



May 17, 2021

**Regarding: May 19, 2021 City Council Meeting Agenda Item #8.1 - Regional Housing Needs Assessment (RHNA) and General Plan Housing Element Update**

Dear Mayor Horne, Mayor Pro Tem Moore and Councilmembers Connors, Hatch and Tao,

I write both as a resident of Laguna Woods and as Chair of the Welcoming Neighbors Home Initiative - a ministry of the Tapestry Unitarian Universalist Congregation. Our congregation has many members who live in Laguna Woods. Our ministry works to end and prevent homelessness by advocating for more affordable housing in South OC – including in Laguna Woods. We are especially concerned by a growing segment of homelessness – that of older women. There are too many residents in Laguna Woods who are at risk of losing their homes and need more affordable housing options.

**Three important requests up front.**

- 1) **Please use a track changes method as your team goes through its DRAFT revisions, so content changes can be apparent to the reader.**
- 2) Can you **provide us with an electronic file of the site inventory**, i.e., a spreadsheet so we may conduct our own analysis?
- 3) **We are requesting confirmation from the City that it will allow a public review period of at least 30 days before any version of the revised Housing Element (HE) – either the Draft HE or FINAL HE – is transmitted to HCD.** The city should publicly announce the dates for the commencement and end of the review period.

In reviewing the May 14, 2021 Laguna Woods Housing Sites Inventory Scenario in the May 19<sup>th</sup> [Laguna Woods City Council agenda](#) (page 165 of the PDF), we are struck by the fact that all but one site listed has existing structures on it, only one site is vacant.

- What affordability levels does the city envision assigning to these sites?
- What analysis has the staff or consultant done to assess the feasibility of these sites?

We are concerned that these sites are not feasible or realistic.

According to the California State Office of Housing & Community Development [Housing Element Completeness Checklist](#) – If nonvacant sites accommodate 50% or more of the lower income RHNA, the city will need to **“demonstrate the existing use is not an impediment to**

**additional development and will likely discontinue in the planning period, including adopted findings based on substantial evidence”.**

In addition, the checklist states:

**Nonvacant Sites Analysis:** *For nonvacant sites, demonstrate the potential and likelihood of additional development within the planning period based on extent to which existing uses may constitute an impediment to additional residential development, past experience with converting existing uses to higher density residential development, current market demand for the existing use, any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development on these sites.*

We realize that you are still early in the process of completing the update to the Housing Element. We urge you to be creative and intentional in meeting the need for more affordable housing in Laguna Woods – especially for those with extremely- low- incomes (e.g. \$28,250 and below) and very- low- incomes (\$47,100 and below). We ask this because half of the 10, 440 households in Laguna Woods with people over age 62 fall into the “Very Low Income” range.

Number of Persons in Household:		1	2	3	4	5	6	7	8
Orange County Area Median Income: \$106,700	Extremely Low	28250	32300	36350	40350	43600	46850	50050	53300
	Very Low Income	47100	53800	60550	67250	72650	78050	83400	88800
	Low Income	75300	86050	96800	107550	116200	124800	133400	142000
	<b>Median Income</b>	74700	85350	96050	<b>106700</b>	115250	123750	132300	140850
	Moderate Income	89650	102450	115250	128050	138300	148550	158800	169050

Source: <https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/income%20limits%202021.pdf>

### Elderly Households by Income and Tenure

		Owner	Renter	Total	Percent of Total Elderly Households:
Income category, relative to surrounding area:	< 30% HAMFI	1,955	885	2,840	27.2%
	30-50% HAMFI	1,790	565	2,355	22.6%
	50-80% HAMFI	1,880	450	2,330	22.3%
	80-100% HAMFI	915	150	1,065	10.2%
	> 100% HAMFI	1,450	400	1,850	17.7%
<b>TOTAL</b>		<b>7,990</b>	<b>2,450</b>	<b>10,440</b>	

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

Statute requires analysis of specialized housing needs, including housing needs for seniors. Federal housing data define a household type as 'elderly family' if it consists of two persons with either or both age 62 or over. Of Laguna Woods's 10,440 such households, 27.2% earn less than 30% of the surrounding area income, (compared to 24.2% in the SCAG region), 49.8% earn less than 50% of the surrounding area income (compared to 30.9% in the SCAG region).

Source: [SCAG Pre-Certified Local Housing Data for the City of Laguna Woods, August 2020.](#)

Here are some ideas for your consideration:

- Creatively use public lands – e.g. partnering with a non-profit affordable housing developer, such as Jamboree or National CORE, to build an affordable housing complex over city hall.
- Re-consider the plan to not use open space. The reliance the current site scenario places on sites with existing structures suggests you may need to be more flexible with regard to this position.
  - The following are parcels of land that are currently vacant that we ask you to consider zoning for extremely- low- income and very- low- income housing.

By the stables - Parcel # 62113135  
3.41 acres, Open space

By the Towers in Laguna Woods Village – Parcel # 58602149  
Open space, passive, Owned by the County

Near Clubhouse 7 – Parcel # 61601202  
Community and commercial, 2.94 acres,  
owned by El Toro Water District

Behind Laguna Woods Administration building - Parcel #  
61601217  
7.22 acres, open space recreation, privately owned

- Increase mixed use zoning throughout the city that allows for substantial numbers of housing units when developing nonresidential land.
  - Due to the limited availability of new residential zoned sites, more mixed-use zoning can increase housing development opportunities, as well as offer convenience and a small community atmosphere for the residents.
  - New housing sites can be incorporated into re-vitalization of sites when older commercial buildings or housing complexes are being renovated or upgraded.
  - Consider underutilized buildings. As one example, we note there appears to be an empty or underutilized building next to McCormick and Son Mortuary. Has the city explored with the owner the possibility of selling this site to an affordable home developer? Is this site zoned for housing?

### **Additional Recommendations**

#### **1) Institute an Inclusionary Housing policy**

- a) **Require** all housing development projects to have 15% of units as affordable, dedicated for extremely -low (5%), very -low (5%), and low-income (5%) residents. This will be a critical element for meeting RHNA goals over the next 8 years.

- 2) **Identify land sites in the city that can be repurposed and rezoned to increase opportunity for more housing for very low-income residents.**
- a) **Consider adopting an [Adaptive Reuse Ordinance](#)** such as the one used by the city of Santa Ana<sup>1</sup> that streamlines the regulatory process for converting non-residential buildings into affordable housing. This ordinance applied in the building of the [Santa Ana Arts Collective](#).<sup>2</sup>
  - b) **Other Fiscal Incentives:** Emphasize, promote, and encourage the use of incentives available to those developers that include affordable housing. Typical incentives include waivers or reductions in fees, low interest loans or subsidies, and financial or mortgage assistance for acquisition of property.
  - c) **Proactively develop relationships with non-profit housing developers.** Such a partnership could yield millions of dollars in matching funds from state and federal housing funds and specialty mortgages for building affordable housing for extremely-low, very-low, and low-income. These specialty builders can work alone or with market rate builders, enabling a faster, more cost-effective outcome.
    - i) **Today's non-profit developers have honed their abilities** to build attractive, quality housing cost effectively for low wage workers and their families. *These affordable communities are very different from the low-income housing erected 30-60 years ago!*
    - ii) **Some examples of these developments** include: Mendocino in Talega (San Clemente), Heritage Village (Mission Viejo), Alice Court (Laguna Beach) by Jamboree, and Oakcrest Terrace (Yorba Linda) by National Core. Generally, tours can be arranged to get an up-close look at results. Developments include new from the ground up as well as rehabilitation of older existing buildings.
      - (1) Jamboree : <https://www.jamboreehousing.com/blogs/affordable-housing-developer-partner>
      - (2) National CORE OC sites: <https://nationalcore.org/portfolio/california-communities/orange-county-ca/>
- 3) **Ease Governmental constraints for developers who build Inclusionary housing.**
- a) **Streamlined Procedural Incentives:** Emphasize processes/procedures like the consolidation of applications to one hearing, fast-tracking of design, and review and inspections with priority processing and scheduling for interim inspections.
  - b) **Reduction in Development Standards:** Offer a reduction in setback and square footage requirements and in the ratio of required vehicle parking.

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<sup>1</sup> [https://www.santa-](https://www.santa-ana.org/sites/default/files/pb/planning/Counter%20Forms/Adaptive%20Reuse%20Ord.%206.30.20.pdf)

<ana.org/sites/default/files/pb/planning/Counter%20Forms/Adaptive%20Reuse%20Ord.%206.30.20.pdf>

<sup>2</sup> <https://voiceofoc.org/2019/06/public-demand-for-affordable-artists-apartments-in-santa-ana-prompts-city-outreach-effort/>

**4) Prioritize getting access to affordable housing funding**

- a) Increased diligence to identify and access new funding sources, state and federal, to facilitate solutions. Due to the economic crisis, there is more need, and more funds are available now for support of affordable housing.
- b) Join the Orange County Housing Trust, to tap grants and loans for housing and support services, to enable successful transition for those without shelter.

Given the importance of the 6<sup>th</sup> Cycle Housing Element, Welcoming Neighbors Home representatives would like the opportunity to dialogue with Laguna Woods City staff and their Housing Element consultant on how to achieve a 6<sup>th</sup> Cycle Housing Element plan that includes improved policies and processes which will result in new affordable homes for people with extremely- low, very- low- and low-incomes.

In the meantime if you have any questions, please feel free to me at 609-216-1784 or at rona.s.henry@gmail.com.

Sincerely,

*Rona Henry*

Rona Henry, Laguna Woods Resident  
Chair, Welcoming Neighbors Home Initiative

Cc: Rev. Kent Doss, Minister, Tapestry, a Unitarian Universalist Congregation  
Chris Macon, Laguna Woods City Manager  
Cesar Covarrubias, Executive Director, Kennedy Commission  
Paul McDougall, David Navarrette, Marisa Prasse, Chelsea Lee - California State Housing and Community Development Office

## Appendix

From Page 165 the May 19<sup>th</sup> [Laguna Woods City Council agenda](#)

Due to a lack of evidence indicating a likelihood of redevelopment, properties located within, or owned by parties exclusively affiliated with, Laguna Woods Village were excluded from consideration.

Lower maximum densities were applied to properties abutting existing residential areas to promote greater compatibility in scale and massing. This scenario includes a variety of sites and maximum densities in order to avoid concentrating development opportunities in fewer, very high density locations.

Please note that **neither the Regional Housing Needs Assessment (“RHNA”) nor General Plan Housing Element Update processes require the City or any private property owner to construct housing or discontinue any existing non-housing use.**

<b>PROPERTIES PERMITTED TO BE DEVELOPED AS HOUSING (UP TO 100% HOUSING)</b>			
<b>Site Number</b>	<b>Existing Use</b>	<b>Maximum Density</b>	<b>Capacity (New Housing Units)</b>
1	Vacant lot near Town Centre	40 units per acre	65
2	Parking lot for Pacific Hills Calvary Chapel	40 units per acre	25
3	Rossmoor Electric	40 units per acre	44
4	Saddleback Golf Cars	40 units per acre	44
5	Laguna Woods Self Storage	40 units per acre	189
6	Animal Hospital	40 units per acre	27
7	PS Business Park (excludes Jack in the Box)	40 units per acre	103
8	Smart Parke	40 units per acre	85
9	McCormick & Son Mortuary	20 units per acre	25
10	Lutheran Church of the Cross	20 units per acre	54
11	Geneva Presbyterian Church	20 units per acre	71
12	Saint Nicholas Catholic Church	20 units per acre	83
13	Temple Judea	20 units per acre	31
14	Laguna Country United Methodist Church	20 units per acre	70
<b>PROPERTIES PERMITTED TO BE DEVELOPED AS MIXED USE (USES SIMILAR TO EXISTING AND UP TO 55% HOUSING)</b>			
<b>Site Number</b>	<b>Existing Use</b>	<b>Maximum Density</b>	<b>Capacity (New Housing Units)</b>
15	Medical building in Town Centre	40 units per acre	56
16	Willow Tree Center East (Olive Garden and South County Adult Day Services)	16 units per acre	25