



CITY OF LAGUNA WOODS 2014 –2021 HOUSING ELEMENT

FEBRUARY, 2014



**City of Laguna Woods
2014-2021 Housing Element**

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

February 2014

HOUSING ELEMENT

- I. Introduction.....1
 - Purpose.....1
 - Changing State Legislation.....3
 - City of Laguna Woods.....4
 - Regional Housing Needs Assessment5
 - Housing Element Content.....5
 - Policy Document5
 - Background Document.....6
 - Public Participation7
- II. Housing Plan.....10
 - Objectives, Policies, and Programs10
- III. Housing Needs Assessment.....18
 - Data Sources18
 - Summary.....19
 - Population Characteristics19
 - Age.....20
 - Race and Ethnicity.....20
 - Employment.....21
 - Jobs/Housing Balance22
 - Household Characteristics23
 - Household Composition.....23
 - Household Income.....24
 - Housing Inventory26
 - Housing Tenure27
 - Vacancy Rates27
 - Residential Densities28
 - Residential Communities in City of Laguna Woods.....28
 - Laguna Woods Village (formerly known as Leisure World)29
 - Las Palmas (formerly known as Alterra Wynwood at Palm Terrace) 30
 - The Regency30
 - The Fountains30
 - San Sebastian.....30
 - Age of Housing Stock30
 - Housing Cost and Affordability32
 - Characteristics of Market-Rate Dwelling Units33
 - Affordability of For-Sale Dwelling Units35
 - Affordability of For-Rent Dwelling Units37
 - Housing Needs.....38

HOUSING ELEMENT

- Regional Housing Needs Assessment38
- Overcrowding39
- Overpayment40
- Special Needs Groups40
 - Elderly40
 - Homeless41
 - Large Families44
 - Female-Headed Households44
 - Disabled Persons45
 - Care Services:46
 - Public Transportation Services:46
 - Private Transportation Services:47
- Assisted Housing At-Risk of Conversion to Market Rate Housing49
- IV. Housing Constraints Analysis51
 - Governmental Constraints51
 - General Plan51
 - Residential Land Use Designations.....52
 - Urban Activities Center Land Use Designation.....53
 - Zoning Code53
 - Residential Density Bonus56
 - Inclusionary Housing56
 - Parking Standards.....56
 - Open Space Requirements57
 - Providing for a Variety of Housing Types.....58
 - Multi-family Housing Units*.....59
 - Second Units*.....59
 - Residential Care Facilities and Housing with Supportive Services* ...59
 - Congregate Care Facilities*60
 - Manufactured and Mobile Homes*.....61
 - Emergency and Transitional Housing*61
 - Single Room Occupancy Housing Facilities*.....62
 - Farmworker Housing*62
 - Housing for Disabled Persons62
 - Reasonable Accommodation63
 - Encouraging a Variety of Housing Types64
 - Building Codes and Enforcement.....64
 - On and Off-Site Improvements65
 - Developer Fees and Exactions66
 - Processing and Permit Procedures67

HOUSING ELEMENT

- Permit Types.....69
- Non-Governmental Constraints.....70
- Market Impacts on Development Costs71
 - Land Cost71
 - Construction Costs72
- Energy Conservation Opportunities73
- Financing76
 - Environmental and Infrastructure Constraints77
 - Endangered Species and Sensitive Habitat77
 - Seismic Activity78
 - Flood Hazards.....78
 - Noise Levels78
 - Wastewater Service/Water Service79
 - Disadvantaged Communities.....79
- V. Sites inventory and analysis80
 - Residential Development Potential80
 - Residential Land Inventory80
 - Credits toward RHNA80
 - Residential Sites Inventory81
 - Vacant Residentially Zoned Site: Parcel 181
 - Density and Affordability.....84
 - Financial Resources85
 - Federal Programs86
 - State Programs87
 - Administrative Resources87
- VI. Review of 2006-2014 Housing Element88
 - Progress toward 2006-2014 Regional Housing Needs Assessment Allocation95
 - Appropriateness of Previous Housing Element Goals, Policies and Programs97

List of Tables

- Table II.1: 2014-2021 Objectives16
- Table III.1: Population by Age for Year 2010.....20
- Table III.2: Racial and Ethnic Composition20
- Table III.3: Eight Largest Employers in City of Laguna Woods21
- Table III.4: Household Income24
- Table III.5: State and Federal Income Categories25

HOUSING ELEMENT

Table III.6: Tenure By Income by Household Type.....26

Table III.7: Housing Units by Type.....26

Table III.8: Previous Residential Density.....28

Table III.9: Current Residential Density.....28

Table III.10: Age of Housing Stock.....31

Table III.11: Calculation of Affordable Housing32

Table III.12: Housing Affordability by Income Group, Orange County.....33

Table III.13: Dwelling Unit Sales Prices35

Table III.14: Owner-Occupied Housing Expenses36

Table III.15: Affordability of Rental Units.....38

Table III.16: Renter Cost Characteristics38

Table III.17: Total Construction Need by Income for Planning Period 2014-202139

Table III.18: Lower Income Households Overpaying for Housing.....40

Table III.19: Disability by Age.....45

Table IV.1: General Plan Land Use Designations.....52

Table IV.2: Comparison Zoning Standards for High-Density Residential
Development – Laguna and Nearby Communities.....53

Table IV.3: Residential Development Standards.....54

Table IV.4: Parking Requirements for Multi-Family Buildings with 5+ Units57

Table IV.5: Permitted Residential Uses per Laguna Woods Zoning Code.....58

Table IV.6: Congregate Care Facilities Equivalent Dwelling Unit Counts60

Table IV.7: Park Land Dedication.....66

Table IV.8: 2013 Impact Fees.....67

Table IV.9: Planning and Development Fees68

Table IV.10: Disposition of Conventional Home Purchase Loan Applications for
the Santa Ana-Anaheim-Irvine MSA.....76

Table V.1: Credits Toward RHNA81

Table V.2: Characteristics of Parcel 1 (Vacant)83

Table V.3: Parcel 1 Residential Development Potential84

Table V.4: High Density Developments in Laguna Woods85

Table V.5: RMF Zoning District – Development Standards.....85

List of Figures

Figure V.1: Land Use & Site Location Map.....82

HOUSING ELEMENT

I. INTRODUCTION

PURPOSE

The Housing Element is one of the seven mandatory elements of the General Plan. State law requires inclusion of a Housing Element in the General Plan in recognition of the role that land use planning plays in the production of affordable housing. The Housing Element will guide City decision-making through an action program including policies, procedures, and incentives for maintaining and expanding the housing supply in the City of Laguna Woods for all income groups. The Housing Element was prepared in concert with, and consideration of, the other required elements of the General Plan. Updates to the Housing Element and/or other General Plan elements that occur over the eight-year planning period shall continue to maintain internal consistency between all General Plan elements.

In accordance with state law the new update cycle requires housing elements to be updated every eight years to reflect a community's changing housing needs, if the document is not completed in a timely manner and is received over 120 days later than the Housing Element due date established by HCD the jurisdiction will be placed on a four year update cycle. . The updated Housing Element covers the period from August 31, 2014 to July 31, 2021.

The California Legislature has declared that a decent home and suitable living environment for every resident is the primary housing goal for the State. Specifically, Section 65580 of the California Government Codes sets forth the Legislature's findings as follows:

- a. The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farm-workers, is a priority of the highest order.
- b. The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.
- c. The provision of housing affordable to low- and moderate-income households requires the cooperation of all levels of government.
- d. Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make

HOUSING ELEMENT

adequate provision for housing needs of all economic segments of the community.

- e. The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the state in addressing regional housing needs.

Section 65581 of the California Government Code reflects the Legislative intent for mandating that each City and County prepare a Housing Element:

- a. To assure that counties and cities recognize their responsibilities in contributing to the attainment of the state housing goal.
- b. To assure that counties and cities will prepare and implement housing elements which, along with federal and state programs, will move toward attainment of the state housing goals.
- c. To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the state housing goal, provided such a determination is compatible with the state housing goal and regional housing needs.
- d. To ensure that each local government cooperates with other local governments in order to address regional housing needs.

To achieve these ends, the California Government Code makes certain provisions of the Housing Element mandatory. These provisions include:

- identification and analysis of existing and projected housing needs, resources and constraints;
- a statement of goals, policies, quantified objectives, and scheduled programs for preservation, improvement and development of housing;
- identification of adequate sites for housing; and
- adequate provision for existing and projected needs of all economic segments of the community.

Specific requirements for data collection and analysis necessary to prepare the Housing Element are set forth in Government Code Section 65583 and are discussed later in this document. The Government Code also requires that each draft Housing Element be reviewed by the California Department of Housing and Community Development and that the Department's findings be incorporated prior

HOUSING ELEMENT

to adoption, or that specified findings be made in response to the Department's comments.

CHANGING STATE LEGISLATION

In response to changing State law pertinent to housing elements, this updated Housing Element addresses new State laws that are intended to facilitate and expedite the construction of affordable housing.

- Amendment to Alternative Adequate Sites:
 - AB 720: Expands the timeline for local government to provide committed assistance for rehabilitation, conversion or preservation of affordable housing.
 - AB 1867: Allows multifamily ownership housing converted to rental housing affordable to lower income households by acquisition of the purchase of affordable covenants to qualify towards meeting the alternative adequate sites requirement. Also reduces the required number of units in a complex to qualify for this section from four to three units.
 - AB 1103: Allows, under specific conditions, foreclosed properties converted to housing affordable to lower income households by acquisition or the purchase of affordability covenants to qualify under the alternative adequate sites requirement.
- Emergency Shelters and Transitional and Supportive Housing: SB 2 clarifies and strengthens housing element law to ensure zoning encourages and facilitates emergency shelters and limits the denial of emergency shelters and transitional and supportive housing under the Housing Accountability Act.
- Extremely Low Income – Local jurisdictions must assess the housing needs of extremely low-income households, in addition to the established requirement to examine the needs of very-low, low-, and moderate-income households. The extremely low-income is defined as 0 to 30 percent of the Area Median Income. The Background Technical Report includes extremely low income households in its discussions on housing need.
- Persons with Developmental Disabilities: SB 812 identifies that housing elements must include an analysis of the special housing needs of the

HOUSING ELEMENT

disabled including persons with developmental disabilities. Special needs groups often spend a disproportionate amount of their income to secure safe and decent housing and are sometimes subject to discrimination based on their specific needs or circumstances. Chapter 507, Statutes of 2010 (SB 812), which took effect January 2011, amended State housing element law to require the analysis of the disabled to include an evaluation of the special housing needs of persons with developmental disabilities.

- Unaccommodated Housing Need: Chapter 614, Statutes of 2005 (AB 1233), amended State housing element law to promote effective and timely implementation of local housing elements. This bill requires sites to be rezoned by prescribed deadlines when a jurisdiction fails to adopt a housing element that identifies adequate sites or fails to timely implement programs in its housing element to identify adequate sites pursuant to Government Code Section 65583(c)(1).
- Longer Planning Period - SB 375 extended the housing element planning period from 5 years to 8 years, in order to better synchronize the Regional Transportation Plan (RTP) process with the Regional Housing Needs Allocation (RHNA) and housing element process. (Gov't Code section 65588(b) & (f))

CITY OF LAGUNA WOODS

The City of Laguna Woods was incorporated in 1999 and is composed predominantly of private communities that are age-restricted for adults age 55 years of age and older. Development of age-restricted seniors' communities shielded from age-based discrimination challenges was facilitated by California Civil Code Section 51.3 et. seq. The statute includes recognition that "There are senior citizens who need special living environments and services, and there is an inadequate supply of this type of housing in the state." While occupancy of existing dwellings within the private community of Laguna Woods Village is limited to households which must include at least one "qualifying resident" aged 55 years or older, several congregate care facilities outside of the Village offer housing opportunities for special needs residents under 55 years of age.

The unique demographic characteristics of a city comprised predominately of private senior communities, with many residents on fixed-incomes, are reflected in housing needs and affordability issues that are markedly different from more

HOUSING ELEMENT

traditional cities. These characteristics (age, household size, employment, ethnicity, income, etc.) and the characteristics of housing in the City (number of units, tenure, size, cost, etc.) are described in the Community Needs Assessment section and serve as the basis for analysis of existing and future housing needs.

REGIONAL HOUSING NEEDS ASSESSMENT

A critical measure of compliance with State Housing Element Law is the ability of a jurisdiction to accommodate its share of the Regional Housing Needs Assessment (RHNA). In accordance with State Housing law, the SCAG has prepared a RHNA that quantifies the need for housing in each jurisdiction in the SCAG region between 2014 and 2021. The RHNA provides estimates of existing and future housing needs. The existing need is determined from information about current residents, including the number of extremely low and low income families paying more than 30% of income for housing; future need is based on projected growth in the number of households and the number of units needed to maintain a target vacancy rate. State law requiring that new, affordable housing not be concentrated in existing low income neighborhoods also guides the geographic distribution of RHNA dwelling units.

The RHNA for the City of Laguna Woods has been determined to include two units broken down into the following affordability levels: one unit for very low-income households (0 to 50 percent of the Area Median Income (AMI)), and one unit for low-income households (51 to 80 percent of the AMI).

HOUSING ELEMENT CONTENT

The Housing Element is organized into two sections:

Policy Document

The Policy Document defines a course of action for meeting the housing needs of the community, including those of both current and future residents, consistent with State law. The Policy Document reflects statutory requirements for courses of action appropriate to providing suitable, affordable housing in the City of Laguna Woods. These are defined through a series of “Objectives”, “Policies”, and “Implementation Measures”.

HOUSING ELEMENT

Objectives are broad statements about the ends, or outcomes, relative to housing that are to be achieved over the statutory term of the Housing Element. Policies suggest strategies for achieving the ends identified as Objectives. Policies provide general direction to decision makers in defining specific actions to achieve Objectives.

Implementation Programs are the specific, discreet actions to be taken as part of the strategy for achieving Objectives in maintaining and promoting production of decent housing affordable to a broad range of household types at all income levels.

The Policy Document provides direction for complying with State law through inclusion of the following:

- Identification of actions to be taken to implement Objectives through administration of land use and development controls, regulatory concessions and incentives, and use of appropriate federal and state financing and subsidy programs;
- Identification of adequate sites made available through appropriate zoning to facilitate and encourage development of a variety of types of housing for all income levels;
- Measures to be taken to assist in development of adequate housing to meet the needs of low and moderate income households;
- Steps to be taken to remove governmental constraints to maintenance, improvement, and development of housing;
- Steps to be taken to conserve and improve the conditions of existing affordable housing; and
- Steps to be taken to promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color.

Background Document

The Background Document includes an inventory of existing housing in the City. Demographic characteristics of the population and of projected future residents are documented as prescribed by the California Government Code. Minimum mandatory information included in the Background Report of the Housing Element is as follows:

- An analysis of population and employment trends and documentation of projections and a quantification of the City's existing and projected housing

HOUSING ELEMENT

- needs for all income levels including the City’s share of the regional housing need as determined by the Southern California Association of Governments;
- An analysis and documentation of household characteristics including level of payment compared to ability to pay, housing characteristics, including overcrowding and housing stock condition;
- An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the appropriateness of the zoning and the adequacy of public facilities and services for these sites;
- An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes, fees, and other exactions required of developers, and local permit procedures;
- An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels including availability of land and project financing, the price of land, and cost of construction;
- An analysis of any special housing needs such as those of the handicapped, elderly, large families, farmworkers, and families and persons in need of emergency shelter;
- An analysis of opportunities for energy conservation with respect to residential development; and
- An analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use.

Public Participation

The Housing Element must identify community involvement and decision-making processes and techniques that are affirmative steps to generate input from low-income persons and their representatives as well as other members of the community. This means that input should be sought, received and considered before the Draft Housing Element is completed. Requirements for public participation are described in Section 65583(6)(B) of the Government Code. The process is also intended to coordinate among various departments and other local agencies and housing groups, community organizations and housing sponsors. Collaboration enhances the effectiveness of Housing Element programs in

HOUSING ELEMENT

indicating “the agencies and officials responsible for the implementation” (described in Section 65583(c)(6)(B)).

For the Laguna Woods Housing Element, a publicly-noticed study session was held with the Land Use Design Advisory Committee (LUDRC) on August 8, 2013. The study session provided an overview of the Housing Element update process and sought input from residents and community organization about housing needs and issues in Laguna Woods. This meeting was publicly noticed in *The Globe*, a paper of local circulation and on the City’s website. The following week an article was published in *The Globe* informing the community about the Housing Element update. On the City’s website both the redlined and non-redlined versions of the updated housing element were provided for public review.

The following organizations were specifically invited to participate and comment as part of the City’s Housing Element update:

The Kennedy Commission
17701 Cowan Avenue, Suite 200
Irvine, CA 92614
(949) 250-0909

Orange County Housing Providers
25241 Paseo de Alicia, Suite 120
Laguna Hills, CA 92653
(949) 380-3311

Affordable Housing Clearinghouse
23861 El Toro Road, Suite 401
Lake Forest, CA 92630
(949) 859-9255

Las Palmas
24962 Calle Aragon
Laguna Woods, CA 92637
(949) 586-3393

South County Outreach
26776 Vista Terrace
Lake Forest, CA 92630
(949) 380-8144

The Regency
24441 Calle Sonora
Laguna Woods, CA 92637
(949) 830-8057

South County Senior Services, Inc.
24300 El Toro Road, Suite A-2000
Laguna Woods, CA 92637
(949) 855-8033

Golden Rain Foundation
P.O. Box 2220
Laguna Woods, CA 92637

Orange County Housing Authority
1770 N. Broadway
Santa Ana, CA 92706
(714) 480-2900

Third Laguna Hills Mutual
c/o Professional Community Management
P.O. Box 2220
Laguna Woods, CA 92637

HOUSING ELEMENT

Fair Housing Council of Orange County
201 S. Broadway
Santa Ana, CA 92701
(714) 569-0823

United Laguna Woods Mutual
c/o Professional Community Management
P.O. Box 2220
Laguna Woods, CA 92637

Whispering Fountains
24300 El Toro Road
Laguna Woods, CA 92637
(949) 457-0327

Fiftieth Laguna Hills Mutual
c/o Professional Community Management
P.O. Box 2220
Laguna Woods, CA 92637

OC Partnership
1505 E. 17th Street
Santa Ana, CA 92705
(714) 288-4007

Professional Community Management
c/o Professional Community Management
P.O. Box 2220
Laguna Woods, CA 92637

Jamboree Housing Corporation
17701 Cowan Avenue, Suite 200
Irvine, CA 92614
(949) 263-8676

San Sebastian
24299 Paseo De Valencia
Laguna Woods, CA 92637
(866) 485-2868

During the comment period no written comments were received, at the Land Use Design Advisory Committee (LUDRC) on August 8, 2013 a representative from the Affordable Housing Clearing House spoke urging the City to ensure a HCD-compliant Housing Element is adopted as this impacts their ability to provide affordable homes for low income families. On November 8, 2013 the City received a letter from The Kennedy Commission primarily focusing on the increasing the availability of affordable housing to evaluate ways to encourage and incentivize the development of affordable housing.

HOUSING ELEMENT

II. HOUSING PLAN

OBJECTIVES, POLICIES, AND PROGRAMS

The objectives set forth in this section identify the City’s goals to accommodate and facilitate the development and maintenance of affordable housing. The policies suggest courses of action that will move the City toward achieving the stated objectives. Implementation programs are the specific actions to be taken to achieve objectives. These programs are specific, discreet tasks that may be included, for example, in the City’s work programs prepared in conjunction with adoption of annual municipal budget. Supported by the City’s General Fund, the City of Laguna Woods Community Development Department is the agency that will pursue and implement the Housing Element program objectives.

Objective 1: Maintain and improve residential neighborhoods and support quality housing for all residents.

Policy 1.A: Work towards full implementation of the 2014-2021 Housing Element objectives, policies, and programs in the Housing element

Implementation

Program 1.A.1 Provide a progress report on the 2014-2021 Housing Element programs and quantified objectives as part of the annual General Plan status reports to the State.

Responsibility: Community Development Department

Project Funding: General Fund

Timeframe: Ongoing 2014-2021 starting in 2015

Policy 1.B: Promote, encourage, and facilitate efforts to preserve the City’s housing stock.

Implementation

Program 1.B.1 Continue to promote on-going building maintenance activities. To promote building maintenance, the City will:

- Identify available funds for building maintenance activities and energy efficiency upgrades.

HOUSING ELEMENT

- Disseminate public information on available housing programs, such as the energy efficient equipment retrofit program (CDBG) at public counters and the City’s website.
- Assist property owners and property managers in their efforts to identify and mitigate housing maintenance issues.

Responsibility: Community Development Department
Project Funding: Community Development Block Grant (CDBG) and various other funds
Timeframe: Ongoing 2014-2021; Identify available funds on an annual basis; Disseminate information: Ongoing 2014-2021

Objective 2: Promote and encourage the development of housing opportunities to accommodate current and projected housing need.

Policy 2.A: Promote construction of units consistent with the new construction needs identified in the Regional Housing Needs Assessment (RHNA).

Implementation

Program 2.A.1 Work with property owners in the development of Specific Plans to guide the development of Urban Activities Center parcels to include residential development.

Responsibility: Community Development Department
Project Funding: General Fund
Timeframe: Specific Plan adoption before 2015

Implementation

Program 2.A.2 Work with commercial property owners to establish residential /commercial mixed use development standards for the City’s Commercial land use district.

Responsibility: Community Development Department
Project Funding: General Fund
Timeframe: Amend municipal code before 2015

HOUSING ELEMENT

Policy 2.B: Mitigate governmental constraints to the accommodation of special needs residents.

Policy 2.C Address the housing needs of special populations and extremely low income households through emergency shelters, transitional housing, supportive housing, and single-room occupancy units.

Implementation

Program 2.B.1 Participate in the County of Orange Consolidated Plan program and in the Continuum of Care to provide housing for special needs populations, particularly extremely and very low income persons. Participation will include assigning a representative to participate in meetings and events sponsored by these programs. In addition, the Resource Guide for Orange County Homeless and other publications that support the program goals will be distributed from City Hall.

Responsibility: Community Development Department

Project Funding: General Fund

Timeframe: 2014-2021

Implementation

Program 2.B.2 Revise the Laguna Woods Zoning Ordinance to identify zones that will allow the development of transitional housing facilitate transitional housing and supportive housing developments that serve extremely and very low income households, consistent with Government Code Section 65583(c)(1). Because transitional and supportive housing can be configured in different ways – either as regular multi-family housing or as group quarters the Zoning Ordinance amendment will ensure that transitional and supportive housing that function as a residential use will be treated as residential uses and only subject to those restrictions that apply to other residential uses of the same type in the same zone.

Responsibility: Community Development Department

Project Funding: General Fund

Timeframe: Within one year from adoption of the Housing Element

HOUSING ELEMENT

Implementation

Program 2.B.3 Review and revise the Laguna Woods Zoning Ordinance 13.23 in regards to emergency homeless shelters to ensure compliance with Government Code Section 65583(a)(4).

Responsibility: Community Development Department

Project Funding: General Fund

Timeframe: Within one year from adoption of the Housing Element

Objective 3: Encourage and facilitate the development of affordable housing opportunities for all economic segments of the community, especially for extremely- and low-income residents.

Policy 3.A: Recognize the City’s leadership role in the maintenance, preservation, improvement, and development of affordable housing.

Implementation

Program 3.A.1 Encourage and facilitate the development of affordable housing by:

- Supporting non-profit organizations that address housing issues.
- Serving as an intermediary between non-profit organizations and interested residential developers.
- Assisting in application preparation and other efforts to secure funding sources for development of housing for extremely low-, very low-, low- and moderate-income residents.
- Making available regional and local housing program information to residents, and assisting residents in contacting housing assistance organizations.
- Inform interested developers about the range of housing allowed in areas outside of Laguna Woods Village, including housing for families.

HOUSING ELEMENT

- Inform interested developers about the State density bonus program incentives available for development of affordable housing.

Responsibility: Community Development Department

Project Funding: General Fund

Timeframe: 2014-2021

Implementation

Program 3.A.2 Continue to encourage and facilitate the use of the City’s density bonus provisions to provide affordable housing opportunities. Revise the density bonus provisions as necessary in the City’s Municipal Code to be consistent with State density bonus law.

Responsibility: Community Development Department

Project Funding: General Fund

Timeframe: Municipal Code Amendment: As required; ongoing for use of the provisions

Implementation

Program 3.A.3 Encourage residents to apply, when available, for the Section 8 rental assistance program (through County of Orange Housing Authority) for extremely and very low-income rental households. Inform local rental property owners and eligible residents of Section 8 assistance and Section 8 waitlist openings through flyers and the City’s website. Provide technical assistance during the application process to interested residents. While the City endeavors to maintain the current level of assistance through the Section 8 (72 vouchers) program, the City has no jurisdiction over the funding and operation of the Section 8 voucher program.

Responsibility: Community Development Department

Project Funding: General Fund

Timeframe: 2014-2021: Advertising and technical assistance contingent on Section 8 waitlist openings.

HOUSING ELEMENT

Implementation

Program 3.A.4 Continue to use CDBG funds to fund projects that improve and maintain the quality of the City’s housing stock and residential infrastructure. While the City endeavors to maintain the current level of assistance through the CDBG program, the City has no jurisdiction over the funding and operation of CDBG program.

Responsibility: Community Development Department

Project Funding: CDBG

Timeframe: Ongoing 2014-2021

Quantified Objective: Energy Efficient Equipment Retrofit Program: 40-50 households per year, contingent on availability of funds
ADA Improvements: varies based on funding received

Implementation

Program 3.A.5 The City has received no complaints regarding any discriminatory actions and will continue to enforce all fair housing law. The City Manager is responsible for addressing and/or referring fair housing complaints and questions to the Fair Housing Council of Orange and/or HUD. The City will provide information on fair housing rights and responsibilities, and seek to remedy known acts of discrimination within the community. The City will disseminate fair housing information at City Hall and throughout Laguna Woods in a variety of community places.

Responsibility: Community Development Department

Project Funding: General Fund

Timeframe: Ongoing 2014-2021

Implementation

Program 3.A.6 Review city processes and procedures as they pertain the establishment of new housing, including market rate and all forms of affordable housing to remove undue constraints which hinder the development of new housing opportunities.

Responsibility: Community Development Department

Project Funding: General Fund

HOUSING ELEMENT

Timeframe: Review permit processes and procedures by the end of 2015

Implementation

Program 3.A.7 Research potential funding sources (grants, loans, and other funds) which can be used towards the planning and development of affordable housing.

Responsibility: Community Development Department

Project Funding: General Fund

Timeframe: Ongoing 2014-2021

Objective 4. Facilitate housing, transportation and physical accommodations to aid persons with disabilities.

Policy 4.A Maintain zoning/development standards that guide development of affordable housing near public transportation, and promote project designs that are accessible and accommodating to the disabled.

Implementation

Program 4.A.1 Partner with property owners to identify and accomplish the retrofit of dwelling units and common facilities for handicapped accessibility. The City will participate at board meetings of the housing mutuals and the Golden Rain Foundation, the principal property owner in the City, to encourage retrofitting.

Responsibility: Community Development Department

Project Funding: General Fund

Timeframe: 2014-2021

Table II.1: 2014-2021 Objectives

Objective	Extremely Low Income	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
Construction (a)	0	1	1	0	--	2
Rehabilitation (b)	40 to 50				--	40 to 50
Conservation (c)	--	--	--	--	--	--

HOUSING ELEMENT

Notes:

(a) Construction objectives represents the City's remaining RHNA

(b) Assistance through the Energy Efficient Equipment Retrofit Program, contingent on funding levels provided to the City.

(c) There are no at-risk units in the City. City will continue to work with the County of Orange Housing Authority which provides Section 8 assistance for very low-income rental households. The City will inform local rental property owners and eligible residents of Section 8 assistance when available.

HOUSING ELEMENT

III. HOUSING NEEDS ASSESSMENT

This document provides an overview of the housing and population conditions in Laguna Woods. This profile serves as the foundation for the Housing Element as required by the State Department of Housing and Community Development (HCD). Housing needs vary by demographic and household characteristics, cultural backgrounds and preferences, income, and other special circumstances, among others. Understanding population growth trends and age, race/ethnicity, and employment characteristics help determine the City's housing needs.

DATA SOURCES

Data sources used in this needs assessment include the U.S. Census (2000 and 2010 Censuses), California Department of Finance 2012 Population and Housing Estimates, and various other sources. For demographic data, estimates are used to show changes in conditions since the 2010 U.S. Census. Many of these estimates (such as data from the California Department of Finance) are shown solely as percentages, as the raw numbers carry a significant margin of error, especially for smaller geographies such as counties or cities. Nonetheless, the percentages presented give a general indication of population and employment trends.

Additional information has been drawn from the 2005-2009 Comprehensive Housing Affordability Strategy (CHAS) data, which is drawn from Census 2000 data. CHAS data is based on special tabulations for the U.S. Department of Housing and Urban Development (HUD) from sample Census data. Thus, the number of households in each category often deviates slightly from the 100% count due to extrapolations to the total household level. Because of this, interpretations of CHAS data should focus on proportions and percentages, rather than on precise numbers.

The City of Laguna Woods was included in the U.S. Census 2007-2011 American Community Survey (ACS). Where ACS data was not available the California Department of Finance's 2012 & 2013 Population and Housing Estimates were provided; however, these estimates do not provide detailed population and housing characteristics in the same manner as Census data. Data in this document is based primarily on Census 2010 data, as this is the most up-to-date information available for Laguna Woods.

HOUSING ELEMENT

SUMMARY

The City of Laguna Woods was incorporated in 1999 and is composed predominantly of private communities that are age-restricted for adults age 55 years and older. Development of age-restricted seniors' communities shielded from age-based discrimination challenges was facilitated by California Civil Code Section 51.3 et. seq. The statute includes recognition that "There are senior citizens who need special living environments and services, and there is an inadequate supply of this type of housing in the state." Consistent with this statute, occupancy of all existing dwellings in the City of Laguna Woods is limited to households which must include at least one "qualifying resident" aged 55 years or older.

Laguna Woods has a current estimated population of 16,500 (California Department of Finance, January 2013). Over 85% of the population is aged 62 years or older, with the median age being 77 (2010 Census). Approximately 57% of the households are owner occupied, with the balance consisting of renters. Due to the fixed-income of many residents, over half of the residents experience a housing cost burden (paying 30% or more of their income for housing). ACS data indicates that approximately 53% of total households pay 30% or more of their income for housing.

The unique demographic characteristics of a city comprised predominately of private senior communities are reflected in housing needs and affordability issues that are markedly different from more traditional cities. These characteristics (age, household size, employment, income, ethnicity, etc.) and the characteristics of housing in the City (number of units, tenure, size, cost, etc.) are described in this section and serve as the basis for analysis of existing and future housing needs that follow.

POPULATION CHARACTERISTICS

The 2010 U.S. Census indicates a total population of 16,192 for the City of Laguna Woods. More recent estimates provided by the California Department of Finance indicate a population of 16,500 as of January 2013.

Age restrictions on occupancy of existing dwellings in private communities within the City of Laguna Woods suggest that the average and median age of residents will remain significantly above those of the County. No future population growth

HOUSING ELEMENT

attributable to natural population growth is anticipated. Any increase in population will result from new housing development and continued increase in the life expectancy of the average resident.

Age

Total population and breakdown by age cohorts are included below in Table III.1. The population of Laguna Woods is significantly older than the population of Orange County, which has a median age of 36.2 years, suggesting significantly different housing needs.

Table III.1: Population by Age for Year 2010

	Under 5	5-14	15-19	20-34	35-64	65+	Median Age
2010	11	24	25	157	3,101	12,874	77
% of Total	0.07%	0.15%	0.15%	0.97%	19.15%	79.51%	

Source: U.S. Census 2010

It should be noted that, consistent with age restrictions at the various private residential communities within the City, the opportunity for anyone under the age of 55 to reside legally within the community is limited and as such, the age distribution in the City should remain relatively stable.

Race and Ethnicity

The U.S. Census provides statistics for race and ethnicity of the City’s population. Table III.2 identifies the racial and ethnic distribution of the City’s population compared to figures for Orange County, based on the 2010 U.S. Census.

The California Department of Finance provides 2012 & 2013 population estimates based on the 2010 U.S. Census data. However, the California Department of Finance’s estimates do not include a distribution of racial and ethnic compositions in the same manner that the U.S. Census information is provided. Therefore, Table III.2 references 2010 data that are based on a population of 16,192 as reported in the Profile of General Population and Housing Characteristics: 2010 (DP-1) of the 2010 U.S. Census. Throughout this analysis, the percentages are considered representative of conditions in Laguna Woods.

Table III.2: Racial and Ethnic Composition

HOUSING ELEMENT

Race and Ethnicity	City of Laguna Woods		County of Orange	
	Number	Percent	Number	Percent
One Race	15,991	98.8	2,882,433	95.8
White	14,133	87.3	1,830,758	60.8
Black or African American	110	0.7	50,744	1.7
American Indian and Alaska Native	24	0.1	18,132	0.6
Asian	1,624	10.0	537,804	17.9
Asian Indian	68	0.4	40,732	1.4
Chinese	509	3.1	79,835	2.7
Filipino	273	1.7	71,060	2.4
Japanese	185	1.1	32,276	1.1
Korean	503	3.1	87,697	2.9
Vietnamese	31	0.2	183,766	6.1
Other Asian	55	0.3	42,438	1.4
Native Hawaiian and Other Pacific Islander	10	0.1	9,354	0.3
Native Hawaiian	5	0.0	1,901	0.1
Guamanian or Chamorro	4	0.0	1,382	0.0
Samoan	0	0.0	3,632	0.1
Other Pacific Islander	1	0.0	2,439	0.1
Some Other Race	90	0.6	435,641	14.5
Two or More Races	201	1.2	127,799	4.2
Total population	16,192	100.0	3,010,232	100.0

Source: 2010 US Census

Employment

The 2007-2011 American Communities Survey indicated that a total of 3,254 residents age 16 or older living in Laguna Woods are employed. This represents approximately 20% of the population and is consistent with the fact that Laguna Woods is predominately comprised of retired residents.

The City has a limited employment base. An estimated 1,250 to 1,270 people are employed at the eight largest businesses located within the City. The approximate number of employees for each of these employers is listed in Table III.3.

Table III.3: Eight Largest Employers in City of Laguna Woods

Employer	Number of Employees
Ayers Hotel	35
The Home Depot	95 to 100
CVS Pharmacy	44
Mother's Market	105
PCM	775*
Stater Brothers Markets, Inc.	95 to 110
Von's Companies, Inc.	54
21 st Century Rainbow Realty	47**
Total	1,240 to 1,260

HOUSING ELEMENT

* Full Time Equivalent Employees

** 45 of the 47 people are contract employees Source: Telephone Survey, July 18, 2013

Jobs/Housing Balance

The jobs-housing balance is represented by the ratio of the number of jobs in a community to the number of dwelling units in the community. The jobs-housing ratio is intended as a measure of the extent to which a community provides housing in quantities sufficient to house those employed in the area.

The Southern California Association of Governments has established a target jobs-housing ratio between 1.0 and 1.29 for communities within the SCAG region (that is, there should be between 1.0 and 1.29 jobs for each dwelling unit in the community). In practice, achieving the target balance is no indication that most or even many individuals both live and work in the community. Significant numbers of residents from housing-rich communities in Riverside and San Bernardino Counties, for example, commute to jobs in jobs-rich communities throughout southern Orange County.

The jobs-housing ratio in Laguna Woods is 0.1 (1,250 jobs/13,016 dwelling units¹), indicating a clearly housing-rich community that is significantly lower than the jobs-housing ratio that SCAG has used to identify a balance in jobs and housing. This reflects the fact that Laguna Woods was developed as a retirement community; land not designated for open space or residential use was developed for retail goods and services uses for the convenience of residents of the planned community. With low rates of participation in the workforce due to the predominantly senior aged community, access to jobs was not a significant consideration in the design and development of the community.

Additional jobs may result from future development of the few areas that have land available for new retail, office, or medical space, as well as assisted housing. Most of the anticipated new jobs are likely to be in the relatively low-paying retail service sector, and many positions may be less than full time. Many of these future jobs, however, may be well suited for residents of Laguna Woods Village who choose to remain in the labor force on a part-time basis. For example, of the 20% of City of Laguna Woods residents estimated to be in the labor force, some are

¹ Dwelling unit count provided from the 2010 U.S. Census.

HOUSING ELEMENT

part-time employees of Professional Community Management (PCM) in Laguna Woods Village.

A continuing shortage of qualified personnel in the service sector, high turnover rates of younger workers, and the desire of some active seniors to supplement their incomes may ultimately increase labor force participation of Laguna Woods' residents commensurate with creation of nearby, part-time job opportunities. Even with new employment opportunities in the City, however, the City will remain a housing-rich community according to SCAG's target jobs-housing ratio.

HOUSEHOLD CHARACTERISTICS

Assessment of present and future housing needs begins with consideration of the demographic characteristics of current residents. The basic unit for this demographic analysis is the "household". In this sense, a household includes all the persons occupying a housing unit and may be comprised of a family related by blood or marriage, a single individual, or a group of unrelated persons including roommates, unmarried couples, or an individual or individuals with a live-in caregiver.

Household Composition

According to the 2010 U.S. Census, there are a total of 13,016 households within the City of Laguna Woods. The California Department of Finance data reflects the same number of households within the City of Laguna Woods. However, this number does not reflect the City's actual data and it is in the process of appealing this number with the U.S. Census. In accordance with the City's records there are 13,386 units, an increase of 370 over the Census figure. As the breakdown of the census data is considered representative of the City, the Census data will be fully utilized in the composition of the Housing Element.

The 2000 U.S. Census indicated that there were a total of 12,650 housing units, however only one development (San Sebastian) was completed between 2000 and 2012 which added 134 units to the City, including 15 affordable units. Utilizing the actual data from the City (increase in 134 units) in comparison with the current Census data this reflected household growth of approximately 1%. In comparison, the number of households in Orange County increased from 935,287 in 2000 to 992,781 households in 2010, a growth of 5.8%.

HOUSING ELEMENT

U.S. Census data from 2010 indicate an average household size in Laguna Woods of 1.42 persons. The California Department of Finance provides a recent estimate (January 2012) of approximately 1.43 persons per household. The slight difference may be due to a difference in rounding techniques. By contrast, the average household size in Orange County in 2000 was 3.00 persons and dropped slightly to 2.99 persons per household by 2010.

Single-person households comprise approximately 61.3% of all Laguna Woods households. Approximately 29% of all households in the City are married-couple family households. Approximately eight-eight percent (87.9%) of all households in the City include individuals 65 years and over.

Given that the majority of the existing housing in the City is located within a private community which is age-restricted, changes in mortality rates will likely have the greatest effect on household size. As the average lifespan of males approaches parity with that of females, a slight increase in average household size may be expected in the next decade.

Household Income

Estimates of current household incomes are provided from the 2007-2011 American Community Survey. The median household income in for the City in this period is estimated to be approximately \$35,393. By comparison, the median household income for Orange County was estimated at \$75,762. Table III.4, below, provides a breakdown by income ranges and illustrates the difference between the household income distribution for Laguna Woods and Orange County.

Table III.4: Household Income

	City of Laguna Woods		County of Orange	
	Number	Percent	Number	Percent
Less than \$10,000	892	7.7%	38,785	3.9%
\$10,000 to \$14,999	782	6.7%	32,854	3.3%
\$15,000 to \$24,999	2,082	18.0%	69,387	7.0%
\$25,000 to \$34,999	1,984	17.1%	72,581	7.4%
\$35,000 to \$49,999	2,075	17.9%	109,243	11.1%
\$50,000 to \$74,999	1,629	14.1%	165,948	16.8%
\$75,000 to \$99,999	964	8.3%	133,367	13.5%
\$100,000 to \$149,999	696	6.0%	179,920	18.2%
\$150,000 to \$199,999	307	2.6%	87,624	8.9%

HOUSING ELEMENT

\$200,000 or more	175	1.5%	97,455	9.9%
Total households	11,586	100%	987,164	100%

Source: 2010 U.S. Census

The apparent difference in median household incomes between Laguna Woods’ residents and the residents of Orange County as a whole is expected. Household incomes in the City are primarily comprised of non-wage income, including Social Security payments, pension proceeds, and the proceeds of other retirement investments. Moreover, these non-wage sources are often not considered as income by respondents to questionnaires that are used in compiling survey data.

Although median household income is usually suggestive of the relative magnitude of housing needs of a community, the unique demographics of Laguna Woods require that this factor be tempered by other, equally significant data. Census data (2010), for example, indicate that approximately 68% of owner-occupied households are without mortgage debt. Many households likely used equity from sales of principal, pre-retirement residences for all-cash purchases. A significant number of other households likely used this equity for substantial down payments. In both scenarios, housing expenses are relatively small even as a share of lower retirement incomes.

For housing planning and funding purposes, HCD uses five income categories to evaluate housing need based on the median family income (MFI) for the metropolitan area:

- Extremely Low-Income Households earn between 0 and 30% of MFI
- Very Low-Income Households earn between 31 and 50% of MFI
- Lower-Income Households earn between 51 and 80% of MFI
- Median-Income Households earn between 81 and 100% of MFI
- Moderate-Income Households earn between 101 and 120% of MFI

In the Comprehensive Housing Affordability Strategy (CHAS), special Census tabulations developed by HUD provide a specific breakdown of household income adjusted for family size. For easier comparison, Table III.5 shows the difference between State and Federal income categories. For the Housing Element, State income categories will be used, but CHAS data will be presented to demonstrate income distribution by tenure, race, and for some special needs groups.

Table III.5: State and Federal Income Categories

HOUSING ELEMENT

State Income Categories (HCD)	Federal Income Categories (HUD)
Extremely Low-Income (0-30% MFI)	Extremely Low-Income (0-30% MFI)
Very Low-Income (31-50% MFI)	Very Low-Income (31-50% MFI)
Low-Income (51-80% MFI)	Low-Income (51-80% MFI)
Moderate-Income (81-120% MFI)	Middle/Upper Income (81-100% MFI)
Above Moderate-Income (120%+ MFI)	

As shown in Table III.6, middle/upper income elderly households comprise the largest share of all households. According to the 2005-2009 CHAS, 24% of the City's total households were classified as extremely low Income (0-30% of MFI), 24% earned very low income (31-50% of MFI), 23% earned moderate income (51-80% MFI), and approximately to 30% of households in the City had incomes above 80% of the median household income.

Table III.6: Tenure By Income by Household Type

Household Type (Categories not exclusive)	Extremely Low-Income (0-30%)		Very Low-Income (31-50%)		Low-Income (51-80%)		Moderate/Above Moderate Income (81% +)	
	Number	Percent of All Households	Number	Percent of All Households	Number	Percent of All Households	Number	Percent of All Households
Elderly Households (62+ years)	2,875	22.73	2,835	22.41	2,740	21.66	3,395	26.84
All Owner Occupied units	1,985	15.69	2,340	18.50	2,380	18.81	3,170	25.06
All Renter Occupied units	1,005	7.94	655	5.18	470	3.72	645	5.10
All Households	2,990	23.64	2,995	23.68	2,850	22.53	3,815	30.16

Source: HUD CHAS Data Book, 2005-2009 (Based on 2000 Census). Based on a total of 12,650 households

Housing Inventory

The number of housing units in the City (13,016) includes the 134 unit development completed in 2009 which was the only housing added in the 2000 to 2010 U.S Census period, an increase of approximately 1%. For purposes of comparison, the housing stock in Orange County overall increased by 57,494 units between 2000 and 2010, an increase of 5.8%.

Table III.7: Housing Units by Type

HOUSING ELEMENT

Housing Unit Type	Number of Units	Percent of Total
Single-Family Detached	914	7.0%
Single-Family Attached	3,703	28.5%
Multi-Family (2-4 units)	2,226	17.1%
Multi-Family (5+ units)	6,173	47.4%
City Total	13,016	100.0%

Source: Department of Finance E-5 City/County Population and Housing Est. 2012

Multi-family dwellings with 5 or more housing units comprise 47.4% of housing units in the City. Multi-family dwellings consisting of 2 to 4 units comprise 17.1% of housing units, and single-family attached and detached units represent 35.5% of housing units.

Housing Tenure

Housing tenure refers to whether a unit is owned or rented. In 2010, of the 11,302 occupied dwelling units, 8,730 or 77.2% of occupied housing units in Laguna Woods were owner occupied, compared with 59.3% of occupied units within Orange County. The remaining 2,572 occupied housing units, or 22.8%, were renter occupied. Countywide, 40.7% of all occupied units were renter occupied.

Vacancy Rates

The vacancy rate is a measure of the general availability of housing in the City. A low vacancy rate suggests that households may have more difficulty finding housing within their price range. A high vacancy rate indicates an oversupply of housing units within at least some price ranges.

The availability of vacant housing units provides households with choices on different unit types to accommodate changing needs. In Laguna Woods, changing needs could include divorce, children leaving home, or the need to move into an assisted living facility. A low vacancy rate tends to increase rents and housing prices, consequently limiting the housing options for some households.

In general, vacancy rates of 2% to 3% for ownership housing and 5% to 6% for rental housing are considered healthy. The 2010 Census indicated a homeowner vacancy rate of 4.1% and a rental vacancy rate of 10.2% in the City of Laguna Woods. The California Department of Finance’s estimates in January 2012 indicate an overall vacancy rate of 13.17%, which is in line with the overall vacancy rate of 13.2% identified in the 2010 U.S. Census; the percentage provided by the California Department of Finance is strictly an estimate that uses the 2010

HOUSING ELEMENT

U.S. Census as a benchmark. The homeowner and rental vacancy rates in the City are expected to decline in following years due to increases in average life expectancy, significant growth in the senior population as the “baby boom” generation ages, and because of limited developable land.

Residential Densities

Residential uses in Laguna Woods have been developed at an average density of 9.1 units per acre. Table III.8 identifies the number of acres developed at each of the three residential densities in the City. In December of 2010 the City Amended the General Plan Land Use Element and map creating a new designation, Residential Community (RC) which encompasses the previous Low and Medium Density Residential classifications. The RC designation is broken down by planning areas with two different allowable residential densities consistent with the previous residential densities. The Table III.8 identifies the previous residential densities and Table III.9 identifies current residential densities.

Table III.8: Previous Residential Density

	Acres
Low Density – Less than 10 Dwelling Units per Acre	630
Medium-Density – 10-13 Dwelling Units per Acre	786
High Density – 13-35 Dwelling Units per Acre	33
Total	1,449

Source: 2003 City of Laguna Woods General Plan

Table III.9: Current Residential Density

	Acres
Residential Community (P.A. 1-A, 4-A, & 1-D) – Less than 10 Dwelling Units per Acre	630
Residential Community (P.A. 7-A, & 3-A) – 10-13 Dwelling Units per Acre	786
High Density – 13-35 Dwelling Units per Acre	33
Total	1,449

Source: 2003 City of Laguna Woods General Plan (Updated 2010)

Residential Communities in City of Laguna Woods

The City of Laguna Woods is unique in that it is predominantly comprised of private communities which are age restricted for adults 55 years and older. Of the 13,016 dwellings units in the City identified by the 2010 Census, 12,736 are located in the private gated community of Laguna Woods Village. The balance of

HOUSING ELEMENT

the units is distributed as follows: 140 units in The Fountains, 184 in Las Palmas (previously known as Alterra Wynwood at Palm Terrace), 192 in The Regency, and 134 in San Sebastian. The various housing options, levels of amenities, and services provided at each development are described below. There is a discrepancy of the total number of dwelling units located in the City between City records and the U.S. Census. The City records which reflect the numbers identified above total 13,386 which is 370 more than what is identified by the U.S. Census.

Laguna Woods Village (formerly known as Leisure World)

Laguna Woods Village contains 12,736 owned condominium and cooperative units. Owners within Laguna Woods Village pay a homeowners' association fee that is used to provide residents with public transportation, patrolled private security, clubhouses with special programs, and recreational activities. Also included within the Laguna Woods Village community are two golf courses for the private use of Laguna Woods Village residents.

HOUSING ELEMENT

Las Palmas (formerly known as Alterra Wynwood at Palm Terrace)

Las Palmas is a licensed residential care community with 184 rental units. Services include the dispensing of medication and assistance with bathing, dressing, and other activities of daily living determined by a care plan tailored to specifically meet the individual needs of the residents. Amenities include meal service, transportation, housekeeping, laundry services, and access to recreational facilities, including a putting green, shuffleboard court, pool, and spa. Activity programs include regular trips to shopping locations, restaurants, concerts, and historical landmarks.

The Regency

The Regency consists of 192 rental units for seniors and offers both independent and assisted-living on a month-to-month basis. Services and amenities at The Regency include daily meals, housekeeping, laundry services for bed and bath linens, scheduled transportation, group excursions, and social events. The Regency is the only residential community which under unique circumstances will accommodate individuals younger than 55 with assisted living.

The Fountains

The Fountains contains 140 rental units and is one of two independent living apartment facility in the City. Although age-restricted, The Fountains operates as an apartment community and does not provide assisted living services, special programs, or amenities.

San Sebastian

San Sebastian contains 134 rental units and of the total number of units has 15 affordable units for lower income residents. San Sebastian is also an age-restricted independent living apartment facility. This facility provides transportation services, fitness classes and social events for its residents.

Age of Housing Stock

Age of dwellings is one measure of housing stock conditions and a factor for determining the need for moderate or substantial rehabilitation. Without proper maintenance, housing units deteriorate over time. Older units, even when properly

HOUSING ELEMENT

maintained, require periodic major repairs including new roofing and plumbing. Dwellings more than 30 years old are generally considered to fall into this category. Older units may also require significant upgrades to prevent loss from fire and earthquakes.

The first dwellings in the City of Laguna Woods were constructed in 1964. More than half of all units (60%) in the City were constructed between 1964 and 1970. The age distribution of housing units is shown in Table III.10.

Table III.10: Age of Housing Stock

Year Built	Number of Units	Percent of Units
1964-1970	8,025	59.95%
1971-1975	3,327	24.85%
1976-1980	1,381	10.31%
1981-Present	653	4.89%
Total	13,386	100%

Source: City of Laguna Woods and Professional Community Management

All Laguna Woods Village units, whether cooperative or condominium ownership, are included within one of three mutual benefit corporations, or “mutuals.” The three mutuals are the United Laguna Woods Mutual (which is a cooperative) and the Third Laguna Hills Mutual, and Mutual Fifty Mutual (both condominium associations). Each of the three mutuals is organized as a nonprofit corporation to manage, operate, and maintain dwellings included within the respective mutual.

Funded by monthly “carrying” charges paid by homeowners, the mutuals contract with Professional Community Management (PCM) to administer maintenance and repair contracts and supervise staffing necessary to properly maintain the buildings and common areas of each of the mutuals. Reserve funds maintained by each mutual have allowed for scheduled replacement of major building components as they reach the end of their useful lives.

For persons living in cooperatives in the United Laguna Woods Mutual, monthly carrying charges pay not only for common area and building maintenance, but also for replacement of major appliances, minor carpentry, plumbing, and electrical repairs within the units.

With professional management and the uniformity and regularity of building maintenance within the three mutuals in Laguna Woods Village, all units are in an average or better than average state of repair. None are classified as “substandard” or “in need of substantial rehabilitation”.

HOUSING ELEMENT

Visual inspections of The Fountains apartment community, The Regency, and of Las Palmas revealed no evidence of deteriorated or substandard living conditions. Conversation with a City Building Inspector confirmed these observations.

HOUSING COST AND AFFORDABILITY

HUD defines affordable housing costs as contract rents or mortgage payments, including taxes and insurance, but not utilities, that are equal to or less than 30% of the gross income of very low, low, and moderate income households.

Households spending more than 30% of gross annual income on housing experience a housing cost burden, which occurs when housing costs increase faster than household income. When a household spends more than 30% of its income on housing costs, it has less disposable income for other necessities such as health care. Lower income households with a burdensome housing cost are more likely to become homeless. Homeowners with a housing cost burden have the option of selling the homes and become renters. Renters, on the other hand, are vulnerable and subject to constant changes in the housing market.

For purposes of determining housing affordability, the California Health and Safety Code Section 50052.5 & 50053 provides the following definition of affordable housing cost based on the area median income (AMI), which is adjusted by family size and income level for each MFI range:

Table III.11: Calculation of Affordable Housing

	Calculation of Affordable Housing Cost for Owner	Calculation of Affordable Housing Cost for Renters
Extremely Low (0-30% MFI)	30% of 30% AMI	30% of 30% AMI
Very Low (0-50% MFI)	30% of 50% AMI	30% of 50% AMI
Lower (51-80% MFI)	30% of 70% AMI	30% of 60% AMI
Moderate Income (81-120% MFI)	35% of 110% AMI	30% of 110% AMI

Using these updated affordability thresholds, current housing affordability can be estimated for the various income groups as identified in Table III.12. The 2012 median income for a four person family (as defined by the California Department of Housing and Community Development) was \$85,300.

HOUSING ELEMENT

Table III.12: Housing Affordability by Income Group, Orange County

Income Group	AMI Adjusted by Household Size ^a	Maximum Affordable Rental Payment ^b	Estimated Maximum Affordable Purchase Price ^c
Extremely Low (0-30% MFI)			
One Person Household	\$20,250	\$506.25	\$60,750
Two Person Household	\$23,150	\$578.75	\$69,450
Four Person Household	\$28,900	\$722.50	\$86,700
Six Person Household	\$33,550	\$838.75	\$100,650
Very Low (30-50% MFI)			
One Person Household	\$33,750	\$843.75	\$101,250
Two Person Household	\$38,550	\$963.75	\$115,650
Four Person Household	\$48,150	\$1,203.75	\$144,450
Six Person Household	\$55,900	\$1,397.50	\$167,700
Low (50-80% MFI)			
One Person Household	\$53,950	\$1,348.75	\$161,850
Two Person Household	\$61,650	\$1,541.25	\$184,950
Four Person Household	\$77,050	\$1,926.50	\$231,150
Six Person Household	\$89,400	\$2,235.00	\$268,200
Moderate (81-120% MFI)			
One Person Household	\$71,650	\$1,791.25	\$214,950
Two Person Household	\$81,900	\$2,047.50	\$245,700
Four Person Household	\$102,350	\$2,558.75	\$307,050
Six Person Household	\$118,750	\$2,968.75	\$356,250

a. Based on HUD/HCD 2012 Income Limits
 b. Calculated as 30% of income, divided by 12 months
 c. Calculated as no more than three times the buyer's income

Comparing housing costs and maximum affordable prices for low income households shows that many households are being priced out of the Orange County rental and ownership market. Given the median home prices presented in Table III.12, single-family home ownership is beyond the reach of most low income households. For home ownership, most moderate income households and low income large families may be able to afford a condominium.

Characteristics of Market-Rate Dwelling Units

Affordability of housing in the City of Laguna Woods must be considered in the context of its origin as a planned community built for seniors. Ownership and occupancy include access to a broad range of services and amenities for residents which need to be considered in the analysis of affordability of units offered for-sale and for-rent in the City.

HOUSING ELEMENT

The United Laguna Woods Mutual cooperative owns all of the real property (dwelling units, carports and laundries) within the boundaries of the mutual, and each member of the cooperative is entitled to occupy a specific dwelling unit under the terms of an Occupancy Agreement. Members pay a monthly assessment that is based on their respective shares of the corporation’s mortgage payments, property taxes, maintenance, and other operating expenses as determined by the board of directors of the mutual.

In addition to exterior maintenance, the carrying charges of the United Laguna Woods Mutual cooperatives pay for major appliance repair and replacement, and electrical, plumbing, and carpentry repairs. Out-of-pocket expenses required of the resident owners are significantly lower than in other owner-occupied housing since many typical home improvements are included as part of those carrying charges and do not result in additional expenses to the owners.

Owners in the Third Laguna Hills Mutual and Mutual Fifty (condominium associations) own undivided interests in the defined common area of the real property of the respective condominiums. Each owner owns the air space of a specific dwelling unit, defined by the inner surfaces of walls, ceilings, and floors of the respective unit. Condominium unit owners pay a monthly carrying charge in an amount determined by the respective boards of directors of each mutual. In addition to payment of property taxes and insurance for common areas, the carrying charges pay for maintenance of common areas, including building exteriors. Each owner is responsible for property taxes, insurance, and interior maintenance associated with his or her unit.

HOUSING ELEMENT

Affordability of For-Sale Dwelling Units

Recent representative resale prices for dwelling units in the City of Laguna Woods range from \$39,000 for a one-bedroom cooperative unit to \$955,000 for the largest condominium unit (Table III.13). The median selling price in the City of Laguna Woods was \$197,300² compared to \$655,630 countywide.³

Table III.13: Dwelling Unit Sales Prices

Unit Type	Bedrooms	Lowest Price	Highest Price	Median Price
Cooperative	One	\$39,000	\$125,000	\$143,200
	Two	\$60,000	\$470,000	
Attached/Detached Condominium	One	\$45,000	\$292,000	\$272,900
	Two	\$27,000	\$890,000	
	Three	\$120,000	\$955,000	
High-Rise Condominium	Studio	\$2,700	\$2,700	\$57,300
	One	\$30,000	\$121,500	
	Two	\$4,000	\$140,000	

Source: Redfin.com, 07/16/2012 to 07/15/2013

The resale values are used to illustrate calculations necessary to defining affordability of for-sale units in Laguna Woods. The example is based on the median-priced cooperative, condominium, and high-rise condominium units. Housing expenses include the required payment of principal and interest on mortgage debt, an assumed 1.25% allocation for taxes and homeowner insurance, and the respective monthly homeowners association fee (carrying charge). A 30-year mortgage, 10% down payment and a 4.5% interest rate are assumed, generally reflecting market conditions in 2012.

² Source: Redfin.com

³ California Association of Realtors, May 2013

HOUSING ELEMENT

Table III.14: Owner-Occupied Housing Expenses

	Cooperative	Attached/Detached Condominium	High-Rise Condominium
Median Purchase Price	\$143,200	\$272,900	\$57,336
Down Payment	10%	10%	10%
Interest Rate	4.5%	4.5%	4.5%
Loan Amount	\$128,880	\$245,610	\$51,602
Monthly Principal and Interest	\$653	\$1,552	\$326
Monthly HOA Fee ²	\$528 ³	\$579 ⁴	\$1,600 ⁵
Total Monthly Housing Expense	\$1,181	\$2,131	\$1,926
	Cooperative	Attached/Detached Condominium	High-Rise Condominium
Required Monthly Income ⁶	\$3,936	\$7,103	\$6,420
Monthly Private Mortgage Insurance and Property Tax ¹	Included in HOA	\$284	\$60

¹ Annual PMI and property tax assumed to be 1.25% of purchase price
² Homeowner’s Association
³ Includes principal and interest on mortgage, building exterior and common area maintenance, property taxes, major appliance repair and replacement and most plumbing, electrical, and carpentry repairs on unit interiors.
⁴ Includes building exterior and common area maintenance.
⁵ Includes building exterior and common area maintenance, housekeeping services, and meal service. Actual Fee amount is dependent upon unit model.
⁶ Assumes expenditure of no more than 30% of income on housing expenses.

Note that the monthly homeowners association fee represents a significant portion of monthly housing expense. In each case, the association fee covers not only the customary maintenance and insurance costs for common areas, but also the added services available to Laguna Woods Village residents, including transportation and recreation services; in the high-rise condominium unit, this monthly fee includes housekeeping and meal service.

The same data sources and assumptions used in the example of median-priced units (identified in Table III.14) were used to determine affordability of for-sale units to very low and low income households. The household income ranges at each level are those from Table III.12.

Housing affordability estimates for the City of Laguna Woods need to be viewed in the proper context: homeownership levels are highest among those aged 55 and over. Assets accumulated over a lifetime often include equity in a previous residence. These assets are used as down payments substantially larger than the 10% used in this analysis, resulting in significantly reduced principal and interest

HOUSING ELEMENT

payment. The 2010 U.S. Census also indicates that 68% of owner-occupied units are not mortgaged, and the median monthly cost for these non-mortgaged homes is approximately \$787. Income levels, therefore, are less of a determinant in affordability analyses applied to seniors housing.

Affordability of For-Rent Dwelling Units

A significant number of for-rent units in Laguna Woods are in assisted living communities. For purposes of assessing affordability of renter-occupied units, the distinction between typical rental housing and assisted living rental housing is important to note. In a conventional rental situation, a dwelling unit is provided to a tenant in exchange for monthly rent; in assisted living rental housing, amenities such as meals, medical assistance, housekeeping, transportation, and various activity programs are included with the unit.

Rental rates for typical rental units were taken from the classified advertisements in the Laguna Woods Village Globe News on May 23, 2013. There was one one-bedroom unit available at \$1,400 per month, two-bedroom units averaged \$1,543 per month, and there was one three-bedroom for rent at \$1600 per month. San Sebastian Apartments had one two-bedroom unit listed for \$1,900 per month. Contact was made with property management for the Whispering Fountains and San Sebastian; both are for-rent apartment complexes within Laguna Woods. Management staff from Whispering Fountains indicated that their studios are currently renting for \$1,000 per month and their one-bedrooms are currently renting for \$1,075 month. Management staff from San Sebastian indicated that their one bedroom units currently rent for \$1,264 to \$1500 per month and the two bedroom units are renting for \$2,300-\$3,423 per month.

Table III.15 shows the affordability of the average one- and two-bedroom, non-assisted rentals for each income group using income limits in Table III.11. Table III.16 provides cost characteristics for rental units experienced by renters in Laguna Woods.

HOUSING ELEMENT

Table III.15: Affordability of Rental Units

	Income Level	Affordable Rent (Maximum)	One-Bedroom Affordability Average¹	Two-Bedroom Affordability Average²
Single-Person Households	Extremely Low	\$506.25	Not Affordable	Not Affordable
	Very Low	\$843.75	Not Affordable	Not Affordable
	Low	\$1,348.75	Not Affordable	Not Affordable
	Moderate	\$1,791.25	Affordable	Affordable
Two-Person Households	Extremely Low	\$578.75	Not Affordable	Not Affordable
	Very Low	\$963.75	Not Affordable	Not Affordable
	Low	\$1,541.25	Affordable	Not Affordable
	Moderate	\$2,047.50	Affordable	Affordable

¹ Rent @ \$1400/month

² Rent @ \$1,543/month

Table III.16: Renter Cost Characteristics

Renter Occupied Housing Units	2,585 Total Units	Percent of All Rental Units
GROSS RENT		
Less than \$200	0	0%
\$200 to \$299	41	1.6%
\$300 to \$499	0	0%
\$500 to \$749	167	6.5%
\$750 to \$999	169	6.5%
\$1,000 to \$1,499	1,134	43.9%
\$1,500 or more	1,074	41.5%
No rent paid	374	
Median Rent	\$1,415	

Source: 2010 U.S. Census

HOUSING NEEDS

Regional Housing Needs Assessment

In accordance with State Housing law, the SCAG has prepared a Regional Housing Needs Assessment (RHNA) that quantifies the need for housing in each jurisdiction in the SCAG region between 2014 and 2021. The RHNA provides estimates of existing and future housing needs. The existing need is determined from information about current residents, including the number of extremely low and low income families paying more than 30% of income for housing; future need is based on projected growth in the number of households and the number of units needed to maintain a target vacancy rate. State law requiring that new, affordable

HOUSING ELEMENT

housing not be concentrated in existing low income neighborhoods also guides the geographic distribution of RHNA dwelling units. The RHNA can include replacement housing, as well as new construction.

The RHNA for the City of Laguna Woods is indicated in Table III.17.

Table III.17: Total Construction Need by Income for Planning Period 2014-2021

Very Low	Low	Moderate	Above Moderate	Total
1	1	0	0	2
50%	50%	0%	0%	100%

Source: Southern California Association of Governments

Overcrowding

The Census defines overcrowded housing units as “those in excess of one person per room average.” This excludes bathrooms, kitchens, hallways, and porches. Overcrowding is often reflective of insufficient income to secure housing with an appropriate number of rooms. The 2010 U.S. Census indicated that in Laguna Woods, owner-occupied units average 1.43 persons per household; renter-occupied units have fewer people on average, with 1.39 persons per dwelling unit. The California Department of Finance provides more recent estimates (January 2013) of 1.43 persons per household as the average for all occupancy types. In 2010, the U.S. Census estimated that 8 households (0.06% of all households) in Laguna Woods lived in overcrowded conditions.

The City has an average household size smaller than most cities due to the restrictions placed on occupancy of all existing units. The Conditions, Covenants and Restrictions (CC&Rs) for the Laguna Woods Village community limit the numbers of persons who may occupy a dwelling based on the number of bedrooms in the respective unit. Similar restrictions apply to occupancy at each of the other three residential communities in the City of Laguna Woods. With these privately imposed and enforced conditions, overcrowding is not a problem in the City.

HOUSING ELEMENT

Overpayment

Affordable housing costs with respect to lower income households shall not exceed 30% of gross household income. That is, when households must spend more than 30% of their respective incomes for rent or mortgage payments, sufficient funds may not be available for other necessities, such as food, health care, and clothing.

The affordability standards apply to lower income households (those, at or below 80% of the area median income). Deterioration of housing stock is also associated with overpayment for housing. Expenditures for routine maintenance may be deferred in order to meet immediate expenses for other necessities such as food, clothing, medical care, and utilities. Overpayment also promotes overcrowding, which leads to a variety of problems from an acceleration in building deterioration to related code violations.

Data related to overpaying is an indicator of housing need for current residents of the City. Table III.18 indicates the numbers of lower income households paying more than 30% of their incomes. Of those low-income renters approximately 1,515, or 71.1%, are overpaying. In the lower income category of homeowners, 40.8% are estimated to be over paying under the 30% standard.

Table III.18: Lower Income Households Overpaying for Housing

Household Tenure	Lower Income	Total Over Paying	Percentage Over Paying
Renter Households	2,130	1,515	71.1%
Owner Households	6,705	2,735	40.8%
Total	8,835	4,250	48.1%

Source: 2005-2009 CHAS Data

SPECIAL NEEDS GROUPS

State housing law requires that the special needs of certain disadvantaged groups be addressed. These households typically experience difficulty in securing decent, affordable housing, and are not well guarded under market conditions. Special needs groups include the elderly, homeless, large families, and disabled persons.

Elderly

With more than 79.5% of the population over 65 years of age, the elderly are the largest special needs group in the City of Laguna Woods. Affordable housing has

HOUSING ELEMENT

been identified by South County Senior Services as the primary need for the elderly; health care and in-home care and transportation services needs were also indicated. Significant resources for the elderly exist in and near the City of Laguna Woods and include:

- Florence Sylvester Memorial Senior Center; offers a nutrition program, congregate meals, home delivery of meals, social services case management, seniors activities, information, and referral services;
- Helping Hands; program sponsored by Volunteer Center of Greater Orange County maintains registry of in-home care providers;
- Orange County Housing Authority; provides “Section 8” rental vouchers provided through the U. S. Department of Housing and Urban Development for low-income seniors; and
- Age Well Senior Services formerly South County Senior Services; provides adult day-care program, meals-on-wheels for shut-ins, paratransit services, and various activity and learning programs.

Homeless

SCAG defines homeless people as “persons who are living or staying in emergency shelters; persons who sleep outside, in makeshift shelter, in cars or transportation areas such as bus or train terminals; or persons who are considered at risk.” The Orange County homeless population includes families and individuals representing every race, age group, and community in Orange County. As the cost of living in the County and in all of Southern California continues to rise, and as unemployment remains high homelessness has become more prevalent.

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

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

HOUSING ELEMENT

controls over certain types of facilities in that 24-hour occupancy by six or fewer persons in a residential facility allows the facility to be considered a residential use.

Because of the transient nature of homelessness, gauging an estimate of homeless persons in Laguna Woods is difficult. The County of Orange Housing and Community Services Department's 2011 Continuum of Care application to HUD indicates a point-in-time count of sheltered and unsheltered homeless persons during the last week in January 2011 6,989 total persons countywide. As much of Laguna Woods is gated, access to most of the community by homeless persons is difficult and as a result, there are virtually no homeless persons, as they may choose to situate themselves in neighboring jurisdictions.

In response to the homeless problem, the County of Orange Department of Housing and Community Services (HCS) coordinates a countywide Continuum of Care (CoC) system in response to rising homeless needs in the region. The Continuum of Care is a housing and service delivery system for the homeless. The Orange County Community Forum, the Orange County Leadership Cabinet, and the Orange County Department of Housing and Community Development share responsibility for planning and implementing this program.

The Orange County Continuum of Care system consists of six basic components:

- Advocacy on behalf of those who are homeless or at-risk of becoming homeless
- A system of outreach, assessment, and prevention for determining the needs and conditions of an individual or family who is homeless;
- Emergency shelters with appropriate supportive services to help ensure that homeless individuals and families receive adequate emergency shelter and referrals
- Transitional housing to help those homeless individuals and families who are not prepared to make the transition to permanent housing and independent living; and
- Permanent housing, or permanent supportive housing, to help meet the long term needs of homeless individuals and families.
- Reducing chronic homeless in Orange County and addressing the needs of homeless families and individuals using motels to meet their housing needs

HOUSING ELEMENT

State law requires that local jurisdictions provide provisions for addressing the housing needs of the homeless, including the identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use permit. Section 50801(e) of the California Health and Safety Code defines emergency shelters as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or fewer by a homeless person.

The City’s Zoning Ordinance was updated to include regulations in accordance with state law including SB2 to accommodate for emergency shelters and transitional housing.

Jurisdictions may establish objective standards for the emergency shelters to regulate the following, as permitted under SB2:

- The maximum number of beds/persons permitted;
- Parking based on demonstrated need but that does not exceed parking requirements for other uses in the same zone;
- The size/location of exterior and interior onsite waiting and client intake areas;
- The provision of onsite management;
- The proximity of other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart;
- The length of stay;
- Lighting; and
- Security during hours that the emergency shelter is in operation.

In addition to the regulations indicated above, emergency shelters in the zone ultimately selected will be subject to the same development standards and regulation as other uses allowed in the zone, as required by law.

An emergency shelter is a facility that provides temporary shelter for the homeless, usually for up to six months of stay. Transitional housing facilitates the movement of homeless individuals and families to permanent housing. Typically, transitional housing provides for up to two years of stay and is combined with supportive services that help the residents gain independent living skills. The Laguna Woods Zoning Code was amended during the previous housing element cycle to address these types of housing consistent with state law.

HOUSING ELEMENT

The City’s Zoning Code was amended to permit emergency shelters by right. The City’s ordinance included as Section 13.23 of the Laguna Woods Municipal Code (LWMC) with updated land use tables in Section 13.10.020 of the LWMC establishes Emergency and Transitional Housing by right in the Community Commercial (CC) Zone subject to regulations in accordance with SB2. Community Commercial zoning is primarily located in the central part of the City (along El Toro Road and Moulton Parkway) with pockets of commercial in the easternmost area of the City and in the southeastern portion of the City adjacent to Moulton Parkway and easternmost portions of the City. The Community Commercial zone is intended for development of low to high intensity commercial uses and is the best fit for emergency shelters and transitional housing within the City.

The commercial zones have sufficient capacity for at least one year-round shelter at existing facilities that can be converted to accommodate a shelter.

Emergency shelter conditions for approval are clearly specified in the City’s Zoning Code, consistent with state law, and are similar to conditions required for similar uses in the same zones.

Large Families

Large family households (5 or more persons) may require special consideration because of their need for larger dwellings with four or more bedrooms to avoid overcrowding. Family households with five or more persons, however, often face additional limitations because of a lower family per capita income.

According to the 2010 U.S. Census, the City of Laguna Woods had no households that included 5 or more persons. Large families, therefore, do not represent an unmet housing need in the City.

Female-Headed Households

In accordance with the 2010 U.S. Census, 5,961 households (or 53 percent of households) had a female head of household. The majority of these households are women living alone. Traditionally female-headed households are considered a special needs group as they face inequalities in wages and must balance the needs of their children with the cost of housing with limited homeownership opportunities. These circumstances generally do not apply to women in Laguna Woods, as Laguna Woods is comprised predominately of private senior communities that are comprised (77 percent) of owner-occupied housing with a

HOUSING ELEMENT

variety of amenities. Households in Laguna Woods do not face the traditional issues that seniors in the general population face such as housing maintenance and lack of transportation. All owners within Laguna Woods Village pay a homeowners’ association fee that is used to provide residents with public transportation, patrolled private security, clubhouses with special programs, and recreational activities. Funded by monthly “carrying” charges paid by homeowners, the mutuals contract with Professional Community Management (PCM) to administer maintenance and repair contracts and supervise staffing necessary to properly maintain the buildings and common areas of each of the mutuals. Reserve funds maintained by each mutual have allowed for scheduled replacement of major building components as they reach the end of their useful lives. With professional management and the uniformity and regularity of building maintenance within the three mutuals in Laguna Woods Village, all units are in an average or better than average state of repair.

Disabled Persons

The City of Laguna Woods consists predominantly of a senior population. Those who live here, or those who are planning to live in the City, do so because they know many of their needs will be met by local organizations and services. The City recognizes that the disabled have special needs with regard to location, and that housing needs to be located near public facilities, especially public transportation which provides service to those who rely on it the most.

The 2010 U.S. Census did not have disability data available for the City of Laguna Woods or the Orange County. The most recent available data is from the 2000 U.S. Census. According to the 2000 approximately 6,115 Laguna Woods residents, or close to 38% of the population over age 5, indicated that they had a disability. Due to the age of the population this number is significantly higher than the 2000 County figure (17%) but expected.

Table III.19: Disability by Age

Age Group	Number	Percent of Age Group
5 to 15 years	0	0%
16 to 20 years	5	17%
21 to 64 years	525	25%
65 to 74 years	1,006	26%

HOUSING ELEMENT

75 years and over	4,579	45%
Total	6,115	100%

Source: 2000 U.S. Census

The two major housing needs of persons with disabilities are affordability and access. Access is particularly important, as physically disabled persons often require specially designed dwelling units to permit access within the units, as well as to and from the unit. California Administrative Code Title 24 establishes requirements for access and adaptability for the physically handicapped including access ramps, larger door widths, and restroom modifications. These regulations apply to new construction, including apartment housing containing five or more units. Because the City has a predominant senior population, many with disabilities, there are established procedures for reviewing and approving plans that involve retrofitting of ramps, elevator lifts, and other accessories that benefit and aid the physically disabled.

Laguna Woods is committed to facilitating and circulating information about services. To this end, the City works with public and private organizations to disseminate information regarding a variety of service providers to citizens with disabilities. Some of these organizations are listed on the following pages. In addition, the City has recently adopted a reasonable accommodation ordinance to better accommodate persons with disabilities.

Care Services:

- Florence Sylvester Memorial Senior Center offers a nutrition program, congregate meals, home delivery of meals, social services case management, seniors activities, information, and referral services;
- Home Helping Hands program sponsored by Volunteer Center of Greater Orange County maintains registry of in-home care providers;
- Age Well Senior Services formerly South County Senior Services Center provides adult day-care program, mealson-wheels for shut-ins, paratransit services, and various activity and learning programs.

Public Transportation Services:

- ACCESS ADA Service is the complementary paratransit service for OCTA fixed routes. Passengers are certified as eligible under criteria set forth by

HOUSING ELEMENT

the ADA. Service is available on a subscription and advanced reservation basis;

Private Transportation Services:

- The Golden Rain Foundation Bus Transportation System provides transportation to nearby banking and restaurant facilities, shopping centers, houses of worship, and some of the most modern and complete medical and hospital facilities, all located in close proximity to the community. Rides are free to residents who show a resident identification card to the driver.
- South County Senior Services is a not-for-profit organization, which provides a full range of social services to seniors in south Orange County. The agency has a fleet of shuttle buses that are operated under contract to medical providers and social service groups.
- Residential facilities within Laguna Woods also provide shuttle service for their residents. These include the independent and assisted care facilities of Roosmoor Regency and Las Palmas, as well as Laguna Woods Village. Service is typically demand responsive and no fare is charged.
- Saddleback Hospital provides transportation through home caregivers and a variety of therapy departments. Patients are driven in the caregiver's personal car free of charge.

Developmentally Disabled Persons

A recent change in State law requires that the Housing Element discuss the housing needs of persons with 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

HOUSING ELEMENT

of assistance that are of lifelong or extended duration and are individually planned and coordinated.

The Census does not record developmental disabilities, however according to the State of California's Department of Developmental Services most recent Fact Book (11th edition), as of December 2007 224,970 persons in the State of California were defined as developmentally disabled which is approximately 0.6% of the State's population in comparison with the 2010 Census. Proportionately this equates to approximately 98 persons in the City of Laguna Woods with developmental disabilities, based on the 2010 Census population.

Nearly 50% of the State's developmentally disabled population was identified as being under the age of 18. Of the total state developmentally disabled population 73.5% of the population are cared for in private homes and as of September 30, 2013, only 1,410 residents with developmental disabilities were being assisted at the State's Developmental Centers and Regional Centers.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided.

Resources

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

Within the City of Laguna Woods there are services currently in place tailored to mobility impaired individuals including private bus services and subsidized taxi service which supplement public transportation options. Additionally, from a development standpoint the recent adoption of the City's reasonable

HOUSING ELEMENT

accommodations ordinance is designed to reduce barriers for special needs populations.

ASSISTED HOUSING AT-RISK OF CONVERSION TO MARKET RATE HOUSING

State housing law requires an inventory and analysis of government-assisted dwellings units eligible for conversion from lower income housing to market rate housing during the next ten years. Reasons for this conversion may include expiration of subsidies, mortgage prepayments or pay-offs, and concurrent expiration of affordability restrictions.

A review of the assisted housing inventory maintained by HUD indicated indicates that no assisted units subject to expiration of affordability restrictions are located within the City of Laguna Woods. Consequently, no analysis of costs and programs for preserving such units is necessary.

In 2008, the San Sebastian senior condominium development was completed with 15 units affordable to low income residents. The development utilized a density bonus and as a result, the affordable units are subject to deed restrictions which will ensure continued affordability. In order to ensure continued affordability, the buyer of an affordable unit is required to execute a series of documents, including the following:

- Promissory Note – for the difference between unrestricted market value and the restricted sales price of the unit
- Deed of Trust – to secure the Promissory Note
- Affordable Housing Covenant – Setting forth the obligation of the buyer to sell only to other qualified affordable buyers and at a restricted affordable housing cost for a period to be determined by the City. The Affordable Housing Covenant will also include provisions prohibiting the rental of the unit, maintenance standards, and limits on the maximum number of occupants.

As no units within the City are at-risk of conversion to market rate units in 10 years or less an analysis has not been conducted to evaluate the replacement value, qualified entities to manage such a project, or potential funding sources for at-risk units,

HOUSING ELEMENT

HOUSING ELEMENT

IV. HOUSING CONSTRAINTS ANALYSIS

The central goal of the Laguna Woods Housing Element is to provide opportunities for the construction of housing that meets identified housing needs. However, governmental, market, infrastructure, and environmental factors may constrain the provision of housing. State law requires that Housing Elements analyze potential and actual governmental and non-governmental constraints to the production, maintenance, and improvement of housing for all persons of all income levels and disabilities. The constraints analysis must also demonstrate local efforts to remove governmental constraints that hinder achievement of housing goals.

GOVERNMENTAL CONSTRAINTS

This section of the Housing Element addresses actual and potential constraints that City regulations and practices may impose on the development of housing. Such constraints may include land use controls (zoning), minimum required site improvements, fees, and entitlement processing procedures.

State-mandated programs and standards, including California codes relating to building and safety standards, typically allow very limited local discretion in adopting and implementing provisions less restrictive than the State models. An analysis of State-mandated programs that may constrain housing development are included here.

General Plan

Every city and county in California must prepare and adopt a General Plan, which serves as the blueprint for that jurisdiction's future physical development. The Land Use Element of the General Plan identifies the location, distribution, and density of land uses. The City's Zoning Code (Title 13 of the Municipal Code) serves as the primary tool for implementing the General Plan. The Zoning Code establishes more specific standards for development than the General Plan, including those governing the uses of buildings, the conditions subject to which buildings may be occupied, and the overall size of buildings.

The Laguna Woods General Plan includes eight land use designations: Low-Density Residential, Medium-Density Residential, High-Density Residential, Residential Community, Commercial, Community Facilities, Urban Activities Center, and Open Space. Residential densities set forth in the General Plan and

HOUSING ELEMENT

implemented through the Zoning Code are expressed as the maximum permitted number of dwelling units per acre. Table IV.1 identifies the City’s residential categories and corresponding maximum densities.

With regard to the Urban Activities Center, no maximum density is established. Instead, the General Plan provides descriptions of permitted land uses within each of the Urban Activity Center areas and indicates a maximum number of dwelling units permitted within specific Urban Activity Center areas.

Table IV.1: General Plan Land Use Designations

General Plan Designation	Description	Maximum Density
Residential Community	Planning Area 1-A, 4-A, & 1-D (Same as Low Density)	Less than 10 du/acre
	Planning Area 7-A, & 3-A (Same as Medium Density)	10-13 du/acre
Low Density	Allows for the development of low-density detached and attached single-family and multi-family developments.	Less than 10 du/acre
Medium Density	Allow development of medium-density detached and attached dwellings within a density range of 10-13 dwelling units per acre.	10-13 du/acre
High Density	Allows attached dwellings within a compact development form.	13-35 du/acre
Urban Activities Center	Allows for mixed-use development that may include both commercial and residential uses.	Determined by Specific Plan

Source: City of Laguna Woods Municipal Code and General Plan

Residential Land Use Designations

Affordability is typically correlated with permitted density of development. Low-density developments typically increase the cost of construction per unit. Higher-density projects typically have reduced land costs on a per unit basis and facilitate economies of scale in the construction of affordable units. Density bonuses offered by cities through zoning ordinances, consistent with State law, reduce the land costs per unit in return for affordability covenants on a specified number of the units.

The Laguna Wood General Plan allows for residential development up to a maximum density of 35 units per acre in the High Density Residential category. The State Department of Housing and Community Development has established “default densities” that by definition are considered sufficient to provide market-based incentives for the development of housing for lower-income households. The State established a default density of 20 dwelling units per acre for Laguna Woods, which can be applied to determine if a site is adequate for accommodating

HOUSING ELEMENT

housing for very low- and low-income households. The City’s High Density Residential designation (13-35 du/ac) and corresponding Residential Multifamily (RMF) zone provide the opportunity for affordable housing development. The City’s density range for residential development with an HDR/RMF is between 28 and 45 units per acre. Hence, the City’s HDR/RMF designation provides the opportunity for affordable housing development within the State suggested default density of 20 units per acre for Laguna Woods.

Urban Activities Center Land Use Designation

The Urban Activities Center designation, or UAC, allows for mixed-use development that may include commercial and residential uses. For each UAC area, the Land Use Element identifies potential uses, with residential uses possible within specific UACs. To implement land use policy, the element requires preparation of a Specific Plan. The Land Use Element establishes performance criteria for the range and level of development permitted within the Specific Plan, with the chief criteria being traffic volumes, fiscal impact, and compatibility with surrounding uses. A specific plan has been submitted by the property owner and is currently in the environmental review process.

Zoning Code

The Zoning Code includes limits on unit density (based on the General Plan), building height, and lot coverage, as well as minimum requirements for on-site parking. Differences in development standards can affect the relative affordability of dwellings. For purposes of comparison, Table IV.2 shows representative development standards for Laguna Woods and those of nearby cities.

Table IV.2: Comparison Zoning Standards for High-Density Residential Development – Laguna and Nearby Communities

	Laguna Woods	Lake Forest	Laguna Hills	Laguna Niguel
Maximum Density	up to 43 du/ac (as allowed by the General Plan)	43 du/ac	30 du/ac	Case-by-case with use permit
Lot Coverage	50%	Case-by-case with use permit	40%	Case-by-case with use permit
Parking	1.5 spaces for the 1 st bedroom and 0.5 spaces for each additional bedroom and 0.25 spaces of guest parking, per unit	1 to 2.5 space per unit based upon square footage and 0.2 spaces of guest parking, per unit	1.5 spaces for the 1 st bedroom and 0.5 spaces for each additional bedroom and 0.2 spaces of guest parking, per unit	1.5 spaces for the 1 st bedroom and 0.5 spaces for each additional bedroom and 0.5 spaces of guest parking, per unit

HOUSING ELEMENT

Table IV.2: Comparison Zoning Standards for High-Density Residential Development – Laguna and Nearby Communities

	Laguna Woods	Lake Forest	Laguna Hills	Laguna Niguel
Permit Required	Site Development Permit	Use Permit	Site development permit	Site development permit

Source: City Planning Departments

The information in the Table IV.2 indicates that development standards for high-density residential developments in Laguna Woods are comparable to those of nearby communities and the density standards correlate to the general density guidelines for affordable housing set forth in Section 65583.2 of the Government Code.

The Zoning Code establishes standards for lot size and area, yards and setbacks, lot coverage, building height, parking, and minimum unit size. Regulations are intended to protect and promote the health, safety, and general welfare of residents, as well as implement General Plan policies. Allowable densities are tied to the General Plan designations which allow up to 35 units per acre in the HDR designation. Table IV.3 identifies development standards for residential projects in Laguna Woods.

Table IV.3: Residential Development Standards

Development Standard	Residential Multi-Family RMF	Residential Community RC	Residential Towers RT
Maximum Building Height (ft.)	65	40	None
Minimum Building Site Area (sq. ft.)	7,200	None	None
Minimum Area Per Unit (sq. ft.)	1,000	None	None
Minimum Setback (ft.)			
Front Yard	20	None	None
Side Yard from ROW	5	None	None
Rear Yard from ROW	25	None	None
Side Yard not abutting ROW	5	None	None
Rear Yard not abutting ROW	25	None	None
Distance Between Principal Structures (ft.)	10	None	None
Maximum Building Site Coverage	50%	50%	None

Source: Laguna Woods Municipal Code 2013

For both the RC and RT zones, developers have a great deal of flexibility and the City has broad discretion regarding the approach to residential development. This approach reflects the fact that Laguna Woods was developed as a planned

HOUSING ELEMENT

community for senior residents, with many diverse types of housing developed to meet varied housing needs. The Zoning Code continues to provide flexibility for varied approaches to detached and attached housing for independent lifestyles, semi-independent housing or co-housing, and assisted housing. Residential Multifamily Zone/District standards are not contingent on the number of units in the development.

HOUSING ELEMENT

Residential Density Bonus

Section 13.26.040 of the City’s Zoning Code is the density bonus provision, which is intended to provide incentives for the production of housing for very low, lower income, or senior households in accordance with California Government Code Sections 65915 and 65917. On March 20, 2013 the City adopted an updated Density Bonus Ordinance to ensure compliance with current state law.

Inclusionary Housing

In January of 2009 the City adopted an inclusionary housing ordinance. The City’s inclusionary ordinance requires that new residential development, consisting of five or more units, to provide 15 percent of its newly constructed units to low and/or moderate income individuals. In the case of rental housing, 7.5% of the units would need to be provided each to very-low and low income residents. In the case of for-sale housing, 10% would need to be provided for low income residents and 5% for moderate income residents. Individuals who live or work in the City have first priority to rent or purchase inclusionary units.

The ordinance includes some flexibility in implementation by allowing for the consideration of alternatives to the construction of actual units within a project. This includes (1) off-site construction, (2) dedication of suitable land, or (3) payment of an in-lieu fee.

Parking Standards

Parking standards for residential developments are tailored to the vehicle ownership patterns associated with different residential uses and to reflect the fact that Laguna Woods population is predominately seniors. The Zoning Code requires parking spaces based on the number of units and sizes of those units. For single-family attached and detached units, the Zoning Code requires two covered parking spaces for each dwelling. If there are two or more dwelling units on one site, the standards are specific to the number of bedrooms in each dwelling. Studios and one-bedroom dwelling units are required to provide 1.5 off-street parking spaces for each dwelling unit, one of which must be covered, and one guest space for every four dwelling units. Dwelling units with two bedrooms must provide two parking spaces (one covered) and one guest space for every four dwelling units. Units with three or more bedrooms must provide two-and-a-half parking spaces for each unit, plus one-half parking space for each bedroom in excess of three, and one

HOUSING ELEMENT

guest space for every four dwelling units. Two of the spaces must be covered. Mobile home developments must provide two spaces per site, and one guest space for each mobile home dwelling unit. Single Room Occupancy facilities are required to provide one-half space for each dwelling unit, plus one space for each employee.

Multi-family buildings containing five or more dwelling units may opt to abide by a separate requirement. These requirements are tailored to provide the needed number of parking spaces, based on the size of the dwelling units; these requirements are listed in Table IV.4. The parking requirements for the City of Laguna Woods are reasonable and do not cause an undue burden or constraint on housing development. Parking reductions can be requested of the City in situations where a characteristic of the project due to level of activity or transportation amenities does not necessitate the level of parking required.

Table IV.4: Parking Requirements for Multi-Family Buildings with 5+ Units

Unit Size (Sq. Ft.)	Assigned	Unassigned
700 or less	1.0	0
701-800	1.0	+0.17
801-900	1.0	+0.34
901-1,000	1.0	+0.50
1,001-1,100	1.0	+0.67
1,101-1,200	1.0	+0.84
1,201-1,300	1.0	+1.00
1,301-1,400	1.0	+1.18
1,401-1,500	1.0	+1.34
over 1,500	1.0	+1.50

Source: Laguna Woods Municipal Code 2013

Open Space Requirements

To improve the living environment of residential neighborhoods, communities typically require housing developments to include a certain amount of open space, such as yards, common space, and landscaping. The City of Laguna Woods does not directly specify the amount of open space required for residential developments, but does mandate that all open space in the RC district must be landscaped and may include noncommercial recreational facilities incidental to the residential development such as outdoor recreation areas, walkways, covered and uncovered patios, fences, and necessary firefighting equipment and installations.

HOUSING ELEMENT

Further, the required open space must be arranged and provided in such a manner that it is accessible and usable for residents living in the dwellings. This degree of flexibility does not constrain development and allows for open space to be tailored to the characteristics of specific residential products.

Providing for a Variety of Housing Types

The Land Use Element and Zoning Code allow for the development of a variety of housing types, including multi-family rental housing, factory-built housing, mobile homes, and emergency shelters and transitional housing. Table IV.5 indicates use regulations applicable to various residential uses within the three residential zoning districts. Discretionary review is required for several types of multi-family housing since the City’s development standards are flexible and require review on an individual project basis. Laguna Woods’ Zoning Code use regulations are considered standard for suburban communities in Orange County and Southern California and do not impede the ability to develop housing at appropriate densities.

Table IV.5: Permitted Residential Uses per Laguna Woods Zoning Code

Land Use Types	RMF	RC	RT
Accessory Building/Use	A	A	A
Condominiums/Stock Cooperatives	U	U	U
Community Apartment Projects	U	U	U
Community Care Facilities (<6 persons)	P	P	P
Congregate Care facility	U	U	U
Duplex	P	U	X
Dwelling, Multiple-Family	P	P	P
Dwelling, Single-Family	P	P	X
Family Day Care Home, 14 or less	P	P	X
Guesthouse	X	A	X
Home Occupations	A	A	A
Mobile Home	P	P	X
Mobile Home Development	U	U	X
Planned Unit Development	U	U	U

Source: Laguna Woods Municipal Code, 2013
P = Automatically permitted use
A = Accessory Use. Use permitted only if accessory to another primary use on the same site
U= Use permitted with an approved use permit
X = Use is not permitted.

HOUSING ELEMENT

Multi-family Housing Units

All residential zones in the City of Laguna Woods allow and encourage multi-family housing. Multi-family housing is permitted by right in RMF, RC, and RT districts.

The RT district was established to provide for the development and preservation of high-rise multi-family structures. This zoning district is implemented in one small area in the western portion of the City.

The RMF is intended to provide for the development and preservation of high-density multi-family residential neighborhoods with a moderate amount of open space. Care is taken to ensure that uses approved in this district are compatible with surrounding residential neighborhoods. RMF-zoned properties are located in three areas of the City off major roadways.

To provide for the development and preservation of planned unit developments with a mixture of single-family attached and detached homes, as well as multi-family homes, the Residential Community (RC) zone was created. This zone encompasses most of the land within the City, reflecting the planned community heritage of Laguna Woods.

Additional development standards are applicable to multi-family housing with more than five dwelling units on site, including standards related to circulation, lighting, waste disposal and infrastructure. Permit processing can be accommodated in as few as 60 days. It may vary based on the scale and complexity of a project.

Second Units

In any district and specific plan areas where a single-family unit exists on a parcel zoned for single-family housing, a guesthouse or second residential unit (one per building site) is permitted consistent with State law. The second unit must not exceed 30% of the existing living area when attached to the main residential building, or may not be bigger than 1,200 square feet in floor area when detached. One additional uncovered parking space is required.

Residential Care Facilities and Housing with Supportive Services

The Zoning Code accommodates both large and small residential care facilities. The City facilitates and encourages the development of residential care facilities by treating licensed facilities that serve six or fewer persons as standard residential

HOUSING ELEMENT

uses, consistent with State law. As such, community care facilities are permitted by right in all residential zones. Additionally, community care facilities serving seven to 12 persons, except for large family day care homes, are permitted in any district, planned community, or specific plan area zoned for residential use, subject to the issuance of a use permit by the City permit (Municipal Code Section 13.26.070). The use permit is intended for review and approval by the City to ensure that the development is compatible with the underlying zone of the property.

In a supportive housing development, housing can be coupled with social services such as job training, alcohol and drug abuse programs, and case management for populations in need of assistance, such as the homeless, those suffering from mental illness or substance abuse problems, and the elderly or medically frail. Because supportive housing is a residential use, it would be treated as such in the development process whether the supportive housing development consisted of single-family detached units or apartment buildings. Similar to other multi-family developments the required use permit process will establish appropriate and unique development standards for residential development in the RC and RT zones, as the zoning regulations contain few standards. This allows for greater flexibility in development standards.

Congregate Care Facilities

Congregate care facilities are permitted in any district or specific plan area zoned for either multi-family residential subject to the approval of a use permit. The use permit process establishes appropriate and unique development standards for development in the RC and RT zones, as the zoning regulations contain few standards. This allows for greater flexibility in development standards. To facilitate the production of congregate care facilities, and because the City regulates the total number of allowed dwelling units in planned communities, dwelling unit counts are adjusted downward. Also, density bonuses may be granted to congregate care facilities in residentially zoned areas in the same manner that they may be granted to standard residential projects.

Table IV.6: Congregate Care Facilities Equivalent Dwelling Unit Counts

Configuration	Dwelling Unit Counts
2 or more Bedrooms in the unit	1 dwelling
1 Bedroom in the unit	.5 dwelling
0 Bedroom in the unit	.25 dwelling

HOUSING ELEMENT

Medical care rooms	0 dwelling
--------------------	------------

Source: Laguna Woods Municipal Code, 2013

Manufactured and Mobile Homes

Manufactured housing is permitted by right in all zones which permit single-family houses, pursuant to State law. Additionally, mobile homes are permitted in the RMF and RC zones, and mobile home parks are permitted in those same zones with an approved use permit. Mobile home developments are subject to additional development standards not related to the use; instead the standards relate to landscape screening and design criteria.

Emergency and Transitional Housing

An emergency shelter is a facility that provides temporary shelter for the homeless, usually for up to six months of stay. Transitional housing facilitates the movement of homeless individuals and families to permanent housing. Typically, transitional housing provides for up to two years of stay and is combined with supportive services that help the residents gain independent living skills. The Laguna Woods Zoning Code was amended in 2011 to include regulations pursuant to state law⁴ for Emergency and Transitional Housing.

The City's Zoning Code was amended in 2011 to permit emergency shelters by right. In the Community Commercial (CC) zone the City allows for emergency homeless shelters by-right use. The CC zone is the primary commercial zone for the City of Laguna Woods and is located in the central part of the City (along El Toro Road and Moulton Parkway) with pockets of commercial in the easternmost area of the City and in the southeastern portion of the City adjacent to Moulton Parkway and easternmost portions of the City.

The commercial zones are intended for development of low to high intensity commercial uses. The UAC zone is intended to provide for the development utilizing a "specific plan" concept to ensure comprehensive development consistent with performance and development standards as outlined in the land use element of the City's General Plan. The City will work with property owners in the

⁴ On October 15, 2007, the State of California Governor signed into law Senate Bill 2 which amends GC Sections 65582, 65583, and 65589.5 of the State Housing Element Law. This legislation requires local jurisdictions to strengthen provisions for addressing the housing needs of the homeless, including the identification a zone or zones where emergency shelters are allowed as a permitted use without a conditional use permit. This legislation will take effect January 1, 2008 and will apply to jurisdictions with housing elements due June 30, 2008 and after.⁵ California April Home Sales. DQnews May 15, 2013

HOUSING ELEMENT

development of Specific Plans to guide the development of Urban Activities Center (UAC) parcels to include residential development (Program 2.A.1).

The commercial zones have sufficient capacity for at least one year-round shelter at existing facilities that can be converted to accommodate a shelter. The UAC zone has capacity on vacant land that is currently in use as community garden plots. The interim use as garden plots is not an impediment to development as the property is privately owned and can be developed at any time.

Emergency shelter conditions for approval are specified in the City’s Zoning Code, consistent with state law.

Single Room Occupancy Housing Facilities

Single Room Occupancy (SRO) facilities, as defined by the Zoning Code, are buildings with a common entrance containing a cluster of at least five rental units which provide sleeping and living facilities for one or two persons, where kitchen and/or bathroom facilities may be shared. The units must have a minimum of 100 net square feet of space for a single occupancy and 120 square feet for two-person occupancy. Any unit larger than 225 square feet shall be deemed an efficiency dwelling unit and not an SRO. SRO facilities are permitted in any district or specific plan area zoned for hotels, subject to the approval of a use permit (Municipal Code Section 13.26.170). As such, SROs are a permitted with a use permit in the Community Commercial (CC) zone. The use permit is intended for review and approval by the City. The management plan contains management policies, operations, emergency procedures, security program, rental procedures, maintenance plans, and staffing needs.

Farmworker Housing

The City of Laguna Woods has no land zoned for agriculture and has no need for farm worker housing given the fact that the City is predominately comprised of an age-restricted private senior community. If any agricultural uses exist in the City, the City will comply with the State Employee Housing Act (Section 17000 of the Health and Safety Code) that allows employee/farmworker housing in zones allowing agricultural uses.

Housing for Disabled Persons

State law requires localities to analyze potential and actual constraints upon housing for persons with disabilities, demonstrate efforts to remove governmental

HOUSING ELEMENT

constraints, and include programs to accommodate housing designed for people with disabilities. The City has no special zoning or land use restrictions that regulate the siting of housing for persons with disabilities.

The definition of “family” may limit access to housing for persons with disabilities when municipalities narrowly define the word, illegally limiting the development of group homes for persons with disabilities, but not for housing similar sized and situated families. Laguna Woods defines “family” to mean one or more persons occupying one dwelling unit. The term "family" includes the occupants of community care facilities serving six or fewer persons that are permitted or licensed by the State. The term "family" does not include occupants of a fraternity, sorority, boardinghouse, lodging house, club, or motel. To accommodate disabled persons in public facilities, the City defers to California Access Compliance Reference Manual from the Department of General Services a division of the State Architect.

Pursuant to State law, Laguna Woods permits state-licensed residential care facilities serving six or fewer persons in all of its residential zoning districts by right. In addition, several housing types for persons with disabilities require a CUP that is no more stringent than those for other conditional uses.

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

The City has adopted the 2010 California Building Standards Code. Standards within the Code include provisions to ensure accessibility for persons with disabilities. These standards are consistent with the Americans with Disabilities Act. No local amendments that would constrain accessibility or increase the cost of housing for persons with disabilities have been adopted.

Reasonable Accommodation

The Fair Housing Act requires that cities and counties provide reasonable accommodation to rules, policies, practices and procedures where such accommodation may be necessary to afford individuals with disabilities equal opportunity to housing. To create a process for making requests for reasonable accommodation to land use and zoning decisions and procedures regulating the

HOUSING ELEMENT

siting, funding, development and use of housing for people with disabilities. The City has recently adopted a Reasonable Accommodations Ordinance in accordance with state law to provide for flexibility in the City’s development standards to accommodate persons with disabilities.

Encouraging a Variety of Housing Types

The City recognizes the importance of providing a variety of housing to meet the variety of needs of its residents. As such the City has adopted regulations pertaining to Emergency and Transitional Housing, Density Bonuses for affordable housing, and Reasonable Accommodations

Building Codes and Enforcement

Building codes regulate new construction, alteration, and reconstruction of buildings, and are intended to protect occupants from unnecessary risk of fire, structural failure, unsanitary conditions, and injury or loss of life. The City of Laguna Woods has adopted or enforces these California Codes and Standards, the 2010 editions of the California Building, California Residential, California Electrical, California Plumbing, California Mechanical, California Energy, California Green Building Standards, California Fire Code as enforced by the Orange County Fire Authority, and the 2007 edition of the Uniform Housing Code.

These codes and standards establish minimum construction standards for all residential buildings. Cities can adopt stricter standards, but may not impose less restrictive standards, except in very limited circumstances after making mandatory findings for review and approval at the State level. Thus, the City is precluded from revising its related building codes as a means of reducing construction costs.

Local amendments were made to the referenced California Codes to facilitate safety and standards related to the City of Laguna Woods. As mandated by the State Fire Marshal, the City of Laguna Woods identified Very High Fire Hazard Severity Zones and adopted Chapter 7A of the California Building Code which regulates this zone. Beyond those required, High and Moderate buffer zones were adopted which provide graduating fire prevention features in order to protect residences from wildland fires. Additional building standards are adopted for buildings more than 300 feet in width, they must also provide access doors or hose outlets so that all portions of the building can be reached with the allotted amount of fire hose found on one engine. While these requirements may add costs that may

HOUSING ELEMENT

be passed on to renters or owners, it helps quickly eliminate fires that may have far more costly impacts.

In addition to fire standards, the Building Code was amended to include provisions that require the undergrounding of utilities and signage for addresses of apartment and commercial buildings that are not directly visible from the street. These amendments help contribute to local safety and ease difficulties in locating destinations.

The California Energy Code and Green Building Standards Code mandate uniform energy conservation standards for new construction. Minimum energy conservation standards implemented through these Title 24 codes may increase initial construction costs throughout the State, but are expected to reduce operating expenses and expenditure of natural resources over the long run.

On and Off-Site Improvements

Site improvements and property dedications are important components of new development by contributing to the creation of decent housing and making housing development feasible. Development in Laguna Woods requires site improvements that vary by size and location. These may include grading, landscaping, irrigation, lighting, drainage, and vehicle and pedestrian access including curb cuts. Dedications include local streets, arterial highways, and transportation corridors, alleys, trails, paths, and pedestrian ways, flood control facilities, parks, easements for landscaping maintenance, public utility easements, public transit facilities, other public easements, access ways to the ocean shoreline, bay shoreline, lakes, reservoirs, rivers, or streams. Site improvements are required to make sure that there is adequate infrastructure for and access to a site and that it is compatible with surrounding neighborhoods. These requirements can be waived by the City Council but it is unlikely for most multi-family developments where site improvements may be necessary to accommodate the development. Many of these requirements and dedications can be waived as part of density bonus added incentives.

Any person who proposes to divide real property for the purpose of creating a residential subdivision or a parcel map for residential use must pay a park fee or provide park land consistent with Table IV.7.

HOUSING ELEMENT

Table IV.7: Park Land Dedication

Dwelling Units per Gross Acre	Persons per Dwelling Unit	Parkland Acres per Dwelling Unit
Up to 6.5	3.21	0.008
6.6 to 15.5	2.59	0.006
15.6 to 25.5	1.99	0.005
25.6 and Up	1.88	0.0047

If a developer is required to provide dedicated parkland and provides park and recreational improvements to the dedicated land the value of the improvements together with any equipment located on the property is credited against the payment of fees or dedication of land required. These requirements can be waived by the City Council.

Second residential units shall be subject to a local park in-lieu fee assessed at 25% of the fee for a single family residence within the same tract and community analysis area (CAA).

Developer Fees and Exactions

Developer fees and exactions may be imposed on new development as a means to minimizing impacts on existing infrastructure and enabling required upgrades of infrastructure consistent with demands of the new development. State law requires that these fees be reasonably related to the mitigation of the identified impact, and that they be proportionate to the extent of impact associated with any given development project. These fees and exactions may add significantly to the cost of a housing unit.

State law requires that all development impact fees must have a substantial relationship, or nexus, to the residential development and that the fees must be proportional to the impact. Fees and exactions levied on new development in Laguna Woods include those for the Moulton Parkway and Laguna Niguel thoroughfares, the San Joaquin Hills and Eastern Transportation Corridors, and the Saddleback Valley Unified School District (Table IV.8). In each of these cases, the fees imposed on development in Laguna Woods are outside the control of, and cannot unilaterally be waived by, the City. Additionally, the Moulton Niguel Water District, of which Laguna Woods is a part, requires a fee for sewer attachment per unit. The City does impose a park and library fee on new developments to maintain the quality of life important to its residents. Laguna Woods’ impact fees are

HOUSING ELEMENT

comparable to those of surrounding communities in Orange County, as indicated in Table IV.8, with many communities requiring a similar in-lieu park fee and transportation fees. In the table below it identifies impact fees for multi-family development as this is the primary type of dwelling unit located within the City of Laguna Woods.

Table IV.8: 2013 Impact Fees

Impact Fee	Laguna Woods	Lake Forest	Laguna Hills	Laguna Niguel
SJHTC*				
Multi-Family A	\$2,781	N/A	\$2,781	\$2,781
Multi-Family B	\$2,158	N/A	\$2,158	N/A
FETC**				
Multi-Family A	N/A	\$2,970	N/A	N/A
Multi-Family B	N/A	\$2,109	N/A	N/A
Other Traffic/Road Fees	\$1,612	\$2,160 - \$4,157	\$1,612 - \$5,526	\$942-\$1,726
Library Fee	\$294	\$213	N/A	\$210 - \$227
Fire Station	\$600	\$600	\$600	\$600
Traffic Signal	N/A	N/A	Pro-rate share	N/A
In-lieu Park Fee	% of market value	% of market value	% of market value	% of market value
In-lieu Affordable Housing Fee	N/A	N/A	N/A	N/A
School Fee	\$3.20 per SF	\$3.20 per SF	\$3.20 per SF	\$3.20 per SF
Total High Estimate***	\$5,287	\$7,940	\$8,907+	\$5,334
Total Low Estimate***	\$4,664	\$5,082	\$4,916+	\$4,533

* San Joaquin Hills Transportation Corridor
 ** Foothill/Eastern Transportation Corridor
 *** Average total cost per unit, does not include the school district fee or In-Lieu Park Fee
 Source: City of Laguna Woods, City of Laguna Hills, City of Lake Forest, and City of Laguna Niguel

Processing and Permit Procedures

Development entitlement processing fees levied by cities for reviewing development applications may vary significantly, although by State law, such fees must reflect the actual costs incurred by the city in carrying out this function. The time allotted for processing each entitlement may also vary from city to city and can significantly affect the carrying costs of the developer (i.e. land purchase option payments, legal fees, interest on pre-development loans, etc.).

Table IV.9 identifies the types of discretionary applications effective in Laguna Woods and compares and fees in the City to those of surrounding jurisdictions. As the table indicates, the planning processing fees are comparable in each of the cities surveyed.

HOUSING ELEMENT

Table IV.9: Planning and Development Fees

Fee Category	Laguna Woods	Lake Forest	Laguna Hills	Laguna Niguel
General Plan Amendment	\$5,000 Deposit	\$10,000	\$6,000	\$5,000
Zone Change	\$5,000 Deposit	\$10,000	\$6,000	\$5,000
Tentative Tract Map	\$2,000 Deposit	\$8,000	\$3,500	\$4,350
Conditional Use Permit	\$2,000 Deposit	\$6,500	\$4,000	\$3,800
Variance	\$1,500-\$2,000 Deposit	\$6,000	\$3,500	\$3,800
Minor Site Development Permit	\$2,000 Deposit	\$2,500	\$800	\$2,000
Planned Community/Major Site Development Permit	\$2,000 Deposit	\$7,500	\$4,000	\$4,400

Source: City of Laguna Woods, 2013 and the City of Laguna Hills, City of Lake Forest, and City of Laguna Niguel

Note that the most costly discretionary applications, for General Plan Amendments, will not be an unaccommodating factor in affordable housing development in the City of Laguna Woods. The Land Use Plan of the General Plan includes appropriate land use designations on the properties needed to accommodate future construction of affordable housing.

The Community Development Department is the lead agency in processing residential development applications and coordinates the processing of these applications with other City departments and agencies. The time required to process a development entitlement application can have significant cost implications for affordable housing. Changes in zoning designations or standards may be typical of entitlement requests accompanying proposals for affordable housing. In Laguna Woods, zone change requests can be accommodated in as few as 60 days if no environmental impact report is required. This timeframe reflects the minimum time necessary to prepare an application for final legislative action consistent with State planning and zoning and environmental statutes. This 60-day average is appreciably shorter than processing time incurred in comparable cities.

Conditional use permits and subdivision parcel maps typically can be approved in as few as 60 days, provided an environmental impact report is not required. As the City has no Planning Commission, City Council decisions on parcel maps and conditional use permits are final. Any entitlement applications necessitating environmental impact reports are processed in compliance with the shortest periods

HOUSING ELEMENT

allowed for review and final action consistent with the California Environmental Quality Act and the Permit Streamlining Act.

In general multifamily development project entitlements take approximately 9 months. All housing developments require a Tentative Tract Map/Subdivision Map. The last major project to go through this process was the San Sebastian Senior Condominium project (which included 15 affordable units) which took approximately 9 months from application date to entitlement hearing date, in this particular case it required a General Plan Amendment and Zone Change.

Based on this review, there is no indication that the timeframe for processing of discretionary development applications is a hindrance to development of affordable housing in Laguna Woods.

Permit Types

Use Permits

The purpose of a use permit is to allow City staff and decision makers to conduct review of development proposals that have the potential to create impacts on surrounding uses, and to impose conditions on such development and operation of such uses to ensure compatibility. Laguna Woods also utilizes the use permit process to establish appropriate and unique development standards for residential development in the RC and RT zones, as the zoning regulations contain few standards. While this process may take a bit longer to process residential development permit applications, the process provides a high degree of flexibility for developers in designing multi-family development projects.

Site Development Permits

The purpose of a site development permit is to provide for administrative review of detailed development plans for a proposed use. Uses that require a site development permit are regarded as having a relatively low potential for adverse impacts on the subject site or surrounding community. In the review, the City is looking for compatibility with surrounding land uses both operationally and in the design of the project.

The following uses are exempt from the requirement to obtain site development permit approval:

- Community care facilities (fewer than 6 persons).

HOUSING ELEMENT

- Dwelling, single-family
- Dwelling, multiple-family (fewer than 4 units)
- Large family day care homes
- Mobile homes (on individual lots)

Variances

The variance is a discretionary permit that allows for deviations from applicable standards of the Zoning Code, provided very specific findings can be made pursuant to State law. The variance procedure does not unduly burden housing development, as the City's discretion in granting variances is tied to the limitations established by State law. Also, given the flexible nature of the City's zoning standards for multi-family development, variance requests are infrequent.

Non-Governmental Constraints

Many factors that affect housing costs are influenced by broader market-based housing conditions. Land costs, construction costs, and labor costs all contribute to the cost of housing, and can hinder the production of affordable housing. Additionally, the availability of financing can limit access to homeownership for some low-income households.

Laguna Woods has unique non-governmental factors that influence how new housing is built and existing units maintained. As noted previously, the community originally consisted of a series of planned housing developments developed as the Rossmoor Leisure World senior housing community. Of the four square miles comprising the City, 3.8 square miles are occupied by the gated Laguna Woods Village. This community is and was built out consistent with the Rossmoor Leisure World Planned Community zoning administered by the County of Orange prior to incorporation of the City.

Laguna Woods Village has several homeowners' associations that have the legal ability to impose restrictions and requirements on their members. One such requirement is the establishment and enforcement of architectural standards. Homeowners in Laguna Woods Village must obtain an alteration permit from their particular homeowner association/mutual for proposed home improvement projects. Since homeowner association permits are based on agreements between private association and private property owners, the City cannot enforce or waive the requirement for obtaining an association permit. Also, the Covenant, Conditions, and Restrictions (CCRs) applicable to the associations stipulate that

HOUSING ELEMENT

any proposal to add residential units within the boundaries of any of the three existing mutual HOAs require a vote of unit owners to revise the respective governing documents to accommodate such a proposal.

Because of the legal and administrative costs involved in developing new units within Laguna Woods Village, residential infill development within established residential neighborhoods Laguna Woods Village is considered unlikely. However, development may occur on the vacant or underutilized parcels designated Urban Activity Centers that are owned by the Golden Rain Foundation.

Commercial areas within the City of Laguna Woods were developed within the past 30 years and are generally well maintained, and remain economically and functionally viable. These properties also support the sales tax generators which support City services uniquely suited to the special needs of the majority seniors population. No opportunities for conversion of commercial space to residential use have been identified.

Market Impacts on Development Costs

Land Cost

Land cost is generally the major variable cost component affecting the production of new housing. Sustained market demand for housing coupled with diminishing supplies of undeveloped acreage have significantly constrained the ability of south Orange County cities to accommodate affordable housing. Rising land prices reflects this situation.

As of May 2013, only a limited number of vacant parcels zoned and suitable for development remain in Laguna Woods. No recent land sales have been recorded. Comparable land sales for Laguna Woods, therefore, are unavailable. Any land valuation effort would include and be derived from comparable sales in surrounding cities. Without significant differences in the physical environments, land costs in Laguna Woods are assumed to be comparable with those in surrounding areas. It is assumed, therefore, that any land made available for development will be valued so as to be no more or no less of a detriment to development of affordable housing than in other non-coastal areas of south Orange County.

HOUSING ELEMENT

Given the relatively high proportion that land costs represent in the total cost of development, density increases are one option for facilitating construction of affordable housing. Density increases effectively reduce land costs on a per unit basis when tied to restrictive covenants reserving a proportion of the units for low and very low income residents.

Consistent with Section 65915 of the California Government Code, the City of Laguna Woods permits an increase in density by a factor of up to 1.35 or such other reduction in minimum development standards necessary to achieve comparable, identifiable cost reductions. In exchange, the developer must covenant to maintain 20% of the units for low income households, or 11% for very low income households, or 40% for moderate income households, for a period of not less than 30 years. The percentage of units required and related density bonuses are available to fewer units, at a lower density bonus rate, consistent with State law.

Construction Costs

Construction costs include the expense of building materials and labor. However, cost is also influenced by market demand and market-based changes in cost of materials. The cost depends on the type of construction and the quality of the product being produced.

An indicator of construction costs is Building Valuation Data compiled by the International Code Council (ICC). The unit costs compiled by the ICC include structural, electrical, plumbing and mechanical work, in addition to interior finish and normal site preparation. The data is national and does not take into account regional differences, and does not include the price of the land upon which the building is built.

The 2012 national averages for costs per square foot unit of apartments and single family homes are listed below:

- Type I or II, Multi-Family: \$124.88 to \$142.14 per sq. ft.
- Type V Wood Frame, Multi-Family: \$94.76 to \$121.89 per sq. ft.
- Type V Wood Frame, One and Two Family Dwelling: \$103.92 to \$119.75 per sq. ft.

The unit costs for residential care facilities generally range between \$119.86 and \$168.08 per square foot. These costs are exclusive of the costs of land and soft

HOUSING ELEMENT

costs, such as entitlements, financing, etc. These costs are subject to market fluctuations nationwide. For example, following the widespread destruction in southern coastal states from hurricane Katrina, the cost of construction materials jumped significantly as the region sought to rebuild.

In addition to the cost of materials, labor costs can affect the total cost of construction. The cost of labor is based on a number of factors, including housing demand, number of contractors in the area, and whether or not laborers belong to a union. Labor costs may represent two to three times the cost of materials.

Construction costs can account for 35 to 45% of total housing costs. Rising construction costs also impact the ability of homeowners or landlords to provide needed rehabilitation of substandard residential units. The construction cost of housing affects the affordability of new housing and can be a constraint to the creation of affordable housing in the City. One way to reduce construction costs is to reduce the level of physical amenities. Another factor related to construction costs is the number of units built at one time. As the number increase, overall costs generally decrease as builders can benefit from the economies of scale.

Cities may revise existing development standards to reduce or eliminate requirements for enclosed parking spaces as a means to lowering construction costs. Local building departments have the authority to approve the use of a lower quality material and/or less costly construction method deemed to be satisfactory and at least equivalent to the applicable State building codes.

Energy Conservation Opportunities

The City of Laguna Woods enforces provisions of Title 24 of the California Administrative Code that require energy conservation in new residences. Standards in Title 24 may result in energy savings of approximately 50% over residential construction practices utilized prior to the Title 24 enactment. The City of Laguna Woods Building Department is aware of energy conserving design innovations and solar technology. The department utilizes the Solar Systems Code Review Manual and its companion document, the Pool and Spa Solar Systems Code Review Manual, published by the International Conference of Building Officials (ICBO), to facilitate installation of appropriate solar systems. Under existing State law (the California Resources Code), local jurisdictions may adopt structural energy conservation standards stricter than existing State standards. Such an increase in

HOUSING ELEMENT

standards may have less of an impact in areas with moderate climates such as that in Laguna Woods.

Because reduction in vehicle trips is the most effective strategy to reduction of greenhouse gases, land use and circulation policies encouraging alternatives to the automobile through higher density, compact, pedestrian-friendly development help reduce greenhouse gases and slow climate change. The City's Land Use Element contains various programs related to higher density development and the facilitation of pedestrian connections. The Conservation Element includes implementation actions requiring that new development and reuse projects accommodate and promote transportation alternatives to the private automobile. In addition, the sites inventory for this Housing Element identifies a site to meet the City's remaining RHNA that is central to the City and near job and retail centers, and is within walking distance of bus routes that provide access to regional transportation, commercial centers, and a senior citizen center. The Laguna Woods community is already in the forefront of vehicle trip reduction strategies as all owners within Laguna Woods Village pay a homeowners' association fee that is used to provide residents with public transportation.

One area of concern in the City is the cost of electricity, especially as a source of space heating. Because a vast majority of the dwelling units in the Laguna Woods Village community have electric heating, all means of reducing the impact of high electric bills through conservation and opportunities for conversion to more efficient heating methods should be considered. Reductions in costs of space heating could appreciably reduce housing related costs for low-income residents. The City will play a lead role in spearheading a search for alternatives including solar-generated heat and power, as needed.

In March 2007, the City Council of the City of Laguna Woods adopted a resolution (resolution no. 07-09) and executed the U. S. Mayors' Climate Protection Agreement. The broad goal of the Climate Protection Agreement is to reduce manmade greenhouse gas emissions by 7% below 1990 levels by 2012.

To address the overall issues of sustainability and climate change, the Laguna Woods Greening the Woods Committee released a review of environmental practices related to residential components of the community and city maintained facilities, programs, and services; and develop practical recommendations for consideration by the City Council. The report included various positive efforts, large and small, already undertaken by the City. These include:

HOUSING ELEMENT

- Preservation of Woods End and Laguna Laurel open space (189 acres)
- Tree preservation and maintenance regulations
- Exceeding the goal of 50% waste diversion; prior year diversion was 65%
- City Hall energy efficient roof and heating/cooling system
- Low income resident energy efficient equipment retrofit program (CDBG)
- Urban run-off inspection program
- Alternative transportation trails
- Restrictive anti-smoking regulations (earned an A from American Lung Association)
- Drop off recycling programs at City Hall – white paper, fluorescent bulb, cell phones, small electric appliances, ink cartridges, batteries and medications
- Door to door e-waste and u-waste residential pick-up programs
- Use of rubberized asphalt on City roads
- Requirement that all construction and demolition waste in the City be sent to a specialized materials recycling facility

Among the various goals established by the Committee the following is a summary of goals related to land use and development:

Sustainable Land Use:

The City should incorporate an analysis of potential effects on greenhouse gas emissions and urban runoff into all of its land use decisions. This may involve, among other things, reducing the amount of paved surface and increasing the amount of planted areas for cooling, CO2 absorption and runoff percolation; reducing the need for short and long distance transport of goods; improving the walking and outdoor experience for residents and visitors; and reducing water use.

Sustainable Construction

The City should participate in understanding, supporting, developing and implementing state-of-the-art practices for energy efficiency and sustainable building practices. As a part of its efforts, the City should assure that its own buildings meet the highest environmental standards possible and should incorporate currently available green building practices into its construction codes and approval processes.

HOUSING ELEMENT

Public Outreach

Ultimately, the City’s success in attaining any of its environmental goals will depend largely on the extent to which its citizens are aware of the issues and actively engaged in addressing them. The City should inform the community about the health, safety and economic benefits of reducing carbon emissions and attaining sustainability on an ongoing basis through the use of flyers, newsletters, its website, and television channel. This goal statement is a critical element in this report and as such recommendations for public information and outreach are included under every issue topic.

Financing

Financing costs are not subject to local influence. Control of interest rates is determined by national policies and economic conditions. Interest rates directly influence the purchasing power of homebuyers and the cost of home construction through construction loans. During the past planning period, the country has continued to see interest rates at historically low levels, enabling many households to purchase a home. The availability and cost of capital required for pre-development costs for new housing such as land purchase option money and project design and entitlement processing remain a deterrent to development of affordable multiple-family housing.

The Home Mortgage Disclosure Act (HMDA) requires lending institutions to disclose information on the disposition of loan applications by income, gender, and race/ethnicity of applicants. Table IV.10 presents the disposition of home purchase loan applications in 2011 by income of the applicants. The data is for the Santa Ana-Anaheim-Irvine MSA, of which Laguna Woods is a part. The data includes purchases of 1 to 4 unit homes as well as manufactured homes. Over 56% of the loan applications were received from above moderate-income households (earning greater than 120% of Median Family Income [MFI]). Moderate-income households (80 to 120% of MFI) and lower-income households (less than 80% MFI) accounted for 22% and 21%, respectively. Origination refers to loans approved by the lender and accepted by the applicant. The overall loan origination rate was 65%, and this rate decreased as income decreased.

Table IV.10: Disposition of Conventional Home Purchase Loan Applications for the Santa Ana-Anaheim-Irvine MSA

HOUSING ELEMENT

Applicant Income	Total Apps.	Percent Originated	Percent Denied	Percent Other
Lower Income (<80% MFI)	14,324	58%	18%	24%
Moderate Income (80 to 120% MFI)	14,944	66%	12%	22%
Upper Income (>120% MFI)	37,660	68%	11%	21%
All	66,928	65%	13%	22%

Source: Home Mortgage Disclosure Act (HMDA), 2011.
 Note: "Other" includes applications approved but not accepted, files closed for incompleteness, and applications withdrawn.
 Applications do not sum to equal total based on the unavailability of income data for some applicants.

Foreclosures have been dropping as the economy seems to be leveling off, in comparison from previous years numbers. The number of foreclosures peaked state wide in February of 2009 accounting for 58.8% of all homes sold that month. In April of 2013 foreclosure sales only accounted for 13.5% of all homes sold in that month⁵. Even though foreclosures have been significantly declining it still remains a notable issue, however due to the unique housing market in Laguna Woods and the prevalence of homebuyer using equity from previous residences, the foreclosure problem is not significant in Laguna Woods compared with other Orange County cities.

Environmental and Infrastructure Constraints

Environmental constraints can affect potential development due to increased costs of insurance or development. A lack of necessary infrastructure may also reduce the amount of land readily developable. In Laguna Woods, constraints are due to endangered species and sensitive habitats, possible seismic activity, areas where the community noise equivalent level (CNEL)⁶ exceeds 65 CNEL, and other constraints which preclude or restrict the development of housing. This section briefly outlines these constraints.

Endangered Species and Sensitive Habitat

The presence of sensitive or protected habitat or species can constrain the amount of developable land. Sensitive species and habitats have been given special recognition by Federal, State, and local resource conservation agencies and organizations due to declining, limited or threatened populations as a result of

⁵ California April Home Sales. DQnews May 15, 2013
⁶ CNEL levels factor in both noise duration and time of day into the measurement of the noise level.

HOUSING ELEMENT

habitat reduction due to urbanization. In Laguna Woods, coastal sage scrub is considered a sensitive habitat where it supports populations of sensitive species. California gnatcatchers are a federally listed threatened species that nest only in coastal sage scrub and have been observed throughout the San Joaquin Hills.

Aliso Creek is another significant biological resource in Laguna Woods. Riparian native and non-native vegetation occurs over approximately 14 acres along the creek, which passes through the City on the southeast. The creek is a water source and a potential movement corridor for area wildlife.

Seismic Activity

No Alquist-Priolo Earthquake Fault zones have been identified in the City. However, seismic activity on four known faults could affect the City. The closest of these is the Newport-Inglewood Fault Zone, located six miles southwest of the City. The Elsinore, San Andreas, and San Jacinto Faults also present risks, although the risks are not unusual.

Flood Hazards

Areas subject to flooding have been identified on Flood Insurance Rate Maps prepared by the Federal Emergency Management Agency (FEMA). Areas designated as Zone A (areas which may be inundated by a 100-year flood, but for which base flood elevations have not been determined) include the Laguna Woods Village Executive Golf Course, the retention pond on the Laguna Woods Village 27-hole golf course, a small portion of the drainage course in the northwestern corner of the City, an area adjoining the City's westerly boundary near Laguna Lake, and the floodplain along Aliso Creek. A small portion of Zone X (areas subject to inundation by a 100-year flood with an average depth of less than one foot) extends beyond the Aliso Creek channel in the vicinity of Avenida Sevilla and Ronda Sevilla, and two residential units are located within that area. Development in flood-prone areas can be dangerous to property, and may cause high insurance rates once constructed.

Noise Levels

Residential development must consider existing noise levels throughout the city. The Laguna Woods General Plan indicates that in excess of 65 CNEL are considered excessive and are defined as clearly incompatible with residential

HOUSING ELEMENT

development. Residential development may therefore be constrained in locations where noise levels exceed 65 CNEL. Some residences adjacent or near major roadways currently experience noise levels in excess of 65 CNEL, including those near the I-5 Freeway, El Toro Road and Moulton Parkway. Residences near Santa Maria Avenue are expected to experience noise levels above 65 CNEL in the future due to increased regional traffic. Exterior mitigation through site design or noise barriers will likely be required.

Wastewater Service/Water Service

The El Toro Water District (ETWD) is the responsible agency for providing water service to the City of Laguna Woods. Approximately 85% of the connections in the City are residential users, with the balance made up of commercial, industrial, public and landscape irrigation users. The water delivered to the City is imported from the Colorado River and Northern California. Additionally, recycled water from the Water Recycling Plant operated by the ETWD and surrounded by the Laguna Woods Village Golf Course is available for irrigation.

Disadvantaged Communities

The City of Laguna Woods has no Sphere of Influence (SOI) and therefore has no unincorporated disadvantage communities in accordance with SB 244.

HOUSING ELEMENT

V. SITES INVENTORY AND ANALYSIS

This section summarizes the land, financial, and administrative resources available for the development and preservation of housing in Laguna Woods. The analysis includes an evaluation of the availability of sites to meet the City's regional housing need for the 2014-2021 Housing Element planning period, a review of financial resources to support housing activities, and a F of administrative resources available to assist in implementing the housing programs contained in the Housing Element.

RESIDENTIAL DEVELOPMENT POTENTIAL

State law requires jurisdictions to plan residential land allocation to ensure that adequate sites are available to meet expected growth. Specifically, a jurisdiction must show that its residential land inventory is adequate to accommodate its Regional Housing Needs Assessment (RHNA). This section addresses the credits applied toward the current RHNA and identifies sites to fulfill the remaining portion of the RHNA.

Residential Land Inventory

In Laguna Woods, land designated for residential use is nearly built out and development opportunities are extremely limited. Since the previous Housing Element, 134 units were constructed. A discussion of this project is provided below.

Parcel 1, as so referred in the Land Use Element, is the only vacant parcel in the City that is specifically designated for residential use. The General Plan designation of the site is High Density Residential (HDR) and it is zoned Residential Multifamily District (RMF). A detailed analysis of the site is provided below in the Sites Inventory section.

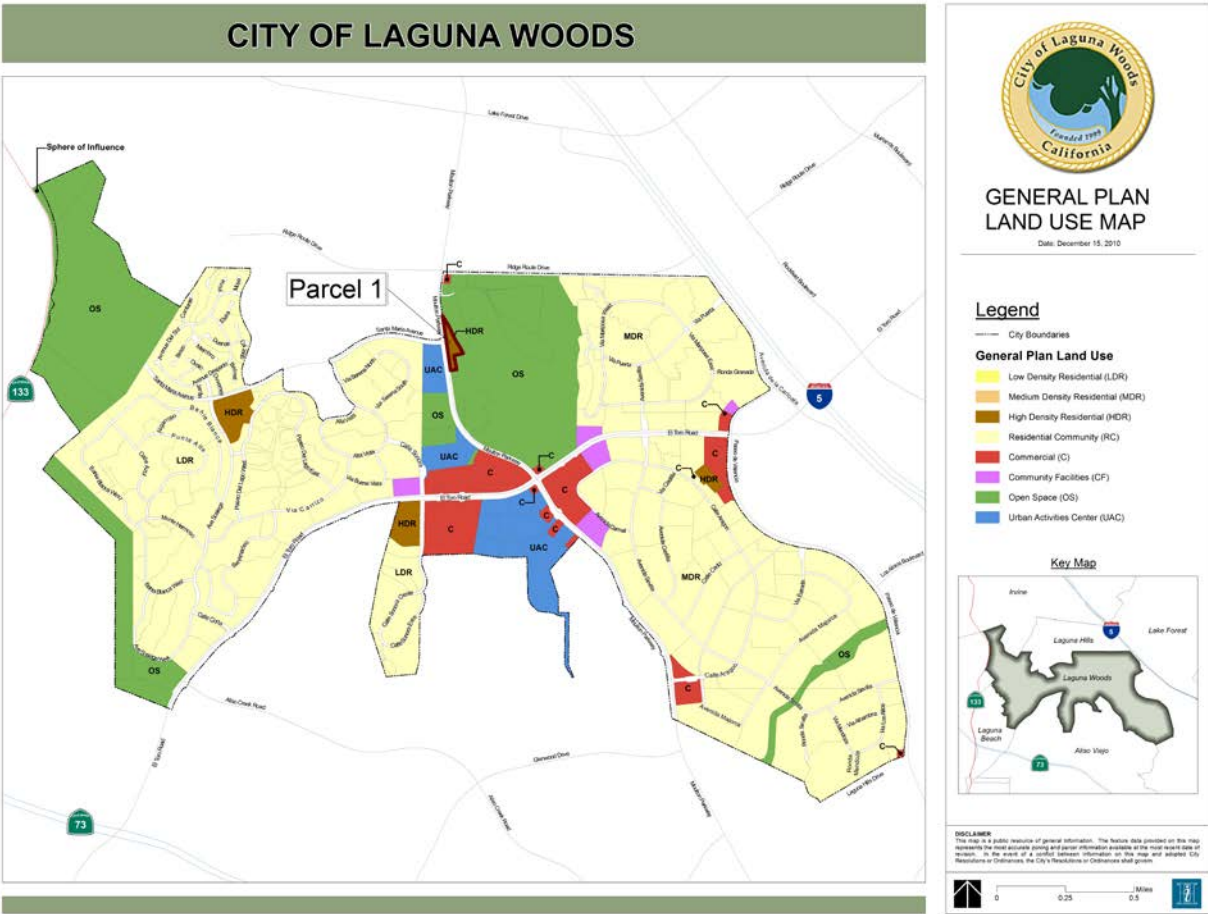
Credits toward RHNA

The fifth cycle RHNA covers the period of October 2013 to October 2021. The fourth cycle RHNA overlaps and covers until June 2014. Any units completed prior to the end of the fourth cycle are credited towards that cycle; it is only after

HOUSING ELEMENT

The site is currently used as a garden center by the residents of Laguna Woods Village and is owned by the Golden Rain Foundation, which is the non-profit organization responsible for overseeing the management and maintenance of the facilities and services within Laguna Woods Village. The interim use as garden plots is not an impediment to development as the property is privately owned and can be developed at any time. The site is located outside the gated community of Laguna Woods Village and is immediately adjacent to the Laguna Woods Village Golf Course. The location is central to the City and near job and retail centers, and is within walking distance of bus routes that provide access to regional transportation, commercial centers, and a senior citizen center (see Figure V.1).

Figure V.1: Land Use & Site Location Map



The site is ample in size to meet the remaining RHNA of one low and one very-low income units under the current density requirements for the site. The estimated

HOUSING ELEMENT

units are based on the maximum density allowed by the site’s land use designation and zoning (HDR/RMF). This is a realistic estimate based on previous high-density developments in Laguna Woods, discussed below.

Table V.2: Characteristics of Parcel 1 (Vacant)

Site	General Plan Designation/ Zoning	APN #	Acres	Density (du/acre)	Expected Density (du/acre)	Projected units
Moulton/ Santa Maria (Parcel 1)	HDR/RMF	616-021-18	3.3	13-35 dwelling units per acre	35	115

Appropriate housing for the subject site is a high-density, multi-story structure that can provide for-sale or for-lease homes. This housing type is most consistent with the City’s existing housing and would best meet the needs of the community. However, the HDR land use designation and the RMF zone are very flexible in accommodating a variety of housing types (see Housing Constraints Analysis). The Laguna Woods Zoning Code contains use permit provisions that allow for relief of development standards, such as height limits and setback requirements, for projects proposed to meet affordability objectives and requirements.

The 3.3-acre site has direct access from Moulton Parkway, and all curb and sidewalk improvements are in place. According to the Federal Flood Insurance Rate map, the subject parcel is not in a flood zone, nor is it mapped by the California of Department Conservation to be an area of liquefaction or landslide potential. No active faults are presently known within the City. The nearest active fault is the Newport-Inglewood fault, which is located approximately six miles southwest of the study area.

All infrastructure, including domestic water and sewer, are available to the site. There is a 16-inch main water line running along Moulton Parkway. Residents in Laguna Woods consume an average of 246 gallons of water per day per unit, and generate an average of 184 gallons per day of wastewater. Water use as result of this residential development could increase by approximately 35,178 gallons per day. Wastewater could increase by approximately 26,312 gallons per day. The El Toro Water District has verified that there is sufficient supply and capacity to provide water and wastewater services to accommodate the potential increase in residential units over the planning period.

HOUSING ELEMENT

Parcel 1 will satisfy the remaining RHNA obligation by providing development opportunity for up to 115 units, distributed among the income categories as identified in Table V.3.

Table V.3: Parcel 1 Residential Development Potential

Site	Very Low-Income <50% MFI	Low-Income 50-80% MFI	Moderate-Income 80-120% MFI	Above Moderate-Income >120% MFI	Total
Parcel 1	1	1	0	113	115
RHNA Remaining (after credit for units under construction)	1	1	0	0	2
RHNA Remaining	0	0	0	0	0

No units were built within the City of Laguna Woods in the period between the start of the current RHNA projection period and the deadline for the adoption of this housing element.

Density and Affordability

The Laguna Woods General Plan designates Parcel 1 as High Density Residential (HDR) and the Zoning designation is Residential Multi Family (RMF). Based on affordability criteria established by the State Housing and Community Development Department, pursuant to AB 2348, a density standard of at least 20 units per acre is deemed adequate to facilitate construction of housing for lower-income households.

Four high-density residential developments (three existing, one under construction) are designated High Density Residential in Laguna Woods, as indicated in Figure V.1, Land Use Map. The HDR designated area located in the northwest area of the City includes the Rossmoor Towers, a high-density condominium development consisting of two 14-story towers. The development includes 311 units on 11.2 acres, yielding a density of 28 dwelling units per acre. The HDR designated area located south of El Toro Road includes two communities: Whispering Fountains and The Regency. Whispering Fountains was developed at a density of 34 dwelling units per acre. The Regency has a density of 35 dwelling units per acre. The San Sebastian senior development was developed at a density of 44 units per

HOUSING ELEMENT

acre. Given that existing and planned development on HDR/ RMF sites in the City has resulted in densities ranging from 28 to 45 units per acre density of 35 dwelling units per acre for Parcel 1 is a realistic assumption.

Table V.4: High Density Developments in Laguna Woods

Development	General Plan/Zoning	Size	Units	Density	Percent of Maximum Density for RMF Land Use Designation
Rossmoor Towers	HDR/RMF	11.2 ac.	311	27.7 du/ac	80%
Whispering Fountains	HDR/RMF	4.118 ac	140	33.9 du/ac	97%
The Regency	HDR/RMF	5.524 ac.	192	34.8 du/ac	99%
San Sebastian	HDR/RMF	3.054 ac.	134	43.9 du/ac	126%

Additionally, since Laguna Woods is predominately comprised of senior citizen, existing and future residents desire the lower maintenance housing scenario (limited private open space, for example) offered by higher density development. Reduced parking requirements also contribute to the potential for higher density as compared with other communities. Since the development of previous high-density residential developments, the City has revised the Zoning Code to include provisions that allow increased density and alternative development standards, such as reduction in parking requirements.

Table V.5: RMF Zoning District – Development Standards

Development Standard	RMF Zone
Building Site Area	Minimum 7,200 square feet
Building Height	Maximum 65 feet
Area Per Unit	Minimum net land are per unit = 1,000 square feet
Setbacks: From right-of-way line:	Front – 20 feet Side – 5 feet + one extra foot for each story over two
From property line:	Rear – 25 feet Side – 5 feet

FINANCIAL RESOURCES

Various federal and State programs are designed to promote development of housing for low- and very low-income households and for persons with special needs. Currently the City’s main source of funding for affordable housing development is through the Community Development Block Grant program (CDBG), described below. The City participates in the CDBG program as part of

HOUSING ELEMENT

the County of Orange Urban County and received an allocation of \$247,500 in CDBG funds in the 2012-2013 fiscal year, which is used to fund two projects. The first is the Energy Efficient Improvements Project, which was allocated \$135,000 for energy-efficient improvements. This project assists approximately 50 residential units occupied by low- and moderate-income seniors. The second is for improvements to City Hall, which was allocated \$112,500. Funding for this program has completed the construction of an ADA pathway providing better access to City Hall and improving access into City Hall by redesigning the outdoor space adjacent to the City entrance.

A supplemental source includes Section 8 rental assistance, which was provided to 73 Laguna Woods residents through the Orange County Housing Authority. As of July 16, 2013, there are currently 12 elderly and 1 disabled Laguna Woods' residents on the wait list.

Programs that may be of use in Laguna Woods are listed below. Information related to these programs will be updated annually and available from the Laguna Woods Community Development Department.

Federal Programs

- **Community Development Block Grant Program (CDBG)** – This program is intended to enhance and preserve the City's affordable housing stock. Funds are awarded to the City on a formula basis for housing activities. Eligible activities include acquisition, rehabilitation, economic development, and public services. CDBG grants benefit primarily households with incomes not exceeding 80% of the County median family income.
- **Section 8 Rental Assistance Program** – This program provides rental assistance payments to owners of private market-rate units on behalf of very low-income tenants.
- **Section 811/202 Program** – Non-profit organizations and consumer cooperatives are eligible to receive no interest capital advances from HUD for the construction of very low-income rental housing for senior citizens and disabled persons. Project-based assistance is also provided in conjunction with this program. Section 811 can be used to develop group homes, independent living facilities, and intermediate care facilities. Eligible activities include acquisition, rehabilitation, new construction, and rental assistance.

HOUSING ELEMENT

State Programs

- **California Housing Finance Agency (CHFA) Multiple Rental Housing Programs** – This program provides below-market-rate financing to builders and developers of multiple-family and elderly rental housing. Tax-exempt bonds provide below-market mortgage money. Eligible activities include new construction, rehabilitation, and acquisition of properties for qualifying projects.
- **Low Income Housing Tax Credit (LIHTC)** – LIHTC provides tax credits to individuals and corporations that invest in low-income rental housing. Tax credits are sold to corporations and people with high tax liability and proceeds are used to create housing. Eligible activities include new construction, rehabilitation, and acquisition.
- **California Community Reinvestment Corporation (CCRC)** – This private, non-profit mortgage-banking consortium provides long-term debt financing for affordable multi-family rental housing. Eligible activities include new construction, rehabilitation, and acquisition.

ADMINISTRATIVE RESOURCES

Primary responsibility for the implementation of the City’s housing programs and activities lies with the City Manager, the Community Development Department, and the Community Services Manager. The Land Use and Design Review Committee (LUDRC) serves as an advisory committee for all planning-related issues, including implementation of the Housing Element’s Objectives, Policies, and Implementation Programs, to the City Council and staff. Appointment to the LUDRC is open to any resident of the city.

HOUSING ELEMENT

VI. REVIEW OF 2006-2014 HOUSING ELEMENT

Pursuant to Government Code Section 65588 local governments shall review their housing element and evaluate the following: (1) the appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal, (2) the effectiveness of the housing element in attainment of the community’s housing goals and objectives, and (3) the progress of the city, county, or city and county in implementation of the housing element.

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

The City’s last Housing Element was adopted in 2009, and sets forth a series of implementation measures with related objectives and policies for the following issue areas: maintain and improve residential neighborhoods and support quality housing for all residents; promote and encourage development of housing opportunities to accommodate current and projected housing need; encourage and facilitate the development of affordable housing for all economic segments of the community, especially extremely- and low-income residents; and facilitate housing, transportation and physical accommodations to aid persons with disabilities. This section reviews the continued appropriateness of these programs, the effectiveness of the Element, and the progress in implementation since 2007.

The table below summarizes the City’s progress for each implementation measure identified in the current Housing Element.

HOUSING ELEMENT

Table VI.1: Review of 2006-2014 Housing Element

Housing Element	Implementation Status
<p>Objective 1: Maintain and improve residential neighborhoods and support quality housing for all residents.</p>	
<p>Policy 1.A: Work towards full implementation of the 2006-2014 Housing Element objectives, policies, and programs in the Housing element</p>	
<p>Program 1.A.1 Provide a progress report on the 2006-2014 Housing Element programs and quantified objectives as part of the annual General Plan status reports to the State.</p>	<p>Ongoing: The annual general plan progress report for past years has been submitted to the Governor’s Office of Planning and Research and the Department of Housing and Community Development. City staff will continue to submit progress reports in future years.</p>
<p>Policy 1.B: Promote, encourage, and facilitate efforts to preserve the City’s housing stock.</p>	
<p>Program 1.B.1 Continue to promote on-going building maintenance activities. To promote building maintenance, the City will:</p> <ul style="list-style-type: none"> • Identify available funds for building maintenance activities and energy efficiency upgrades. • Disseminate public information on available housing programs, such as the energy efficient equipment retrofit program (CDBG) at public counters and the City’s website. • Assist property owners and property managers in their efforts to identify and mitigate housing maintenance issues. 	<p>Ongoing: The City receives money in the form of Community Development Block Grants (CDBG), for use in an energy efficient equipment retrofit program. The City continues to apply for CDBG funds, and will continue to implement the program each year as funds allow.</p>

HOUSING ELEMENT

<p>Objective 2: Promote and encourage the development of housing opportunities to accommodate current and projected housing need.</p>	
<p>Policy 2.A: Promote construction of units consistent with the new construction needs identified in the Regional Housing Needs Assessment (RHNA).</p>	
<p>Program 2.A.1 Work with property owners in the development of Specific Plans to guide the development of Urban Activities Center parcels to include residential development.</p>	<p>Not Yet Implemented: In December 2011, the property owners submitted a Specific Plan and General Plan amendment to develop nine parcels that cover approximately 72 acres of Urban Activities Center land. The City is currently working on the Environmental Impact Report (EIR) for the proposed Specific Plan.</p>
<p>Policy 2.B: Mitigate governmental constraints to the accommodation of special needs residents.</p>	
<p>Program 2.B.1 Participate in the County of Orange Consolidated Plan program and in the Continuum of Care to provide housing for special needs populations, particularly extremely and very low income persons. Participation will include assigning a representative to participate in meetings and events sponsored by these programs. In addition, the Resource Guide for Orange County Homeless and other publications that support the program goals will be distributed from City Hall.</p>	<p>Partially Implemented: The City of Laguna Woods participated in the development of the County of Orange Consolidated Plan drafted for the years of 2010 – 2015. While the City provides numerous information pamphlets on an array of resources, they are yet to distribute a resource guide for Orange County homeless.</p>
<p>Program 2.B.2 Revise the Laguna Woods Zoning Ordinance to identify zones that will allow the development of transitional housing facilitate transitional</p>	<p>Partially Implemented: As part of a larger Zoning Code Update that occurred in 2010 and adopted in 2011, the City added Chapter 13.23 to the Laguna Woods</p>

HOUSING ELEMENT

<p>housing and supportive housing developments that serve extremely and very low income households, consistent with Government Code Section 65583(c)(1). Because transitional and supportive housing can be configured in different ways – either as regular multi-family housing or as group quarters the Zoning Ordinance amendment will ensure that transitional and supportive housing that function as a residential use will be treated as residential uses and only subject to those restrictions that apply to other residential uses of the same type in the same zone.</p>	<p>Municipal Code establishing Emergency and Transitional Housing Shelter regulations. The zoning code will be re-evaluated to ensure proper compliance with Government Code Section 65583(c)(1).</p>
<p>Program 2.B.3 Review and revise the Laguna Woods Zoning Ordinance to provide for emergency homeless shelters that serve extremely and very low income households as a by-right use and develop objective standards to regulate emergency shelters as provided for under Government Code Section 65583(a)(4). Evaluate the Neighborhood Commercial (NC), Community Commercial (CC), Highway Commercial (HC) or Urban Activities (UAC) zones for inclusion of emergency homeless shelters as a by-right use.</p>	<p>Implemented: As part of a larger Zoning Code Update that occurred in 2010 and adopted in 2011, the City added Chapter 13.23 to the Laguna Woods Municipal Code establishing Emergency and Transitional Housing Shelter regulations.</p>
<p>Policy 2.C Address the housing needs of special populations and extremely low income households through emergency shelters, transitional housing, supportive housing, and single-room occupancy units.</p>	

HOUSING ELEMENT

<p>Objective 3: Encourage and facilitate the development of affordable housing opportunities for all economic segments of the community, especially for extremely- and low-income residents.</p>	
<p>Policy 3.A: Recognize the City’s leadership role in the maintenance, preservation, improvement, and development of affordable housing.</p>	
<p>3.A.1 Encourage and facilitate the development of affordable housing by:</p> <ul style="list-style-type: none"> • Supporting non-profit organizations that address housing issues. • Serving as an intermediary between non-profit organizations and interested residential developers. • Assisting in application preparation and other efforts to secure funding sources for development of housing for extremely low-, very low-, low- and moderate-income residents. • Making available regional and local housing program information to residents, and assisting residents in contacting housing assistance organizations. • Inform interested developers about the range of housing allowed in areas outside of Laguna Woods Village, including housing for families. • Inform interested developers about the State density bonus program incentives available for development of affordable housing program. • Program incentives available for development of affordable housing. 	<p>Ongoing: The City is continuing to work with past and present residential developers to promote affordable housing. In the 2009 reporting period, two additional deed restricted affordable unit were created through modifications to a property’s Conditional Use Permit. The City will continue to work with future residential developers and to create zoning code ordinances that promote affordable housing.</p>

HOUSING ELEMENT

<p>Program 3.A.2 Continue to encourage and facilitate the use of the City’s density bonus provisions to provide affordable housing opportunities. Revise the density bonus provisions in the City’s Municipal Code to be consistent with State density bonus law.</p>	<p>Ongoing: The City’s density bonus requirement provisions were recently updated in 2013 to ensure compliance with state law to encourage housing for moderate, low and very-low income households.</p>
<p>Program 3.A.3 Develop an inclusionary ordinance that requires new development to contribute toward provision of affordable housing. Standards will address minimum project size, percentage of units to be dedicated as inclusionary housing, definition of affordability required, exceptions to the ordinance, timeframe of affordability, and alternative opportunities for satisfying the inclusionary requirement.</p>	<p>Implemented: On January 21, 2009 the City adopted Section 13.25 titled Inclusionary Housing to the Laguna Woods Zoning Code.</p> <p>The City’s inclusionary ordinance requires that new residential development, consisting of five or more units, to provide 15 percent of its newly constructed units to low and/or moderate income individuals. In the case of rental housing, 7.5% of the units would need to be provided each to very-low and low income residents. In the case of for-sale housing, 10% would need to be provided for low income residents and 5% for moderate income residents. Individuals who live or work in the City have first priority to rent or purchase inclusionary units.</p> <p>The ordinance includes some flexibility in implementation by allowing for the consideration of alternatives to the construction of actual units within a project. This includes (1) off-site construction, (2) dedication of suitable land, or (3) payment of an in-lieu fee.</p>
<p>Program 3.A.4 Encourage residents to apply, when available, for the Section 8 rental assistance program (through County</p>	<p>Ongoing: The City provides Section 8 housing information and application forms. The City receives information for</p>

HOUSING ELEMENT

<p>of Orange Housing Authority) for extremely and very low-income rental households. Inform local rental property owners and eligible residents of Section 8 assistance and Section 8 waitlist openings through flyers and the City’s website. Provide technical assistance during the application process to interested residents. While the City endeavors to maintain the current level of assistance through the Section 8 (72 vouchers) program, the City has no jurisdiction over the funding and operation of the Section 8 voucher program.</p>	<p>Section 8 housing through the County of Orange.</p>
<p>Program 3.A.5 Continue to use CDBG funds to fund projects that improve and maintain the quality of the City’s housing stock and residential infrastructure. While the City endeavors to maintain the current level of assistance through the CDBG program, the City has no jurisdiction over the funding and operation of CDBG program.</p>	<p>Ongoing: The City continues to use CDBG funds to fund energy efficiency programs. The city will continue to fund the energy efficient program as CDBG funds allow.</p>
<p>Program 3.A.6 The City has received no complaints regarding any discriminatory actions and will continue to enforce all fair housing law. The City Manager is responsible for addressing and/or referring fair housing complaints and questions to the Fair Housing Council of Orange and/or HUD. The City will provide information on fair housing rights and responsibilities, and seek to remedy known acts of discrimination within the community. The City will disseminate fair housing information at City Hall and throughout Laguna Woods in a variety of community</p>	<p>Ongoing: The City provides information about fair housing laws and procedures on request.</p>

HOUSING ELEMENT

places.	
<p>Objective 4: Facilitate housing, transportation and physical accommodations to aid persons with disabilities.</p>	
<p>Policy 4.A: Maintain zoning/development standards that guide development of affordable housing near public transportation, and promote project designs that are accessible and accommodating to the disabled.</p>	
<p>Program 4.A.1 Establish reasonable accommodation procedures in the Zoning Ordinance and as applicable, the Building Code, to provide disabled individuals or households equal housing opportunity through residential unit modifications intended to improve mobility and accessibility, and to provide the flexibility necessary for developing housing for individuals with disabilities.</p>	<p>Implemented: In 2013 the City adopted a reasonable accommodations ordinance to improve mobility and accessibility, and to provide the flexibility necessary for developing housing for individuals with disabilities.</p>
<p>Program 4.A.2 Partner with property owners to identify and accomplish the retrofit of dwelling units and common facilities for handicapped accessibility. The City will participate at board meetings of the housing mutuals and the Golden Rain Foundation, the principal property owners in the City, to encourage retrofitting.</p>	<p>Not Yet Implemented: While City officials often meet with the representatives of major property owners, a mutual approach to promoting retrofitting within the community is yet to be developed.</p>

PROGRESS TOWARD 2006-2014 REGIONAL HOUSING NEEDS ASSESSMENT ALLOCATION

In accordance with State Housing law, the Southern California Association of Governments (SCAG) has prepared a Regional Housing Needs Assessment (RHNA) that quantifies the existing and future needs for housing in each jurisdiction in the SCAG region. In accordance with State Housing law, SCAG

HOUSING ELEMENT

prepared a RHNA that quantifies the need for housing in each jurisdiction in the SCAG region between 2006 and 2014. The RHNA provides estimates of existing and future housing needs. The existing need is determined from information about current residents, including the number of extremely low and low income families paying more than 30% of income for housing; future need is based on projected growth in the number of households and the number of units needed to maintain a target vacancy rate. State law requiring that new, affordable housing not be concentrated in existing low income neighborhoods also guides the geographic distribution of RHNA dwelling units.

The RHNA consists of two measurements of housing need: (1) existing need and (2) future need. The existing need assessment examines key variables in the most recent Census to measure ways in which the housing market is not meeting the needs of current residents. These variables include the number of low-income families overpaying for housing, as well as severe overcrowding. Future need is based on projected growth in the number of households and the number of units needed to maintain a target vacancy rate.

The RHNA units broken down into the following affordability levels:

- Very Low Income (0-50% MFI)
- Lower Income (51-80% MFI)
- Moderate Income (81-120% MFI)
- Above Moderate income (120+% MFI)

These income levels are based on a percentage of the County’s median income for a four person family (\$78,700 in 2007) and are adjusted for family/household size. The table below identifies the income limits of each category, as established by the California Department of Housing and Community Development, for Laguna Woods during the 2006-2014 RHNA cycle.

Annual Income Limit by Household Size

Income Category	1 Person	3 Person	4 Person	5 Person
Very Low Income	27,550	35,400	39,350	42,500
Lower Income	38,570	49,560	55,090	59,500
Moderate Income	60,610	777,880	86,570	93,500

Source: City of Laguna Woods Housing Element, amended January 21, 2009

HOUSING ELEMENT

The allocation for new construction units by income category for the City for the period of 2006-2014 is indicated in the following table:

Total Construction Need by Income 2006-2014

Very Low	Low	Moderate	Above Moderate	Total
25	23	27	60	135
19%	17%	20%	44%	100%

Source: City of Laguna Woods Housing Element, January 21, 2009

The City has a site that is approximately 3.3 acres zoned High Density Residential to provide opportunities to accommodate the previous RHNA allocation. This site still remains undeveloped.

The City continues to advance policy to meet existing and future housing need and satisfy the intent of the Housing Element. In an effort to ensure that new development provides its fair share of affordable housing, City staff has added inclusionary housing standards in the City’s municipal code.

APPROPRIATNESS OF PREVIOUS HOUSING ELEMENT GOALS, POLICIES AND PROGRAMS

The 2008-2014 housing element established a comprehensive and firm basis for the City to move forward towards the achievement of the element’s goals and policies, and programs. As a result many of the programs were achieved or implemented as shown in the table in the previous section. Some major accomplishments of the previous housing element were:

- Implementing an Inclusionary Housing Ordinance
- Implementing a Reasonable Accommodations Ordinance
- Ensuring compliance with the Density Bonus regulations
- Establishing guidelines for homeless shelters and transitional housing
- Acquiring funding for the improvement of existing affordable housing through CDBG grants
- Completion of the San Sebastian residential project which added 134 new units of which 15 are affordable

HOUSING ELEMENT

Of the programs that have not been fully implemented this was largely as a result that the City could not initiate them independently. The implementation of the Village Activities Center Specific Plan (formerly the Urban Activities Center Specific Plan) required a submittal from the property owner. However, the property owner has been working with the City to get a plan approved. Another item is the development of the one parcel designated within the City to accommodate the City's RHNA allocation. Since the City is not in the position to be a residential developer nor is it the owner of the subject property the development of the property is largely at the discretion of the property owner.

As a result of the implementation of the 2008-2014 Housing Element several programs were able to be removed due to their full implementation and programs that are ongoing will continue to operate accordingly. With a change in development outlooks and paradigms since the last housing element update the major change and new program to be implemented in this housing element is accommodating for the development of mixed use (residential/commercial) development on commercially zoned sites.