Subject: FW: For Record: Public Comment re: Village at Laguna Hills -Update to Developer Agreement
Attachments: 2025-12-17_LH Village Dev Agreement Prposed Ammendment Comment Submitted.pdf

From: Rona Henry <rona.s.henry@gmail.com>
Sent: Wednesday, December 17, 2025 7:08 AM
To: Don Caskey <dcaskey@lagunahillsCA.gov>; Jared Mathis <jmathis@lagunahillsCA.gov>; Jennifer Lowe <jlowe@lagunahillsCA.gov>
Cc: Cesar Covarrubias <cesarc@kennedycommission.org>; Dave Wheeler <dwheeler@lagunahillsCA.gov>; Erica Pezold <epezold@lagunahillsCA.gov>; Joshua Sweeney <jsweeney@lagunahillsCA.gov>; Cithlalli Ramirez <cithlallir@kennedycommission.org>; Alejandra Perez Matus <alejandrap@kennedycommission.org>; Rudy Barbosa <rudibeb@uci.edu>; Cynthia Marquez <cynthiam@kennedycommission.org>; Rev Jason Cook <rev@tapestryuu.org>; Ann Owens <annowens@cox.net>; Sheryl Sterry <stranggefruit@gmail.com>; Ryan Lenney <ryanalenney@gmail.com>; Denise Legters <denise.s.legters@gmail.com>; Marcella Lawson <marcellajk@gmail.com>; Cesi Cesilia Vega G <cesivegag@gmail.com>
Subject: For Record: Public Comment re: Village at Laguna Hills -Update to Developer Agreement

Attached please find our public comment regarding the proposed update to the developer agreement for *Village at Laguna Hills* - sent on behalf of Welcoming Neighbors Home, the Kennedy Commission and the Homes for All South OC Coalition.

Thank you for considering our input. Happy holidays!
Rona

Rona Henry
Chair, Welcoming Neighbors Home Initiative
Tapestry, a Unitarian Universalist Congregation
rona.s.henry@gmail.com 609-216-1784

To: Mayor Pro Tem Don Caskey
Councilmember Jared Mathis
Jennifer Lowe, Laguna Hills Community Development Director
From: Rona Henry, Chair, Welcoming Neighbors Home
Cesar Covarrubias, Executive Director, Kennedy Commission
Date: December 17, 2025
RE: Village at Laguna Hills – Development Agreement Revision

We are writing on behalf of Welcoming Neighbors Home, an affordable housing ministry of Tapestry Unitarian Universalist Congregation (with members who live in Laguna Hills), the Kennedy Commission, a community-based non-profit that works with residents and community organizations to increase the production of homes affordable to lower income households in Orange County, and Homes for All South OC – a coalition of South Orange County residents who advocate for affordable housing.

We think the *Village at Laguna Hills* is a critical site for the City to realize its RHNA goals for lower income housing. Our analysis of the Laguna Hills 6th Cycle Housing Element Tables H-47 and H-48B which shows planned housing for lower income units versus the housing applications listed on the City's Planning Division's webpages showed that outside the *Village at Laguna Hills* project, **only 42 lower income units are being considered for approval** – and *only a portion of these are Very-Low-Income units*. *(<u>See the Projected vs In-Progress Lower Income Units Chart in the **NOTES below**</u>*.)

Given that the City's **<u>Very-Low-Income RHNA goal of 568 units</u>, it's extremely important to require that the Village site deliver the very much needed Very-Low-Income units to achieve the RHNA goal – and most importantly to meet the needs of Laguna Hills residents and workers**. By the City not creating more affordable units on these key sites, it may create a No Net Loss scenario for affordable housing. **This could put the City at risk of being out of compliance with their Housing Element and it may be forced to identify and rezone additional sites to meet their lower income RHNA.**

We understand that with Merlone Geier's proposed amendment to the development agreement, there would be 200 units (and possibly a few more) affordable at an AMI of 70% or less. However, there is no specificity about what the breakdown will be between very-low and low-income units - *and this should be part of any development agreement*.

We are generally in support of the part of Merlone Geier's proposal to revise the development agreement for the Village at Laguna Hills to include a donation of 2 acres of land for the development of a 100% Affordable Housing building – assuming:

- **it gets built in the earliest phase of the project**
- **that there is a 55-year deed restriction**
- **that that distribution of units is 50% very-low-income and extremely low-income and 50% low-income**
- **that it be intergenerational with 50% of the units for seniors and 50% of the units for families**
- **that there is accountability to ensure that it gets built in the earliest phase and there are regular reports to ensure the units are occupied by residents with low, very-low and extremely low incomes.**

We ask that you consider requiring this affordable project be put out to bid to ensure that there is the best possible affordability and programming at that site. We ask that you include the above listed requirements in any revised development agreement.

We **encourage the City to work with the developer to leverage essential funding to maximize creating very-low income units at this site** from sources such as the Orange County Housing Finance Trust, County of Orange, Affordable Housing Sustainable Communities Program (for projects near transportation hubs), additional city funding, low-income housing tax credits, housing vouchers and other sources.

We believe that site is an ideal site for intergenerational housing – similar to Wesley Village built by Jamboree Housing, because it's close to amenities such as a grocery store and other shopping, healthcare providers and a bus depot. With Saddleback Hospital and the nearby healthcare offices, plus retail shops and city government offices, this site would provide housing that would allow workers to be able to live close to these critical job centers - which include many service sector jobs which tend to be lower paying.

We welcome the opportunity to discuss the project with you further. Rona Henry can be reached at rona.s.henry@gmail.com and Cesar Covarrubias can be reached at cesarc@kennedycommission.org.

NOTES:

The HCD approved Laguna Hills 6th Cycle Housing Element can be found here: (https://www.lagunahillsca.gov/DocumentCenter/View/8352/LagunaHills_March24Readoption_Clean?bidId=),

The Laguna Hills **Regional Housing Needs Allocatio**n (RHNA) for the 6th Cycle is as follows:
Total – 1985
Very-Low-Income – 568, Low-Income – 353, Moderate-Income – 354 and Above-Moderate-Income – 710.

Per the City's latest annual progress reports to HCD, permits have been approved at *Village at Laguna Hills* for 100 low income units and 100 moderate income units. We note several project applications are *in progress - and may have already been approved*.

<table>
<tr><td colspan="4">Projected vs In-Progress Lower Income Units in Laguna Hills
(Outside the Village at Laguna Hills)</td></tr>
<tr><td>Property</td><td>Projected # Affordable Units</td><td># Affordable Units per In-progress Applications</td><td>Shortfall per Housing Element projections</td></tr>
<tr><td>Oakbrook Plaza</td><td>50 Moderate</td><td>0</td><td>50</td></tr>
<tr><td>23272 Millcreek</td><td>63 Lower</td><td rowspan="5">24 Very-Low Income</td><td rowspan="5">172</td></tr>
<tr><td>23282 Millcreek</td><td>58 Lower</td></tr>
<tr><td>23422 Millcreek</td><td>25 Lower</td></tr>
<tr><td>23382 Millcreek</td><td>25 Lower</td></tr>
<tr><td>23332 Millcreek</td><td>25 Lower</td></tr>
<tr><td>TOTAL</td><td>246 Projected</td><td>24 In-progress</td><td>222 Shortfall</td></tr>
<tr><td>La Paz Village (Builder's Remedy Project)</td><td>0</td><td>18 Low & Very Low</td><td></td></tr>
<tr><td>Total with Builder's Remedy Project</td><td></td><td>42 Lower Income Units</td><td></td></tr>
</table>

We understand that the La Paz Village Senior Living project (at 25250-25254 La Paz Road – Builders Remedy project) has 180 units and will have 10% (18 units) that are low-come or very low-income.

Table H-47 – Anticipated Projects (which can be found on PDF Page 203, Housing Element Page H-199) shows that 50 moderate income units were planned for the Oakbrook Village project. Per the applicant resubmittal letter dated February 9, 2024, this 240 “age-restricted” multi-family project will not include any affordable units.

Table H-47
Anticipated Projects

Map ID #	Location	APN	Address	Zoning and General Plan	Acres	Minimum Density (units/acre)	Current Maximum Density (units/acre)	Lower Income Units	Moderate Income Units	Above Moderate Income Units	Total Units	Existing Uses	Area
1	Oakbrook Village	62049121	West side of Avenida de la Carlota, north of Los Alisos Blvd.	VC	13.35	30	50	0	50	150	200	Strip Mall	UVSP
2	Village at Laguna Hills	62114181	24100 and 24126 Laguna Hills Mall 23531 and 24300 Calle De La Louisa 24032 El Toro Road 24102 Ronda Del Rossmoor	VC	3.19	30	50	100	350	713	1,163	Retail, restaurants and services	UVSP
		62105129		VC	15.41	30	50						UVSP
		62114150		VC	1.89	30	50						UVSP
		62114153		VC	0.63	30	50						UVSP
		62105133		VC	16.43	30	50						UVSP
		62114154		VC	1.80	30	50						UVSP
		62114158		VC	1.29	30	50						UVSP
		62114155		VC	1.20	30	50						UVSP
		62114149		VC	2.42	30	50						UVSP
		62105135		VC	12.23	30	50						UVSP
		62114151		VC	3.53	30	50						UVSP
		62105125		VC	2.18	30	50						UVSP
		62105134		VC	2.11	30	50						UVSP
3	Planned Community Via Lomas (PCV)	62521105	South side of Via Lomas, between Moulton Pkwy. and Alicia Pkwy.	PCR	16.73	N/A	24 units/ ac. on a project; average of 15.3 units/ ac. across PCR zone	0	0	250	250	Residential	Via Lomas
	TOTAL				**94.39**			**100**	**400**	**1,113**	**1,613**		

VC = Village Commercial
UVSP = Urban Village Specific Plan
PCR = Planned Community Residential

Per the Housing Element Table H-48B – Underutilized, Candidate Rezone Sites (found on PDF pages 207-207, Housing Element Pages H-203-H-204) a total of 786 lower income units were planned for the Millcreek Drive properties.

According to the Completeness Review Letter dated February 21, 2025, the Terravita Project (Located at 23272, 23282, 23422, 23382, 23332 Mill Creek Drive; 24461,24411 Ridge Route Drive) **will include 24 very-low income units while it was projected that these properties would include 196 lower income units.**

> “The project includes 254 attached single-family units and 210 multi-family units. The single-family units include duets (46 units), duplexes (108 units), and triplexes (108 units), which are all three stories in height. The multi-family building is five stories in height with 210 apartment units wrapped around a parking structure. Twenty-four of the total units will be restricted for very low-income households.”

According to the Completeness Review Letter dated February 28, 2025, the 23161 Millcreek (Toll Brothers/Khoshbin) project (which did not appear to be included in the Housing Element) will contain **2 very low income projects**.

> "The project includes developing 36 attached condominium units within 18 buildings. Every unit proposed is a three-story, four-bedroom, four bathroom, a unit size ranging from 1,991 square feet to 2,033 square feet. Two units are proposed to be restricted for very low-income households, and the project has been designed to incorporate certain incentives/concessions and waivers or reductions of development standards pursuant to the State Density Bonus Law."

Table H-48B
Underutilized, Candidate Rezone Sites

Map ID #	APN	Address	Zoning/ General Plan	Acres	Minimum Density (units/ acre)	Current Maximum Density (units/ acre)	Proposed Maximum Density (units/ acre)	Realistic Capacity (Percent Maximum)	Lower Income Units	Existing Uses	Potential for Lot Consolidation	Area
70	58814208	23201 Mill Creek Dr 3	MXU	1.77	N/A	20	50	0.70	62	Commercial		North Laguna Hills
71	58814108	23212 Mill Creek Dr	MXU	1.01	N/A	20	50	0.70	35	Commercial		North Laguna Hills
81	58814111	23272 Mill Creek Dr 330	MXU	1.81	N/A	20	50	0.70	63	Commercial		North Laguna Hills
87	58814112	23282 Mill Creek Dr 100	MXU	1.66	N/A	20	50	0.70	58	Commercial		North Laguna Hills
113	58816112	23330 Mill Creek Dr	MXU	0.35	N/A	20	50	0.70	12	Commercial	Yes	North Laguna Hills
	58816110	23332 Mill Creek Dr	MXU	0.70	N/A	20	50	0.70	25	Commercial	Yes	North Laguna Hills
	58816109	23382 Mill Creek Dr	MXU	0.71	N/A	20	50	0.70	25	Commercial	Yes	North Laguna Hills
	58816108	23422 Mill Creek Dr	MXU	0.71	N/A	20	50	0.70	25	Commercial	Yes	North Laguna Hills
	58816107	24411 Mill Creek Dr	MXU	0.57	N/A	20	50	0.70	20	Commercial	Yes	North Laguna Hills

Table H-48B Underutilized, Candidate Rezone Sites												
Map ID #	APN	Address	Zoning/ General Plan	Acres	Minimum Density (units/ acre)	Current Maximum Density (units/ acre)	Proposed Maximum Density (units/ acre)	Realistic Capacity (Percent Maximum)	Lower Income Units	Existing Uses	Potential for Lot Consolidation	Area
	58816106	24461 Mill Creek Dr	MXU	0.29	N/A	20	50	0.70	10	Commercial	Yes	North Laguna Hills
	58816113	23330-24461 Mill Creek Dr	MXU	12.89	N/A	20	50	0.70	451	Commercial	Yes	North Laguna Hills
63	58811119	23172 Plaza Pointe Dr	MXU	1.94	N/A	20	50	0.70	68	Commercial		North Laguna Hills
90	58811117	23441 S Pointe Dr	MXU	1.93	N/A	20	50	0.70	68	Commercial		North Laguna Hills
99	58811113	23342 S Pointe Dr B	MXU	1.69	N/A	20	50	0.70	59	Industrial		North Laguna Hills
106	58811116	23421 S Pointe Dr	MXU	1.45	N/A	20	50	0.70	51	Commercial		North Laguna Hills
			Total	**29.48**					**1,032**			

Jennifer Lee

From:	Alejandra Perez Matus <alejandrap@kennedycommission.org>
Sent:	Thursday, December 18, 2025 2:45 PM
To:	Jennifer Lee; Kayle McDonald; Joshua Sweeney; Don Caskey; Dave Wheeler; Erica Pezold; Jared Mathis
Cc:	Cesar C; Kennedy C
Subject:	Village at Laguna Hills
Attachments:	Village at Laguna Hills.pdf

Hi,

On behalf of the Kennedy Commission I am writing to submit a letter of public comment regarding the Village at Laguna Hills. We understand there is no Item on an agenda regarding this yet but we would still like for this letter to reach the city council members as well as the members of the ad-hoc committee on this subject.

Thanks,

Alejandra Perez Matus
Project Manager
THE Kennedy COMMISSION

THE Kennedy COMMISSION
www.kennedycommission.org
17701 Cowan Ave., Suite 200
Irvine, CA 92614
949 250 0909

December 17, 2025

Mayor Joshua Sweeney
Members of City Council
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

RE: Village at Laguna Hills – Proposed Revisions to the Development Agreement

Dear Honorable Mayor Sweeney and Members of the City Council,

The Kennedy Commission (the Commission) is a broad-based coalition of residents and community organizations that advocates for the production of homes affordable for families earning less than $30,000 annually in Orange County. Formed in 2001, the Commission has been successful in partnering and working with Orange County jurisdictions to create effective housing and land-use policies that have led to the new construction of homes affordable to lower-income working families.

We appreciate the opportunity to provide comments on the proposed amendment to the Development Agreement for the Village at Laguna Hills project. As one of the most significant housing opportunity sites in the City, this project will play an essential role in whether Laguna Hills can meet its 6th Cycle Regional Housing Needs Allocation (RHNA), especially for very low-income households who face the most severe shortages and highest rates of housing cost burden.

The Village Site Is Critical to Meeting the City's RHNA Obligations

Based on our review of the City's certified Housing Element, including Tables H-47 and H-48B, and the development activity currently tracked by the Planning Division, the City has extremely limited lower-income housing in the pipeline outside of the Village at Laguna Hills project. Current applications for other sites are projected to produce only **42 lower-income units**, and only a small number of these are reserved for **very-low-income households**.

With a RHNA obligation of **568 units for very-low-income households**, Laguna Hills must rely on the Village site to meet the bulk of its requirement. If the City does not secure significantly more very-low-income units on this site, it risks triggering a **No Net Loss** finding and jeopardizing compliance with its certified Housing Element—potentially requiring the City to rezone or identify additional sites to accommodate unmet lower-income needs.

Specific Affordability Requirements Must Be Included in the Development Agreement

We understand that Merlone Geier is proposing approximately 200 units affordable at 70% AMI or below, as well as a two-acre land donation for a 100% affordable housing development. While these commitments are a starting point, the proposal lacks the specificity and enforceability necessary to satisfy the City's legal obligations and community needs.

To ensure that the Village at Laguna Hills delivers meaningful, guaranteed affordability, the Commission strongly recommends that the revised Development Agreement include:

- **A defined unit breakdown**, including a meaningful share of units restricted at the **very-low** and **extremely-low** income levels.
- **A requirement that the 100% affordable project be constructed in the earliest phase** of development.
- **A minimum 55-year affordability covenant** for all income-restricted units.
- **An intergenerational housing model** that includes both senior and family units (ideally a 50/50 distribution).
- **Clear accountability measures**, including regular reporting to ensure affordable units are delivered and occupied by qualifying households.
- **A competitive process to select a qualified nonprofit affordable housing developer** for the two-acre site to maximize affordability and community benefit.

These measures are essential for ensuring the City secures durable, enforceable affordability rather than depending on voluntary commitments or nonbinding assumptions.

Opportunities to Leverage Funding and Create Deeper Affordability

The Village site is uniquely positioned to accommodate high-quality, deeply affordable housing due to its proximity to essential services, retail, healthcare, transit access, and major employment centers—including Saddleback Hospital and surrounding healthcare and service-sector jobs.

The City should work with the developer to pursue critical funding sources that can be leveraged to expand the amount of very-low-income housing on the site, including:

- Orange County Housing Finance Trust

- County of Orange housing programs and funds
- Affordable Housing and Sustainable Communities (AHSC) Program
- Low-Income Housing Tax Credits
- Project-based vouchers and other subsidy programs

This location is ideal for intergenerational affordable housing similar to successful developments like Wesley Village in Garden Grove—projects that demonstrate how thoughtful design can create vibrant, multigenerational communities near jobs and services.

Ensuring Housing Element Compliance and Long-Term Community Benefit

Laguna Hills has a rare opportunity to utilize a major development to both meet legal obligations and respond to the real housing needs of its residents and workforce. Strong affordability requirements within the revised Development Agreement are essential to avoiding No Net Loss findings, ensuring Housing Element compliance, and fulfilling the City's commitment to creating inclusive housing opportunities.

We urge the City Council to incorporate the recommendations outlined above into any approval of amendments to the Development Agreement.

Thank you for your consideration of these comments. The Kennedy Commission remains available to collaborate with City staff and the developer to help the City meet its goals. Should you have any questions, please feel free to contact me at (949) 250-0909 or cesarc@kennedycommission.org.

Sincerely,

Cesar Covarrubias
Executive Director