



## CITY of LAGUNA NIGUEL CITY COUNCIL

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June 22, 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 Draft 6<sup>th</sup> Cycle Housing Element Submittal**

Dear Ms. Kirkeby:

Enclosed for your review is the City of Laguna Niguel's Draft Housing Element for the 6<sup>th</sup> planning cycle. 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

Enclosure: Draft Laguna Niguel 2021-2029 Housing Element

**CITY OF  
LAGUNA NIGUEL**

**2021-2029  
Housing Element**

DRAFT

May 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
City Council meeting	_____
Planning Commission hearing	_____
City Council hearing	_____

**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.

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.

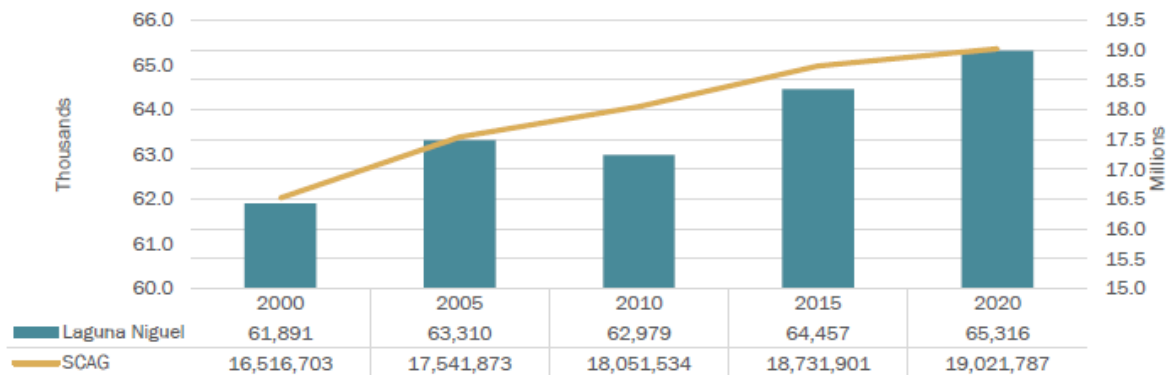
The Housing Needs Assessment utilizes recent data from the U.S. Census, California Department of Finance (DOF), California Employment Development Department (EDD), Southern California Association of Governments (SCAG) and other relevant sources. Supplemental data was obtained through field surveys and 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**

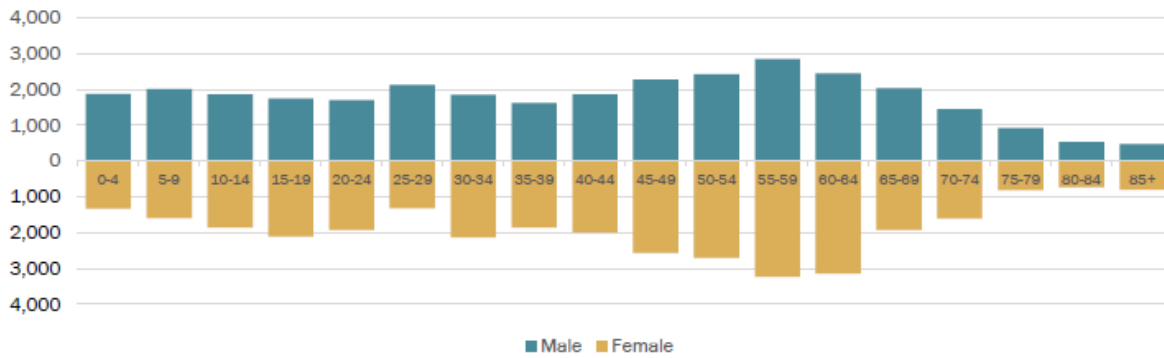


CA DOF E-5 Population and Housing Unit Estimates

## 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

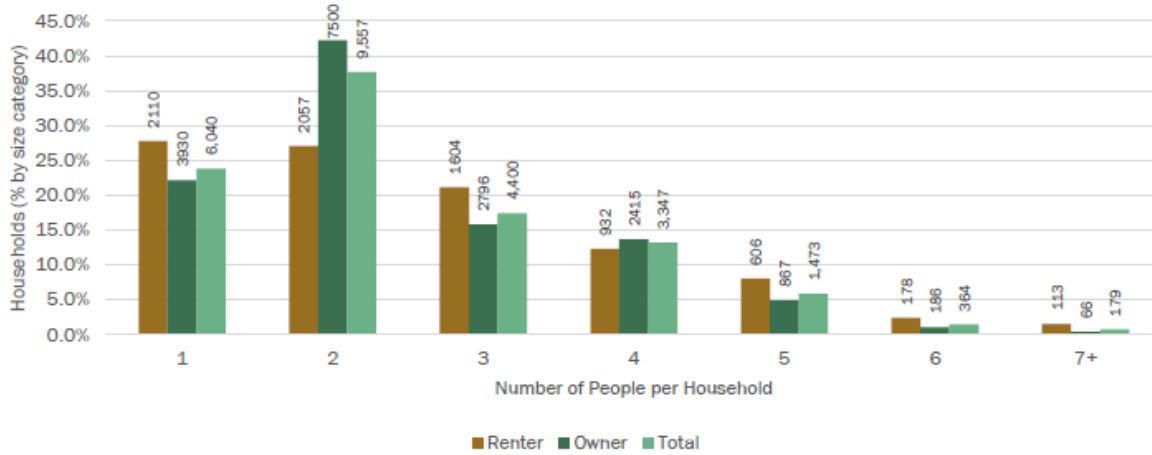
## B. Household Characteristics

### 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**

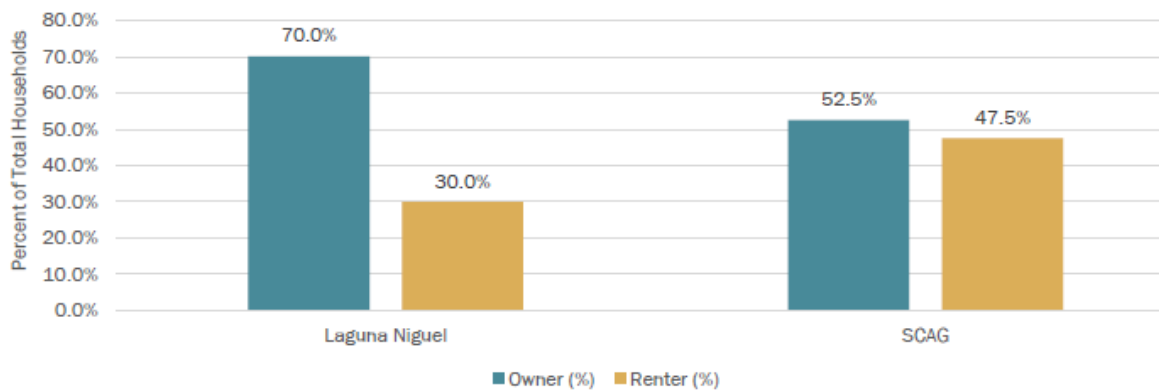


American Community Survey 2014-2018 5-year estimates.

## 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.

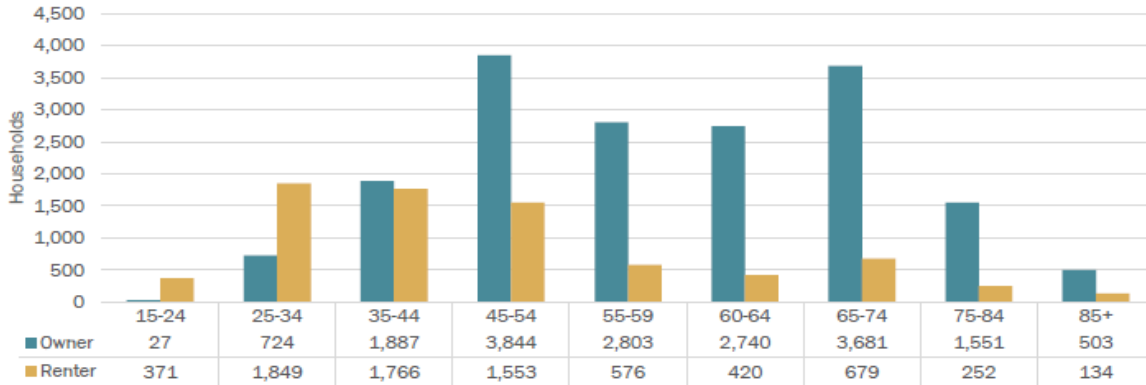
**Table II-4  
Household Tenure –  
Laguna Niguel vs. SCAG Region**



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**

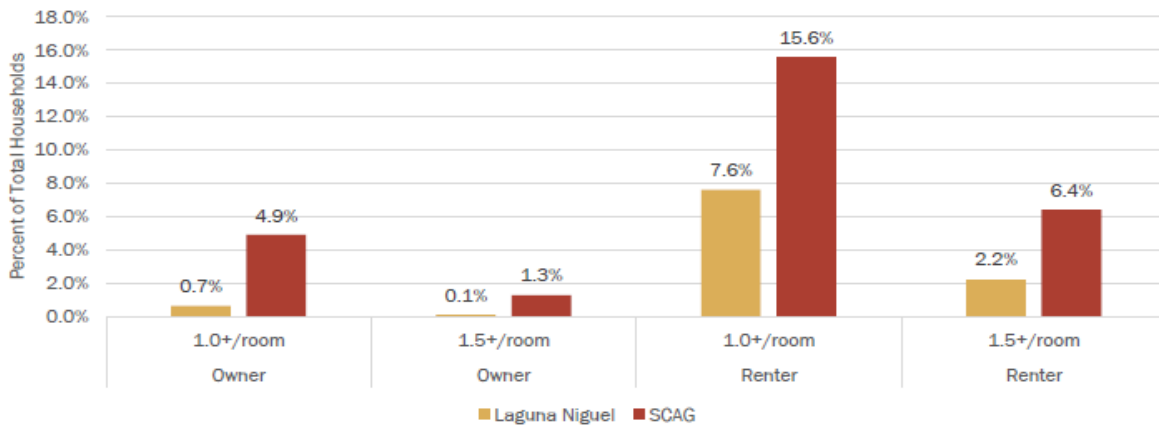


American Community Survey 2014-2018 5-year estimates.

### 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 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 Income Category –  
Laguna Niguel**

Income	Households by Share of Income Spent on Housing Cost:		
	< 30%	30-50%	> 50%
< 30% HAMFI	115	270	1,830
30-50% HAMFI	395	545	1,245
50-80% HAMFI	1,150	1,890	1,170
80-100% HAMFI	990	975	155
> 100% HAMFI	11,445	2,085	330
<b>Total Households</b>	<b>14,095</b>	<b>5,765</b>	<b>4,730</b>

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

#### 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.

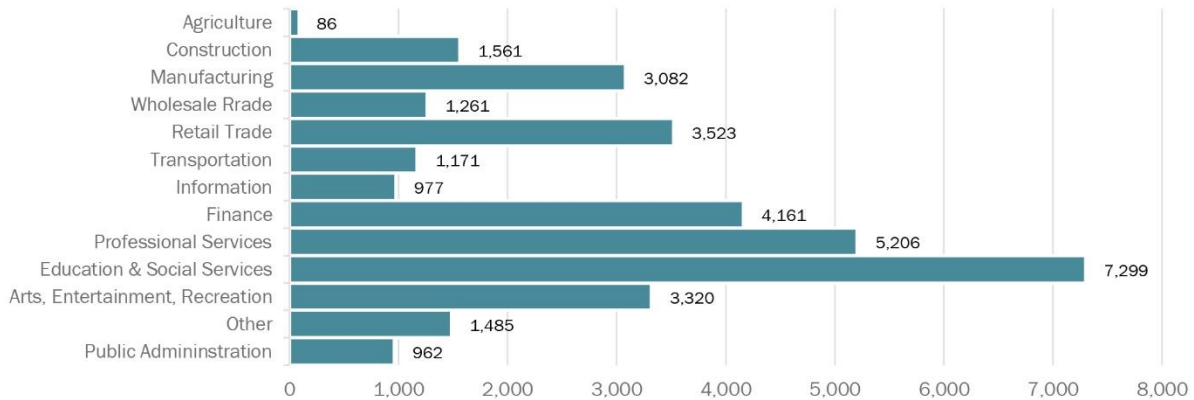
### C. Employment

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).

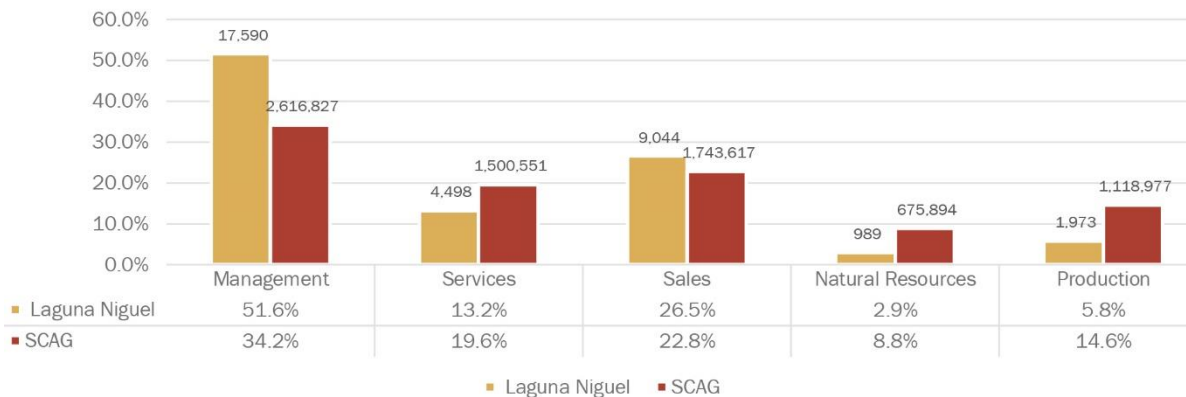
**Table II-9  
Employment by Industry –  
Laguna Niguel**



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.

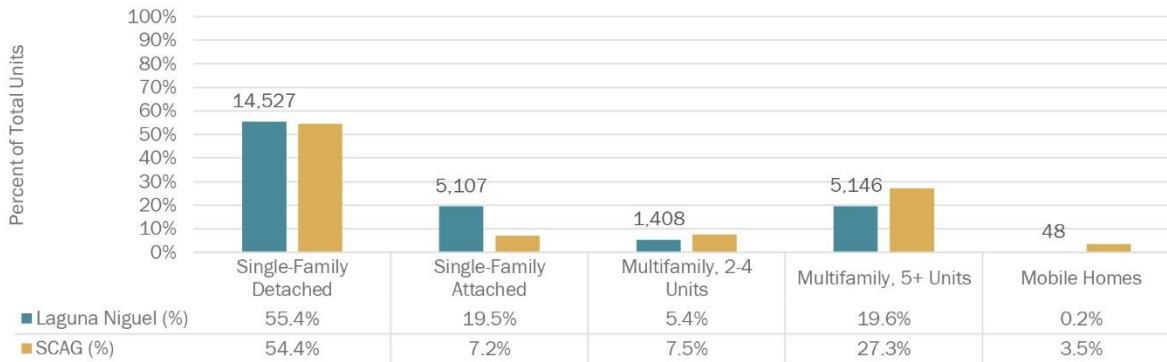
## D. Housing Stock Characteristics

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).

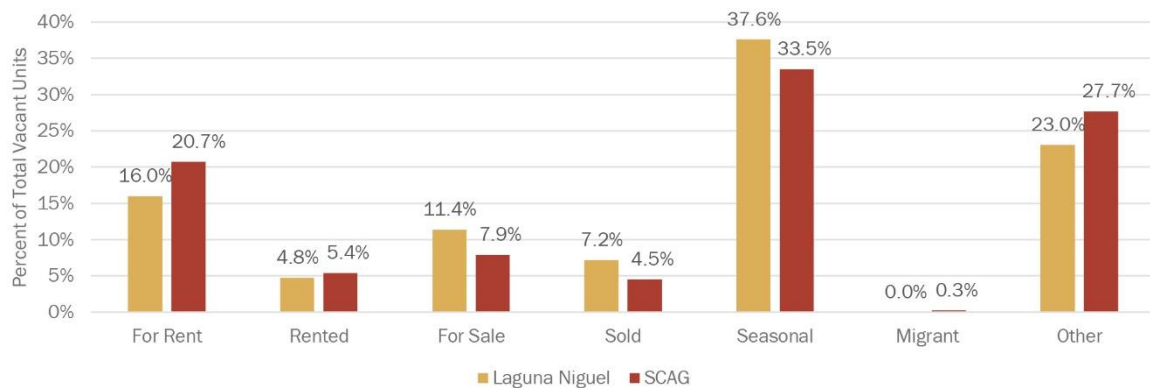
**Table II-11  
Housing by Type –  
Laguna Niguel vs. SCAG Region**



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**

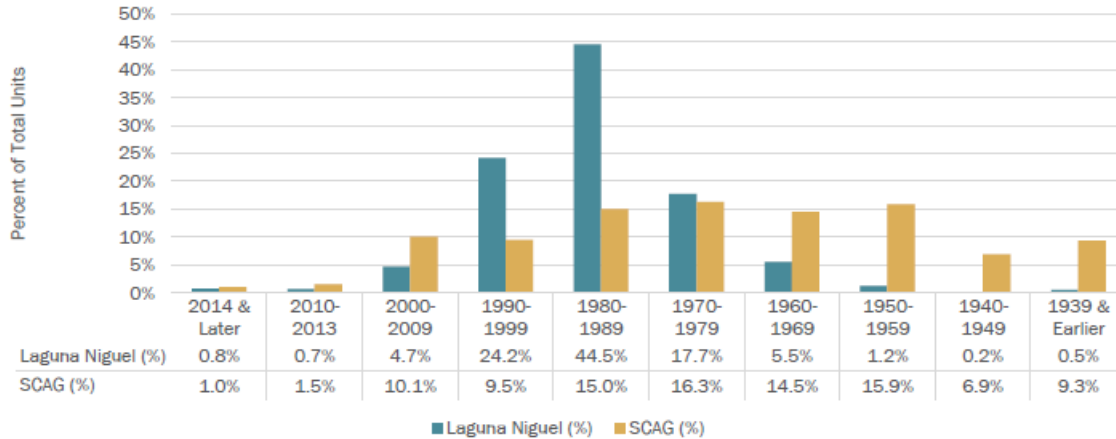


American Community Survey 2014-2018 5-year estimates.

## 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 \$723, while the maximum affordable rent for very-low-income households is \$1,204. The maximum affordable rent for low-income households is \$1,926, while the maximum for moderate-income households is \$2,559.

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:

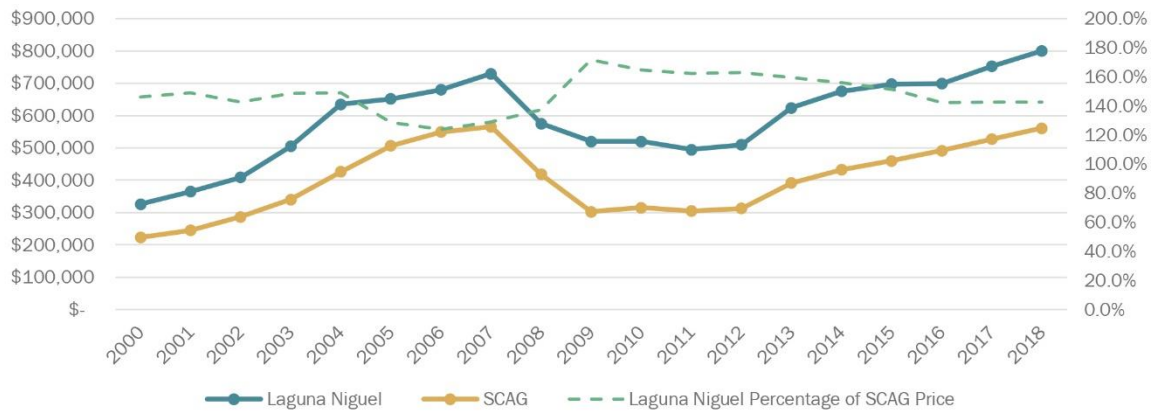
\*For-sale affordable housing is typically at the moderate income level

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**

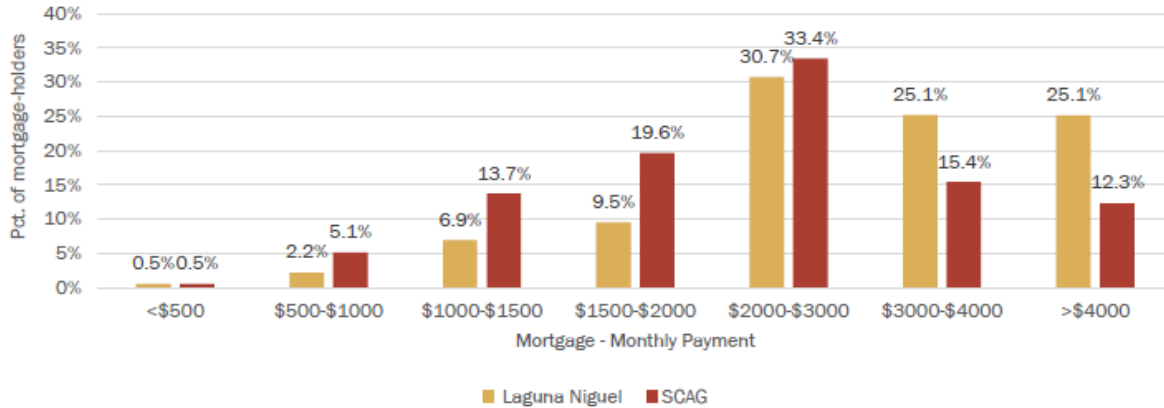


SCAG Local Profiles, Core Logic/Data Quick. SCAG median home sales price calculated as household-weighted average of county medians.

<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**

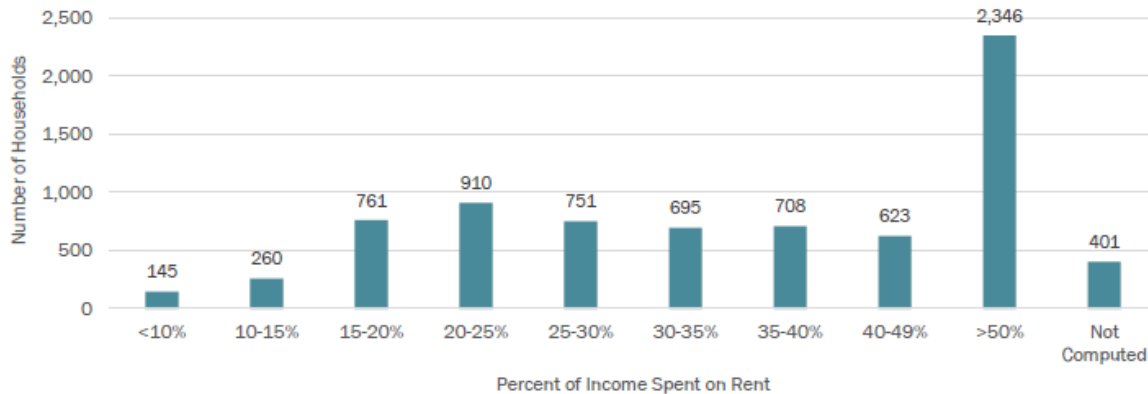


American Community Survey 2014-2018 5-year estimates.

**c. Rental Housing**

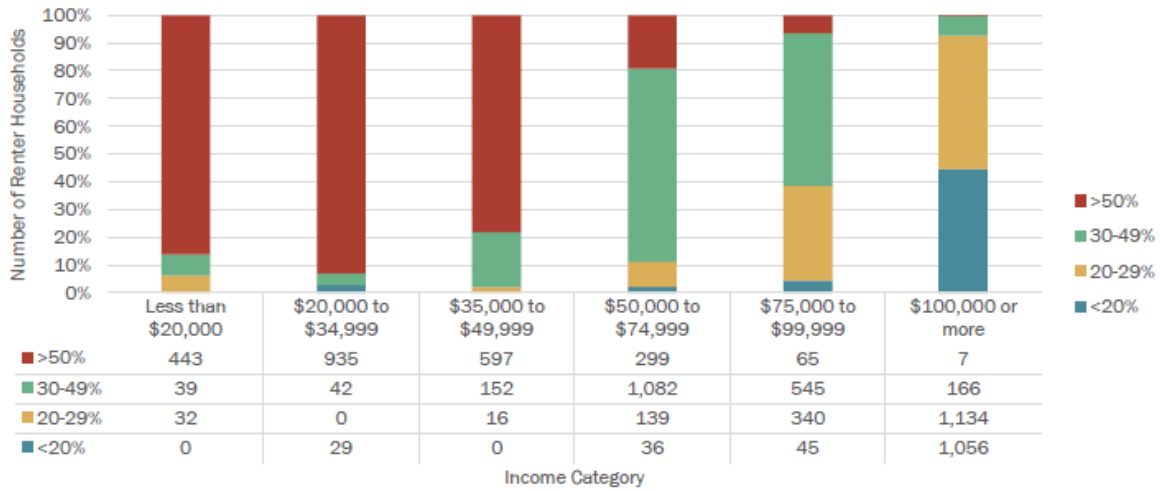
As described previously in the discussion of income and overpayment (Table II-7), a large proportion of renters in Laguna Niguel fall within the lower-income categories. As a result, trends in rental rates have a major impact on these residents. Table II-17 shows recent Census estimates of the percentage 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.

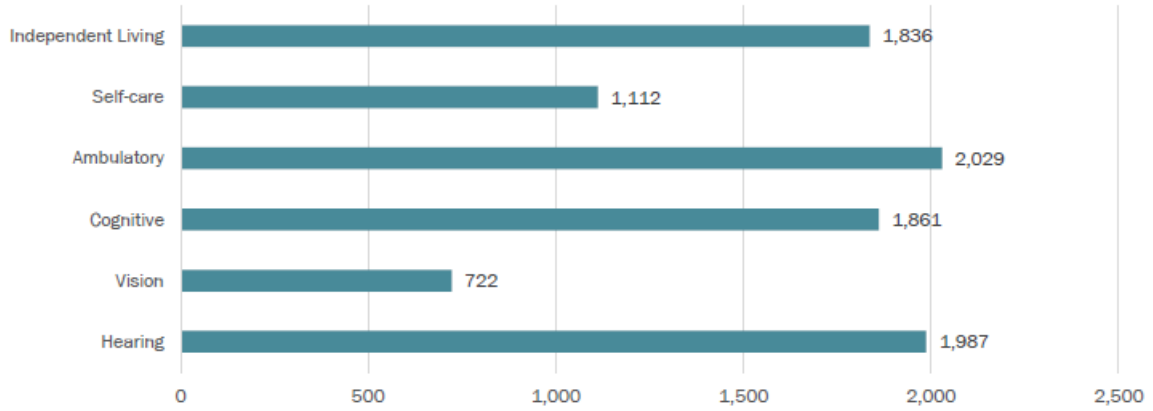
State Housing Element law defines “special needs” groups to include persons with disabilities (including developmental disabilities), the elderly, large households, female-headed households with children, homeless people, and farm workers. This section contains a discussion of the housing needs facing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

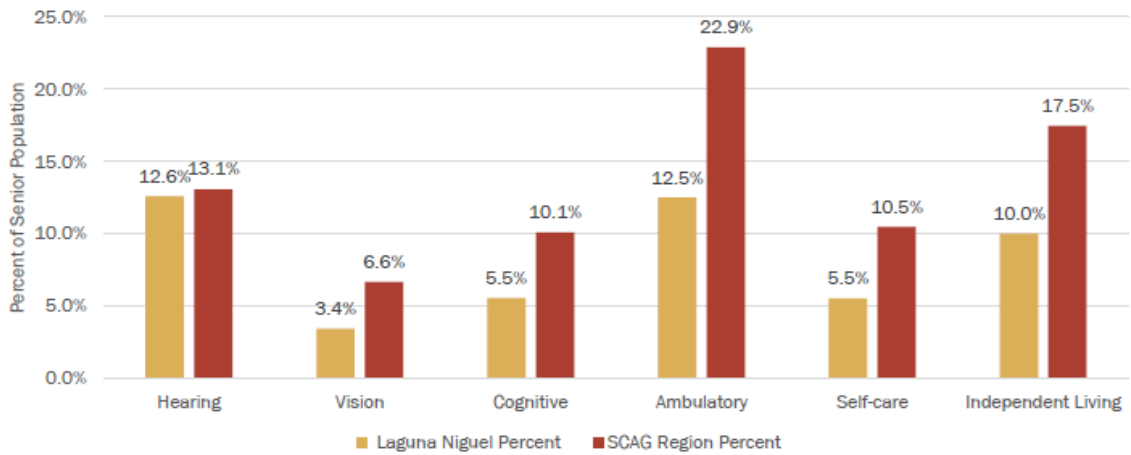
Housing opportunities for persons with disabilities can be maximized through housing assistance programs, universal design features such as widened doorways, ramps, lowered countertops, single-level units and ground floor units, residential care facilities and assisted living developments.

**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.

**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.*

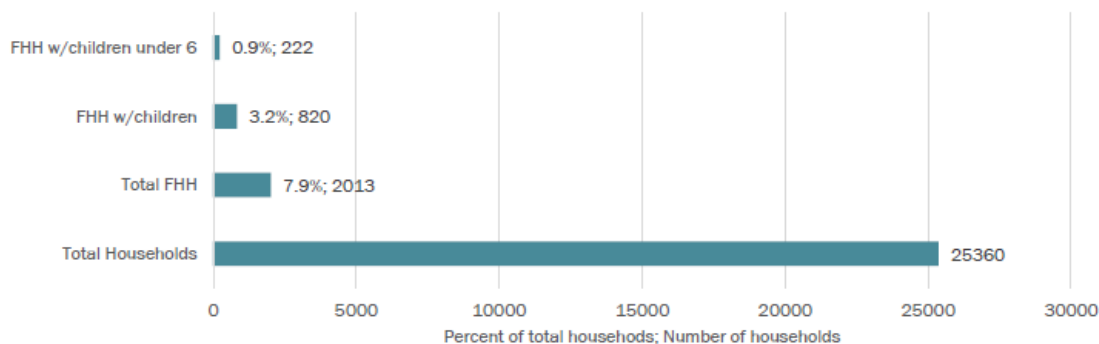
## 3. Large Households

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.

## 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 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 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.

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 such as a use permit). A jurisdiction could also satisfy its shelter needs through a multi-jurisdictional agreement with up to two

<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>)

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 SB 2.

## 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 costs – depends on size, location, current sales figures.
2. Rehabilitation costs – average cost to rehabilitate - \$40,000 (based on data compiled by the State Department of Housing and Community Development's Multifamily Housing Programs).
3. New construction costs – depends on size, construction materials, financing costs, and off- and on-site improvements.

4. 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.

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### 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-2)	-	12	-	258	270
Vacant sites (Table B-3)	80	80	80	53	293
Underutilized sites (Table B-4)	260	105	182	669	1,216
Potential ADUs	10	20	15	5	50
<b>Totals</b>	<b>350</b>	<b>217</b>	<b>277</b>	<b>985</b>	<b>1,829</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

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).

**Section 8 Rental Assistance** – The City of Laguna Niguel cooperates with the Orange County Housing Authority (OCHA), which administers the Section 8 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, approximately 93 tenant-based Section 8 vouchers are used in the City. Of these, there are 13 family households, 12 disabled households, and 68 elderly households<sup>4</sup>.

The City facilitates use of the Section 8 program within its jurisdiction by advertising the availability of OCHA Section 8 programs 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;

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<sup>4</sup> Orange County Housing Authority, 2012

- 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 approvals. 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 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.

In 2019 the State Legislature adopted 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. 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.

### **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.

### **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.

Program 5 in the Housing Plan describes actions the City will take to affirmatively further fair housing.

## 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.

**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 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.*
- 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 will process an amendment to regulations for accessory dwelling units concurrent with adoption of the 2021-2029 Housing Element. Opportunities for ADU development will be publicized on the City website, at City Hall and at other community facilities.*

## 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).*

**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 – 2013-2021  
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
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	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. 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. 3) The City continues to offer a density bonus when affordable housing is provided. 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. 5) The City continues to offer administrative assistance to affordable housing developers in preparing grant applications. 6) A current inventory of vacant land suitable for housing is posted on the City’s website. 7) The City publicizes current development projects in the Gateway and provides development standards on the City’s website”
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 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.  Transitional and supportive housing are listed as permitted uses in the Laguna Niguel Zoning Code and Gateway Specific Plan.”
3. Affordable Housing Development	Promote and assist in the development of housing for low- and moderate-income households.	Ongoing	“1) The City’s affordable housing regulations are in compliance with current provisions of Government Code 65915 (State density bonus law). 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. 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.”

Housing Program	Program Objective	Timeframe	Implementation Status
4. Conserve and Improve Existing Housing Affordable to Low and Moderate Income Households	To conserve and improve existing housing that is affordable to low- and moderate-income households.	Ongoing	<p>4) The City implements regulations for accessory dwelling units consistent with State Law."</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>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>
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>

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

<b>Program Category</b>	<b>Quantified Objective</b>	<b>Progress</b>
<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-4. 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-2)	-	12	-	258	270
Vacant sites (Table B-3)	80	80	80	53	293
Underutilized sites (Table B-4)	260	105	182	669	1,216
Potential ADUs	10	20	15	5	50
<b>Totals</b>	<b>350</b>	<b>217</b>	<b>277</b>	<b>985</b>	<b>1,829</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-2 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-3 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.

### 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 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-4 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

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

units/acre. Based on these recent projects, a typical density of 50 units/acre is conservatively assumed for the Gateway area.

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	86
North Getty (Vilara)	27665 Forbes Rd	93

### 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. Based on recent analysis conducted by SCAG<sup>6</sup> approximately two-thirds of future ADUs are expected to be affordable to lower-income households.

<sup>6</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-2  
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>				<b>12</b>		<b>258</b>	<b>270</b>	

**Table B-3  
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: 636-061-20 636-041-04 636-044-01 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

**Table B-4  
Underutilized Sites Inventory**

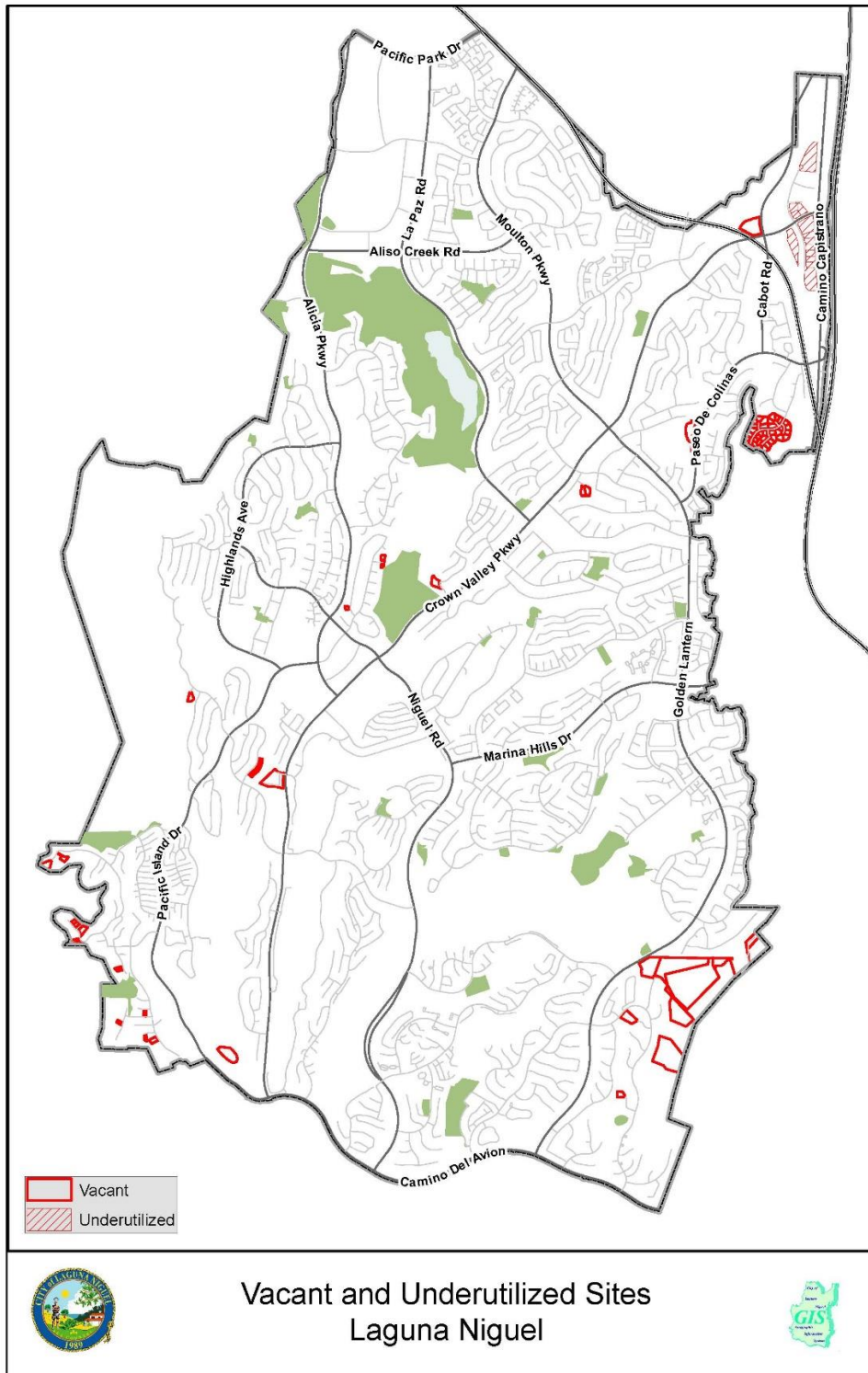
District	Address	APN	Zoning*	Density		Parcel Size (acres)	Existing Use	Income Category			Total
				Min	Max			Lower	Mod	Above Mod	
E	26022 Cape Dr	636 034 06	MU	40	120	1.1	commercial	17	8	30	55
E	25991 Crown Valley Pkwy	636 034 08	RC	40	120	0.8	gas station	12	6	22	40
E	27601 Forbes Rd	636 033 03	MU	40	120	5.4	commercial	81	41	149	270
E	27812 Forbes Rd	636 034 07	MU	40	120	1.0	church	15	8	28	50
<b>Subtotal</b>				<b>40</b>	<b>120</b>	<b>8.3</b>		<b>125</b>	<b>62</b>	<b>228</b>	<b>415</b>
G	27872 Crown Valley Pkwy	637 202 02	MU	40	120	3.5	self storage	53	26	96	175
<b>Subtotal</b>				<b>40</b>	<b>120</b>	<b>3.5</b>		<b>53</b>	<b>26</b>	<b>96</b>	<b>175</b>
H	27882 Forbes Rd	637 201 01	MU	40	120	3.2	medical office	48	24	88	160
H	27912 Forbes Rd	637 201 02	MU	40	120	0.9	auto repair	14	7	26	46
H	27942 Forbes Rd	637 201 03	MU	40	120	0.9	auto repair	14	7	25	45
H	27972 Forbes Rd	637 201 04	MU	40	120	0.8	auto repair	12	6	22	40
H	28002 Forbes Rd	637 201 05	MU	40	120	0.9	auto repair	13	6	24	43
H	28092 Forbes Rd	637 201 11	MU/T	40	120	4.1	commercial	62	31	113	205
H	28032 Forbes Rd	637 201 06	MU	40	120	0.8	commercial	12	6	23	41
H	28062 Forbes Rd	637 201 07	MU/T	40	120	0.9	office building	14	7	25	45
<b>Subtotal</b>						<b>19.7</b>		<b>188</b>	<b>94</b>	<b>344</b>	<b>626</b>
<b>Totals</b>						<b>31.5</b>		<b>365</b>	<b>182</b>	<b>669</b>	<b>1,216</b>

Notes:

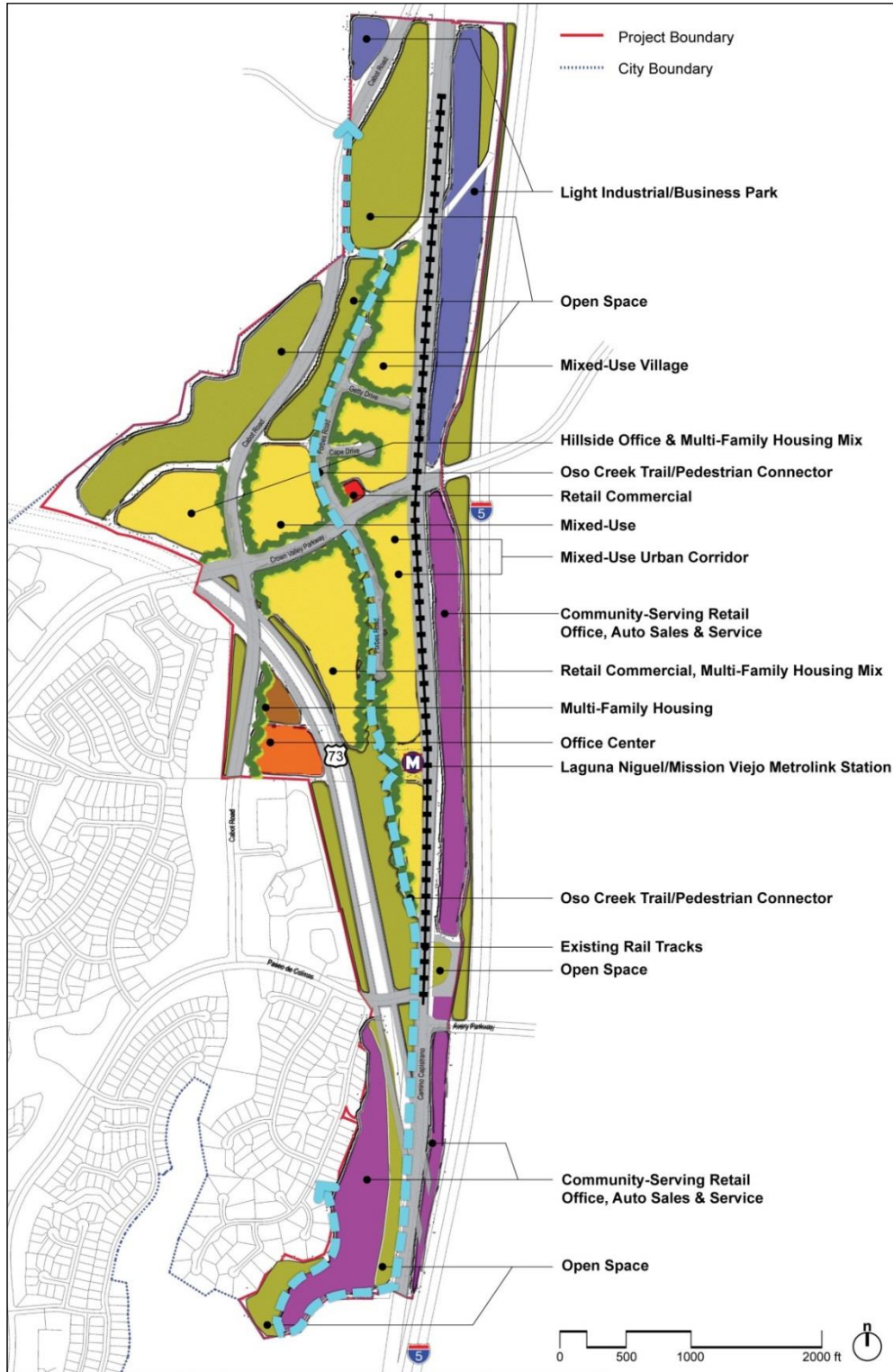
The General Plan designation for all parcels is COMMUNITY COMMERCIAL; PROFESSIONAL OFFICE; PUBLIC INSTITUTIONAL; RESIDENTIAL ATTACHED

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

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 and public meeting announcements, and also an online survey regarding housing needs in the community.

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

April 15, 2021 Planning Commission study session

May 25, 2021 Planning Commission meeting

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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).

**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

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