN	Zoning *	Density		Parcel Size (acres)	FAR	I/L	Existing Use	Income Category			Total
				Min	Max					Lower	Mod	Above Mod	
E	26022 Cape Dr	636 034 06	MU	40	120	1.2	.18	2.5	Crown Cape Center, commercial center, built 1976, 9,600sqft,	18	9	29	56
E	27601 Forbes Rd	636 033 03	MU	40	120	5.4	.31	.3	3 Flags commercial center, built 1969, 72,598sqft	81	41	131	253
E	27812 Forbes Rd	636 034 07	MU	40	120	1.1	.32	1.7	Mission Christian Church, built 1967, 15,124sqft	17	8	26	51
<b>Subtotal</b>				<b>40</b>	<b>120</b>	<b>8.6</b>				<b>116</b>	<b>58</b>	<b>186</b>	<b>360</b>
G	27872 Crown Valley Pkwy	637 202 02	MU	40	120	3.5	.49	1.2	All Size Storage,	53	26	84	163
<b>Subtotal</b>				<b>40</b>	<b>120</b>	<b>3.5</b>				<b>53</b>	<b>26</b>	<b>84</b>	<b>163</b>
H	27882 Forbes Rd	637 201 01	MU	40	120	3.1	.25	.9	Laguna Niguel Medical Plaza, built 1982, 33,700sqft	47	23	74	144
H	27912 Forbes Rd	637 201 02	MU	40	120	0.9	.29	1.2	Econo Lube n Tune, built 1982, 11,586sqft	14	7	22	43
H	27942 Forbes Rd	637 201 03	MU	40	120	0.8	.33	.3	Tucker Tire/auto repair, built 1979, 12,077sqft	12	6	20	38
H	27972 Forbes Rd	637 201 04	MU	40	120	0.8	.36	1.5	LD Building/auto repair, built 1979, 12,644sqft	12	6	19	37
H	28002 Forbes Rd	637 201 05	MU	40	120	0.9	.41	1.4	JFC Tires / OC Auto Collision, built 1979, 15,220sqft	13	6	21	40
H	28092 Forbes Rd	637 201 11	MU/T	40	120	5.6	.07	1	Sepulveda Building Materials,	84	42	135	261
H	28032 Forbes Rd	637 201 06	MU	40	120	0.8	.42	2.9	South Coast Shingles, built 1979, 15,000sqft	12	6	20	38
H	28062 Forbes Rd	637 201 07	MU/T	40	120	0.8	.43	.4	office building (Art Display, Care Ambulance, Left Coast CrossFit), built 1981, 15,008sqft	12	6	19	37
<b>Subtotal</b>						<b>13.8</b>				<b>206</b>	<b>102</b>	<b>330</b>	<b>638</b>
<b>Totals</b>						<b>25.9</b>				<b>375</b>	<b>186</b>	<b>600</b>	<b>1,161</b>

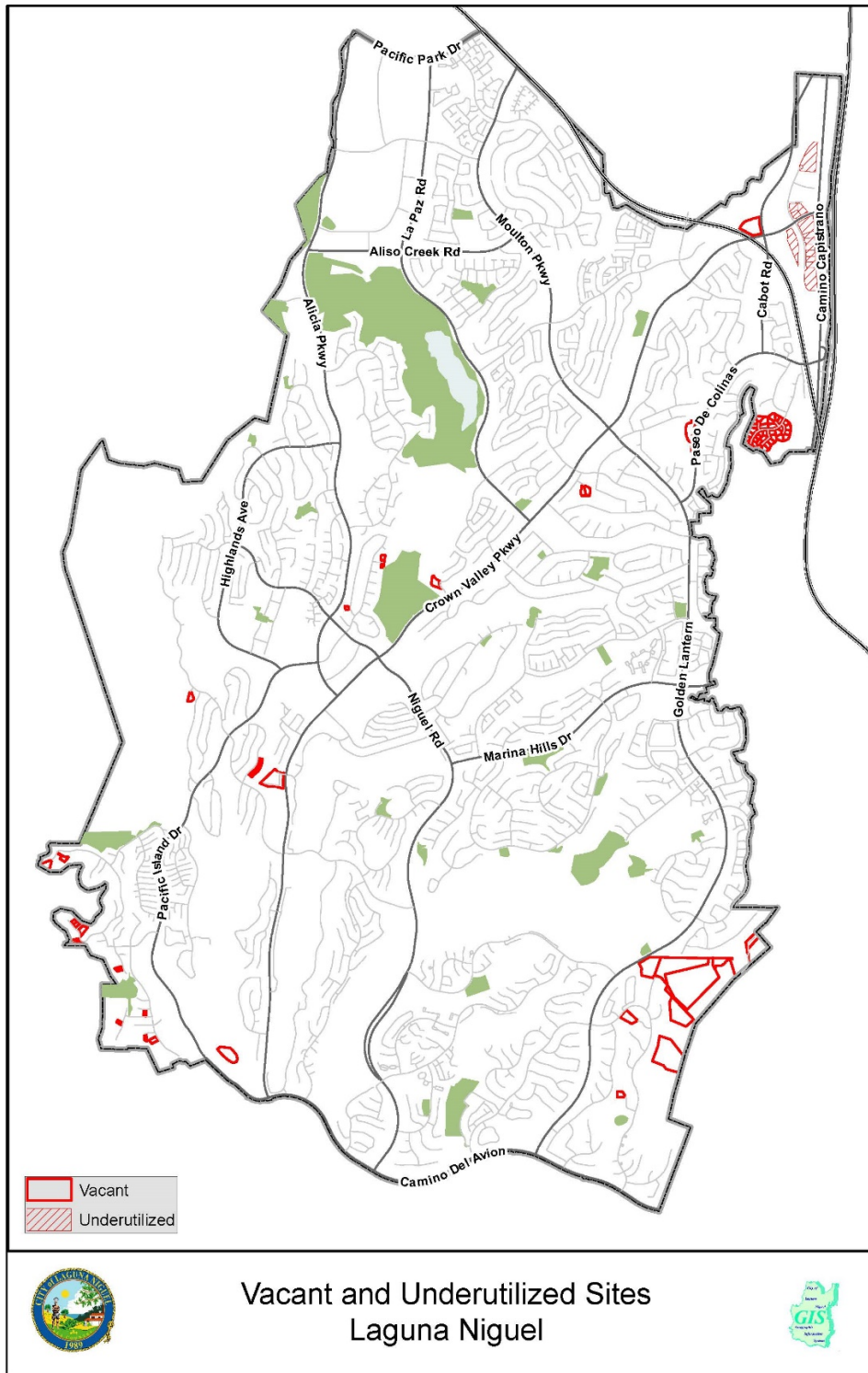
Notes:

\*The General Plan designation for all parcels is COMMUNITY COMMERCIAL; PROFESSIONAL OFFICE; PUBLIC INSITUTIONAL; RESIDENTIAL ATTACHED

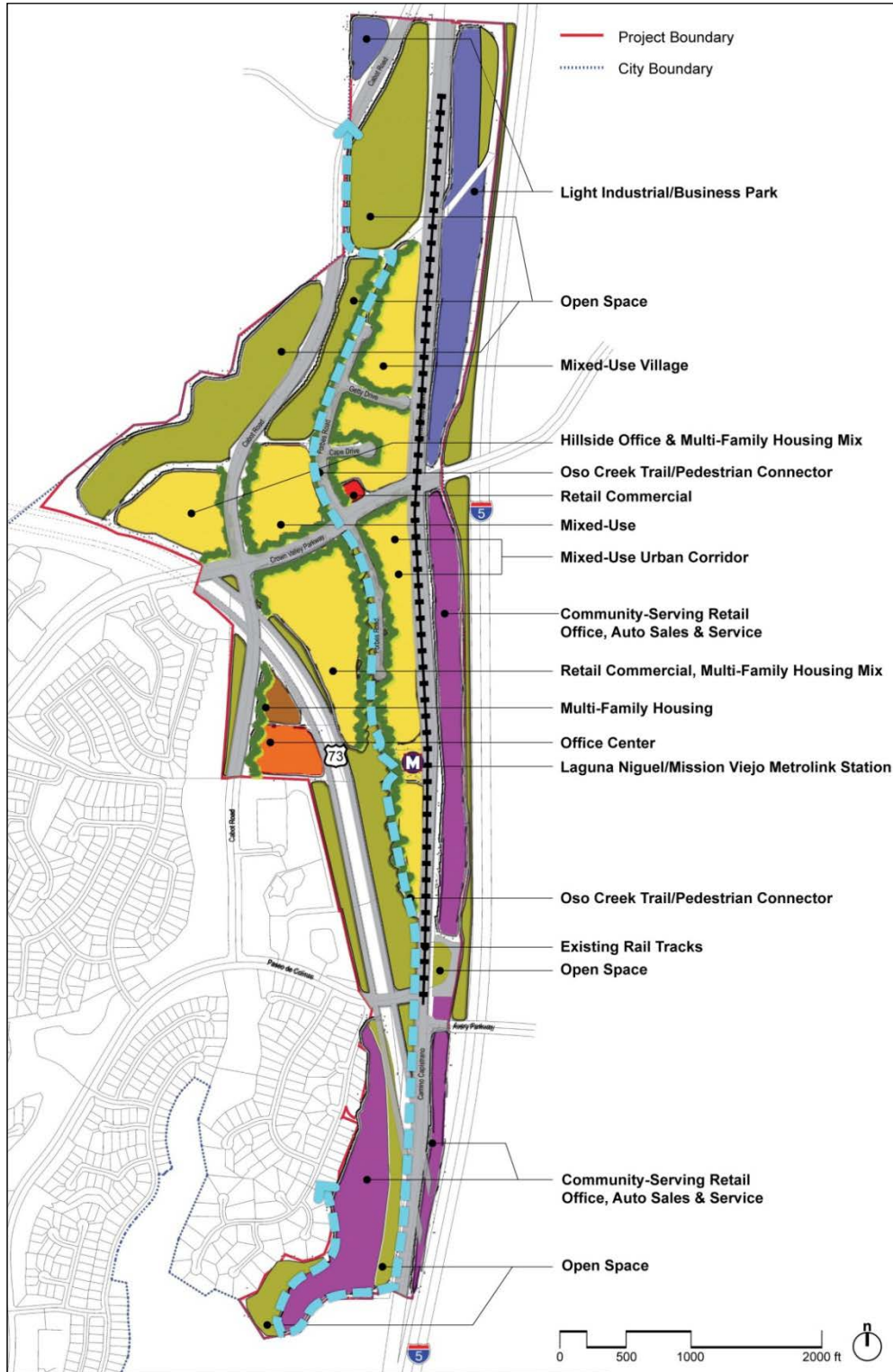
All parcels are within the Gateway Specific Plan. The zoning designation reflects the Specific Plan land use designation.

Note: None of the sites was utilized in a prior planning period

Figure B-1  
Residential Land Inventory Map



**Figure B-2**  
**Land Use Concept Plan**  
**Gateway Specific Plan**



## Appendix C

### Public Participation Summary

Public participation is an important component of the Housing Element update. *Government Code* §65583(c)(8) states that "The local government shall make diligent effort to achieve public participation of all the economic segments of the community in the development of the housing element, and the program shall describe this effort." Public participation played an important role in the formulation and refinement of the City's housing goals and policies and in the development of a Land Use Plan that determines the extent and density of future residential development in the community.

City residents and other interested parties were given several opportunities to identify housing issues of concern, recommend strategies, review the draft element, and provide recommendations to decision-makers. A Housing Element web page was established to provide interested persons with information including Frequently Asked Questions (provided below) and public meeting announcements, and also an online survey regarding housing needs in the community (see results below).

The following public meetings were conducted regarding the Housing Element update:

April 15, 2021 Planning Commission study session

May 25, 2021 Planning Commission meeting

September 28, 2021 Planning Commission hearing

October 19, 2021\_City Council hearing

Meeting notices were posted on the City's website, and notification was published in the local newspaper in advance of the meetings. Copies of the draft Housing Element were made available for review at City Hall and were posted on the City website, and notices were sent directly to housing interest groups and organizations that serve the City's special needs populations (see Exhibit C-1). The public comments resulting from this broad effort to involve all segments of the community were considered by City decision-makers in preparing this Housing Element update.

**Exhibit C-1  
Public Meeting Notification List**

Kennedy Commission  
Attn: Cesar Covarrubias  
17701 Cowan Ave., Suite 200  
Irvine, CA 92614

Kennedy Commission  
Attn: Linda Tang  
17701 Cowan Ave., Suite 200  
Irvine, CA 92614

OC Association of Realtors  
Attn: Teryll Hopper  
25552 La Paz Road  
Laguna Hills, CA 92653

Public Law Center  
Attn: Pauline Chow  
601 Civic Center Drive West  
Santa Ana, 92701

Public Law Center  
Attn: Ezequiel Gutierrez  
602 Civic Center Drive West  
Santa Ana, 92701

Jamboree Housing Corp.  
Laura Archuleta  
17701 Cowan Avenue  
Suite 200  
Irvine, CA 92614

The Related Companies of California  
Frank Cardone  
18201 Von Karman Ave Ste 900  
Irvine, CA 92612

Community Housing Resources, Inc.  
Linda Nelson  
17701 Cowan Avenue, Suite 200  
Irvine, CA 92614

South County Outreach  
Ed Stewart  
26776 Vista Terrace  
Lake Forest, CA 92630

Dayle McIntosh Center  
South County Branch  
24012 Calle De La Plata # 110  
Laguna Hills, CA 92653

OC Housing Providers  
Attn: Vickie Talley  
25241 Paseo de Alicia, Suite 120  
Laguna Hills, CA 92653

OC Housing Providers  
Attn: Shelly Amandola  
25241 Paseo de Alicia, Suite 120  
Laguna Hills, CA 92653

OC Business Council  
Attn: Kris Murray  
2 Park Plaza, Suite 100  
Irvine, CA 92614

OC Housing Trust  
Attn: Ken Mutter, Exec. Director  
198 W. Lincoln Ave., 2nd Floor  
Anaheim, CA 92805

Neighborhood Housing Services of  
Orange County  
Attn: Glen Hayes, Executive Director  
198 W. Lincoln Ave., 2nd Floor  
Anaheim, CA 92805

BIA/OC  
Attn: Sarah Bruckner  
17744 Sky Park Circle #170  
Irvine, CA 92614

Habitat for Humanity of Orange County  
2200 S. Ritchey St.  
Santa Ana, CA 92705

City of Laguna Hills  
Attn: David Chantarangsu, AICP  
Community Development Director  
24035 El Toro Rd  
Laguna Hills, CA 92653

City of Mission Viejo  
Attn: Chuck Wilson  
Community Development Director  
200, Civic Center  
Mission Viejo, CA 92691

Jacqui Kerze  
Community Outreach Coordinator  
Regional Center of Orange County  
P.O. Box 22010  
Santa Ana, CA 92702-2010

City of San Juan Capistrano  
Attn: Grant Taylor  
Development Services Director  
32400 Paseo Adelanto  
San Juan Capistrano, CA 92675

City of Dana Point  
Attn: Kyle Butterwick  
Community Development Director  
328 Golden Lantern, Ste.212  
Dana Point, CA 92629

City of Laguna Beach  
Attn: John Montgomery  
Community Development Director  
505 Forest Ave.  
Laguna Beach, CA 92651-2394

City of Aliso Viejo  
Attn: Albert Armijo  
Planning Services Director  
12 Journey  
Aliso Viejo, CA 92656



# City of Laguna Niguel

## 2021 Housing Element FAQ

### 1. What is a Housing Element?

State law<sup>1</sup> requires each city to adopt a comprehensive, long-term General Plan for its physical development. Laguna Niguel's General Plan<sup>2</sup> is divided into the following "elements" or chapters that contain goals, policies and programs which are intended to guide land use and development decisions:

- Land Use
- Open Space & Parks
- Circulation
- Public Facilities
- Noise
- Seismic/Public Safety
- Housing
- Growth Management
- Community Service Standards

The purpose of the Housing Element is to evaluate the housing needs of Laguna Niguel's current and future residents and set forth policies and programs to address those needs.

While most portions of General Plans typically have a time horizon of 20-25 years, State law requires that Housing Elements be updated on 8-year "cycles." The City is currently preparing a Housing Element update for the 2021-2029 planning period, which is referred to as the "6<sup>th</sup> Housing Element cycle" in reference to the six required updates that have occurred since the comprehensive revision to State Housing Element law in 1980.

State law<sup>3</sup> establishes detailed requirements for Housing Elements, which are summarized in 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.*

<sup>1</sup> California Government Code Sec. 65300 et seq.

<sup>2</sup> <https://www.cityoflagunaniguel.org/132/General-Plan>

<sup>3</sup> California Government Code Sec. 65580 et seq.



## Laguna Niguel 2021 Housing Element FAQ

### 2. What is Housing Element “certification” and why is it important?

The State Legislature has delegated to the California Department of Housing and Community Development (“HCD”) the authority to review Housing Elements and issue findings regarding the elements’ compliance with the law.<sup>4</sup> When HCD issues a letter finding that the Housing Element is in substantial compliance with State law it is referred to as “certification” of the Housing Element.

Housing Element certification is important for two main reasons:

- **Local control.** The General Plan and its various elements provide the foundation for the City’s land use plans and development regulations, and the Housing Element is part of the General Plan. If the City were challenged in court on a planning or zoning matter and the General Plan were found by the court to be invalid, the court could order changes to City land use plans or regulations and assume control over City land use decisions. HCD certification establishes a “rebuttable presumption of validity”<sup>5</sup> that the Housing Element complies with State law, which would support the City’s legal defense. Recent laws also allow courts to impose fines on a jurisdiction if it fails to adopt a Housing Element in compliance with State law.<sup>6</sup>
- **Eligibility for grant funds.** Some State grant funds are contingent upon Housing Element certification. Grants can help to cover the cost of some projects that would otherwise rely on the City’s General Fund.

Laguna Niguel’s last Housing Element update was completed in 2013 and certified by HCD as fully compliant with State law.

### 3. What are the most important issues that must be addressed in the Housing Element update?

The major issues that must be addressed in the Housing Element update are: 1) how City policies, plans and regulations help to meet the region’s housing needs for persons and families of all income levels; and 2) how City land use regulations accommodate the special housing needs of those with disabilities or other difficulties.

- **Accommodating Regional Housing Needs.** Under State law<sup>7</sup> all cities are required to plan for additional housing to accommodate population growth and address existing housing problems such as overcrowding and high housing cost. State law recognizes that cities generally do not build housing, since that is typically the role of private developers and builders. However, cities are required to adopt policies, development regulations and standards to encourage a variety of housing types that are affordable for persons of all income levels. The Regional Housing Needs Assessment (“RHNA”) is the method by which each jurisdiction’s share of new housing needs is determined (see #5 below).

<sup>4</sup> California Government Code Sec. 65585

<sup>5</sup> California Government Code Sec. 65589.3.

<sup>6</sup> AB 101 of 2019

<sup>7</sup> California Government Code Sec. 65583



## Laguna Niguel 2021 Housing Element FAQ

- **Housing for Persons with Special Needs.** Under State law<sup>8</sup> cities must also ensure that their plans and regulations encourage the provision of housing for persons with special needs including:
  - ✓ Reasonable accommodation for persons with disabilities
  - ✓ Transitional housing
  - ✓ Supportive housing
  - ✓ Emergency shelters and other facilities serving the homeless
  - ✓ Large (5+) families

### 4. What is “affordable” housing?

By definition, housing is considered “affordable” when total housing cost, including utilities, is no more than 30% of a family’s gross income. State law describes five income categories, which are based on county median income as shown in Table 1.

**Table 1. Household Income Categories**

Income Category	% of county median income
Extremely low	Up to 30%
Very low	31-50%
Low	51-80%
Moderate	81-120%
Above moderate	Over 120%

Source: California Government Code Sec. 65584(f)

Affordable housing costs for all jurisdictions in Orange County are determined based on the income categories shown in Table 2. These incomes, rents and housing prices are based on a 4-person family and are adjusted for different family sizes.

**Table 2. Income Categories and Affordable Housing Costs - Orange County**

Income Category	Maximum Income	Affordable Rent	Affordable Price (est.)
Extremely Low	\$38,450	\$961	(1)
Very Low	\$64,050	\$1,601	(1)
Low	\$102,450	\$2,562	(1)
Moderate	\$123,600	\$3,090	\$500,000
Above moderate	Over \$123,600	Over \$3,090	Over \$500,000

Assumptions:

- Based on a family of 4 and current State income limits
- 30% of gross income for rent or principal, interest, taxes & insurance
- 5% down payment, 3.75% interest, 1.25% taxes & insurance, \$350 HOA dues

Notes:

- (1) For-sale affordable housing is typically at the moderate income level
- Source: Cal. HCD; JHD Planning LLC

<sup>8</sup> California Government Code Sec. 65583(a)(5)



## Laguna Niguel 2021 Housing Element FAQ

### 5. What is the “RHNA” why is it important?

Each California city is required to plan for new housing to accommodate a share of regional needs. The Regional Housing Needs Assessment (“RHNA”) is the process established in State law<sup>9</sup> by which housing needs are determined.

Prior to each planning cycle the total new housing need for each region of California is determined by HCD based upon economic and demographic trends, existing housing problems such as overcrowding and overpayment, and additional housing needed to ensure reasonable vacancy rates and replace units lost due to demolition or natural disasters.

Laguna Niguel is located within the Southern California Association of Governments (“SCAG”) region, which includes Los Angeles, Orange, Riverside, San Bernardino, Imperial and Ventura counties. The total housing need for the SCAG region is distributed to cities and counties by SCAG based upon objectives and criteria established in State law.<sup>10</sup>

In 2019 HCD determined that the total new housing need for the entire SCAG region in the 6<sup>th</sup> Housing Element cycle is 1,341,827 units. SCAG then prepared a RHNA plan, which fully allocated the total RHNA to jurisdictions in the SCAG region.<sup>11</sup>

Table 3 shows the 6<sup>th</sup> cycle RHNA allocations for Laguna Niguel, Orange County, and the entire SCAG region.

**Table 3. 6<sup>th</sup> Cycle RHNA - Laguna Niguel, Orange County and SCAG Region**

	Laguna Niguel	Orange County	SCAG Region
Housing need allocation 2021-2029	1,207	183,861	1,341,827

Source: SCAG, 3/4/2021

The RHNA also distributes each jurisdiction’s total housing need into four income categories (the extremely-low and very-low categories are combined for RHNA purposes). Laguna Niguel’s 6<sup>th</sup> cycle RHNA allocation by income category is shown in Table 4.

**Table 4. 6<sup>th</sup> RHNA by Income Category - Laguna Niguel**

Extremely Low + Very Low	Low	Moderate	Above Moderate	Total
348	202	223	434	1,207

Source: SCAG, 3/4/2021

### 6. Is the RHNA a construction mandate?

The RHNA allocation identifies the projected amount of additional housing a jurisdiction would need in order to have enough housing at all price levels to fully accommodate its assigned share projected growth over the 8-year planning period while also eliminating

<sup>9</sup> California Government Code Sec. 65584 et seq.

<sup>10</sup> California Government Code Sec. 65584(d)

<sup>11</sup> <https://scag.ca.gov/housing>



## Laguna Niguel 2021 Housing Element FAQ

existing problems of overcrowding and overpayment. The RHNA is a *planning requirement* based upon housing need, *not a construction quota or mandate*. Jurisdictions are not required to build housing or issue permits to achieve their RHNA allocations, but some provisions of State law establish specific requirements when housing production falls short of RHNA allocations. One such requirement is streamlined review and approval of housing development applications that meet specific standards.<sup>12</sup> Other than requirements for streamlined permit processing, there are currently no legal or financial penalties imposed on cities for failing to achieve their RHNA allocations.

### 7. What must cities do to comply with the RHNA?

The Housing Element must provide an evaluation of the city's capacity for additional housing based on land use patterns, development regulations, other development constraints (such as infrastructure availability and environmental conditions) and real estate market trends. The analysis must be prepared at a parcel-specific level of detail and identify properties (or "sites") where additional housing could be built consistent with City regulations. This evaluation is referred to as the "sites analysis" and State law requires the analysis to demonstrate that the city has adequate capacity to fully accommodate its RHNA allocation in each income category. If the sites analysis does not demonstrate that adequate capacity exists to fully accommodate the RHNA, the Housing Element must describe what steps will be taken to increase capacity commensurate with the RHNA - typically through amendments to land use and zoning regulations that could facilitate additional housing development. Such amendments typically include increasing the allowable residential density or allowing housing to be built in areas that are currently restricted to only non-residential land uses.

### 8. Why are cities in high-cost areas expected to have affordable housing? Low-cost housing is not economically feasible here due to high land prices.

State housing laws are based on the premise that every city has an obligation to accommodate a range of housing types for persons at all income levels. Every community is dependent on a variety of low- and moderate-income workers in jobs such as landscaping, building maintenance, child and elder care, medical technicians, personal services, clerical support and retail trade. While the existing housing stock serves the needs of many residents, market rents and prices are higher than some families can afford. In addition, low-wage jobs have increased at a much faster rate than affordable housing is being built.

While cities are not required to build new housing, they must ensure that their land use regulations encourage a full range of housing types. Rental apartments typically provide the majority of affordable housing, but other types of housing such as accessory dwelling units (ADUs) can also help to address this need. Various governmental programs provide funding assistance for affordable housing, but if a city's development regulations do not allow development of additional housing commensurate with projected need, the housing needs of the local workforce may be shifted to other cities.

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<sup>12</sup> California Government Code Sec. 65913.4 (SB 35 of 2017)



## Laguna Niguel 2021 Housing Element FAQ

### 9. Why is the RHNA allocation so high?

SCAG’s 6<sup>th</sup> cycle RHNA allocation for the entire 6-county region is 1,341,827 units compared to 412,137 units in the 5<sup>th</sup> cycle. There are two main reasons why the 6<sup>th</sup> RHNA allocation is so much higher than the 5<sup>th</sup> cycle.

First, the 5<sup>th</sup> cycle RHNA allocation was established in 2012 while the severe economic effects of the “Great Recession” were discouraging growth. As a result, the 5<sup>th</sup> RHNA was uncharacteristically low. For comparison, SCAG’s 4<sup>th</sup> cycle (2006-2013) RHNA allocation was approximately 700,000 housing units.

Second, for the 6<sup>th</sup> cycle the State made a major modification to the process for determining RHNA allocations. In prior RHNA cycles, total housing need was based only on *projected population growth*. However, for the 6<sup>th</sup> RHNA cycle the State added *existing need* to the total RHNA calculation. Existing need includes households that are currently overcrowded (defined as more than one person per room) or are overpaying for housing (defined as more than 30% of gross income). The total 6<sup>th</sup> cycle RHNA allocation for the SCAG region is comprised of the sum of existing need and projected need, as follows:

Existing need:	577,422 units
<u>Projected need:</u>	<u>764,405 units</u>
Total need:	1,341,827 units

As seen from this breakdown, if existing need were excluded (as was the case in prior RHNA cycles) the total need would be similar to the 4<sup>th</sup> cycle RHNA.

With regard to jurisdictional RHNA allocations, the methodology adopted by SCAG for the 6<sup>th</sup> cycle places greater emphasis on the proximity of housing to jobs and public transit rather than availability of vacant developable land. As a result, the urbanized areas of Los Angeles and Orange counties are assigned much higher housing need as compared to prior cycles even though they generally have much less vacant land than inland areas.

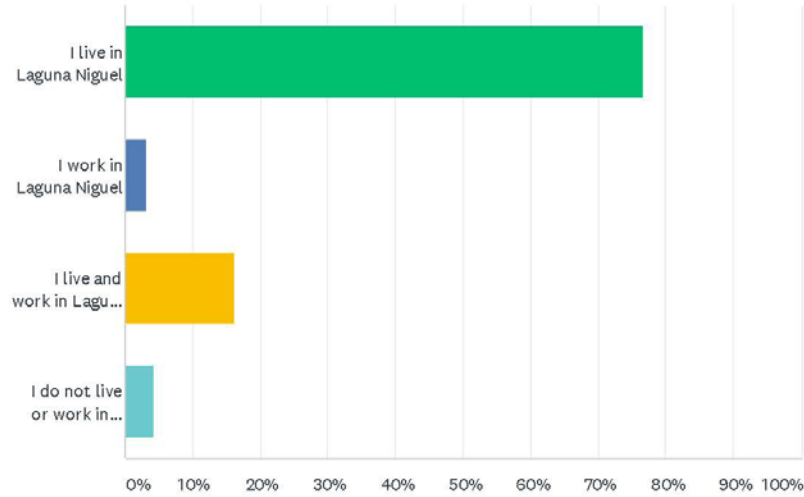
The RHNA allocations assume that in many urbanized cities of Orange and Los Angeles counties, a significant portion of new housing needs will be met through the redevelopment of older commercial properties.

...

2021 Housing Element Update Survey

Q1 Do you currently live and/or work in Laguna Niguel?

Answered: 286 Skipped: 0

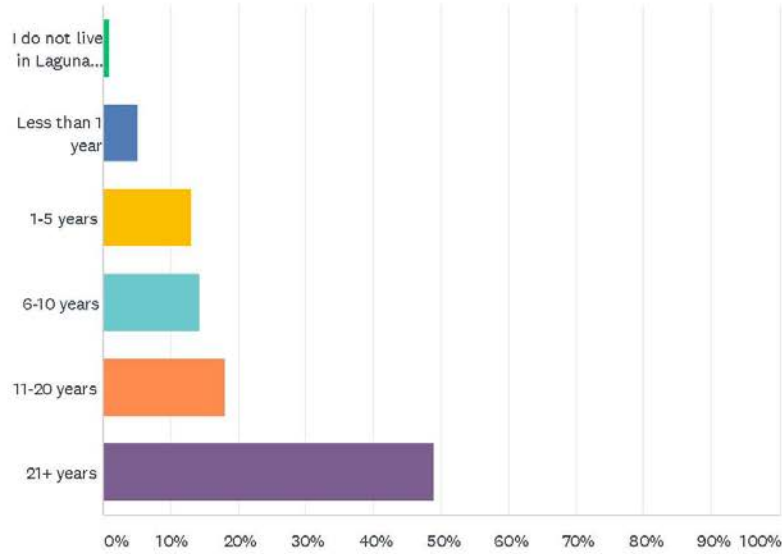


ANSWER CHOICES	RESPONSES	COUNT
I live in Laguna Niguel	76.57%	219
I work in Laguna Niguel	3.15%	9
I live and work in Laguna Niguel	16.08%	46
I do not live or work in Laguna Niguel	4.20%	12
TOTAL		286

2021 Housing Element Update Survey

Q2 If you live in Laguna Niguel, how long have you lived here?

Answered: 261 Skipped: 25

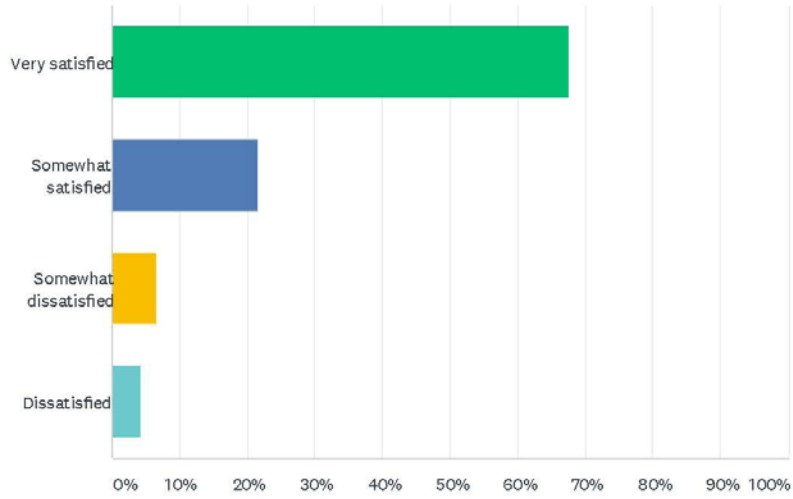


ANSWER CHOICES	RESPONSES	
I do not live in Laguna Niguel	0.77%	2
Less than 1 year	4.98%	13
1-5 years	13.03%	34
6-10 years	14.18%	37
11-20 years	18.01%	47
21+ years	49.04%	128
TOTAL		261

2021 Housing Element Update Survey

Q3 How satisfied are you with your current housing situation?

Answered: 259 Skipped: 27

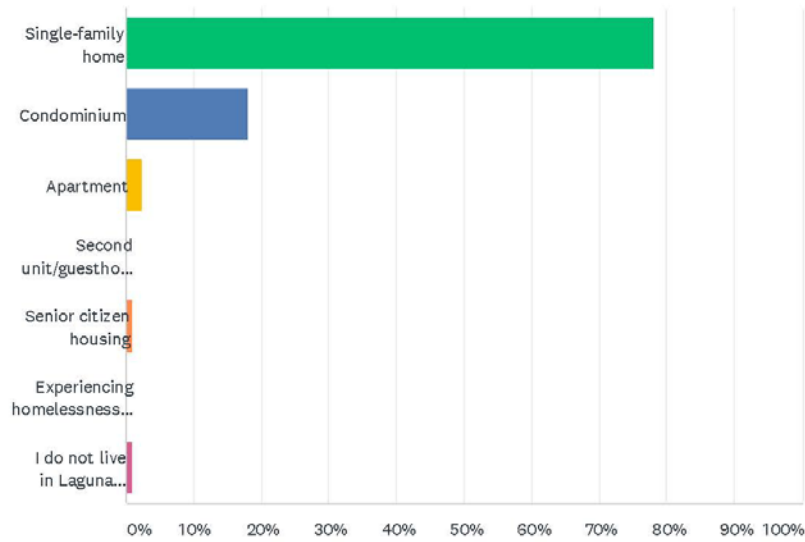


ANSWER CHOICES	RESPONSES	
Very satisfied	67.57%	175
Somewhat satisfied	21.62%	56
Somewhat dissatisfied	6.56%	17
Dissatisfied	4.25%	11
TOTAL		259

2021 Housing Element Update Survey

Q4 If you live in Laguna Niguel, select the type of housing unit you reside in:

Answered: 260 Skipped: 26

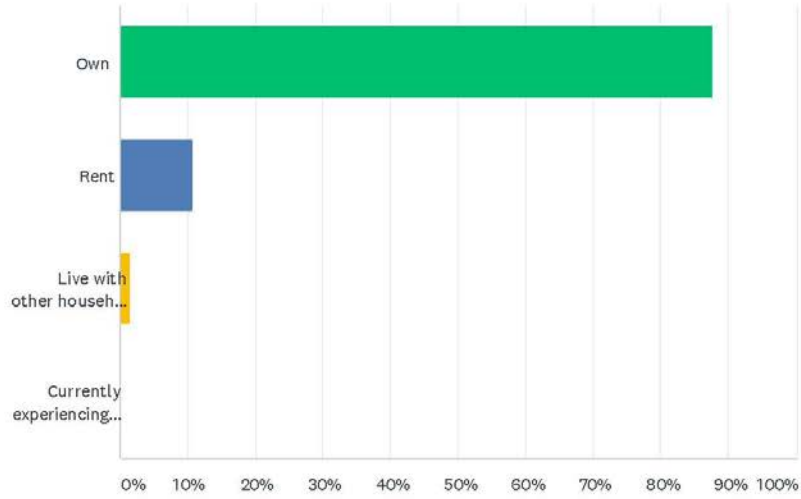


ANSWER CHOICES	RESPONSES	
Single-family home	78.08%	203
Condominium	18.08%	47
Apartment	2.31%	6
Second unit/guesthouse/Accessory dwelling unit (ADU)	0.00%	0
Senior citizen housing	0.77%	2
Experiencing homelessness (unsheltered)	0.00%	0
I do not live in Laguna Niguel	0.77%	2
<b>TOTAL</b>		<b>260</b>

2021 Housing Element Update Survey

Q5 Do you rent or own the home you live in?

Answered: 261 Skipped: 25

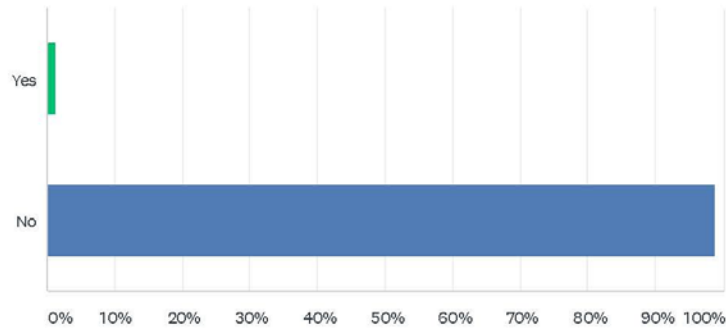


ANSWER CHOICES	RESPONSES	
Own	87.74%	229
Rent	10.73%	28
Live with other household (neither own nor rent)	1.53%	4
Currently experiencing homelessness	0.00%	0
<b>TOTAL</b>		<b>261</b>

2021 Housing Element Update Survey

Q6 If you reside in a single-family house, does the property have a second unit / guest house / ADU?

Answered: 234 Skipped: 52

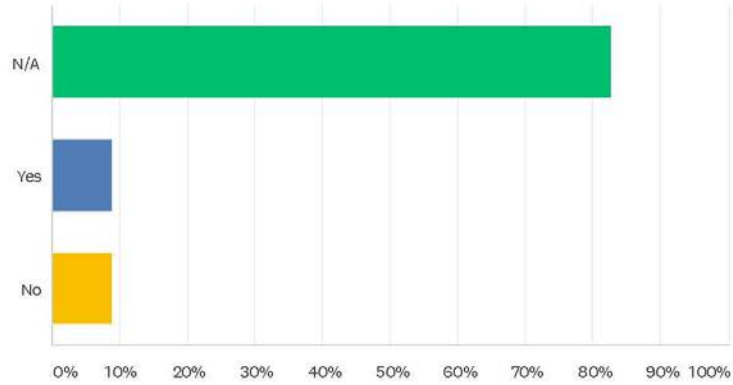


ANSWER CHOICES	RESPONSES	
Yes	1.28%	3
No	98.72%	231
TOTAL		234

2021 Housing Element Update Survey

Q7 Is this second unit / guesthouse / ADU occupied?

Answered: 23 Skipped: 263

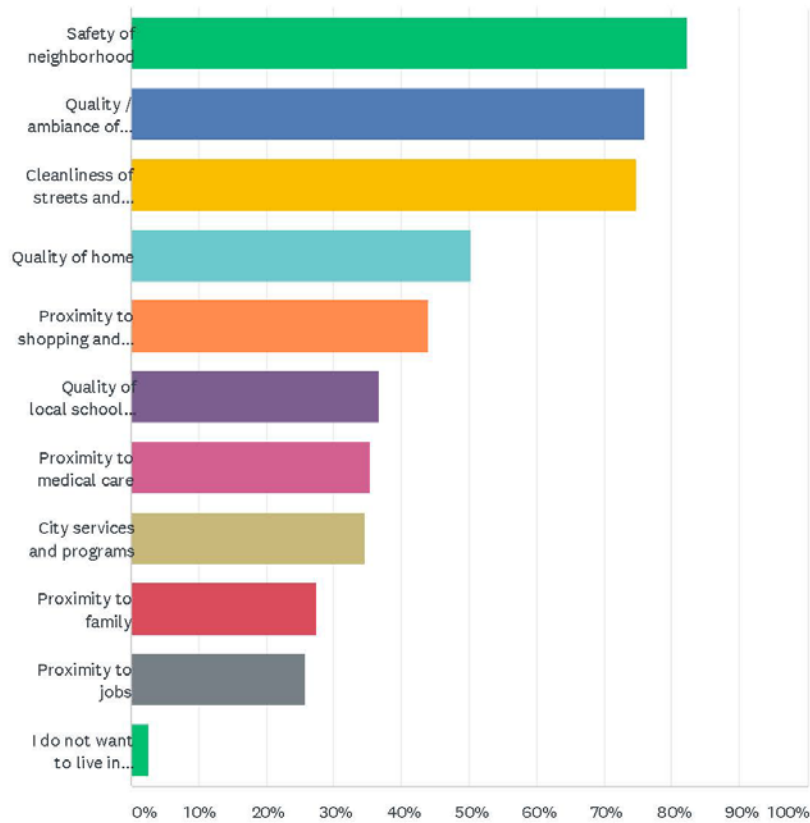


ANSWER CHOICES	RESPONSES	
N/A	82.61%	19
Yes	8.70%	2
No	8.70%	2
TOTAL		23

2021 Housing Element Update Survey

Q8 Please select the top reasons you choose to live, or would like to live in Laguna Niguel. Check all that apply.

Answered: 241 Skipped: 45



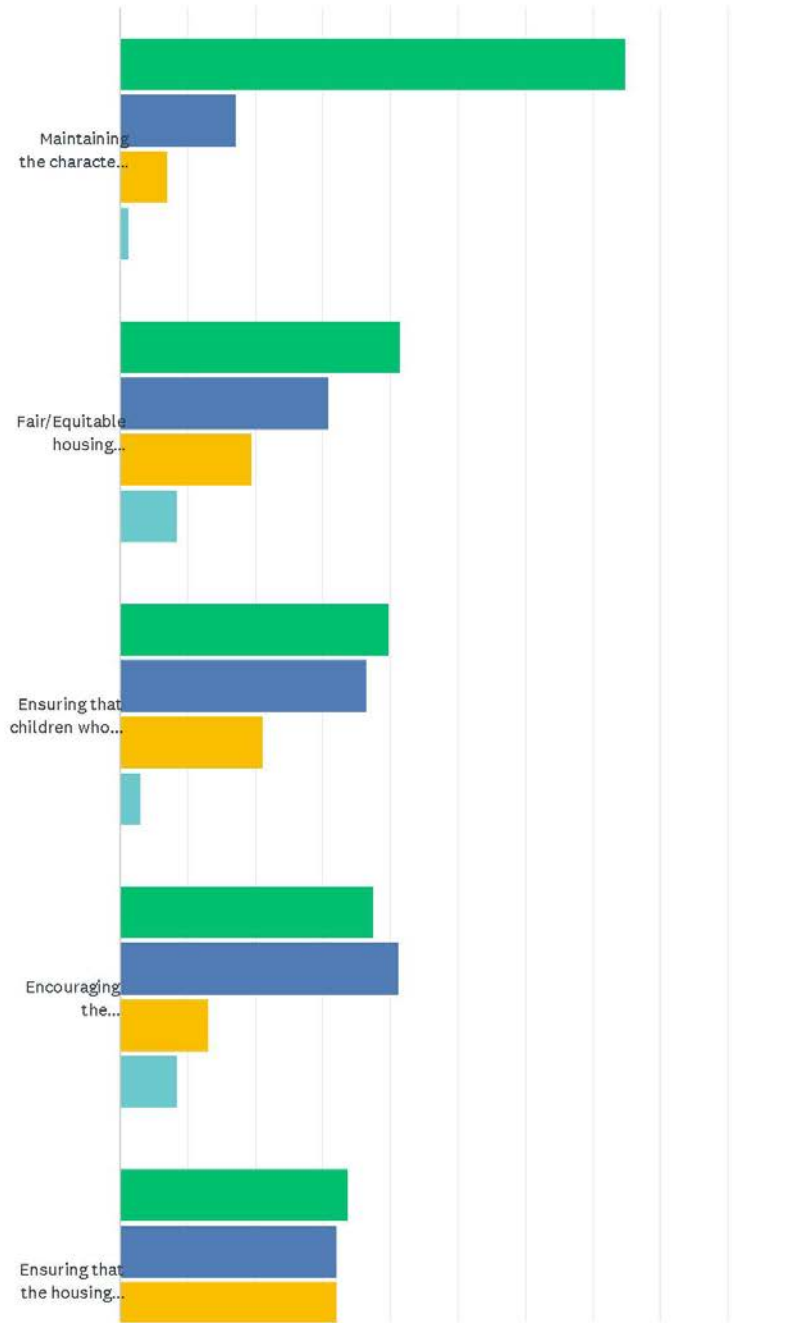
2021 Housing Element Update Survey

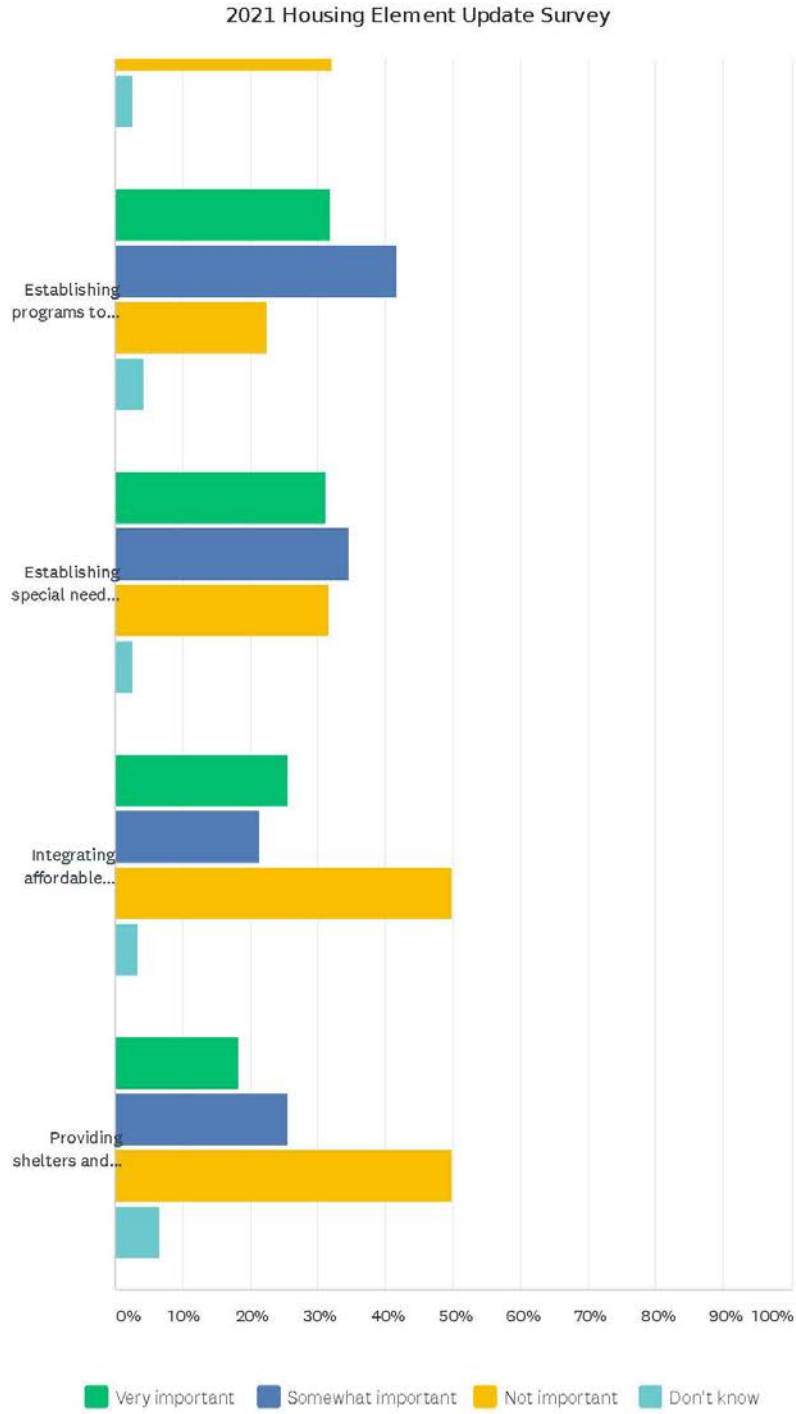
ANSWER CHOICES	RESPONSES	
Safety of neighborhood	82.16%	198
Quality / ambiance of neighborhood	75.93%	183
Cleanliness of streets and surroundings	74.69%	180
Quality of home	50.21%	121
Proximity to shopping and services	43.98%	106
Quality of local school system	36.51%	88
Proximity to medical care	35.27%	85
City services and programs	34.44%	83
Proximity to family	27.39%	66
Proximity to jobs	25.73%	62
I do not want to live in Laguna Niguel	2.49%	6
Total Respondents: 241		

2021 Housing Element Update Survey

Q9 How important are the following concerns to you?

Answered: 245 Skipped: 41





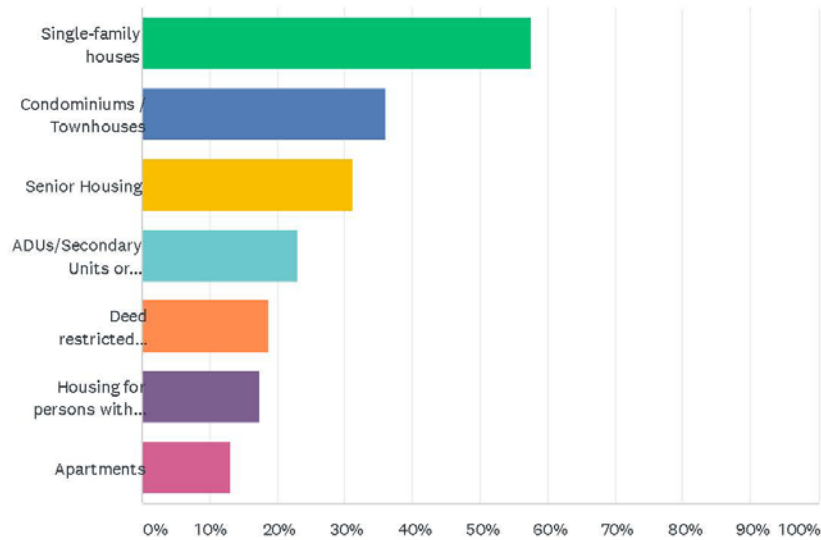
## 2021 Housing Element Update Survey

	VERY IMPORTANT	SOMEWHAT IMPORTANT	NOT IMPORTANT	DON'T KNOW	TOTAL	WEIGHTED AVERAGE
Maintaining the character of existing residential neighborhoods in the City	74.69% 183	17.14% 42	6.94% 17	1.22% 3	245	1.35
Fair/Equitable housing opportunities and programs to help maintain and secure neighborhoods	41.49% 100	30.71% 74	19.50% 47	8.30% 20	241	1.95
Ensuring that children who grow up in Laguna Niguel can afford to live in Laguna Niguel	39.67% 96	36.36% 88	21.07% 51	2.89% 7	242	1.87
Encouraging the rehabilitation of existing housing stock	37.50% 90	41.25% 99	12.92% 31	8.33% 20	240	1.92
Ensuring that the housing market in Laguna Niguel provides a diverse range of housing types, including single-family, townhomes, apartments, duplex/triplex, and condominiums to meet the varied needs of local residents	33.61% 82	31.97% 78	31.97% 78	2.46% 6	244	2.03
Establishing programs to help at-risk homeowners keep their homes	31.82% 77	41.74% 101	22.31% 54	4.13% 10	242	1.99
Establishing special needs housing for seniors, large families, veterans and/or persons with disabilities	31.28% 76	34.57% 84	31.69% 77	2.47% 6	243	2.05
Integrating affordable housing throughout the community to create mixed-income neighborhoods	25.51% 62	21.40% 52	49.79% 121	3.29% 8	243	2.31
Providing shelters and transitional housing for the homeless, along with services to help move people into permanent housing	18.11% 44	25.51% 62	49.79% 121	6.58% 16	243	2.45

2021 Housing Element Update Survey

Q10 What type of housing do you think is most needed in the City of Laguna Niguel? Check all that apply.

Answered: 231 Skipped: 55

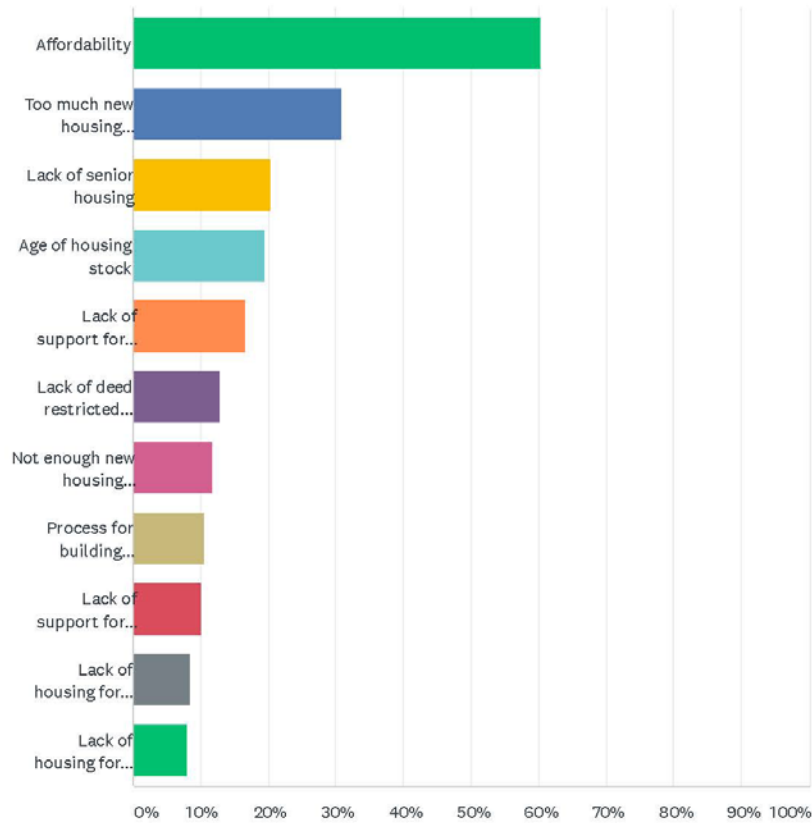


ANSWER CHOICES	RESPONSES
Single-family houses	57.58% 133
Condominiums / Townhouses	35.93% 83
Senior Housing	31.17% 72
ADUs/Secondary Units or "Granny Flats"	22.94% 53
Deed restricted affordable housing	18.61% 43
Housing for persons with Disabilities	17.32% 40
Apartments	12.99% 30
Total Respondents: 231	

2021 Housing Element Update Survey

Q11 What do you think are the most important housing related issues facing Laguna Niguel today? Check all that apply.

Answered: 241 Skipped: 45



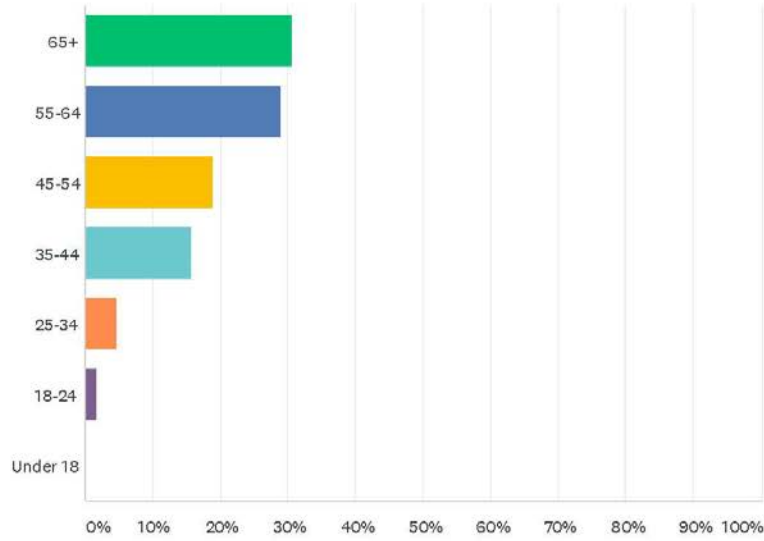
2021 Housing Element Update Survey

ANSWER CHOICES	RESPONSES	
Affordability	60.17%	145
Too much new housing development	30.71%	74
Lack of senior housing	20.33%	49
Age of housing stock	19.50%	47
Lack of support for homeowners	16.60%	40
Lack of deed restricted affordable housing	12.86%	31
Not enough new housing development	11.62%	28
Process for building housing is too burdensome	10.37%	25
Lack of support for renters	9.96%	24
Lack of housing for smaller families	8.30%	20
Lack of housing for large families	7.88%	19
Total Respondents: 241		

2021 Housing Element Update Survey

Q12 What age range most accurately describes you?

Answered: 243 Skipped: 43



ANSWER CHOICES	RESPONSES	
65+	30.45%	74
55-64	28.81%	70
45-54	18.93%	46
35-44	15.64%	38
25-34	4.53%	11
18-24	1.65%	4
Under 18	0.00%	0
TOTAL		243

2021 Housing Element Update Survey

Q13 Are there any additional comments/suggested goals that you would like to provide the City for its 2021 Housing Element update?

Answered: 97 Skipped: 189

2021 Housing Element Update Survey

Q14 Please provide an email address if you would like to be added to the Housing Element Update interested parties list.

Answered: 86 Skipped: 200

ANSWER CHOICES	RESPONSES	
Name	0.00%	0
Company	0.00%	0
Address	0.00%	0
Address 2	0.00%	0
City/Town	0.00%	0
State/Province	0.00%	0
ZIP/Postal Code	0.00%	0
Country	0.00%	0
Email Address	100.00%	86
Phone Number	0.00%	0

**Summary of all responses for Question No. 13:**

Are there any additional comments/suggested goals that you would like to provide the City for its 2021 Housing Element update?

1. establish more no smoking complexes in laguna niguel, especially in complexes with units that share walls. 2nd hand smoking is a problem in many complexes with units that share walls.
2. ensuring cleaner neighborhood yards wherein people pick up after their dogs and not leave dog feces on yards, especially yards and/or greenbelts surrounding peoples' homes.
3. increase patrol on major streets to increase safety from drivers road rage & decrease drivers speeding on major streets.
4. if more affordable housing projects are built, have to have rules incorporated that follow mission, vision, & values of laguna niguel
2. ADA ACCESSABLE units are in very short supply for smaller families
3. ADU's, shelters, and changing zoning laws to allow for high density projects in and around neighborhoods decreases the value of property near those projects. Owners of property bought based on the current zoning. If zoning is changed surrounding owners should be compensated for the loss in quality of life these high density projects create.
4. Affordable apartments that are at least 750 square feet so that those who are downsizing can find adequate housing. More 55 + housing is needed.
5. Affordable housing is a big priority.
6. Architecture of new businesses should have a standard theme
7. At Risk housing has to be combined with related services like medical, psych, addiction detox if being considered
8. Availability of more affordable housing. Lower income families should have easier access to local housing.
9. Building more apartments will not help traffic or parking as some people will still live 10 - 12 of them in a single apartment no matter what the cost is i.e. Section 8 (every single person should be legal to start with no only one). We need to restrict parking near apartments to deter that. These kind of people do not bring up property value a clear example all the crimes in the Seaside Apts off Golden Lantern. People use Camino Los Padres by the 55 + apts - have you seen all the trash??? Guess who parks there ?? Who is responsible to clean up that cul de sac? Whoever it is well it's not being done.
10. City has lost its charm. I don't mind apartments but the ones that were built are an eyesore. We should be building Arts; Entertainment and retail in that area to support the existing community. We are overcrowded

11. City is doing a great job.
12. Do not build any more multi-family, condominiums, and/or apartments. If other cities want to build those housing types, then let them build them but do not build them in our city. Our community is affluent enough (through tax revenues) to retain the environment we currently have in place.
13. do NOT dilute the quality of Laguna Niguel by making it attractive to homeless to come here
14. Do not let pending legislation like SB50 (might have died) scare the LN City Council into making development decisions that are not in the best interest of the City. You have in the past.
15. Don't overdeveloped and ruin this city
16. Forward thinking keeping safety in mind for city residences. Keeping the quality of living high in the city.
17. I definitely agree we need to do something to address the affordable housing situation but would note the city already recently built thousands of apartments near the freeway that can be fashioned in part for this purpose. I'm sure many of those are vacant, which city leadership knows. I would approach new development very carefully and not just let the real estate developer donors guide these decisions. This has to be done with the best interests of the community in mind, including maintaining the quality of the schools, which are already overcrowded. I would be particularly opposed to any development of current open space natural environment areas in the city.
18. I feel we should be able to build additional housing on the side or in the back for additional income and/or additional family members to live in
19. I hope you take these survey's into account, before ramming through low housing down our throats. I moved from a low income neighborhood, and the reason I believe this area stays safe, is because it's limited access to EVERYONE being able to move in. In a nut shell, the higher the population, the more chances neighborhood can become run down.
20. I think the city has done a good job with the exception of developing the Forbes corridor. That big Apex apartment building took the entire city's view of the Saddleback Valley and we'll never get that back. You gave that to apartment dwellers, some of which are section 8, and the other 60,000 people never get that beautiful view when they were driving to the freeway again. No for thought. Also, the monuments that identify communities look aged except for the new Summerwalk community one. It looks appropriate for 2021.
21. I think the overly strict limitations on what types of businesses can operate out of an owner's home has an impact on the affordability and attraction of living in Laguna Niguel. I would like to see encouragement for alternative building materials and technology in homes, as well as R2

- and >1 ADU allowance in residential zones (ie, increasing density on a lot-by-lot basis as a decision of the homeowner, not the city). Affordable rent as defined by 30% of one's income for low-middle class is scarce to non-existent here and that is a huge burden in the wake of the pandemic that I think needs to be aggressively remedied ASAP. Thank you for soliciting my input.
22. I would like to see something regarding neighborhood developments and traffic addressed. Many new and existing residential streets are designed or renovated to become through streets, connect high traffic streets. Neighborhoods with cul-de-sacs or dead ends are a thing of the past. These type of changes are impacting neighbor relationships and safety. It is difficult to be outside your home with kids when people drive through your residential neighborhood at 25 mph. Knowing your neighbor becomes difficult.
  23. I would really like to see the City move forward with the Town Center development on the OC property. This project will provide a sensible number of new housing units and also revitalize a part of the city that is underutilized.
  24. I'd prefer the city to focus on protecting homeowners who are already burdened with "housing opportunities" (sober homes). While this housing element is a mandatory review, I'd encourage all stakeholders to limit capacity and availability; our city is already over-encumbered with housing elements that have put our community's safety and integrity at risk.
  25. Increasing housing also increases cars and we have very little room for more cars.
  26. keeping all communities and surroundings clean noise reduction, excessive loud music from cars after 10 pm, constant door slamming making more smoke free communities
  27. Laguna Niguel is situated in an area where access to public transportation and low income services was not part of the original plan. The reason I purchased my home here was the fact that this was an upper mobile community. I would believe that most of the people who have purchased homes and Condominiums here, have the same mind set.
  28. Laguna Niguel was a planned community and the number of housing units was set as to not over populate and take from the environment/nature we share and enjoy. That needs to be taken into account before we push new building in Laguna Niguel
  29. Let's keep this city safe, affordable and easy to get around.
  30. Lots of petty crime coming across the SpotCrime site. Please focus on all the random hoodlum crime souring the area. People move to a quiet area like Laguna Niguel to try and get away from all the riff raff.
  31. Mixed use properties with housing and retail together

32. No AUD's!
33. No homeless housing!!
34. no low income housing or sober living arrangements
35. No more apartments
36. No more apartments that are already ridden with crime, density, and not managed well.
37. No more building of new homes or apartments. Too many residents already
38. No more housing and development. The city has too much traffic, congestion, and pollution.
39. Our city has limits for land that can be developed. If we build more housing, we need to ensure that it has adequate facilities to go with it.
40. Our open, wild spaces are such a enjoyment in living in Laguna Niguel. Enuff traffic on our streets! Where is the water going to come from? Will we look like AZ?
41. Parking problems around large apartment complexes. Not enough parking provided for tenants living in these apartments causing illegal parking on surrounding city streets and this encouraging thefts and break-ins to these Vehicles.
42. Planning for mixed-use and walkable development, including apartment and condo housing and deed restricted affordable housing, in Town Center and near the Chet Holifield building, as well in other redeveloped shopping centers.
43. Please consider other special needs groups like special needs and disabled adult housing opportunities. Its not just seniors that have special needs.
44. Please consider the impact on street traffic when developing new housing.
45. Please do not allow Laguna Niguel to turn into Santa Ana with overcrowded neighborhoods and lack of parking. I've lived here since I was a child and can see we are headed down this road. LN was always a classy place to live and it's not feeling that way anymore. Maybe figure out how to stop foreigners from buying up the homes and driving up the market, then turning around and renting them out at astronomical prices or just letting them sit empty. I've never seen figures for how often that is happening, yet we all know it's real and no one wants to address that!
46. Please do not bring the La & San Diego. County attitudes here. We've worked hard to catch up to the upper class. We're mostly made up of middle class - don't bring us down

47. Please do NOT make the same mistake as other cities (ex.Irvine) and start building offices/apartments/condos everywhere. What makes Laguna Niguel so special is that wherever you go in the city, you are always surrounded by beautiful trees, hills, and natural landscape. The existing housing blends into the natural landscape- which is exactly how it should be. Please preserve and protect all of the existing natural landscape in our city. We do NOT need to become another OC city with endless construction of offices/apartments/etc. If people want to live surrounded by buildings, they can move to Irvine. Our beautiful city of Laguna Niguel should never become an over-developed nightmare. Please protect our city for those who live here now, and for future generations to enjoy!
48. Please stop building massive apartment buildings that are ugly and out of character for Laguna Niguel. We have enough apartments that no one single family can afford that multiple families live in one apartment and cram 6+people into one unit.
49. Restrict low income and section 8 housing to a minimum. It bring down property value, trashes our neighborhood, it brings down quality education for our kids in school. Seaside apts and Windridge apts. are a shame to have in such nice city. If people want to live like hoodlums they can go to Santa Ana and Anaheim. Those people go park their extra vehicles on Camino de los padres and the city doesn't send anybody pick up their trash.
50. Sox years ago, we downsized and moved from our home of 42 years to Laguna Niguel because we wanted a clean, well maintained, safe environment that provided a feeling of strong community.. We moved from north Orange County where there was so many changes in a very short period of time that we felt like we were strangers, and we did not feel safe. It was in an unincorporated area and it felt to us like it was the Wild West of Orange County. It lacked order, safety, a sense of community, and multiple families were living in one small home. That resulted also in not enough parking. People were doing whatever they pleased without thoughtful consideration to their neighbors. We love Laguna Niguel the way it is and would not like to see it change. It's so beautiful here. We think it is perfect.
51. Specifically, I think we need more townhomes for first time buyers. Townhomes could be taller, skinnier, 3 stories (meant for younger folks/young families) up to 2000 square feet type of townhome.
52. stop building apartments and take care of the homeless issue. and take care of the sober living homes in our community. crime is getting worse due to all of the "affordable" housing
53. Stop building high density apartments! Low income housing has brought crime issues. No rehab housing.
54. Stop with the affordable housing push. If people cannot afford to live here, they should find somewhere they can. I moved here because of the quality of life and the fact that this city was one of the wealthiest in the US and want to keep it that way. If people can't afford to live here that is not my problem Reduce the number of rental properties here. People who rent here

don't have their skin in the game and should have minimal say in community decisions. This city is moving in the direction of anti homeownership and it is messed up.

55. Teachers and healthcare workers and postal workers need to be able to afford housing in Laguna Niguel.
56. The areas that are lower income around me, also have tons of issues. Seems like the cops and their helicopters are always circling the same community with reports of crime, domestic abuse, theft from nearby stores, gun shots, etc. This may be harsh, but I don't see why million dollar homes need to be surrounded by "adorable housing" apartments, etc. If you can't afford it, move to a different city where you can afford it. And for those of us that have worked hard, saved, and invested in pricy communities, let us keep our nice, safe communities and not attract homeless, low income riff raff. We're 10 mins from the beach and we're in SoCal. Sorry if you can't afford that, but not sorry. There's plenty of other cities that can accommodate. I'm tired of everyone wanting things to be handed out to them. Just because you "want" to live here doesn't mean you are entitled to.
57. The city appears to have over developed shopping areas / strip malls and restaurants. There are many vacancies, fast turnover and some are becoming run down. This indicates there is not enough need for what has been built.
58. The city needs to do their share in helping the homeless with transitional and permanent housing.
59. The City needs to look at ways to keep Laguna Niguel attractive to younger families to keep the community vibrant, attractive to new residents, and maintain housing prices for its current residents. Creation of new housing is not the only way to do this, the City needs to look at provision of community services and wise use of the undeveloped Town Center and Ziggurat property - not just to create new housing which is not necessarily needed, but to put in restaurants (lacking in LN), services, and commerce and open civic space that is attractive and would be enjoyed by a more vibrant mix of residents.
60. The need for localized around town transit for housebound non driving seniors - similar to Laguna Woods bus system.
61. The safety of Laguna Niguel is extremely important for us especially as a young family. Things like housing for the homeless, etc will only cause families like ours to move. Laguna Niguel is a wonderful city for California but the more things change or become burdensome or unsafe for families the more it will make sense to relocate.
62. There are too many apartments/condos being built. This has caused traffic to worsen, parking lots at stores are full all the time, amount of time it takes to get anywhere has increased and with more people it is louder than ever before. Street noise is terrible now. Loud cars and motorcycles run rampant. None of this was the case when we moved here 10 years ago. Since

- then—apartments went in and everything got worse. More single family homes should have been built—NOT more apartments.
63. There is commercial zoned land or Federal property that should be changed to mixed use where Senior, assisted or disabled and affordable housing could be added and mixed with retail, office and medical office to serve those residents and the community.
64. There was very little in this survey to address a regional approach to our homeless problem which will continue to grow. I feel that most of the south county cities, including Laguna Niguel, want to push the problem north to less affluent cities which is unfair and short-sighted. Some of the questions in this survey also use language that is unfamiliar to many who aren't well-versed in this stuff (i.e 'rehabilitation of housing stock' & "deed restricted affordable housing")
65. Until government requires permanent diversity in housing regulation, the problems of racial, ethnic, class, etc., will continue unabated.
66. We bought from an original owner (1970 neighborhood) and we find the permit process to make improvements on our aging property significant financial and time hurdles. This makes living here more challenging on young families trying to fix up these older homes. Can we make the permit process easier and more affordable so young families purchasing older homes can actually make these improvements?
67. We have no program for affordable housing or plans for providing housing here in our city or elsewhere for people who are homeless, nor, it seems, any program for helping those in danger of becoming homeless. We need to change this, especially as we consider what to do with the current federal building as it comes up for sale and reconstruction.
68. We live in one of the best Cities in the state of California. Well maintained with a phenomenal City Council & Planning Commission that is fiscally responsible. Streets, landscape, amenities all terrific.
69. We moved to and invested in Laguna Niguel to move away from high density housing areas. We worked to build this community up... not interested in seeing it overrun with homelessness, low income housing, in maintained neighborhoods and run down schools.
70. WE NEED FOR LOWER INCOME RENTAL UNITS MORE AVAILABILITY FOR SECTION 8 renters.
71. We need low income housing, especially for those with disabilities. I am appalled that the city allowed that exorbitantly expensive senior housing on Niguel Road, one that most Laguna Niguelians cannot afford and meanwhile not providing housing affordable for our millennial children and low income and disabled residents. It's decadent and shameful.
72. We need more affordable housing in Laguna Niguel. Just not anywhere I frequent or where my friends live

73. We need more affordable housing.
74. We need public transportation Without public transit more housing will increase traffic and create unsafe roadways
75. We need to get homeless off the streets
76. We need to provide more extremely low and very low income housing. Two adults working full time at minimum wage fall into the very low range. I am sad to see friends that are retiring and don't think they can afford to continue to live in Laguna Niguel. We need to provide housing for seniors, workers, and the disabled. We should not expect other cities to house our workers, making for very long commutes. I did not understand the last question under #8 above. I am very supportive of housing for residents that need it. I took in a friend for over 9 months a few years back because she couldn't afford the high cost of housing and she ended up moving out of the city. If my house was not already paid off, I might struggle to continue to live here.
77. Well transitional properties and places for homeless people is important I worry about putting people at risk when homes and neighborhoods are allowed to set up these transitional centers. It brings a bad element to a regular neighborhood. Is transitional places can be safely integrated that is what is very important to me and my family as we have small children that are out playing in the yard and we've seen in Dana point what has happened when homes are being rented for this kind of situation it's changed the complexion of the neighborhood and not in a good way or safe way.
78. What is the research on the impacts of low income housing on the school's achievement scores and discipline rates?
79. Would love more single family home new developments and no more new apartment buildings.
80. Yes. Our governor announced a funding program for ADU building about six months ago, yet I cannot locate any financial institution or city office that knows how to apply for building loans!
81. Stop building apartments in the City of Laguna Niguel. They are ruining the character of our neighborhoods in the Greenfield area of the City. There is too much density of population and too much traffic.
82. We would like to focus on quality over quantity. We want to keep Laguna Niguel as "the hidden gem" beach community. Also we prefer it remain primarily single family homes and long term residents. A few negatives impressions for younger families are the aging schools and lack of city/social events. LN schools are very aged compared to Aliso Viejo, Ladera Ranch, RMV, Irvine. Can the city contribute to repairs and renovations? Also the few neighborhoods without HOA where the homeowners own the slopes along major roads like Crown Valley, Golden Lantern, should receive support to improve landscaping. Laguna Niguel should focus on the unique

- suburban neighborhood ideally located to the beaches, amenities and highways.  
Communication with realtors in the surrounding cities would also help to attract new residents and to also gain feedback from their clients.
83. Too many high rise apts too much traffic already starting to become LA where we originally relocated from
  84. It's ok for Laguna Niguel to an be exclusive community- doesn't have to be affordable to all. Living near the coast is a benefit for those that have worked hard and earned it. Not all things need be equitable all the time.
  85. I don't really know what the city needs for housing
  86. No more high-density housing like at Apex and environs
  87. Do not build any more high density stacked apts! Way too many pricey rentals recently built on Cabot. Extremely ugly architecture too. What an eyesore. I have 30+ years in the housing industry. Stop the urbanization of LN, ruining the character of the city.
  88. No more giant mid-/high-rise apartments blocking the beautiful, natural landscapes and littering the roads with cars that don't follow traffic laws.
  89. Leave Laguna Niguel character as it is. No more new construction, no more apartments. No permits for second home on existing lots
  90. Lower rent for senior housing
  91. Too much building leads to traffic, congestion, pollution, disruption for wildlife, and noise. Also have concerns over a local community integrating affordable housing known for problems and police calls due to residents. I moved to get away from crime (was a victim) and have peace of mind.
  92. I would hate to see South Orange County become like the San Fernando Valley, overcrowded and trashed
  93. I'd like to see LN develop some variety in housing and neighbourhoods - Ladera Ranch, Great Park. Mixing apartments, town houses, small and larger homes - all with great amenities. Redevelop the federal building site and all that parking!
  94. Laguna Niguel needs to enter the modern age and recognize that diversity is what will make this city truly rich. Diversity of race, income, background, religion, sexual orientation, etc., and as such do everything possible to attract, be welcoming & warm, and keep all types of neighbors.
  95. Moved to LN from Los Angeles County to get away from the homeless situation and crime. I like Laguna Niguel just the way it is: relatively clean and safe and lots of open, green space.

96. Let's keep this city safe, affordable, and easy to get around.
97. keeping all communities and surroundings clean noise reduction, excessive loud music from cars after 10 pm, constant door slamming making more smoke free communities
98. I strongly support affordable housing. We need to have affordable housing for our essential workers – our teachers, healthcare workers, postal workers. I believe we have a duty to help individuals with disabilities. I am very much in support of building more homes in Laguna Niguel that ensure that people who work in our city can live in our city. Over 57% of people who completed the survey are 55 and over. I want people who grew up here to be able to stay and find jobs, and their kids should be able to grow up here too. I think building more housing means more opportunities for younger generations to stay and thrive in our city.

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

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August 20, 2021

Jonathan Orduna, Community Development Director  
City of Laguna Niguel  
30111 Crown Valley Parkway  
Laguna Niguel, CA 92677

Dear Jonathan Orduna:

**RE: Review of Laguna Niguel's 6<sup>th</sup> Cycle (2021-2029) Draft Housing Element**

Thank you for submitting the City of Laguna Niguel's (City) 6<sup>th</sup> cycle draft housing element received for review on June 22, 2021. Pursuant to Government Code section 65585, subdivision (b), 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 August 5, 2021 with Senior Planner Erich List and the City's Consultant John Douglas. In addition, HCD considered comments from Welcoming Neighbors Home Initiative and the Kennedy Commission pursuant to Government Code section 65585, subdivision (c).

The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). In particular, the element must provide a complete sites inventory, including full analyses of the nonvacant sites, as well as provide a full analysis addressing the required components for affirmatively furthering fair housing (AFFH), among other items. The enclosed Appendix describes these and other revisions needed to comply with State Housing Element Law.

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of October 15, 2021 for Southern California Association of Government (SCAG) localities. If adopted after this date, Government Code section 65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit HCD's website at: [http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375\\_final100413.pdf](http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375_final100413.pdf)

Pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community->

Jonathan Orduna, Community Development Director  
Page 2

[development/housing-element/index.shtml#element](#) for a copy of the form and instructions. The City can reach out to HCD at [sitesinventory@hcd.ca.gov](mailto:sitesinventory@hcd.ca.gov) for technical assistance. Please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to [sitesinventory@hcd.ca.gov](mailto:sitesinventory@hcd.ca.gov).

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: [http://opr.ca.gov/docs/OPR\\_Appendix\\_C\\_final.pdf](http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf) and [http://opr.ca.gov/docs/Final\\_6.26.15.pdf](http://opr.ca.gov/docs/Final_6.26.15.pdf).

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.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, Laguna Niguel should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

We are committed to assisting Laguna Niguel 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) or (916) 776-7421.

Sincerely,



Shannan West  
Land Use & Planning Unit Chief

Enclosure

## APPENDIX CITY OF LAGUNA NIGUEL

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at <http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <http://www.hcd.ca.gov/community-development/building-blocks/index.shtml> and includes the Government Code addressing State Housing Element Law and other resources.

### **A. Review and Revision**

*Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element. (Gov. Code, § 65588 (a) and (b).)*

The review requirement is one of the most important features of the element update. The review of past programs should analyze the City's accomplishments over the previous planning period. This information provides the basis for developing a more effective housing program.

The element does not fully review the previous element and evaluate the appropriateness and effectiveness in implementation. Specifically, the element must be revised to analyze the effectiveness of prior programs. For example, Housing Program 3 states that the City offers incentives for affordable housing development in the form of density bonus as listed in the Laguna Niguel Zoning Code and Gateway Specific Plan but does not state if these incentives were actually utilized and how they impacted development in this particular Specific Plan. The element must provide a more detailed narrative describing the actual results or outcomes of the prior housing element's goals, objectives, policies, and programs. As part of the evaluation of programs in the past cycle, the element must provide an explanation of the effectiveness of goals, policies, and related actions in meeting the housing needs of special needs populations (e.g., elderly, persons with disabilities, large households, female headed households, farmworkers and persons experiencing homelessness).

In addition, the element must evaluate the appropriateness of the goals, objectives, policies, and programs. For example, while the element states if program is to be continued in the 6<sup>th</sup> cycle housing element, it does not indicate if modifications are necessary to achieve better results in the new housing element cycle. The element must provide narrative describing what has been learned based on the analysis or effectiveness of the previous element, as described above.

## **B. Housing Needs, Resources, and Constraints**

1. *Affirmatively further[ing] fair housing (AFFH) 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))*

The element generally does not address this requirement. The element, among other things, must include outreach, an assessment of fair housing, identification, and prioritization of contributing factors to fair housing issues and goals and actions sufficient to overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity. For more information, please contact HCD and visit <https://www.hcd.ca.gov/community-development/affh/index.shtml>.

2. *Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition. (Gov. Code, § 65583, subd. (a)(2).)*

While the element identifies the total number of overpaying households, it must quantify and analyze the number of overpaying households by tenure (i.e., renter and owner) and the lower-income households paying more than 30 percent of their income on housing.

3. *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. (Gov. Code, § 65583, subd. (a)(3).)*

Laguna Niguel has a regional housing needs allocation (RHNA) of 1207 housing units, of which 348 are for lower-income households. To address this need, the element relies on vacant sites, underutilized sites, and accessory dwelling units (ADUs). The vast majority of potential development in Laguna Niguel lies within the Gateway Specific Plan. To demonstrate the adequacy of these sites and strategies to accommodate the City's RHNA, the element must include complete analyses:

Sites Inventory: While the sites inventory lists the address, APN, existing zoning, parcel size, allowable density, whether or not the sites are publicly owned, income categories, and estimated total units, it must also identify the site's general plan designations and provide a more detailed description of the existing uses of the nonvacant sites beyond a general description. The description of existing uses should be sufficiently detailed to facilitate an analysis demonstrating the potential for additional development in the planning period.

In addition, the element does not clearly describe which sites were utilized in the prior planning period. If the City utilizes vacant sites identified in two or more consecutive planning periods' housing elements, or nonvacant sites identified in a prior housing

element period, to accommodate the lower-income RHNA, the element must include a program to commit to zone for the following:

- sites must meet the density requirements for housing for lower-income households, and
- allow by-right approval for housing developments that include 20 percent or more of its units affordable to lower-income households (Gov. Code, § 65583.2, subd. (c).).

Large Sites: Sites larger than ten acres cannot be deemed adequate to accommodate the housing need of lower-income households unless the element demonstrates similar sites were developed affordable to lower-income households or other evidence is provided. The element identifies “Buie Property” as adequate to accommodate 160 units of lower-income housing (Table B-3). The Buie Property is a 26.8-acre site of which the element states that only 4 acres is buildable based on slope constraints. However, the element does not identify the location of the four-acre site in relationship to the larger 26.8-acre site. The element must further analyze the likelihood that the smaller four-acre site meant for housing affordable to lower-income households can be developed within the planning period separate from the larger site, that the slope constraint and other environmental issues will not impede the development of the 160 units, and that site will have access to infrastructure including roads, water, sewer, and dry utilities.

In addition, as this site is part of the larger Gateway Specific Plan, the element should also describe factors that will lead to residential development for this site. For example, the element should describe required development standards, whether 100-percent residential development is allowed, necessary approvals or steps for entitlements for new development (e.g., design review, site plan review, etc.), and development agreements, and conditions or requirements such as phasing or timing requirements, that impact development in the planning period.

Realistic Capacity: The element does analyze the City’s methodology for calculating realistic capacity for sites listed in the sites inventory. The estimate of the number of units for each site must account for land-use controls and site improvements, typical densities of existing or approved residential developments at a similar affordability level in the City and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities. For sites zoned for nonresidential uses (e.g. commercial and mixed-use zones), the element must describe how the estimated number of residential units for each site was determined. To demonstrate the likelihood for residential development in nonresidential zones, the element could describe any performance standards mandating a specified portion of residential and any factors increasing the potential for residential development such as incentives for residential use, and residential development trends in the same nonresidential zoning districts.

Suitability of Nonvacant Sites: While the element identifies nonvacant sites to accommodate the regional housing need for lower-income households, it provides no

description of the potential for redevelopment. The element must describe the methodology used to determine the additional development potential within the planning period. The methodology must consider factors including the extent to which existing uses may impede additional residential development, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development on these sites. (Gov. Code, § 65583.2, subd. (g).) The inventory could also describe whether the use is operating, marginal or discontinued, and the condition of the structure or could describe any expressed interest in redevelopment.

Accessory Dwelling Units (ADUs): The element projects 50 ADUs over the planning period or approximately 6 ADUs per year over the eight-year planning period. These trends are inconsistent with HCD records (nothing reported in 2018, 3 in 2019 and 3 in 2020) that do not support an assumption of 50 ADUs per year. To support assumptions for ADUs in the planning period, the element should reduce the number of ADUs assumed per year and reconcile trends with HCD records, including additional information such as more recent permitted units and inquiries, resources and incentives, other relevant factors and modify policies and programs as appropriate. Further, programs should commit to additional incentives and strategies, frequent monitoring (every other year) and specific commitment to adopt alternative measures such as rezoning or amending the element within a specific time (e.g., 6 months) if ADU assumptions for the number of units and affordability are not met.

No Net Loss Law: For your information, pursuant to Government Code section 65863, local governments must ensure the inventory of sites or any site programs accommodate the regional housing need throughout the planning period of the element. In addition, no local government action shall reduce, require or permit the reduction of the residential density for any parcel, or allow development of any parcel, at a lower residential density than identified in the site inventory or program unless the local government makes written findings. The required findings must demonstrate the reduction is consistent with the adopted general plan, including the housing element and the remaining sites identified in the housing element are adequate to accommodate the jurisdiction's share of the regional housing need.

Infrastructure: While the element identifies sufficient supply of existing or planned water and sewer, it does not include availability to dry utilities. In addition, the element must state whether the sites have access to water and sewer connections.

Sites with Zoning for a Variety of Housing Types:

*Emergency Shelters:* The element describes a zone to permit emergency shelters and describes the capacity to accommodate the need for emergency shelters. The City must ensure that the zoning adheres to the new parking requirement standards per AB 139 (Chapter 335, Statutes of 2019). AB 139 requires that the zone for emergency shelter allows for sufficient parking for the staff of the emergency shelter. The element must include programs as appropriate based on the outcomes of this analysis.

4. *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. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Government Code section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7). Transitional housing and supportive housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone. (Gov. Code, § 65583, subd. (a)(5).)*

Land-Use Controls: While the element describes the development standards for residential zones and mixed-use zones, it must also describe and analyze the standards for the Gateway Specific Plan especially as it relates to the sites identified in the inventory. The element should indicate if 100 percent residential multifamily is allowed on sites zoned for mixed-use or if commercial is required as part of the project.

Fees and Exaction: The element must describe all required fees for single family and multifamily housing development, including impact fees, and analyze their impact as potential constraints on housing supply and affordability. For example, the analysis could identify the total amount of fees and their proportion to the development costs for both single family and multifamily housing. The element lists the basic fees and exactions for development projects across the board. However, it should also demonstrate typical costs for single family and multifamily residence construction. Additionally, the element should also address whether the City has complied with the new transparency laws requiring fees and inclusionary requirements to be provided on a jurisdiction's website (Gov. Code, § 65940.1, subd. (a)(1)(A).). For additional information and a sample analysis and tables, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/constraints/fees-and-exactions.shtml>.

Local Processing and Permit Procedures: While the element generally describes the use permit procedure for residential housing, it must evaluate the processing and permit procedures' impacts as potential constraints on housing supply and affordability. For example, the analysis should consider processing and approval procedures and time for typical single- and multifamily developments, including type of permit, level of review, approval findings and any discretionary approval procedures. Specially the element states the Municipal Code allows for the Community Development Director to determine, on a case-by-case basis, whether the public interest would be better served by review of the permit by the Director or by the Planning Commission and whether a public hearing is required. The element must describe typical decision-making criteria and analyze for potential constraints on

the development of housing as it relates to certainty and transparency in the development process.

In addition, the element acknowledges that projects are reviewed for consistency in design standards (p. 39). The element must describe and analyze the development application process and design review requirements including approval procedures and decision-making criteria for their impact as potential constraints on housing supply and affordability. For example, the analysis could describe required design review findings and discuss whether objective standards and guidelines improve development certainty and mitigate cost impacts. The element must demonstrate this process is not a constraint and include a program to address this permitting requirement, as appropriate.

Local Ordinances: The element must specifically analyze locally adopted ordinances, such as inclusionary ordinances or short-term rental ordinances, that directly impact the cost and supply of residential development. The analysis should demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters.

Constraints on Housing for Persons with Disabilities: The element currently details that residential care facilities serving six or fewer persons are permitted in all residential zones. However, it does not state how residential care facilities for seven or more persons are allowed. The element should identify what zones permit this housing and evaluate approval requirements for impacts on objectivity and approval certainty. For example, excluding this housing from residential zones or imposing standards such as compatibility with surrounding uses without clarity would be considered a constraint. The element must include programs as appropriate to address identified constraints based on the outcomes of this analysis.

SB 35 Streamlined Ministerial Approval Process: The element must identify and analyze written procedures for the SB 35 Streamlined Ministerial Approval Process.

5. *An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, the requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Government Code section 65583.2, and the length of time between receiving approval for a housing development and submittal of an application for building permits for that housing development that hinder the construction of a locality's share of the regional housing need in accordance with Government Code section 65584. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing. (Gov. Code, § 65583, subd. (a)(6).)*

Price of Land, Cost of Construction, and Availability of Financing: While the element includes a high-level analysis of availability of financing, the price of land, the cost of construction, it should be revised to analyze quantifiable cost data and its impact on the supply of housing.

Requests for Lower Density, Permit Times, and Efforts to Address Nongovernmental Constraints: The element must include analysis regarding local efforts to address nongovernmental constraints that create a gap in the jurisdiction's ability to meet RHNA by income category, an identification and analysis of requests to develop at densities below the density identified in the site inventory, and a description of the length of time between project approval and request for building permit that hinders the jurisdiction's ability to accommodate RHNA by income category. For example, the City can look at recent developments in the jurisdiction and identify any nongovernmental constraints.

6. *Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)*

While the element quantifies the City's special needs populations, it must also analyze their special housing needs. For a complete analysis of each population group, the element should discuss challenges faced by the population, the existing resources to meet those needs (e.g., availability of senior housing units, number of large units, number of deed restricted units, etc.), an assessment of any gaps in resources, and proposed policies, programs, and funding to help address those gaps.

7. *Analyze existing assisted housing developments that are eligible to change to non-low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions. (Gov. Code, § 65583, subd. (a)(9) through 65583(a)(9)(D).)*

The element identifies two properties at risk of conversion to market rate. While some information is provided on fair market rents, the element does not include an estimated total cost for producing, replacing, and preserving the at-risk units.

### **C. Housing Programs**

1. *Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c).)*

Programs must demonstrate that they will have a beneficial impact within the planning period. Beneficial impact means specific commitment to deliverables, measurable metrics or objectives, definitive deadlines, dates, or benchmarks for implementation. Deliverables should occur early in the planning period to ensure actual housing outcomes. To address the program requirements of Government Code section 65583, subdivision (c)(1-6), and to facilitate implementation, all programs should be revised to include: (1) a description of the City's specific role in implementation including meaningful actions the city will take to achieve the identified goals, policies, and program objectives; (2) definitive implementation timelines (e.g., December 31, 2024); (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials (e.g., Planning Assistant, Community Development, etc.). For example, many programs have a "ongoing" timeframe but require specific actions to implement. Where there are specific actions identified, those actions must be accompanying specific timeframes.

2. *Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Government Code section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).)*

As noted in Finding B4, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. In addition, the element should be revised as follows:

*ADUs:* The element includes Action 3.4 to "process an amendment for ADUs" but does not indicate what that amendment's process will be or if the municipal code will be brought up to current State law standards. Please note, according to the Table IV-4, ADUs are not allowed in all zones residential and multifamily development is allowed. This is inconsistent with State law.

*Nonvacant Sites Reliance to Accommodate RHNA:* As the element relies upon nonvacant sites to accommodate the regional housing need for lower-income households, it should include a program(s) to promote residential development of those sites. The program could commit to provide financial assistance, regulatory concessions, or incentives to encourage and facilitate new, or more intense, residential development on the sites. Examples of incentives include identifying and targeting specific financial resources and reducing appropriate development standards. For additional information, see the *Building Blocks* at

<http://www.hcd.ca.gov/community-development/building-blocks/program-requirements/identify-adequate-sites.shtml>.

3. *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).)*

As noted in Findings B5 and B6, the element requires a complete analysis of potential governmental and nongovernmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

4. *Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. (Gov. Code, § 65583, subd. (c)(5).)*

The element has some basic information related to fair housing. However, the element generally does not address this requirement. The element, among other things, must include outreach, an assessment of fair housing, identification and prioritization of contributing factors to fair housing issues and goals and actions sufficient to overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity. For more information, please contact HCD and visit <https://www.hcd.ca.gov/community-development/affh/index.shtml>.

5. *Develop a plan that incentivizes and promotes the creation of ADUs that can be offered at affordable rent, as defined in Section 50053 of the Health and Safety Code, for very low, low-, or moderate-income households. For purposes of this paragraph, “accessory dwelling units” has the same meaning as “accessory dwelling unit” as defined in paragraph (4) of subdivision (i) of Section 65852.2. (Gov. Code, § 65583, subd. (c)(7).)*

The element is required to include a program that incentivizes or promotes ADU development for very low-, low-, and moderate-income households. While the element includes Action 3.4 to update the ADU ordinance, it does not identify strategies to target moderate- and lower-income households. This can take the form of flexible zoning requirements, development standards, or processing and fee incentives that facilitate the creation of ADUs, such as reduced parking requirements, fee waivers and more. Other strategies could include developing information packets to market ADU construction, targeted advertising of ADU development opportunities or establishing an ADU specialist within the planning department.

**D. Quantified Objectives**

*Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame. (Gov. Code, § 65583, subd. (b)(1 & 2).)*

While the element includes quantified objectives estimating the number of housing units by income category that can be constructed it must be revised to include units that are expected to be rehabilitated and/or conserved by income category.

**E. Public Participation**

*Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the element shall describe this effort. (Gov. Code, § 65583, subd.(c)(8).)*

While the element includes a general summary of the public participation process (page C-1), it must also demonstrate diligent efforts were made to involve all economic segments of the community in the development of the housing element. The element should be revised to address how lower-income and special needs groups were outreached during the public participation efforts, when the draft was released, and if translation services were offered. The element should also summarize the public comments and describe how they were considered and incorporated into the element. In addition, HCD reviewed a number of third-party comments as part of this review. These comments will be provided to the City under a separate cover and should be considered as part of the revised element. For additional information, see the *Building Blocks* at <http://www.hcd.ca.gov/community-development/building-blocks/getting-started/public-participation.shtml>.

# **EXHIBIT 2**

**Summary of HCD Comments and City  
Responses**

**Exhibit 2**

**Summary of HCD Comments and City Responses  
City of Laguna Niguel**

<b>HCD Comment (Letter of 8/20/2021)</b>	<b>Revised Draft Housing Element Page No.</b>	<b>Response/Revision</b>
A. Review and revision	Appendix A Table A-1	Appendix A has been revised to provide additional information regarding the appropriateness and effectiveness of goals, policies, and related actions in meeting the housing needs of special needs populations.
B.1 Affirmatively furthering fair housing	p. 43-49 p. 52	The element has been revised to include a description of public outreach, an assessment of fair housing, identification and prioritization of contributing factors to fair housing issues and goals, and actions sufficient to overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity.  In addition, Program 5 has been revised to describe actions the City will take to affirmatively further fair housing.
B.2 Overpayment	p. 7	The analysis contained in the draft element (Table II-7) included overpayment for lower-income households by income category. This analysis has been expanded to quantify overpaying households by tenure (i.e., renter and owner) and the lower-income households paying more than 30% of their income on housing.
B.3 Sites inventory	Appendix B p. 51	As noted in Table B-4 of the draft element, the General Plan designation for all parcels is shown as COMMUNITY COMMERCIAL; PROFESSIONAL OFFICE; PUBLIC INSTITUTIONAL; RESIDENTIAL ATTACHED. Additional detail has been provided regarding existing uses that is sufficiently detailed to demonstrate the potential for additional development in the planning period.  In addition, Tables B-4 and B-5 have been revised to identify sites that were utilized in the prior planning period, and Program 3 has been revised to require compliance with Gov. Code, § 65583.2(c) for vacant sites identified in two or more consecutive planning periods or nonvacant sites identified in a

<b>HCD Comment (Letter of 8/20/2021)</b>	<b>Revised Draft Housing Element Page No.</b>	<b>Response/Revision</b>
B.3 Large sites	Appendix B p. 52	<p>prior planning period to accommodate the lower-income RHNA.</p> <p>The element has been revised to include additional analysis of the Buie site (Table B-4) including the location of the four-acre portion of the site, the likelihood that the site could be developed for lower-income housing within the planning period, consideration of whether slope constraints and other environmental issues will impede the development, and access to infrastructure including roads, water, sewer, and dry utilities. In addition, Program 1 has been expanded to include assistance in processing subdivisions, when necessary to create building sites.</p> <p>In addition, the element has been revised to describe factors that will lead to residential development on this site, including required development standards, whether 100-percent residential development is allowed, necessary approvals or steps for entitlements for new development (e.g., design review, site plan review, etc.), and development agreements, and conditions or requirements such as phasing or timing requirements, that impact development in the planning period.</p>
B.3 Realistic capacity	Appendix B	<p>The element has been revised to include additional analysis of realistic capacity for sites listed in the sites inventory, including land-use controls and site improvements, typical densities of approved residential developments. Sites in the Gateway Specific Plan zoned to allow nonresidential uses also allow stand-alone residential projects, and the element includes additional discussion of recent examples of residential projects in the same nonresidential zoning districts.</p>
B.3 Suitability of non-vacant sites	Appendix B	<p>The element has been revised to include additional analysis of the potential for additional development on non-vacant sites in the Gateway Specific Plan area, including the extent to which existing uses may impede additional residential development, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development on these sites.</p>

<b>HCD Comment (Letter of 8/20/2021)</b>	<b>Revised Draft Housing Element Page No.</b>	<b>Response/Revision</b>
B.3 Accessory dwelling units	p. 50 B-2	The analysis of potential ADU production has been revised and Action 3.4 has been expanded to include additional measures to encourage ADU production. The City recently adopted an ADU ordinance that allows ADUs single-family and multi-family zoning districts, consistent with State Law.
B.3 No net loss	p. 49	The City appreciates this information. Program 1 already includes reference to No Net Loss requirements. No changes to the Housing Element are required.
B.3 Infrastructure	P. 23	The element has been revised to include additional analysis regarding dry utilities and access to water and sewer connections.
B.3 Emergency shelter parking	p. 48 p. 50	The element has been revised address the new parking standards for emergency shelters per AB 139 of 2019. In addition, Program 2 has been revised to include a commitment to amend emergency shelter parking standards consistent with AB 139.
B.4 Land Use Controls	p. 30-33	The element includes extensive description of the Gateway Specific Plan and its development standards. As indicated in the draft element (p. 32) stand-alone residential development is a permitted use in the Mixed-Use District and commercial uses are not required.
B.4 Fees and Exactions	p. 41 p. 43 p. 51	The draft element includes a description of all required fees, including impact fees, and estimates fees as a percentage of total development cost for single-family and multi-family housing developments. construction. In addition, Program 3.5 has been added to address new transparency laws requiring fees and inclusionary requirements to be provided on a jurisdiction's website.
B.4 Local Processing and Permit Procedures	p. 38-40	The element includes analysis of processing and approval procedures and time for typical single- and multifamily developments, including type of permit, level of review, approval findings and any discretionary approval procedures, and the process for Community Development Director determinations regarding whether review by the Planning Commission at a public hearing is required. In addition, additional analysis has been provided

<b>HCD Comment (Letter of 8/20/2021)</b>	<b>Revised Draft Housing Element Page No.</b>	<b>Response/Revision</b>
		regarding the development application process and design review requirements including approval procedures and decision-making criteria for their impact as potential constraints on housing supply and affordability. The analysis describes required design review findings and whether objective standards and guidelines improve development certainty and mitigate cost impacts.
B.4 Local ordinances	p. 38	The element has been revised to describe any inclusionary or short-term rental ordinances.
B.4 Constraints on persons with disabilities	p. 32	The element has been revised to identify zones where large residential care facilities are permitted and evaluate approval requirements for impacts on objectivity and approval certainty.  Group homes for 7+ persons. The City believes the regulations for group homes for 7+ persons comply with State law. The City allows these uses in the MC Overlay Zone with a use permit. The City will continually review state legislation and keep ordinances up to date as necessary. The City has assessed the group home regulations and does not find that these regulations act as constraints, since they still allow for group homes to be approved in certain zones.
B.4 SB 35 Streamlined Ministerial Approval Process	p. 53	The City is not currently subject to SB 35 Streamlining. Should the City ever be subject to SB 35 Streamlining, program 3 has been revised to include preparation of written procedures for the Ministerial Approval Process.
B.5 Price of Land, Cost of Construction, and Availability of Financing	p. 45	The element has been revised to provide additional information regarding the cost of land and construction.
B.6 Special housing needs	p. 13-18	The element has been revised to provide additional analysis of special needs groups and proposed policies and programs to help address those needs.

<b>HCD Comment (Letter of 8/20/2021)</b>	<b>Revised Draft Housing Element Page No.</b>	<b>Response/Revision</b>
B.7 Assisted housing developments that are eligible to change to non-low-income housing.	p. 20	The element provide estimates of the total cost for producing, replacing, and preserving the at-risk units.
C.1 Housing Programs	Chapter V	Housing programs have been revised to include a description of the City's specific role in implementation including meaningful actions the city will take to achieve the identified goals, policies, and program objectives; definitive implementation timelines; objectives, quantified where appropriate; and identification of responsible agencies and officials.
C.2 Adequate sites and ADUs	p. 50	Program 3 has been expanded to include additional strategies for promoting ADU development.
C.3 Removing constraints	p. 27-43	Issues related to removing constraints are discussed above.
C.4 Affirmatively furthering fair housing	p. 43-45 p. 52	Additional analysis of AFFH issues is provided in Chapter IV, and Program 5 has been expanded to include additional actions the City will take to further fair housing.
C.5 ADUs	p. 50	Program 3, Action 3.4 has been expanded to identify strategies to encourage ADU production.
D. Quantified objectives	p. 53	Quantified objectives have been added for rehabilitation by income category.
E. Public Participation	Appendix C	The element has been revised to provide further description of opportunities for public review.

**CERTIFICATION**

STATE OF CALIFORNIA            )  
COUNTY OF ORANGE            )ss  
CITY OF LAGUNA NIGUEL        )

I, Eileen C. Gomez, City Clerk of the City of Laguna Niguel, California, do hereby certify that the foregoing is Resolution No. 2021-1372, which was adopted at a regular meeting of the City Council of the City of Laguna Niguel, California, held on October 19, 2021, by the following vote:

AYES:                    Council Members Jennings and Sharma; Mayor Pro Tem Gennawey, and Mayor Minagar

NOES:

ABSTENTIONS:

ABSENT:                Council Member Rains

  
\_\_\_\_\_  
Eileen C. Gomez  
City Clerk